CITY OF PALM DESERT

PALM DESERT CITY COUNCIL (CC),
SUCCESSOR AGENCY TO THE PALM DESERT REDEVELOPMENT AGENCY (SA),
AND HOUSING AUTHORITY (HA) MEETING
(HYBRID MEETING)

73-510 FRED WARING DRIVE
PALM DESERT, CA 92260

REGULAR MEETING AGENDA
Thursday, November 17, 2022

2:00 p.m. Study Session
2:30 p.m. Closed Session
4:00 p.m. Regular Session

Pursuant to Assembly Bill 361, this meeting may be conducted by teleconference. There will be in-person access to the meeting location.

WATCH THE MEETING LIVE: Watch the City Council meeting live at the City's website www.cityofpalmdesert.org, under the "Council Agenda" link at the top of the homepage, or on the City's YouTube Channel.

OPTIONS FOR PARTICIPATING IN THIS MEETING: Attend the meeting in our Council Chamber at the Palm Desert Civic Center, 73-510 Fred Waring Drive, Palm Desert, CA 92260. To participate by email, internet, or phone, please see the detailed instructions on the last page of this agenda.

CLOSED SESSION: 2:30 P.M.

CALL TO ORDER

PUBLIC COMMENT FOR CLOSED SESSION ITEMS ONLY: This time has been set aside for members of the public to address the City Council on items contained only on the Closed Session Agenda within the three-minute time limit. Speakers may attend in person or utilize one of the three options listed on the last page of this agenda.

RECESS TO CLOSED SESSION

CLOSED SESSION AGENDA

A. Closed Session Meeting Minutes: October 27, 2022

B. Conference with Real Property Negotiator pursuant to Government Code Section 54956.8:

1. Property Description: Viridian, 18.73-acre site, located on Desert Willow Drive, northwest of Market Place (APNs 620-450-012, 013, 014)
   Agency: Successor Agency
   City Negotiator: Todd Hileman/Eric Ceja
   Negotiating Parties: Family Development Group, Inc.
   Under Negotiation: Price and Terms

2. Property Description: 73-710 Fred Waring Drive, Suites 100, 103, 106, 108, 116, 120, 201, 203, 208, 211 and 217, 220 and 73-720 Fred Waring Drive, Suite 100
   Agency: City of Palm Desert
   City Negotiator: Todd Hileman/Chris Escobedo/Eric Ceja
   Negotiating Parties: Lift to Rise/Paul Golden Construction/Advantech/Act for MS/ Virginia Waring International Piano Competition/State of California Department of Food and Agriculture/State of California Water Resources Board
   Under Negotiation: Price and Terms

3. Property Description: 72-880 Highway 111, Palm Desert (APN 640-120-020)
   Agency: City of Palm Desert
   City Negotiator: Todd Hileman/Martin Alvarez/Eric Ceja
   Negotiating Parties: Seritage SRC Finance
   Under Negotiation: Price and Terms

C. Conference with Legal Counsel regarding Significant Exposure to Litigation pursuant to Government Code Section 54956.9(d)(2):

Four (4) matters that, under the existing circumstances, the City Attorney believes create significant exposure to litigation.

4:00 P.M. REGULAR MEETING

ROLL CALL

PLEDGE OF ALLEGIANCE: Councilmember Quintanilla

INSPIRATION/INVOCATION: Mayor Pro Tem Jonathan

REPORT OF CLOSED SESSION: City Attorney Hargreaves

AWARDS, PRESENTATIONS, AND APPOINTMENTS:

A. PROCLAMATION – ROSIE CASALS

B. PROCLAMATION – BUFORD CRITES

C. PROCLAMATION – BOARDS, COMMITTEES AND COMMISSIONS RECOGNITION

D. PROCLAMATION – EL PASEO JEWELERS

E. PRESENTATION – ANGEL FORCE USA

F. PRESENTATION – CALIFORNIA DEPARTMENT OF INSURANCE

G. OUTGOING COMMENTS FROM MAYOR PRO TEM JONATHAN

CITY MANAGER COMMENTS

MAYOR/COUNCILMEMBER REPORTS AND REQUESTS FOR ACTION

NON--AGENDA PUBLIC COMMENTS: This time has been set aside for the public to address the City Council on issues that are not on the agenda for up to three minutes. Speakers may attend in person or utilize one of the three options listed on the last page of the agenda. Because the Brown Act does not allow the City Council to act on items not listed on the agenda, members may briefly respond or refer the matter to staff for a report and recommendation at a future meeting.

1. **CONSENT CALENDAR:** All matters listed on the Consent Calendar are considered routine and may be approved by one motion. The public may comment on any items on the Consent Agenda within the three-minute time limit. Individual items may be removed by the City Council for a separate discussion.

   A. APPROVAL OF FINDINGS RELATIVE TO AB361 – REMOTE TELECONFERENCING

   RECOMMENDATION: Find that the State of California continues in a Governor-declared state of emergency to combat the COVID epidemic, that state and local health officials are recommending social distancing, and that the City may continue to employ remote teleconferencing.

B. APPROVAL OF CITY COUNCIL, SUCCESSOR AGENCY, AND HOUSING AUTHORITY MINUTES

RECOMMENDATION: Approve the Minutes of October 27, 2022.

C. APPROVAL OF WARRANTS

RECOMMENDATION: Approve warrants issued for the period of September 7 through November 4, 2022.

D. RATIFY THE CITY MANAGER'S EXECUTION OF CONTRACT NO. A43960 WITH HORIZON LIGHTING, INC., FOR ELECTRICAL AND LIGHT SERVICES AT FIRE FACILITIES IN AN AMOUNT NOT TO EXCEED $50,000 PER FISCAL YEAR

RECOMMENDATION: Ratify the City Manager's execution of Contract No. A43960 with Horizon Lighting, Inc., in an amount not to exceed $50,000 per year.

E. ADOPT RESOLUTIONS TO UPDATE AUTHORIZED SIGNERS FOR THE LOCAL AGENCY INVESTMENT FUND AND THE RIVERSIDE COUNTY TREASURER'S POOLED INVESTMENT FUND (Joint Consideration with Successor Agency to the Palm Desert Redevelopment Agency and Palm Desert Housing Authority)

RECOMMENDATION:

1. Adopt a Resolution (City) entitled, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM DESERT, CALIFORNIA, AUTHORIZING THE INVESTMENT OF MONIES IN THE RIVERSIDE COUNTY TREASURER'S POOLED INVESTMENT FUND AND IN THE LOCAL AGENCY INVESTMENT FUND AND RESCINDING RESOLUTIONS NO. 2022-03 AND 2022-18".
2. Adopt a Resolution (SARDA) entitled, "A RESOLUTION OF THE SUCCESSOR AGENCY TO THE PALM DESERT REDEVELOPMENT AGENCY AUTHORIZING THE INVESTMENT OF MONIES IN THE RIVERSIDE COUNTY TREASURER'S POOLED INVESTMENT AND IN THE LOCAL AGENCY INVESTMENT FUND AND RESCINDING RESOLUTION NUMBERS SARDA-091 AND SARDA -093".
3. Adopt a Resolution (HA) entitled, "A RESOLUTION OF THE PALM DESERT HOUSING AUTHORITY AUTHORIZING THE INVESTMENT OF MONIES IN THE RIVERSIDE COUNTY TREASURER'S POOLED INVESTMENT FUND AND RESCINDING RESOLUTION NO. HA-105".

F. APPROVE THE LIST OF SOCIAL MEDIA COMMEMORATIONS PLANNED FOR 2023

RECOMMENDATION: Approve the list of social media commemorations planned for 2023.

G. ADOPT RESOLUTION ACKNOWLEDGING RECEIPT OF THE ANNUAL REPORT MADE BY THE FIRE CHIEF OF THE RIVERSIDE COUNTY FIRE DEPARTMENT TO FULFILL THE REQUIREMENTS OF SECTIONS 13146.2 AND 13146.3 OF THE CALIFORNIA HEALTH AND SAFETY CODE

RECOMMENDATION: Adopt a Resolution acknowledging receipt of the annual report made by the Fire Chief of the Riverside County Fire Department to fulfill the requirements of Sections 13146.2 and 13146.3 of the California Health and Safety Code.

H. APPROVE A COOPERATIVE AGREEMENT WITH THE CITIES OF LA QUINTA AND INDIAN WELLS FOR THE OPERATION AND MAINTENANCE OF SHARED TRAFFIC SIGNALS AND SAFETY LIGHTING

RECOMMENDATION:
1. Approve a Cooperative Agreement with the cities of La Quinta and Indian Wells for the operation and maintenance of shared traffic signals and safety lighting.
2. Authorize the City Manager to finalize and execute the agreement.

I. ADOPT RESOLUTION TO AUTHORIZE THE DESTRUCTION OF OBSOLETE RECORDS FROM THE BUILDING & SAFETY DIVISION

RECOMMENDATION: Adopt a Resolution authorizing the destruction of obsolete records from the Building & Safety Division pursuant to the California Government Code Section 34090.

J. APPROVE SEVEN (7) MILLS ACT CONTRACTS FOR SANDPIPER CIRCLE CONDOMINIUMS LOCATED ON EL PASEO

RECOMMENDATION: Approve seven (7) Mills Act Contracts for Sandpiper Circle Condominiums located on El Paseo in accordance with Section 29.70.030 of the Palm Desert Municipal Code:
1. Circle 1: 121 Sandpiper Street – APN 640-240-014
2. Circle 2: 231 Sandpiper Street – APN 640-250-018
3. Circle 2: 242 Sandpiper Street – APN 640-250-011
4. Circle 3: 341 Sandpiper Street – APN 640-260-005
5. Circle 3: 352 Sandpiper Street – APN 640-260-003
6. Circle 3: 361 Sandpiper Street – APN 640-260-008
7. Circle 3: 363 Sandpiper Street – APN 640-260-007

K. ADOPT A RESOLUTION ESTABLISHING A WIND FENCE POLICY

RECOMMENDATION: Adopt a Resolution establishing a wind fence policy.

L. DECLARATION OF SURPLUS PROPERTY AND AUTHORIZE DISPOSAL

RECOMMENDATION: Declare the items identified as surplus property and authorize disposal as appropriate.

M. APPROVE THE EXPANSION OF THE UNITE PALM DESERT SECURITY CAMERA SYSTEM GRANT PROGRAM TO ALLOW BUSINESSES AND COMMERCIAL PROPERTY OWNERS TO BE REIMBURSED FOR SECURITY CAMERA SYSTEMS PURCHASED AND INSTALLED WITHOUT PRIOR APPROVAL FROM THE CITY

RECOMMENDATION: Approve the expansion of the Unite Palm Desert Security Camera System Grant program to allow businesses and commercial property owners to be reimbursed for security camera systems purchased and installed without prior approval from the City.

CONSENT ITEMS HELD OVER: Items removed from the Consent Calendar for separate discussion are considered at this time.

2. **ACTION CALENDAR:** The public may comment on individual Action Items within the three-minute time limit. Speakers may utilize one of the three options listed on the last page of the agenda.

A. AWARD A FIVE-YEAR CONTRACT TO THE CHRISTMAS KINGS FOR SEASONAL LIGHTING AND DECOR IN AN AMOUNT NOT TO EXCEED $370,000 (PROJECT NO. 775-24)

RECOMMENDATION:
1. Award a five-year contract in an amount not to exceed $370,000, with an option for three (3) one-year extensions not to exceed $100,000 per fiscal year to The Christmas Kings, dba Southern California Lighting, Inc., for seasonal lighting and décor.
2. Authorize allowable extra work and services in an amount not to exceed $10,000 per fiscal year.
3. Authorize the City Manager to execute said agreement.
4. Authorize the City Manager or designee to review and execute one-year extensions/amendments and change orders for unanticipated conditions per Section 3.30.170, Section A, of Ordinance No. 1335.

B. INTRODUCE AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALM DESERT, CALIFORNIA, AMENDING SPECIFIED CHAPTERS OF THE PALM DESERT MUNICIPAL CODE TO ADOPT THE 2022 EDITIONS OF THE CALIFORNIA CODE OF REGULATIONS, TITLE 24, AND RELATED CODES WITH SELECTED APPENDICES AND AMENDMENTS (FIRST READING)

RECOMMENDATION: Waive further reading and pass to second reading and public hearing an ordinance to amend specified chapters of the Palm Desert Municipal Code to adopt the 2022 editions of the California Code of Regulations, Title 24, and related codes with selected appendices and amendments.

C. APPROVAL OF THE ELECTRONIC OPTION OR SHORT-TERM RENTAL TRANSIENT OCCUPANCY TAXES

RECOMMENDATION: Approve the option of electronic payments allowing the convenience fee to be charged by a third party.

D. APPROVE A HOUSING AGREEMENT BY AND BETWEEN THE CITY OF PALM DESERT AND PALM DESERT PACIFIC ASSOCIATES. LP, FOR THE VITALIA APARTMENT PROJECT LOCATED OFF GERALD FORD DRIVE, PALM DESERT

RECOMMENDATION:

1. Approve a Housing Agreement, substantially as to form, by and between the City of Palm Desert Pacific Associates, LP in accordance with the conditions of approval of the development of 269 units known as Vitalia Apartments, a multifamily rental housing project located at located off Gerald Ford Drive, Palm Desert, California.
2. Authorize the City Manager or his designee with consent of legal counsel to finalize such Housing Agreement and documents as described in the Housing Agreement, or which are otherwise required, to effectuate Housing Agreement.
3. Authorize the Mayor and/or City Manager to execute all necessary documents to facilitate the Housing Agreement and the City Clerk to record.

E. ADOPT A RESOLUTION OF THE BOARD OF THE PALM DESERT HOUSING AUTHORITY (I) AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT BETWEEN THE AUTHORITY AND PALM DESERT PACIFIC ASSOCIATES APPROVING A LOAN IN THE AMOUNT OF $6,030,000 FROM THE AUTHORITY'S LOW AND MODERATE INCOME HOUSING ASSET FUND TO FUND THE PURCHASE BY PALM DESERT PACIFIC ASSOCIATES OF A PROPERTY AND CONSTRUCTION OF 269 MULTIFAMILY HOUSING UNITS; AND (II) TAKING RELATED ACTIONS (HOUSING AUTHORITY)

RECOMMENDATION: Adopt a Housing Authority Resolution:

1. Authorizing the execution and delivery of a Loan Agreement, in substantial form, between the Palm Desert Housing Authority and Palm Desert Pacific Associates approving a loan in the amount of $6,030,000 from the Authority's Low and Moderate Income Housing Asset Fund to fund the purchase by Palm Desert Pacific Associates of a property and construction of 269 multi-family units consisting of 266 affordable housing units and three (3) on-site property manager units.
2. Authorize the Chairman or Executive Director, in consultation with legal counsel, to execute and deliver, for and in the name of the Authority, the Loan Agreement and documents presented to the Authority Board at this meeting, as modified, provided such modifications are materially consistent with the terms set forth in the Loan Agreement.
3. Authorize the Chairman, the Executive Director, or their respective designees, in consultation with legal counsel, to execute and deliver, for and in the name of the Authority, all other necessary or proper documents and instruments, and to do all things which they may deem necessary or proper to effectuate the purposes of the Resolution.

F. APPROVE A SECOND AMENDMENT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT BETWEEN THE CITY OF PALM DESERT AND DESERT WAVE VENTURES, LLC, AND TAKING CERTAIN OTHER NECESSARY RELATED ACTIONS

RECOMMENDATION:

1. Approve the Second Amendment to the Disposition, and Development Agreement between the City of Palm Desert and Desert Wave Ventures, LLC.
2. Approve a Transient Occupancy Tax agreement as-to-form with Desert Wave Ventures, LLC, in an amount not to exceed $20M for the operation of a 137-room upscale hotel on parcel B within the Desert Willow Golf Resort.
3. Approve a Loan Agreement as-to-form with Desert Wave Ventures, LLC, and appropriate funds to cover certain developer impact fees in an amount not to exceed $6M from monies available in the Golf Course Capital Fund.
4. Authorize the City Manager to make non-substantive changes to the DDA, TOT, and Loan Agreement as needed prior to execution by the Mayor.
5. Authorize the City Manager to draft, negotiate, and execute all other supporting agreements that may be required by the DDA, including an Acquisition Agreement as to form.
6. Authorize the Mayor to execute said agreements.

G. ADOPT A RESOLUTION APPROVING AN EXTENSION TO THE REAL ESTATE OPTION AND PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS BETWEEN THE SUCCESSOR AGENCY TO THE PALM DESERT REDEVELOPMENT AGENCY AND DESERT WAVE VENTURES, LLC, FOR DESERT WILLOW PAD "B" (14.65 ACRES, APN 620-420-023) (SUCCESSOR AGENCY)

RECOMMENDATION:

1. Adopt a Resolution approving a Second Amendment to the Real Estate Option and Purchase and Sale Agreement and Joint Escrow Instructions between the Successor Agency to the Palm Desert Redevelopment Agency and Desert Wave Ventures for Desert Willow Lot Pad "B" (14.65 acres, APN 620-420-023), providing for a final extension through December 31, 2022.
2. Retroactively authorize staff to submit a Resolution and additional materials relating to the PSA to the Riverside County Countywide Oversight Board for approval of the extension at its November 17, 2022, meeting.

3. **PUBLIC HEARINGS:** The public may comment on individual Public Hearing Items within the three-minute time limit. The applicant or appellant will be provided up to five minutes to make their presentation. Speakers may utilize one of the three options listed on the last page of this agenda.

   A. CONSIDERATION TO ADOPT A MITIGATED NEGATIVE DECLARATION PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, AND APPROVAL OF THE REFUGE SPECIFIC PLAN AND TENTATIVE TRACT MAP 38434 TO ESTABLISH UP TO 969 RESIDENTIAL DWELLING UNITS, AND RELATED IMPROVEMENTS ON A 106.4-ACRE PARCEL LOCATED AT THE SOUTHWEST CORNER OF GERALD FORD DRIVE AND THE EXTENSION OF REMBRANDT PARKWAY

   RECOMMENDATION:
   1. Conduct the public hearing and receive public testimony.
   2. Adopt a Resolution adopting a Mitigated Negative Declaration and Mitigation Monitoring Reporting Program and approval of the Refuge Specific Plan (SP22-0001) to development up to 969 dwelling units on a 106.4-acre site area located at the southwest corner of Gerald Ford Drive and Rembrandt Parkway
   3. Adopt a Resolution approving Tentative Tract Map 38434 subdividing a 93.56-acre portion of the Refuge Specific Plan project site.

   B. ADOPT A RESOLUTION FOR A HISTORIC LANDMARK DESIGNATION FOR THE CHARLES E. DU BOIS HOUSE LOCATED AT 72806 BURSERA WAY (APN 628-102-012) CASE NO. CRPC 22-03

   RECOMMENDATION:
   1. Conduct the public hearing and receive public testimony.
   2. Waive further reading and adopt a Resolution reaffirming the action of the Cultural Resources Preservation Committee, designating the Charles E. Du Bois house located at 72806 Bursera Way with a Historic Landmark Designation in accordance with Section 29.40.010 of the Palm Desert Municipal Code.

4. **INFORMATION ITEMS**

   None.

ADJOURNMENT

THREE OPTIONS FOR PARTICIPATING IN THE MEETING

OPTION 1: PARTICIPATE BY E-MAIL

Send your comments by email to: CouncilMeetingComments@cityofpalmdesert.org.
E-mails received prior to noon on the day of the City Council meeting will be made part of the record and distributed to the City Council. This method is encouraged because it will give Councilmembers the opportunity to reflect upon your input. Emails will not be read aloud at the meeting.

OPTION 2: PARTICIPATE LIVE VIA ZOOM

1. Access via www.cityofpalmdesert.org/zoom and click "Launch Meeting," or
2. Access www.zoom.us, click "Join Meeting" and enter Webinar ID 833 6744 9572.

OPTION 3: PARTICIPATE LIVE VIA TELEPHONE

1. Dial any of the following: (669) 900-9128 or (213) 338-8477 or (669) 219-2599.
2. Enter the Meeting ID: 833 6744 9572 followed by #.
3. Indicate that you are a participant by pressing # to continue.
4. You will hear audio of the meeting in progress. Remain on the line if the meeting has not started.
5. During the meeting, press *9 to add yourself to the queue and wait for the Mayor or City Clerk to announce your name/phone number. Press *6 to unmute your line and limit your comments to three minutes.

PUBLIC NOTICES

Agenda Related Materials: Pursuant to Government Code §54957.5(b)(2) the designated office for inspection of records in connection with this meeting is the Office of the City Clerk, Palm Desert Civic Center, 73-510 Fred Waring Drive, Palm Desert. Staff reports for all agenda items considered in open session, and documents provided to a majority of the legislative bodies are available for public inspection at City Hall and on the City's website at www.cityofpalmdesert.org by clicking "*Council Agenda*" at the top of the page.

Americans with Disabilities Act: It is the intention of the City of Palm Desert to comply with the Americans with Disabilities Act (ADA) in all respects. If, as an attendee or a participant at this meeting, or in meetings on a regular basis, you will need special assistance beyond what is normally provided, the city will attempt to accommodate you in every reasonable manner. Please contact the Office of the City Clerk, (760) 323-8204, at least 48 hours prior to the meeting to inform us of your needs and to determine if accommodation is feasible.

AFFIDAVIT OF POSTING

I, Niamh M. Ortega, Deputy City Clerk of the City of Palm Desert, do hereby certify, under penalty of perjury under the laws of the State of California, that the foregoing agenda for the Palm Desert City Council, Successor Agency for the Palm Desert Redevelopment Agency, and Housing Authority, was posted on the City Hall bulletin board and City website www.palmdesert.org no less than 72 hours prior to the meeting.

/S/ Níamh M. Ortega
Deputy City Clerk

CITY OF PALM DESERT PROCLAMATION

Whereas, Rosemary "Rosie" Casals, nicknamed Rosebud by her fans and General by her peers, was inducted into the International Tennis Hall of Fame in 1996, and then in 2021, was again inducted as a member of the history-making Original Nine, the first-ever group to be inducted into the International Tennis Hall of Fame; and

Whereas, known for her grit, power, and rebellious nature, Rosie was determined to create a better future for women in the sport of tennis and in 1970 with eight other women, signed a $1.00 contract for a ten-week tour launching the first Women's Professional Virginia Slims Tour and, Rosie won that first tournament; and

Whereas, Rosie is recognized and celebrated for her achievements in doubles play with 112 professional doubles titles, and for having forged a partnership with Billie Jean King that slanted doubles competition in their direction for nine years, notably as five-time Wimbledon Doubles Champions, and as the only doubles team in history to win U.S. titles on all three surfaces; and

Whereas, Rosie's tenacity and leadership was again demonstrated in 1973 as one of the founders of the Women's Tennis Association, continuing the fight for women to receive equal prize money and respect in the sport of tennis; and

Whereas, as a color commentator with Howard Cosell in the 1973 Battle of the Sexes between Billie Jean King and Bobby Riggs, Rosie contributed respectful and accurate commentary during the most viewed match in history in the United States and across the world; and

Whereas, Rosie, the daughter of parents who immigrated to the United States from El Salvador, overcame economic and life circumstances, using them to fuel her tennis game and achievements, and still today, with boundless energy and belief, she continues to create local and global impact establishing the Latin American Tennis Foundation and Love of Tennis Foundation, supporting underserved Coachella Valley youth; and

Whereas, Rosie Casals, as a Palm Desert resident and distinguished figure in the tennis world, is appreciated and celebrated always for her contributions and accomplishments.

Now, Therefore, I, Jan C. Harnik, Mayor of the City of Palm Desert, California, along with the entire City Council, do hereby proclaim Thursday, October 13th as

Rosemary "Rosie" Casals Day

In the City of Palm Desert and urge all residents to join me in extending our congratulations and appreciation for her dedicated service to our community.

In Witness Whereof, I have hereunto set my hand and have caused the Official Seal of the City of Palm Desert, California, to be affixed this 17th day of November 2022

MAYOR
JAN C. HARNIK

COUNCILMEMBER
GABBY JONATHAN

COUNCILMEMBER
KATHLEEN KELLY

COUNCILMEMBER
GINA NESTANDE

COUNCILMEMBER
KARINA QUINTANILLA

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CITY OF PALM DESERT PROCLAMATION

Whereas, Buford Crites served on the Palm Desert City Council from 1986 to 2006; and

Whereas, Buford Crites' passionate advocacy for the environment, water conservation, air quality, energy conservation and efficiency, led him to a position as chair of CVAG's Energy & Environmental Resources Committee for 14 years working to assure that air quality issues in the Coachella Valley were given attention and funding from AQMD; and

Whereas, as Board Consultant for the South Coast Air Quality Management District (AQMD) and liaison for CVAG, Buford actively supported funding for air quality issues including the CVAG Regional PM10 Street Sweeping Program; and

Whereas, Buford advocated for the Coachella Valley with respect to the environmental and energy issues at the local, state, and national levels. In January 2004 testified before the U.S House of Representatives' Committee on Energy And Commerce's Subcommittee on Energy and Air Quality, in support of the Salton Sea and regional air quality; and

Whereas, Buford was a significant supporter of the Coachella Valley Multiple Species Habitat Conservation Plan, a visionary regional plan for long-term protection of natural open space and wildlife habitat balanced with responsible growth; and

Whereas, Buford has been a passionate advocate for wildlife and habitat conservation and served as Chair of the Santa Rosa and San Jacinto Mountains National Scenic Area (predecessor to the National Monument) Advisory Council, played a leading role in the establishment of the Santa Rosa and San Jacinto National Monument; and

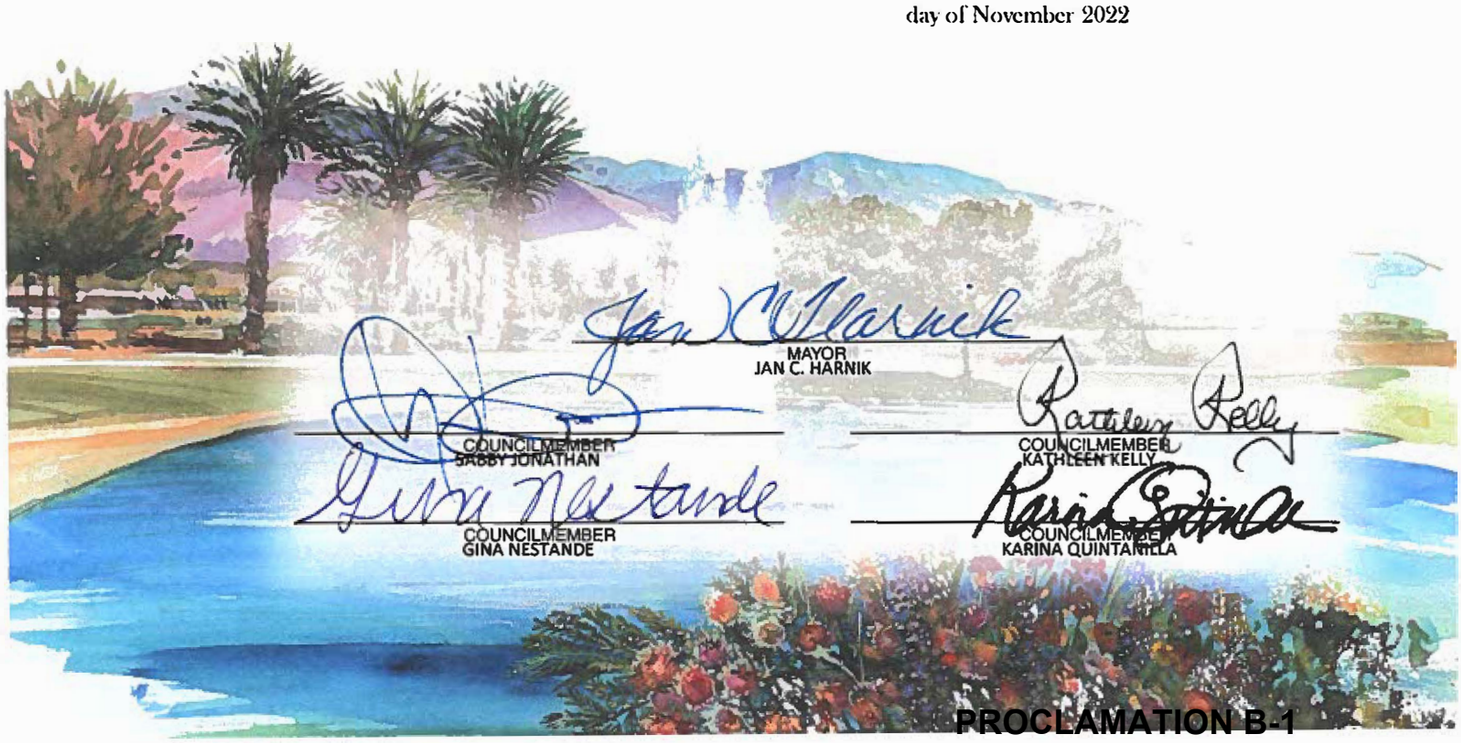
Whereas, Buford is a founding member of the Friends of the Desert Mountains, a non-profit partner for the Coachella Valley Conservation Commission working to preserve the beauty and integrity of our mountains framing the Coachella Valley;

Now, Therefore, I, Jan C. Harnik, Mayor of the City of Palm Desert, California, along with the entire City Council, with sincere appreciation do hereby recognize

Buford Crites

and urge all citizens to join me in extending our congratulations and appreciation for his dedicated service to our community.

In Witness Whereof, I have hereunto set my hand and have caused the Official Seal of the City of Palm Desert, California, to be affixed this 17th day of November 2022



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CITY OF PALM DESERT PROCLAMATION

Whereas, volunteers are the keystone of the Palm Desert community, enriching our town and improving the quality of life; and

Whereas, the City of Palm Desert is especially fortunate to have the services of dedicated, hardworking, and creative individuals who generously serve our City, and do so without monetary or other compensation; and

Whereas, the City Council of the City of Palm Desert desires to acknowledge these contributions and honor those who have given of their time and talent to benefit their community; and

Now, Therefore, be it resolved that the City Council of the City of Palm Desert does hereby recognize and thank the members of

City of Palm Desert
Boards, Committees and Commissions

for their services to the City of Palm Desert and conveys its gratitude for a job exceedingly well done.

In Witness Whereof, I have hereunto set my hand and have caused the Official Seal of the City of Palm Desert, California, to be affixed this 17th day of November 2022

MAYOR
JAN C. HARNIK

COUNCILMEMBER
SABBY JONATHAN

COUNCILMEMBER
KATHLEEN KELLY

COUNCILMEMBER
GINA NESTANDE

COUNCILMEMBER
KARINA QUINTANILLA

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PROCLAMATION

Whereas, El Paseo Jewelers first opened their doors to the Palm Desert community in 1998; and

Whereas, El Paseo Jewelers has steadily embedded themselves in the community through philanthropy, focusing in the areas of health, education, the arts, and services; and

Whereas, they provide patronage to the Barbara Sinatra Children's Charity, College of the Desert, Steve Chase Awards, United Way, and many other charities by donating jewelry to be auctioned, gift certificates, or financial assistance; and

Whereas, in addition to the monetary investments they make, Raju and Jaishri Mehta of El Paseo Jewelers give of their time by serving on the Boards of the Desert Symphony, Act for M.S. and the Living Desert; and

Whereas, not only do they support the aforementioned charities in the community, El Paseo Jewelers hosts the Rick Espinoza Award Dinner every year in order to recognize a Palm Desert Police Officer that has gone above and beyond the call of duty.

Now, Therefore, I, Jan C. Harnik, Mayor of the City of Palm Desert, California, along with the entire City Council, do hereby proclaim Friday, November 17, 2022, as

El Paseo Jewelers Day

In Witness Whereof, I have hereunto set my hand and have caused the Official Seal of the City of Palm Desert, California, to be affixed this 17th day of November 2022

MAYOR
JAN C. HARNIK

COUNCILMEMBER
SABBY JONATHAN

COUNCILMEMBER
KATHLEEN KELLY

COUNCILMEMBER
GINA NESTANDE

COUNCILMEMBER
KARINA QUINTANILLA

CALIFORNIA DEPARTMENT OF INSURANCE

CALIFORNIA'S LOW COST AUTO INSURANCE

Andrea Valdes
Outreach Analyst, Community Relations & Outreach Branch
November 17, 2022

PRESENTATION ITEM E-1

CALIFORNIA DEPARTMENT OF INSURANCE (CDI)

- Regulate all lines of insurance
- Regulate Insurance Companies, Agents, & Brokers
- California is the largest insurance market in the U.S.
  - $340 billion collected annually in premiums
- Protect Consumers from Fraud and Abuse

SENIOR RESOURCES FROM CDI

SENIOR GATEWAY

One-Stop Website – Hosted by CDI

A partnership between governmental and local agencies

- Abuse & Neglect
- Fraud & Scams
- Health Care
- Your Rights
- Other Resources

www.seniors.insurance.ca.gov

SENIORS INFORMATION CENTER

Department of Insurance
Senior Information Center

- Alerts
- Before You Buy Insurance
- Long Term Care
- Senior Information Guides
- Health Insurance
- Other Resources

www.insurance.ca.gov/0150-seniors

PRESENTATION ITEM E-3

CALIFORNIA LOW COST AUTO PROGRAM OVERVIEW

CALIFORNIA'S LOW COST AUTO INSURANCE

What is California Low Cost Auto Program?

- **A state program which was established by the Legislature in 1999 as a state-sponsored program that requires insurance companies to offer affordable liability auto insurance to licensed drivers that meet certain requirements.**

HOW DO YOU QUALIFY?

CALIFORNIA'S LOW COST AUTO INSURANCE

Valid CDL/ AB60 for Undocumented Drivers

Vehicle Value $25,000 or Less

Meet Income Guidelines

Be at least 16 years old

***Can't have bad driving record for past 3 years**

PROOF OF INCOME

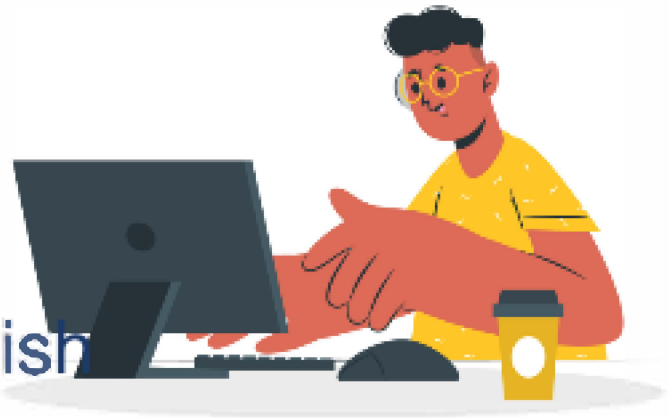
CALIFORNIA'S LOW COST AUTO INSURANCE

- **Only need one of the following:**
  - Paycheck stub, W-2, 1099
  - SSI statement, etc.
- **Currently enrolled in other state, county programs:**
  - CalFresh, CalWorks, MediCal/Medicaid, CA Lifeline
- **Complete list is available at mylowcostauto.com**

HOW TO APPLY

CALIFORNIA'S LOW COST AUTO INSURANCE

- **Apply at MyLowCostAuto.com**
  - Take the Eligibility Questionnaire
  - Application process is 100% online
- **Chat is available M-F 8am – 4pm**
  - Website and Chat are available in English & Spanish
- **Call 866-602-8861**



HOW CAN YOU PARTNER WITH CDI & CLCA?

CALIFORNIA'S LOW COST AUTO INSURANCE

Help us disseminate **CLCA** educational materials in your community

Share **CLCA** through your website and social media platforms

Invite us to community outreach events in your area

Let us present to your staff or community group

And please refer us to any collaborative group or partners that serve low to moderate income households

QUESTIONS?

CALIFORNIA'S LOW COST AUTO INSURANCE

For more information about CLCA visit:

www.mylowcostauto.com

866-602-8861

For Questions or Problems with Insurance:

www.insurance.ca.gov

Consumer Hotline 800-927-4357

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CITY OF PALM DESERT
STAFF REPORT

MEETING DATE: October 27, 2022

PREPARED BY: Robert Hargreaves, City Attorney

REQUEST: MAKE FINDINGS TO SUPPORT THAT THE STATE OF CALIFORNIA CONTINUES IN A GOVERNOR-DECLARED STATE OF EMERGENCY AND THAT THE CITY MAY CONTINUE TO EMPLOY REMOTE TELECONFERENCING

RECOMMENDATION:

Find that the State of California continues in a Governor-declared state of emergency to combat the COVID epidemic, that state and local health officials are recommending social distancing, and consequently that the City Council and its other Brown-Act bodies may continue to employ remote teleconferencing under Government Code Section 54953(e).

BACKGROUND/ANALYSIS:

AB 361 (Government Code Section 54953(e)) provides that a local agency may employ remote teleconferencing upon a finding by the governing board that certain circumstances exist, among those that there is a Governor-declared emergency and state or local officials are recommending social distancing. The City Council will need to make those findings each month in which it continues to implement remote teleconferencing.

The alternative is to revert to the preexisting Brown Act standards for teleconferencing which require that: (1) all teleconferencing locations be identified on the agenda; (2) agendas be posted at all teleconferencing locations; (3) all teleconferencing locations be open to the public; and (4) a majority of the City Council participate from locations within the City.

FINANCIAL IMPACT:

There is no direct fiscal impact associated with this item.

REVIEWED BY:

City Attorney:	*Robert W. Hargreaves, City Attorney*
City Manager:	*Todd Hileman, City Manager*

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Thursday, October 27, 2022
Minutes of the Regular Meeting of the Palm Desert City Council (CC), Successor Agency to the Palm Desert Redevelopment Agency (SARDA), and Housing Authority (HA)

Pursuant to Assembly Bill 361, this meeting was conducted by teleconference and there was in-person public access to the meeting location.

CALL TO ORDER:

A Regular Meeting of the Palm Desert City Council was called to order by Mayor Harnik on Thursday, October 27, 2022, at 2:30 p.m. in the Council Chamber, City Hall, located at 73-510 Fred Waring Drive, Palm Desert, California.

ROLL CALL:

Present: Councilmembers Kathleen Kelly, Gina Nestande, and Karina Quintanilla; Mayor Pro Tem Sabby Jonathan; and Mayor Jan Harnik.

Absent: None.

PLEDGE OF ALLEGIANCE:

Mayor Harnik led the Pledge of Allegiance.

INSPIRATION/INVOCATION:

Councilmember Kelly offered words of inspiration.

REPORT OF CLOSED SESSION:

City Clerk Mejia requested and by a vote of 5-0 to City Council added Closed Session Item B5 (related to Seritage SRC Finance), finding there is a need to immediately discuss, and possibly provide direction to staff, and the need for action came to the attention of the City after the posting of the agenda.

The Regular Closed Session of the City Council of October 27, 2022, was called to order by Mayor Harnik at 2:35 p.m., with all members present.

The meeting convened in Closed Session to discuss the following items as listed on the Regular Closed Session Meeting Agenda:

A. CLOSED SESSION MEETING MINUTES: October 13, 2022

B. CONFERENCE WITH REAL PROPERTY NEGOTIATOR PURSUANT TO GOVERNMENT CODE SECTION 54956.8:

1. Property Description: 1.55 acres at southeast corner of Fred Waring Drive and San Pablo Avenue (APNs 627-101-002, 627-101-017, 627-101-033, 627-101-061, 627-101-062)
   Agency: City of Palm Desert
   City Negotiator: Todd Hileman/Eric Ceja
   Negotiating Parties: Chandi Enterprises, LLC
   Under Negotiation: Price and Terms

2. Property Description: 74-885 Country Club Drive, Palm Desert
   Agency: City of Palm Desert
   City Negotiator: Todd Hileman/Eric Ceja
   Negotiating Parties: JW Marriott Desert Springs Resort and Spa
   Under Negotiation: Development Agreement

3. Property Description: 73-710 Fred Waring Drive, Suites 100, 103, 108, 118, 120, 200, 201, 203, 208, 211 and 217, and 73-720 Fred Waring Drive, Suite 100
   Agency: City of Palm Desert
   City Negotiator: Todd Hileman/Chris Escobedo/Eric Ceja
   Negotiating Parties: Lift to Rise/Paul Golden Construction/Advantech/Act for MS/ Coachella Valley Association of Governments/Virginia Waring International Piano Competition/State of California Department of Food and Agriculture/State of California Water Resources Board
   Under Negotiation: Price and Terms

4. Property Description: Desert Willow Lot Pad B, Desert Willow Drive, south of Desert Willow Clubhouse (APN 620-400-008, 023)
   Agency: City of Palm Desert
   City Negotiator: Todd Hileman/Martin Alvarez/Eric Ceja
   Negotiating Parties: Desert Wave Ventures, LLC
   Under Negotiation: Price and Terms

5. Property Description: 72-880 Highway 111, Palm Desert (APN 640-120-020)
   Agency: City of Palm Desert
   City Negotiator: Todd Hileman/Martin Alvarez/Eric Ceja
   Negotiating Parties: Seritage SRC Finance
   Under Negotiation: Price and Terms

ALL ACTIONS ARE DRAFT PENDING APPROVAL OF THE FINAL MINUTES

C. CONFERENCE WITH LEGAL COUNSEL – MATTERS CREATING SIGNIFICANT EXPOSURE TO LITIGATION, Pursuant to Government Code Section 54956.9(d)(2):

Two (2) matters that, under the existing circumstances, the City Attorney believes creates significant exposure to litigation.

City Attorney Hargreaves reported that the City Council received briefings and provided direction to staff regarding the agendized Closed Session items. Relative to Closed Session Item B3, the City Council directed that staff finalize the leases. The City Council did not take any other reportable actions.

PRESENTATIONS:

A. PROCLAMATION – PALM DESERT CHARTER MIDDLE SCHOOL WINTER GUARD

Jose Pena, Palm Desert Charter Middle School Winter Guard Coach, expressed his appreciation for his team, their parents, and supporters; thanked them for their hard work; and thanked the City Council for their recognition. The City Council viewed a video of the winning performance at the Winter Color Guard State Championships and congratulated the team on their achievements at the recent World Championships, competing against high schools in their division.

B. PRESENTATION BY THE MCCALLUM THEATRE

Mitch Gershenfeld, McCallum Theatre CEO, narrated a PowerPoint presentation, thanked the City Council for its support and partnership over the years.

In addition to the agendized presentations, Mayor Harnik congratulated students who participated in the Palm Desert Mini Muster; distributed certificates to winners of the Mini Muster Art Competition; and thanked Historical Society member Mike Lewis for his work with the Mini Muster program.

CITY MANAGER'S COMMENTS:

A. MAINTENANCE ACTIVITIES UPDATE – PUBLIC WORKS DEPARTMENT

Public Works Deputy Director Ramirez narrated a PowerPoint and discussed the Community Services division's role in maintaining the quality of life Palm Desert residents and visitors have come to expect.

MAYOR/COUNCILMEMBER REPORTS AND REQUESTS FOR ACTION:

Councilmember Quintanilla thanked the City Council, staff and the community for their support during her recent health issues.

Councilmember Kelly thanked staff for creating a hybrid system to facilitate both in-person and remote participation at City Council meetings, and spoke about Southern California Association of Governments' work on a storm water recapture program as part of water conservation efforts throughout the region.

Mayor Pro Tem Jonathan thanked staff for their work on the recent Council Chamber remodel.

Mayor Harnik applauded the newly-installed butterfly mural at University of California, Riverside's Palm Desert campus, and reported her attendance at various meetings.

NON-AGENDA PUBLIC COMMENTS:

William Colonel, Palm Desert resident, expressed his appreciation for the Mayor and all members of the City Council.

Stephen Nelson, Palm Desert resident and Genesis neighborhood representative, expressed his support for a wind fence near his community; noted issues with neighborhood landscaping and an incomplete sidewalk; and expressed concern with the Millennium Master Plan Homeowners Association.

1. CONSENT CALENDAR:

MOTION BY MAYOR PRO TEM JONATHAN, SECOND BY COUNCILMEMBER NESTANDE, CARRIED 5-0, to approve the consent calendar, with the removal of Item No. 1A for separate discussion.

A. APPROVAL OF CITY COUNCIL, SUCCESSOR AGENCY, AND HOUSING AUTHORITY MINUTES

This item was excluded from the Consent Calendar. Please refer to page 6 of these minutes for a summary of that action.

B. APPROVAL OF WARRANTS

MOTION BY MAYOR PRO TEM JONATHAN, SECOND BY COUNCILMEMBER NESTANDE, CARRIED 5-0, to approve warrants issued for the period of August 31, 2022, through October 14, 2022.

C. APPLICATION FOR AN ALCOHOLIC BEVERAGE LICENSE FOR HOLY CANNOLI, INC., DBA THE HIDEOUT, 73595 EL PASEO, SUITE B2208, PALM DESERT

MOTION BY MAYOR PRO TEM JONATHAN, SECOND BY COUNCILMEMBER NESTANDE, CARRIED 5-0, to receive and file the Alcoholic Beverage License application.

D. 2022 CONFLICT OF INTEREST CODE BIENNIAL NOTICE PURSUANT TO THE POLITICAL REFORM ACT

MOTION BY MAYOR PRO TEM JONATHAN, SECOND BY COUNCILMEMBER NESTANDE, CARRIED 5-0, to:

1. Receive and file the 2022 Local Agency Biennial Notice.
2. Direct staff to promulgate the necessary amendments and return to the City Council in December 2022 for adoption pursuant to the Political Reform Act.

E. ADOPT RESOLUTION NO. 2022-87 SETTING THE CITY COUNCIL REGULAR MEETING SCHEDULE FOR THE CALENDAR YEAR 2023 AND RESCINDING RESOLUTION NO. 2022-72

MOTION BY MAYOR PRO TEM JONATHAN, SECOND BY COUNCILMEMBER NESTANDE, CARRIED 5-0, to waive further reading and adopt Resolution No. 2022-87 setting the City Council regular meeting schedule for the calendar year 2023 and rescinding Resolution No. 2022-72.

F. APPROVE AMENDMENT NO. 1 TO CONTRACT NO. HA-39040 WITH SERVICE FIRST, LLC, FOR POOL AND WATER FEATURE MAINTENANCE AND REPAIR SERVICES AT THE PALM DESERT HOUSING AUTHORITY PROPERTIES IN A TOTAL AMOUNT NOT TO EXCEED $347,147

MOTION BY MAYOR PRO TEM JONATHAN, SECOND BY COUNCILMEMBER NESTANDE, CARRIED 5-0, to:

1. Approve Amendment No. 1 to Contract No. HA-39040 with Service First, LLC, for pool and water feature maintenance and repair services at the Palm Desert Housing Authority properties effective January 1, 2023, for a two-year term in a total amount not to exceed $347,147.
2. Authorize RPM Company, the Authority's contracted management company, to enter into Amendment No. 1 with Service First, LLC, for the routine and additional services needed, including expenditures.
3. Authorize the Executive Director or its designee to take any necessary actions to facilitate the amendment and any documents necessary to effectuate and implement the actions taken herewith.

G. REQUEST FOR ACCEPTANCE OF THE CITY'S CITIZENS OPTION FOR PUBLIC SAFETY/SUPPLEMENTAL LAW ENFORCEMENT SERVICES FUND (COPS/SLESF) EXPENDITURE PLAN AND FUNDING FOR FISCAL YEAR 2022-2023

MOTION BY MAYOR PRO TEM JONATHAN, SECOND BY COUNCILMEMBER NESTANDE, CARRIED 5-0, to accept the City's Citizens Option for Public Safety/Supplemental Law Enforcement Services Fund (COPS/SLESF) expenditure plan and funding for Fiscal Year 2022-2023.

H. APPROVE AMENDMENT NO. 1 TO CONTRACT NO. C43390 WITH IDEA PEDDLER FOR MARKET RESEARCH AS EXTRA WORK

MOTION BY MAYOR PRO TEM JONATHAN, SECOND BY COUNCILMEMBER NESTANDE, CARRIED 5-0, to:

1. Approve Amendment No. 1 to Contract No. C43390 with Idea Peddler in an amount not to exceed $30,000 for one-time market research to support the evolution of the City's tourism advertising campaign.
2. Authorize the City Manager to execute the Amendment and any documents necessary to effectuate and implement the actions taken herewith.

I. APPROVE AGREEMENT NO. C44280 WITH CASC ENGINEERING AND CONSULTING, INC., FOR MS4 PERMIT INSPECTIONS AND NPDES SUPPORT SERVICES IN THE AMOUNT OF $50,000 PER FISCAL YEAR

MOTION BY MAYOR PRO TEM JONATHAN, SECOND BY COUNCILMEMBER NESTANDE, CARRIED 5-0, to:

1. Approve a three year agreement with CASC Engineering and Consulting, Inc., for MS4 Permit Inspections and NPDES Support Services in the amount of $50,000 per year.
2. Authorize the City Manager or his designee to review and execute change orders for unanticipated conditions, per Section 3.30.170, Section A, of Ordinance No. 1335.
3. Authorize the City Manager to execute said agreement and up to two one-year contract amendments/extensions.

EXCLUDED CONSENT CALENDAR:

A. APPROVAL OF CITY COUNCIL, SUCCESSOR AGENCY, AND HOUSING AUTHORITY MINUTES

MOTION BY MAYOR PRO TEM JONATHAN, SECOND BY COUNCILMEMBER NESTANDE, CARRIED 4-0-1 (QUINTANILLA ABSTAIN), to approve the Minutes of October 13, 2022.

2. ACTION CALENDAR:

A. AWARD CONTRACT NO. HA44290 FOR THE DESIGN-BUILD OF THE TAOS PALMS TRELLIS AND ENTRANCE STRUCTURE REHABILITATION TO DOUG WALL CONSTRUCTION, INC., OF BERMUDA DUNES, CALIFORNIA, IN THE AMOUNT OF $1,067,588.35 (PROJECT NO. 813-21) (Housing Authority)

Due to a conflict of interest, Mayor Pro Tem Jonathan recused himself from this item and left the dais.

Housing Manager Gonzales narrated a PowerPoint presentation and responded to City Council inquiries.

MOTION BY COUNCILMEMBER NESTANDE, SECOND BY COUNCILMEMBER QUINTANILLA, CARRIED 4-0-1 (JONATHAN RECUSED) to:

1. Award Contract No. HA44290 for the design-build of the Taos Palms Trellis and Entrance Structure Rehabilitation to Doug Wall Construction, Inc., of Bermuda Dunes, California, in the amount of $1,067,588.35 (includes $22,500 add alternate).
2. Authorize the Finance Director to set aside approximately 20% contingency of $213,520 for unforeseen conditions.
3. Authorize the Executive Director or designee to review and approve written requests for the use of the contingency, to take any necessary actions to facilitate the agreement, to execute the agreement and any documents necessary to effectuate the actions taken herewith.
4. Authorize the Executive Director or designee to execute the Notice of Completion (NOC) and the Secretary to file the NOC, upon satisfactory completion of the Project.
5. Funds are available in the Fiscal Year 2022-23 Housing Authority Capital Replacement Budget.

B. AWARD OF CONTRACT NO. C44300 TO WELLS FARGO BANK, N.A., FOR COMPREHENSIVE BANKING SERVICES

Deputy Finance Director Ramont presented a staff report and responded to City Council inquiries.

MOTION BY COUNCILMEMBER NESTANDE, SECOND BY MAYOR HARNIK, CARRIED 4-1 (QUINTANILLA), to:

1. Award a contract to Wells Fargo Bank, N.A., to provide comprehensive banking services for a term of five years with an option to renew two (2) additional three-year periods based on satisfactory performance.
2. Authorize the City Manager or designee to negotiate and/or take any necessary actions to facilitate the agreement, to execute the agreement and any documents necessary to effectuate the actions taken herewith.

C. RECEIVE AND FILE AN INFORMATIONAL REPORT ON THE CURRENT STATE OF THE CANNABIS INDUSTRY IN PALM DESERT

Director of Economic Development Ceja narrated a PowerPoint presentation and responded to City Council inquiries.

Kenneth Churchill, owner of West Coast Cannabis Club, thanked staff for their efforts over the past few years and spoke about the negative impact of Palm Desert's cannabis tax on his business.

Keva King, CEO of Your Royal Highness, spoke about the negative impact of Palm Desert's cannabis tax on her business.

Following discussion, the City Council referred this item to the Economic Development subcommittee to explore potential alternatives with staff and industry representatives, and present the findings at a future City Council meeting.

D. RECEIVE AND FILE AN INFORMATIONAL REPORT REGARDING POTENTIAL REGULATION OF CANNABIS CONSUMPTION AREAS, TEMPORARY SPECIAL EVENTS, AND OTHER RELATED AMENDMENTS

Deputy Director of Development Services Rosie Lua narrated a PowerPoint presentation and responded to City Council inquiries.

Kenneth Churchill, owner of West Coast Cannabis Club, spoke in support of regulated consumption areas and responded to a City Council inquiry.

Following discussion, the City Council directed staff to explore options for regulated cannabis consumption areas for all types of consumption excluding smoking.

E. ADOPT RESOLUTION NO. 2022-88 DECLARING SIX PARCELS AT THE SOUTHEAST CORNER OF FRED WARING DRIVE AND SAN PABLO AVENUE IN PALM DESERT ARE NOT SURPLUS LAND FOR PURPOSES OF THE SURPLUS LAND ACT

Management Analyst Glickman noted the six parcels being discussed were at the northeast corner of Fred Waring Drive, not the southeast corner as stated in her report. She narrated a PowerPoint presentation and responded to City Council inquiries.

MOTION BY MAYOR PRO TEM JONATHAN, SECOND BY COUNCILMEMBER NESTANDE, CARRIED 5-0, to adopt Resolution No. 2022-88 declaring Assessor's Parcel Numbers (APN) 627-101-002 (.35 acres), 627-101-017 (.20 acres), 627-101-033 (.25 acres), 627-101-061 (.46 acres), 617-101-062 (.17 acres), and Right of Way (.11 acres), Palm Desert, are not Surplus Land for purposes of the Surplus Land Act.

ALL ACTIONS ARE DRAFT PENDING APPROVAL OF THE FINAL MINUTES

F. INTRODUCE AN ORDINANCE AMENDING PALM DESERT MUNICIPAL CODE SECTION 2.36.060 REGARDING THE PLACEMENT OF ITEMS ON MEETING AGENDAS AND A PROCESS FOR MEMBERS OF THE CITY COUNCIL TO SPONSOR AGENDA ITEMS

City Clerk Mejia provided a staff report and responded to City Council inquiries.

Following discussion, MOTION BY MAYOR PRO TEM JONATHAN, SECOND BY COUNCILMEMBER QUINTANILLA, CARRIED 5-0, to refer this item to a subcommittee (Mayor Harnik, Councilmember Kelly) to work with staff and further develop a proposed ordinance incorporating feedback received during discussion.

G. AWARD CONTRACT NO. C43100 TO DECKARD TECHNOLOGIES, INC., OF SAN DIEGO, CALIFORNIA, FOR SHORT-TERM RENTAL MONITORING, COMPLIANCE, ENFORCEMENT, AND TAX COLLECTION SERVICES IN THE AMOUNT OF $69,400

Director of Development Services Cannone narrated a PowerPoint presentation and responded to City Council inquiries.

MOTION BY COUNCILMEMBER KELLY, SECOND BY COUNCILMEMBER NESTANDE, CARRIED 5-0, to:

1. Approve the award of competitive Request for Proposals No. 2022-RFP-133 and draft contract to Deckard Technologies, Inc., of San Diego, California, for Short-term Rental Compliance Services in the amount of $69,400 for the initial one-year period of November 1, 2022, through October 31, 2023. With extensions, this contract spans five (5) fiscal years and would be funded from the Development Services Approved Budget in each fiscal year.
2. Approve the option to renew the resulting contract for four (4) additional one-year periods, subject to departmental and City Manager concurrence and available funding.
3. Authorize the City Manager to execute said contract.

3. PUBLIC HEARINGS:

A. RESOLUTION NO. HA 111: REQUEST FOR APPROVAL FOR THE PROPOSED SALE OF THE PROPERTY LOCATED AT 42162 VERDIN LANE, PALM DESERT (APN 624-440-004), PURSUANT TO HEALTH AND SAFETY CODE SECTION 33433(C) (Housing Authority)

Director of Finance Chavez provided a staff report.

Mayor Harnik opened and closed the public hearing, there being no one from the public desiring to speak.

MOTION BY COUNCILMEMBER QUINTANILLA, SECOND BY COUNCILMEMBER NESTANDE, CARRIED 5-0, to:

1. Conduct a public hearing and accept testimony on the proposed sale of the property located at 42162 Verdin Lane, Palm Desert, to a qualified household of very low, low or moderate income.
2. Following public testimony, waive further reading and adopt Resolution No. HA 111 approving the sale of 42162 Verdin Lane, Palm Desert (APN 624-440-004), to a qualified household of low or moderate income pursuant to the attached Purchase and Sale Agreement.
3. Authorize the Executive Director to finalize and execute the Purchase and Sales Agreement and any ancillary documents related to the sale to a qualified household of low or moderate income.

INFORMATION ITEMS:

None.

ADJOURNMENT:

The City Council adjourned at 6:57 p.m.

Respectfully submitted,

_____
Níamh M. Ortega
Deputy City Clerk/Assistant Secretary

ATTEST:

_____
Anthony J. Mejia, MMC
City Clerk/Secretary

APPROVED BY CITY COUNCIL: __/__/2022

City of Palm Desert

Check Register

9/7/2022 - 9/7/2022

Bank ID	Check Number	Check Date	Vendor Name	Account Number		Transaction Desc	Invoice	Amount Paid
WR	53963753	09/07/2022	PUBLIC EMPLOYEES' RETIREMENT	1100000	2160800	Health Premium Emp 09-2022	100000016905037	180,367.49
WR	53963753	09/07/2022	PUBLIC EMPLOYEES' RETIREMENT	1100000	2160800	Health Premium CC 09-2022	100000016905037	1,732.43
WR	53963753	09/07/2022	PUBLIC EMPLOYEES' RETIREMENT	1104150	4112100	EMP ADJ 2 for 09/2022	100000016905037	-1,877.60
WR	53963753	09/07/2022	PUBLIC EMPLOYEES' RETIREMENT	1104150	4112100	Health Rounding 09-2022	100000016905037	-0.36
WR	53963753	09/07/2022	PUBLIC EMPLOYEES' RETIREMENT	1104154	4112100	EMP ADJ 1 from 08/2022	100000016905037	814.46
WR	53963753	09/07/2022	PUBLIC EMPLOYEES' RETIREMENT	5764192	4119000	Health Premium Retiree 09-2022	100000016905037	14,450.71

Audited and Found Correct

Director of Finance

Examined and Approved

Mayor or Mayor Pro-Tem

Examined and Approved

City Manager

Total For Bank ID - WR

195,487.13

City & Housing

City of Palm Desert

Check Register

10/6/2022 - 10/6/2022

Bank ID	Check Number	Check Date	Vendor Name	Account Number		Transaction Desc	Invoice	Amount Paid
WR	51234922	10/06/2022	STATE OF CALIFORNIA	1100000	2160200	PIT W/H PD: 10/03/2022	6679864	127.26
WR	51551766	10/06/2022	DEPARTMENT OF THE TREASURY	1100000	2160100	Federal W/H P/D 10/03/2022	53614411	406.56
WR	51551766	10/06/2022	DEPARTMENT OF THE TREASURY	1100000	2160300	Medicare W/H P/D 10/03/2022	53614411	107.64
WR	52114539	10/06/2022	I C M A RETIREMENT TRUST	1100000	2162201	401-A Retire PayDay: 10/03/22	827062	97.36
WR	52114539	10/06/2022	I C M A RETIREMENT TRUST	6100000	2162201	401-A Retire PayDay: 10/03/22	827062	-97.36
WR	52114539	10/06/2022	I C M A RETIREMENT TRUST	6100000	1029201	401-A Retire PayDay: 10/03/22	827062	97.36
WR	52114541	10/06/2022	I C M A RETIREMENT TRUST	6100000	2162200	Retire Hlth Sv-PayDay 10/03/22	827043	-48.68
WR	52114541	10/06/2022	I C M A RETIREMENT TRUST	1100000	2162600	Retire Hlth Sv-PayDay 10/03/22	827043	48.68
WR	52114541	10/06/2022	I C M A RETIREMENT TRUST	6100000	1029200	Retire Hlth Sv-PayDay 10/03/22	827043	48.68

Audited and Found Correct

Director of Finance

Examined and Approved

Mayor or Mayor Pro-Tem

Examined and Approved

City Manager

Total For Bank ID - WR

787.50

City & Housing

Item 1C-2

City of Palm Desert

Check Register

10/11/2022 - 10/11/2022

Bank ID	Check Number	Check Date	Vendor Name	Account Number		Transaction Desc	Invoice	Amount Paid
WR	54707342	10/11/2022	I C M A RETIREMENT TRUST	1100000	2162300	Dfrrd Comp PayDay 09/28/22 NH	829002	500.00
WR	54707342	10/11/2022	I C M A RETIREMENT TRUST	6100000	1029300	Dfrrd Comp PayDay 09/28/22 NH	829002	500.00
WR	54707342	10/11/2022	I C M A RETIREMENT TRUST	6100000	2162300	Dfrrd Comp PayDay 09/28/22 NH	829002	-500.00
WR	54707344	10/11/2022	I C M A RETIREMENT TRUST	6100000	2162201	401A Retire PayDay 09/28/22 NH	829103	-287.60
WR	54707344	10/11/2022	I C M A RETIREMENT TRUST	1100000	2162201	401A Retire PayDay 09/28/22 NH	829103	287.60
WR	54707344	10/11/2022	I C M A RETIREMENT TRUST	6100000	1029201	401A Retire PayDay 09/28/22 NH	829103	287.60
WR	54707346	10/11/2022	I C M A RETIREMENT TRUST	1100000	2162600	Retire Hlth Sv-PayDay 09/28/22	829020	118.16
WR	54707346	10/11/2022	I C M A RETIREMENT TRUST	6100000	1029200	Retire Hlth Sv-PayDay 09/28/22	829020	118.16
WR	54707346	10/11/2022	I C M A RETIREMENT TRUST	6100000	2162200	Retire Hlth Sv-PayDay 09/28/22	829020	-118.16

Audited and Found Correct

Director of Finance

Examined and Approved

Mayor or Mayor Pro-Tem

Examined and Approved

City Manager

Total For Bank ID - WR

905.76

City & Housing

City of Palm Desert

Check Register

10/13/2022 - 10/13/2022

Bank ID	Check Number	Check Date	Vendor Name	Account Number		Transaction Desc	Invoice	Amount Paid
WR	51673514	10/13/2022	STATE OF CALIFORNIA	1100000	2160200	PIT W/H PD: 10/12/2022	6699185	19,300.42
WR	52438935	10/13/2022	NATIONWIDE RETIREMENT SOLUTIONS	1100000	2162100	DEFERRED COMP PAYDAY 10/12/22	37064001 101222	7,523.38
WR	52438935	10/13/2022	NATIONWIDE RETIREMENT SOLUTIONS	6100000	1029100	DEFERRED COMP PAYDAY 10/12/22	37064001 101222	7,523.38
WR	52438935	10/13/2022	NATIONWIDE RETIREMENT SOLUTIONS	6100000	2162100	DEFERRED COMP PAYDAY 10/12/22	37064001 101222	-7,523.38
WR	55892628	10/13/2022	DEPARTMENT OF THE TREASURY	1100000	2160100	Federal W/H P/D 10/12/2022	04994490	46,657.59
WR	55892628	10/13/2022	DEPARTMENT OF THE TREASURY	1100000	2160300	Medicare W/H P/D 10/12/2022	04994490	13,647.55
WR	59745634	10/13/2022	I C M A RETIREMENT TRUST	1100000	2162201	401-A Retire PayDay: 10/12/22	6378264	8,854.65
WR	59745634	10/13/2022	I C M A RETIREMENT TRUST	6100000	1029201	401-A Retire PayDay: 10/12/22	6378264	8,854.65
WR	59745634	10/13/2022	I C M A RETIREMENT TRUST	6100000	2162201	401-A Retire PayDay: 10/12/22	6378264	-8,854.65
WR	59745705	10/13/2022	I C M A RETIREMENT TRUST	6100000	2162300	Deferred Comp PayDay 10/12/22	6112892	-13,007.10
WR	59745705	10/13/2022	I C M A RETIREMENT TRUST	6100000	1029300	Deferred Comp PayDay 10/12/22	6112892	13,007.10
WR	59745705	10/13/2022	I C M A RETIREMENT TRUST	1100000	2162300	Deferred Comp PayDay 10/12/22	6112892	13,007.10
WR	59745752	10/13/2022	I C M A RETIREMENT TRUST	1100000	2162600	Retire Hlth Sv-PayDay 09/28/22	6632460	4,246.66
WR	59745752	10/13/2022	I C M A RETIREMENT TRUST	6100000	1029200	Retire Hlth Sv-PayDay 09/28/22	6632460	4,246.66
WR	59745752	10/13/2022	I C M A RETIREMENT TRUST	6100000	2162200	Retire Hlth Sv-PayDay 09/28/22	6632460	-4,246.66

Audited and Found Correct

Director of Finance

Examined and Approved

Mayor or Mayor Pro-Tem

Examined and Approved

City Manager

Total For Bank ID - WR

113,237.35

Report Date 10/13/2022

City & Housing

City of Palm Desert

Check Register

10/17/2022 - 10/17/2022

Bank ID	Check Number	Check Date	Vendor Name	Account Number		Transaction Desc	Invoice	Amount Paid
WR	51552452	10/17/2022	DEPARTMENT OF THE TREASURY	1100000	2160100	Federal W/H P/D 10/13/2022	32270217	682.77
WR	51552452	10/17/2022	DEPARTMENT OF THE TREASURY	1100000	2160300	Medicare W/H P/D 10/13/2022	32270217	446.32
WR	51674122	10/17/2022	STATE OF CALIFORNIA	1100000	2160200	PIT W/H PD: 10/14/2022	6700231	73.65
WR	52318006	10/17/2022	I C M A RETIREMENT TRUST	1100000	2162600	Retire Hlth Sv-PayDay 10/13/22	6979203	132.12
WR	52318006	10/17/2022	I C M A RETIREMENT TRUST	6100000	1029200	Retire Hlth Sv-PayDay 10/13/22	6979203	132.12
WR	52318006	10/17/2022	I C M A RETIREMENT TRUST	6100000	2162200	Retire Hlth Sv-PayDay 10/13/22	6979203	-132.12

Audited and Found Correct

Director of Finance

Examined and Approved

Mayor or Mayor Pro-Tem

Examined and Approved

City Manager

Total For Bank ID - WR

1,334.86

City & Housing

City of Palm Desert

Check Register

10/21/2022 - 10/21/2022

Bank ID	Check Number	Check Date	Vendor Name	Account Number		Transaction Desc	Invoice	Amount Paid
WR	57601936	10/21/2022	P E R S	1100000	2161100	PERS 09/28/2022	1002225405	59,101.25
WR	57601936	10/21/2022	P E R S	1104150	4111500	Rounding 09/28/2022	1002225405	0.61
WR	57601938	10/21/2022	P E R S	1100000	2161100	PERS 09/28/2022	1002225406	37,233.02

Audited and Found Correct

Director of Finance

Examined and Approved

Mayor or Mayor Pro-Tem

Examined and Approved

City Manager

Total For Bank ID - WR

96,334.88

City & Housing

City of Palm Desert

Check Register

10/21/2022 - 10/21/2022

Bank ID	Check Number	Check Date	Vendor Name	Account Number		Transaction Desc	Invoice	Amount Paid
00	00004996	10/21/2022	BEST BEST & KRIEGER LLP	1104120	4301500	FY 22-23 Monthly Fee Retainer	943968	24,749.00
00	00004996	10/21/2022	BEST BEST & KRIEGER LLP	1104121	4301500	Additional monthly legal servi	943967 -1	14,308.84
00	00004996	10/21/2022	BEST BEST & KRIEGER LLP	1104121	4301600	PERSONNEL LGL SVC THRU 8/22	943969	617.40
00	00004996	10/21/2022	BEST BEST & KRIEGER LLP	2144490	4390101	CVHC LGL SVC THRU 8/22	943964	102.90
00	00004996	10/21/2022	BEST BEST & KRIEGER LLP	3124350	4309000	SILVER SPUR LGL SVC THRU 8/22	943967 -1	8,188.60
00	00004996	10/21/2022	BEST BEST & KRIEGER LLP	6100000	2286000	UPI LGL SVC THRU 8/22	943970	2,718.00
00	00004996	10/21/2022	BEST BEST & KRIEGER LLP	1104120	4301500	MONTHLY RETAINER THRU 9/22	946569	24,749.00
00	00004996	10/21/2022	BEST BEST & KRIEGER LLP	1104121	4301500	LEGAL REIMBURSABLES THRU 9/22	946569	23.62
00	00004996	10/21/2022	BEST BEST & KRIEGER LLP	1104121	4301500	ADDT'L MONTHLY LEGAL THRU 9/22	946581-1	9,163.00
00	00004996	10/21/2022	BEST BEST & KRIEGER LLP	1104121	4301500	CHANDI LGL SVC-9/22	946581-1	1,817.90
00	00004996	10/21/2022	BEST BEST & KRIEGER LLP	1104121	4301500	PALM COMM LGL SVC THRU 9/22	946574	3,773.00
00	00004996	10/21/2022	BEST BEST & KRIEGER LLP	1104121	4301600	PERSONNEL LGL SVC THRU 9/22	946570	661.71
00	00004996	10/21/2022	BEST BEST & KRIEGER LLP	6100000	2286000	UPI LGL SVC THRU 9/22	946571	858.34
00	00004996	10/21/2022	BEST BEST & KRIEGER LLP	8714195	4301500	HSG LGL SVC-9/22	946574	462.00
00	00004997	10/21/2022	CBRE INC	1104159	4309000	Professional Real Estate Servi	2022-203875-004	19,500.00
00	00004998	10/21/2022	CDW LLC	1104190	4212000	Supplies-Computer	DF21817	12.79
00	00004998	10/21/2022	CDW LLC	1104190	4212000	Supplies-Computer	DD82775	10.96
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	234LD4 MAINTENANCE	FBN4515105	117.25
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3PJ MAINTENANCE	FBN4515105	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3QC MAINTENANCE	FBN4515105	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3RD MAINTENANCE	FBN4515105	88.97
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V458 MAINTENANCE	FBN4515105	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3PN MAINTENANCE	FBN4515105	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3S3 MAINTENANCE	FBN4515105	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3PC MAINTENANCE	FBN4515105	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MTQF MAINTENANCE	FBN4515105	119.74
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG3C MAINTENANCE	FBN4515105	90.96

City & Housing

City of Palm Desert

Check Register

10/21/2022 - 10/21/2022

Bank ID	Check Number	Check Date	Vendor Name	Account Number		Transaction Desc	Invoice	Amount Paid
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG3H MAINTENANCE	FBN4515105	90.96
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG55 MAINTENANCE	FBN4515105	88.97
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG58 MAINTENANCE	FBN4515105	75.67
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MTQG MAINTENANCE	FBN4515105	117.93
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG42 MAINTENANCE	FBN4515105	88.97
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG5R MAINTENANCE	FBN4515105	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG5W MAINTENANCE	FBN4515105	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MTQB MAINTENANCE	FBN4515105	128.15
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MTQD MAINTENANCE	FBN4515105	122.73
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG34 MAINTENANCE	FBN4515105	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG4H MAINTENANCE	FBN4515105	88.97
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG3S MAINTENANCE	FBN4515105	75.67
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG5X MAINTENANCE	FBN4515105	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG63 MAINTENANCE	FBN4515105	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MP7V MAINTENANCE	FBN4515105	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3QW MAINTENANCE	FBN4515105	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3MJ MAINTENANCE	FBN4515105	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3NF MAINTENANCE	FBN4515105	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3P3 MAINTENANCE	FBN4515105	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3P5 MAINTENANCE	FBN4515105	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3P8 MAINTENANCE	FBN4515105	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	234LD4 LEASE	FBN4515105	910.24
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3PJ LEASE	FBN4515105	652.46
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3QC LEASE	FBN4515105	659.59
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3RD LEASE	FBN4515105	388.44
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V458 LEASE	FBN4515105	638.93
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3PN LEASE	FBN4515105	665.88

City & Housing

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City of Palm Desert

Check Register

10/21/2022 - 10/21/2022

Bank ID	Check Number	Check Date	Vendor Name	Account Number		Transaction Desc	Invoice	Amount Paid
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3S3 LEASE	FBN4515105	652.46
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3PC LEASE	FBN4515105	652.46
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MTQF LEASE	FBN4515105	833.16
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG3C LEASE	FBN4515105	699.00
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG3H LEASE	FBN4515105	669.33
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG55 LEASE	FBN4515105	543.38
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG58 LEASE	FBN4515105	535.52
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MTQG LEASE	FBN4515105	910.77
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG42 LEASE	FBN4515105	479.23
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG5R LEASE	FBN4515105	590.37
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG5W LEASE	FBN4515105	582.39
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MTQB LEASE	FBN4515105	1,002.40
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MTQD LEASE	FBN4515105	1,001.65
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG34 LEASE	FBN4515105	596.17
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG4H LEASE	FBN4515105	473.25
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG3S LEASE	FBN4515105	448.52
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG5X LEASE	FBN4515105	582.39
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG63 LEASE	FBN4515105	582.39
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MP7V LEASE	FBN4515105	594.40
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3QW LEASE	FBN4515105	587.93
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3MJ LEASE	FBN4515105	618.74
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3NF LEASE	FBN4515105	615.78
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3P3 LEASE	FBN4515105	652.46
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3P5 LEASE	FBN4515105	652.46
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3P8 LEASE	FBN4515105	652.46
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	234LD4 MAINTENANCE	FBN4538054	117.25
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3PJ MAINTENANCE	FBN4538054	92.83

City & Housing

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City of Palm Desert

Check Register

10/21/2022 - 10/21/2022

Bank ID	Check Number	Check Date	Vendor Name	Account Number		Transaction Desc	Invoice	Amount Paid
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3QC MAINTENANCE	FBN4538054	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3RD MAINTENANCE	FBN4538054	88.97
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V458 MAINTENANCE	FBN4538054	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3PN MAINTENANCE	FBN4538054	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3S3 MAINTENANCE	FBN4538054	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3PC MAINTENANCE	FBN4538054	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MTQF MAINTENANCE	FBN4538054	119.74
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG3C MAINTENANCE	FBN4538054	90.96
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG3H MAINTENANCE	FBN4538054	90.96
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG55 MAINTENANCE	FBN4538054	88.97
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG58 MAINTENANCE	FBN4538054	75.67
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MTQG MAINTENANCE	FBN4538054	117.93
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG42 MAINTENANCE	FBN4538054	88.97
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG5R MAINTENANCE	FBN4538054	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG5W MAINTENANCE	FBN4538054	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MTQB MAINTENANCE	FBN4538054	128.15
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MTQD MAINTENANCE	FBN4538054	122.73
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG34 MAINTENANCE	FBN4538054	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG4H MAINTENANCE	FBN4538054	88.97
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG3S MAINTENANCE	FBN4538054	75.67
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG5X MAINTENANCE	FBN4538054	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG63 MAINTENANCE	FBN4538054	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MP7V MAINTENANCE	FBN4538054	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3QW MAINTENANCE	FBN4538054	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3MJ MAINTENANCE	FBN4538054	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3NF MAINTENANCE	FBN4538054	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3P3 MAINTENANCE	FBN4538054	92.83

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City of Palm Desert

Check Register

10/21/2022 - 10/21/2022

Bank ID	Check Number	Check Date	Vendor Name	Account Number		Transaction Desc	Invoice	Amount Paid
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3P5 MAINTENANCE	FBN4538054	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3P8 MAINTENANCE	FBN4538054	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	234LD4 MAINTENANCE	FBN4545130	117.25
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3PJ MAINTENANCE	FBN4545130	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3QC MAINTENANCE	FBN4545130	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3RD MAINTENANCE	FBN4545130	88.97
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V458 MAINTENANCE	FBN4545130	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3PN MAINTENANCE	FBN4545130	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3S3 MAINTENANCE	FBN4545130	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3PC MAINTENANCE	FBN4545130	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MTQF MAINTENANCE	FBN4545130	119.74
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG3C MAINTENANCE	FBN4545130	90.96
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG3H MAINTENANCE	FBN4545130	90.96
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG55 MAINTENANCE	FBN4545130	88.97
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG58 MAINTENANCE	FBN4545130	75.67
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MTQG MAINTENANCE	FBN4545130	117.93
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG42 MAINTENANCE	FBN4545130	88.97
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG5R MAINTENANCE	FBN4545130	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG5W MAINTENANCE	FBN4545130	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MTQB MAINTENANCE	FBN4545130	128.15
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MTQD MAINTENANCE	FBN4545130	122.73
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG34 MAINTENANCE	FBN4545130	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG4H MAINTENANCE	FBN4545130	88.97
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG3S MAINTENANCE	FBN4545130	75.67
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG5X MAINTENANCE	FBN4545130	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG63 MAINTENANCE	FBN4545130	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MP7V MAINTENANCE	FBN4545130	92.83

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Bank ID	Check Number	Check Date	Vendor Name	Account Number		Transaction Desc	Invoice	Amount Paid
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3QW MAINTENANCE	FBN4545130	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3MJ MAINTENANCE	FBN4545130	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3NF MAINTENANCE	FBN4545130	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3P3 MAINTENANCE	FBN4545130	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3P5 MAINTENANCE	FBN4545130	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3P8 MAINTENANCE	FBN4545130	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3P8 ADDITIONAL MAINTENANCE	FBN4545130	34.13
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	TELEMETICS - GEOTAB SHIPPING	FBN4545130	2,040.00
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	234LD4 MAINTENANCE	FBN4567028	117.25
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	234LD4 ADDITIONAL MAINTENANCE	FBN4567028	205.12
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3PJ MAINTENANCE	FBN4567028	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3QC MAINTENANCE	FBN4567028	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3RD MAINTENANCE	FBN4567028	88.97
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V458 MAINTENANCE	FBN4567028	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3PN MAINTENANCE	FBN4567028	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3S3 MAINTENANCE	FBN4567028	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3PC MAINTENANCE	FBN4567028	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MTQF MAINTENANCE	FBN4567028	119.74
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG3C MAINTENANCE	FBN4567028	90.96
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG3H MAINTENANCE	FBN4567028	90.96
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG55 MAINTENANCE	FBN4567028	88.97
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG58 MAINTENANCE	FBN4567028	75.67
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MTQG MAINTENANCE	FBN4567028	117.93
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG42 MAINTENANCE	FBN4567028	88.97
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG5R MAINTENANCE	FBN4567028	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG5W MAINTENANCE	FBN4567028	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MTQB MAINTENANCE	FBN4567028	128.15

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Bank ID	Check Number	Check Date	Vendor Name	Account Number		Transaction Desc	Invoice	Amount Paid
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MTQD MAINTENANCE	FBN4567028	122.73
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG34 MAINTENANCE	FBN4567028	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG4H MAINTENANCE	FBN4567028	88.97
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG3S MAINTENANCE	FBN4567028	75.67
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG5X MAINTENANCE	FBN4567028	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MG63 MAINTENANCE	FBN4567028	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22MP7V MAINTENANCE	FBN4567028	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3QW MAINTENANCE	FBN4567028	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3MJ MAINTENANCE	FBN4567028	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3MJ ADDITIONAL MAINTENANCE	FBN4567028	67.00
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3NF MAINTENANCE	FBN4567028	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3P3 MAINTENANCE	FBN4567028	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3P5 MAINTENANCE	FBN4567028	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	1104331	4334000	22V3P8 MAINTENANCE	FBN4567028	92.83
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	234LD4 LEASE	FBN4538054	910.24
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3PJ LEASE	FBN4538054	652.46
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3QC LEASE	FBN4538054	659.59
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3RD LEASE	FBN4538054	388.44
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V458 LEASE	FBN4538054	638.93
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3PN LEASE	FBN4538054	665.88
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3S3 LEASE	FBN4538054	652.46
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3PC LEASE	FBN4538054	652.46
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MTQF LEASE	FBN4538054	833.16
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG3C LEASE	FBN4538054	699.00
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG3H LEASE	FBN4538054	669.33
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG55 LEASE	FBN4538054	543.38
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG58 LEASE	FBN4538054	535.52

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Bank ID	Check Number	Check Date	Vendor Name	Account Number		Transaction Desc	Invoice	Amount Paid
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MTQG LEASE	FBN4538054	910.77
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG42 LEASE	FBN4538054	479.23
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG5R LEASE	FBN4538054	590.37
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG5W LEASE	FBN4538054	582.39
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MTQB LEASE	FBN4538054	1,002.40
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MTQD LEASE	FBN4538054	1,001.65
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG34 LEASE	FBN4538054	596.17
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG4H LEASE	FBN4538054	473.25
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG3S LEASE	FBN4538054	448.52
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG5X LEASE	FBN4538054	582.39
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG63 LEASE	FBN4538054	582.39
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MP7V LEASE	FBN4538054	594.40
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3QW LEASE	FBN4538054	587.93
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3MJ LEASE	FBN4538054	618.74
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3NF LEASE	FBN4538054	615.78
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3P3 LEASE	FBN4538054	652.46
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3P5 LEASE	FBN4538054	652.46
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3P8 LEASE	FBN4538054	652.46
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	234LD4 LEASE	FBN4545130	910.24
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3PJ LEASE	FBN4545130	652.46
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3QC LEASE	FBN4545130	659.59
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3RD LEASE	FBN4545130	388.44
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V458 LEASE	FBN4545130	638.93
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3PN LEASE	FBN4545130	665.88
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3S3 LEASE	FBN4545130	652.46
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3PC LEASE	FBN4545130	652.46
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MTQF LEASE	FBN4545130	833.16

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Bank ID	Check Number	Check Date	Vendor Name	Account Number		Transaction Desc	Invoice	Amount Paid
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG3C LEASE	FBN4545130	699.00
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG3H LEASE	FBN4545130	669.33
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG55 LEASE	FBN4545130	543.38
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG58 LEASE	FBN4545130	535.52
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MTQG LEASE	FBN4545130	910.77
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG42 LEASE	FBN4545130	479.23
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG5R LEASE	FBN4545130	590.37
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG5W LEASE	FBN4545130	582.39
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MTQB LEASE	FBN4545130	1,002.40
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MTQD LEASE	FBN4545130	1,001.65
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG34 LEASE	FBN4545130	596.17
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG4H LEASE	FBN4545130	473.25
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG3S LEASE	FBN4545130	448.52
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG5X LEASE	FBN4545130	582.39
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG63 LEASE	FBN4545130	582.39
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MP7V LEASE	FBN4545130	594.40
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3QW LEASE	FBN4545130	587.93
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3MJ LEASE	FBN4545130	618.74
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3NF LEASE	FBN4545130	615.78
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3P3 LEASE	FBN4545130	652.46
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3P5 LEASE	FBN4545130	652.46
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3P8 LEASE	FBN4545130	652.46
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	234LD4 LEASE	FBN4567028	910.24
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3PJ LEASE	FBN4567028	652.46
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3QC LEASE	FBN4567028	659.59
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3RD LEASE	FBN4567028	388.44
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V458 LEASE	FBN4567028	638.93

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Bank ID	Check Number	Check Date	Vendor Name	Account Number		Transaction Desc	Invoice	Amount Paid
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3PN LEASE	FBN4567028	665.88
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3S3 LEASE	FBN4567028	652.46
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3PC LEASE	FBN4567028	652.46
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MTQF LEASE	FBN4567028	833.16
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG3C LEASE	FBN4567028	699.00
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG3H LEASE	FBN4567028	669.33
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG55 LEASE	FBN4567028	543.38
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG58 LEASE	FBN4567028	535.52
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MTQG LEASE	FBN4567028	910.77
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG42 LEASE	FBN4567028	479.23
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG5R LEASE	FBN4567028	590.37
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG5W LEASE	FBN4567028	582.39
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MTQB LEASE	FBN4567028	1,002.40
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MTQD LEASE	FBN4567028	1,001.65
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG34 LEASE	FBN4567028	596.17
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG4H LEASE	FBN4567028	473.25
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG3S LEASE	FBN4567028	448.52
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG5X LEASE	FBN4567028	582.39
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MG63 LEASE	FBN4567028	582.39
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22MP7V LEASE	FBN4567028	594.40
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3QW LEASE	FBN4567028	587.93
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3MJ LEASE	FBN4567028	618.74
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3NF LEASE	FBN4567028	615.78
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3P3 LEASE	FBN4567028	652.46
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3P5 LEASE	FBN4567028	652.46
00	00004999	10/21/2022	ENTERPRISE FM TRUST	5304331	4344000	22V3P8 LEASE	FBN4567028	652.46
00	00005000	10/21/2022	ENTERPRISE HOLDINGS INC	2294210	4391400	FY 22/23 Car rentals for PD Po	30925475	2,618.50

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Bank ID	Check Number	Check Date	Vendor Name	Account Number		Transaction Desc	Invoice	Amount Paid
00	00005000	10/21/2022	ENTERPRISE HOLDINGS INC	2294210	4391400	FY 22/23 Car rentals for PD Po	30751560	5,104.07
00	00005001	10/21/2022	HEALTHEQUITY ADMIN	1104154	4309000	ADMIN FEE 09-2022	2052862-4232993	197.00
00	00005002	10/21/2022	HEALTHEQUITY INC	6100000	2281900	HCFSA 2022 PAYMENTS WE 090222	2052862-4175374	694.30
00	00005002	10/21/2022	HEALTHEQUITY INC	6100000	2281900	HCFSA 2022 PAYMENTS WE 090922	2052862-4192959	2,992.56
00	00005002	10/21/2022	HEALTHEQUITY INC	6100000	2281900	HCFSA 2022 PAYMENTS WE 091622	2052862-4216327	124.32
00	00005002	10/21/2022	HEALTHEQUITY INC	6100000	2281900	HCFSA 2022 PAYMENTS WE 092322	2052862-4253141	80.59
00	00005003	10/21/2022	IDEAPEDDLER LLC	1104417	4309000	Media Management Service3of12	1856	3,333.33
00	00005004	10/21/2022	JOSLYN SENIOR CENTER	1104800	4389300	FY 22/23 Joslyn Center Quarter	12707	58,581.21
00	00005005	10/21/2022	MARIPOSA LANDSCAPES INC	1104614	4337001	LMA 1 ALLOWABLE EXTRA WORK AND	99439	2,440.99
00	00005006	10/21/2022	RHYTHM TECH PRODUCTIONS LLC	1104416	4306101	AV for Concerts in the Park	852	4,400.00
00	00005007	10/21/2022	SANT MADE	1104417	4302600	Design svc for Brightside	2507	1,920.00
00	00005008	10/21/2022	STAPLES BUSINESS ADVANTAGE	1104422	4211000	Office supplies	3519506717	54.17
00	00005008	10/21/2022	STAPLES BUSINESS ADVANTAGE	1104300	4211000	SUPPLY AS NEEDED VARIOUS OFFIC	3517263933	120.58
00	00005008	10/21/2022	STAPLES BUSINESS ADVANTAGE	1104300	4211000	SUPPLY AS NEEDED VARIOUS OFFIC	3517263934	15.09
00	00005008	10/21/2022	STAPLES BUSINESS ADVANTAGE	1104300	4211000	SUPPLY AS NEEDED VARIOUS OFFIC	3517263935	8.59
00	00005008	10/21/2022	STAPLES BUSINESS ADVANTAGE	1104300	4211000	SUPPLY AS NEEDED VARIOUS OFFIC	3517668213	704.66
00	00005008	10/21/2022	STAPLES BUSINESS ADVANTAGE	1104300	4211000	SUPPLY AS NEEDED VARIOUS OFFIC	3518661601	54.73
00	00005008	10/21/2022	STAPLES BUSINESS ADVANTAGE	1104300	4211000	SUPPLY AS NEEDED VARIOUS OFFIC	3518661602	352.33
00	00005008	10/21/2022	STAPLES BUSINESS ADVANTAGE	1104300	4211000	SUPPLY AS NEEDED VARIOUS OFFIC	3518661603	-10.57
00	00005008	10/21/2022	STAPLES BUSINESS ADVANTAGE	1104300	4211000	SUPPLY AS NEEDED VARIOUS OFFIC	3518661604	10.57
00	00005008	10/21/2022	STAPLES BUSINESS ADVANTAGE	1104130	4211000	OFFICE SUPPLIES CM	3519506719	76.93
00	00005008	10/21/2022	STAPLES BUSINESS ADVANTAGE	1104421	4211000	Office Supplies	3518640799	144.73
00	00005008	10/21/2022	STAPLES BUSINESS ADVANTAGE	8704195	4404000	Cap-Office Equipment	3518640797	115.77
00	00005008	10/21/2022	STAPLES BUSINESS ADVANTAGE	1104150	4211000	Office Supplies	3518640798	352.33
00	00005008	10/21/2022	STAPLES BUSINESS ADVANTAGE	1104159	4211000	Office Supplies	3518640795	75.01
00	00005008	10/21/2022	STAPLES BUSINESS ADVANTAGE	1104159	4211000	Office Supplies/Paper	3518640795	559.18
00	00005008	10/21/2022	STAPLES BUSINESS ADVANTAGE	1104159	4211000	Office Supplies/hanging folder	3518640794	51.04

City & Housing

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City of Palm Desert

Check Register

10/21/2022 - 10/21/2022

Bank ID	Check Number	Check Date	Vendor Name	Account Number		Transaction Desc	Invoice	Amount Paid
00	00005008	10/21/2022	STAPLES BUSINESS ADVANTAGE	1104150	4211000	Office Supplies	3519506797	54.17
00	00005009	10/21/2022	WILLDAN FINANCIAL SERVICES	2304220	4309000	FY 22/23 Fire Tax Oct-Dec	010-52525	4,529.54
00	00005009	10/21/2022	WILLDAN FINANCIAL SERVICES	2774373	4309000	FY 22/23 PBID I Oct-Dec	010-52527	964.73
00	00005009	10/21/2022	WILLDAN FINANCIAL SERVICES	2824373	4309000	FY 22/23 PBID III Oct-Dec	010-52527	858.20
00	00005009	10/21/2022	WILLDAN FINANCIAL SERVICES	2894374	4309000	FY 22/23 BAD No. 1 Oct-Dec	010-52523	707.87
00	00005009	10/21/2022	WILLDAN FINANCIAL SERVICES	3124350	4309000	FY 22/23 AD 2001-01 Oct-Dec	010-52526	530.58
00	00005009	10/21/2022	WILLDAN FINANCIAL SERVICES	3124350	4309000	FY 21/22 Willdan DELQ Letters	010-50867	52.90
00	00005009	10/21/2022	WILLDAN FINANCIAL SERVICES	3144350	4309000	FY 22/23 AD 2004-01 Oct-Dec	010-52526	356.49
00	00005009	10/21/2022	WILLDAN FINANCIAL SERVICES	3144350	4309000	FY 21/22 Willdan DELQ Letters	010-50867	95.22
00	00005009	10/21/2022	WILLDAN FINANCIAL SERVICES	3154350	4309000	FY 22/23 AD 2004-02 Oct-Dec	010-52526	2,147.21
00	00005009	10/21/2022	WILLDAN FINANCIAL SERVICES	3154350	4309000	FY 21/22 Willdan DELQ Letters	010-50867	158.70
00	00005009	10/21/2022	WILLDAN FINANCIAL SERVICES	3534394	4309000	FY 22/23 CFD 2005-1 Oct-Dec	010-52524	1,586.74
00	00005009	10/21/2022	WILLDAN FINANCIAL SERVICES	3534394	4309000	FY 21/22 Willdan DELQ Letters	010-50867	21.16
00	00005009	10/21/2022	WILLDAN FINANCIAL SERVICES	3544394	4309000	FY 22/23 CFD 2021-1 Oct-Dec	010-52524	1,100.32
00	00005009	10/21/2022	WILLDAN FINANCIAL SERVICES	2724374	4309000	PARKVIEW ESTATES	010-52528	121.88
00	00005009	10/21/2022	WILLDAN FINANCIAL SERVICES	2734680	4309000	DESERT MIRAGE	010-52528	210.22
00	00005009	10/21/2022	WILLDAN FINANCIAL SERVICES	2734681	4309000	SANDCASTLES	010-52528	166.79
00	00005009	10/21/2022	WILLDAN FINANCIAL SERVICES	2734682	4309000	PRIMROSE	010-52528	216.60
00	00005009	10/21/2022	WILLDAN FINANCIAL SERVICES	2754643	4309000	DIAMONDBACK	010-52528	200.14
00	00005009	10/21/2022	WILLDAN FINANCIAL SERVICES	2754680	4309000	MONTEREY MEADOWS	010-52528	217.87
00	00005009	10/21/2022	WILLDAN FINANCIAL SERVICES	2754681	4309000	HOVLEY GLEN	010-52528	197.82
00	00005009	10/21/2022	WILLDAN FINANCIAL SERVICES	2754682	4309000	HOVLEY ESTATES	010-52528	198.84
00	00005009	10/21/2022	WILLDAN FINANCIAL SERVICES	2754683	4309000	SONATA I	010-52528	197.82
00	00005009	10/21/2022	WILLDAN FINANCIAL SERVICES	2754684	4309000	SONATA II	010-52528	262.32
00	00005009	10/21/2022	WILLDAN FINANCIAL SERVICES	2754685	4309000	HOVLEY COLLECTION	010-52528	216.72
00	00005009	10/21/2022	WILLDAN FINANCIAL SERVICES	2754686	4309000	LA PALOMA I	010-52528	198.84
00	00005009	10/21/2022	WILLDAN FINANCIAL SERVICES	2754687	4309000	LA PALOMA II	010-52528	199.09

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City of Palm Desert

Check Register

10/21/2022 - 10/21/2022

Bank ID	Check Number	Check Date	Vendor Name	Account Number		Transaction Desc	Invoice	Amount Paid
00	00005009	10/21/2022	WILLDAN FINANCIAL SERVICES	2754693	4309000	LA PALOMA III	010-52528	196.50
00	00005009	10/21/2022	WILLDAN FINANCIAL SERVICES	2754694	4309000	SANDPIPER COURT	010-52528	197.56
00	00005009	10/21/2022	WILLDAN FINANCIAL SERVICES	2754695	4309000	SANDPIPER WEST	010-52528	197.56
00	00005009	10/21/2022	WILLDAN FINANCIAL SERVICES	2754696	4309000	HOVLEY COURT WEST	010-52528	197.44
00	00005009	10/21/2022	WILLDAN FINANCIAL SERVICES	2754697	4309000	PALM COURT	010-52528	161.65
00	00005009	10/21/2022	WILLDAN FINANCIAL SERVICES	2764374	4309000	CANYON COVE	010-52528	372.02
00	00005009	10/21/2022	WILLDAN FINANCIAL SERVICES	2784374	4309000	VINEYARDS	010-52528	308.42
00	00005009	10/21/2022	WILLDAN FINANCIAL SERVICES	2794374	4309000	WARING COURT	010-52528	197.82
00	00005009	10/21/2022	WILLDAN FINANCIAL SERVICES	2804374	4309000	PALM GATE	010-52528	215.70
00	00005009	10/21/2022	WILLDAN FINANCIAL SERVICES	2814374	4309000	THE GROVE	010-52528	270.86
00	00005009	10/21/2022	WILLDAN FINANCIAL SERVICES	2834374	4309000	PORTOLA PLACE	010-52528	204.08
00	00005009	10/21/2022	WILLDAN FINANCIAL SERVICES	2854374	4309000	KAUFMAN & BROAD	010-52528	320.54
00	00005009	10/21/2022	WILLDAN FINANCIAL SERVICES	2864374	4309000	CANYON CREST	010-52528	254.71
00	00005009	10/21/2022	WILLDAN FINANCIAL SERVICES	2874374	4309000	COLLEGE VIEW ESTATES II	010-52528	205.74
00	00005009	10/21/2022	WILLDAN FINANCIAL SERVICES	2874680	4309000	THE BOULDERS	010-52528	158.93
00	00005009	10/21/2022	WILLDAN FINANCIAL SERVICES	2874681	4309000	SUNDANCE WEST	010-52528	206.24
00	00005009	10/21/2022	WILLDAN FINANCIAL SERVICES	2874682	4309000	PETUNIA I	010-52528	160.92
00	00005009	10/21/2022	WILLDAN FINANCIAL SERVICES	2874683	4309000	SUNDANCE EAST	010-52528	157.57
00	00005009	10/21/2022	WILLDAN FINANCIAL SERVICES	2874684	4309000	COLLEGE VIEW ESTATES I	010-52528	169.80
00	00005009	10/21/2022	WILLDAN FINANCIAL SERVICES	2994374	4309000	PALM DESERT COUNTRY CLUB	010-52528	1,645.77
00	01531497	10/21/2022	BOWMAN, RANDY	1104300	4312000	9/17-21/22 ICMA CONFERENCE	0922LDG RR	304.03
00	01531498	10/21/2022	CAYANAN, STEPHEN	1100000	3511100	Citation amount reduced refund	PD77505	40.00
00	01531499	10/21/2022	CIUS, JULIUS	1100000	3511100	ParkingViolation Dismissed	PD77017	305.00
00	01531500	10/21/2022	COACHELLA VALLEY WATER DIST.	8734492	4400100	PDHA-42162 VERDIN LN	791981390090SP22	13.59
00	01531501	10/21/2022	GREATER PALM SPRINGS	1104416	4322000	'2022-2023 Contribution for GP	0014110-IN	93,045.45
00	01531502	10/21/2022	GREENWOOD, MICHAEL	1100000	3511100	ParkingViolation Dismissed	PD77024	330.00
00	01531503	10/21/2022	NEO PHILANTHROPY INC	1104114	4309000	Ranked Choice Voting (RCV) is	1 OF 4	1,000.00

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Check Register

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Bank ID	Check Number	Check Date	Vendor Name	Account Number		Transaction Desc	Invoice	Amount Paid
00	01531503	10/21/2022	NEO PHILANTHROPY INC	1104114	4309000	Ranked Choice Voting (RCV) is	2 OF 4	5,000.00
00	01531504	10/21/2022	NV5 INC	4004256	4400100	UNDERGROUNDING SUPPORT SERVICE	292345	2,992.50
00	01531504	10/21/2022	NV5 INC	4004256	4400100	UNDERGROUNDING SUPPORT SERVICE	273431	2,767.50
00	01531505	10/21/2022	PALM SPRINGS CULTURAL CENTER	1104800	4306201	Certified Farmers' Market 22-2	FY22-23	19,044.33
00	01531506	10/21/2022	PROFORMA SOCAL	1104422	4361000	Golf Cart Decals-2025	BH49003015A	489.43
00	01531507	10/21/2022	RAMIREZ, MELANIE	1104421	4312000	ICC 9/11-15/22 M.RAMIREZ	LDG9/15/22 RR	381.28
00	01531508	10/21/2022	SO CAL GAS	8734492	4400100	PDHA-42162 VERDIN LN	12182805700SP22	10.56
00	01531509	10/21/2022	SOLORZANO, MARVIN	1100000	3511100	ParkingViolation Dismissed	PD81773	200.00
00	01531510	10/21/2022	TRANSAMERICA EMPLOYEE BENEFITS	1100000	2161600	Supplmental Ins 09-30-22	2504751543	1,320.90
00	01531510	10/21/2022	TRANSAMERICA EMPLOYEE BENEFITS	1100000	2161600	Supplmental Ins 09-30-22	2504751543	336.86
00	01531511	10/21/2022	URKOV, JOHN M.	1100000	1150100	ESRI 7/10-15/22 J.URKOV	CLR LDG 7/15/22	-1,470.00
00	01531511	10/21/2022	URKOV, JOHN M.	1100000	1150100	ESRI 7/10-15/22 J.URKOV	CLR PRDM7/15/22	-407.00
00	01531511	10/21/2022	URKOV, JOHN M.	1100000	1150100	ESRI 7/10-15/22 J.URKOV	CLR MILE 7/15/22	-155.00
00	01531511	10/21/2022	URKOV, JOHN M.	1104190	4311500	ESRI 7/10-15/22 J.URKOV	MILE 7/15/22	155.00
00	01531511	10/21/2022	URKOV, JOHN M.	1104190	4312000	ESRI 7/10-15/22 J.URKOV	PRDM 7/15/22	407.00
00	01531511	10/21/2022	URKOV, JOHN M.	1104190	4312000	ESRI 7/10-15/22 J.URKOV	LDG 7/15/22	1,660.50
00	01531511	10/21/2022	URKOV, JOHN M.	1104190	4312000	ESRI 7/10-15/22 J.URKOV	PRK 7/15/22	220.00
00	01531512	10/21/2022	WIDRAN, JERROLD	1100000	3511100	ParkingViolation Dismissed	PD76444ADMIN FEE	25.00

Audited and Found Correct

Director of Finance

Examined and Approved

Mayor or Mayor Pro-Tem

Examined and Approved

City Manager

Total For Bank ID - 00

445,182.82

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City of Palm Desert

Check Register

10/27/2022 - 10/27/2022

Bank ID	Check Number	Check Date	Vendor Name	Account Number		Transaction Desc	Invoice	Amount Paid
WR	52272366	10/27/2022	DEPARTMENT OF THE TREASURY	1100000	2160100	Federal W/H P/D 10/26/2022	51420295	44,709.25
WR	52272366	10/27/2022	DEPARTMENT OF THE TREASURY	1100000	2160300	Medicare W/H P/D 10/26/2022	51420295	13,299.90
WR	52847513	10/27/2022	STATE OF CALIFORNIA	1100000	2160200	PIT W/H PD: 10/26/2022	6717157	18,651.20
WR	53468598	10/27/2022	I C M A RETIREMENT TRUST	6100000	2162201	401-A Retire PayDay: 10/26/22	6943208	-8,897.04
WR	53468598	10/27/2022	I C M A RETIREMENT TRUST	1100000	2162201	401-A Retire PayDay: 10/26/22	6943208	8,897.04
WR	53468598	10/27/2022	I C M A RETIREMENT TRUST	6100000	1029201	401-A Retire PayDay: 10/26/22	6943208	8,897.04
WR	53468624	10/27/2022	I C M A RETIREMENT TRUST	1100000	2162600	Retire Hlth Sv-PayDay 10/26/22	6070403	4,261.74
WR	53468624	10/27/2022	I C M A RETIREMENT TRUST	6100000	1029200	Retire Hlth Sv-PayDay 10/26/22	6070403	4,261.74
WR	53468624	10/27/2022	I C M A RETIREMENT TRUST	6100000	2162200	Retire Hlth Sv-PayDay 10/26/22	6070403	-4,261.74
WR	53468635	10/27/2022	I C M A RETIREMENT TRUST	6100000	2162300	Deferred Comp PayDay 10/26/22	6863759	-12,511.72
WR	53468635	10/27/2022	I C M A RETIREMENT TRUST	6100000	1029300	Deferred Comp PayDay 10/26/22	6863759	12,511.72
WR	53468635	10/27/2022	I C M A RETIREMENT TRUST	1100000	2162300	Deferred Comp PayDay 10/26/22	6863759	12,511.72
WR	54901560	10/27/2022	NATIONWIDE RETIREMENT SOLUTIONS	1100000	2162100	DEFERRED COMP PAYDAY 10/12/22	37064001 102622	7,273.38
WR	54901560	10/27/2022	NATIONWIDE RETIREMENT SOLUTIONS	6100000	1029100	DEFERRED COMP PAYDAY 10/12/22	37064001 102622	7,273.38
WR	54901560	10/27/2022	NATIONWIDE RETIREMENT SOLUTIONS	6100000	2162100	DEFERRED COMP PAYDAY 10/12/22	37064001 102622	-7,273.38

Audited and Found Correct

Director of Finance

Examined and Approved

Mayor or Mayor Pro-Tem

Examined and Approved

City Manager

Total For Bank ID - WR

109,604.23

Report Date 10/27/2022

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City of Palm Desert

Check Register

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Bank ID	Check Number	Check Date	Vendor Name	Account Number		Transaction Desc	Invoice	Amount Paid
WR	54693312	10/28/2022	P E R S	1100000	2161100	PERS 10/21/2022	1002230484	55,346.37
WR	54693312	10/28/2022	P E R S	1104150	4111500	ROUNDING 10/21/2022	1002230484	0.62
WR	54693314	10/28/2022	P E R S	1100000	2161100	PERS 10/21/2022	1002230485	33,597.99
WR	54693314	10/28/2022	P E R S	1100000	2161100	ADJUSTMENT 10/21/2022	1002230485	-424.78
WR	54693318	10/28/2022	P E R S	1100000	2161100	PERS 10/14/2022	1002230522	1,736.68
WR	54693320	10/28/2022	P E R S	1104150	4111500	ROUNDING 10/14/2022	1002230523	0.05
WR	54693320	10/28/2022	P E R S	1100000	2161100	PERS 10/14/2022	1002230523	456.14
WR	56288994	10/28/2022	P E R S	1104150	4111500	ROUNDING 10/21/2022	1002230976	0.62
WR	56288994	10/28/2022	P E R S	1100000	2161100	PERS 10/21/2022	1002230976	55,547.90
WR	56288996	10/28/2022	P E R S	1100000	2161100	PERS 10/21/2022	1002230977	32,910.48
WR	56288996	10/28/2022	P E R S	1100000	2161100	ADJUSTMENT 10/21/2022	1002230977	-50.80

Audited and Found Correct

Director of Finance

Examined and Approved

Mayor or Mayor Pro-Tem

Examined and Approved

City Manager

Total For Bank ID - WR

179,121.27

City & Housing

City of Palm Desert

Check Register

10/28/2022 - 10/28/2022

Bank ID	Check Number	Check Date	Vendor Name	Account Number		Transaction Desc	Invoice	Amount Paid
00	00005011	10/28/2022	AVENU MUNISERVICES LLC	1104159	4309000	STARS 2nd Quarter 2022	INV06-015162	1,000.00
00	00005012	10/28/2022	CDW LLC	1104190	4212000	Tech Equipment	DH96328	133.65
00	00005012	10/28/2022	CDW LLC	5304190	4404000	Computer Equipment	DK98670	1,900.12
00	00005012	10/28/2022	CDW LLC	5304190	4404000	Computer Equipment	DH57877	2,536.67
00	00005013	10/28/2022	ECONOLITE CONTROL PRODUCTS	2134250	5000906	SUPPLY 14 TRAFFIC SIGNAL CABIN	S-09028PF	238,283.17
00	00005014	10/28/2022	GRANICUS INC	1100000	1430100	govAccess Exp 9/30/23	157062	2,321.72
00	00005014	10/28/2022	GRANICUS INC	1104190	4362001	GovAccess for VisionLive	157062	6,965.15
00	00005015	10/28/2022	MARIPOSA LANDSCAPES INC	1104614	4337001	LMA 1 MONTHLY LANDSCAPE MAINTE	99465	41,125.38
00	00005015	10/28/2022	MARIPOSA LANDSCAPES INC	1104614	4337001	LMA 9 - EL PASEO / BAJA PARK /	99446	21,016.16
00	00005015	10/28/2022	MARIPOSA LANDSCAPES INC	1104614	4392101	LMA 9 - ENTRADA DEL PASEO	99446	5,284.00
00	00005016	10/28/2022	NV5 INC	4504161	4400100	CIVIC CENTER PHOTOVOLTAIC	295775	12,286.25
00	00005017	10/28/2022	PURE WATER PARTNERS LLC	1104330	4309000	3 WATER DISPENSERS - CORPYARD	1349729	223.05
00	00005017	10/28/2022	PURE WATER PARTNERS LLC	1104340	4309000	3 WATER DISPENSERS - CITY HALL	1349729	223.05
00	00005017	10/28/2022	PURE WATER PARTNERS LLC	1104344	4309000	1 WATER DISPENSER - PORTOLA CC	1349729	74.35
00	00005017	10/28/2022	PURE WATER PARTNERS LLC	2304220	4331000	3 WATER DISPENSERS - FIRE STAT	1349729	223.05
00	00005018	10/28/2022	STAPLES BUSINESS ADVANTAGE	1104111	4211000	Office Supplies - ccadmin	3518640778	124.25
00	00005018	10/28/2022	STAPLES BUSINESS ADVANTAGE	1104111	4211000	Office Supplies - rcrd ctr	3519506712	203.83
00	00005018	10/28/2022	STAPLES BUSINESS ADVANTAGE	1104111	4211000	Office Supplies - ccadmin	3519506716	63.36
00	00005018	10/28/2022	STAPLES BUSINESS ADVANTAGE	1104111	4211000	Office Supplies - ccadmin	3519506714	57.70
00	00005018	10/28/2022	STAPLES BUSINESS ADVANTAGE	1104420	4211000	OFFICE SUPPLIES	3519506613	129.49
00	00005018	10/28/2022	STAPLES BUSINESS ADVANTAGE	1104430	4211000	Office supplies	3519506611	214.43
00	00005018	10/28/2022	STAPLES BUSINESS ADVANTAGE	1104421	4211000	Office Supplies -Permit Center	3520115418	182.92
00	00005018	10/28/2022	STAPLES BUSINESS ADVANTAGE	1104211	4306001	COPS Red Shop Towels	3518640779	133.70
00	01531515	10/28/2022	A+ WINDOW & GUTTER CLEANING	2304220	4331000	CLEANING SRVS - FIRE STATIONS	7541R	985.00
00	01531515	10/28/2022	A+ WINDOW & GUTTER CLEANING	2304220	4331000	CLEANING SRVS - FIRE STATIONS	7592R	195.00
00	01531516	10/28/2022	ACCURATE FIRST AID SERVICES LLC	1104330	4219000	FIRST AID SUPPLIES - CORPYARD	C-1663	141.36
00	01531516	10/28/2022	ACCURATE FIRST AID SERVICES LLC	1104340	4219000	FIRST AID SUPPLIES - CITY HALL	C-1667	155.39

City & Housing

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Check Register

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Bank ID	Check Number	Check Date	Vendor Name	Account Number		Transaction Desc	Invoice	Amount Paid
00	01531517	10/28/2022	AETNA	2300000	3412400	EMS 12/14/21 Ref Run 21-709548	CLI2275718	103.65
00	01531518	10/28/2022	AIR & HOSE SOURCE INC	1104331	4334000	Parts for backhoe	479520	284.26
00	01531519	10/28/2022	ALARM MONITORING SERVICES INC	1104330	4309000	ALARM MONITORING - CRP YRD	97988	315.00
00	01531519	10/28/2022	ALARM MONITORING SERVICES INC	1104330	4331000	ALARM SRVS - CORPORATION YARD	97205	283.00
00	01531519	10/28/2022	ALARM MONITORING SERVICES INC	1104340	4309000	ALARM MONITORING - CTY HLL	97987	288.00
00	01531519	10/28/2022	ALARM MONITORING SERVICES INC	1104340	4309000	ALARM MONITORING - CTY HLL	97986	144.00
00	01531519	10/28/2022	ALARM MONITORING SERVICES INC	1104340	4309000	ALARM MONITORING - HSTRCL	98135	144.00
00	01531519	10/28/2022	ALARM MONITORING SERVICES INC	1104340	4309000	ALARM MONITORING - HSTRCL	98138	432.00
00	01531519	10/28/2022	ALARM MONITORING SERVICES INC	1104340	4331000	ALARM SRVS - CITY HALL & HS	97094	242.36
00	01531519	10/28/2022	ALARM MONITORING SERVICES INC	1104340	4331000	ALARM SRVS - CITY HALL & HS	97193	283.00
00	01531519	10/28/2022	ALARM MONITORING SERVICES INC	1104344	4309000	ALARM MONITORING - PORTOLA CC	98014	225.00
00	01531519	10/28/2022	ALARM MONITORING SERVICES INC	4254430	4395000	ALRM MONITORING - iHUB	98106	144.00
00	01531519	10/28/2022	ALARM MONITORING SERVICES INC	5104195	4369601	ALARM MONITORING - PARKVIEW BL	98089	432.00
00	01531519	10/28/2022	ALARM MONITORING SERVICES INC	5104195	4369602	ALARM MONITORING - STATE BLDG	98082	144.00
00	01531519	10/28/2022	ALARM MONITORING SERVICES INC	5104195	4369602	ALARM MONITORING - STATE BLDG	98083	144.00
00	01531519	10/28/2022	ALARM MONITORING SERVICES INC	5104195	4369800	ALARM SRVS - HENDERSON	97194	154.00
00	01531519	10/28/2022	ALARM MONITORING SERVICES INC	5104195	4369800	ALARM MONITORING - HENDERSON B	98088	432.00
00	01531519	10/28/2022	ALARM MONITORING SERVICES INC	5104195	4369800	ALARM MONITORING - HENDERSON B	98090	144.00
00	01531520	10/28/2022	AMERICAN FORENSIC NURSES	1104210	4390400	FY 22/23 Blood draws/DUI drug	76600	61.22
00	01531520	10/28/2022	AMERICAN FORENSIC NURSES	1104210	4390400	FY 22/23 Blood draws/DUI drug	76601	122.44
00	01531520	10/28/2022	AMERICAN FORENSIC NURSES	1104210	4390400	FY 22/23 Blood draws/DUI drug	76644	61.22
00	01531520	10/28/2022	AMERICAN FORENSIC NURSES	1104210	4390400	FY 22/23 Blood draws/DUI drug	76645	61.22
00	01531520	10/28/2022	AMERICAN FORENSIC NURSES	1104210	4390400	FY 22/23 Blood draws/DUI drug	76662	94.61
00	01531520	10/28/2022	AMERICAN FORENSIC NURSES	1104210	4390400	FY 22/23 Blood draws/DUI drug	76663	61.22
00	01531520	10/28/2022	AMERICAN FORENSIC NURSES	1104210	4390400	FY 22/23 Blood draws/DUI drug	76664	61.22
00	01531520	10/28/2022	AMERICAN FORENSIC NURSES	1104210	4390400	FY 22/23 Blood draws/DUI drug	76681	61.22
00	01531520	10/28/2022	AMERICAN FORENSIC NURSES	1104210	4390400	FY 22/23 Blood draws/DUI drug	76682	183.66

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00	01531521	10/28/2022	ANDERSON COMMUNICATION INC	1104310	4365000	MONTHLY RADIO REPEATER SERVICE	19577	250.00
00	01531522	10/28/2022	APPLIANCE MEDIC BERTHEOLA	1104330	4404000	APPLIANCES - CORPORATION YARD	93088	2,643.03
00	01531522	10/28/2022	APPLIANCE MEDIC BERTHEOLA	1104340	4331000	APPLIANCE SRVS / REPAIRS	93073	334.30
00	01531522	10/28/2022	APPLIANCE MEDIC BERTHEOLA	2304220	4331000	APPLIANCE SRVS / REPAIRS	93103	968.65
00	01531523	10/28/2022	ART INV RESEARCH & DEVELOPMENT INC	4364650	4337200	Damage to art	ART DAMAGE	350.00
00	01531524	10/28/2022	Artists Rights Society Inc	4364650	4321700	Film Rights	AR2TMP11580	300.00
00	01531525	10/28/2022	ASSUREHIRE INC	1104154	4305600	I9/EVERIFY	41828	83.40
00	01531526	10/28/2022	BECK OIL INC	1104331	4217000	CITY FLEET GAS AND DIESEL	519483	7,464.26
00	01531527	10/28/2022	BLUE CROSS OF CALIFORNIA	2300000	3412400	EMS 1/10/20 Ref Run 20-16452	NCF655A55752	1,869.75
00	01531528	10/28/2022	BLUE SHIELD OF CALIFORNIA	2300000	3412400	EMS 4/4/22 Ref Run 22-198159	R58712636	1,848.00
00	01531529	10/28/2022	BRIGHT EVENT RENTAL	1104416	4306101	Hunger Awareness Lights	670418	1,179.69
00	01531530	10/28/2022	BURRTEC	2774373	4351800	TRASH PICKUP SRV PP East	433101-10/22	8,150.62
00	01531530	10/28/2022	BURRTEC	2774373	4351800	TRASH PICKUP SRV PP West	433104-10/22	6,774.12
00	01531530	10/28/2022	BURRTEC	5104195	4369601	73710 FW TRASH PICKUP SRV	208162-10/22	480.29
00	01531530	10/28/2022	BURRTEC	5104195	4369602	73720 FW TRASH PICKUP SRV	208189-10/22	336.69
00	01531531	10/28/2022	CALIFORNIA BUILDING STANDARDS	6100000	2281000	GREEN BLD FEES-3RD QRT 2022	10/11/2022	3,739.00
00	01531531	10/28/2022	CALIFORNIA BUILDING STANDARDS	6100000	2281000	10% ADMIN FEE	10/11/2022	-373.90
00	01531532	10/28/2022	CALIFORNIA DESERT NURSERY INC	1104614	4337001	infills - El Paseo LMA 9	86233	954.64
00	01531533	10/28/2022	CASC ENGINEERING AND CONSULTING INC	1104300	4309000	PUBLIC WORKS DEPT -	0047368	6,745.00
00	01531534	10/28/2022	CASH, PETTY	1104470	4312500	ARC LUNCH MTG: MEMBERS/STAFF	M O'REILLY 10/11	157.86
00	01531535	10/28/2022	CASH, PETTY	1104300	4211000	cellphone case - EG	092922-MS	12.92
00	01531535	10/28/2022	CASH, PETTY	1104300	4211000	headphones - EG	101322-EG	43.08
00	01531535	10/28/2022	CASH, PETTY	1104300	4312500	09/22/22 Corpyard Mtg Snacks	092222-ML	31.20
00	01531535	10/28/2022	CASH, PETTY	1104300	4312500	09/22/22 Cartegraph Training	092222-DR	113.94
00	01531535	10/28/2022	CASH, PETTY	1104300	4312500	09/27/22 Bagels & Highlights M	093022-BG	35.33
00	01531535	10/28/2022	CASH, PETTY	1104300	4312500	09/22/22 Traffic Mgmt Mtg	092822-BA	14.72
00	01531535	10/28/2022	CASH, PETTY	1104300	4312500	10/03/22 APWA Mtg	100322-LL	49.37

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00	01531535	10/28/2022	CASH, PETTY	1104300	4312500	10/03/22 APWA Mtg	100322-RG	40.00
00	01531535	10/28/2022	CASH, PETTY	1104300	4312500	10/03/22 APWA Mtg	100322-CG	40.00
00	01531535	10/28/2022	CASH, PETTY	1104300	4312500	10/03/22 APWA Mtg	100322-CG-1	40.00
00	01531535	10/28/2022	CASH, PETTY	1104300	4312500	10/11/22 Parks & Rec Mtg	101122-SM	28.00
00	01531535	10/28/2022	CASH, PETTY	1104300	4312500	10/07/22 Intra dept coordinati	101122-MA	40.05
00	01531535	10/28/2022	CASH, PETTY	1104300	4312500	10/12/22 Safety Meeting	101922-ML	24.57
00	01531535	10/28/2022	CASH, PETTY	1104300	4312500	10/14/22 Bi-weekly staff mtg	101922-MA	55.92
00	01531535	10/28/2022	CASH, PETTY	1104300	4312500	10/19/22 Playground Safety	101922-SM	13.50
00	01531535	10/28/2022	CASH, PETTY	1104310	4219000	headset and car charger - Stre	101222-MS	41.87
00	01531535	10/28/2022	CASH, PETTY	1104331	4334000	10/11/22 Fuel for Carpool Veh	101222-AC	20.00
00	01531535	10/28/2022	CASH, PETTY	2304220	4331000	add sales tax FS table	100522-CG	49.42
00	01531536	10/28/2022	CHARTER COMMUNICATIONS	1104190	4365000	OCT22-City Hall Internet	0345093101622	1,035.00
00	01531537	10/28/2022	CHARTER COMMUNICATIONS	1104190	4365000	Oct - Corp Yard Internet	1093262100722	72.27
00	01531538	10/28/2022	CHARTER COMMUNICATIONS	1104190	4365000	Oct - Internet Services	0036098100122	386.32
00	01531539	10/28/2022	COACHELLA VALLEY ECONOMIC	1104110	4312500	CVEP Retreat - Jan Harnik	CVEP RTRT -JH	95.00
00	01531540	10/28/2022	COACHELLA VALLEY WATER DIST.	4254430	4395000	iHUB (9/22 - 10/19)	720041309104OC22	59.10
00	01531540	10/28/2022	COACHELLA VALLEY WATER DIST.	1104340	4351000	(A) 1057 City Hall	315187847714SP22	259.67
00	01531540	10/28/2022	COACHELLA VALLEY WATER DIST.	1104344	4351000	(B) 1057 Portola CC	315187847714SP22	524.62
00	01531540	10/28/2022	COACHELLA VALLEY WATER DIST.	1104610	4351000	248 RAC WELL RMT BY LAKE	332429853174SP22	2,348.25
00	01531540	10/28/2022	COACHELLA VALLEY WATER DIST.	1104610	4351000	1093 CIVIC CENTER PARK	315245847772SP22	10,102.25
00	01531540	10/28/2022	COACHELLA VALLEY WATER DIST.	1104611	4351000	1054 CITY PARKS	315181847708AG22	2,727.64
00	01531540	10/28/2022	COACHELLA VALLEY WATER DIST.	1104611	4351000	1054 CITY PARKS	315181847708SP22	3,101.61
00	01531540	10/28/2022	COACHELLA VALLEY WATER DIST.	1104614	4351000	1150 WASHINGTON & I-10	587615849914OC22	399.41
00	01531540	10/28/2022	COACHELLA VALLEY WATER DIST.	1104614	4351000	1055 ST MEDIANS "5"	315183847710SP22	10,943.85
00	01531540	10/28/2022	COACHELLA VALLEY WATER DIST.	1104614	4351000	10528 Entrada /Eric Johnson	317287849814SP22	1,047.39
00	01531540	10/28/2022	COACHELLA VALLEY WATER DIST.	2424549	4351000	1141 AQUATIC CENTER	512541849896SP22	2,712.97
00	01531540	10/28/2022	COACHELLA VALLEY WATER DIST.	2764374	4351000	10560 HAYSTACK	330551849952SP22	1,333.42

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00	01531540	10/28/2022	COACHELLA VALLEY WATER DIST.	2764374	4351000	10561 HAYSTACK	330559849954SP22	839.82
00	01531540	10/28/2022	COACHELLA VALLEY WATER DIST.	2774373	4351000	(3) 1056 Presidents Plaza	315185847712SP22	2,766.31
00	01531540	10/28/2022	COACHELLA VALLEY WATER DIST.	2774373	4351000	(5) 1056 Presidents Plaza	315185847712SP22	1,905.92
00	01531540	10/28/2022	COACHELLA VALLEY WATER DIST.	2784374	4351000	(1) 1056 Vineyards	315185847712SP22	53.16
00	01531540	10/28/2022	COACHELLA VALLEY WATER DIST.	2784374	4351000	(7) 1056 Vineyards	315185847712SP22	105.52
00	01531540	10/28/2022	COACHELLA VALLEY WATER DIST.	2814374	4351000	(4) 1056 The Grove	315185847712SP22	212.60
00	01531540	10/28/2022	COACHELLA VALLEY WATER DIST.	2824373	4351000	(2) 1056 Presidents Plaza 3	315185847712SP22	246.94
00	01531540	10/28/2022	COACHELLA VALLEY WATER DIST.	2824373	4351000	(8) 1056 Presidents Plaza 3	315185847712SP22	75.10
00	01531540	10/28/2022	COACHELLA VALLEY WATER DIST.	2834374	4351000	(6) 1056 Portola Place	315185847712SP22	111.51
00	01531540	10/28/2022	COACHELLA VALLEY WATER DIST.	5104195	4369601	(1) 1161 - 73710 FW	652499886934SP22	112.66
00	01531540	10/28/2022	COACHELLA VALLEY WATER DIST.	5104195	4369601	(3) 1161 - 73710 FW FP	652499886934SP22	86.99
00	01531540	10/28/2022	COACHELLA VALLEY WATER DIST.	5104195	4369602	(2) 1161 - 73720 FW	652499886934SP22	78.09
00	01531540	10/28/2022	COACHELLA VALLEY WATER DIST.	5104195	4369800	(4) 1161 - 72559 Hwy 111	652499886934SP22	64.28
00	01531540	10/28/2022	COACHELLA VALLEY WATER DIST.	5104195	4369800	(5) 1161 - 72559 Hwy 111 FP	652499886934SP22	46.43
00	01531541	10/28/2022	CONSOLIDATED ELECTRICAL DIST. INC.	1104611	4332501	ELECTRICAL/LIGHTING - PARKS	5725-1059590	2,964.20
00	01531542	10/28/2022	CUEVAS, JOHN MANUEL	4364650	4309200	Monarch Mural	010202022	750.00
00	01531543	10/28/2022	D D PAINTING INC	1104330	4331000	R/M BUILDINGS - CORPORATION YA	95667	2,450.00
00	01531544	10/28/2022	DEPARTMENT OF CONSERVATION	6100000	2284000	SMIP FEES-3RD QTR 2022	10/11/2022	6,738.04
00	01531544	10/28/2022	DEPARTMENT OF CONSERVATION	6100000	2284000	5% ADMIN FEE	10/11/2022	-336.90
00	01531545	10/28/2022	DESERT AIR CONDITIONING INC.	1104340	4331000	EXTRAS HVAC - CITY HALL	231241	233.64
00	01531546	10/28/2022	DESERT ELECTRIC SUPPLY	1104310	4332000	Street Maint supplies	S3014337.001	85.84
00	01531546	10/28/2022	DESERT ELECTRIC SUPPLY	1104330	4331000	R/M Bldg - Corp Yard	S3013911.001	117.63
00	01531546	10/28/2022	DESERT ELECTRIC SUPPLY	1104340	4331000	light bulbs - City Hall	S3009606.001	289.05
00	01531546	10/28/2022	DESERT ELECTRIC SUPPLY	1104340	4331000	light bulbs - City Hall	S3014431.001	95.04
00	01531546	10/28/2022	DESERT ELECTRIC SUPPLY	1104340	4331000	electrical supplies - City Hal	S3020815.001	188.26
00	01531546	10/28/2022	DESERT ELECTRIC SUPPLY	1104340	4331000	building materials - City Hall	S3021002.001	139.17
00	01531546	10/28/2022	DESERT ELECTRIC SUPPLY	1104344	4331000	electrical supplies - Portola	S3021000.001	22.54

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00	01531546	10/28/2022	DESERT ELECTRIC SUPPLY	5104195	4369601	light bulbs - Parkview	S3014467.001	295.96
00	01531547	10/28/2022	DESERT NAPA AUTO PARTS	1104331	4334000	R/M Vehicle supplies	961774	34.46
00	01531547	10/28/2022	DESERT NAPA AUTO PARTS	1104331	4334000	R/M Veh #55 City Owned	963618	43.08
00	01531548	10/28/2022	DESERT OASIS HEALTHCARE	1104154	4391500	Vaccines	97376-SEPT22	60.00
00	01531549	10/28/2022	DESERT RECYCLING INC	1104310	4332000	RECYCLING FACILITY FOR DISPOSA	15930	302.00
00	01531550	10/28/2022	DESERT SUN INC.	1104111	4321000	AD # 0005397862	4971619	323.40
00	01531550	10/28/2022	DESERT SUN INC.	1104111	4321000	AD # 0005403792	4971619	213.40
00	01531550	10/28/2022	DESERT SUN INC.	1104111	4321000	AD # 0005408693	4971619	176.00
00	01531550	10/28/2022	DESERT SUN INC.	1104111	4321000	AD # 0005411777	4971619	844.80
00	01531550	10/28/2022	DESERT SUN INC.	1104111	4321000	AD # 0005415594	4971619	316.80
00	01531550	10/28/2022	DESERT SUN INC.	1104111	4321000	AD # 0005420973	4971619	250.80
00	01531550	10/28/2022	DESERT SUN INC.	1104111	4321000	AD # 0005420982	4971619	171.60
00	01531550	10/28/2022	DESERT SUN INC.	1104111	4321000	AD # 0005430619	4971619	239.80
00	01531551	10/28/2022	DISABILITY ACCESS CONSULTANTS LLC	1104159	4309000	PROFESSIONAL SERVICES TO UPDAT	22-271	2,925.00
00	01531552	10/28/2022	DR HYDRAULICS INC	1104331	4334000	ADVANTAGE LIFT SRV - CORPYARD	2641	492.44
00	01531553	10/28/2022	DRAGON'S EXTERMINATOR	1104611	4331000	EXTRA SERVICES - PARKS	89220011	250.00
00	01531554	10/28/2022	EARTH SYSTEMS CONSULTANTS SW	4004161	4400100	PROVIDE SPECIAL INSEPCTION SER	836104	2,156.00
00	01531555	10/28/2022	FIRSTCHOICE COFFEE SERVICE	1104340	4219000	SUPPLY AS NEEDED VARIOUS	714211	90.00
00	01531555	10/28/2022	FIRSTCHOICE COFFEE SERVICE	1104340	4219000	SUPPLY AS NEEDED VARIOUS	715301	141.27
00	01531556	10/28/2022	FLORES, ABEL	4364650	4309200	El Paseo Ex sign 23 24	2049	1,986.50
00	01531557	10/28/2022	FORESITE ESCROW	8734699	4400100	FC-PI-22-054-3	ESCROW NO.080363	50,000.00
00	01531558	10/28/2022	FORESITE ESCROW	2144494	4390102	05-BEGIN-058-FC-22-054-3	ESCROW NO 080363	30,000.00
00	01531559	10/28/2022	FREY, JEREMY	1104420	4311500	CALBO 10/10-11/22 J.FREY	MILE10/10/22	104.50
00	01531559	10/28/2022	FREY, JEREMY	1104420	4312000	CALBO 10/10-11/22 J.FREY	PRDM10/10/22	96.00
00	01531560	10/28/2022	FRIEDMAN IMAGING	1104422	4361000	Code Scanning	2022031	228.92
00	01531560	10/28/2022	FRIEDMAN IMAGING	1104470	4361000	DIGITAL IMAGING SERVICES OF	2022032	2,817.73
00	01531561	10/28/2022	GAUGUSH, CORA	2304220	4331000	Oven Thermostat and Gas Knob f	PW092122	206.20

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00	01531562	10/28/2022	GENERAL CREDIT FORMS INC	1104421	4211000	Thermal Paper for Terminals	0008982	51.00
00	01531563	10/28/2022	GLICKMAN, DEBORAH	1100000	1150100	IEDC 9/17-21/22 D.GLICKMAN	CLR MILE 9/22/22	-12.63
00	01531563	10/28/2022	GLICKMAN, DEBORAH	1100000	1150100	IEDC 9/17-21/22 D.GLICKMAN	CLR PRDM9/22/22	-288.00
00	01531563	10/28/2022	GLICKMAN, DEBORAH	1100000	1150100	IEDC 9/17-21/22 D.GLICKMAN	CLR AIR9/22/22	-435.78
00	01531563	10/28/2022	GLICKMAN, DEBORAH	1104430	4311500	IEDC 9/17-21/22 D.GLICKMAN	MILE 9/22/22	12.63
00	01531563	10/28/2022	GLICKMAN, DEBORAH	1104430	4312000	IEDC 9/17-21/22 D.GLICKMAN	IEDC23-HOTEL	1,045.44
00	01531563	10/28/2022	GLICKMAN, DEBORAH	1104430	4312000	IEDC 9/17-21/22 D.GLICKMAN	IEDC23-MISC	35.00
00	01531563	10/28/2022	GLICKMAN, DEBORAH	1104430	4312000	IEDC 9/17-21/22 D.GLICKMAN	IEDC23-PRKNG	100.00
00	01531563	10/28/2022	GLICKMAN, DEBORAH	1104430	4312000	IEDC 9/17-21/22 D.GLICKMAN	IEDC23-TAXI - 1	34.75
00	01531563	10/28/2022	GLICKMAN, DEBORAH	1104430	4312000	IEDC 9/17-21/22 D.GLICKMAN	IEDC23-TAXI - 2	19.99
00	01531563	10/28/2022	GLICKMAN, DEBORAH	1104430	4312000	IEDC 9/17-21/22 D.GLICKMAN	PRDM 9/22/22	288.00
00	01531563	10/28/2022	GLICKMAN, DEBORAH	1104430	4312000	IEDC 9/17-21/22 D.GLICKMAN	AIR 9/22/22	435.78
00	01531564	10/28/2022	GLS US	1104111	4366000	DSRT Surf DDA Shipment	4838373	4.01
00	01531565	10/28/2022	GOVERNMENT FINANCE OFFICERS	1100000	1430100	Dues L.Urban/J.Ramont/V.Chavez	0232001	74.00
00	01531565	10/28/2022	GOVERNMENT FINANCE OFFICERS	1104150	4363000	Dues L.Urban/J.Ramont/V.Chavez	0232001	381.00
00	01531566	10/28/2022	GRIFFITHS FENCE	6100000	2399100	wooden fence repair - Homme Ad	3581	840.00
00	01531566	10/28/2022	GRIFFITHS FENCE	1104610	4332100	FENCE REPAIRS - CC PARK	3582	815.00
00	01531566	10/28/2022	GRIFFITHS FENCE	1104614	4392101	FENCE REPAIRS - ENTRADA DEL PA	3627	2,586.00
00	01531567	10/28/2022	HAMMER PLUMBING AND PUMPING INC.	2304220	4331000	plumbing services - Fire Stati	25695-1	230.00
00	01531567	10/28/2022	HAMMER PLUMBING AND PUMPING INC.	2304220	4331000	plumbing services - Fire Stati	25748-1	875.00
00	01531568	10/28/2022	HEALTH NET LIFE	2300000	3412400	EMS 3/1/22 Ref Run 22-127614	R1137925300	2,035.00
00	01531569	10/28/2022	HERITAGE PROVIDER NETWORK INC	2300000	3412400	EMS 5/20/22 Ref Run 22-299815	866A5208320-1	2,428.94
00	01531570	10/28/2022	HIGH TECH IRRIGATION INC.	1104310	4332000	Street Maint supplies	731334	28.47
00	01531570	10/28/2022	HIGH TECH IRRIGATION INC.	1104310	4332000	Street Maint supplies	731391	38.57
00	01531570	10/28/2022	HIGH TECH IRRIGATION INC.	1104610	4332001	irrigation repairs - CC Prk	731375	175.91
00	01531570	10/28/2022	HIGH TECH IRRIGATION INC.	1104614	4337001	irrigation repairs - El Paseo	731765	379.86
00	01531571	10/28/2022	HORIZON PROFESSIONAL LANDSCAPE	2754686	4332100	clean up - La Paloma I	6410	660.00

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00	01531571	10/28/2022	HORIZON PROFESSIONAL LANDSCAPE	2774373	4332100	clean up - PP I &II LMA 7	6398	480.00
00	01531572	10/28/2022	IMPERIAL IRRIGATION DISTRICT	1104250	4351400	S/W COR CC WSH	50155642-SP22	57.19
00	01531572	10/28/2022	IMPERIAL IRRIGATION DISTRICT	1104250	4351400	S/W COR CC WSH	50155645-SP22	56.75
00	01531572	10/28/2022	IMPERIAL IRRIGATION DISTRICT	1104250	4351400	40996 WASH ST TRF SIGNAL	50524526-SP22	77.02
00	01531572	10/28/2022	IMPERIAL IRRIGATION DISTRICT	1104250	4351400	Dinah Shore Dr/Shopper	50087402-SP22	37.14
00	01531572	10/28/2022	IMPERIAL IRRIGATION DISTRICT	1104250	4351400	Dinah Shore Dr/Miriam	50087411-SP22	36.55
00	01531572	10/28/2022	IMPERIAL IRRIGATION DISTRICT	1104250	4351400	72800 Dinah Shore Drive	50087423-SP22	60.62
00	01531572	10/28/2022	IMPERIAL IRRIGATION DISTRICT	1104250	4351400	Dinah Shore Dr/Monterrey	50087432-SP22	71.30
00	01531572	10/28/2022	IMPERIAL IRRIGATION DISTRICT	1104250	4351400	Dinah Shore Dr/Monterey	50087443-SP22	37.89
00	01531572	10/28/2022	IMPERIAL IRRIGATION DISTRICT	1104250	4351400	Dinah Shore Dr/Miriam	50087452-SP22	63.87
00	01531572	10/28/2022	IMPERIAL IRRIGATION DISTRICT	1104250	4351400	37998 Gerald Ford Dr	50514026-SP22	33.43
00	01531572	10/28/2022	IMPERIAL IRRIGATION DISTRICT	1104250	4351400	37996 Gerald Ford Dr Signal LT	50514028-SP22	59.27
00	01531572	10/28/2022	IMPERIAL IRRIGATION DISTRICT	1104250	4351400	75396 Frank Sinatra Dr	50540835-SP22	38.34
00	01531572	10/28/2022	IMPERIAL IRRIGATION DISTRICT	1104250	4351400	75394 Frank Sinatra Dr St Ligh	50540839-SP22	34.63
00	01531572	10/28/2022	IMPERIAL IRRIGATION DISTRICT	1104250	4351400	33108 Mont Safety Lt	50650535-SP22	98.64
00	01531572	10/28/2022	IMPERIAL IRRIGATION DISTRICT	1104614	4351400	34249 Monterey Ave	50488446-SP22	21.55
00	01531573	10/28/2022	IMPERIAL SPRINKLER SUPPLY INC	1104611	4332001	irrigation repairs - LMA 16	5289492-00	786.03
00	01531573	10/28/2022	IMPERIAL SPRINKLER SUPPLY INC	1104614	4337001	irrigation repairs - Medians L	5265863-00	922.43
00	01531573	10/28/2022	IMPERIAL SPRINKLER SUPPLY INC	1104614	4337001	irrigation repairs - Fred Wari	5298683-00	704.83
00	01531574	10/28/2022	IMPRESSION DESIGN	1104310	4214000	50 City logo hats	14049	861.46
00	01531575	10/28/2022	INSTITUTE OF TRANSPORTATION	1104300	4363000	ITE 2023 Membership Dues RB	1016117-RB23	335.00
00	01531576	10/28/2022	IRRIGATION ASSOCIATION	1104300	4363000	Irrigation Association Certifi	42618CR-2023	75.00
00	01531576	10/28/2022	IRRIGATION ASSOCIATION	1104300	4363000	Technical Irrigation Associati	42618MR-2023	200.00
00	01531577	10/28/2022	JESUS CENTENO	1100000	1150100	CACEO 3 9/12-16/22 J.CENTENO	CLR LDG 9/16/22	-903.70
00	01531577	10/28/2022	JESUS CENTENO	1100000	1150100	CACEO 3 9/12-16/22 J.CENTENO	CLR MILE 9/16/22	-192.50
00	01531577	10/28/2022	JESUS CENTENO	1100000	1150100	CACEO 3 9/12-16/22 J.CENTENO	CLR PRDM 9/16/22	-407.00
00	01531577	10/28/2022	JESUS CENTENO	1104422	4311500	CACEO 3 9/12-16/22 J.CENTENO	MILE 9/16/22	192.50

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00	01531577	10/28/2022	JESUS CENTENO	1104422	4312000	CACEO 3 9/12-16/22 J.CENTENO	PRDM 9/16/22	407.00
00	01531577	10/28/2022	JESUS CENTENO	1104422	4312000	CACEO 3 9/12-16/22 J.CENTENO	LDG 9/16/22	903.70
00	01531577	10/28/2022	JESUS CENTENO	1104422	4312000	CACEO 3 9/12-16/22 J.CENTENO	PRK 9/16/22	75.00
00	01531578	10/28/2022	JOE GONSALVES & SON CORP	1104112	4309000	Legislative advocates. $3,000/	160240	3,000.00
00	01531579	10/28/2022	JOHN HARRISON CONTRACTING INC	1100000	3221100	80% REFUND FOR HVRC22-0998	HVRC22-0998	127.20
00	01531580	10/28/2022	JOVANNI JIMENEZ	1104420	4311500	CALBO 10/10-11/22 J.JIMENEZ	MILE10/10/22	92.50
00	01531580	10/28/2022	JOVANNI JIMENEZ	1104420	4312000	CALBO 10/10-11/22 J.JIMENEZ	LDG10/10/22	136.80
00	01531580	10/28/2022	JOVANNI JIMENEZ	1104420	4312000	CALBO 10/10-11/22 J.JIMENEZ	PRDM10/10/22	96.00
00	01531580	10/28/2022	JOVANNI JIMENEZ	1104420	4391500	BOOT REIMB- JOVANNI JIMENEZ	BOOT REIMB1022JJ	250.00
00	01531581	10/28/2022	JUNK EXPRESS, THE	1104422	4305500	Abatement Case no.22-1909	210220	85.00
00	01531581	10/28/2022	JUNK EXPRESS, THE	1104422	4305500	Abatement Case no.22-1901	210219	525.00
00	01531582	10/28/2022	KARTAL CORPORATION, THE	1104211	4306001	COPS Program Q3 Car Washes	171022-1	262.50
00	01531582	10/28/2022	KARTAL CORPORATION, THE	1104331	4334000	CITY FLEET WASH SERVICES DURIN	171022-2	217.50
00	01531583	10/28/2022	KNORR SYSTEMS INC	2424549	4400100	AC POOL COVER	SI242146	33,698.55
00	01531584	10/28/2022	KOA CORPORATION	2134565	5000903	TRAFFIC ENGINEERING SERVICES F	JC12091-7	25,875.24
00	01531585	10/28/2022	LAWSON PRODUCTS INC	1104310	4332000	Street Maint supplies	9309955255	303.32
00	01531585	10/28/2022	LAWSON PRODUCTS INC	1104330	4219000	Supplies - Corpyard	9309955254	60.88
00	01531586	10/28/2022	LOCK SHOP INC.	1104340	4219000	standard keys - City Hall	AA00064220	9.54
00	01531586	10/28/2022	LOCK SHOP INC.	1104340	4219000	keys - City Hall	BB00553210	85.83
00	01531586	10/28/2022	LOCK SHOP INC.	1104340	4219000	keys - City Hall	BB00553262	12.71
00	01531586	10/28/2022	LOCK SHOP INC.	1104340	4331000	door handle replacement - SSS	A134638	1,383.78
00	01531586	10/28/2022	LOCK SHOP INC.	1104340	4331000	door handle replacement - Cit	BB00553276	255.91
00	01531586	10/28/2022	LOCK SHOP INC.	1104610	4219000	keys - CC Prk	BB00552330	34.37
00	01531587	10/28/2022	LOWE'S HOME CENTERS INC.	1104310	4332000	STREET MAIN SUPPLIES	902733-101222	478.14
00	01531587	10/28/2022	LOWE'S HOME CENTERS INC.	1104310	4332000	Street Maint supplies	902008-101322	669.35
00	01531587	10/28/2022	LOWE'S HOME CENTERS INC.	1104310	4332000	Street Maint supplies	902164-101422	264.25
00	01531587	10/28/2022	LOWE'S HOME CENTERS INC.	1104310	4332000	Street Maint supplies	903666-101822	426.72

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00	01531587	10/28/2022	LOWE'S HOME CENTERS INC.	1104340	4219000	equipment tools - City Hall	902574-100522	39.68
00	01531587	10/28/2022	LOWE'S HOME CENTERS INC.	1104340	4219000	emergency supplies - City Hall	901747-101322	225.10
00	01531587	10/28/2022	LOWE'S HOME CENTERS INC.	1104340	4331000	paint - City Hall	902575-100522	83.25
00	01531587	10/28/2022	LOWE'S HOME CENTERS INC.	1104416	4306101	Golf cart float supplies	902386-101022	335.18
00	01531587	10/28/2022	LOWE'S HOME CENTERS INC.	1104416	4306101	GOLF CART FLOAT SUPPLIES	902812-101222	331.33
00	01531587	10/28/2022	LOWE'S HOME CENTERS INC.	1104416	4306101	Golf cart float supplies	902006-101322	163.95
00	01531587	10/28/2022	LOWE'S HOME CENTERS INC.	1104416	4306101	Golf cart float supplies	902356-101522	286.42
00	01531587	10/28/2022	LOWE'S HOME CENTERS INC.	1104416	4306101	Golf cart float supplies	912607-101722	125.26
00	01531587	10/28/2022	LOWE'S HOME CENTERS INC.	1104416	4306101	Golf cart float supplies	903667-101822	134.59
00	01531587	10/28/2022	LOWE'S HOME CENTERS INC.	1104416	4306101	Golf cart float supplies	903671-101822	20.36
00	01531587	10/28/2022	LOWE'S HOME CENTERS INC.	1104611	4219000	fly traps - University Dog Prk	902456-101022	140.08
00	01531587	10/28/2022	LOWE'S HOME CENTERS INC.	1104611	4219000	nuts and bolts - Joe Mann Dog	902670-101122	7.26
00	01531588	10/28/2022	M & M SWEEPING INC.	1104310	4332000	PARKING LOT SWEEPING - CORPYAR	63977	339.17
00	01531588	10/28/2022	M & M SWEEPING INC.	1104610	4332100	PARKING LOT SWEEPING - CC PARK	63977	763.33
00	01531588	10/28/2022	M & M SWEEPING INC.	1104611	4332501	PARKING LOT SWEEPING - PARKS	63977	602.92
00	01531588	10/28/2022	M & M SWEEPING INC.	1104614	4392101	PARKING LOT SWEEPING - ENTRADA	63977	246.67
00	01531588	10/28/2022	M & M SWEEPING INC.	2424549	4331100	PARKING LOT SWEEPING - AQUATIC	63977	139.17
00	01531588	10/28/2022	M & M SWEEPING INC.	2774373	4309103	PARKING LOT SWEEPING - PRESIDE	63977	592.50
00	01531588	10/28/2022	M & M SWEEPING INC.	2824373	4309103	PARKING LOT SWEEPING - PRESIDE	63977	458.33
00	01531588	10/28/2022	M & M SWEEPING INC.	5104195	4369601	PARKING LOT SWEEPING - PARKVIE	63977	187.91
00	01531589	10/28/2022	MATICH CORPORATION	1100000	2060000	RTNT P116076/C43130 LN1	RNTN PP#02	-749.00
00	01531589	10/28/2022	MATICH CORPORATION	1104312	4332000	COOK ST. IMPOVEMENT GENEREAL F	PP#02	14,980.00
00	01531589	10/28/2022	MATICH CORPORATION	2110000	2060000	RTNT P116076/C43130 LN2	RNTN PP#02	-16,262.15
00	01531589	10/28/2022	MATICH CORPORATION	2114311	4391505	COOK ST. IMPOVEMENT-SB1 FUNDS	PP#02	325,243.00
00	01531589	10/28/2022	MATICH CORPORATION	3030000	2060000	RTNT P116076/C43130 LN4	RNTN PP#02	-26,700.00
00	01531589	10/28/2022	MATICH CORPORATION	3034311	4332000	COOK ST. IMPOVEMENT-84-1 R	PP#02	534,000.00
00	01531590	10/28/2022	MAXWELL SECURITY SERVICES	1104340	4309000	PROVIDE AFTER-HOURS PHYSICAL	2210181	400.00

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00	01531591	10/28/2022	MOBILE MINI	1104159	4391902	COVID Testing Site Mobile	9015452860	1,012.58
00	01531591	10/28/2022	MOBILE MINI	1104159	4391902	COVID Testing Site Generator	9015466701	1,778.57
00	01531592	10/28/2022	MUIR , SHAWN	1104300	4312500	Playground Safety Training Mee	811693323	107.98
00	01531593	10/28/2022	NANCE, MICHELLE	1104416	4306101	Reimburse: Golf Cart Parade	171250	23.48
00	01531593	10/28/2022	NANCE, MICHELLE	1104416	4306101	Reimburse: Golf Cart Parade	105566	36.85
00	01531594	10/28/2022	New Moon Pictures Llc	4364650	4321700	Film Rights	166	754.00
00	01531595	10/28/2022	NUTRIEN AG SOLUTIONS INC	1104610	4332001	GRASS SEED - CIVIC CENTER PARK	49657724	23,700.00
00	01531595	10/28/2022	NUTRIEN AG SOLUTIONS INC	1104610	4337100	GRASS SEED - TRI-CITIES SPORTS	49657724	23,700.00
00	01531595	10/28/2022	NUTRIEN AG SOLUTIONS INC	1104611	4332001	GRASS SEED - LMA 16 PARKS	49657724	10.00
00	01531595	10/28/2022	NUTRIEN AG SOLUTIONS INC	1104611	4332001	GRASS SEED - LMA 16 PARKS	49692664	18,950.00
00	01531595	10/28/2022	NUTRIEN AG SOLUTIONS INC	2764374	4332100	GRASS SEED - HAYSTACK GREENBEL	49692664	14,237.00
00	01531596	10/28/2022	ORTEGA, NIAMH	1104111	4311500	TTC Mileage 132 m @ .625 p/m	MILEAGE TTC 9/22	82.50
00	01531596	10/28/2022	ORTEGA, NIAMH	1104111	4312000	TTC lodging 9/12-9/16/22	65544	656.52
00	01531596	10/28/2022	ORTEGA, NIAMH	1104111	4312000	TTC Parking 9/13/22	729007231	11.00
00	01531596	10/28/2022	ORTEGA, NIAMH	1104111	4312000	TTC Parking 9/14/22	729693629	11.00
00	01531596	10/28/2022	ORTEGA, NIAMH	1104111	4312000	TTC Parking 9/15/22	730382104	11.00
00	01531596	10/28/2022	ORTEGA, NIAMH	1104111	4312000	TTC Parking 9/16/22	731072369	11.00
00	01531596	10/28/2022	ORTEGA, NIAMH	1104111	4312000	TTC Per Diem 9/12-9/16/22	PER DIEM TTC9/22	310.50
00	01531597	10/28/2022	OTIS ELEVATOR CO	1104330	4309000	ELEVATOR SVC - CORPORATION YAR	100400915866	209.20
00	01531597	10/28/2022	OTIS ELEVATOR CO	5104195	4369500	ELEVATOR SVC SHERIFF SUBSTATIO	100400914090	206.02
00	01531598	10/28/2022	OTIS ELEVATOR CO	1104330	4309000	logistics and fuel impact fee	F10000010783	125.00
00	01531599	10/28/2022	OZZIE'S INTERNATIONAL TIRE & AUTO	1104331	4334000	SUPPLEMENTAL GENERAL FLEET REP	31545	494.51
00	01531599	10/28/2022	OZZIE'S INTERNATIONAL TIRE & AUTO	1104331	4334000	SUPPLEMENTAL GENERAL FLEET REP	31579	1,488.23
00	01531599	10/28/2022	OZZIE'S INTERNATIONAL TIRE & AUTO	1104331	4334000	SUPPLEMENTAL GENERAL FLEET REP	31585	1,157.12
00	01531599	10/28/2022	OZZIE'S INTERNATIONAL TIRE & AUTO	1104331	4334000	SUPPLEMENTAL GENERAL FLEET REP	31597	258.00
00	01531600	10/28/2022	PALM DESERT ACE HARDWARE	1104310	4332000	Street Maint supplies	238152	19.36
00	01531600	10/28/2022	PALM DESERT ACE HARDWARE	1104310	4332000	Street Maint supplies	238234	24.32

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00	01531600	10/28/2022	PALM DESERT ACE HARDWARE	1104310	4332000	Street Maint supplies	238237	28.51
00	01531600	10/28/2022	PALM DESERT ACE HARDWARE	1104340	4219000	building supplies - City Hall	238008	35.82
00	01531600	10/28/2022	PALM DESERT ACE HARDWARE	1104340	4219000	EOC supplies - City Hall	238199	38.78
00	01531600	10/28/2022	PALM DESERT ACE HARDWARE	1104340	4331000	building materials - City Hall	238000	34.45
00	01531600	10/28/2022	PALM DESERT ACE HARDWARE	1104614	4392101	paint - El Paseo	238170	35.53
00	01531601	10/28/2022	PALM DESERT CHAMBER OF COMMERCE	1104800	4306201	Four Sponsorships 22/23	73005	3,500.00
00	01531601	10/28/2022	PALM DESERT CHAMBER OF COMMERCE	1104800	4306201	58th ANNUAL GOLF CART PARADE	73039	25,000.00
00	01531602	10/28/2022	PALMER ELECTRIC	1104610	4332100	ELECT REPAIRS - CIVIC CENTER P	3852	1,635.00
00	01531602	10/28/2022	PALMER ELECTRIC	1104610	4332100	ELECT REPAIRS - CIVIC CENTER P	3875	677.00
00	01531602	10/28/2022	PALMER ELECTRIC	1104611	4332501	ELECT REPAIRS - PARKS	3812	663.27
00	01531602	10/28/2022	PALMER ELECTRIC	1104611	4332501	ELECT REPAIRS - PARKS	3813	1,008.53
00	01531602	10/28/2022	PALMER ELECTRIC	1104611	4332501	ELECT REPAIRS - PARKS	3842	436.00
00	01531602	10/28/2022	PALMER ELECTRIC	1104611	4332501	ELECT REPAIRS - PARKS	3851	218.00
00	01531602	10/28/2022	PALMER ELECTRIC	1104611	4332501	ELECT REPAIRS - PARKS	3874	3,230.00
00	01531602	10/28/2022	PALMER ELECTRIC	1104611	4332501	ELECT REPAIRS - PARKS	3876	895.00
00	01531602	10/28/2022	PALMER ELECTRIC	1104614	4392101	ELECT REPAIRS - ENTRADA DEL PA	3856	7,876.83
00	01531602	10/28/2022	PALMER ELECTRIC	4414195	4332000	ELECT REPAIRS - DESERT WILLOW	3829	3,611.90
00	01531603	10/28/2022	PDLQ YOUTH FOOTBALL INC	1104800	4388000	Outside Agency FY 22-23	C43480I	10,000.00
00	01531604	10/28/2022	POWERFUL PEST MANAGEMENT	1104330	4309000	PEST CONTROL - CORPYARD	272986	104.50
00	01531604	10/28/2022	POWERFUL PEST MANAGEMENT	1104330	4309000	PEST CONTROL - CORPYARD	272987	49.50
00	01531604	10/28/2022	POWERFUL PEST MANAGEMENT	1104340	4309000	PEST CONTROL - CITY HALL &	272989	49.50
00	01531604	10/28/2022	POWERFUL PEST MANAGEMENT	1104340	4309000	PEST CONTROL - CITY HALL &	272990	137.50
00	01531604	10/28/2022	POWERFUL PEST MANAGEMENT	1104344	4309000	PEST CONTROL - PORTOLA CC	272988	74.50
00	01531604	10/28/2022	POWERFUL PEST MANAGEMENT	1104800	4388500	PEST CONTROL - ARTISTS CENTER	272999	99.00
00	01531604	10/28/2022	POWERFUL PEST MANAGEMENT	2304220	4331000	PEST CONTROL - FIRE STATIONS	272996	88.00
00	01531604	10/28/2022	POWERFUL PEST MANAGEMENT	2304220	4331000	PEST CONTROL - FIRE STATIONS	272997	71.50
00	01531604	10/28/2022	POWERFUL PEST MANAGEMENT	2304220	4331000	PEST CONTROL - FIRE STATIONS	272998	71.50

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00	01531604	10/28/2022	POWERFUL PEST MANAGEMENT	5104195	4369500	PEST CONTROL - SHERIFF SUBSTAT	272995	88.00
00	01531604	10/28/2022	POWERFUL PEST MANAGEMENT	5104195	4369601	PEST CONTROL - PARKVIEW COMPLE	272991	82.50
00	01531604	10/28/2022	POWERFUL PEST MANAGEMENT	5104195	4369602	PEST CONTROL - STATE BLDG	272992	88.00
00	01531604	10/28/2022	POWERFUL PEST MANAGEMENT	5104195	4369800	PEST CONTROL - HENDERSON BLDG	273182	132.00
00	01531605	10/28/2022	POWERSTRIDE BATTERY COMPANY INC	1104331	4334000	Golf cart batteries	P696267	1,596.27
00	01531606	10/28/2022	PPG ARCHITECTURAL FINISHES	1104310	4391502	Graffiti supplies	972203102281	215.70
00	01531607	10/28/2022	PROFORMA SOCAL	1104154	4219000	Name Badges	BH49002970A	215.33
00	01531607	10/28/2022	PROFORMA SOCAL	1104154	4219000	Business Cards	BH49003076A	137.56
00	01531608	10/28/2022	PUZIO, CHRISTOPHER	4364650	4400100	Anza-Borrego sculpture	221001-1	25,000.00
00	01531609	10/28/2022	QUADIENT LEASING USA INC	1104159	4211000	Cleaning Supplies/mailing mach	40196729	30.17
00	01531610	10/28/2022	QUINN COMPANY	1104330	4331000	GNRTR SRVCS- CORPYARD	WOG00013545	839.86
00	01531610	10/28/2022	QUINN COMPANY	1104330	4331000	GNRTR SRVCS- CORPYARD	WOG00013544	839.86
00	01531610	10/28/2022	QUINN COMPANY	1104330	4331000	GNRTR SRVCS- CORPYARD	WOG00013838	377.50
00	01531610	10/28/2022	QUINN COMPANY	1104330	4331000	GNRTR SRVCS- CORPYARD	WOG00013839	377.50
00	01531610	10/28/2022	QUINN COMPANY	1104330	4331000	GNRTR SRVCS- CORPYARD	WOG00013840	377.50
00	01531610	10/28/2022	QUINN COMPANY	1104330	4331000	EXTRA GNRTRS SVCS - CORPYARD	WOG00013788	1,465.86
00	01531610	10/28/2022	QUINN COMPANY	1104340	4331000	GNRTR SRVCS - CITY HALL &	WOG00013543	1,265.86
00	01531610	10/28/2022	QUINN COMPANY	1104340	4331000	GNRTR SRVCS - CITY HALL &	WOG00013549	839.86
00	01531610	10/28/2022	QUINN COMPANY	1104340	4331000	GNRTR SRVCS - CITY HALL &	WOG00013841	377.50
00	01531610	10/28/2022	QUINN COMPANY	1104340	4331000	GNRTR SRVCS - CITY HALL &	WOG00013901	377.50
00	01531610	10/28/2022	QUINN COMPANY	2304220	4331000	GNRTR SRVCS-FIRE STATIONS	WOG00013546	839.86
00	01531610	10/28/2022	QUINN COMPANY	2304220	4331000	GNRTR SRVCS-FIRE STATIONS	WOG00013547	839.86
00	01531610	10/28/2022	QUINN COMPANY	2304220	4331000	GNRTR SRVCS-FIRE STATIONS	WOG00013548	839.86
00	01531610	10/28/2022	QUINN COMPANY	2304220	4331000	GNRTR SRVCS-FIRE STATIONS	WOG00013900	377.50
00	01531610	10/28/2022	QUINN COMPANY	2304220	4331000	GNRTR SRVCS-FIRE STATIONS	WOG00013898	318.50
00	01531610	10/28/2022	QUINN COMPANY	2304220	4331000	GNRTR SRVCS-FIRE STATIONS	WOG00013899	377.50
00	01531611	10/28/2022	RAMIREZ, MELANIE	1104421	4211000	DEPT. SIGNAGE LETTERS	SIGNAGE 10/13	5.92

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Bank ID	Check Number	Check Date	Vendor Name	Account Number		Transaction Desc	Invoice	Amount Paid
00	01531611	10/28/2022	RAMIREZ, MELANIE	1104421	4312500	MEET THE PERMIT CENTER MTNG.	MEETING 10/19	59.50
00	01531612	10/28/2022	RASIX COMPUTER CENTER INC	1104190	4212000	Toner	ID87634	208.81
00	01531612	10/28/2022	RASIX COMPUTER CENTER INC	1104190	4212000	Toner	ID88493	358.05
00	01531612	10/28/2022	RASIX COMPUTER CENTER INC	1104190	4212000	Toner	ID89988	167.83
00	01531612	10/28/2022	RASIX COMPUTER CENTER INC	1104190	4212000	Toner	ID90425	320.51
00	01531612	10/28/2022	RASIX COMPUTER CENTER INC	1104190	4212000	Toner	ID90630	512.79
00	01531612	10/28/2022	RASIX COMPUTER CENTER INC	1104190	4212000	Toner	ID90152	214.95
00	01531613	10/28/2022	ROCCO, REBECCA S.	2370000	3550100	19/20 EIP Assmt. Refund-Rocco	627253027-1	1,235.20
00	01531613	10/28/2022	ROCCO, REBECCA S.	2370000	3550100	20/21 EIP Assmt. Refund-Rocco	627253027-2	1,235.20
00	01531613	10/28/2022	ROCCO, REBECCA S.	2370000	3550100	21/22 EIP Assmt. Refund-Rocco	627253027-3	1,235.20
00	01531614	10/28/2022	ROJAS, JOE	1104300	4391500	Safety Footwear Reimb - JR	BOOTREIMB-JR22	206.61
00	01531615	10/28/2022	SECURITY SIGNAL DEVICES INC.	5104195	4369602	STATE BLDG FIRE ALARM MONITORI	R-00392575	218.67
00	01531616	10/28/2022	SILLMAN WRIGHT ARCHITECTS	4504161	4400100	AMENDMENT NO. 1 FOR DESIGN OF	19020-0922	2,263.75
00	01531617	10/28/2022	SIMPLOT PARTNERS	1104611	4332001	GOPHER TRAP-PARKS	208138243	91.43
00	01531617	10/28/2022	SIMPLOT PARTNERS	1104310	4332000	Irrigation supplies - streets	208138024	47.23
00	01531617	10/28/2022	SIMPLOT PARTNERS	1104310	4332000	Street Maint supplies	208138319	82.59
00	01531618	10/28/2022	SO CAL GAS	1104330	4351200	74605 42nd Ave SHOP	05382896149-OC22	31.98
00	01531618	10/28/2022	SO CAL GAS	2304220	4351200	73200 Mesa View Dr. - FS#67	05412483009-OC22	80.70
00	01531618	10/28/2022	SO CAL GAS	2304220	4351200	44400 Town Ctr Wy - FS#33	06242756002-OC22	201.00
00	01531618	10/28/2022	SO CAL GAS	2304220	4351200	73995 Country Club Dr - FS#71	13562662000-OC22	106.17
00	01531618	10/28/2022	SO CAL GAS	2424549	4351200	73751 Magnesia Falls - POOL	13149517933-OC22	17.27
00	01531618	10/28/2022	SO CAL GAS	5104195	4369800	72559 Hwy 111-Henderson	08946430827-OC22	15.29
00	01531619	10/28/2022	SOUTHERN CALIFORNIA EDISON	1104250	4351400	Street lites LS-3	600001510277SP22	183.01
00	01531619	10/28/2022	SOUTHERN CALIFORNIA EDISON	1104250	4351400	TRAFFIC SIGNALS TC-1	600001002544SP22	7,954.19
00	01531619	10/28/2022	SOUTHERN CALIFORNIA EDISON	1104330	4351400	74705 42nd PED	700117253442SP22	3,531.73
00	01531619	10/28/2022	SOUTHERN CALIFORNIA EDISON	1104610	4351400	CC Park - San Pablo	700167703344SP22	4,970.57
00	01531619	10/28/2022	SOUTHERN CALIFORNIA EDISON	1104611	4351400	73510 FW PARKS AL-2	700383536327OC22	3,509.92

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00	01531619	10/28/2022	SOUTHERN CALIFORNIA EDISON	1104614	4351400	43556 1/2 San Pablo	700654070741SP22	112.25
00	01531619	10/28/2022	SOUTHERN CALIFORNIA EDISON	5104195	4351400	73710 & 73720 FW STE	700485107855SP22	8,536.83
00	01531620	10/28/2022	STEVE OLSON	1104420	4391500	BOOT REIMB- STEVE OLSON	BOOT REIMB1022JF	250.00
00	01531621	10/28/2022	SUPERIOR READY MIX CONCRETE	1104310	4332000	DELIVER CONCRETE MIX AS NEEDED	307290	583.62
00	01531621	10/28/2022	SUPERIOR READY MIX CONCRETE	1104310	4332000	DELIVER CONCRETE MIX AS NEEDED	308410	646.51
00	01531621	10/28/2022	SUPERIOR READY MIX CONCRETE	1104310	4332000	DELIVER CONCRETE MIX AS NEEDED	310410	1,209.83
00	01531621	10/28/2022	SUPERIOR READY MIX CONCRETE	1104310	4332000	DELIVER CONCRETE MIX AS NEEDED	310446	505.09
00	01531622	10/28/2022	T-MOBILE USA INC	1104331	4334000	LEASED VEHICLE GPS	978220384OC22	1,447.80
00	01531623	10/28/2022	TERRA NOVA PLANNING & RESEARCH	1104470	4309000	Update 2021-2029 Housing	TN082011	6,567.98
00	01531623	10/28/2022	TERRA NOVA PLANNING & RESEARCH	1104470	4309000	Update 2021-2029 Housing	TN082012	522.12
00	01531624	10/28/2022	TOPS N BARRICADES INC.	1104310	4332000	SUPPLY AS NEEDED FOR VARIOUS S	1096322	910.62
00	01531624	10/28/2022	TOPS N BARRICADES INC.	1104310	4332000	SUPPLY AS NEEDED FOR VARIOUS S	1096323	1,171.56
00	01531625	10/28/2022	VERIZON SELECT SERVICES INC	1104159	4365000	Toll Free Service	131822689SEP22	1.52
00	01531626	10/28/2022	VERIZON WIRELESS	1104210	4304200	Sheriff Cell Phones	9916524242	163.40
00	01531627	10/28/2022	VERIZON WIRELESS	1104110	4365000	City Council Mifi	9916891808	38.01
00	01531627	10/28/2022	VERIZON WIRELESS	1104150	4365000	Finance Mifi	9916891808	38.01
00	01531627	10/28/2022	VERIZON WIRELESS	1104190	4365000	IT Mifi	9916891808	228.06
00	01531627	10/28/2022	VERIZON WIRELESS	1104300	4365000	Public Works Mifi	9916891808	119.03
00	01531627	10/28/2022	VERIZON WIRELESS	1104420	4365000	Building Inspector Mifi	9916891808	223.45
00	01531627	10/28/2022	VERIZON WIRELESS	1104422	4365000	Code Mifi	9916891808	266.07
00	01531627	10/28/2022	VERIZON WIRELESS	1104470	4365000	Dev Services Mifi	9916891808	38.01
00	01531628	10/28/2022	VERIZON WIRELESS	1104154	4219100	EOC Phone Services	9917564476	7.00
00	01531628	10/28/2022	VERIZON WIRELESS	1104300	4365000	Public Works Cell	9917564476	51.30
00	01531628	10/28/2022	VERIZON WIRELESS	1104300	4365000	Public Works Mifi	9917564476	40.01
00	01531629	10/28/2022	VISTA PAINT CORPORATION	1104310	4404500	PURCHASE OF A WALK BEHIND STRI	2022-699109-00	10,328.24
00	01531630	10/28/2022	WATERLINE TECHNOLOGIES INC	2424549	4211100	CHEMICAL ACQUISITION SERVICES	5605644	672.79
00	01531630	10/28/2022	WATERLINE TECHNOLOGIES INC	2424549	4211100	CHEMICAL ACQUISITION SERVICES	5606301	840.99

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00	01531630	10/28/2022	WATERLINE TECHNOLOGIES INC	2424549	4211100	CHEMICAL ACQUISITION SERVICES	5606672	432.51
00	01531630	10/28/2022	WATERLINE TECHNOLOGIES INC	2424549	4211100	CHEMICAL ACQUISITION SERVICES	5607397	1,469.34
00	01531630	10/28/2022	WATERLINE TECHNOLOGIES INC	2424549	4211100	CHEMICAL ACQUISITION SERVICES	5607516	696.82
00	01531631	10/28/2022	WEST COAST ARBORISTS INC	1104610	4332001	MISC TREE WORK - CIVIC CTR PAR	188504-A	1,657.75
00	01531631	10/28/2022	WEST COAST ARBORISTS INC	1104611	4332001	MISC TREE WORK - PARKS	188504-A	321.38
00	01531631	10/28/2022	WEST COAST ARBORISTS INC	1104614	4337001	PALMS - MEDIANS	190053	7,222.00
00	01531631	10/28/2022	WEST COAST ARBORISTS INC	1104614	4337001	PALMS - MEDIANS	190613	8,326.00
00	01531631	10/28/2022	WEST COAST ARBORISTS INC	1104614	4337001	MISC TREE WORK - MEDIANS	188504-A	1,454.85
00	01531631	10/28/2022	WEST COAST ARBORISTS INC	1104614	4392101	MISC TREE WORK - ENTRADA DEL P	188504-A	4,884.90
00	01531632	10/28/2022	WINGED SOLUTIONS INC	1104610	4332001	CIVIC CENTER PARK LAGOON WATER	WS093022CC	553.50
00	01531633	10/28/2022	XEROX FINANCIAL SERVICES	1104190	4342000	Xerox 60 mo. Copier Lease	3529870	10.80
00	01531634	10/28/2022	XPRESS GRAPHICS	1104150	4361000	Financial Plan Books	22-48320	846.14

Audited and Found Correct

Director of Finance

Examined and Approved

Mayor or Mayor Pro-Tem

Examined and Approved

City Manager

Total For Bank ID - 00

1,740,977.77

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10	00001561	10/28/2022	CITY OF PALM DESERT	7034495	4400100	REIMB CK01531007-WRONG BANK ID	REIMB 9/2/2022	29,388.00

Audited and Found Correct

Director of Finance

Examined and Approved

Mayor or Mayor Pro-Tem

Examined and Approved

City Manager

Total For Bank ID - 10

29,388.00

Successor Agency

City of Palm Desert

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Bank ID	Check Number	Check Date	Vendor Name	Account Number		Transaction Desc	Invoice	Amount Paid
00	00005019	11/04/2022	ALLEN, FRANK	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	174.70
00	00005020	11/04/2022	ARZAGA, MARIA	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	130.50
00	00005021	11/04/2022	AVERY, ANN	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	399.67
00	00005022	11/04/2022	BASSLER, THOMAS	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	461.16
00	00005023	11/04/2022	BISHOP, ROBERT	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	430.42
00	00005024	11/04/2022	BO CHEN	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	389.91
00	00005025	11/04/2022	BRADLEY, DEBRA	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	1,183.30
00	00005026	11/04/2022	BROWN, MICHAEL	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	535.78
00	00005027	11/04/2022	CECHIN, TERRY	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	548.15
00	00005028	11/04/2022	CEHR, DAVID	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	461.16
00	00005029	11/04/2022	CICCHINI, SUZANNE	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	822.23
00	00005030	11/04/2022	CONLON, PATRICK C.	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	461.16
00	00005031	11/04/2022	CRAWFORD, DANNY	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	1,362.24
00	00005032	11/04/2022	CRITES, BUFORD	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	174.70
00	00005033	11/04/2022	CROY, HOMER	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	307.44
00	00005034	11/04/2022	DARLING, GLORIA	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	174.70
00	00005035	11/04/2022	HOLLINGER, DIANE	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	822.23
00	00005036	11/04/2022	DIERCKS, MARK	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	115.15
00	00005037	11/04/2022	DOYLE, KAREN	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	513.23
00	00005038	11/04/2022	DRELL, PHILIP D.	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	461.16
00	00005039	11/04/2022	FANNING, JODI	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	838.86
00	00005040	11/04/2022	FENSKE, CHARLES	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	461.16
00	00005041	11/04/2022	FERGUSON, JAMES C.	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	1,025.53
00	00005042	11/04/2022	FLINT, DAVID	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	151.41
00	00005043	11/04/2022	FOLKERS, RICHARD J.	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	461.16
00	00005044	11/04/2022	GARNER, PAGE	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	1,571.82
00	00005045	11/04/2022	GIBSON, PAUL S.	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	1,183.30

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00	00005046	11/04/2022	GODFREY, BEN ORRIN	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	461.16
00	00005047	11/04/2022	GOMEZ, DONNA	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	1,183.30
00	00005048	11/04/2022	GRANCE, RUSSELL	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	702.42
00	00005049	11/04/2022	GREENWOOD, MARK	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	1,183.30
00	00005050	11/04/2022	GRIFFIN, ROSALVA	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	273.64
00	00005051	11/04/2022	HENDERSON, RHONDA	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	742.31
00	00005052	11/04/2022	HERMANN, DAVID	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	1,104.42
00	00005053	11/04/2022	HERNANDEZ, ANTHONY	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	535.78
00	00005054	11/04/2022	HERNANDEZ, CARLOS	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	1,183.30
00	00005055	11/04/2022	HOGELE, ROCHELLE G.	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	115.15
00	00005056	11/04/2022	HOLTZ, GREGG	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	461.16
00	00005057	11/04/2022	JOHNSON, SONDRA	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	461.16
00	00005058	11/04/2022	JOY, PHILLIP E.	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	967.92
00	00005058	11/04/2022	JOY, PHILLIP E.	5764192	4119000	RETIREE HEALTH STIPEND October	11/1/2022	967.92
00	00005059	11/04/2022	JUDY, JANINE MARIE	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	163.06
00	00005060	11/04/2022	KARIMI, BASHIER AHMAD	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	174.70
00	00005061	11/04/2022	KILPATRICK, SHAWN	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	1,159.81
00	00005062	11/04/2022	KLASSEN, RACHELLE D.	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	822.23
00	00005063	11/04/2022	KNIGHT, SPENCER	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	461.16
00	00005064	11/04/2022	KNUTSON, LAUREL	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	101.95
00	00005065	11/04/2022	LEAL, DIANA	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	1,058.05
00	00005066	11/04/2022	LONGMAN, ELIZABETH M.	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	139.76
00	00005067	11/04/2022	MCBRIDE, CRAIG	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	174.70
00	00005068	11/04/2022	MCCARTHY, JUSTIN	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	368.93
00	00005069	11/04/2022	MCCORMICK, ROBIN	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	163.06
00	00005070	11/04/2022	METZ, THOMAS	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	1,210.75
00	00005071	11/04/2022	MONROE, TONYA	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	535.78

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00	00005072	11/04/2022	MOORE, JANET	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	1,571.82
00	00005073	11/04/2022	MOORE, RUTH ANN	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	535.78
00	00005074	11/04/2022	NEELY, MICHAEL	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	810.49
00	00005075	11/04/2022	NIEMCZAK, JAY	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	413.17
00	00005076	11/04/2022	ORTIZ, WENDELL	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	430.42
00	00005077	11/04/2022	OSBORN, LINDA	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	174.70
00	00005078	11/04/2022	PONDER, HART	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	378.52
00	00005079	11/04/2022	PRUSINOWSKI, KAREN	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	399.67
00	00005080	11/04/2022	REAM, LISA	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	234.61
00	00005081	11/04/2022	RIDDLE, FRANKIE	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	524.03
00	00005082	11/04/2022	ROCHA, GRACE L.	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	665.75
00	00005083	11/04/2022	ROSAS, SERGIO	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	1,183.30
00	00005084	11/04/2022	RUSSELL, LINDA	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	535.78
00	00005085	11/04/2022	SCULLY, PATRICIA H.	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	174.70
00	00005086	11/04/2022	CHRISTIANSEN, SHARON	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	535.78
00	00005087	11/04/2022	SMITH, STEPHEN R.	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	461.16
00	00005088	11/04/2022	STANLEY, JANE	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	286.19
00	00005089	11/04/2022	SZYMANSKI, BETTY	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	931.86
00	00005090	11/04/2022	TOWNSEND, ALANA	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	198.00
00	00005091	11/04/2022	TUCKER, RON	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	1,183.30
00	00005092	11/04/2022	WALKER, DEL	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	319.24
00	00005093	11/04/2022	WELLER, DENI	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	461.16
00	00005094	11/04/2022	WHITE, BRYCE	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	163.06
00	00005095	11/04/2022	WILCOX, DARIN	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	342.86
00	00005096	11/04/2022	WITTE, LOCK	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	842.63
00	00005097	11/04/2022	WOHLMUTH, JOHN	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	1,211.52
00	00005098	11/04/2022	ZAMARRIPA, AARON	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	535.78

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Check Register

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Bank ID	Check Number	Check Date	Vendor Name	Account Number		Transaction Desc	Invoice	Amount Paid
00	00005099	11/04/2022	ZAMORA, FLORENTINO G.	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	342.04
00	00005100	11/04/2022	ZATARAIN, ABEL	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	1,119.58
00	00005101	11/04/2022	ZATARAIN, GERARDO	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	1,183.30
00	00005102	11/04/2022	CITY EMPLOYEES ASSOCIATES LLC	1100000	2161300	PDEO DUES THROUGH 10/2022	PDEA102022	1,500.00
00	00005103	11/04/2022	COUNTY OF RIVERSIDE ANIMAL SERVICES	1100000	3411700	LICENSING CREDIT	AN0000002584	-3,495.00
00	00005103	11/04/2022	COUNTY OF RIVERSIDE ANIMAL SERVICES	1104230	4309000	Professional Services:	AN0000002584	22,760.40
00	00005103	11/04/2022	COUNTY OF RIVERSIDE ANIMAL SERVICES	1104230	4309000	Over-Time Field Services Estim	AN0000002584	1,871.65
00	00005103	11/04/2022	COUNTY OF RIVERSIDE ANIMAL SERVICES	1104230	4309000	Shelter Services	AN0000002584	6,699.60
00	00005103	11/04/2022	COUNTY OF RIVERSIDE ANIMAL SERVICES	1104230	4309000	License Processing Estimate, B	AN0000002584	1,816.00
00	00005103	11/04/2022	COUNTY OF RIVERSIDE ANIMAL SERVICES	1104230	4309000	Operation & Maintenance (Estim	AN0000002584	281.88
00	00005104	11/04/2022	DELTA DENTAL OF CALIFORNIA	1100000	1150300	Dental Stull 09/2022	BE005152102	45.75
00	00005104	11/04/2022	DELTA DENTAL OF CALIFORNIA	1100000	2160900	Delta Dental Premium 09/2022	BE005115521	12,713.30
00	00005104	11/04/2022	DELTA DENTAL OF CALIFORNIA	1100000	2160900	Delta Dental Premium 010/2022	BE005152102	13,535.31
00	00005104	11/04/2022	DELTA DENTAL OF CALIFORNIA	1104132	4112200	Dental Thompson, D. 09/2022	BE005115521	45.75
00	00005104	11/04/2022	DELTA DENTAL OF CALIFORNIA	1104132	4112200	Dental Thompson, D. 09/2022	BE005152102	-45.75
00	00005104	11/04/2022	DELTA DENTAL OF CALIFORNIA	1104150	4112200	Dental Cardoz, A. 09/2022	BE005115521	145.67
00	00005104	11/04/2022	DELTA DENTAL OF CALIFORNIA	1104150	4112200	Dental Cardoz, A. 09/2022	BE005152102	-145.67
00	00005104	11/04/2022	DELTA DENTAL OF CALIFORNIA	1104150	4112400	Dental Rounding 09/2022	BE005115521	-0.03
00	00005104	11/04/2022	DELTA DENTAL OF CALIFORNIA	1104300	4112200	Dental Firestine for 08/2022	BE005115521	-145.67
00	00005104	11/04/2022	DELTA DENTAL OF CALIFORNIA	1104430	4112200	Dental Hamet for 09/2022	BE005152102	43.13
00	00005105	11/04/2022	ESRI	1104190	4336000	Tech Consultant	94352338	1,957.50
00	00005106	11/04/2022	FG CREATIVE INC	2424549	4309000	Advertisement Services	10076	1,000.00
00	00005106	11/04/2022	FG CREATIVE INC	2714491	4321500	Advertising Services for	10078	12,000.00
00	00005106	11/04/2022	FG CREATIVE INC	1104430	4309000	Outreach for El	10075	1,500.00
00	00005107	11/04/2022	IDEAPEDDLER LLC	1104417	4309000	Media Management Service 4/12	1886	3,333.33
00	00005108	11/04/2022	SANT MADE	1104417	4321900	Website hosting & Maintenance	2514	700.00
00	00005109	11/04/2022	STAPLES BUSINESS ADVANTAGE	1104421	4211000	Office Supplies	3520580765	37.70

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Check Register

11/4/2022 - 11/4/2022

Bank ID	Check Number	Check Date	Vendor Name	Account Number		Transaction Desc	Invoice	Amount Paid
00	00005109	11/04/2022	STAPLES BUSINESS ADVANTAGE	1104421	4211000	Office Supplies	3520580764	28.00
00	00005109	11/04/2022	STAPLES BUSINESS ADVANTAGE	1104422	4211000	6X9 ENVELOPES	3520580754	26.29
00	00005109	11/04/2022	STAPLES BUSINESS ADVANTAGE	1104422	4211000	Office Supplies	3520580754	41.54
00	00005109	11/04/2022	STAPLES BUSINESS ADVANTAGE	4364650	4211000	Public art Supplies	3519506456	54.90
00	00005109	11/04/2022	STAPLES BUSINESS ADVANTAGE	4364650	4211000	Public art Supplies	3519506458	5.11
00	00005109	11/04/2022	STAPLES BUSINESS ADVANTAGE	4364650	4211000	Public art Supplies	3520115401	68.91
00	00005109	11/04/2022	STAPLES BUSINESS ADVANTAGE	4364650	4211000	Public art Supplies	3520115402	11.63
00	00005110	11/04/2022	The [RE]DESIGN Group	1104190	4404000	Storage Server Node	4878	89,444.96
00	00005110	11/04/2022	The [RE]DESIGN Group	1104190	4404000	DELL CYBER RECOVERY VAULT	4352	279,155.37
00	00005111	11/04/2022	US BANK	1104114	4309000	CC 5157 Ranked Choice Voting F	4866914555529350	494.81
00	00005111	11/04/2022	US BANK	1104130	4312000	CC 2498 LOCC - City Managers C	4866914555529350	1,500.00
00	00005111	11/04/2022	US BANK	1104130	4312000	CC 4081 - SCAG - 13th Annual S	4866914555529350	125.00
00	00005111	11/04/2022	US BANK	1104150	4312500	CC 4081 - Lunch for Finance Su	4866914555529350	164.04
00	00005111	11/04/2022	US BANK	1104154	4321500	CC 2498 Solid Waste Associati	4866914555529350	300.00
00	00005111	11/04/2022	US BANK	1104154	4321500	CC 2498 Association of Envro P	4866914555529350	100.00
00	00005111	11/04/2022	US BANK	1104190	4336000	CC 7168 - MISK	4866914555529350	30.00
00	00005111	11/04/2022	US BANK	1104190	4336000	CC 7168 - MISK	4866914555529350	715.00
00	00005111	11/04/2022	US BANK	1104190	4362001	CC 7168 Code Two - Email Signa	4866914555529350	1,248.79
00	00005111	11/04/2022	US BANK	1104190	4362001	CC 7168 FTP Server license- Li	4866914555529350	752.00
00	00005111	11/04/2022	US BANK	1104417	4309000	CC 4081 - Mailchimp/Monthly Ne	4866914555529350	97.99
00	00005111	11/04/2022	US BANK	1104430	4312000	CC 7168 SCAG - 13th annual sum	4866914555529350	125.00
00	00005111	11/04/2022	US BANK	1104470	4312000	CC 4081 - SCAG - 13th Annual S	4866914555529350	125.00
00	00005111	11/04/2022	US BANK	1104800	4388600	CC 5157 Desert ValleyBuilders	4866914555529350	36.00
00	00005111	11/04/2022	US BANK	1104800	4388600	CC 5157 Hispanic Chamber Lunch	4866914555529350	75.00
00	00005111	11/04/2022	US BANK	1104800	4388600	CC 5157 CVCC 40th Gala - Harni	4866914555529350	150.00
00	00005111	11/04/2022	US BANK	1104800	4388600	CC 5157 LifeStream Blood Bank	4866914555529350	300.00
00	00005111	11/04/2022	US BANK	4504161	4400100	CC 7168 CEQA Filling Fee	4866914555529350	1.14

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Bank ID	Check Number	Check Date	Vendor Name	Account Number		Transaction Desc	Invoice	Amount Paid
00	00005111	11/04/2022	US BANK	4504161	4400100	CC 7168 CEQA Filling Fee	4866914555529350	50.00
00	00005111	11/04/2022	US BANK	4504161	4400100	CC 7168 CEQA Filling Fee	4866914555529350	1.14
00	00005111	11/04/2022	US BANK	4504161	4400100	CC 7168 CEQA Filling Fee	4866914555529350	1.14
00	00005111	11/04/2022	US BANK	4504161	4400100	CC 7168 CEQA Filling Fee	4866914555529350	1.14
00	00005111	11/04/2022	US BANK	4504161	4400100	CC 7168 CEQA Filling Fee	4866914555529350	1.14
00	00005111	11/04/2022	US BANK	4504161	4400100	CC 7168 CEQA Filling Fee	4866914555529350	50.00
00	00005111	11/04/2022	US BANK	4504161	4400100	CC 7168 CEQA Filling Fee	4866914555529350	50.00
00	00005111	11/04/2022	US BANK	4504161	4400100	CC 7168 CEQA Filling Fee	4866914555529350	50.00
00	00005111	11/04/2022	US BANK	4504161	4400100	CC 7168 CEQA Filling Fee	4866914555529350	50.00
00	00005112	11/04/2022	VISION SERVICE PLAN INC.	1100000	1150300	Vision Leal 09/2022	815882754	31.81
00	00005112	11/04/2022	VISION SERVICE PLAN INC.	1100000	1150300	Vision Leal 07-09/2022	816113101	-95.43
00	00005112	11/04/2022	VISION SERVICE PLAN INC.	1100000	1150300	Vision Stull 10/2022	816113101	31.81
00	00005112	11/04/2022	VISION SERVICE PLAN INC.	1100000	2161400	VSP Premium 09/2022	815882754	3,499.11
00	00005112	11/04/2022	VISION SERVICE PLAN INC.	1100000	2161400	VSP Premium 10/2022	816113101	3,864.93
00	00005112	11/04/2022	VISION SERVICE PLAN INC.	1104150	4112200	Vision Cardoz 09/2022	815882754	31.81
00	00005112	11/04/2022	VISION SERVICE PLAN INC.	1104150	4112200	Vision Cardoz 09/2022	816113101	-31.81
00	00005112	11/04/2022	VISION SERVICE PLAN INC.	1104150	4112200	Vision Rounding 10/2022	816113101	-0.01
00	00005112	11/04/2022	VISION SERVICE PLAN INC.	1104150	4112400	Vision Rounding 09/2022	815882754	-0.01
00	00005112	11/04/2022	VISION SERVICE PLAN INC.	1104300	4112200	Vision Firestine for 08/2022	815882754	-31.81
00	00005112	11/04/2022	VISION SERVICE PLAN INC.	1104430	4112200	Vision Hamet 10/2022	816113101	15.90
00	00005112	11/04/2022	VISION SERVICE PLAN INC.	8704195	4112200	Vision Cabrera 08-09/2022	815882754	63.62
00	00005112	11/04/2022	VISION SERVICE PLAN INC.	8704195	4112200	Vision Cabrera for 08-09/2022	816113101	-63.62
00	00005113	11/04/2022	WEX HEALTH INC	1104154	4309000	Cobra - Monthly SEPT 2022	1603986-IN	85.45
00	00005114	11/04/2022	WILLDAN FINANCIAL SERVICES	1104159	4309000	Comprehensive Fee Study and	010-52648	2,210.00
00	01531635	11/04/2022	BEDROSIAN, PATRICK	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	163.06
00	01531636	11/04/2022	BOUNDS, JAMES	1104150	4363000	GFOA membership dues Bounds	RIMB DUES GFOA	150.00
00	01531636	11/04/2022	BOUNDS, JAMES	1104150	4363000	CMTA membership dues Bounds	RIMB DUES CMTA	95.00

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Check Register

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Bank ID	Check Number	Check Date	Vendor Name	Account Number		Transaction Desc	Invoice	Amount Paid
00	01531637	11/04/2022	BOWMAN, RANDY	1104300	4312000	9/17-21/22 ICMA CONF	0922LDG REISSUE	304.03
00	01531638	11/04/2022	BURTON, TYLER	4364650	4400100	Poly Parfait Sculpture Purchas	1036	25,000.00
00	01531639	11/04/2022	C S M F O	1104150	4363000	CSMFO membership dues Bounds	300009663	20.00
00	01531640	11/04/2022	CEJA, ERIC	1104430	4311500	Mileage Reimb 10/12/22	CALED22-EC-MR	85.38
00	01531640	11/04/2022	CEJA, ERIC	1104430	4312000	Parking 10/12/22	CALED22-EC-PK	6.00
00	01531641	11/04/2022	COLLIERS INTERNATIONAL HOLDINGS (USA)	1104430	4309000	Appraisal Services	LAX220275	3,900.00
00	01531641	11/04/2022	COLLIERS INTERNATIONAL HOLDINGS (USA)	1104430	4309000	Appraisal Services	LAX220276	3,900.00
00	01531642	11/04/2022	CPS HR CONSULTING	1104154	4309000	Class and Compensation Study	7699	62.50
00	01531642	11/04/2022	CPS HR CONSULTING	1104154	4309000	Class and Compensation Study	7700	350.00
00	01531643	11/04/2022	DATA TICKET INC	1104422	4309000	PROF SVC PARKING TICKET PROCES	143501	185.14
00	01531644	11/04/2022	EISENHOWER OCCUPATIONAL HEALTH SVCS	1104154	4305600	DOT	131751	105.00
00	01531645	11/04/2022	FORESITE ESCROW	2144494	4390102	05-begin-058-fc-22-054-3	ESCROW NO080363*	59,500.00
00	01531646	11/04/2022	FRONTIER COMMUNICATIONS INC	1104159	4365000	D/U Circuit Fred Waring	7605686932-1022	57.28
00	01531646	11/04/2022	FRONTIER COMMUNICATIONS INC	1104210	4306001	Phone Svc	7608629848-1022	125.15
00	01531646	11/04/2022	FRONTIER COMMUNICATIONS INC	1104250	4365000	Traffic Signal line SVC	7603459146-1022	57.28
00	01531646	11/04/2022	FRONTIER COMMUNICATIONS INC	1104344	4365000	PCC Phone Srv	7605682560-1022	137.03
00	01531646	11/04/2022	FRONTIER COMMUNICATIONS INC	2294210	4391400	Valley Crimestoppers Hotline	7603417867-1022	164.31
00	01531646	11/04/2022	FRONTIER COMMUNICATIONS INC	2714491	4369500	EP Phone Svc	7606749012-1022	102.19
00	01531646	11/04/2022	FRONTIER COMMUNICATIONS INC	5104195	4369601	Parkview Bldg Alarm Srv	7603468393-1022	159.43
00	01531646	11/04/2022	FRONTIER COMMUNICATIONS INC	5104195	4369601	Parkview Bldg Phone Srv	7606741960-1022	88.88
00	01531646	11/04/2022	FRONTIER COMMUNICATIONS INC	5104195	4369601	Parkview Bldg Fire Alarm	7607791904-1022	79.17
00	01531646	11/04/2022	FRONTIER COMMUNICATIONS INC	5104195	4369601	Parkview Bldg Alarm Srv	7608361142-1022	85.62
00	01531646	11/04/2022	FRONTIER COMMUNICATIONS INC	5104195	4369602	State Bldg Internet Srv	3101746165-1022	55.98
00	01531646	11/04/2022	FRONTIER COMMUNICATIONS INC	5104195	4369800	Henderson Bldg Phone Srv	7607766715-1022	217.50
00	01531647	11/04/2022	GARCIA, SKKY	1104150	4311500	OpenGov User Group	10.13.22	163.75
00	01531648	11/04/2022	GIANNOPULOS, DIANNE	1100000	3632500	refund for comm garden	GRDN22-0124	35.00
00	01531649	11/04/2022	GOVERNMENT FINANCE OFFICERS	1104150	4312000	Interactive Internet Training	3072634	85.00

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Check Register

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Bank ID	Check Number	Check Date	Vendor Name	Account Number		Transaction Desc	Invoice	Amount Paid
00	01531650	11/04/2022	HF&H CONSULTANTS LLC	2364195	4309000	PROVIDE SOLID WASTE, RECYCLING	9719650	5,950.00
00	01531651	11/04/2022	JOHN RAMONT	1104150	4311500	OpenGov User Group	10.13.22	163.75
00	01531652	11/04/2022	KEYSER MARSTON ASSOCIATES INC	6100000	2286000	Financial Analysis for UHC	0037163	1,180.00
00	01531652	11/04/2022	KEYSER MARSTON ASSOCIATES INC	8734195	4309000	Financial Feasibility for UHC	0037163	640.00
00	01531653	11/04/2022	LSL CPAs	1104151	4302000	City of Palm Desert Audit Serv	52771	27,500.00
00	01531653	11/04/2022	LSL CPAs	1104151	4302000	Gann Limit Verifications	52771	441.00
00	01531654	11/04/2022	MARRIOTT'S DESERT SPRINGS RESORT	1104417	4322201	PLAID Conf.	6310-PLAID	26,520.00
00	01531655	11/04/2022	MEJIA, ANTHONY	1104110	4211000	SPPLIES - CC CONFERENCE ROOM	113233	156.27
00	01531656	11/04/2022	METALCRAFT	1104150	4211000	FIXED ASSET TAGS	577571	813.12
00	01531657	11/04/2022	PRICE'S NURSERY & GARDEN	4364650	4400200	Crane to remove El Paseo sculp	00029970	1,780.63
00	01531657	11/04/2022	PRICE'S NURSERY & GARDEN	4364650	4400200	Crane to remove El Paseo sculp	00029966	1,322.75
00	01531658	11/04/2022	PROFORMA SOCAL	1104154	4219000	Business Cards	BH49003095A	137.56
00	01531659	11/04/2022	SAME DAY EXPRESS	4364650	4337200	Amount not to exceed $5,000.00	102022	2,004.43
00	01531659	11/04/2022	SAME DAY EXPRESS	4364650	4400200	Replace 21/22 El Paseo Sculptu	101922	3,120.00
00	01531660	11/04/2022	VECTORUSA	1104190	4212000	Equipement for conf room	94451	1,096.90
00	01531661	11/04/2022	WRIGHT, BARBARA	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	174.70
00	01531662	11/04/2022	XPRESS GRAPHICS	1104417	4361000	Water Bottle Card	22-49881	58.52
00	01531662	11/04/2022	XPRESS GRAPHICS	1104417	4322300	Golf Cart Banners	22-49990	71.27
00	01531663	11/04/2022	YRIGOYEN, DAVID L.	5764192	4119000	RETIREE HEALTH STIPEND Novembe	11/1/2022	461.16

Audited and Found Correct

Director of Finance

Examined and Approved

Mayor or Mayor Pro-Tem

Examined and Approved

City Manager

Total For Bank ID - 00

682,878.69

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Check Register

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Bank ID	Check Number	Check Date	Vendor Name	Account Number		Transaction Desc	Invoice	Amount Paid
10	00001562	11/04/2022	LSL CPAs	7034195	4302000	Successor Agency to the Palm D	52771	5,350.00
10	00001563	11/04/2022	WILLDAN FINANCIAL SERVICES	7034195	4309000	CDIAC REPORT PA2	010-52746	300.00

Audited and Found Correct

Director of Finance

Examined and Approved

Mayor or Mayor Pro-Tem

Examined and Approved

City Manager

Total For Bank ID - 10

5,650.00

CITY OF PALM DESERT
STAFF REPORT

MEETING DATE: November 17, 2022

PREPARED BY: Cora L. Gaugush, Project Technician
Randy Chavez, Community Services Manager
Andy Ramirez, Deputy Director of Public Works

REQUEST: RATIFY THE CITY MANAGER'S EXECUTION OF CONTRACT NO. A43960 WITH HORIZON LIGHTING, INC, FOR ELECTRICAL AND LIGHTING SERVICES AT FIRE FACILITIES IN AN AMOUNT NOT TO EXCEED $50,000 PER FISCAL YEAR

RECOMMENDATION:

Ratify the City Manager's execution of Contract No. A43960 with Horizon Lighting, Inc., for electrical and lighting services at Fire Station Facilities in an amount not to exceed $50,000 per fiscal year.

BACKGROUND/ANALYSIS:

The City of Palm Desert currently owns, operates, and maintains three fire stations. These facilities require routine electrical and lighting services for specialized equipment and ensuring energy-efficiencies. Last fiscal year, several electrical repairs were completed at each fire station by various contractors. During this time, staff identified a need to consolidate various service contracts to obtain consistency of service and improve emergency response times. Therefore, on August 17, 2022, staff requested quotes from three vendors for on-call electrical and lighting services. Only two proposals were received.

An evaluation team from Public Works evaluated each proposal based on cost, references, and experience. Each contractor met the service requirements. As demonstrated in the table below, while the proposal from Palmer Electric was slightly lower for hourly scheduled work, they were significantly higher for after-hour calls, weekends, and holidays.

Firms		Cost	Rank
Horizon Lighting, Inc.	REGULAR HOURLY RATE	$129.95	1
	AFTER-HOURS	$139.95	
	WEEKEND RATE	$139.95	
	HOLIDAY RATE	$149.95	
Palmer Electric, Inc.	REGULAR HOURLY RATE	$125	2
	AFTER-HOURS RATE	$158	
	WEEKEND RATE	$180	
	HOLIDAY RATE	$195	
Mohr Electric	No bid	n/a	n/a

Due to the nature of public safety at each fire station, most electrical work requires same-day services and often entails after-hour rates. Horizon Lighting provided the lowest after-hours, weekend, and holiday rates. Therefore, staff submitted a purchase approval form to the City Manager requesting authorization to award a contract to Horizon Lighting, Inc.

This authorized contract is for an annual amount not to exceed $50,000 for a term of three years commencing July 1, 2022, with the option of two, one-year extensions. Since the cumulative contract amount exceeds the City Manager's approval authority of $50,000, staff is requesting the City Council's ratification of the contract.

FINANCIAL IMPACT:

The contract is for an amount not to exceed $50,000 annually. Funds for this fiscal year were available in the approved Fire Fund Building Repair and Maintenance Account No. 2304220-4331000. Staff expects to help offset any overage on this account with savings from other Fire Fund Accounts. Therefore, there is no further financial impact to the general fund with this action.

REVIEWED BY:

Department Director:	*Martin Alvarez*
Finance Director:	*John Ramont*
Assistant City Manager:	*Chris Escobedo*
City Manager:	*Todd Hileman*

ATTACHMENTS:

1. Contract A43960 - executed
2. Quote Palmer Electric
3. Quote Horizon Lighting, Inc.

CITY OF PALM DESERT
MAINTENANCE SERVICES AGREEMENT

1. PARTIES AND DATE.

This Agreement is made and entered into this 1st day of September, 2022 by and between the City of Palm Desert, a municipal corporation organized under the laws of the State of California with its principal place of business at 73-510 Fred Waring Drive, Palm Desert, California 92260-2578, County of Riverside, State of California ("City") and **HORIZON LIGHTING, INC. A CORPORATION** with its principal place of business at **2351 McGaw Avenue, Irvine, CA 92614** ("Contractor"). City and Contractor are sometimes individually referred to as "Party" and collectively as "Parties" in this Agreement.

2. RECITALS.

2.1 Contractor.

Contractor desires to perform and assume responsibility for the provision of certain maintenance services required by the City on the terms and conditions set forth in this Agreement. Contractor represents that it is experienced in providing maintenance services to public clients, that it and its subcontractors have all necessary licenses and permits to perform the services in the State of California, and that it is familiar with the plans of City. Contractor shall not subcontract any portion of the work required by this Agreement, except as expressly stated herein, without prior written approval of City. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

2.2 Project.

City desires to engage Contractor to render such services for the **ELECTRICAL AND LIGHTING SERVICES FOR CITY-OWNED FIRE FACILITIES** project ("Project") as set forth in this Agreement.

3. TERMS.

3.1 Scope of Services and Term.

3.1.1 General Scope of Services. Contractor promises and agrees to furnish to the City all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately supply the maintenance services necessary for the Project ("Services"). The Services are more particularly described in Exhibit "A" attached hereto and incorporated herein by reference. All Services shall be subject to, and performed in accordance with, this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations.

Term. The term of this Agreement shall be from **July 1, 2022, through June 30, 2025,** unless earlier terminated as provided herein. The City shall have the unilateral option, at its sole discretion, to renew this Agreement automatically for no more than two years (2) additional one-year terms.

3.1.2Contractor shall complete the Services within the term of this Agreement, and shall meet any other established schedules and deadlines. The Parties may, by mutual, written consent, extend the term of this Agreement if necessary to complete the Services.

3.2 Responsibilities of Contractor.

3.2.1 Control and Payment of Subordinates; Independent Contractor. The Services shall be performed by Contractor or under its supervision. Contractor will determine the means, methods and details of performing the Services subject to the requirements of this Agreement. City retains Contractor on an independent contractor basis and not as an employee. Any personnel performing the Services under this Agreement on behalf of Contractor shall not be employees of City and shall at all times be under Contractor's exclusive direction and control. Contractor shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of Services under this Agreement and as required by law. Contractor shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance.

3.2.2 Schedule of Services. Contractor shall perform the Services in a prompt and timely manner in accordance with the Schedule of Services set forth in Exhibit "B" attached hereto and incorporated herein by reference. Contractor represents that it has the professional and technical personnel required to perform the Services in conformance with such conditions. Upon request of City, Contractor shall provide a more detailed schedule of anticipated performance to meet the Schedule of Services.

3.2.3 Conformance to Applicable Requirements. All work prepared by Contractor shall be subject to the approval of City.

3.2.4 City's Representative. The City hereby designates **Martín Alvarez, Director of Public Works**, or his or her designee, to act as its representative for the performance of this Agreement ("City's Representative"). City's Representative shall have the power to act on behalf of the City for all purposes under this Agreement except for increasing compensation. Contractor shall not accept direction or orders from any person other than the City's Representative or his or her designee.

3.2.5 Contractor's Representative. Contractor hereby designates **Joel Montano, Desert Branch Manager** or his or her designee, to act as its representative for the performance of this Agreement ("Contractor's Representative"). Contractor's Representative shall have full authority to represent and act on behalf of the Contractor for all purposes under this Agreement. The Contractor's Representative shall supervise and direct the Services, using his best skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Services under this Agreement.

3.2.6 Coordination of Services. Contractor agrees to work closely with City staff in the performance of Services and shall be available to City's staff, consultants and other staff at all reasonable times.

3.2.7 Standard of Care; Performance of Employees. Contractor shall perform all Services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Contractor represents and maintains that it is skilled in the professional calling necessary to perform the Services. Contractor warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Services assigned to them. Finally, Contractor represents that it, its employees and subcontractors have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services,

including a City Business License, and that such licenses and approvals shall be maintained throughout the term of this Agreement. Contractor shall perform, at its own cost and expense and without reimbursement from the City, any services necessary to correct errors or omissions which are caused by the Contractor's failure to comply with the standard of care provided for herein. Any employee of the Contractor or its sub-contractors who is determined by the City to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project, a threat to the safety of persons or property, or any employee who fails or refuses to perform the Services in a manner acceptable to the City, shall be promptly removed from the Project by the Contractor and shall not be re-employed to perform any of the Services or to work on the Project.

3.2.8 Period of Performance. Contractor shall perform and complete all Services under this Agreement within the term set forth in Section 3.1.2 above ("Performance Time"). Contractor shall perform the Services in strict accordance with any completion schedule or Project milestones described in Exhibits "A" or "B" attached hereto, or which may be provided separately in writing to the Contractor. Contractor agrees that if the Services are not completed within the aforementioned Performance Time and/or pursuant to any such completion schedule or Project milestones developed pursuant to provisions of this Agreement, it is understood, acknowledged and agreed that the City will suffer damage.

3.2.9 Disputes. Should any dispute arise respecting the true value of any work done, of any work omitted, or of any extra work which Contractor may be required to do, or respecting the size of any payment to Contractor during the performance of this Contract, Contractor shall continue to perform the Work while said dispute is decided by the City. If Contractor disputes the City's decision, Contractor shall have such remedies as may be provided by law.

3.2.10 Laws and Regulations; Employee/Labor Certifications. Contractor shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services, including all Cal/OSHA requirements, and shall give all notices required by law. Contractor shall be liable for all violations of such laws and regulations in connection with the Services and this Agreement. All violations of such laws and regulations shall be grounds for the City to terminate the Agreement for cause. City is a public entity of the State of California subject to certain provisions of the Health & Safety Code, Government Code, Public Contract Code, and Labor Code of the State. It is stipulated and agreed that all provisions of the law applicable to the public contracts of a municipality are a part of this Agreement to the same extent as though set forth herein and will be complied with.

3.2.10.1 Employment Eligibility; Contractor. Contractor certifies that it fully complies with all requirements and restrictions of state and federal law respecting the employment of undocumented aliens, including, but not limited to, the Immigration Reform and Control Act of 1986, as may be amended from time to time and shall require all subconsultants and sub-subconsultants to comply with the same. Contractor certifies that it has not committed a violation of any such law within the five (5) years immediately preceding the date of execution of this Agreement, and shall not violate any such law at any time during the term of the Agreement.

3.2.10.2 Labor Certification. By its signature hereunder, Contractor certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Services.

3.2.10.3 Equal Opportunity Employment. Contractor represents that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination. Contractor shall comply with all relevant provisions of City's Minority Business Enterprise program, Affirmative Action Plan or other related programs or guidelines currently in effect or hereinafter enacted.

3.2.10.4 Air Quality. Contractor must fully comply with all applicable laws, rules and regulations in furnishing or using equipment and/or providing services, including, but not limited to, emissions limits and permitting requirements imposed by the California Air Resources Board (CARB). Contractor shall specifically be aware of the CARB limits and requirements' application to "portable equipment", which definition is considered by CARB to include any item of equipment with a fuel-powered engine. Contractor shall indemnify City against any fines or penalties imposed by CARB or any other governmental or regulatory agency for violations of applicable laws, rules and/or regulations by Contractor, its subcontractors, or others for whom Contractor is responsible under its indemnity obligations provided for in this Agreement.

3.2.10.5 Water Quality Management and Compliance. To the extent applicable, Contractor's Services must account for, and fully comply with, all local, state and federal laws, rules and regulations that may impact water quality compliance, including, without limitation, all applicable provisions of the Federal Water Pollution Control Act (33 U.S.C. §§ 1300); the California Porter-Cologne Water Quality Control Act (Cal Water Code §§ 13000-14950); laws, rules and regulations of the Environmental Protection Agency and the State Water Resources Control Board; the City's ordinances regulating discharges of storm water; and any and all regulations, policies, or permits issued pursuant to any such authority regulating the discharge of pollutants, as that term is used in the Porter-Cologne Water Quality Control Act, to any ground or surface water in the State. Failure to comply with the laws, regulations and policies described in this Section is a violation of law that may subject Contractor to penalties, fines, or additional regulatory requirements.

3.2.11 Insurance.

3.2.11.1 Minimum Requirements. Without limiting Contractor's indemnification of City, and prior to commencement of the Services, Contractor shall obtain, provide and maintain at its own expense during the term of this Agreement, policies of insurance of the type and amounts described below and in a form that is satisfactory to City.

(A) General Liability Insurance. Contractor shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than $1,000,000 per occurrence, $2,000,000 general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted.

(B) Automobile Liability Insurance. Contractor shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Contractor arising out of or in connection with Work to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than $1,000,000 combined single limit for each

accident. The City's Risk Manager may modify this requirement if it is determined that Consultant will not be utilizing a vehicle in the performance of his/her duties under this Agreement.

(C) Umbrella or Excess Liability Insurance. Contractor may opt to utilize umbrella or excess liability insurance in meeting insurance requirements. In such circumstances, Contractor may obtain and maintain an umbrella or excess liability insurance policy with limits that will provide bodily injury, personal injury and property damage liability coverage at least as broad as the primary coverages set forth above, including commercial general liability and employer's liability. Such policy or policies shall include the following terms and conditions:

(a) A drop down feature requiring the policy to respond if any primary insurance that would otherwise have applied proves to be uncollectible in whole or in part for any reason;

(b) Pay on behalf of wording as opposed to reimbursement;

(c) Concurrency of effective dates with primary policies; and

(d) Policies shall "follow form" to the underlying primary policies.

(e) Insureds under primary policies shall also be insureds under the umbrella or excess policies.

(D) Workers' Compensation Insurance. Contractor shall maintain Workers' Compensation Insurance (Statutory Limits) and Employer's Liability Insurance (with limits of at least $1,000,000). Contractor shall submit to City, along with the certificate of insurance, a Waiver of Subrogation endorsement in favor of the City, its elected or appointed officers, and their respective agents, officials, employees, volunteers and representatives.

(E) Fidelity Coverage: N/A.

(F) Cyber Liability Insurance. N/A

(G) Pollution Liability Insurance. N/A

3.2.11.2 Other Provisions and Requirements.

(A) Proof of Insurance. Contractor shall provide certificates of insurance to City as evidence of the insurance coverage required herein, along with a waiver of subrogation endorsement for workers' compensation. Insurance certificates and endorsements must be approved by City's Risk Manager prior to commencement of performance. Current certification of insurance shall be kept on file with City at all times during the term of this contract. City reserves the right to require complete, certified copies of all required insurance policies, at any time.

(B) Duration of Coverage. Contractor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the work hereunder by Contractor, his/her agents, representatives, employees or subconsultants.

(C) Primary/Non-Contributing. Coverage provided by Contractor shall be primary and any insurance or self-insurance procured or maintained by City shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of City before the City's own insurance or self-insurance shall be called upon to protect it as a named insured.

(D) City's Rights of Enforcement. In the event any policy of insurance required under this Agreement does not comply with these specifications, or is canceled and not replaced, City has the right, but not the duty, to obtain the insurance it deems necessary and any premium paid by City will be promptly reimbursed by Contractor, or City will withhold amounts sufficient to pay premium from Contractor payments. In the alternative, City may cancel this Agreement.

(E) Acceptable Insurers. All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance or is on the List of Approved Surplus Line Insurers in the State of California, with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VII (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the City's Risk Manager.

(F) Waiver of Subrogation. All insurance coverage maintained or procured pursuant to this agreement shall be endorsed to waive subrogation against the City, its elected or appointed officers, and their respective agents, officials, employees, volunteers and representatives, or shall specifically allow Contractor or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Contractor hereby waives its own right of recovery against the City, its elected or appointed officers, and their respective agents, officials, employees, volunteers and representatives, and shall require similar written express waivers and insurance clauses from each of its subcontractors.

(G) Enforcement of Contract Provisions (non estoppel). Contractor acknowledges and agrees that any actual or alleged failure on the part of the City to inform Contractor of non-compliance with any requirement imposes no additional obligations on the City nor does it waive any rights hereunder.

(H) Requirements Not Limiting. Requirements of specific coverage features or limits contained in this Section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type. If the Contractor maintains higher limits than the minimums shown above, the City requires and shall be entitled to coverage for the higher limits maintained by the Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

(I) Notice of Cancellation. Contractor agrees to oblige its insurance agent or broker and insurers to provide City with a thirty (30) day notice of cancellation (except for nonpayment for which a ten (10) day notice is required) or nonrenewal of coverage for each required coverage.

(J) Additional Insured Status. General liability, automobile liability, and if applicable, pollution liability and cyber liability, policies shall provide or be endorsed to provide that the City, its elected or appointed officers, and their respective agents, officials, employees, volunteers and representatives, shall be additional insureds under such policies. This provision shall also apply to any excess/umbrella liability policies.

(K) Prohibition of Undisclosed Coverage Limitations. None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to City and approved of in writing.

(L) Separation of Insureds. A severability of interests provision must apply for all additional insureds ensuring that Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the insurer's limits of liability. The policy(ies) shall not contain any cross-liability exclusions.

(M) Pass Through Clause. Contractor agrees to ensure that its sub-consultants, sub-contractors, and any other party involved with the Project who is brought onto or involved in the project by Contractor, provide the same minimum insurance coverage and endorsements required of Contractor. Contractor agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Contractor agrees that upon request, all agreements with consultants, subcontractors, and others engaged in the Project will be submitted to City for review.

(N) City's Right to Revise Specifications. The City or its Risk Manager reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving the Contractor ninety (90) days advance written notice of such change. If such change results in cost to the Contractor, the City and Contractor may renegotiate Contractor's compensation. If the City reduces the insurance requirements, the change shall go into effect immediately and require no advanced written notice.

(O) Self-Insured Retentions. Any self-insured retentions must be declared to and approved by City. City reserves the right to require that self-insured retentions be eliminated, lowered, or replaced by a deductible. Self-insurance will not be considered to comply with these specifications unless approved by City.

(P) Timely Notice of Claims. Contractor shall give City prompt and timely notice of claims made or suits instituted that arise out of or result from Contractor's performance under this Agreement, and that involve or may involve coverage under any of the required liability policies.

(Q) Additional Insurance. Contractor shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its proper protection and prosecution of the work.

3.2.12 Safety. Contractor shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, the Contractor shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed. Safety precautions, where applicable, shall include, but shall not be limited to: (A) adequate life protection and lifesaving equipment and procedures; (B) instructions in accident prevention for all employees and subcontractors, such as safe walkways, scaffolds, fall protection ladders, bridges, gang planks, confined space procedures, trenching and shoring, equipment and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and (C) adequate facilities for the proper inspection and maintenance of all safety measures.

3.2.13 Bonds.

3.2.13.1 Performance Bond. If required by law or otherwise specifically requested by City in Exhibit "C" attached hereto and incorporated herein by reference, Contractor shall execute and provide to City concurrently with this Agreement a Performance Bond in the amount of the total, not-to-exceed compensation indicated in this Agreement, and in a form provided or approved by the City. If such bond is required, no payment will be made to Contractor until it has been received and approved by the City.

3.2.13.2 Payment Bond. If required by law or otherwise specifically requested by City in Exhibit "C" attached hereto and incorporated herein by reference, Contractor shall execute and provide to City concurrently with this Agreement a Payment Bond in the amount of the total, not-to-exceed compensation indicated in this Agreement, and in a form provided or approved by the City. If such bond is required, no payment will be made to Contractor until it has been received and approved by the City.

3.2.13.3 Bond Provisions. Should, in City's sole opinion, any bond become insufficient or any surety be found to be unsatisfactory, Contractor shall renew or replace the affected bond within ten (10) days of receiving notice from City. In the event the surety or Contractor intends to reduce or cancel any required bond, at least thirty (30) days prior written notice shall be given to the City, and Contractor shall post acceptable replacement bonds at least ten (10) days prior to expiration of the original bonds. No further payments shall be deemed due or will be made under this Agreement until any replacement bonds required by this Section are accepted by the City. To the extent, if any, that the total compensation is increased in accordance with the Agreement, the Contractor shall, upon request of the City, cause the amount of the bonds to be increased accordingly and shall promptly deliver satisfactory evidence of such increase to the City. To the extent available, the bonds shall further provide that no change or alteration of the Agreement (including, without limitation, an increase in the total compensation, as referred to above), extensions of time, or modifications of the time, terms, or conditions of payment to the Contractor, will release the surety. If the Contractor fails to furnish any required bond, the City may terminate this Agreement for cause.

3.2.13.4 Surety Qualifications. Only bonds executed by an admitted surety insurer, as defined in Code of Civil Procedure Section 995.120, shall be accepted. The surety must be a California-admitted surety with a current A.M. Best's rating no less than A:VIII and satisfactory to the City. If a California-admitted surety insurer issuing bonds does not meet these requirements, the insurer will be considered qualified if it is in conformance with

Section 995.660 of the California Code of Civil Procedure, and proof of such is provided to the City.

3.2.14 Accounting Records. Contractor shall maintain complete and accurate records with respect to all costs and expenses incurred under this Agreement. All such records shall be clearly identifiable. Contractor shall allow a representative of City during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Contractor shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.

3.2.15 Work Sites.

3.2.15.1 Inspection Of Site. Contractor shall visit sites where Services are to be performed and shall become acquainted with all conditions affecting the Services prior to commencing the Services. Contractor shall make such examinations as it deems necessary to determine the condition of the work sites, its accessibility to materials, workmen and equipment, and to determine Contractor's ability to protect existing surface and subsurface improvements. No claim for allowances–time or money–will be allowed as to such matters after commencement of the Services.

3.2.15.2 Field Measurements. Contractor shall make field measurements, verify field conditions and shall carefully compare such field measurements and conditions and other information known to Contractor with the Contract, including any plans, specifications, or scope of work before commencing Services. Errors, inconsistencies or omissions discovered shall be reported to the City immediately and prior to performing any Services or altering the condition.

3.2.15.3 Hazardous Materials and Differing Conditions. Should Contractor encounter material reasonably believed to be polychlorinated biphenyl (PCB) or other toxic wastes, hazardous substances and hazardous materials as defined in California state or federal law at the site which have not been rendered harmless, the Contractor shall immediately stop work at the affected area and shall report the condition to the City in writing. The City shall contract for any services required to directly remove and/or abate PCBs, hazardous substances, other toxic wastes and hazardous materials, and shall not require the Contractor to subcontract for such services. The Services in the affected area shall not thereafter be resumed except by written agreement of the City and Contractor.

3.2.16 Loss and Damage. Contractor shall be responsible for all loss and damage which may arise out of the nature of the Services agreed to herein, or from the action of the elements, or from any unforeseen difficulties which may arise or be encountered in the prosecution of the Services until the same is fully completed and accepted by City.

3.2.17 Warranty. Contractor warrants all Services under the Agreement (which for purposes of this Section shall be deemed to include unauthorized work which has not been removed and any non-conforming materials incorporated into the work) to be of good quality and free from any defective or faulty material and workmanship. Contractor agrees that for a period of one year (or the period of time specified elsewhere in the Agreement or in any guarantee or warranty provided by any manufacturer or supplier of equipment or materials incorporated into the work, whichever is later) after the date of final acceptance, Contractor shall within ten (10) days after being notified in writing by the City of any defect in the Services or non-conformance

of the Services to the Agreement, commence and prosecute with due diligence all Services necessary to fulfill the terms of the warranty at its sole cost and expense. Contractor shall act sooner as requested by the City in response to an emergency. In addition, Contractor shall, at its sole cost and expense, repair and replace any portions of the work (or work of other contractors) damaged by its defective Services or which becomes damaged in the course of repairing or replacing defective work. For any work so corrected, Contractor's obligation hereunder to correct defective work shall be reinstated for an additional one (1) year period, commencing with the date of acceptance of such corrected work. Contractor shall perform such tests as the City may require to verify that any corrective actions, including, without limitation, redesign, repairs, and replacements comply with the requirements of the Agreement. All costs associated with such corrective actions and testing, including the removal, replacement, and reinstitution of equipment and materials necessary to gain access, shall be the sole responsibility of the Contractor. All warranties and guarantees of subcontractors, suppliers and manufacturers with respect to any portion of the work, whether express or implied, are deemed to be obtained by Contractor for the benefit of the City, regardless of whether or not such warranties and guarantees have been transferred or assigned to the City by separate agreement and Contractor agrees to enforce such warranties and guarantees, if necessary, on behalf of the City. In the event that Contractor fails to perform its obligations under this Section, or under any other warranty or guaranty under this Agreement, to the reasonable satisfaction of the City, the City shall have the right to correct and replace any defective or non-conforming work and any work damaged by such work or the replacement or correction thereof at Contractor's sole expense. Contractor shall be obligated to fully reimburse the City for any expenses incurred hereunder upon demand.

3.3 Fees and Payments.

3.3.1 Compensation. Contractor shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth in Exhibit "C" attached hereto and incorporated herein by reference. The total compensation shall not exceed **Fifty Thousand Dollars ($50,000.00) annually** without written approval of the City Council or City Manager, as applicable.

3.3.2 Payment of Compensation. Contractor shall submit to City monthly invoices which provides a detailed description of the Services and hours rendered by Contractor. City shall, within thirty (30) days of receiving such statement, review the statement and pay all non-disputed and approved charges. Contractor shall submit its final invoice to City within thirty (30) days from the last date of provided Services or termination of this Agreement and failure by the Contractor to submit a timely invoice shall constitute a waiver of its right to final payment. Payment shall not constitute acceptance of any Services completed by Contractor. The making of final payment shall not constitute a waiver of any claims by the City for any reason whatsoever.

3.3.3 Deductions. City may deduct or withhold, as applicable, from each progress payment an amount necessary to protect City from loss because of: (1) stop payment notices as allowed by state law; (2) unsatisfactory prosecution of the Services by Contractor; (3) sums representing expenses, losses, or damages as determined by the City, incurred by the City for which Contractor is liable under the Agreement; and (4) any other sums which the City is entitled to recover from Contractor under the terms of the Agreement or pursuant to state law, including Section 1727 of the California Labor Code. The failure by the City to deduct any of these sums from a progress payment shall not constitute a waiver of the City's right to such sums.

3.3.4 Reimbursement for Expenses. Contractor shall not be reimbursed for any expenses unless authorized in writing by City.

3.3.5 Extra Work. At any time during the term of this Agreement, City may request that Contractor perform Extra Work. As used herein, "Extra Work" means any work which is determined by City to be necessary for the proper completion of the Project, but which the parties did not reasonably anticipate would be necessary at the execution of this Agreement. Contractor shall not perform, nor be compensated for, Extra Work without written authorization from City's Representative.

3.3.6 Prevailing Wages. Contractor is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "public works" and "maintenance" projects. If the Services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is $15,000 or more, Contractor agrees to fully comply with such Prevailing Wage Laws. City shall provide Contractor with a copy of the prevailing rates of per diem wages in effect at the commencement of this Agreement. Contractor shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at the Contractor's principal place of business and at the Project site. Contractor shall defend, indemnify and hold the City, its elected or appointed officers, and their respective agents, officials, employees, volunteers and representatives free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws. It shall be mandatory upon the Contractor and all subcontractors to comply with all California Labor Code provisions, which include but are not limited to prevailing wages (Labor Code Sections 1771, 1774 and 1775), employment of apprentices (Labor Code Section 1777.5), certified payroll records (Labor Code Sections 1771.4 and 1776), hours of labor (Labor Code Sections 1813 and 1815) and debarment of contractors and subcontractors (Labor Code Section 1777.1). The requirement to submit certified payroll records directly to the Labor Commissioner under Labor Code section 1771.4 shall not apply to work performed on a public works project that is exempt pursuant to the small project exemption specified in Labor Code Section 1771.4.

3.3.7 Registration/DIR Compliance. If the Services are being performed as part of an applicable "public works" or "maintenance" project, and if the total compensation is $15,000 or more, then pursuant to Labor Code Sections 1725.5 and 1771.1, the Contractor and all subcontractors performing such Services must be registered with the Department of Industrial Relations. Contractor shall maintain registration for the duration of the Project and require the same of any subcontractors, as applicable. This Project may also be subject to compliance monitoring and enforcement by the Department of Industrial Relations. It shall be Contractor's sole responsibility to comply with all applicable registration and labor compliance requirements. Any stop orders issued by the Department of Industrial Relations against Contractor or any subcontractor that affect Contractor's performance of Services, including any delay, shall be Contractor's sole responsibility. Any delay arising out of or resulting from such stop orders shall be considered Contractor caused delay and shall not be compensable by the City. Contractor shall defend, indemnify and hold the City, its elected or appointed officers, and their respective agents, officials, employees, volunteers and representatives free and harmless from any claim or liability arising out of stop orders issued by the Department of Industrial Relations against Contractor or any subcontractor.

3.4 Termination of Agreement.

3.4.1 Grounds for Termination. City may, by written notice to Contractor, terminate the whole or any part of this Agreement at any time and without cause by giving written notice to Contractor of such termination, and specifying the effective date thereof, at least seven (7) days before the effective date of such termination. Upon termination, Contractor shall be compensated only for those Services which have been adequately rendered to City, and Contractor shall be entitled to no further compensation. Contractor may not terminate this Agreement except for cause.

3.4.2 Effect of Termination. If this Agreement is terminated as provided herein, City may require Contractor to provide all finished or unfinished information of any kind prepared by Contractor in connection with the performance of Services under this Agreement. Contractor shall be required to provide such document and other information within fifteen (15) days of the request.

3.4.3 Additional Services. In the event this Agreement is terminated in whole or in part as provided herein, City may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated.

3.5 General Provisions.

3.5.1 Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

Contractor:

Horizon Lighting, Inc.
2351 McGaw Avenue
Irvine, CA 92614

City:

City of Palm Desert
73-510 Fred Waring Drive
Palm Desert, CA 92260-2578
Attn: City Clerk

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

3.5.2 Indemnification.

3.5.2.1 Scope of Indemnity. To the fullest extent permitted by law, Contractor shall defend, indemnify and hold the City, its elected or appointed officers, and their respective agents, officials, employees, volunteers and representatives free and harmless from any and all claims, demands, causes of action, suits, actions, proceedings, costs, expenses, liability, judgments, awards, decrees, settlements, loss, damage or injury of any kind, in law or

equity, regardless of whether the allegations are false, fraudulent, or groundless, to property or persons, including wrongful death, (collectively, "Claims") in any manner arising out of, pertaining to, or incident to any acts, errors or omissions, or willful misconduct of Contractor, its officials, officers, employees, subcontractors, consultants or agents in connection with the performance of the Services, the Project or this Agreement, including without limitation the payment of all expert witness fees, attorneys' fees and other related costs and expenses except such Claims caused by the sole or active negligence or willful misconduct of the City.

3.5.2.2 Additional Indemnity Obligations. Contractor shall defend, with counsel of City's choosing and at Contractor's own cost, expense and risk, any and all Claims covered by this section that may be brought or instituted against the City, its elected or appointed officers, and their respective agents, officials, employees, volunteers and representatives. In addition, Contractor shall pay and satisfy any judgment, award or decree that may be rendered against the City, its elected or appointed officers, and their respective agents, officials, employees, volunteers and representatives as part of any such claim, suit, action or other proceeding. Contractor shall also reimburse City for the cost of any settlement paid by the City, its elected or appointed officers, and their respective agents, officials, employees, volunteers and representatives as part of any such claim, suit, action or other proceeding. Such reimbursement shall include payment for City's attorney's fees and costs, including expert witness fees. Contractor shall reimburse the City, its elected or appointed officers, and their respective agents, officials, employees, volunteers and representatives, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Contractor's obligation to indemnify shall survive expiration or termination of this Agreement, and shall not be restricted to insurance proceeds, if any, received by the Contractor, the City, its elected or appointed officers, and their respective agents, officials, employees, volunteers and representatives.

3.5.3 Governing Law; Government Code Claim Compliance. This Agreement shall be governed by the laws of the State of California. Venue shall be in Riverside County. In addition to any and all Agreement requirements pertaining to notices of and requests for compensation or payment for extra work, disputed work, claims and/or changed conditions, Contractor must comply with the claim procedures set forth in Government Code sections 900 et seq. prior to filing any lawsuit against the City. Such Government Code claims and any subsequent lawsuit based upon the Government Code claims shall be limited to those matters that remain unresolved after all procedures pertaining to extra work, disputed work, claims, and/or changed conditions have been followed by Contractor. If no such Government Code claim is submitted, or if any prerequisite contractual requirements are not otherwise satisfied as specified herein, Contractor shall be barred from bringing and maintaining a valid lawsuit against the City.

3.5.4 Time of Essence. Time is of the essence for each and every provision of this Agreement.

3.5.5 City's Right to Employ Other Contractors. City reserves right to employ other contractors in connection with this Project.

3.5.6 Successors and Assigns. This Agreement shall be binding on the successors and assigns of the parties.

3.5.7 Assignment or Transfer. Contractor shall not assign, hypothecate or transfer, either directly or by operation of law, this Agreement or any interest herein without the prior written consent of the City. Any attempt to do so shall be null and void, and any assignees,

hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

3.5.8 Construction; References; Captions. Since the Parties or their agents have participated fully 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. All references to Contractor include all personnel, employees, agents, and subcontractors of Contractor, except as otherwise specified in this Agreement. All references to the City include its elected or appointed officers, and their respective agents, officials, employees, volunteers and representatives 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.

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

3.5.10 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 rights by custom, estoppel or otherwise.

3.5.11 No Third Party Beneficiaries. Except to the extent expressly provided for in Section 3.5.7, there are no intended third party beneficiaries of any right or obligation assumed by the Parties.

3.5.12 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.

3.5.13 Prohibited Interests. Contractor maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Contractor, to solicit or secure this Agreement. Further, Contractor warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Contractor, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

3.5.14 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.

3.5.15 Authority to Enter Agreement. Contractor has all requisite power and authority to conduct its business and to execute, deliver, and perform the 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.

3.5.16 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

3.5.17 Entire Agreement. This Agreement contains the entire Agreement of the parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. This Agreement may only be modified by a writing signed by both parties.

[SIGNATURES ON NEXT PAGE]

Contract No. _____

SIGNATURE PAGE FOR MAINTENANCE SERVICES AGREEMENT BETWEEN THE CITY OF PALM DESERT AND HORIZON LIGHTING, INC.

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed on the day and year first above written.

CITY OF PALM DESERT

By: _____
L. TODD HILEMAN, CITY MANAGER

ATTEST:

By: _____
Anthony J. Mejia, City Clerk

APPROVED AS TO FORM:

By: _____
Best Best & Krieger LLP
City Attorney

HORIZON LIGHTING, INC.
A CORPORATION

By: _____

Its: _____

Printed Name: _____

By: _____

Its: _____

Printed Name: _____

_____
Contractor's License Number and Classification

_____
DIR Registration Number (*if applicable*)

QC: _____

Insurance:

_____
Initial Review

_____
Final Approval

EXHIBIT "A"

ELECTRICAL AND LIGHTING SERVICES AS NEEDED AT CITY-OWNED FIRE FACILITIES

EXHIBIT "B"

SCHEDULE OF SERVICES

SERVICES AS NEEDED AT CITY-OWNED FIRE FACILITIES

EXHIBIT "C"

COMPENSATION

REGULAR HOURLY RATE	$129.95
AFTER-HOURS RATE	$130.95
WEEKEND RATE	$139.95
HOLIDAY RATE	$149.95

CITY OF PALM DESERT

Public Works Department
73-510 Fred Waring Drive
Palm Desert, CA 92260
Telephone: (760) 346-0611
Fax: (760) 341-7098
info@palm-desert.org

REQUEST FOR QUOTES
ELECTRICAL AND LIGHTING SERVICES FOR CITY-OWNED FIRE FACILITES

PUBLIC NOTICE IS HEREBY GIVEN that the City of Palm Desert is accepting quotes for miscellaneous electrical and lighting services as needed at City-owned fire facilities. **The term of this agreement is for thirty-six months (3 years) with two optional one year extensions and shall not exceed Fifty Thousand Dollars ($50,000**) annually without written approval of the City Council or City Manager, as applicable. Materials will be reimbursed at cost plus 15%. Successful contractor will also be required to respond after-hours, weekends and holidays. The contractor will be required to possess the necessary Contractor's License, a current City Business License, and insurance, and to execute and comply with the terms of a City issued agreement (sample agreement attached). The City will receive such quotes electronically via email, ***Attn: Cora Gaugush at cgaugush@cityofpalmdesert.org up to the hour of 10:00 am. Monday August 26th, 2022.***

Prevailing wage payments and registration with the Department of Industrial Relations (DIR) is required when certain criteria are met. In accordance with City of Palm Desert Ordinance No. 1335, Section 3.30.060 Public Projects. Item D. Municipal projects. *Except on locally funded public projects of twenty-five thousand dollars ($25,000) or less when the project is for construction work, or fifteen thousand dollars ($15,000) or less when the project is for alteration, demolition, repair or maintenance work, all contractors performing work on City public projects shall be subject to California Prevailing Wage Law, codified at California Labor Code Section 1720 et seq., as it may be amended from time to time, or otherwise proscribed by law. The only limitation on the provisions of this subsection shall be in the event federal funding requirements supersede state prevailing wage laws.*

A copy of prevailing wage rates may be obtained by accessing the Department of Industrial Relations website at: www.dir.ca.gov/DLSR/statistics_research.html or by contacting the District Office at 464 West Fourth Street, San Bernardino, California 92401.

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LUMP SUM TOTAL (All inclusive)	$
Regular Hourly Rate	**$** 125 **(All inclusive)**
After-Hours Rate	**$** 158 **(All inclusive)**
Weekend Rate	**$** 180 **(All inclusive)**
Holiday Rate	**$** 195 **(All inclusive)**

COMPANY'S INFORMATION (Print)		***Contractor will be responsible to furnish all materials, equipment, traffic control, tools, labor, supervision, training and incidentals required for the successful completion of the above-mentioned tasks. Work to be done when pedestrian use is minimal.***
Name: Palmer Electric		
Address: 42215 Washington St. STE A305, Palm Desert, CA 92211		
Phone: 760-797-7878	***Fax:***	
Email: info@PalmerElectricCo.com		
City Business License No. 13703344		
Contractor's License No. 1038641		
DIR No. PW-LR-1000380872		

For more information, contact Cora Gaugush, Management Specialist II, at 760-574-3541 or at cgaugush.org

Palm Desert is committed to inclusion and diversity and welcomes proposals and bids from contractors, consultants, and vendors of all faiths, creeds, ancestries, and ethnicities without regard to disability, gender identity, sexual orientation, or immigration status. The City condemns and will not tolerate prejudice, racism, bigotry, hatred, bullying, or violence towards any group within or outside of our community

CITY OF PALM DESERT

Public Works Department
73-510 Fred Waring Drive
Palm Desert, CA 92260
Telephone: (760) 346-0611
Fax: (760) 341-7098
info@palm-desert.org

REQUEST FOR QUOTES
ELECTRICAL AND LIGHTING SERVICES FOR CITY-OWNED FIRE FACILITES

PUBLIC NOTICE IS HEREBY GIVEN that the City of Palm Desert is accepting quotes for miscellaneous electrical and lighting services as needed at City-owned fire facilities. **The term of this agreement is for thirty-six months (3 years) with two optional one year extensions and shall not exceed Fifty Thousand Dollars ($50,000**) annually without written approval of the City Council or City Manager, as applicable. Materials will be reimbursed at cost plus 15%. Successful contractor will also be required to respond after-hours, weekends and holidays. The contractor will be required to possess the necessary Contractor's License, a current City Business License, and insurance, and to execute and comply with the terms of a City issued agreement (sample agreement attached). The City will receive such quotes electronically via email, ***Attn: Cora Gaugush at cgaugush@cityofpalmdesert.org up to the hour of 10:00 am. Monday August 26th, 2022.***

Prevailing wage payments and registration with the Department of Industrial Relations (DIR) is required when certain criteria are met. In accordance with City of Palm Desert Ordinance No. 1335, Section 3.30.060 Public Projects. Item D. Municipal projects. *Except on locally funded public projects of twenty-five thousand dollars ($25,000) or less when the project is for construction work, or fifteen thousand dollars ($15,000) or less when the project is for alteration, demolition, repair or maintenance work, all contractors performing work on City public projects shall be subject to California Prevailing Wage Law, codified at California Labor Code Section 1720 et seq., as it may be amended from time to time, or otherwise proscribed by law. The only limitation on the provisions of this subsection shall be in the event federal funding requirements supersede state prevailing wage laws.*

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LUMP SUM TOTAL (All inclusive)	$ 50,000.00
Regular Hourly Rate	**$** 129.95 **(All inclusive)**
After-Hours Rate	**$** 139.95 **(All inclusive)**
Weekend Rate	**$** 139.95 **(All inclusive)**
Holiday Rate	**$** 149.95 **(All inclusive)**

COMPANY'S INFORMATION (Print)		***Contractor will be responsible to furnish all materials, equipment, traffic control, tools, labor, supervision, training and incidentals required for the successful completion of the above-mentioned tasks. Work to be done when pedestrian use is minimal.***
Name: Horizon Lighting, Inc.		
Address: 2351 McGaw Ave.		
Irvine, CA 92614		
Phone: (949)336-4336	***Fax:*** (949)336-4337	
Email: jhunter@horizonlightinginc.com		
City Business License No. 13702611		
Contractor's License No. 877805		
DIR No. 1000023235		

For more information, contact Cora Gaugush, Management Specialist II, at 760-574-3541 or at cgaugush.org

Palm Desert is committed to inclusion and diversity and welcomes proposals and bids from contractors, consultants, and vendors of all faiths, creeds, ancestries, and ethnicities without regard to disability, gender identity, sexual orientation, or immigration status. The City condemns and will not tolerate prejudice, racism, bigotry, hatred, bullying, or violence towards any group within or outside of our community

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CITY OF PALM DESERT
STAFF REPORT

MEETING DATE: November 17, 2022

PREPARED BY: James Bounds, Finance Supervisor

REQUEST: ADOPT RESOLUTIONS TO UPDATE AUTHORIZED SIGNERS FOR THE LOCAL AGENCY INVESTMENT FUND AND THE RIVERSIDE COUNTY TREASURER'S POOLED INVESTMENT FUND

RECOMMENDATION:

1. Adopt a Resolution (City) entitled, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM DESERT, CALIFORNIA, AUTHORIZING THE INVESTMENT OF MONIES IN THE RIVERSIDE COUNTY TREASURER'S POOLED INVESTMENT FUND AND IN THE LOCAL AGENCY INVESTMENT FUND AND RESCINDING RESOLUTIONS NO. 2022-03 AND 2022-18."
2. Adopt a Resolution (SARDA) entitled, "A RESOLUTION OF THE SUCCESSOR AGENCY TO THE PALM DESERT REDEVELOPMENT AGENCY AUTHORIZING THE INVESTMENT OF MONIES IN THE RIVERSIDE COUNTY TREASURER'S POOLED INVESTMENT FUND AND IN THE LOCAL AGENCY INVESTMENT FUND AND RESCINDING RESOLUTIONS NO. SARDA-091 AND SARDA-093."
3. Adopt a Resolution (HA) entitled, "A RESOLUTION OF THE PALM DESERT HOUSING AUTHORITY AUTHORIZING THE INVESTMENT OF MONIES IN THE RIVERSIDE COUNTY TREASURER'S POOLED INVESTMENT FUND AND RESCINDING RESOLUTION NO. HA-105."

BACKGROUND/ANALYSIS:

The City of Palm Desert, the Successor Agency to the Palm Desert Redevelopment Agency, and the Palm Desert Housing Authority have individual investment accounts with the Local Agency Investment Fund ("LAIF"), and the City of Palm Desert, and the Successor Agency to the Palm Desert Redevelopment Agency with the Riverside County Treasurer's Pooled Investment Fund.

With the recent changes in staff, it is necessary to update and execute a new resolution so that the Local Agency Investment Fund ("LAIF"), and the Riverside County Treasurer 's Office will acknowledge the new signing authority(ies). Account signers are authorized to make deposits to and withdrawals from accounts in these Investment Funds.

FINANCIAL IMPACT:

There is no fiscal impact associated with this action.

REVIEWED BY:

Department Director:	*John Ramont*
Finance Director:	*John Ramont*
Assistant City Manager:	*Chris Escobedo*
City Manager:	*Todd Hileman*

ATTACHMENTS:

1. Resolution (City)
2. Resolution (SARDA)
3. Resolution (HA)

RESOLUTION NO. 2022-____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM DESERT, CALIFORNIA, AUTHORIZING THE INVESTMENT OF MONIES IN THE RIVERSIDE COUNTY TREASURER'S POOLED INVESTMENT FUND AND IN THE LOCAL AGENCY INVESTMENT FUND AND RESCINDING RESOLUTIONS NO. 2022-03 AND 2022-18

WHEREAS, pursuant to California Government Code Sections 270001. and 27000.1 (b), the Riverside County Treasurer is authorized to invest or reinvest the monies of local agencies in the count treasury, and to hold such monies in trust; and

WHEREAS, The Local Agency Investment Fund is established in the State Treasury under Government Code Section 16429.1 et. seq., for the deposit of money of a local agency for purposes of investment by the State Treasurer; and

WHEREAS, the City Council does hereby find that the deposit and withdrawal of monies in the Riverside County Treasurer Pooled Investment Fund and the Local Agency Investment Fund for the purpose of investment, is in the best interests of the City of Palm Desert.

NOW, THEREFORE, BE IT RESOLVED BY THE City Council of the City of Palm Desert, California, as follows:

SECTION 1. That the foregoing Recitals are true and correct and are incorporated herein by this reference:

SECTION 2. The City Council does hereby authorize the deposit and withdrawal of monies in the Riverside County Treasurer's Pooled Investment Fund and in the Local Agency Investment Fund for the purpose of investment. The following City of Palm Desert officers holding the titles specified hereinbelow or their successor in office are each hereby authorized to order the deposit or withdrawal of monies in the Riverside County Treasurer's Pooled Investment Fund and in the Local Agency Investment Fund, and may execute and deliver any and all documents necessary or advisable in order to effectuate the purposes of the resolution and the transaction contemplated hereby:

Veronica Chavez
Finance Director &
City Treasurer

_____

John Ramont
Deputy Finance Director

_____

Liberty Urban
Deputy Finance Director

_____

James Bounds
Finance Supervisor

_____

SECTION 3. The City Council hereby rescinds Resolutions No. 2022-03 and 2022-18 and all other resolutions in conflict herewith.

ADOPTED ON _____, 20__.

JAN C. HARNIK
MAYOR

ATTEST:

ANTHONY J. MEJIA
CITY CLERK

I, Anthony J. Mejia, City Clerk of the City of Palm Desert, hereby certify that Resolution No. 2022-__ is a full, true, and correct copy, and was duly adopted at a regular meeting of the City Council of the City of Palm Desert on _____, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:
RECUSED:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Palm Desert, California, on _____, 20__.

_____
ANTHONY J. MEJIA
CITY CLERK

RESOLUTION NO. SA-RDA

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE PALM DESERT REDEVELOPMENT AGENCY AUTHORIZING THE INVESTMENT OF MONIES IN THE RIVERSIDE COUNTY TREASURER'S POOLED INVESTMENT FUND AND IN THE LOCAL AGENCY INVESTMENT FUND AND RESCINDING RESOLUTIONS NO. SARDA-091 AND SARDA-093

WHEREAS, pursuant to California Government Code Sections 270001. and 27000.1 (b), the Riverside County Treasurer is authorized to invest or reinvest the monies of local agencies in the count treasury, and to hold such monies in trust; and

WHEREAS, The Local Agency Investment Fund is established in the State Treasury under Government Code Section 16429.1 et. seq., for the deposit of money of a local agency for purposes of investment by the State Treasurer; and

WHEREAS, the Successor Agency to the Palm Desert Redevelopment Agency ("Successor Agency") does hereby find that the deposit and withdrawal of monies in the Riverside County Treasurer Pooled Investment Fund and the Local Agency Investment Fund for the purpose of investment, is in the best interests of the Successor Agency.

NOW, THEREFORE, BE IT RESOLVED BY THE Successor Agency as follows:

SECTION 1. That the foregoing Recitals are true and correct and are incorporated herein by this reference:

SECTION 2. The Successor Agency does hereby authorize the deposit and withdrawal of monies in the Riverside County Treasurer's Pooled Investment Fund and in the Local Agency Investment Fund for the purpose of investment. The following City of Palm Desert officers holding the titles specified hereinbelow or their successor in office are each hereby authorized to order the deposit or withdrawal of monies in the Riverside County Treasurer's Pooled Investment Fund and in the Local Agency Investment Fund, and may execute and deliver any and all documents necessary or advisable in order to effectuate the purposes of the resolution and the transaction contemplated hereby:

Veronica Chavez
Finance Director &
City Treasurer

_____

John Ramont
Deputy Finance Director

_____

Liberty Urban
Deputy Finance Director

_____

James Bounds
Finance Supervisor

_____

SECTION 3. The Successor Agency hereby rescinds Resolutions SA-RDA 091 and SA-RDA 093 and all other resolutions in conflict herewith.

ADOPTED ON _____, 20__.

JAN C. HARNIK
CHAIR

ATTEST:

ANTHONY J. MEJIA
SECRETARY

I, Anthony J. Mejia, City Clerk of the City of Palm Desert, hereby certify that Resolution No. 2022-__ is a full, true, and correct copy, and was duly adopted at a regular meeting of the City Council of the City of Palm Desert on _____, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:
RECUSED:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Palm Desert, California, on _____, 20__.

_____
ANTHONY J. MEJIA
CITY CLERK

RESOLUTION NO. HA-

A RESOLUTION OF THE PALM DESERT HOUSING AUTHORITY AUTHORIZING THE INVESTMENT OF MONIES IN THE RIVERSIDE COUNTY TREASURER'S POOLED INVESTMENT AND RESCINDING RESOLUTIONS NO. HA-105

WHEREAS, The Local Agency Investment Fund is established in the State Treasury under Government Code Section 16429.1 et. seq., for the deposit of money of a local agency for purposes of investment by the State Treasurer; and

WHEREAS, the Housing Authority does hereby find that the deposit and withdrawal of monies in the Local Agency Investment Fund for the purpose of investment, is in the best interests of the Housing Authority.

NOW, THEREFORE, BE IT RESOLVED BY THE Palm Desert Housing Authority as follows:

SECTION 1. That the foregoing Recitals are true and correct and are incorporated herein by this reference:

SECTION 2. The Housing Authority does hereby authorize the deposit and withdrawal of monies in the Local Agency Investment Fund for the purpose of investment. The following City of Palm Desert officers holding the titles specified hereinbelow or their successor in office are each hereby authorized to order the deposit or withdrawal of monies in the Local Agency Investment Fund, and may execute and deliver any and all documents necessary or advisable in order to effectuate the purposes of the resolution and the transaction contemplated hereby:

Veronica Chavez Finance Director & City Treasurer	John Ramont Deputy Finance Director
_____	_____
Liberty Urban Deputy Finance Director	James Bounds Finance Supervisor
_____	_____

SECTION 3. The Housing Authority hereby rescinds Resolutions HA-105 and all other resolutions in conflict herewith.

ADOPTED ON _____, 20__.

JAN C. HARNIK
CHAIR

ATTEST:

ANTHONY J. MEJIA
SECRETARY

I, Anthony J. Mejia, City Clerk of the City of Palm Desert, hereby certify that Resolution No. 2022-__ is a full, true, and correct copy, and was duly adopted at a regular meeting of the City Council of the City of Palm Desert on _____, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:
RECUSED:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Palm Desert, California, on _____, 20__.

_____
ANTHONY J. MEJIA
CITY CLERK

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CITY OF PALM DESERT
STAFF REPORT

MEETING DATE: November 17, 2022

PREPARED BY: Thomas Soule, Public Affairs Manager

REQUEST: APPROVE THE 2023 LIST OF SOCIAL MEDIA COMMEMORATIONS

RECOMMENDATION:

Approve the list of social media commemorations planned for 2023.

BACKGROUND/ANALYSIS:

The City of Palm Desert utilizes its social media channels to convey a variety of information, including City news, meeting reminders and event updates. In the spirit of Unite Palm Desert, the Public Affairs staff also actively seeks out ways to bring the community together by creating social media posts that affirm the City's commitment to diversity and inclusion. These posts may commemorate Federal and State holidays, religious holidays, special national and international days or months, and related observances as they occur throughout the year.

The attached list has been approved by the Mayor and the Mayor Pro Tem and is now being brought to the full City Council for final approval.

FINANCIAL IMPACT:

There is no impact to the General Fund with this action.

REVIEWED BY:

Department Director:	*Eric Ceja*
Finance Director:	*John Ramont*
Assistant City Manager:	*Chris Escobedo*
City Manager:	*Todd Hileman*

ATTACHMENTS:

1. Social Media Commemorations-2023

City of Palm Desert 2023 Social Media Annual Holidays and Commemorations

New Year's Day
Law Enforcement Appreciation Day
Martin Luther King Jr. Day
National Plan for Vacation Day
International Holocaust Remembrance Day
Groundhog Day
Lunar New Year
Valentine's Day
Presidents' Day
Zero Discrimination Day
International Women's Day
St. Patrick's Day
First Day of Spring
César Chávez Day
Passover
Easter
Ramadan
Eid al-Fitr
Holocaust Remembrance Day
Administrative Professionals Day
Earth Day
Bike Month
Cinco de Mayo
Mother's Day
Memorial Day
Armed Forces Day
National Trails Day
Flag Day
Father's Day
Juneteenth
First Day of Summer
Canada Day
Independence Day
Eid al-Adha
Emergency Preparedness Month
Hunger Action Month
Patriot Day
Rosh Hashanah
Yom Kippur
Hispanic Heritage Month
Mexican Independence Day
First Day of Fall
World Tourism Day
Earthquake Preparedness Month
National Indigenous Peoples Day
Great California ShakeOut Day
Halloween
National Native American Heritage Month
Veterans Day
Thanksgiving
World AIDS Day
Hanukkah
Human Rights Day
First Day of Winter
Christmas
New Year's Eve

CITY OF PALM DESERT
STAFF REPORT

MEETING DATE: November 17, 2022

PREPARED BY: Chris Cox, Assistant Fire Marshal – Riverside County Fire Department
Chris Escobedo, Assistant City Manager

REQUEST: ADOPT RESOLUTION ACKNOWLEDGING RECEIPT OF THE ANNUAL REPORT MADE BY THE FIRE CHIEF OF THE RIVERSIDE COUNTY FIRE DEPARTMENT TO FULFILL THE REQUIREMENTS OF SECTIONS 13146.2 AND 13146.3 OF THE CALIFORNIA HEALTH AND SAFETY CODE.

RECOMMENDATION:

Waive further reading and adopt Resolution No. 2022- acknowledging receipt of the annual report made by the Fire Chief of the Riverside County Fire Department to fulfill the requirements of Sections 13146.2 and 13146.3 of the California Health and Safety Code.

BACKGROUND/ANALYSIS:

California Health and Safety Code (CHSC) sections 13146.2 and 13146.3 mandates annual inspections by the State Fire Marshal, or the State Fire Marshal's authorized representative, of specific types of building occupancies groups. For the City of Palm Desert, these occupancies are referred to as Educational Group E and Residential Group R.

Section 13146.4 to the (CHSC) requires each administering authority, i.e., City Council, to formally acknowledge receipt of the annual compliance report made by the Fire Chief of the Riverside County Fire Department in a resolution or a similar formal document. For the purposes of this report, Educational Group E, are generally those public and private schools used by more than six persons at any one time for educational purposes through the 12th grade. Residential Group R occupancies, are generally those occupancies containing sleeping units, and include hotels, motels, apartments (three units or more), etc. as well as other residential occupancies (including a number of residential care facilities). These residential care facilities have a number of different subclassifications, and they may contain residents or clients that have a range of needs, including those related to custodial care, mobility impairments, cognitive disabilities, etc. The residents may also be non-ambulatory or bedridden.

The Fire Chief of the Riverside County Fire Department reports it completed one hundred percent (100%) of the annual inspections of the identified Group E and Group R occupancies, buildings, structures and/or facilities in the City of Palm Desert.

Strategic Plan:
This request represents routine administrative business of the City; there is no specific Strategic Plan objective to associate.

FINANCIAL IMPACT:

There is no fiscal impact associated with this action.

REVIEWED BY:

Department Director:	*Chris Escobedo*
Finance Director:	*Veronica Chavez*
Assistant City Manager:	*Chris Escobedo*
City Manager:	

ATTACHMENTS:

1. Resolution to accept and acknowledge receipt of the Palm Desert Annual Inspection Report
2. Annual Inspection Report

RESOLUTION NO. 2022-____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM DESERT, CALIFORNIA, ACKNOWLEDGING RECEIPT OF A REPORT MADE BY THE FIRE CHIEF OF THE RIVERSIDE COUNTY FIRE DEPARTMENT REGARDING COMPLIANCE WITH THE ANNUAL INSPECTION OF CERTAIN OCCUPANCIES PURSUANT TO SECTIONS 13146.2 and 13146.3 OF THE CALIFORNIA HEALTH AND SAFETY CODE

WHEREAS, California Health & Safety Code Section 13146.4 was added in 2018, and became effective on January 1, 2019; and

WHEREAS, California Health & Safety Code Section 13146.4 requires all fire departments, including the Riverside County Fire Department, that provide fire protection services to report annually to its administering authority on its compliance with Health & Safety Code sections 13146.2 and 13146.3; and

WHEREAS, California Health & Safety Code Section 13146.2 and 13146.3 requires all fire departments, including the Riverside County Fire Department, that provide fire protection services to perform annual inspections in every building used as a public or private school, hotel, motel, lodging house, apartment house, and certain residential care facilities for compliance with building standards, as provided; and

WHEREAS, the Council of the City of Palm Desert intends this Resolution to fulfill the requirements of the California Health & Safety Code 13146.4 regarding acknowledgment of the Riverside County Fire Department's compliance with California Health and Safety Code Sections 13146.2 and 13146.3.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Palm Desert, California, as follows:

SECTION 1. The measure of compliance of the Riverside County Fire Department with Health and Safety Code sections 13146.2 and 13146.3 in the City of Palm Desert for the time period of July 1, 2021, to June 30, 2022:

1.1 Educational Group E occupancies, for the purposes of this Resolution, are generally those public and private schools, used by more than six persons at any one time for educational purposes through the 12th grade. The Riverside County Fire Department completed 100% of the annual inspections of the identified Group E occupancies, buildings, structures and/or facilities in the City of Palm Desert.

1.2 Residential Group R occupancies, for the purposes of this Resolution, are generally those occupancies containing sleeping units, and include hotels, motels, apartments (three units or more), etc. as well as other residential occupancies (including a number of residential care facilities). These

residential care facilities have a number of different sub-classifications, and they may contain residents or clients that have a range of needs, including those related to custodial care, mobility impairments, cognitive disabilities, etc. The residents may also be non-ambulatory or bedridden. The Riverside County Fire Department completed 100% of the annual inspections of the identified Group R occupancies, buildings, structures and/or facilities in the City of Palm Desert.

ADOPTED ON _____, 20__.

JAN C. HARNIK
MAYOR

ATTEST:

ANTHONY J. MEJIA
CITY CLERK

I, Anthony J. Mejia, City Clerk of the City of Palm Desert, hereby certify that Resolution No. 2022-__ is a full, true, and correct copy, and was duly adopted at a regular meeting of the City Council of the City of Palm Desert on November 17, 2022, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:
RECUSED:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Palm Desert, California, on _____.

_____
ANTHONY J. MEJIA
CITY CLERK

2021 -2022 PALM DESERT ANNUAL INSPECTION LOCATIONS BY ADDRESS AND OCCUPANCY TYPE

Address	OCCUPANCY TYPE (Addresses that are not identified with an occupancy type are residential care facilities or apartments)
1 WILLOW RIDGE PALM DESERT -	HOTEL
75 WILLOW RIDGE, PALM DESERT -	HOTEL
1011 VIA FORTUNA PALM DESERT, CA 92260	
1091 PINEHURST LANE PALM DESERT -	HOTEL
112 ROMANZA LN PALM DESERT, CA 92211	
34200 COOK ST PALM DESERT	
34744 WATER RIDGE DR Unit: 101 PALM DESERT, CA 92211	
35450 PEGASUS CT PALM DESERT, CA 92211	
35751 GATEWAY DR Unit: 1226 PALM DESERT, CA 92211	
36999 COOK ST PALM DESERT –	HOTEL
37540 COLLEGE DR PALM DESERT, CA 92211	
38205 COOK ST PALM DESERT -	HOTEL
39800 LIBERTY DRIVE PALM DESERT	SCHOOL
39905 VIA SCENA ST PALM DESERT, CA 92260	
4001 VIA PORTOFINO PALM DESERT, CA 92260	
40215 HARRIS LN PALM DESERT, CA 92211	
40235 PORTOLA AVE PALM DESERT, CA 92260	
40255 HARRIS LN Unit: 106 PALM DESERT, CA 92211	
40880 SANDY GALE LN Unit: A PALM DESERT, CA 92211	
41505 CARLOTTA DR PALM DESERT, CA 92211	HOTEL
41990 COOK ST Unit: Ste 801A PALM DESERT, CA 92211	
42050 GOLDEN EAGLE LN PALM DESERT, CA 92260	
42575 COOK ST PALM DESERT, CA 92260	
42615 WASHINGTON ST PALM DESERT, CA 92211	
42675 WASHINGTON AVE AVE PALM DESERT	
42935 WISCONSIN AVE PALM DESERT, CA 92211	
42975 PARK PL PALM DESERT, CA 92260	
42980 PARK PL PALM DESERT, CA 92260	
42985 PARK PL PALM DESERT, CA 92260	
42990 PARK PL PALM DESERT, CA 92260	
42995 PARK PL PALM DESERT, CA 92260	
43095 WASHINGTON ST PALM DESERT, CA 92211	
43135 WASHINGTON ST PALM DESERT, CA 92211	
43250 WARNER TRAIL TRL PALM DESERT	
43500 MONTEREY AVE PALM DESERT, CA 92260	SCHOOL
43625 PORTOLA AVE PALM DESERT, CA 92260	
43720 CARMEL CIR PALM DESERT, CA 92260	
43775 DEEP CANYON RD PALM DESERT, CA 92260	SCHOOL
43805 MONTEREY AVE PALM DESERT, CA 92260	
43900 SAN PABLO AVE PALM DESERT	

43930 SAN PABLO PALM DESERT
44139 MONTEREY AVE Unit: BPALM DESERT, CA 92260
44160 SAN PABLO AVE PALM DESERT, CA 92260
44200 SAN PABLO AVE PALM DESERT, CA 92260
44220 SAN PABLO AVE PALM DESERT, CA 92260
44277 PORTOLA AVE PALM DESERT, CA 92260
44300 SAN PASQUALL PALM DESERT, CA 92260
44312 SAN PABLO AVE PALM DESERT, CA 92260
44408 ACACIA DR PALM DESERT, CA 92260
44419 TOWNE CENTER WAY Unit: EPALM DESERT, CA 92260
44441 SAN RAFAEL AVE PALM DESERT, CA 92260
44519 SAN ANSELMO AVE PALM DESERT, CA 92260
44555 SAN RAFAEL AVE PALM DESERT, CA 92260
44591 SAN RAFAEL AVE PALM DESERT, CA 92260
44600 MONTEREY AVE PALM DESERT, CA 92260
44610 MONTEREY AVE PALM DESERT
44625 LAS PALMAS AVE PALM DESERT, CA 92260
44635 LAS FLORES LN PALM DESERT, CA 92260
44650 LAS PALMAS AVE PALM DESERT, CA 92260
44665 LAS PALMAS PALM DESERT, CA 92260
44667 SAN PABLO AVE PALM DESERT, CA 92260
44700 LAS PALMAS AVE PALM DESERT, CA 92260
44775 DEEP CANYON RD PALM DESERT, CA 92260
44805 LAS PALMAS AVE PALM DESERT, CA 92260
44825 LAS PALMAS AVE PALM DESERT, CA 92260
44830 LAS PALMAS AVE PALM DESERT, CA 92260
44845 LAS PALMAS AVE PALM DESERT, CA 92260
44850 CABRILLO AVE PALM DESERT, CA 92260
45205 PANORAMA RD PALM DESERT, CA 92260
45225 SUNSET LN PALM DESERT, CA 92260
45278 DEEP CANYON RD PALM DESERT, CA 9226
45290 SUNSET LN PALM DESERT, CA 92260
45300 SUNSET LN PALM DESERT, CA 9226
45301 DEEP CANYON RD Unit: 1 PALM DESERT, CA 92260
45310 SUNSET LN PALM DESERT, CA 92260
45320 PANORAMA DR PALM DESERT, CA 92260
45325 PANORAMA DR PALM DESERT, CA 92260
45350 LARKSPUR LANE LN PALM DESERT
45375 ABRONIA TRL PALM DESERT, CA 92260
45396 DEEP CANYON RD PALM DESERT, CA 92260
45400 LARKSPUR, PALM DESERT HOTEL
45421 SUNSET LN PALM DESERT, CA 92260
45450 OCOTILLO DR PALM DESERT, CA 92260
45451 DEEP CANYON RD PALM DESERT, CA 92260
45485 ABRONIA TRL PALM DESERT, CA 92260
45485 SUNSET LN PALM DESERT, CA 92260
45486 PANORAMA DR PALM DESERT, CA 92260
45500 OCOTILLO DR Unit: 1 PALM DESERT, CA 92260

45650 LANTANA ST PALM DESERT, CA 92260	
45750 SAN LUIS REY AVE PALM DESERT, CA 92260	
45768 PORTOLA PALM DESERT	SCHOOL
45775 OCOTILLO RD PALM DESERT, CA 92260	
45782 LANTANA ST PALM DESERT, CA 92260	
45850 WINGFOOT DR PALM DESERT, CA 92260	
45875 OCOTILLO DR PALM DESERT, CA 92260	
45900 OCOTILLO DR PALM DESERT, CA 92260	
45900 PORTOLA AVE PALM DESERT, CA 92260	
45950 OCOTILLO DR PALM DESERT, CA 92260	
45998 OCOTILLO DR PALM DESERT, CA 92260	
46045 OCOTILLO DR PALM DESERT, CA 92260	
46075 OCOTILLO DR PALM DESERT, CA 92260	
46100 OCOTILLO DR PALM DESERT, CA 92260	
46205 PORTOLA AVE PALM DESERT, CA 92260	
46225 VERBA SANTA DR PALM DESERT, CA 92260	
46255 PORTOLA AVE PALM DESERT, CA 92260	
46275 OCOTILLO DR PALM DESERT, CA 92260	
46305 PORTOLA AVE PALM DESERT, CA 92260	
46355 PORTOLA AVE PALM DESERT, CA 92260	
46405 PORTOLA AVE PALM DESERT, CA 92260	
46455 PORTOLA AVE PALM DESERT, CA 92260	
46805 HWY 74 PALM DESERT, CA 92201	HOTEL
47321 HWY 74 HWY PALM DESERT	SCHOOL
47549 HIGHWAY 74 PALM DESERT, CA 92260	SCHOOL
72322 HWY 111 HWY PALM DESERT	HOTEL
72805 PARKVIEW DR PALM DESERT, CA 92260	
73165 TUMBLEWEED LN PALM DESERT, CA 92260	
73170 TUMBLEWEED LN PALM DESERT, CA 92260	
73200 TUMBLEWEED LN PALM DESERT, CA 92260	
73219 SHADOW MOUNTAIN DR PALM DESERT, CA 92260	
73301 GUADALUPE AVE PALM DESERT, CA 92260	
73305 ROYAL PALM DR PALM DESERT, CA 92260	
73315 COUNTRY CLUB DR PALM DESERT, CA 92260	
73315 ROYAL PALM DR PALM DESERT, CA 92260	
73315 SHADOW MOUNTAIN DR Unit: 1 PALM DESERT, CA 92260	
73321 SAN NICHOLAS AVE PALM DESERT, CA 92260	
73330 GUADALUPE AVE PALM DESERT, CA 92260	
73331 FRED WARING DR PALM DESERT, CA 92260	
73355 GUADALUPE AVE PALM DESERT, CA 92260	
73355 SAN NICHOLAS AVE PALM DESERT, CA 92260	
73373 COUNTRY CLUB DR PALM DESERT, CA 92260	
73430 SAN GORGONIO PALM DESERT, CA 92260	
73435 SAN GORGONIO AVE PALM DESERT, CA 92260	
73435 SHADOW MOUNTAIN DR PALM DESERT, CA 92260	
73450 CATALINA WAY PALM DESERT, CA 92260	
73450 ROYAL PALM DR PALM DESERT, CA 92260	
73455 CATALINA WAY PALM DESERT, CA 92260	

73455 RUTLEDGE WAY Unit: K2 PALM DESERT, CA 92260
73455 SHADOW MOUNTAIN DR PALM DESERT, CA 92260
73465 ROYAL PALM DR PALM DESERT, CA 92260
73525 SHADOW MOUNTAIN DR Unit: 1 PALM DESERT, CA 92260
73530 CATALINA WAY PALM DESERT, CA 92260
73535 SANTA ROSA WAY PALM DESERT, CA 92260
73550 SANTA ROSA WAY PALM DESERT SCHOOL
73553 FRED WARING DR PALM DESERT, CA
73555 SHADOW MOUNTAIN DR PALM DESERT, CA 92260
73575 CATALINA WAY PALM DESERT, CA 92260
73575 SHADOW MOUNTAIN DR PALM DESERT, CA 92260
73582 CATALINA WAY PALM DESERT, CA 92260
73600 CATALINA WAY PALM DESERT, CA 92260
73600 SAN GORGONIO WAY PALM DESERT, CA 92260
73602 SANTA ROSA WAY PALM DESERT, CA 92260
73625 FRED WARING DR PALM DESERT, CA 92260
73625 SANTA ROSA WAY PALM DESERT, CA 9226
73645 FRED WARING PALM DESERT, CA 92260
73665 FRED WARING DR PALM DESERT, CA 92260
73665 SHADOW MOUNTAIN DR PALM DESERT, CA 92260
73675 SHADOW MOUNTAIN DR PALM DESERT, CA 92260
73685 CATALINA WAY PALM DESERT, CA 92260
73695 SANTA ROSA WAY PALM DESERT, CA 92260
73696 SANTA ROSA WAY PALM DESERT, CA 92260
73710 ALESSANDRO DR PALM DESERT, CA 92260
73711 LARREA STREET ST PALM DESERT
73720 SHADOW MOUNTAIN DR PALM DESERT, CA 92260
73721 SHADOW MOUNTAIN DR PALM DESERT HOTEL
73722 SANTA ROSA WAY PALM DESERT, CA 92260
73733 FRED WARING DR Unit: 210 palm desert, CA 92211
73735 SANTA ROSA WAY PALM DESERT, CA 92260
73740 SANTA ROSA WAY PALM DESERT, CA 92260
73750 SANTA ROSA WAY PALM DESERT, CA 92260
73765 SHADOW MOUNTAIN DR PALM DESERT, CA 92260
73771 DINAH SHORE DR Unit: 200 PALM DESERT, CA 92260
73780 KRUG AVE PALM DESERT, CA 92260
73795 SHADOW MOUNTAIN DR PALM DESERT, CA 92260
73810 SANTA ROSA WAY PALM DESERT, CA 92260
73811 SANTA ROSA WAY PALM DESERT, CA 92260
73820 LARREA ST PALM DESERT, CA 92260
73820 SHADOW MOUNTAIN DR PALM DESERT, CA 92260
73834 SANTA ROSA WAY PALM DESERT, CA 92260
73835 SHADOW MOUNTAIN DR PALM DESERT, CA 92260
73855 SHADOW MOUNTAIN DR PALM DESERT, CA 92260
73860 SHADOW MOUNTAIN DR PALM DESERT, CA 92260
73875 SANTA ROSA WAY PALM DESERT, CA 92260
73875 SHADOW MOUNTAIN LN PALM DESERT, CA 92260
73880 SHADOW MOUNTAIN DR PALM DESERT, CA 92260

73881 FRED WARING DR PALM DESERT, CA 92260	
73895 SHADOW MOUNTAIN DR PALM DESERT, CA 92260	
73922 SHADOW MOUNTAIN DR PALM DESERT, CA 92260	
73925 FRED WARING DR PALM DESERT, CA 92260	SCHOOL
73935 SHADOW MOUNTAIN DR PALM DESERT, CA 92260	
73950 SHADOW LN PALM DESERT, CA 92260	
73951 SHADOW MOUNTAIN DR PALM DESERT, CA 92260	
73965 LARREA ST PALM DESERT, CA 92260	
73970 SHADOW LN PALM DESERT, CA 92260	
74000 SHADOW MOUNTAIN DR PALM DESERT, CA 92260	
74015 ASTER DR PALM DESERT, CA 92260	
74056 SHADOW MOUNTAIN DR PALM DESERT, CA 92260	
74075 El Paseo Unit: A6 Palm Desert, CA 92260	
74075 GOLETA AVE PALM DESERT, CA 92260	
74080 ERIN ST PALM DESERT, CA 92260	
74085 FAIRWAY DR PALM DESERT, CA 92260	
74090 CHICORY ST PALM DESERT, CA 92260	
74095 CANDLEWOOD ST PALM DESERT, CA 92260	
74100 CANDLEWOOD ST Unit: C037 PALM DESERT, CA 92260	
74100 RUTLEDGE WAY PALM DESERT	SCHOOL
74106 ALESSANDRO DR PALM DESERT, CA 92260	
74123 CANDLEWOOD ST PALM DESERT, CA 92260	
74124 CANDLEWOOD ST PALM DESERT, CA 92260	
74134 CANDLEWOOD ST PALM DESERT, CA 92260	
74140 CANDLEWOOD ST PALM DESERT, CA 92260	
74155 LARREA ST PALM DESERT, CA 92260	
74176 CANDLEWOOD PALM DESERT	
74200 COUNTRY CLUB DR PALM DESERT	SCHOOL
74200 RUTLEDGE WAY PALM DESERT	SCHOOL
74210 CANDLEWOOD ST PALM DESERT, CA 92260	
74226 CANDLEWOOD ST PALM DESERT, CA 92260	
74251 HOVLEY LANE EAST LN PALM DESERT	SCHOOL
74260 Erin ST Palm Desert, CA 92260	
74280 ALESSANDRO DR PALM DESERT, CA 92260	
74300 CANDLEWOOD ST PALM DESERT, CA 92260	
74300 MAGNESIA FALLS DR PALM DESERT, CA 92260	
74303 HIGHWAY 111 PALM DESERT, CA 92260	
74310 MAGNESIA FALLS DR PALM DESERT, CA 92260	
74320 CANDLEWOOD ST PALM DESERT, CA 92260	
74320 MAGNESIA FALLS DR PALM DESERT, CA 92260	
74330 MAGNESIA FALLS DR PALM DESERT, CA 92260	
74340 CANDLEWOOD ST PALM DESERT, CA 92260	
74340 MAGNESIA FALLS DR PALM DESERT, CA 92260	
74350 COUNTRY CLUB DR PALM DESERT, CA 92260	
74350 MAGNESIA FALLS DR PALM DESERT, CA 9226	
74375 EL CAMINO PALM DESERT, CA 92260	
74380 EL CAMINO PALM DESERT	HOTEL
74390 ALESSANDRO DR PALM DESERT, CA 92260	

74401 E HOVLEY LN PALM DESERT, CA 92260	
74430 DRIFTWOOD ST PALM DESERT, CA 92260	
74431 DRIFTWOOD DR PALM DESERT, CA 92260	
74442 DRIFTWOOD ST PALM DESERT, CA 92260	
74443 DRIFTWOOD ST PALM DESERT, CA 92260	
74450 FALCON LN PALM DESERT, CA 92260	
74455 DRIFTWOOD DR PALM DESERT, CA 92260	
74460 ALESSANDRO DR PALM DESERT, CA 92260	
74470 ABRONIA TRAIL TRL PALM DESERT	HOTEL
74475 DRIFTWOOD ST PALM DESERT, CA 92260	
74501 AVENUE 42 PALM DESERT, CA 92260	
74533 SAGEBRUSH DR PALM DESERT, CA 92260	
74534 DRIFTWOOD DR PALM DESERT, CA 92260	
74549 SAGEBRUSH DR PALM DESERT, CA 92260	
74550 SHADOW HILLS RD PALM DESERT, CA 92260	
74560 DRIFTWOOD DR PALM DESERT, CA 92260	
74563 SAGEBRUSH DR PALM DESERT, CA 92260	
74602 SHADOW HILLS RD PALM DESERT, CA 92260	
74621 SHADOW HILLS RD PALM DESERT, CA 92260	
74630 SHADOW HILLS RD PALM DESERT, CA 92260	
74675 HWY 11 HWY PALM DESERT	HOTEL
74695 HWY 111 HWY PALM DESERT	HOTEL
74700 HWY 111 HWY PALM DESERT	HOTEL
74- 710 HWY 111 PALM DESERT, CA 92211	
74764 TECHNOLOGY DR PALM DESERT, CA 92211	HOTEL
74800 SHERYL AVE Unit: 1 PALM DESERT, CA 92260	
74855 COUNTRY CLUB DR PALM DESERT, 92260	HOTEL
74895 FRANK SINATRA DR PALM DESERT	HOTEL
74900 GERALD FORD DR PALM DESERT	HOTEL
74910 AZTEC RD PALM DESERT, CA 92260	SCHOOL
75030 GERALD FORD DR PALM DESERT, CA 92211	
75433 ORANGE BLOSSOM LN PALM DESERT, CA 92211	
77081 INDIANA AVE PALM DESERT, CA 92211	
77111 CALIFORNIA ST PALM DESERT, CA 92211	
77120 CALIFORNIA AVE PALM DESERT, CA 92211	
77302 MISSOURI DR PALM DESERT, CA 92211	
77500 MICHIGAN DR PALM DESERT, CA 92211	
77564 Country Club Dr DR Unit: 340 Palm Desert, CA 92211	
77777 COUNTRY CLUB DR PALM DESERT, CA 92211	
77800 CALIFORNIA DRIVE DR PALM DESERT	
77925 MOUNTAIN VIEW PALM DESERT, CA 92211	
77970 DELEWARE PALM DESERT	
78100 VARNER RD PALM DESERT, CA 92211	
78554 PLEASANT DR PALM DESERT, CA 92211	
9003 SHADOW RIDGE PALM DESERT	

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CITY OF PALM DESERT
STAFF REPORT

MEETING DATE: November 17, 2022

PREPARED BY: Bassam AL-Beitawi, Transportation Manager

REQUEST: APPROVE A COOPERATIVE AGREEMENT WITH THE CITIES OF LA QUINTA AND INDIAN WELLS FOR THE OPERATION AND MAINTENANCE OF SHARED TRAFFIC SIGNALS AND SAFETY LIGHTING

RECOMMENDATION:

1. Approve a Cooperative Agreement with the Cities of La Quinta and Indian Wells for the operation and maintenance of shared traffic signals and safety lighting.
2. Authorize the City Manager to finalize and execute the agreement.

BACKGROUND/ANALYSIS:

Since 2001, the Cities of Palm Desert, La Quinta, and Indian Wells have partnered to share the cost of traffic signal and highway safety lighting maintenance and operations at shared jurisdiction intersections.

Currently, the City of Palm Desert operates and maintains the traffic signal and highway safety lighting at the following shared intersections:

- Washington Street at Fred Waring Drive (Contract No. C19650 – see Attachment 2)
- Palm Royale Drive and Washington Street (Contract No. C33220 – see Attachment 3)

Being the designated lead agency per the two contracts, Palm Desert incurs full costs for operation and maintenance at the two intersections and then invoices Indian Wells and La Quinta annually for their shares.

Proposed Agreement:
The City of La Quinta has requested to replace Palm Desert as the lead agency for operation and maintenance at the two intersections. La Quinta and Indian Wells lead the traffic management efforts of Washington Street and other roadways east of Washington Street in conjunction with annual festivals and major events to the east of Palm Desert. In addition, La Quinta has increased their staffing and technical capabilities and conducted capital improvement projects in recent years, which gives them the ability to assume responsibility for operation and maintenance.

The proposed agreement will replace the previous agreements and authorize the City of La Quinta to oversee the operation and maintenance of the traffic signal and highway safety lighting at the two shared intersections. In addition, the proposed agreement establishes that Palm Desert and Indian Wells will reimburse La Quinta for the maintenance and operational costs per the percent ownership of each intersection at the rates included in the Agreement. This

Agreement does not include maintenance of fiber optic traffic signal interconnect facilities, which facilities shall be maintained by their respective cities. The City Councils of Indian Wells and La Quinta have authorized the execution of the proposed agreement. The City Attorney has reviewed the proposed agreement.

The table below depicts the current and proposed ownership and shares of maintenance responsibilities at the intersections of Washington Street at Fred Waring Drive and Palm Royale Drive at Washington Street.

Lead Agency		Description of Shared Facility and Location	Percent Ownership		
Current	Proposed		La Quinta	Palm Desert	Indian Wells
Palm Desert	La Quinta	Traffic Signal and Highway Safety Lighting: Washington Street at Palm Royale Drive. Cost Share for maintenance and electricity	50%	50%	0%
Palm Desert	La Quinta	Traffic Signal and Highway Safety Lighting: Washington Street at Fred Waring Drive. Cost share for maintenance and electricity.	50%	25%	25%

FINANCIAL IMPACT:

Staff invoices the City of La Quinta and Indian Wells for their portion of the costs under the current agreements, which amounts to an annual average of $5,000. These expenses are included in the Public Works Operations budget along with $2,500 for contingent reimbursement costs under Account No. 1104250-43325000, R/M Traffic Signal, for a total of $7,500. Staff estimates that the City's portion for annual maintenance costs in these intersections will not exceed said amount this year. Therefore, there is no financial impact to the general fund this fiscal year. Reimbursement expenses for future fiscal years will be budgeted accordingly during the budget approval process.

REVIEWED BY:

Department Director:	*Martin Alvarez*
Finance Director:	*John Ramont*
Assistant City Manager:	*Chris Escobedo*
City Manager:	*Todd Hileman*

ATTACHMENTS:

1. Proposed Cooperative Agreement
2. Contract No. C19650
3. Contract No. C33220

COOPERATIVE AGREEMENT
FOR OPERATION AND MAINTENANCE
OF TRAFFIC SIGNAL AND SAFETY LIGHTING

This Cooperative Agreement for Operation and Maintenance of Traffic Signals and Safety Lighting (hereinafter "Agreement") entered into this ____ day of _____, 2022, is between the City of La Quinta, a California municipal corporation, referred to herein as "La Quinta", the City of Indian Wells, a California municipal corporation, referred herein as "Indian Wells", and the City of Palm Desert, a California municipal corporation, referred herein as "Palm Desert". La Quinta, Indian Wells and Palm Desert are sometimes hereinafter individually referred to as "Party" and/or collectively referred to in this Agreement as "Parties".

RECITALS

1) La Quinta, Indian Wells and Palm Desert, municipal corporations and members of the California Joint Powers Insurance Authority, desire to specify the terms and conditions under which traffic signals (installations) located on shared boundaries will be maintained, as well as the obligations and responsibilities of the Parties with respect to those traffic signals.

2) The installation(s) are listed and shown in Exhibit B, attached hereto and incorporated herein by this reference. The installations are owned proportionately by each Party as shown in Exhibit B. As installations are added or removed from this Agreement, the locations may be updated by either Party submitting to the other Party a proposed revised Exhibit B. The Director of Public Works, or equivalent, of each Party must approve in writing the revised Exhibit B prior to the revision taking effect.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is acknowledged, the Parties agree as follows:

Section I – SCOPE OF SERVICES

1) La Quinta shall provide routine maintenance work and emergency call-out service on traffic signals, street safety lighting, flashing beacons, and other electrically operated traffic control or warning devices associated with the installations. Routine maintenance services hereunder shall include the following work: inspect the signal system and clean the control cabinet quarterly; clean and re-lamp signal heads as required; clean and re-lamp luminaires as required. Emergency call-out services shall include all repairs and maintenance of the subject traffic control and warning devices or reasonable temporary measures necessary to preserve the public safety in the

event of a signal system failure. La Quinta shall apply to the local power company for service and pay for delivery of electrical power to the signals.

2) Extra Work:

Any work to be performed beyond the scope of services described in paragraph 1), above, shall constitute extra work ("Extra Work"). Extra Work shall be compensated for with extra compensation calculated in a fair and equitable method in accordance with La Quinta's current rates and/or La Quinta's emergency/after-hours contractor's current rates. The current rates as the exist upon the effective date of this Agreement are set forth in Exhibit A. La Quinta may update those rates from time to time and shall provide notice to Indian Wells and Palm Desert of such updated rates. La Quinta shall promptly notify Indian Wells and Palm Desert of any work that it has determined constitutes Extra Work before performing such Extra Work. Indian Wells and Palm Desert shall promptly respond and if they agree that the subject work constitutes Extra Work, will authorize La Quinta, in writing, to perform the Extra Work, Indian Wells and Palm Desert shall compensate La Quinta for the Extra Work in accordance with this paragraph and La Quinta's then current rates. La Quinta shall make the final determination whether such work constitutes Extra Work, provided, however, that Indian Wells and Palm Desert shall be entitled to any and all legal remedies in the event of a dispute concerning such determination, including the right to terminate this Agreement with 30-day's notice.

Section II – La Quinta's Obligations

La Quinta Agrees:

1) To operate and maintain the installations in accordance with Scope of Services in Section 1, paragraph 1), and to pay the percentage of all operations, maintenance, repair, and replacement costs, including electrical energy costs, for the installations, as noted in Exhibit B.

2) Records: Records for the work provided under this Agreement shall be kept by La Quinta and shall include the costs of all services performed. Such records shall be maintained for at least two (2) years and, upon reasonable notice, shall be made available for inspection by Indian Wells or Palm Desert.

Section III – Indian Wells' Obligations

Indian Wells Agrees:

1) To pay the percentage of all operation, maintenance, repair, and replacement costs, including electrical energy costs, for the installations, as noted in Exhibit B.

2) To pay all of above-referenced amounts within thirty (30) days of receipt of the billing from La Quinta therefore.

3) Billing by La Quinta shall be made no more frequently than semi-annually, and if annually, shall cover the period beginning July 1 and ending June 30.

4) Upon full execution of this Agreement, the first billing submitted by La Quinta may include all eligible expenses incurred after full execution of this Agreement. All expenses incurred by La Quinta prior to full execution of this Agreement shall not be eligible for reimbursement.

5) In the event of a dispute, Indian Wells shall submit any such dispute in writing to La Quinta. The Parties shall endeavor to resolve any such dispute and pay the balance due, if any, within a reasonable period of time.

Section IV – Palm Desert's Obligations

Palm Desert Agrees:

6) To pay the percentage of all operation, maintenance, repair, and replacement costs, including electrical energy costs, for the installations, as noted in Exhibit B.

7) To pay all of above-referenced amounts within thirty (30) days of receipt of the billing from La Quinta therefore.

8) Billing by La Quinta shall be made no more frequently than semi-annually, and if annually, shall cover the period beginning July 1 and ending June 30.

9) Upon full execution of this Agreement, the first billing submitted by La Quinta may include all eligible expenses incurred after full execution of this Agreement. All expenses incurred by La Quinta prior to full execution of this Agreement shall not be eligible for reimbursement.

10) In the event of a dispute, Palm Desert shall submit any such dispute in writing to La Quinta. The Parties shall endeavor to resolve any such dispute and pay the balance due, if any, within a reasonable period of time.

Section V – General Provisions

1) Terms and Termination:

Once signed by all Parties, this Agreement shall remain in force until terminated by any Party hereto upon thirty (30) days written notice to the other Party of such termination. Any payment obligation then outstanding shall survive such termination.

2) Invalid Provision:

The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions hereof, and this Agreement shall be construed in all respects as if such invalid or unenforceable provisions were omitted.

3) Amendment and Waiver:

This Agreement may be amended or revoked at any time by a written agreement executed by La Quinta, Indian Wells and Palm Desert. No change or modification of this Agreement shall be valid unless the same is in writing and signed by all Parties. No waiver of any provision of this Agreement shall be valid unless in writing and signed by the Party grating such waiver, and in no event shall any such waiver be deemed to be a waiver of any other term, covenant or condition of this Agreement.

4) Attorney's Fees:

Each of the Parties shall bear its own fees and costs, including without limitation attorney's fees, in the event of any dispute pertaining to this agreement.

5) Governing Law:

This Agreement shall be construed and governed by the laws of the State of California.

6) Independent Counsel:

Each Party has had the opportunity to consult with its own attorney with respect to this Agreement, and in the event that any language contained herein is construed to be vague or ambiguous, this Agreement shall not be strictly construed against any Party.

7) No alteration or variation of the terms of this Agreement shall be valid unless made in writing and signed by all Parties, and no verbal understanding or agreement not incorporated herein shall be binding on either party hereto.

8) Upon completion of all work under this Agreement, ownership and title to all materials, equipment, and appurtenances installed in Indian Wells shall be vested in Indian Wells, all materials, equipment, and appurtenances installed in Palm Desert shall be vested in Palm Desert, and all materials, equipment, and appurtenances installed in La Quinta shall be vested in La Quinta.

9) Neither Indian Wells, Palm Desert, nor any officer or employee, thereof shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by La Quinta under or in connection with any work, authority or jurisdiction delegated to La Quinta under this Agreement. It is also agreed that, pursuant to Government Code Section 895.4, La Quinta shall fully indemnify and hold Indian Wells and Palm Desert harmless from any liability imposed for injury (as defined by Government Code Section 810.8) occurring by reason of anything done or omitted to be done by La Quinta under or in connection with any work, authority or jurisdiction delegated to La Quinta under this Agreement except to the extent that such injury results from Indian Wells' or Palm Desert's own misconduct or negligence.

10) Neither La Quinta nor any officer or employee thereof shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by Indian Wells or Palm Desert under or in connection with any work, authority or jurisdiction delegated to Indian Wells or Palm Desert under this Agreement. It is also agreed that, pursuant to Government Code Section 895.4, Indian Wells and Palm Desert shall fully indemnify and hold La Quinta harmless from any liability imposed for injury (as defined by Government Code Section 810.8) occurring by reason of anything done or omitted to be done by Indian Wells or Palm Desert under or in connection with any work, authority or jurisdiction delegated to Indian Wells or Palm Desert under this Agreement except to the extent that such injury results from La Quinta's own misconduct or negligence.

11) <u>Notices</u>

All notices or other communications required or permitted hereunder shall be in writing and shall be either personally delivered (which shall include delivery

by means of professional overnight courier service which confirms receipt in writing (such as Federal Express or UPS)), or sent by certified or registered mail, return receipt requested, postage prepaid, to the following parties at the following addresses or number:

If to “La Quinta”: City of La Quinta
Attn: Public Works Director
78-495 Calle Tampico
La Quinta, CA 92253
Tel: (760) 777-7045

If to “Indian Wells”: City of Indian Wells
Attn: Public Works Director
44-950 Eldorado Drive
Indian Wells, CA 92210
Tel: (760) 346-2489

If to “Palm Desert”: City of Palm Desert
Attn: Public Works Director
73-510 Fred Waring Drive
Palm Desert, CA 92260
Tel: (760) 776-6450

Notices sent in accordance with this paragraph shall be deemed delivered upon the next business day following: (1) the date of delivery as indicated on the written confirmation of delivery (if sent by overnight courier services); (2) the date of the actual receipt (if personally delivered by other means); or; (3) the date of delivery as indicated on the return receipt (if sent by certified or registered mail, return receipt requested). Notice of change of address shall be given by written notice in the manner detailed in this paragraph.

IN WITNESS WHEREOF, the Parties have executed the Agreement as of the dates set forth below.

CITY OF LA QUINTA,
a California Municipal Corporation

_____
JON McMILLEN, City Manager
City of La Quinta, California

Dated: _____

ATTEST:

_____
MONIKA RADEVA, City Clerk
City of La Quinta, California

APPROVED AS TO FORM:

_____
WILLIAM H. IHRKE, City Attorney
City of La Quinta, California

CITY OF PALM DESERT,
a California Municipal Corporation

_____
City Manager
City of Palm Desert, California

Dated: _____

ATTEST:

_____
City Clerk
City of Palm Desert, California

APPROVED AS TO FORM:

_____
City Attorney
City of Palm Desert, California

CITY OF INDIAN WELLS,
a California Municipal Corporation

_____
City Manager
City of Indian Wells, California

Dated: _____

ATTEST:

_____
City Clerk
City of Indian Wells, California

APPROVED AS TO FORM:

_____
City Attorney
City of Indian Wells, California

EXHIBIT A
STANDARD BILLING RATES
CITY OF LA QUINTA
STAFF AND EQUIPMENT

All rates subject to yearly update

Rates are shown per hour and are billed pro-rated for any portion of an hour. Rates are established by City Council.

Staff Position	Regular Rate	Overtime Rate	Premium Rate
Public Works Personnel	$167/hr.	$167/hr.	$167/hr.
Contract Traffic Signal Repair Services	$95/hr.	$138/hr.	$164/hr.

Equipment	Regular Rate
City Bucket Truck or Service Truck with Message Board	$10/hr.
Contract Traffic Signal Repair Bucket Truck	$32/hr.

EXHIBIT "B"

INSTALLATIONS

MAINTAINED BY	DESCRIPTION OF SHARED FACILITY AND LOCATION	PERCENT OWNERSHIP		
		La Quinta	Palm Desert	Indian Wells
La Quinta	Traffic Signal and Safety lighting: Washington Street at Palm Royale Drive. Cost share for maintenance and electricity.	50%	50%	
La Quinta	Traffic Signal and Safety lighting: Washington Street at Fred Waring Drive. Cost share for maintenance and electricity.	50%	25%	25%

_____ _____

Bryan McKinney, P.E. Date
City Engineer/Public Works Director
City of La Quinta

_____ _____

Ken Seumalo, P.E.
Public Works Director Date
City of Indian Wells

_____ _____

Public Works Director Date
City of Palm Desert

CITY OF PALM DESERT

73-510 FRED WARING DRIVE
PALM DESERT, CALIFORNIA 92260-2578
TEL: 760 346-0611
FAX: 760 340-0574
info@palm-desert.org

December 26, 2001

Mr. Tim Wassil
Director of Public Works
City of Indian Wells
44-950 Eldorado Drive
Indian Wells, California 92210

Mr. Roy Stephenson
Director of Public Works
City of La Quinta
78-495 Calle Tampico
La Quinta, California 92253

Dear Messrs. Wassil and Stephenson:

Subject: **Contract No. C19650 - Traffic Signal and Safety Lighting Maintenance Agreement - Fred Waring Drive and Washington Street**

At its regular meeting of December 13, 2001, the Palm Desert City Council, by Minute Motion, approved the subject Agreement with the City of Indian Wells and City of La Quinta, and authorized the Mayor to execute same.

Enclosed is a fully executed Agreement for your records.

If you have any questions or require any additional information, please do not hesitate to contact us.

Sincerely,

RACHELLE D. KLASSEN
DEPUTY CITY CLERK

RDK:nb

Enclosure (as noted)

cc: Public Works Department

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AGREEMENT FOR MAINTENANCE OF TRAFFIC SIGNALS AND SAFETY LIGHTING

This AGREEMENT FOR MAINTENANCE OF TRAFFIC SIGNALS AND SAFETY LIGHTING ("Agreement") is entered by and among the City of Palm Desert, California, a California municipal corporation ("Palm Desert"), the City of La Quinta, California, a California municipal corporation ("La Quinta"), and the City of Indian Wells, California, a California municipal corporation ("Indian Wells").

RECITALS

This Agreement is made with reference to the following facts:

A. La Quinta and Indian Wells (the "Serviced Cities") and Palm Desert jointly own certain traffic signal and highway safety lighting installations located partly within the boundaries of each city, as shown by Exhibit "A", attached hereto and incorporated herein by this reference (the "Installations"), which Installations are owned in the proportions shown by Exhibit "A".

B. Palm Desert and the Serviced Cities desire to arrange for maintenance of the Installations and sharing the cost therefor.

C. Palm Desert desires to maintain the Installations for itself and the Serviced Cities, and the Serviced Cities desire that Palm Desert perform such maintenance.

AGREEMENT

NOW THEREFORE, in consideration of the facts set forth above and the mutual covenants, promises and agreements set forth herein, the parties hereto do hereby agree as follows:

1. Maintenance.

1.1 Scope of Services. Palm Desert shall provide routine maintenance work and emergency call-out service on traffic signals, highway safety lighting, flashing beacons, and other electrically operated traffic control or warning devices associated with the Installations. Routine maintenance services hereunder shall include the following work: inspect the signal system and clean the control cabinet every six (6) weeks; re-lamp and clean signal heads every two (2) years; re-lamp and clean luminaries every five (5) years. Emergency call-out services shall include all repairs and maintenance of the subject traffic control and warning devices or reasonable temporary measures necessary to preserve the public safety in the event of an Installation failure. Palm Desert shall also arrange for delivery of electrical power to the Installations.

1.2 Extra Work. In the event that Palm Desert determines that any work it has been requested or directed to perform is beyond the scope of this Agreement and, therefore, constitutes extra work ("Extra Work"), Palm Desert shall promptly notify the requesting city or Serviced Cities, as the case may be, of that determination before performing such Extra Work. If the requesting city or Serviced Cities agree that the requested work constitutes Extra Work and authorize Palm Desert, in writing, to perform the Extra Work, the authorizing city or Serviced Cities shall provide extra compensation to Palm Desert upon a fair and equitable basis in accordance with Palm Desert's standard rates. Palm Desert shall determine whether such work constitutes Extra Work, however, the Serviced Cities shall be entitled to any and all legal remedies in the event of a dispute concerning such determination.

2. Compensation. The total cost of the work and services to be provided by Palm Desert under this Agreement (the "Cost of Services"), not including Extra Work, shall be allocated among the Serviced Cities and Palm Desert in proportion to ownership of the Installations. Serviced Cities shall pay Palm Desert that percentage of the Cost of Services represented by the percentage ownership of the Installations shown by Exhibit "A". Palm Desert shall be responsible for that percentage of the Cost of Services represented by its percentage ownership of the Installations shown by Exhibit "A". Palm Desert shall charge for the Cost of Services in accordance with its standard rates.

3. Payment. Billing by Palm Desert shall be made annually and shall include an itemized accounting of all costs and services rendered during the period. Serviced Cities shall pay the billed amount within thirty (30) calendar days after receipt of billing from Palm Desert. In the event of a billing dispute, Serviced Cities shall submit any such dispute in writing to Palm Desert together with payment in full, in accordance with this section. Any such dispute shall be resolved and any refund owed by Palm Desert shall be settled within a reasonable period of time.

4. Records. Records for the work provided under this Agreement shall be kept by Palm Desert and shall include the cost of all services performed. Such records shall be maintained for at least two (2) years and, upon reasonable notice, shall be made available for inspection by Serviced Cities.

5. Term and Termination. This Agreement shall commence on April 1, 2001 and shall remain in force until terminated in accordance with this section. Notwithstanding the foregoing, with respect to the delivery of electrical power to the Installations this agreement shall commence on January 1, 2001. This Agreement may be terminated by any party hereto upon thirty (30) days' written notice to the other parties of such termination. Any payment obligations outstanding and the indemnity provisions hereinbelow shall survive any such termination.

6. Indemnity. Serviced Cities, and each of them, shall indemnify, defend, save and hold harmless Palm Desert, its officers, agents, servants and employees of and from any and all liability,

claims, demands, debts, damages, suits, actions and causes of action of whatsoever kind, nature or sort, including, but not by way of limitation, wrongful death, personal injury or damage to property, the expenses of the defense of said parties and the payment of attorneys' fees in any such claim or action, arising out of or in any manner connected with activities of Serviced Cities or employees of Serviced Cities and this Agreement.

Palm Desert shall indemnify, defend, save and hold harmless Serviced Cities, their officers, agents, servants and employees of and from any and all liability, claims, demands, debts, damages, suits, actions and causes of action of whatsoever kind, nature, or sort, including, but not by way of limitation, wrongful death, personal injury or damage to property, the expenses of the defense of said parties and the payment of attorneys' fees in any such claim or action, arising out of or in any manner connected with activities of Palm Desert or employees of Palm Desert in furnishing the services and materials under this Agreement.

7. Insurance. Serviced Cities, and each of them, shall procure and maintain for the duration of this Agreement liability insurance against claims for injuries to persons or damages to property in an amount not less than One Million Dollars ($1,000,000.00) which may arise from or in connection with the activities of the Serviced Cities or employees of the Serviced Cities and this Agreement by including Palm Desert as a "Protected Party" within the insurance program maintained by the Serviced Cities with the CJPIA.

Palm Desert shall procure and maintain for the duration of this Agreement liability insurance against claims for injuries to persons or damages to property in an amount not less than One Million Dollars ($1,000,000.00) which may arise from or in connection with the performance of this Agreement by Palm Desert by including the Serviced Cities, and each of them, as a "Protected Party" within the insurance program maintained by Palm Desert with the CJPIA.

8. Notice. Any notice required or permitted hereunder shall be in writing and sent to each party by regular mail and shall be deemed given two (2) business days after deposit in the mail. Notices shall be addressed as set forth below, but any addressee may change its address by written notice in accordance herewith.

City of Palm Desert 73-510 Fred Waring Dr. Palm Desert, CA 92260	City of Indian Wells 44-950 Eldorado Drive Indian Wells, CA 92210	City of La Quinta 78-495 Calle Tampico La Quinta, CA 92253
Attn: Director of Public Works	Attn: Director of Public Works	Attn: Director of Public Works

9. General Provisions.

9.1 Entire Agreement. This Agreement constitutes the entire agreement between the parties hereto, and contains all of the agreements between the parties with respect to

the subject matter hereof. This Agreement supersedes any and all other agreements, either oral or in writing, between the parties hereto with respect to the subject matter hereof.

9.2 Amendment and Waiver. This Agreement may be amended or revoked at any time by a written agreement executed by Palm Desert and Serviced Cities. No change or modification of this Agreement shall be valid unless the same be in writing and signed by all the parties. No waiver of any provision of this Agreement shall be valid unless in writing and signed by the party granting such waiver, and in no event shall any such waiver be deemed to be a waiver of any other term, covenant or condition of this Agreement.

9.3 Invalid Provision. The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions hereof, and this Agreement shall be construed in all respects as if such invalid or unenforceable provisions were omitted.

9.4 Headings. The headings of the articles, sections, subsections or paragraphs of this Agreement are inserted solely for convenience of reference, and shall not be deemed to govern, limit or aid in the construction or interpretation of any term of this Agreement.

9.5 Independent Counsel. Each party has had the opportunity to consult with its own attorney with respect to this Agreement, and in the event that any language contained herein is construed to be vague or ambiguous, this Agreement shall not be strictly construed against any party.

9.6 Binding Effect. This Agreement shall be binding upon and inure to the benefit of Palm Desert and the Serviced Cities.

9.7 Other Documents. The parties hereto agree that each shall, concurrently herewith, or at any time hereafter, on the demand of the other, execute any other documents or instruments or cause to be done any other acts and things as may be necessary or convenient to carry out the intents and purposes of this Agreement.

9.8 Counterparts. This Agreement may be executed in any one or more counterparts, and all so executed shall constitute one and the same instrument. Any signature page on any counterpart hereof may be detached from and added to any other counterpart identical in form hereto.

9.9 Attorneys' Fees. In the event that any party to this Agreement shall bring an action to enforce the provisions of this Agreement or as a result of any default in the performance of any of the provisions of this Agreement, the prevailing party in such action shall be entitled to recover all costs and expenses, including reasonable

attorneys' fees, incurred by such party in connection with such action.

9.10 Governing Law. This Agreement shall be construed and governed by the laws of the State of California.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives on December 13, 2001

CITY OF PALM DESERT

By: _____
Mayor
Richard S. Kelly

Attest:

By: _____
Deputy City Clerk

Approved as to form:

By: _____
City Attorney

Approved as to content:

By: _____
City Engineer

CITY OF INDIAN WELLS

By: _____
Mayor

Attest:

By: _____
City Clerk

Approved as to form:

By: John Cook
City Attorney

Approved as to content:

By: _____
City Engineer
Public Works director

CITY OF LA QUINTA

By: _____
Mayor

Attest:

By: _____
City Clerk

Approved as to form:

By: _____
City Attorney

Approved as to content:

By: _____
City Engineer

EXHIBIT "A"

TRAFFIC SIGNAL AND HIGHWAY SAFETY LIGHTING INSTALLATIONS JOINTLY OWNED BY PALM DESERT, LA QUINTA, AND INDIAN WELLS

TRAFFIC SIGNAL LOCATION	% OWNERSHIP
Fred Waring Drive & Washington Street	25% Palm Desert 50% La Quinta 25% Indian Wells

EXHIBIT "B"

PALM DESERT STANDARD BILLING RATES

Hourly	$22.6050 per hour
Overtime	$33.9075 per hour
Equipment / Asset Allocation	$20.3560 per hour

CITY OF PALM DESERT

73-510 Fred Waring Drive
Palm Desert, California 92260-2578
tel: 760 346-0611
info@cityofpalmdesert.org

January 17, 2014

City of La Quinta
Attn: Public Works Director
78-495 Calle Tampico
La Quinta, California 92253

Dear Sir or Madam:

Subject: **Contract No. C33220 – Cooperative Agreement for Operation and Maintenance of Traffic Signal and Safety Lighting Between the City of La Quinta and the City of Palm Desert for the Traffic Signal at Washington Street and Mountain View/Palm Royale Drive**

At its regular meeting of January 9, 2014, the Palm Desert City Council, by Minute Motion, authorized the Mayor to execute the subject Cooperative Agreement between the Cities of La Quinta and Palm Desert for Operation and Maintenance of the Traffic Signal and Safety Lighting at Washington Street and Mountain View/Palm Royale Drive.

Enclosed is a fully executed Cooperative Agreement for your records. If you have any questions or require any additional information, please do not hesitate to contact my office.

Sincerely,

RACHELLE D. KLASSEN, MMC
CITY CLERK

RDK:rg

Enclosure (as noted)

cc: Mark Greenwood, P.E., Director of Public Works
Finance Department

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COOPERATIVE AGREEMENT FOR OPERATION AND MAINTENANCE OF TRAFFIC SIGNAL AND SAFETY LIGHTING

This Cooperative Agreement for Operation and Maintenance of Traffic Signals and Safety Lighting (hereinafter "Agreement") entered into this 9 day of January, 2014, is between the City of LA QUINTA, a California municipal corporation, referred to herein as "LA QUINTA" and the City of PALM DESERT, a California municipal corporation, referred herein as "PALM DESERT". LA QUINTA and PALM DESERT are sometimes hereinafter individually referred to as "PARTY" and/or collectively referred to in this Agreement as "PARTIES".

RECITALS

1) LA QUINTA and PALM DESERT, municipal corporations and members of the California Joint Powers Insurance Authority, desire to specify the terms and conditions under which traffic signals (INSTALLATIONS) located on shared boundaries will be maintained, as well as the obligations and responsibilities of the PARTIES with respect to those traffic signals.

2) The INSTALLATION(S) are listed and shown in Exhibit B, attached hereto and incorporated herein by this reference. The INSTALLATIONS are owned proportionately by each PARTY as shown in Exhibit B. As INSTALLATIONS are added or removed from this Agreement, the locations may be updated by either PARTY submitting to the other PARTY a proposed revised Exhibit B. The Director of Public Works, or equivalent, of each PARTY must approve in writing the revised Exhibit B prior to the revision taking effect.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is acknowledged, the PARTIES agree as follows:

Section I – SCOPE OF SERVICES

1) General Scope of Services:

PALM DESERT shall provide routine maintenance work and emergency call-out service on traffic signals, street safety lighting, flashing beacons, and other electrically operated traffic control or warning devices associated with the INSTALLATIONS. Routine maintenance services hereunder shall include the following work: inspect the signal system and clean the control cabinet quarterly; clean and re-lamp signal heads as required; clean and re-lamp luminaires as required. Emergency call-out services shall include all repairs and maintenance of the subject traffic control and warning devices or reasonable temporary measures necessary to preserve the public safety in

the event of a signal system failure. PALM DESERT shall apply to the local power company for service and pay for delivery of electrical power to the signals.

2) Extra Work:

Any work to be performed beyond the scope of services described in paragraph 1), above, shall constitute extra work ("Extra Work"). Extra Work shall be compensated for with extra compensation calculated in a fair and equitable method in accordance with PALM DESERT's current rates and/or PALM DESERT's emergency /after-hours contractor's current rates. The current rates as they exist upon the effective date of this Agreement are set forth in Exhibit A. PALM DESERT may update those rates from time to time, and shall provide notice to LA QUINTA of such updated rates. PALM DESERT shall promptly notify LA QUINTA of any work that it has determined constitutes Extra Work before performing such Extra Work. LA QUINTA shall promptly respond and if it agrees that the subject work constitutes Extra Work, will authorize PALM DESERT, in writing, to perform the Extra Work, LA QUINTA shall compensate PALM DESERT for the Extra Work in accordance with this paragraph and PALM DESERT's then current rates. PALM DESERT shall make the final determination whether such work constitutes Extra Work, provided, however, that LA QUINTA shall be entitled to any and all legal remedies in the event of a dispute concerning such determination, including the right to terminate this Agreement with 30-day's notice.

Section II –PALM DESERT'S OBLIGATIONS

PALM DESERT AGREES:

1) To operate and maintain the INSTALLATIONS IN ACCORDANCE WITH Scope of Services in Section 1,paragraph 1), and to pay fifty percent (50%) of all operations, maintenance, repair, and replacement costs, including electrical energy costs, for the INSTALLATIONS

2) Records: Records for the work provided under this Agreement shall be kept by PALM DESERT and shall include the costs of all services performed. Such records shall be maintained for at least two (2) years and, upon reasonable notice, shall be made available for inspection by LA QUINTA.

Section III –LA QUINTA'S OBLIGATIONS

LA QUINTA AGREES:

1) To pay fifty percent (50%) of all operations, maintenance, repair, and replacement costs, including electrical energy costs, for the INSTALLATIONS.

2) To pay all of above-referenced amounts within thirty (30) days of receipt of the billing from PALM DESERT therefore.

3) Billing by PALM DESERT shall be made no more frequently than semi-annually, and if annually, shall cover the period beginning July 1 and ending June 30.

4) Upon full execution of this Agreement, the first billing submitted by PALM DESERT may include all eligible expenses incurred after full execution of this Agreement. All expenses incurred by PALM DESERT prior to full execution of this Agreement shall not be eligible for reimbursement.

5) In the event of a dispute, LA QUINTA shall submit any such dispute in writing to PALM DESERT. The Parties shall endeavor to resolve any such dispute and pay the balance due, if any, within a reasonable period of time.

Section IV – GENERAL PROVISIONS

1) Terms and Termination:

Once signed by all PARTIES, this Agreement shall remain in force until terminated in accordance with this section. This Agreement may be terminated by any PARTY hereto upon thirty (30) days written notice to the

other PARTY of such termination. Any payment obligation then outstanding shall survive such termination.

2) Invalid Provision:

The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions hereof, and this Agreement shall be construed in all respects as if such invalid or unenforceable provisions were omitted.

3) Amendment and Waiver:

This Agreement may be amended or revoked at any time by a written agreement executed by LA QUINTA and PALM DESERT. No change or modification of this Agreement shall be valid unless the same is in writing and signed by all PARTIES. No waiver of any provision of this Agreement shall be valid unless in writing and signed by the PARTY granting such waiver, and in no event shall any such waiver be deemed to be a waiver of any other term, covenant or condition of this Agreement.

4) Attorney's Fees:

Each of the PARTIES shall bear its own fees and costs, including without limitation attorney's fees, in the event of any dispute pertaining to this agreement.

5) Governing Law:

This Agreement shall be construed and governed by the laws of the State of California.

6) Independent Counsel:

Each PARTY has had the opportunity to consult with its own attorney with respect to this Agreement, and in the event that any language contained herein is construed to be vague or ambiguous, this Agreement shall not be strictly construed against any PARTY.

7) No alteration or variation of the terms of this Agreement shall be valid unless made in writing and signed by all PARTIES, and no verbal understanding or agreement not incorporated herein shall be binding on either party hereto.

8) Upon completion of all work under this Agreement, ownership and title to all materials, equipment, and appurtenances installed in PALM DESERT shall be vested in PALM DESERT and all materials, equipment, and appurtenances installed in LA QUINTA shall be vested in LA QUINTA.

9) Neither PALM DESERT nor any officer or employee thereof shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by LA QUINTA under or in connection with any work, authority or jurisdiction delegated to LA QUINTA under this Agreement. It is also agreed that, pursuant to Government Code Section 895.4, LA QUINTA shall fully indemnify and hold PALM DESERT harmless from any liability imposed for injury (as defined by Government Code Section 810.8) occurring by reason of anything done or omitted to be done by LA QUINTA under or in connection with any work, authority or jurisdiction delegated to LA QUINTA under this Agreement except to the extent that such injury results from PALM DESERT' own misconduct or negligence.

10) Neither LA QUINTA nor any officer or employee thereof shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by PALM DESERT under or in connection with any work, authority or jurisdiction delegated to PALM DESERT under this Agreement. It is also agreed that pursuant to Government Code Section 895.4. PALM DESERT shall fully indemnify and hold LA QUINTA harmless from any liability imposed for injury (as defined by Government Code Section 810.8) occurring by reason of anything done or omitted to be done by PALM DESERT under or in connection with any work, authority or jurisdiction delegated to PALM DESERT under this Agreement except to the extent that such injury results from LA QUINTA's own misconduct or negligence.

11) Notices

All notices or other communications required or permitted hereunder shall be in writing and shall be either personally delivered (which shall include delivery by means of professional overnight courier service which confirms receipt in writing (such as Federal Express or UPS)), sent by telecopier or facsimile ("FAX") machine capable of confirming transmission and receipt, or sent by certified or registered mail, return receipt requested, postage prepaid, to the following parties at the following addresses or numbers:

If to "LA QUINTA": City of La Quinta
78-495 Calle Tampico
La Quinta, CA 92247-1504
Attn: Public Works Director
Tel: (760) 777-7075
Fax: (760) 777-7155

If to "PALM DESERT": City of PALM DESERT
73-510 Fred Waring Drive
PALM DESERT, CA 92260
Attn: Public Works Director
Tel: (760) 776-6450
Fax: (760) 341-7098

Notices sent in accordance with this paragraph shall be deemed delivered upon the next business day following: (1) the date of delivery as indicated on the written confirmation of delivery (if sent by overnight courier services); (2) the date of the actual receipt (if personally delivered by other means); (3) the date of transmission (if sent by facsimile machine), or; (4) the date of delivery as indicated on the return receipt (if sent by certified or registered mail, return receipt requested). Notice of change of address shall be given by written notice in the manner detailed in this paragraph.

IN WITNESS WHEREOF, the PARTIES have executed the Agreement as of the dates set forth below.

CITY OF LA QUINTA

By: _____
DONALD ADOLPH, Mayor

CITY OF PALM DESERT

By: _____
JAN C. HARNIK, Mayor
Van G. Tanner, Mayor

ATTEST:

By: _____
SUSAN MAYSELS,
City Clerk

ATTEST:

By: _____
RACHELLE D. KLASSEN,
City Clerk

APPROVED AS TO FORM:

By: SIGNED IN COUNTERPART
M. KATHERINE JENSON,
City Attorney

APPROVED AS TO FORM:

By: _____
DAVID J. ERWIN,
City Attorney

APPROVE AS TO CONTENT:

By: _____
TIMOTHY R. JONASSON, P.E.
Public Works Director/City Engineer

APPROVE AS TO CONTENT:

By: _____
MARK GREENWOOD, P.E.,
Public Works Director

72500.00001\7919342.1

IN WITNESS WHEREOF, the PARTIES have executed the Agreement as of the dates set forth below.

CITY OF LA QUINTA

SIGNED IN COUNTERPART

By: _____
DONALD ADOLPH, Mayor

ATTEST:

SIGNED IN COUNTERPART

By: _____
SUSAN MAYSELS,
City Clerk

APPROVED AS TO FORM:

By: _____
M. KATHERINE JENSON,
City Attorney

APPROVE AS TO CONTENT:

By: _____
TIMOTHY R. JONASSON, P.E.
Public Works Director/City Engineer

CITY OF PALM DESERT

By: _____
~~JAMES HARNIK, Mayor~~
Van G. Tanner, Mayor

ATTEST:

By: _____
RACHELLE D. KLASSEN,
City Clerk

APPROVED AS TO FORM:

By: _____
DAVID J. ERWIN,
City Attorney

APPROVE AS TO CONTENT:

By: _____
MARK GREENWOOD, P.E.,
Public Works Director

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California
County of Riverside

On January 21, 2014 (Date) before me, Grace L. Mendoza Notary Public (Here Insert Name and Title of the Officer),

personally appeared Van G. Tanner (Name(s) of Signer(s)),

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

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

WITNESS my hand and official seal.

Signature: Grace L. Mendoza (Signature of Notary Public)

GRACE L. MENDOZA
Commission # 1879180
Notary Public - California
Riverside County
My Comm. Expires Mar 2, 2014
NNA1 NNA1

Place Notary Seal and/or Stamp Above

OPTIONAL

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

Description of Attached Document

Title or Type of Document: C33200 -CO-OP Agreement.

Document Date: 1-9-2014 Number of Pages: 10

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____	Signer's Name: _____
☐ Corporate Officer — Title(s): _____	☐ Corporate Officer — Title(s): _____
☐ Individual	☐ Individual
☐ Partner — ☐ Limited ☐ General	☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact	☐ Attorney in Fact
☐ Trustee	☐ Trustee
☐ Guardian or Conservator	☐ Guardian or Conservator
☐ Other: _____	☐ Other: _____
Signer Is Representing: _____	Signer Is Representing: _____
RIGHT THUMBPRINT OF SIGNER — Top of thumb here	RIGHT THUMBPRINT OF SIGNER — Top of thumb here

©2008 National Notary Association • 9350 De Soto Ave., P.O. Box 2402 • Chatsworth, CA 91313-2402 • www.NationalNotary.org Item #5907 Reorder: Call Toll-Free 1-800-876-6827

EXHIBIT A
STANDARD BILLING RATES
CITY OF PALM DESERT
STAFF AND EQUIPMENT

All rates subject to yearly update

Rates are shown per hour and are billed pro-rated for any portion of an hour.
Rates are established by City Council.

Staff Position	Regular Rate	Overtime Rate
Traffic Signal Technician	$ 134 / hr.	$ 161 / hr.
Traffic Signal Specialist	$ 138 / hr.	$ 162 / hr.
Landscape Inspector	$ 106 / hr.	$ 130 / hr.

Equipment	Regular Rate
Service Truck	$ 7 / hr.
Bucket Truck	$ 27 / hr.
Service Truck with Message Board	$ 19 / hr.

EXHIBIT "B"

INSTALLATIONS

MAINTAINED BY	DESCRIPTION OF SHARED FACILITY AND LOCATION	PERCENT OWNERSHIP	
		LA QUINTA	PALM DESERT
Palm Desert	Traffic Signal and safety lighting: Washington Street at Palm Royale Drive. Cost share for maintenance and electricity	50%	50%

[This page has intentionally been left blank.]

CITY OF PALM DESERT
STAFF REPORT

MEETING DATE: November 17, 2022

PREPARED BY: M. Gloria Sanchez, Records Coordinator

REQUEST: RESOLUTION TO AUTHORIZE DESTRUCTION OF OBSOLETE RECORDS FROM THE BUILDING & SAFETY DIVISION

RECOMMENDATION:

Adopt a Resolution authorizing the destruction of obsolete records from the Building & Safety Division pursuant to the California Government Code Section 34090.

BACKGROUND/ANALYSIS:

Government Code Section 34090 permits the destruction of City records with the written consent of the City Attorney and approval of the City Council. The City's records retention program, adopted on October 29, 2020, by Resolution No. 2020-76, establishes retention periods for all City records and provides for the systematic destruction of obsolete records.

Attached is Exhibit "A" the Records Destruction Certificate which lists the records submitted for destruction. The Certificate will be reviewed and signed by the City Attorney as well as the City Clerk prior to destruction of all records.

FINANCIAL IMPACT:

Destroying obsolete records reduces the costs associated with offsite document storage and records management.

REVIEWED BY:

Department Director:	*Anthony J. Mejia*
City Attorney:	*Robert Hargreaves*
Finance Director:	*John Ramont*
Assistant City Manager:	*Chris Escobedo*
City Manager:	*Todd Hileman*

ATTACHMENTS:

1. Resolution
2. Records Destruction Certificate – Exhibit "A"

RESOLUTION NO. 2022-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM DESERT, CALIFORNIA, SETTING FORTH ITS FINDINGS AND AUTHORIZING THE DESTRUCTION OF RECORDS FROM THE BUILDING & SAFETY DIVISION, AS INDICATED ON THE RECORDS RETENTION SCHEDULE (ADOPTED OCTOBER 29, 2020). RECORDS FROM 1986 THROUGH 2019 (EXHIBIT "A")

WHEREAS, the Building & Safety Division of the City of Palm Desert, California, has records that have met or exceeded the retention period caused by the official files, records, exhibits, and other documents of said office pursuant to the Retention Schedule set forth on City Council Resolution No. 2020-76; and

WHEREAS, said files are not the subject of any claim, litigation, investigation, or audit.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Palm Desert, California, as follows:

Section 1. That the above recitations are true and correct and constitute the findings of the City Council in this matter.

Section 2. That it does hereby approve the destruction of all documents and records from files as set forth in Exhibit "A," attached hereto, which have met or exceeded their retention period.

Section 3. That the audio cassette recordings for the Cultural Resources Preservation Committee (2007-2019) and Building Board of Appels (1986-2007) have exceeded their retention period (Exhibit "A").

ADOPTED ON _____, 2022.

_____
JAN C. HARNIK
MAYOR

ATTEST:

_____
ANTHONY J. MEJIA
CITY CLERK

I, Anthony J. Mejia, City Clerk of the City of Palm Desert, hereby certify that Resolution No. 2022-___ is a full, true, and correct copy, and was duly adopted at a regular meeting of the City Council of the City of Palm Desert on _____, 2022, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:
RECUSED:

IN WITNESS WHEROF, I have hereunto set my hand and affixed the official seal of the City of Palm Desert, California, on _____, 2022.

_____
ANTHONY J. MEJIA
CITY CLERK

CITY OF PALM DESERT
AUTHORITY TO DESTROY OBSOLETE RECORDS

Dept.	Retention No.	Description of Record	Years Covered	Retention Period	Shred or Discard
Building & Safety	CW-012	Cultural Resources Preservation Committee – Cassette recording	2007 - 2019	2 years	Discard
Building & Safety	CW-012	Building Boards of Appeals – Cassette recording	1986 - 2007	2 years	Discard

I consent to the destruction of these obsolete records according to accepted policies and procedures.

City Clerk Date

City Attorney Date

Approved by City Council: XX/XX/XXXX

Original: City Clerk's Office
Copy: Department

CITY OF PALM DESERT
STAFF REPORT

MEETING DATE: November 17, 2022

PREPARED BY: Jason Finley, Chief Building Official

REQUEST: APPROVE SEVEN (7) MILLS ACT CONTRACTS FOR SANDPIPER CIRCLE CONDOMINIUMS LOCATED ON EL PASEO

RECOMMENDATION:

Approve seven (7) Mills Act contracts for Sandpiper Circle Condominiums located on El Paseo in accordance with Section 29.70.030 of the Palm Desert Municipal Code (PDMC).

- Circle 1
  121 Sandpiper Street – APN 640-240-014

- Circle 2
  231 Sandpiper Street – APN 640-250-018
  242 Sandpiper Street – APN 640-250-011

- Circle 3
  342 Sandpiper Street – APN 640-260-005
  352 Sandpiper Street – APN 640-260-003
  361 Sandpiper Street – APN 640-260-008
  363 Sandpiper Street – APN 640-260-007

BACKGROUND/ANALYSIS:

The Mills Act (Government Code 50280 et seq.) is a state law that provides incentives for the restoration and preservation of qualified historic buildings by private property owners. Enacted in 1972, the Mills Act legislation grants participating local governments (cities and counties) the authority to enter into contracts with owners of qualified owner-occupied and income-producing property who actively participate in the rehabilitation, restoration, preservation, and maintenance of their historic property. In exchange, participating property owners may be eligible for a reduction in their property taxes.

The Mills Act is recognized as one of the most important incentive programs available in California for use by private property owners of qualified historic buildings. Over 80 communities in the state have established a Mills Act program.

Applications for a Mills Act contract are hereby presented to the City Council for review and approval. The staff has developed a Mills Acts Program Manual, which includes an overview of the Mills Act program, submittal requirements, and worksheets needed for review and processing of the Mills Act contract requests.

Strategic Plan:
The California Mills Act Program (a voluntary program) provides property owners of qualified historic landmarks and districts the opportunity and tax incentives to preserve their properties in the original aesthetic conditions. In doing so, this program promotes the goals of the Arts and Culture element of the City's Envision Palm Desert Strategic Plan by increasing the public recognition and appreciation of our City's architectural and artistic treasures. Cultural tourism events have grown in popularity throughout the Coachella Valley to celebrate these types of architecture. Tourists drawn to Palm Desert to view our growing list of cultural landmarks provide economic benefits to the City of Palm Desert.

Committee Recommendation:
On February 2, 2022, the Cultural Resources Preservation Committee, at its regular scheduled meeting, conducted a public hearing as required per PDMC 29.40.070 and unanimously recommended nominating the Sandpiper Condominiums Circle 1 located on El Paseo, with Historic District designation.

On November 30, 2021, the Cultural Resources Preservation Committee, at its regular scheduled meeting, conducted a public hearing as required per PDMC 29.40.070 and unanimously recommended nominating the Sandpiper Condominiums Circle 2 located on El Paseo, with Historic District designation.

On August 31, 2021, the Cultural Resources Preservation Committee, at its regular scheduled meeting, conducted a public hearing as required per PDMC 29.40.070 and unanimously recommended nominating the Sandpiper Condominiums Circle 3 located on El Paseo, with Historic District designation.

FINANCIAL IMPACT:

There is no fiscal impact associated with this action.

REVIEWED BY:

Department Director:	*Richard D. Cannone, AICP*
City Attorney:	*Robert Hargreaves*
Finance Director:	*John Ramont*
Assistant City Manager:	*Chris Escobedo*
City Manager:	*Todd Hileman*

ATTACHMENTS:

1. Mills Act Applications
2. Mills Act Contracts

SANDPIPER MILLS ACT APPLICATIONS

TABLE OF CONTENTS:

121 SANDPIPER.....2
231 SANDPIPER.....26
242 SANDPIPER.....40
342 SANDPIPER.....49
352 SANDPIPER.....83
361 SANDPIPER.....112
363 SANDPIPER.....137

121 SANDPIPER APPLICATION

June 13, 2022

Cultural Resources Administrator
Department of Building and Safety
73-510 Fred Waring Drive
Palm Desert, CA 92260-2578

Re: Mills Act Application for Sandpiper 121 in Historic District 4 Sandpiper Condominiums

Attn: Cultural Resources Administrator

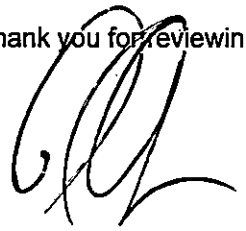
We really appreciate the opportunity to apply for Historical Status with the City of Palm Desert for 121 Sandpiper Street.

Jessica (my wife) and I purchased our unit in July of 2019 and immediately fell in love with the structure. We had been searching in Palm Springs for 3 years and we finally found our dream second home in Sandpiper. I have since joined the Homeowner's Board of Governors at the PSGA #1 Circle and have really pushed for our Board to get our Homeowner's Association approved for the Mills Act. With the help of our property manager and our amazing President of the PSGA #1 Board, our circle attained approval on Historical Status on April 14, 2022.

Since the time of ownership, Jessica and I have invested thousands of dollars to improve Unit 121 while maintaining and respecting the historical status of William Krisel's original design. We have replaced some exterior dry rot on our front patio, upgraded the master bathroom plumbing, painted the interior, painted the exterior underside eves, and have cleaned up the unit and decorated it in the spirit of the mid-century design. Currently, we are adding a mid-century design back splash in our rounded kitchen.

It was a challenge to get this submittal in because we reside in Vancouver, Washington, and we had to get our keys to someone to take pictures for us. We have scrambled but hopefully we have put together a complete package to show our amazing mid-century unit.

Thank you for reviewing our submittal. Please feel to call me at 360-518-2174 if you have any questions.



Ron Green
121 Sandpiper
Palm Desert, CA 92260

City of Palm Desert
Department of Building and Safety
MILLS ACT HISTORIC PROPERTY CONTRACT APPLICATION

73-510 Fred Waring Drive · Palm Desert · California · 92260 · (760) 776-6420 · Fax (760) 776-6392

Property Owner Information:

Name: RONALD S. GREEN + JESSICA L. MCCANN-GREEN
Address: 2303 SE 106TH AVENUE
City: VANCOUVER State: WA Zip: 98664
Phone: (HM) (360) 518-2174 (WK) (503) 222-6421 Email: ron.green@lakeside industries.com

Property Information:

Address of Property: 121 SANDPIPER STREET PALM DESERT, CA 92260
Assessor's Parcel No(s): LOT 5 OF TRACT NO. 3103 CITY OF PALM DESERT, CA
Legal Description (attach additional sheets if necessary):
Date of Purchase by Current owner: JULY 26, 2019
Use of Property: SECOND HOME

Eligibility for the Mills Act Program:

A property must be designated and recorded with the Riverside County Recorder at the time an application is submitted. Please check the designation(s) that apply to the property:

- X City Historic Landmark
- X Contributor to a City Historic District
- ___ National Register of Historic Places (individually listed)
- ___ National Register of Historic Places (contributor to a historic district)
- ___ National Historic Landmark

Name of Historic District (if applicable): HISTORIC DISTRICT 4 SANDPIPER CONDOMINIUMS
Date of Designation: APRIL 14, 2022

Property Owner Consent: I am (we are) the present owner(s) of the property described above and hereby apply for consideration for a Mills Act Historic Property Contract

Jessica Green — 6/14/2022
Signature of Property Owner — Date

[signature] — 6/14/2022
Signature of Property Owner — Date

For Office Use:

RECORDING REQUESTED BY
Brian Brault

AND WHEN RECORDED MAIL DOCUMENT AND TAX STATEMENT TO:

NAME Ronald Green and Jessica McCann-Green

STREET ADDRESS 2303 SE 108th Avenue

CITY, STATE & ZIP CODE Vancouver, WA 98664

TITLE ORDER NO. _____

ESCROW NO. _____

2021-0352444
05/10/2021 12:40 PM Fee: $ 102.00
Page 1 of 2
Recorded in Official Records
County of Riverside
Peter Aldana
Assessor-County Clerk-Recorder

1032

SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY

QUITCLAIM DEED

TRA: 018

APN: 640-240-014-3

The undersigned grantor(s) declare(s)
DOCUMENTARY TRANSFER TAX $ 0.00
☐ computed on full value of property conveyed, or
☐ computed on full value less liens and encumbrances remaining at time of sale.
☐ Unincorporated Area City of Palm Desert

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, I (We) Ronald Green
(NAME OF GRANTOR(S))

hereby remise, release and quitclaim to Ronald Green and Jessica McCann-Green, as Trustees of the Green Family Trust, established by agreement executed May 17, 2021
(NAME OF GRANTEE(S))

the following described real property in the City of Palm Desert, County of Riverside, State of California,

(Insert Legal Description)
See attached Exhibit A

DATED: 5/7/2021

Name Ronald Green

Name _____

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~~ Washington
COUNTY OF Cowlitz

On 5/7/2021 before me, Katherine Peach-Shaw (here insert name and title of the officer), personally appeared Ronald Green

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

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

WITNESS my hand and official seal.

Signature Katherine Peach-Shaw (SEAL)

KATHERINE PEACH-SHAW NOTARY PUBLIC COMMISSION EXPIRES APRIL 2, 2023 STATE OF WASHINGTON

MAIL TAX STATEMENT AS DIRECTED ABOVE

Exhibit "A"

Parcel 1:

Lot 5 of Tract No. 3103, in the City of Palm Desert, County of Riverside, State of California, as shown by Map on file in Book 54 Pages 36 to 38, inclusive, of maps, records of said County.

Parcel 2:

An undivided one-twenty-fourth (1/24th) interest in Lot 97 of said Tract No. 3103.

Parcel 3:

(1) All buildings and other improvements on said premises, and
(2) Easements for support and settlement where said Lot 5 adjoins Lots 4 and 6, together with easements for eaves or overhangs as such exist as of September 22, 1966.

DOC # 2019-0279579
07/26/2019 10:47 AM Fees: $17.00
Page 1 of 2
Recorded in Official Records
County of Riverside
Peter Aldana
Assessor-County Clerk-Recorder

RECORDING REQUESTED BY:
Orange Coast Title

AND WHEN RECORDED MAIL TO:

Ronald Stuart Green
2303 SE 106th Avenue
Vancouver, WA 98664

This document was electronically submitted to the County of Riverside for recording
Receipted by: SOPHIA #466

THIS SPACE FOR RECORDER'S USE ONLY:

Title Order No.: 210-2016922-10 Escrow No.: 34182-KC
AP#: 640-240-014-3

GRANT DEED

TRA: 018

THE UNDERSIGNED GRANTOR(S) DECLARE(S)
DOCUMENTARY TRANSFER TAX is $323.40
[X] computed on full value of property conveyed, or
[ ] computed on full value less value of liens or encumbrances remaining at time of sale.
[ ] Unincorporated area [X] City of Palm Desert **AND**

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

Irene Elizabeth Smith, a Single Woman

hereby GRANT(s) to: **Ronald Stuart Green , a Married Man as his sole and separate property**

the real property in the City of Palm Desert, County of Riverside, State of California, described as:
LEGAL DESCRIPTION ATTACHED HERETO AS EXHIBIT "A" AND MADE A PART HEREOF
Also Known as: 121 Sandpiper Street, Palm Desert, CA 92260

Dated June 30, 2019

Irene Elizabeth Smith

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

STATE OF CALIFORNIA
COUNTY OF Riverside
On July 5, 2019 before me, Kristy J. Cordell, A Notary Public personally appeared Irene Elizabeth Smith who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/~~are~~ subscribed to the within instrument and acknowledged to me that ~~he~~/she/~~they~~ executed the same in ~~his~~/her/~~their~~ authorized capacity(~~ies~~), and that by ~~his~~/her/~~their~~ signature(~~s~~) on the instrument the person(~~s~~), or the entity upon behalf of which the person(~~s~~) acted, executed the instrument.
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.
WITNESS my hand and official seal.

Signature _____ (Seal)

KRISTY J. CORDELL
Notary Public - California
Riverside County
Commission # 2255358
My Comm. Expires Sep 19, 2022

MAIL TAX STATEMENTS TO PARTY SHOWN BELOW; IF NO PARTY SHOWN, MAIL AS SHOWN ABOVE.

ABOVE.

Order No. 210-2016922-10

Exhibit "A"

Parcel 1:

Lot 5 of Tract No. 3103, in the City of Palm Desert, County of Riverside, State of California, as shown by Map on file in Book 54 Pages 36 to 38, inclusive, of maps, records of said County.

Parcel 2:

An undivided one-twenty-fourth (1/24th) interest in Lot 97 of said Tract No. 3103.

Parcel 3:

(1) All buildings and other improvements on said premises, and
(2) Easements for support and settlement where said Lot 5 adjoins Lots 4 and 6, together with easements for eaves or overhangs as such exist as of September 22, 1966.

COUNTY OF RIVERSIDE

PETER ALDANA
ASSESSOR-COUNTY CLERK-RECORDER

MICHAEL HESTRIN
DISTRICT ATTORNEY

Document # 21-0352444-01-01

COURTESY NOTICE

RV ▲ 0 0 4 5 1 0 0433
Green Ronald Stuart
2303 SE 106th Ave
Vancouver WA 98664-5325

CONFIRMATION OF RECORDING OF A DOCUMENT

Dear Homeowner,

The Assessor-County Clerk-Recorder and the District Attorney of the County of Riverside are committed to protecting its residents from fraudulent land transactions. In that regard, we are monitoring all recordings of Deeds and Deeds of Trust and other similar documents and are sending out "Courtesy Notices" regarding recent property recording transactions.

The Recorder's records indicate that a document affecting your real property was recently recorded. A copy of the first two pages of the document is shown on the reverse side.

IF THE TRANSACTION IS CORRECT, NO ACTION IS REQUIRED ON YOUR PART.

If you have questions regarding this notice, you may visit the Assessor-County Clerk-Recorder website at www.asrclkrec.com and look for the section titled "Real Estate Fraud". Please be aware that this notice is generated and mailed by an outside source on behalf of the Assessor-County Clerk-Recorder for Riverside County.

If you are unaware of this transaction, you may wish to contact the County of Riverside District Attorney's Real Estate Fraud Unit by calling 1-877-723-7779. You may also fill out a Real Estate Fraud Complaint Form, which can be forwarded to the District Attorney's office. This form may be found on the District Attorney's website at: https://rivcoda.org/. From the home page click "The Office", "Special Prosecution", "Real Estate Fraud Unit" then click "Real Estate Complaint Form." You may also telephone your local law enforcement agency to have this matter investigated.

Sincerely,

PETER ALDANA
Assessor-County Clerk-Recorder
P.O. Box 751, Riverside, CA 92502-0751
(951) 486-7000 www.asrclkrec.com

MICHAEL HESTRIN
District Attorney
3960 Orange Street, Riverside, CA 92501
(951) 955-5400 https://rivcoda.org/

10-Year Property Improvement Plan

For sample projects qualifying under the Mills Act see Appendix "A". Attach additional sheets if necessary.

Year	Proposed Project	Estimated Cost
1	COMMON AREA – PAINTING, FURNITURE, IRRIGATION, LANDSCAPE AND WATER REDUCTION (2023)	$ 1,530.00
2	COMMON AREA – PAINTING, IRRIGATION, LANDSCAPING AND WATER REDUCTION (2024)	$ 1,464.00
3	COMMON AREA – GROUNDS, POOL REPAIRS, IRRIGATION, LANDSCAPE, AND WATER REDUCTION (2025)	$ 1,385.00
4	COMMON AREA – ASPHALT SEAL, REPLACE GRILL, IRRIGATION, LANDSCAPE AND WATER REDUCTION (2026)	$ 1,532.00
5	COMMON AREA – POOL DECK, RAMADA & FENCE PAINTING, IRRIGATION, LANDSCAPE AND WATER REDUCTION (2027)	$ 2,275.00
6	COMMON AREA – IRRIGATION, LANDSCAPE AND WATER REDUCTION (2028)	$ 674.00
7	COMMON AREA – PAINT UNITS, IRRIGATION, LANDSCAPE AND WATER REDUCTION (2029)	$ 2,930.00
8	COMMON AREA – ASPHALT OVERLAY & SEAL, POOL DECK MASTIC, IRRIGATION, LANDSCAPE AND WATER REDUCTION (2030)	$ 3,787.00
9	COMMON AREA – FURNITURE, PAINT IRON, IRRIGATION LANDSCAPE AND WATER REDUCTION (2031)	$ 1,011.00
10	COMMON AREA – POOL DECK SEAL, IRRIGATION, LANDSCAPE AND WATER REDUCTION (2032)	$ 1,170.00

This schedule will be attached as an exhibit to the Historic Property Preservation Agreement (Mills Act Contract). It may be revised or updated by mutual consent of the property owner(s) and the Cultural Resources Administrator in the Department of Building and Safety.

All projects that affect the exterior of the property are subject to review and approval by the Cultural Resources Administrator and/or the Cultural Resources Preservation Committee before work begins. Work must meet all City requirements and the *Secretary of the Interior's Standards for Rehabilitation* (Appendix B).

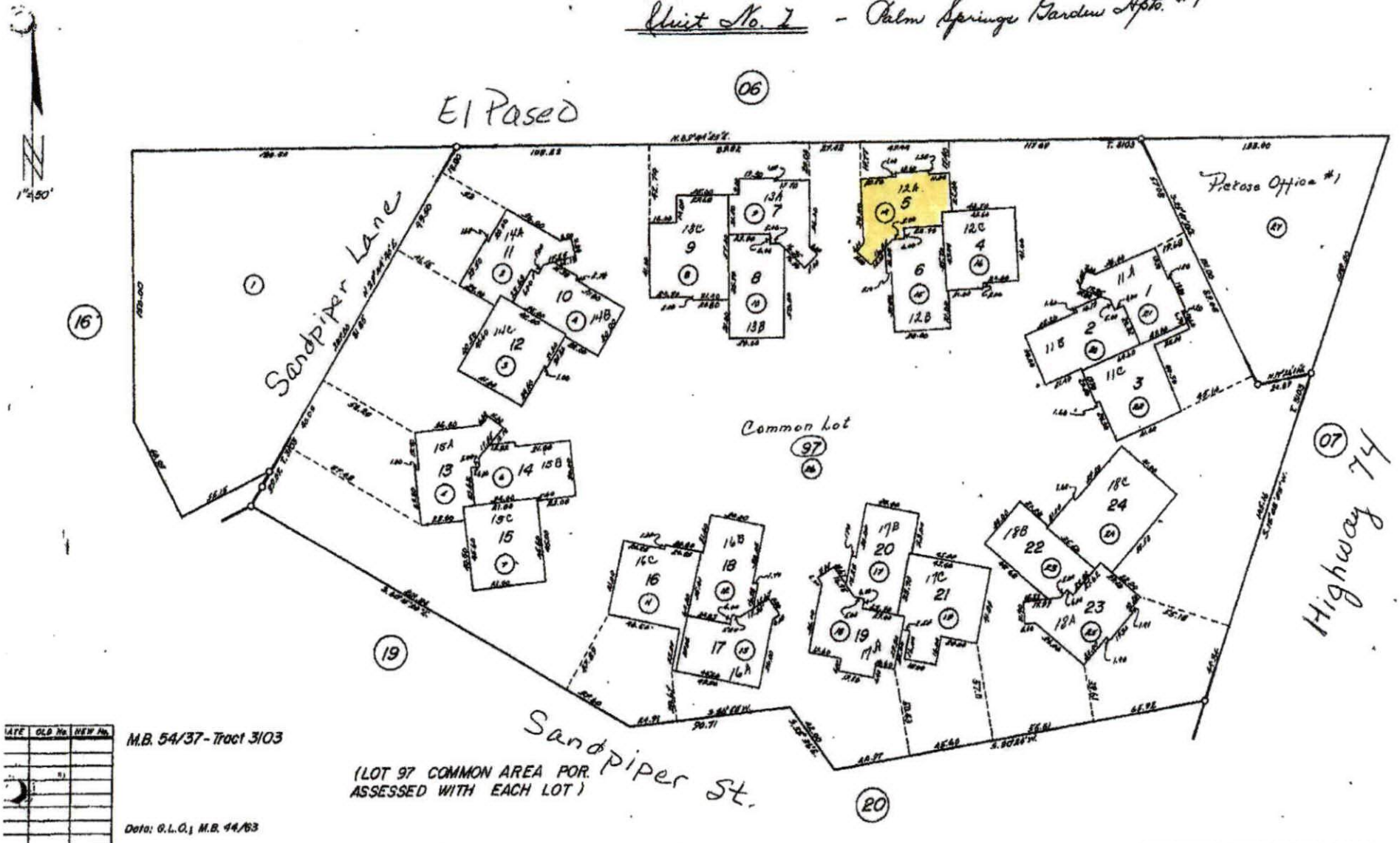
25-8-22

629-18

T. C. A. 7521

por of SE. 1/4 of SEC. 19, T.5S., R.6E.

Unit No. 1 - Palm Springs Gardens Apts. #1



DATE	OLD No.	NEW No.

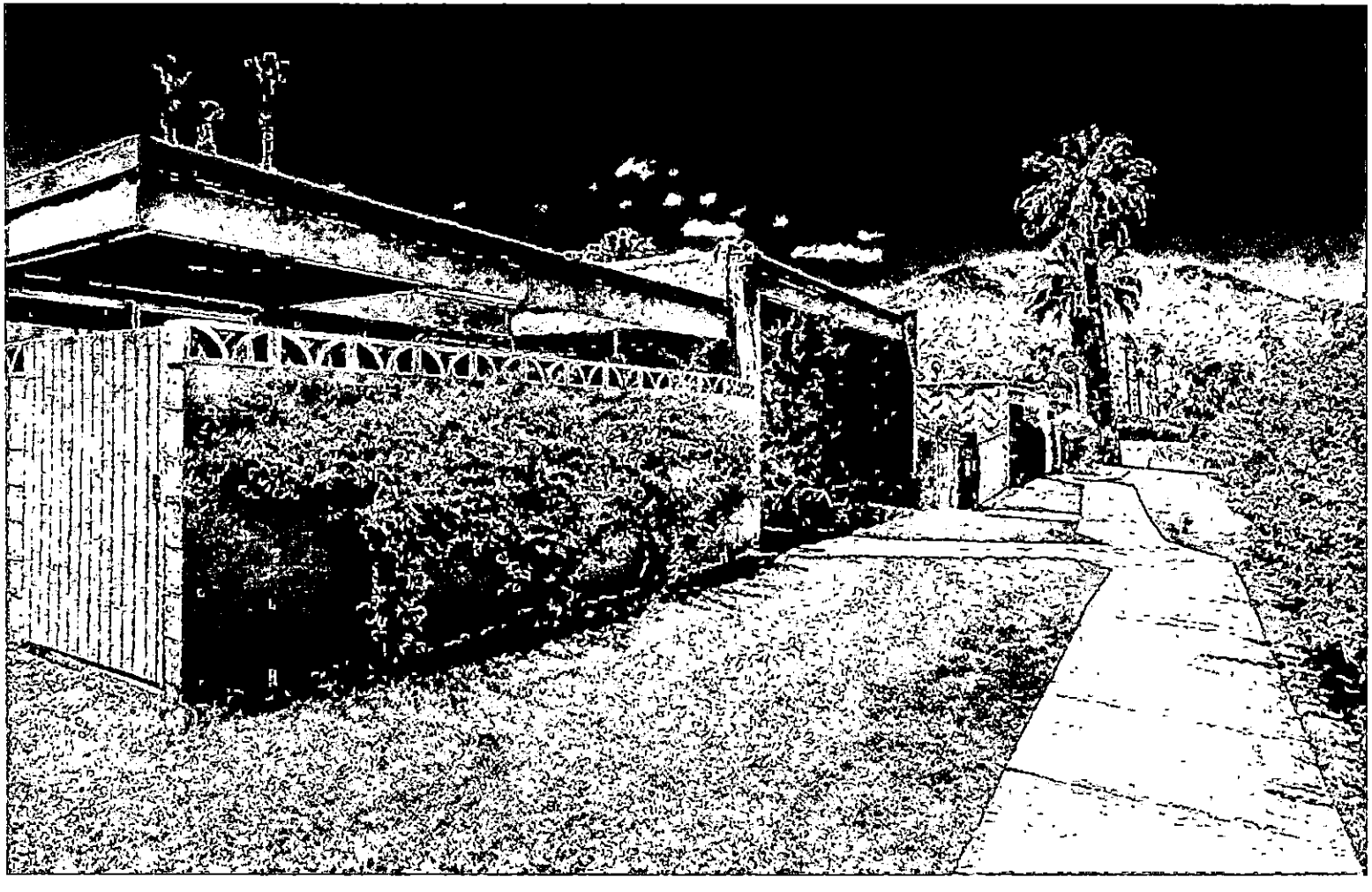
M.B. 54/37 - Tract 3103

Data: G.L.O.; M.B. 44/63

ASSESSOR'S MAP BK. 629 PG. 18
RIVERSIDE COUNTY, CALIF.

Item 1J-12

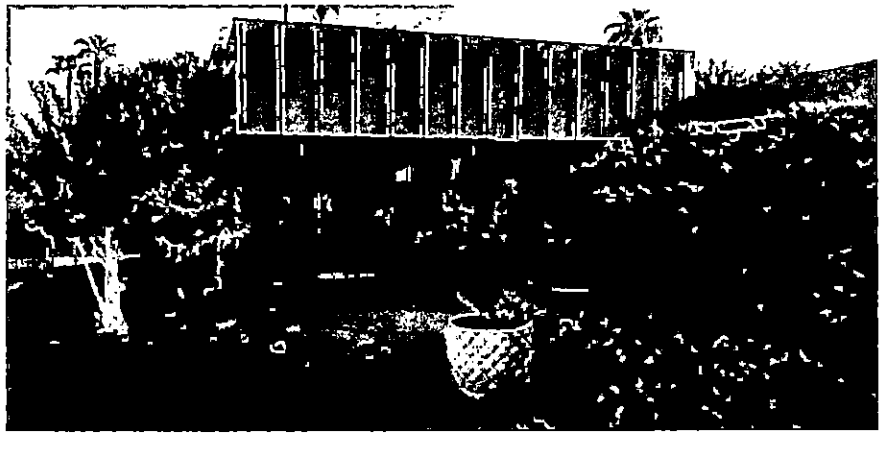
•SANDPIPER UNIT 121



North side of Unit 121

Front door facing north to El Paseo.

Patio with a view of the pool.



West side of unit 121.

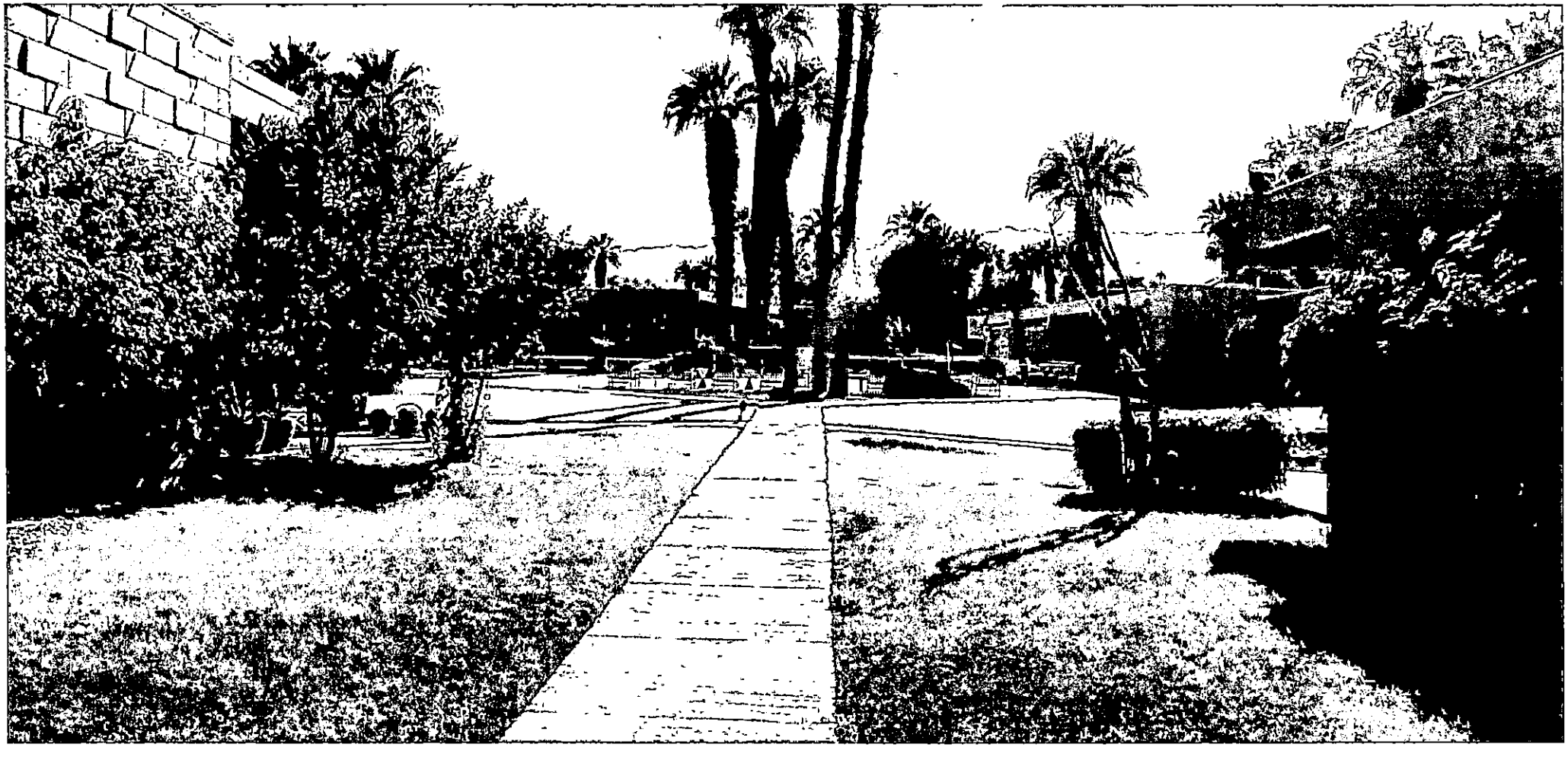
Circle 1, Common Recreation Area

Circle 1 residents enjoy using the original putting green.

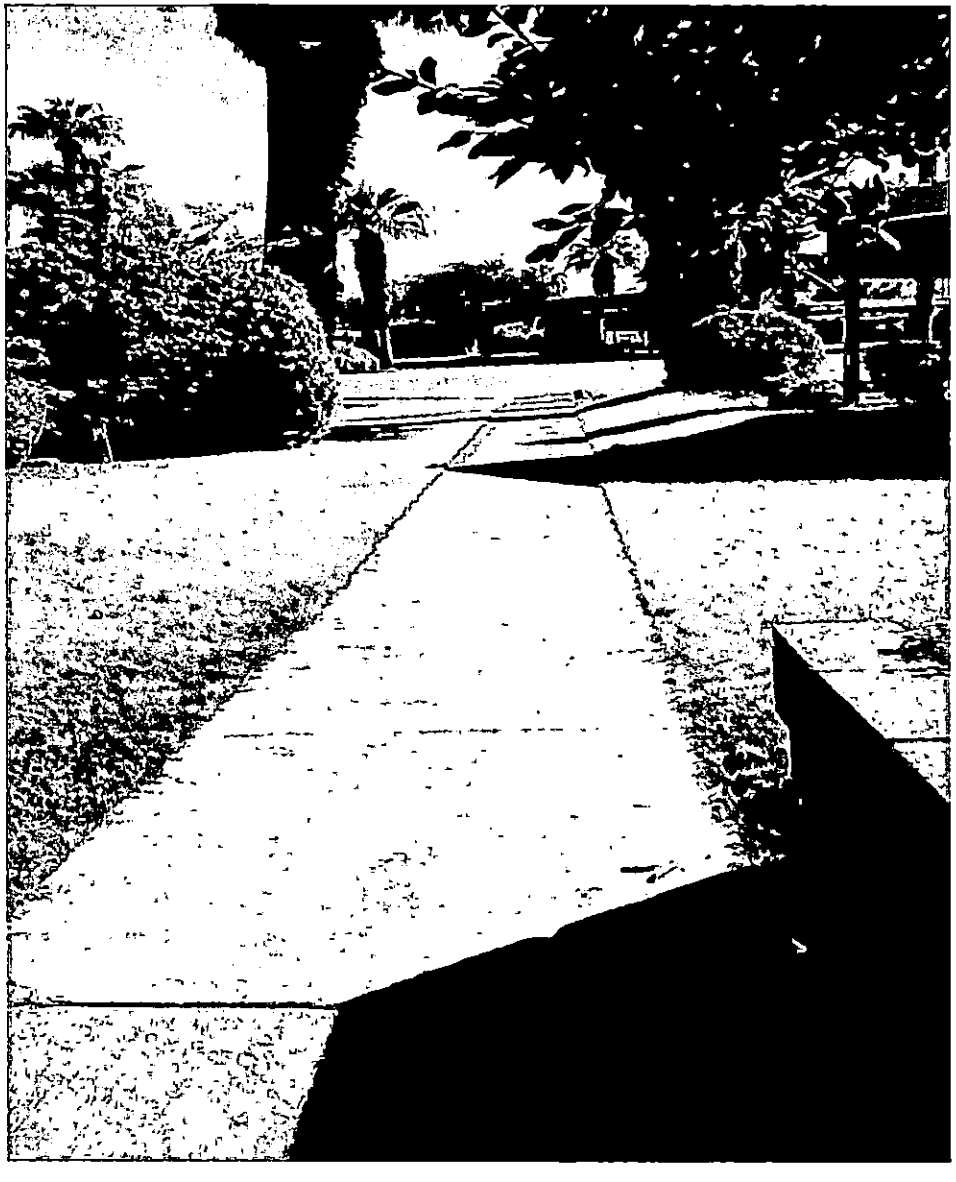
Item 1J-19

View from Gate 1.

View from Gate 2



View from
Gate 3

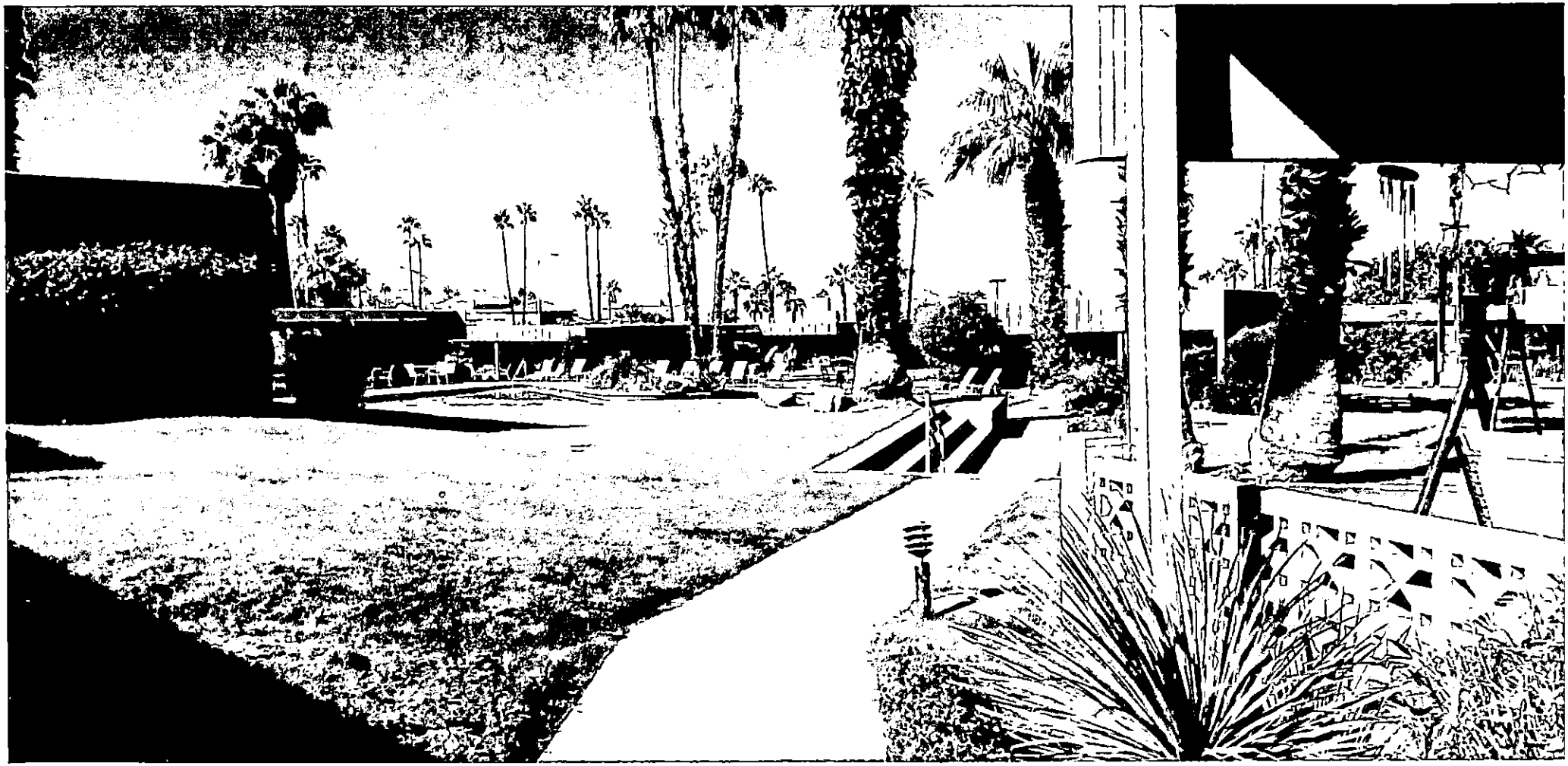


View from Gate 4

View from Gate 5, the Ramada.

View from Gate 6

View from Gate 7



View from Gate 8

231 SANDPIPER APPLICATION

City of Palm Desert
Department of Building and Safety
MILLS ACT HISTORIC PROPERTY CONTRACT APPLICATION

73-510 Fred Waring Drive · Palm Desert · California · 92260 · (760) 776-6420 · Fax (760) 776-6392

Property Owner Information:

Name: Cassandra R. Hearn 367 Nautilus St. Address:

City: La Jolla State: CA Zip: 92037

Phone: (HM) 949-295-0270 (WK) _____ Email: Cassandra.Hearn@gmail.com

Property Information:

Address of Property: 231 Sandpiper St., Palm Desert, CA 92260 Assessor's

Parcel No(s): 640-250-018-8 Legal

Description (attach additional sheets if necessary):

Date of Purchase by Current owner: September 29, 2017

Use of Property: Second Home

Eligibility for the Mills Act Program:

A property must be designated and recorded with the Riverside County Recorder at the time an application is submitted. Please check the designation(s) that apply to the property:

___ City Historic Landmark
X Contributor to a City Historic District
___ National Register of Historic Places (individually listed)
___ National Register of Historic Places (contributor to a historic district)
___ National Historic Landmark

Name of Historic District (if applicable): Sandpiper Circle 2
Date of Designation: February 10, 2022

Property Owner Consent: I am ~~(we are)~~ the present owner(~~s~~) of the property described above and hereby apply for consideration for a Mills Act Historic Property Contract

Signature of Property Owner — Date: 3/3/22

Signature of Property Owner — Date

For Office Use:

Grant Deed

RECORDING REQUESTED BY:
EQUITY TITLE - ORANGE COUNTY/INLAND EMPIRE

AND WHEN RECORDED MAIL TO:

Cassandra R. Hearn
3630 Bayside Walk #B
San Diego, CA 92109

Order No.: OR1752156
Escrow No.: IN-10989-JO
A.P.N.: 640-250-018-8 TRA: 018-006

2017-0404766

09/29/2017 11:19 AM Fee: $ 18.00
Page 1 of 2
Recorded in Official Records
County of Riverside
Peter Aldana
Assessor-County Clerk-Recorder

					R	A	Exam: 805			
Page	DA	PCOR	Misc	Long	RFD	1st Pg	Adtl Pg	Cert	CC	(18)
2										
SIZE	NCOR	SMF	NCHG	T: 018						

GRANT DEED

THE UNDERSIGNED GRANTOR(S) DECLARE(S)
DOCUMENTARY TRANSFER TAX IS $ **338.80** CITY TRANSFER TAX IS **$.00**
[X] computed on full value of property conveyed, or
[ ] computed on full value less value of liens or encumbrances remaining at time of sale.
[ ] unincorporated area [X] City of **Palm Desert** AND

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,
Stephen S. Gibbs, a married man who acquired title as an unmarried man
hereby GRANT(S) to
Cassandra R. Hearn, a single woman
the following described real property in the County of **Riverside**, State of California:

See Exhibit "A" attached hereto and made a part hereof for complete legal description.

AKA: 231 Sandpiper Street, Palm Desert, CA 92260
Dated: **August 30, 2017**

Stephen S. Gibbs

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~~ Tennessee
COUNTY OF Williamson)SS.
On 9/15/2017 before me Laura German Notary Public, personally appeared Stephen S. Gibbs
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies) and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s), acted, executed the instrument.

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

WITNESS my hand and official seal.
Signature Laura German
Signature of Notary
Commission Expiration Date: 01/09/2021

LAURA GERMAN
STATE OF TENNESSEE NOTARY PUBLIC
WILLIAMSON COUNTY, TN

MAIL TAX STATEMENTS TO: Cassandra R. Hearn, 3630 Bayside Walk #B, San Diego, CA 92109

EXHIBIT "A"

PARCEL NO. 1:

LOT 72 OF TRACT NO. 3103, SITUATED IN THE CITY OF PALM DESERT, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY MAP ON FILE IN BOOK 64 OF MAPS, PAGES 36, 37 AND 38, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

PARCEL NO. 2:

AN UNDIVIDED 1/24TH INTEREST IN AND TO LOT 98, TRACT NO. 3103, AS SHOWN BY MAP ON FILE IN BOOK 64 OF MAPS, PAGES 36, 37 AND 38, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

PARCEL 3:

EASEMENTS FOR SUPPORT AND SETTLEMENT WHERE SAID LOT 72 ADJOINS LOTS 71 AND 70, SAID RIGHTS BEING APPURTENANT TO THE LAND DESCRIBED AS PARCEL 1.

END OF LEGAL DESCRIPTION

Property Improvement Plan

10-Year Property Improvement Plan

For sample projects qualifying under the Mills Act see Appendix "A". Attach additional sheets if necessary.

Year	Proposed Project	Estimated Cost
1	Flooring – Repair (water damage repair)	$2,000
2	Door – Repair or Replace (front door replace and frame damage repair)	$4,500
3	Cabinets – New Built-in Bathroom (two bathrooms)	$4,000
4	Porch – Repair or Replace (cracked slabs, cracked cinder blocks, broken fence)	$5,500
5	Windows – Repair or Replacement	$12,000
6	Painting – Interior, Annual Maintenance	$3,500
7	Gutters and Downspouts, Siding Repair or Replace	$6,500
8	Tile – Replace, Repair, Re-point (two bathrooms)	$3,000
9	Roof – Re-roof	$5,500
10	Plumbing – Minor Repairs	$800 - $1,200

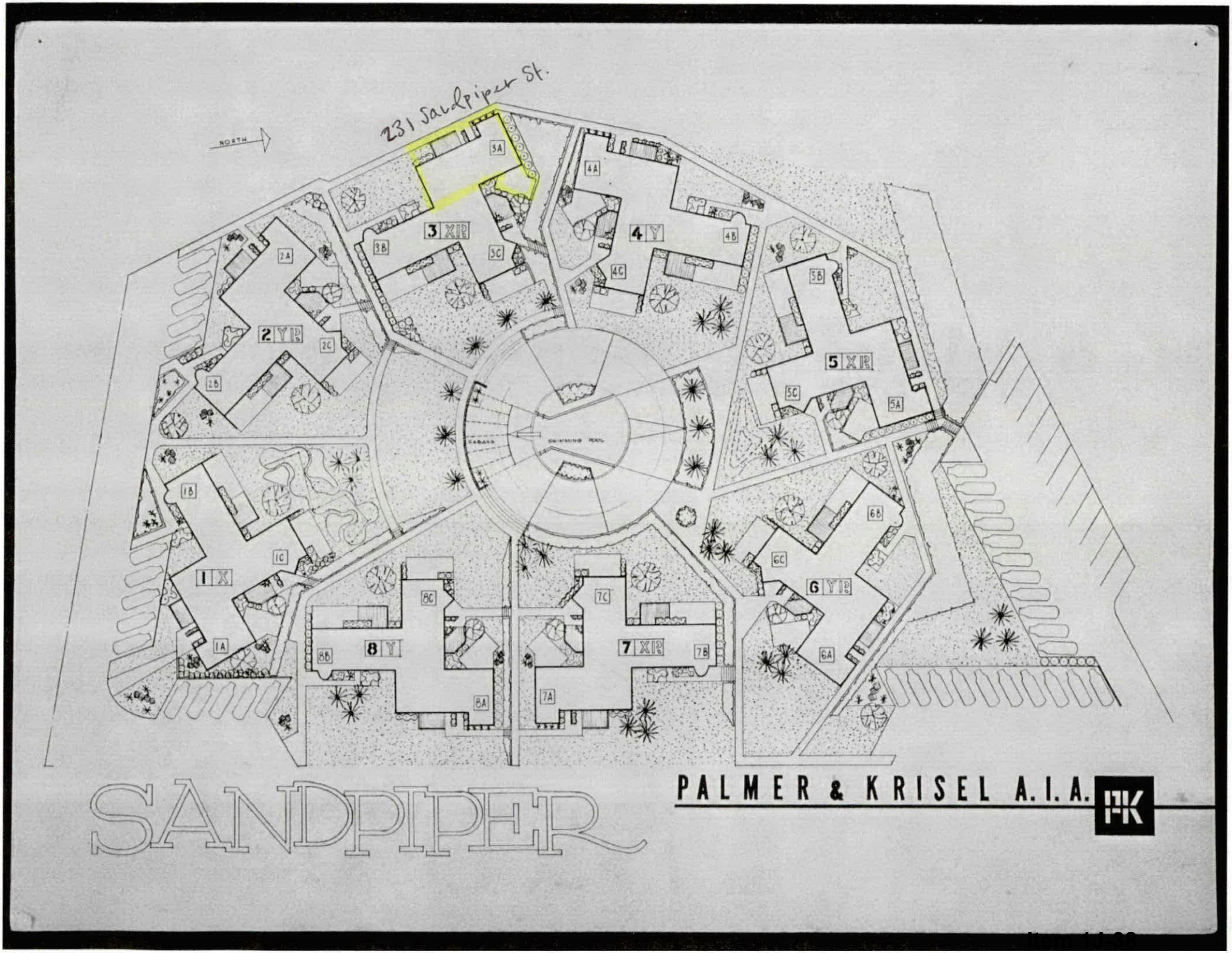
This schedule will be attached as an exhibit to the Historic Property Preservation Agreement (Mills Act Contract). It may be revised or updated by mutual consent of the property owner(s) and the Cultural Resources Administrator in the Department of Building and Safety.

All projects that affect the exterior of the property are subject to review and approval by the Cultural Resources Administrator and/or the Cultural Resources Preservation Committee before work begins. Work must meet all City requirements and the *Secretary of the Interior's Standards for Rehabilitation* (Appendix B).

Photographs
(8x10 included and digital photos on thumb drive)

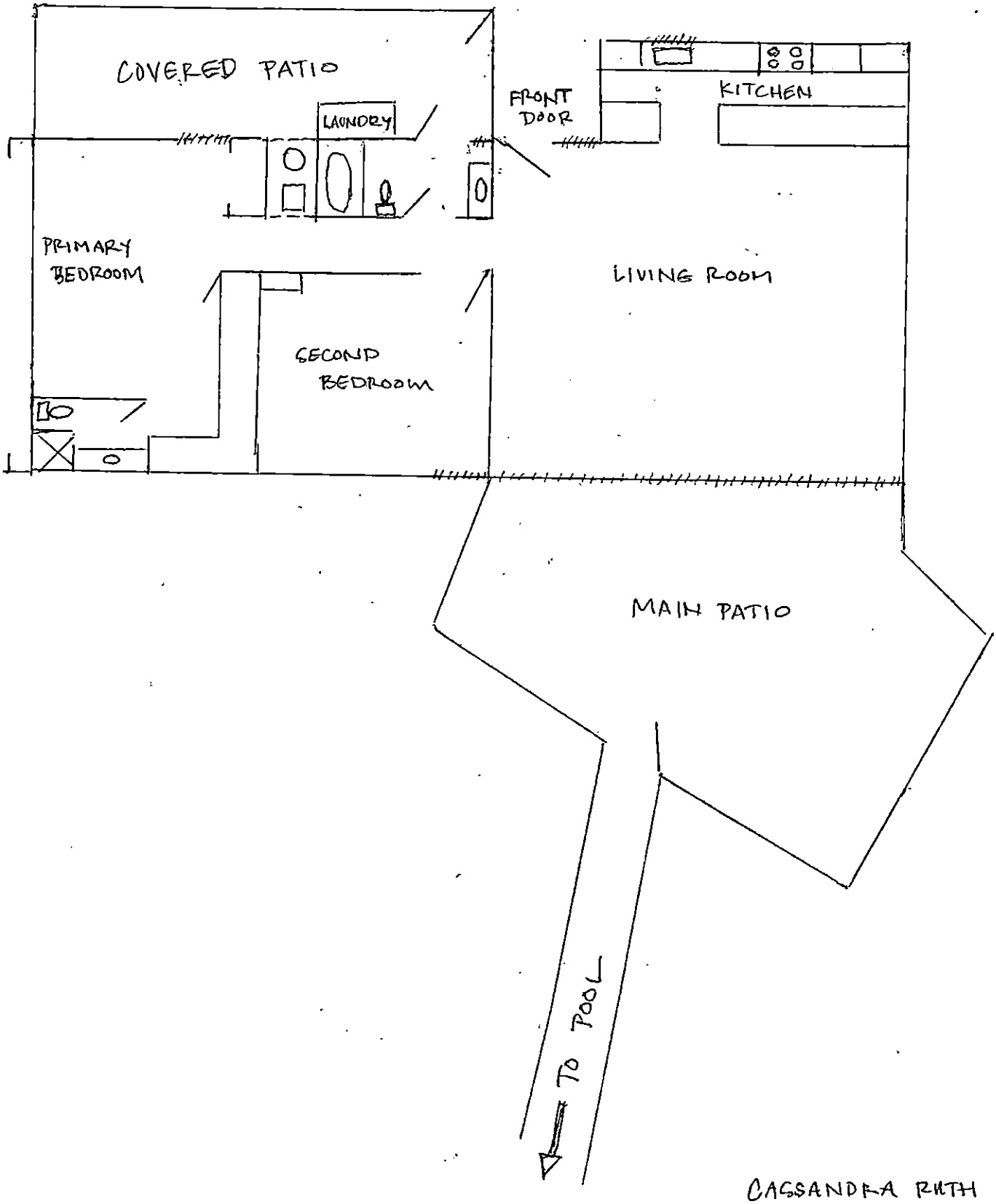
Item 1J-36

Site Plan

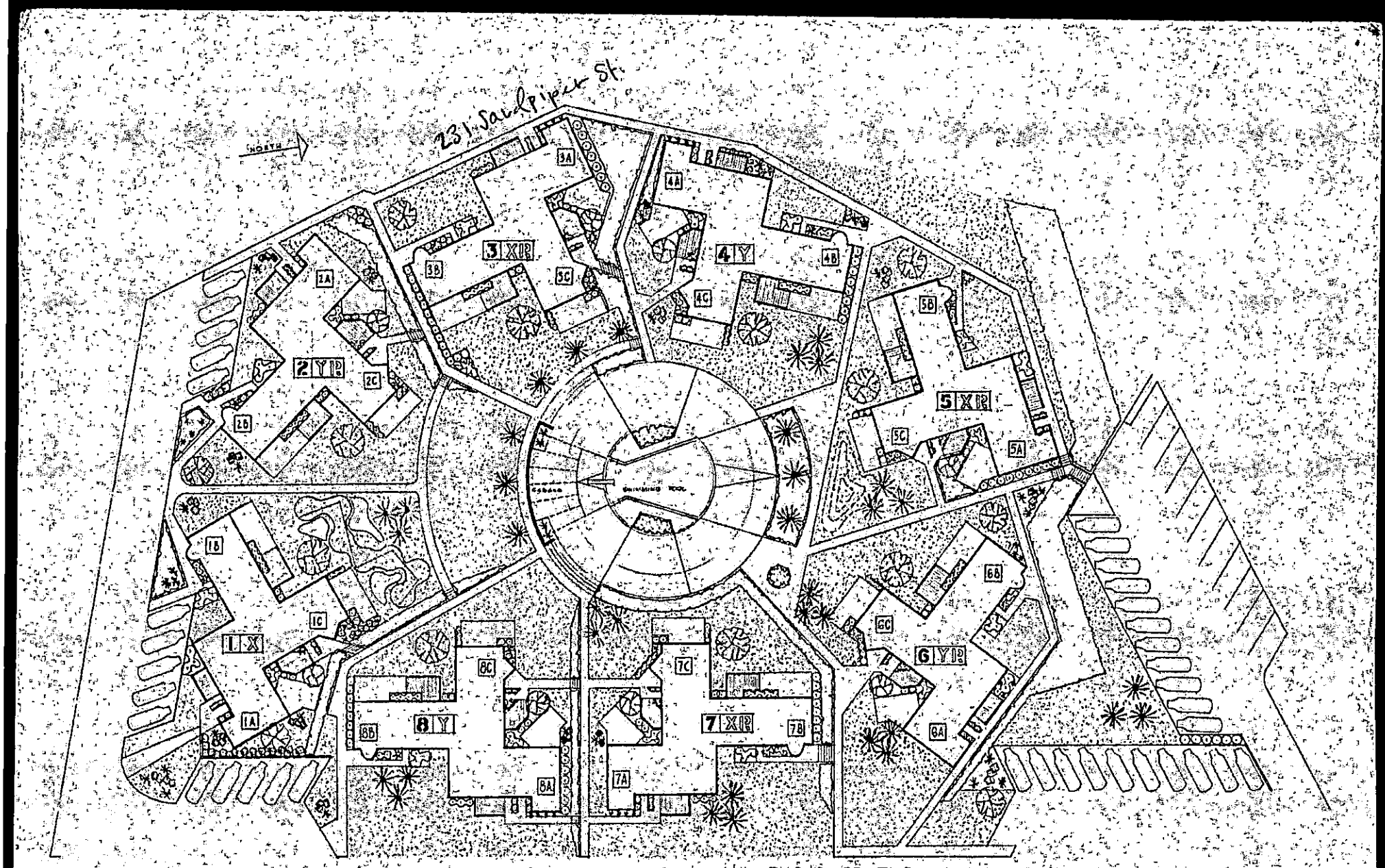

231 Sandpiper St.
NORTH
3A
4A
3 XP
4 Y
4B
3B
3C
4C
2A
5B
2 YP
2C
5 XP
2B
5C
5A
CABANAS
SWIMMING POOL
1B
6B
1C
6C
1 X
G YP
7C
8C
8B
8 Y
7 XP
7B
1A
6A
8A
7A
SANDPIPER
PALMER & KRISEL A.I.A.
PK

SANDPIPER STREET

NORTH →



CASSANDRA RUTH HEARN
231 SANDPIPER ST.
PALM DESERT, CA 92260
(949) 295-0270

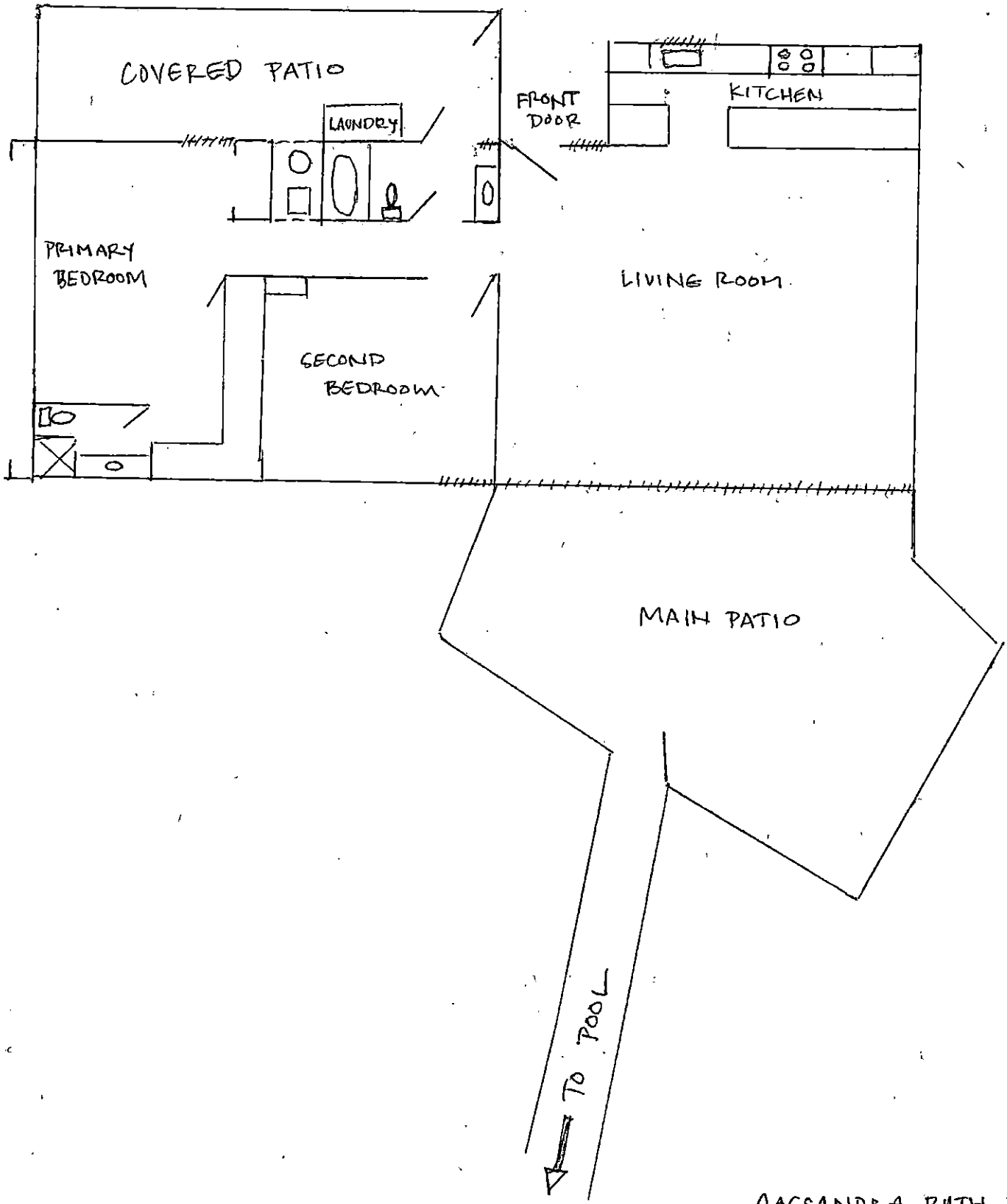


SANDPIPER

PALMER & KRISEL A.I.A. PK

SANDPIPER STREET

NORTH →



CASSANDRA RUTH HEARN
231 SANDPIPER ST.
PALM DESERT, CA 92260
(949) 295-0270

242 SANDPIPER APPLICATION

City of Palm Desert
Department of Building and Safety
MILLS ACT HISTORIC PROPERTY CONTRACT APPLICATION

73-510 Fred Waring Drive · Palm Desert · California · 92260 · (760) 776-6420 · Fax (760) 776-6392

Property Owner Information:

Name: Justin and Courteney Andrews Address: 303 Sanborn Lane
City: Felton State: CA Zip: 95018
Phone: (HM) (408)391-7717 (WK) (408)916-7944 Email: courteneyandrews@gmail.com

Property Information:

Address of Property: 242 Sandpiper St, Palm Desert 92260 Assessor's Parcel No(s): 640-250-011-1 Legal Description (attach additional sheets if necessary): page attached
Date of Purchase by Current owner: 10/26/2020
Use of Property: Second home

Eligibility for the Mills Act Program:

A property must be designated and recorded with the Riverside County Recorder at the time an application is submitted. Please check the designation(s) that apply to the property:

- [X] City Historic Landmark
- [X] Contributor to a City Historic District
- [ ] National Register of Historic Places (individually listed)
- [ ] National Register of Historic Places (contributor to a historic district)
- [ ] National Historic Landmark

Name of Historic District (if applicable): Sandpiper Circle 2
Date of Designation: February 10, 2022

Property Owner Consent: I am (we are) the present owner(s) of the property described above and hereby apply for consideration for a Mills Act Historic Property Contract

Signature of Property Owner — Date: 3/4/22
Courteney Andrews
Signature of Property Owner — Date: 3/4/22

For Office Use:

DOC # 2020-0518060
10/26/2020 05:00 PM Fees: $17.00
Page 1 of 2
Recorded in Official Records
County of Riverside
Peter Aldana
Assessor-County Clerk-Recorder

This document was electronically submitted to the County of Riverside for recording
Receipted by: MARIA #309

RECORDING REQUESTED BY:
Equity Title Company
Order No. 3910220-10111
Escrow No. 12496-HB
A.P.N. . 640-250-011-1
MAIL TAX BILL
AND WHEN RECORDED MAIL TO:

JUSTIN ANDREWS
PO Box 744
Mount Hermon, CA 95041

SPACE ABOVE THIS LINE FOR RECORDER'S USE

TRA: 018-006

GRANT DEED

THE UNDERSIGNED GRANTOR(S) DECLARE(S) THAT DOCUMENTARY TRANSFER TAX IS $429.00
- ☒ computed on full value of property conveyed, or
- ☐ computed on full value less liens or encumbrances remaining at the time of sale.
- ☐ unincorporated area: ☒ Palm Desert, and

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, **Renee Schwertner, Trustee of The Renee Schwertner June 25, 2010 Trust**

hereby GRANT(S) to Justin J. Andrews and Courteney R. Andrews, husband and wife as joint tenants
the following described real property in the County of **Riverside**, State of California:

LEGAL DESCRIPTION: See attached Exhibit "A" attached hereto and made a part hereof
More commonly known as: **242 Sandpiper Street, Palm Desert, CA 92260**

Date October 13, 2020

The Renee Schwertner June 25, 2010 Trust
Renee Schwertner, Trustee
By: Renee Schwertner, Trustee

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

STATE OF CALIFORNIA
COUNTY OF Riverside } S.S.
On October 14, 2020, before me, E. Bruns, Notary Public, personally appeared Renee Schwertner who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature _____ (Seal)

E. BRUNS
Notary Public - California
Los Angeles County
Commission # 2293758
My Comm. Expires Jun 18, 2023

Mail Tax Statement to: SAME AS ABOVE or Address Noted Below

EXHIBIT "A"

PARCEL 1:

LOT 51 OF TRACT NO. 3103 IN THE CITY OF PALM DESERT, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY MAP ON FILE IN BOOK 54, PAGES 36 THROUGH 38 OF MAPS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

PARCEL 2:

AN UNDIVIDED 1/24TH INTEREST IN AND TO LOT 98 OF TRACT 3103 AS SHOWN BY MAP ON FILE IN BOOK 54, PAGES 36 THROUGH 38 OF MAPS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

PARCEL 3:

EASEMENTS FOR SUPPORT AND SETTLEMENT WHERE SAID LOT 51 ADJOINS LOTS 49 AND 50 OF TRACT 3103 AS SHOWN BY MAP ON FILE IN BOOK 54, PAGES 36 THROUGH 38 OF MAPS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

APN: 640-250-011

END OF LEGAL DESCRIPTION

10-Year Property Improvement Plan

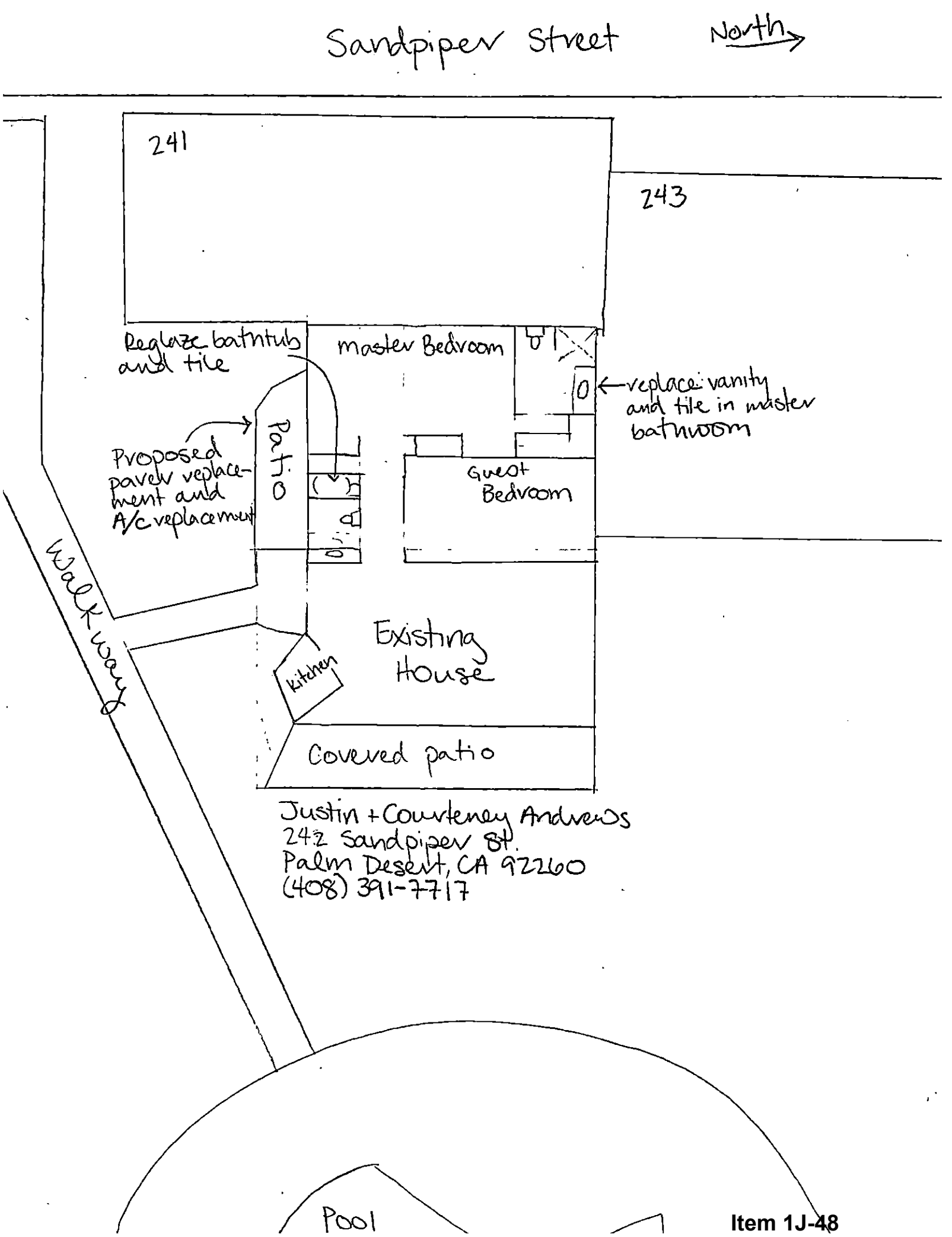
For sample projects qualifying under the Mills Act see Appendix "A". Attach additional sheets if necessary.

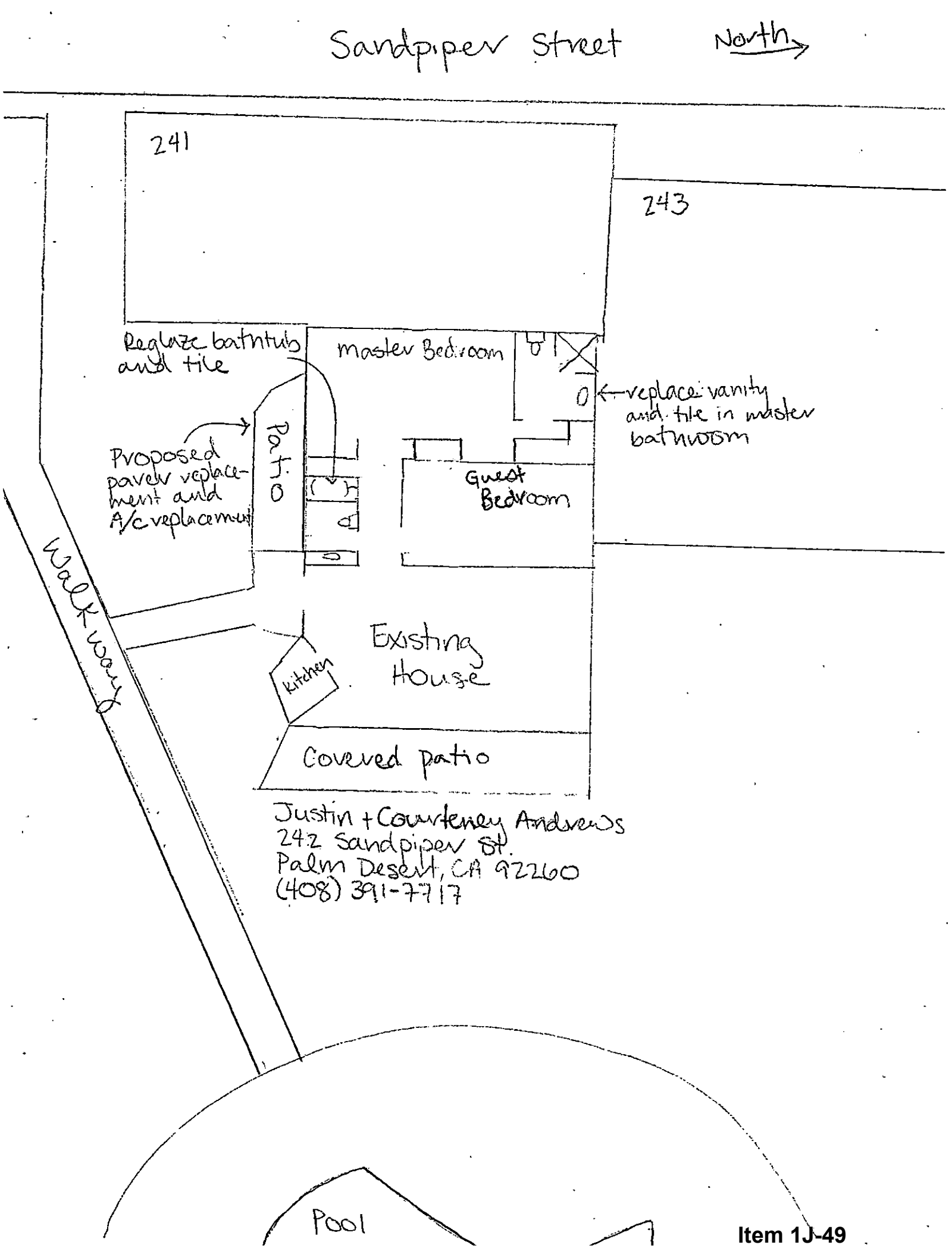
Year	Proposed Project	Estimated Cost
1	Annual Maintenance and Repairs	$3,900
2	Patio - replace broken + cracked pavers HVAC - New System	$5500
3	Cabinets - new built-in bathroom Tile - replace broken tile in bathroom	$5500
4	Annual Maintenance and Repairs	$3,900
5	Window - Screens	$500
6	Electrical - Lighting fixtures	$500
7	Annual Maintenance and Repairs	$3,900
8	Re-glaze original 1960's bathtub+tile	$1,500
9	Flooring - replace carpet in ~~two~~ two rooms	$2,000
10	Annual Maintenance and Repairs	$3,900

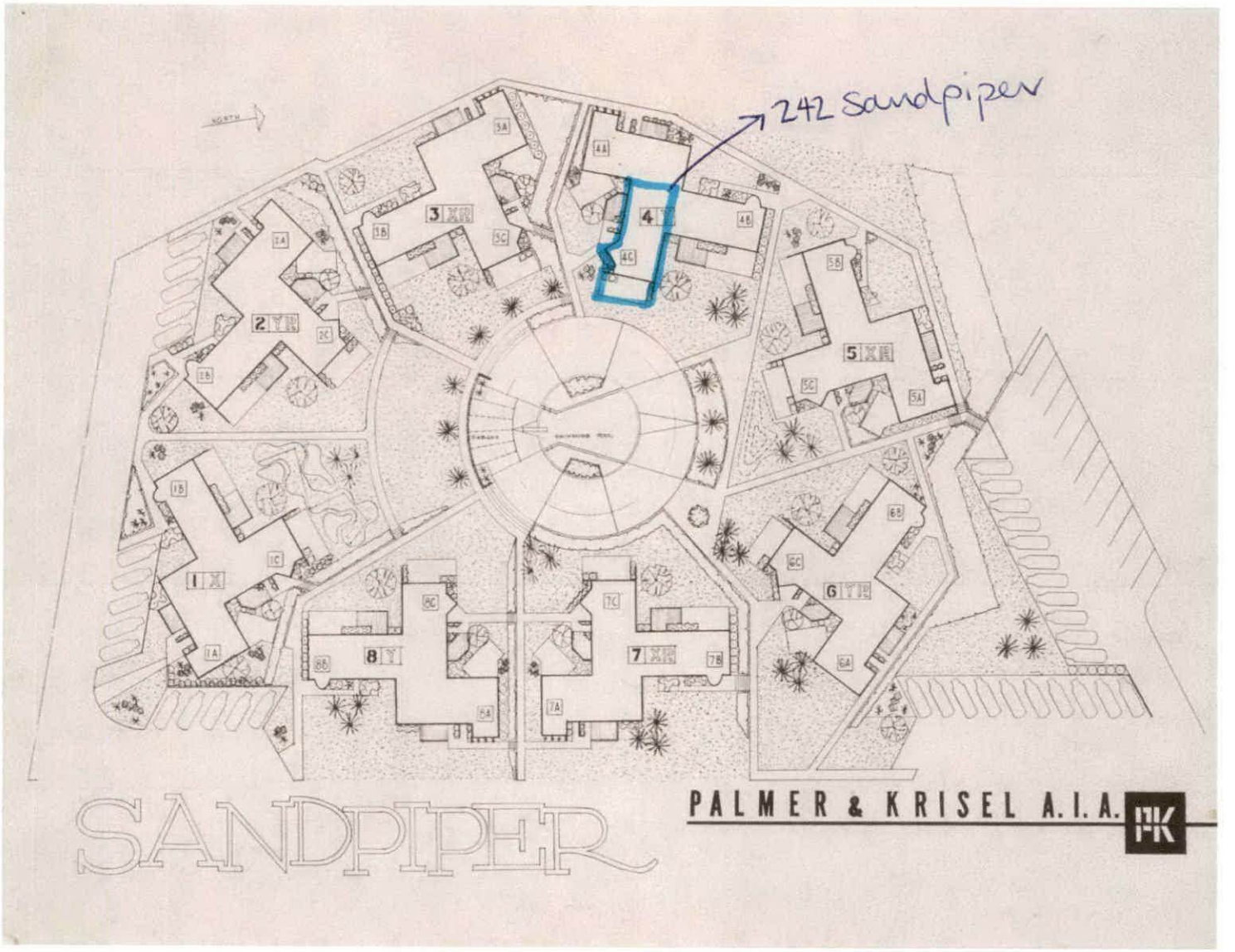
This schedule will be attached as an exhibit to the Historic Property Preservation Agreement (Mills Act Contract). It may be revised or updated by mutual consent of the property owner(s) and the Cultural Resources Administrator in the Department of Building and Safety.

All projects that affect the exterior of the property are subject to review and approval by the Cultural Resources Administrator and/or the Cultural Resources Preservation Committee before work begins. Work must meet all City requirements and the *Secretary of the Interior's Standards for Rehabilitation* (Appendix B).

242


Sandpiper Street
North
241
243
Reglaze bathtub and tile
master Bedroom
replace vanity and tile in master bathroom
Proposed paver replacement and A/C replacement
Patio
Guest Bedroom
Walkway
Existing House
kitchen
Covered patio
Justin + Courteney Andrews
242 Sandpiper St.
Palm Desert, CA 92260
(408) 391-7717
Pool

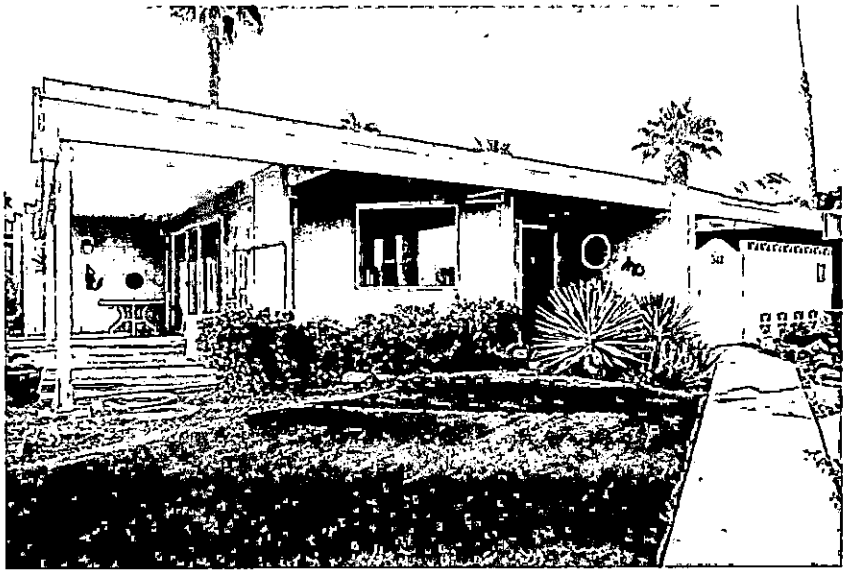

Sandpiper Street
North
241
243
Reglaze bathtub and tile
Master Bedroom
replace vanity and tile in master bathroom
Proposed paver replacement and A/C replacement
P.O.T.
Guest Bedroom
Walkway
Existing House
Kitchen
Covered patio
Justin + Courteney Andrews
242 Sandpiper St.
Palm Desert, CA 92260
(408) 391-7717
Pool


242 Sandpiper
NORTH
SANDPIPER
PALMER & KRISEL A.I.A.
PK

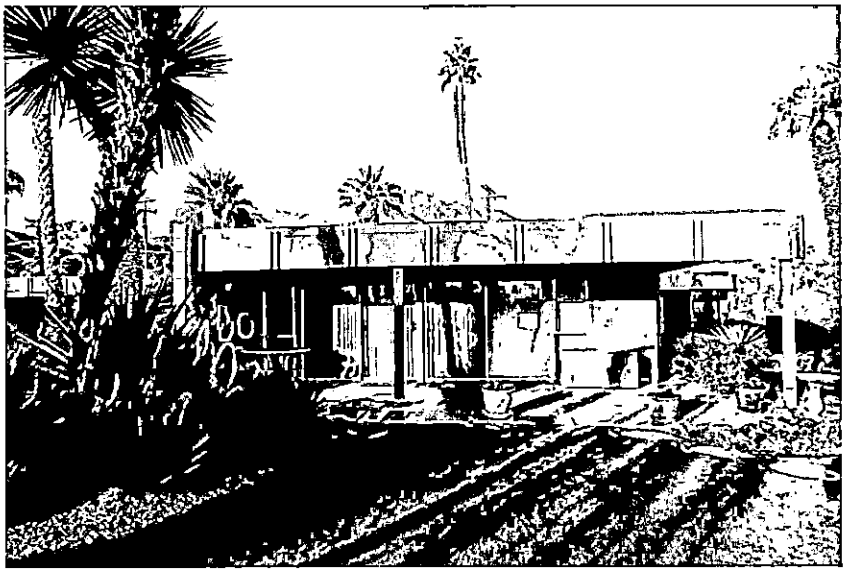
342 SANDPIPER APPLICATION

1. Application Checklist

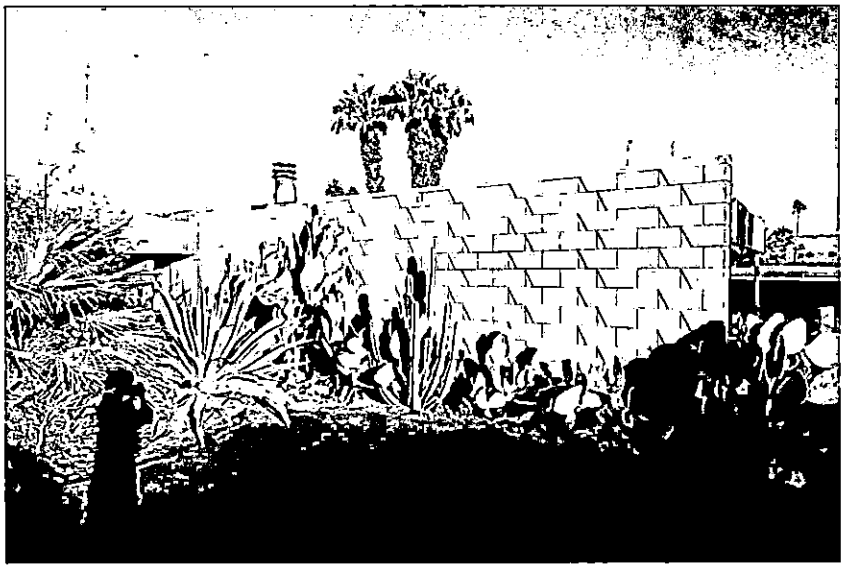
Exterior



Front Entrance



Patio View



Side View

- ✔ 1. Application Checklist
- ✔ 2. Application Form
- ✔ 3. Copy of the grant deed, including a complete legal description
- ✔ 4. 10-Year Property Improvement Plan
- ✔ 5. Photographs
- ✔ 6. Site plan
- ✔ 7. Non-refundable application fee of $318.00

2. Application Form

City of Palm Desert
Department of Building and Safety
MILLS ACT HISTORIC PROPERTY CONTRACT APPLICATION

73-510 Fred Waring Drive · Palm Desert · California · 92260 · (760) 776-6420 · Fax (760) 776-6392

Property Owner Information:

Name: Lussier Family Living Trust U/T/D 12/13/18 (Don Lussier and Joy Lussier, Trustees)

Address: 44-4025 Roblin Blvd.

City: Winnipeg State: MB Canada Zip: R3R3V5

Phone: (HM) 204-489-3722 (WK) _____ Email: donlussier@shaw.ca

Property Information:

Address of Property: 342 Sandpiper St. Palm Desert, CA 92260

Assessor's Parcel No(s): 640260005 and prorata share in common area: 640260025

Legal Description (attach additional sheets if necessary):

Date of Purchase by Current owner: 12/13/2018

Use of Property: Vacation home

Eligibility for the Mills Act Program:

A property must be designated and recorded with the Riverside County Recorder at the time an application is submitted. Please check the designation(s) that apply to the property:

___ City Historic Landmark
X Contributor to a City Historic District
___ National Register of Historic Places (individually listed)
___ National Register of Historic Places (contributor to a historic district)
___ National Historic Landmark

Name of Historic District (if applicable): Sandpiper Condominiums (Historic District #4)

Date of Designation: February 10, 2022

Property Owner Consent: I am (we are) the present owner(s) of the property described above and hereby apply for consideration for a Mills Act Historic Property Contract

Signature of Property Owner — Date: June 16 / 2022

Joy Kathryn Lussier
Signature of Property Owner — Date: June 16 / 2022

For Office Use:

3. Grant Deed

AND WHEN RECORDED MAIL TO:

Mr. and Mrs. Don Lussier
325 Brock Street
Winnipeg, MB R3N 0Y8

County of Riverside
Larry W. Ward
Assessor, County Clerk & Recorder

This document was electronically submitted to the County of Riverside for recording
Receipted by: TVERBA

THIS SPACE FOR RECORDER'S USE ONLY:

Title Order No.: 4592389 Escrow No.: 26810-KC

TWA 01Y0006

GRANT DEED

THE UNDERSIGNED GRANTOR(S) DECLARE(S)
DOCUMENTARY TRANSFER TAX is $ 749.70
[X] computed on full value of property conveyed, or
[ ] computed on full value less value of liens or encumbrances remaining at time of sale.
[ ] Unincorporated area [X] City of Palm Desert **AND**

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

Linda K. Clode, an Unmarried Woman

hereby GRANT(s) to:

Don V. Lussier and Joy Kathryn Lussier, husband and wife as joint tenants

the real property in the City of Palm Desert, County of Riverside, State of California, described as:
LEGAL DESCRIPTION ATTACHED HERETO AS EXHIBIT "A" AND MADE A PART HEREOF
Also Known as: 342 Sandpiper Street, Palm Desert, CA 92260
AP#: 640-260-005

DATED March 3, 2014
STATE OF CALIFORNIA
COUNTY OF Riverside
On March 3, 2014
before me, Kristy J Cordell
A Notary Public personally appeared
Linda K. Clode

Linda K. Clode

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/~~are~~ subscribed to the within instrument and acknowledged to me that ~~he/she/they~~ executed the same in ~~his/her/their~~ authorized capacity(~~ies~~), and that by ~~his/her/their~~ signature(~~s~~) on the instrument the person(s), or the entity upon behalf of which the person(~~s~~) acted, executed the instrument.
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.
WITNESS my hand and official seal.

KRISTY J. CORDELL
Commission # 1901078
Notary Public - California
Riverside County
My Comm. Expires Sep 19, 2014

Signature _____ (Seal)
MAIL TAX STATEMENTS TO PARTY SHOWN BELOW; IF NO PARTY SHOWN, MAIL AS DIRECTED ABOVE:

THIS SPACE FOR RECORDER'S USE ONLY:

Title Order No.: 4592389 Escrow No.: 26810-KC

TRA 011000

GRANT DEED

THE UNDERSIGNED GRANTOR(S) DECLARE(S)
DOCUMENTARY TRANSFER TAX is $ 749.70
[X] computed on full value of property conveyed, or
[ ] computed on full value less value of liens or encumbrances remaining at time of sale.
[ ] Unincorporated area [X] City of Palm Desert AND

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

Linda K. Clode, an Unmarried Woman

hereby GRANT(s) to:

Don V. Lussier and Joy Kathryn Lussier, husband and wife as joint tenants

the real property in the City of Palm Desert, County of Riverside, State of California, described as:
LEGAL DESCRIPTION ATTACHED HERETO AS EXHIBIT "A" AND MADE A PART HEREOF
Also Known as: 342 Sandpiper Street, Palm Desert, CA 92260
AP#: 640-260-005

DATED March 3, 2014

Linda K. Clode

STATE OF CALIFORNIA
COUNTY OF Riverside
On March 3, 2014
before me, Kristy J Cordell,
A Notary Public personally appeared
Linda K. Clode

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/~~are~~ subscribed to the within instrument and acknowledged to me that ~~he/she/they~~ executed the same in ~~his/her/their~~ authorized capacity(~~ies~~), and that by ~~his/her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.
WITNESS my hand and official seal.

KRISTY J. CORDELL
Commission # 1901078
Notary Public - California
Riverside County
My Comm. Expires Sep 19, 2014

Signature _____ (Seal)

MAIL TAX STATEMENTS TO PARTY SHOWN BELOW; IF NO PARTY SHOWN, MAIL AS DIRECTED ABOVE:

LEGAL DESCRIPTION

Real property in the City of Palm Desert, County of Riverside, State of California, described as follows:

PARCEL 1:

LOT 95 OF TRACT 3103, AS SHOWN BY MAP ON FILE IN BOOK 54, PAGES 36 THROUGH 38, INCLUSIVE, OF MAPS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

PARCEL 2:

AN UNDIVIDED ONE-TWENTY-FOURTH (1/24TH) INTEREST IN LOT 99 OF SAID TRACT 3103, AS SHOWN BY MAP ON FILE IN BOOK 54, PAGES 36 THROUGH 38, INCLUSIVE, OF MAPS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

EXCEPTING THEREFROM ALL THAT PORTION IN LOT 99 AS CONVEYED TO COUNTRY CLUB COTTAGES, INC., BY DEED RECORDED SEPTEMBER 1, 1965 AS INSTRUMENT NO. 101369 OF OFFICIAL RECORDS.

APN: 640-260-005-7

RECORDING REQUESTED BY
Legal Docs By ME

AND WHEN RECORDED MAIL DOCUMENT AND TAX STATEMENT TO

NAME Don Lussier

STREET ADDRESS 325 Brock Street

CITY, STATE & ZIP CODE Winnipeg MB R3N0A8

TITLE ORDER NO. _____

ESCROW NO _____

SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY

QUITCLAIM DEED

TRA: _____

APN: 640-260-005-7

The undersigned grantor(s) declare(s)
DOCUMENTARY TRANSFER TAX $ 0.00
☐ computed on full value of property conveyed, or
☐ computed on full value less liens and encumbrances remaining at time of sale.
☐ Unincorporated Area City of Palm Desert

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, I (We) Don V. Lussier and Joy Kathryn Lussier, huband and wife as joint tenants,

hereby remise, release and quitclaim to The Lussier Family Living Trust, UTD Dec 13, 2018 Don Lussier and Joy Lussier, Trustees,
(NAME OF GRANTEE(S))

the following described real property in the City of Palm Desert, County of Riverside, State of California.

LEGAL DESCRIPTION ATTACHED HERETO AS EXHIBIT "A" AND MADE A PART HEREOF

Commonly Known As: 342 Sandpiper Street, Palm Desert, CA 92260

DATED: 12/13/18

Name Don V. Lussier

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.

Name Joy Kathryn Lussier

STATE OF CALIFORNIA
COUNTY OF RIVERSIDE

On 12/13/18 before me, Linda Disterfield, Notary Public, personally appeared
(here insert name and title of the officer)

Don V. Lussier and Joy Kathryn Lussier,

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

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

WITNESS my hand and official seal.

Signature _____ (SEAL)

LINDA DISTERFIELD
COMM. #2141009
NOTARY PUBLIC • CALIFORNIA
RIVERSIDE COUNTY
Commission Expires Feb. 25, 2020

MAIL TAX STATEMENT AS DIRECTED ABOVE

EXHIBIT A

LEGAL DESCRIPTION

Real property in the City of Palm Desert, County of Riverside, State of California, described as follows:

PARCEL 1:

LOT 95 OF TRACT 3103, AS SHOWN BY MAP ON FILE IN BOOK 54, PAGES 36 THROUGH 38, INCLUSIVE, OF MAPS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

PARCEL 2:

AN UNDIVIDED ONE-TWENTY-FOURTH (1/24TH) INTEREST IN LOT 99 OF SAID TRACT 3103, AS SHOWN BY MAP ON FILE IN BOOK 54, PAGES 36 THROUGH 38, INCLUSIVE, OF MAPS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

EXCEPTING THEREFROM ALL THAT PORTION IN LOT 99 AS CONVEYED TO COUNTRY CLUB COTTAGES, INC., BY DEED RECORDED SEPTEMBER 1, 1965 AS INSTRUMENT NO. 101369 OF OFFICIAL RECORDS.

APN: 640-260-005-7

4. 10-Year Property Improvement Plan

Year	Projects/Areas		Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
1 *(2023-24)*	**1.1 HOA Annual Maintenance/Repairs**				*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	1.11 Operating Expenditures				*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2023-24 fiscal year (07/01-06/30)*
	GL Acct Code				
	7080	Landscape Contract	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	7091	Seed, Fertlizer, Plants	4,320.01	180.00	• Replace and care for turf and plants
	7100	Landscape Repairs & Maint	3,235.03	134.79	• Repairs and replacement to landscape elements
	7120	Irrigation Repairs	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
	7121	Lighting Repairs & Maint	1,973.76	82.24	• Maintain historic lighting infrastructure
	7130	Pool Contract	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	7140	Pool & Spa Repairs	1,450.00	60.42	• Specific pool and pool equipment related repairs
	7150	Pest Control	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	7190	Tree Trimming	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	7210	Common Area Repairs	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
		Subtotal	68,042.84	2,835.12	
	1.12 Reserve Expenditures				*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2023-24 fiscal year (07/01-06/30)*
		Asphalt - Seal Coat	2,296.79	95.70	• Seal coat all asphalt (13,117 SF), incl. Pitahaya St. parking area.
		Grounds - Common Area	3,605.00	150.21	• Misc. reserve expenditures (fans, trash recepticles and gates, carports)
		Grounds - Mailboxes	3,605.00	150.21	• Replace two (2) mailboxes
		Irrigation - System Renovation, Phase 2	19,570.00	815.42	• Major renovation to irrigation system in four (4) phases
		Painting - Wrought Iron	4,635.00	193.13	• Paint the perimeter fencing and (13) light poles.
		Pool Area - Extras	515.00	21.46	• Misc pool/pool area related repair (eg. pool mastic)
		Subtotal	34,226.79	1,426.12	
		Subtotal (HOA)	68,042.84	**2,835.12**	
	1.2 Specific Homeowner Projects				
		Sun flap and post replacement	N/A	5,000.00	
		Subtotal (Homeowner)	N/A	**5,000.00**	
		Total		**9,261.23**	

Year	Projects/Areas	Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
2 *(2024-25)*	**2.1 HOA Annual Maintenance/Repairs**			*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	2.11 Operating Expenditures			*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2024-25 fiscal year (07/01-06/30)*
	GL Acct Code			
	7080 Landscape Contract	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	7091 Seed, Fertlizer, Plants	4,320.01	180.00	• Replace and care for turf and plants
	7100 Landscape Repairs & Maint	3,235.03	134.79	• Repairs and replacement to landscape elements
	7120 Irrigation Repairs	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
	7121 Lighting Repairs & Maint	1,973.76	82.24	• Maintain historic lighting Infrastructure
	7130 Pool Contract	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	7140 Pool & Spa Repairs	1,450.00	60.42	• Specific pool and pool equipment related repairs
	7150 Pest Control	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	7190 Tree Trimming	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	7210 Common Area Repairs	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
	Subtotal	68,042.84	2,835.12	
	2.12 Reserve Expenditures			*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2024-25 fiscal year (07/01-06/30)*
	Grounds - Common Area	3,713.15	154.71	• Misc. reserve expenditures (fans, trash recepticles and gates, carports)
	Irrigation - System Renovation, Phase 3	21,218.00	884.08	• Major renovation to irrigation system in four (4) phases
	Pool Area - Extras	530.45	22.10	• Misc pool/pool area related repair (eg. pool mastic)
	Pool Area - Pool, Replaster	27,695.86	1153.99	• Replaster the pool and replace the tile.
	Subtotal	53,157.46	2,214.89	
	Subtotal (HOA)	121,200.30	**5,050.01**	
	2.2 Specific Homeowner Projects			
	New Roof	N/A	5000.00	
	Subtotal (Homeowner)	N/A	**5,000.00**	
	Total		**10,050.01**	

Year	Projects/Areas		Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
3 *(2025-26)*	**3.1 HOA Annual Maintenance/Repairs**				*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	3.11 Operating Expenditures				*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2025-26 fiscal year (07/01-06/30)*
	GL Acct Code				
	7080	Landscape Contract	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	7091	Seed, Fertlizer, Plants	4,320.01	180.00	• Replace and care for turf and plants
	7100	Landscape Repairs & Maint	3,235.03	134.79	• Repairs and replacement to landscape elements
	7120	Irrigation Repairs	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
	7121	Lighting Repairs & Maint	1,973.76	82.24	• Maintain historic lighting infrastructure
	7130	Pool Contract	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	7140	Pool & Spa Repairs	1,450.00	60.42	• Specific pool and pool equipment related repairs
	7150	Pest Control	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	7190	Tree Trimming	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	7210	Common Area Repairs	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
		Subtotal	68,042.84	2,835.12	
	3.12 Reserve Expenditures				*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2025-26 fiscal year (07/01-06/30)*
		Grounds - Common Area	3,824.54	159.36	• Misc. reserve expenditures (fans, trash recepticles and gates, carports)
		Grounds - Entry Gates, Wrought Iron	7,430.54	309.61	• Replace the wrought iron entry gates and locks
		Irrigation - System Renovation, Phase 4	21,854.54	910.61	• Major renovation to irrigation system in four (4) phases
		Pool Area - Extras	546.36	22.77	• Misc pool/pool area related repair (eg. pool mastic)
		Subtotal	33,655.98	1,402.33	
		Subtotal (HOA)	101,698.82	**4,237.45**	
	3.2 Specific Homeowner Projects				
		Patio heater with gas hookup	N/A	3,000.00	
		Subtotal (Homeowner)	N/A	**3,000.00**	
		Total		**7,237.45**	

Year	Projects/Areas		Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
4 *(2026-27)*	**4.1 HOA Annual Maintenance/Repairs**				*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	4.11 Operating Expenditures				*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2026-27 fiscal year (07/01-06/30)*
	GL Acct Code				
	7080	Landscape Contract	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	7091	Seed, Fertlizer, Plants	4,320.01	180.00	• Replace and care for turf and plants
	7100	Landscape Repairs & Maint	3,235.03	134.79	• Repairs and replacement to landscape elements
	7120	Irrigation Repairs	2,940.43	122.52	• Repairs to 60 year old irrigation system which covers 3 acres
	7121	Lighting Repairs & Maint	1,973.76	82.24	• Maintain historic lighting infrastructure
	7130	Pool Contract	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	7140	Pool & Spa Repairs	1,450.00	60.42	• Specific pool and pool equipment related repairs
	7150	Pest Control	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	7190	Tree Trimming	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	7210	Common Area Repairs	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
		Subtotal	68,042.84	2,835.12	
	4.12 Reserve Expenditures				*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2026-27 fiscal year (07/01-06/30)*
		Grounds - Common Area	3,939.28	164.14	• Misc. reserve expenditures (fans, trash recepticles and gates, carports)
		Grounds - Shuffleboard	1,575.71	65.65	• Resurface the shuffleboard court.
		Grounds - Surveillance System	7,315.81	304.83	• Replace surveillance system (four dome cameras and one DVR)
		Pool Area - Extras	562.75	23.45	• Misc pool/pool area related repair (eg. pool mastic)
		Subtotal	13,393.55	558.06	
		Subtotal (HOA)	81,436.39	**3,393.18**	
	4.2 Specific Homeowner Projects				
		Dishwasher, guest bedroom window, clerestory windows in guest bedroom and kitchen		3,000.00	
		Subtotal (Homeowner)	N/A	**3,000.00**	
		Total		**6,393.18**	

Year	Projects/Areas	Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
5 *(2027-28)*	**5.1 HOA Annual Maintenance/Repairs**			*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	5.11 Operating Expenditures			*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2027-28 fiscal year (07/01-06/30)*
	GL Acct Code			
	7080 Landscape Contract	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	7091 Seed, Fertlizer, Plants	4,320.01	180.00	• Replace and care for turf and plants
	7100 Landscape Repairs & Maint	3,235.03	134.79	• Repairs and replacement to landscape elements
	7120 Irrigation Repairs	2,940.43	122.52	• Repairs to 60 year old irrigation system which covers 3 acres
	7121 Lighting Repairs & Maint	1,973.76	82.24	• Maintain historic lighting infrastructure
	7130 Pool Contract	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	7140 Pool & Spa Repairs	1,450.00	60.42	• Specific pool and pool equipment related repairs
	7150 Pest Control	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	7190 Tree Trimming	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	7210 Common Area Repairs	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
	Subtotal	68,042.84	2,835.12	
	5.12 Reserve Expenditures			*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2027-28 fiscal year (07/01-06/30)*
	Grounds - Common Area	4,057.46	169.06	• Misc. reserve expenditures (fans, trash recepticles and gates, carports)
	Painting - Trim	11,685.48	486.90	• Paint the wood and metal trim of the units
	Painting - Wrought Iron	5,216.73	217.36	• Paint the perimeter fencing and (13) light poles.
	Pool Area - Extras	579.64	24.15	• Misc pool/pool area related repair (eg. pool mastic)
	Pool Area - Pool, Heater	4,173.39	173.89	• Replace the Raypack pool heater
	Subtotal	25,712.70	1,071.36	
	Subtotal (HOA)	93,755.54	**3,906.48**	
	5.2 Specific Homeowner Projects			
	Dryer, new front door	N/A	2,600.00	
	Subtotal (Homeowner)	N/A	**2,600.00**	
	Total		**6,506.48**	

Year	Projects/Areas	GL Acct Code	Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
6 *(2028-29)*	**6.1 HOA Annual Maintenance/Repairs**				*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	6.11 Operating Expenditures				*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2028-29 fiscal year (07/01-06/30)*
	Landscape Contract	7080	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	Seed, Fertlizer, Plants	7091	4,320.01	180.00	• Replace and care for turf and plants
	Landscape Repairs & Maint	7100	3,235.03	134.79	• Repairs and replacement to landscape elements
	Irrigation Repairs	7120	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
	Lighting Repairs & Maint	7121	1,973.76	82.24	• Maintain historic lighting infrastructure
	Pool Contract	7130	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	Pool & Spa Repairs	7140	1,450.00	60.42	• Specific pool and pool equipment related repairs
	Pest Control	7150	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	Tree Trimming	7190	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	Common Area Repairs	7210	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
	Subtotal		68,042.84	2,835.12	
	6.12 Reserve Expenditures				*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2028-29 fiscal year (07/01-06/30)*
	Asphalt - Seal Coat		2,662.61	110.94	• Seal coat all asphalt (13,117 SF), incl. Pitahaya St. parking area.
	Grounds - Common Area		4,179.18	174.13	• Misc. reserve expenditures (fans, trash recepticles and gates, carports)
	Irrigation - Controllers (2017)		1,910.48	79.60	• Replace the five (2) controllers installed in 2017
	Pool Area - Extras		597.03	24.88	• Misc pool/pool area related repair (eg. pool mastic)
	Subtotal		9,349.30	389.55	
	Subtotal (HOA)		77,392.14	**3,224.67**	
	6.2 Specific Homeowner Projects				
	Fridge			2,000.00	
	Subtotal (Homeowner)		N/A	**2,000.00**	
	Total			**5,224.67**	

Year	Projects/Areas		Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
7 *(2029-30)*	**7.1 HOA Annual Maintenance/Repairs**				*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	7.11 Operating Expenditures				*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2029-30 fiscal year (07/01-06/30)*
	GL Acct Code				
	7080	Landscape Contract	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	7091	Seed, Fertlizer, Plants	4,320.01	180.00	• Replace and care for turf and plants
	7100	Landscape Repairs & Maint	3,235.03	134.79	• Repairs and replacement to landscape elements
	7120	Irrigation Repairs	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
	7121	Lighting Repairs & Maint	1,973.76	82.24	• Maintain historic lighting infrastructure
	7130	Pool Contract	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	7140	Pool & Spa Repairs	1,450.00	60.42	• Specific pool and pool equipment related repairs
	7150	Pest Control	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	7190	Tree Trimming	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	7210	Common Area Repairs	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
		Subtotal	68,042.84	2,835.12	
	7.12 Reserve Expenditures				*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2029-30 fiscal year (07/01-06/30)*
		Grounds - Common Area	4,304.56	179.36	
		Pool Area - Extras	614.94	25.62	• Misc pool/pool area related repair (eg. pool mastic)
		Subtotal	4,919.50	204.98	
		Subtotal (HOA)	72,962.34	**3,040.10**	
	7.2 Specific Homeowner Projects				
		Patio gate, ceiling fans in Master bedroom & patio		2,600.00	
		Subtotal (Homeowner)	N/A	**2,600.00**	
		Total		**5,640.10**	

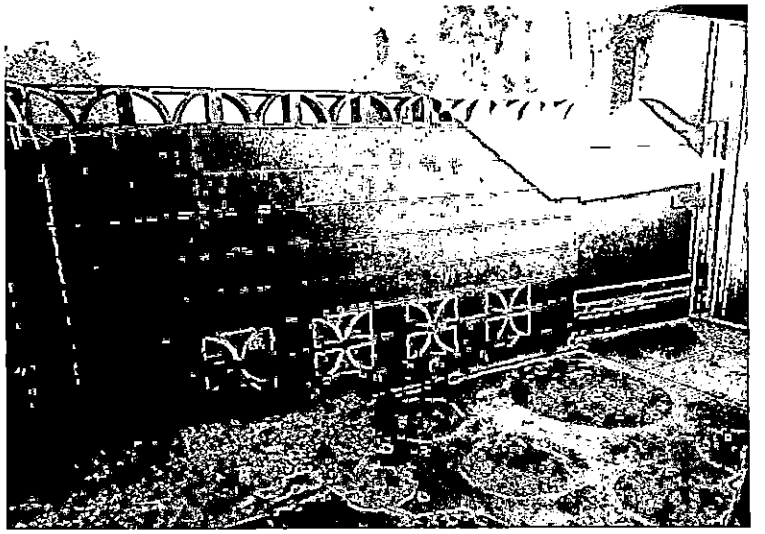
Year	Projects/Areas		Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
8 *(2030-31)*	**8.1 HOA Annual Maintenance/Repairs**				*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	8.11 Operating Expenditures				*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2030-31 fiscal year (07/01-06/30)*
	GL Acct Code				
	7080	Landscape Contract	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	7091	Seed, Fertlizer, Plants	4,320.01	180.00	• Replace and care for turf and plants
	7100	Landscape Repairs & Maint	3,235.03	134.79	• Repairs and replacement to landscape elements
	7120	Irrigation Repairs	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
	7121	Lighting Repairs & Maint	1,973.76	82.24	• Maintain historic lighting infrastructure
	7130	Pool Contract	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	7140	Pool & Spa Repairs	1,450.00	60.42	• Specific pool and pool equipment related repairs
	7150	Pest Control	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	7190	Tree Trimming	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	7210	Common Area Repairs	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
		Subtotal	68,042.84	2,835.12	
	8.12 Reserve Expenditures				*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2030-31 fiscal year (07/01-06/30)*
		Grounds - Common Area	4,433.70	184.74	• Misc. reserve expenditures (fans, trash recepticles and gates, carports)
		Painting - Pool Cabana	3,800.31	158.35	• Paint pool cabana
		Pool Area - Extras	633.39	26.39	• Misc pool/pool area related repair (eg. pool mastic)
		Subtotal	8,867.40	369.48	
		Subtotal (HOA)	76,910.24	**3,204.59**	
	8.2 Specific Homeowner Projects				
		Paint kitchen and Living Room, Dining Room, Hall		2,500.00	
		Subtotal (Homeowner)	N/A	**2,500.00**	
		Total		**5,704.59**	

Year	Projects/Areas	Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
9 *(2031-32)*	**9.1 HOA Annual Maintenance/Repairs**			*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	9.11 Operating Expenditures			*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2031-32 fiscal year (07/01-06/30)*
GL Acct Code				
7080	Landscape Contract	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
7091	Seed, Fertlizer, Plants	4,320.01	180.00	• Replace and care for turf and plants
7100	Landscape Repairs & Maint	3,235.03	134.79	• Repairs and replacement to landscape elements
7120	Irrigation Repairs	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
7121	Lighting Repairs & Maint	1,973.76	82.24	• Maintain historic lighting infrastructure
7130	Pool Contract	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
7140	Pool & Spa Repairs	1,450.00	60.42	• Specific pool and pool equipment related repairs
7150	Pest Control	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
7190	Tree Trimming	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
7210	Common Area Repairs	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
	Subtotal	68,042.84	2,835.12	
	9.12 Reserve Expenditures			*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2031-32 fiscal year (07/01-06/30)*
	Grounds - Common Area	4,566.71	190.28	• Misc. reserve expenditures (fans, trash recepticles and gates, carports)
	Painting - Wrought Iron	5,871.48	244.65	• Paint the perimeter fencing and (13) light poles.
	Pool Area - Extras	652.39	27.18	• Misc pool/pool area related repair (eg. pool mastic)
	Subtotal	11,090.58	462.11	
	Subtotal (HOA)	79,133.42	**3,297.23**	
	9.2 Specific Homeowner Projects			
	Paint bedrooms and bathrooms		2,600.00	
	Subtotal (Homeowner)	N/A	**2,600.00**	
	Total		**5,897.23**	

Year	Projects/Areas		Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
10 *(2032-33)*	**10.1 HOA Annual Maintenance/Repairs**				*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	10.11 Operating Expenditures				*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2032-33 fiscal year (07/01-06/30)*
	GL Acct Code				
	7080	Landscape Contract	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	7091	Seed, Fertlizer, Plants	4,320.01	180.00	• Replace and care for turf and plants
	7100	Landscape Repairs & Maint	3,235.03	134.79	• Repairs and replacement to landscape elements
	7120	Irrigation Repairs	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
	7121	Lighting Repairs & Maint	1,973.76	82.24	• Maintain historic lighting infrastructure
	7130	Pool Contract	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	7140	Pool & Spa Repairs	1,450.00	60.42	• Specific pool and pool equipment related repairs
	7150	Pest Control	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	7190	Tree Trimming	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	7210	Common Area Repairs	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
		Subtotal	**68,042.84**	2,835.12	
	10.12 Reserve Expenditures				*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2032-33 fiscal year (07/01-06/30)*
		Grounds - Common Area	4,703.71	195.99	• Misc. reserve expenditures (fans, trash recepticles and gates, carports)
		Painting - Trim	13,546.68	564.45	• Paint the wood and metal trim of the units
		Painting - Units, Stucco & Trim	54,159.83	2256.66	• Paint residential units exteriors
		Pool Area - Extras	671.96	28.00	• Misc pool/pool area related repair (eg. pool mastic)
		Pool Area - Pool, Pump	2,217.46	92.39	• Replace the Pentair Intelle-Flo variable speed pool pump
		Subtotal	**75,299.64**	3,137.49	
		Subtotal (HOA)	143,342.48	**5,972.60**	
	10.2 Specific Homeowner Projects				
		Stove		2,500.00	
		Subtotal (Homeowner)	N/A	**2,500.00**	
		Total		**8,472.60**	

Year	Projects/Areas	Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
10 Year Annual Average	**11.1 HOA Annual Maintenance/Repairs**			*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	11.11 Operating Expenditures			*The amounts show are based on 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with yearly GL actuals*
	Total 10 Years	680,428.40	28,351.18	
	10 Yr Average/Year	68,042.84	**2,835.12**	
	11.12 Reserve Expenditures			*From April 2022 Reserve Analysis Report forecasted expenditures - select categories specific to Mills Act; will be updated with actual yearly expenditures*
	Total 10 Years	269,672.90	11,236.37	
	10 Yr Average/Year	26,967.29	**1,123.64**	
	Combined 10 Years	950,101.30	39,587.55	
	10 Yr Average/Year **Subtotal (HOA)**	95,010.13	**3,958.76**	
	11.2 Specific Homeowner Projects			
	10 Yr Subtotal	N/A	30,800.00	
	10 Yr Average/Year **Subtotal (Homeowner)**	N/A	**3,080.00**	
	10 Yr.Total/Homeowner	N/A	70,387.55	
	Total 10 Yr. Average/Year	N/A	**7,038.76**	

5. Photographs



Courtyard

Interior

Living room

Dining area

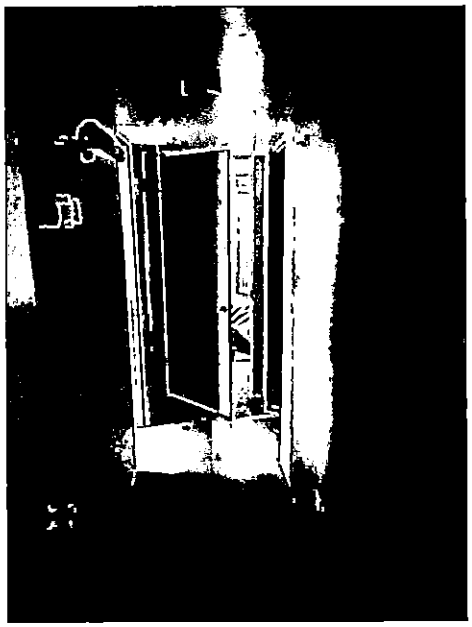
Kitchen

Master bedroom

Master bedroom and sliders

Master bedroom closet

Master bathroom



Hallway

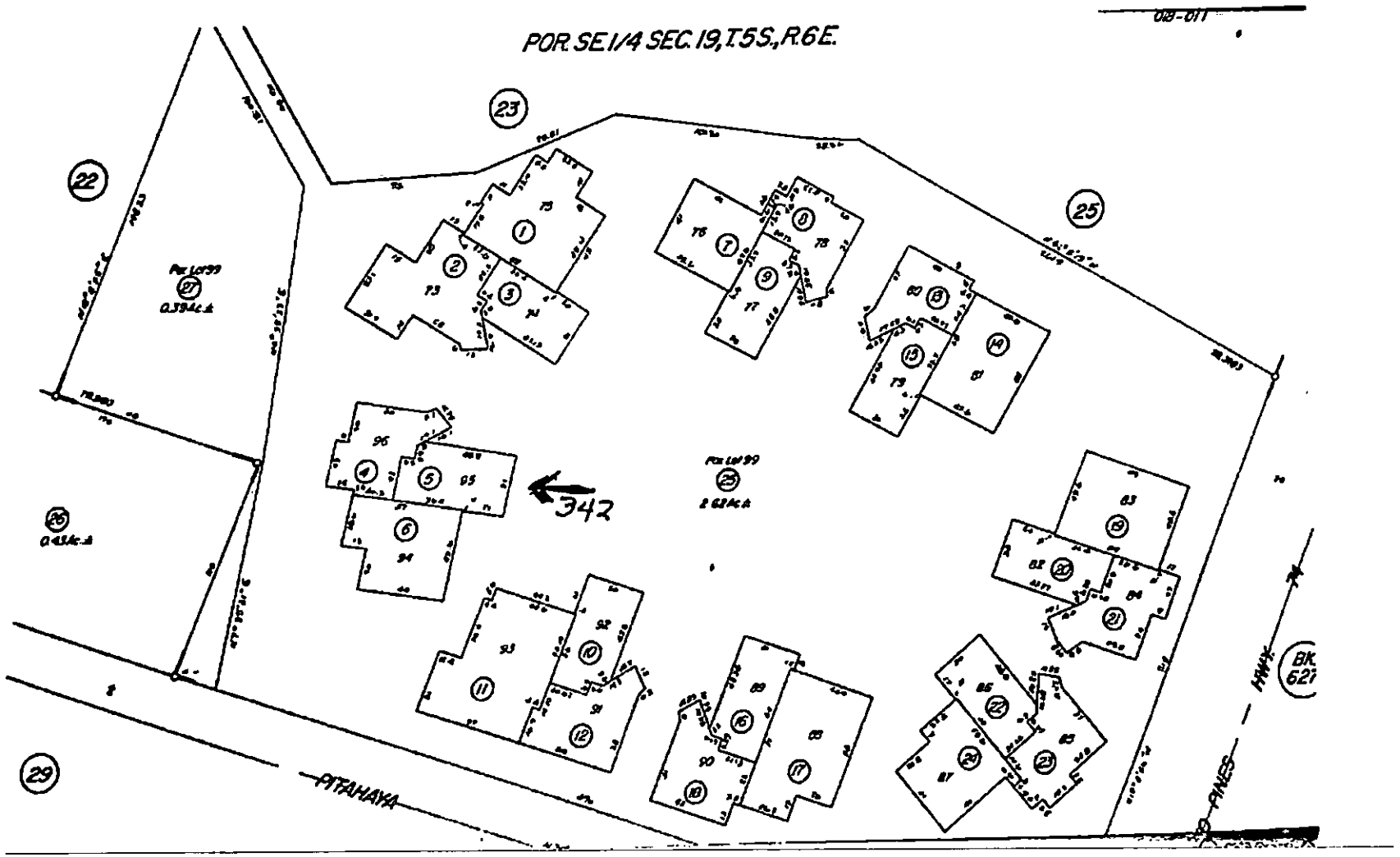
Item 1J-78

Second bedroom

Guest bathroom

Item 1J-79

6. Site Plan



Item 1J-81

Appendix: (Current Tax Bill)

41

Matthew Jennings
Riverside County Treasurer-Tax Collector

PO BOX 12005 Riverside, CA 92502-2205
4080 Lemon St (1st Floor) Riverside, CA 92501

Telephone: (951) 955-3900
Toll Free Number: 1 (877) 748-2689
From area codes 951 & 760 only

October 13, 2021

RIVERSIDE COUNTY ANNUAL SECURED PROPERTY TAX BILL

For Fiscal Year July 1, 2021 through June 30, 2022

Go paperless with our new E-billing ... the E-Billing link and use the following ... receive future tax bills via this ... Enrollment Code is 50047976

Visit our website ...

IMPORTANT MESSAGES

Property Data: 640260005 POR LOT 99 AND LOT 95 MB 054/036 TR 3103

Address: 342 SANDPIPER PALM DESERT CA 92260

Mailed to:
LUSSIER FAMILY TRUST DATED 12/13/18
44-4025 ROBLIN BLVD
WINNIPEG MB R3R3V5
Canada

SCAN OR CODE TO PAY ONLINE

PIN	Bill Number	Assessment Number	Bill Posted Date	Tax Rate Area
640260005	2021004039075	2021-640260005	09-14-2021	018-006

Owner(s) January 1st, 2021 "Et al" means other owners are present on this parcel

LUSSIER FAMILY TRUST DATED 12/13/18, LUSSIER DON, Et al

CHARGES LEVIED BY TAXING AGENCIES	FOR INFORMATION CALL	AMOUNT
General		
03-2001-D DESERT SANDS UNIFIED SCHOOL		$2,570.70
03-9001-D DESERT COMMUNITY COLLEGE	760-771-8516	$192.80
04-4821-D CV WATER DISTRICT STATE WTR PROJ	760-773-2513	$101.54
*** TOTAL AD VALOREM TAXES	760-398-2661 Ext:2257	$282.78
68-2586-FC PALM DESERT EMG SRV		$3,147.82
68-4556-FC COACHELLA VALLEY MOSQUITO & RIFA	866-807-6864	$60.00
68-4612-FC DESERT REC DIST AD 93-1	866-807-6864	$7.90
68-4836-FC CVWD SEWER SERVICE CHARGE ID80	866-807-6864	$9.90
*** TOTAL SPECIAL ASSESSMENTS AND FIXED CHARGES	760-391-9600	$295.44
		$373.24

IMPORTANT INFORMATION ON REVERSE SIDE

Land	$64,265
Structures	$192,805
Full Taxable Value	$257,070
Exemptions - Homeowner	$0
Exemptions - Other	$0
Net Taxable Value	$257,070
Tax Rate Per $100 Value	1.2245
Taxes	$3,147.82
Special Assessments & Fixed Charges	$373.24
Total Base Tax Amount	**$3,521.06**

Add 10% penalty after 12-10-2021	$1,760.53	Add 10% penalty plus ...	$1,760.53

Item 1J-84

352 SANDPIPER APPLICATION

1. Application Checklist

- ✔ 1. Application Checklist
- ✔ 2. Application Form
- ✔ 3. Copy of the grant deed, including a complete legal description
- ✔ 4. 10-Year Property Improvement Plan
- ✔ 5. Photographs
- ✔ 6. Site plan
- ✔ 7. Non-refundable application fee of $318.00

2. Application Form

City of Palm Desert
Department of Building and Safety
MILLS ACT HISTORIC PROPERTY CONTRACT APPLICATION

73-510 Fred Waring Drive · Palm Desert · California · 92260 · (760) 776-6420 · Fax (760) 776-6392

Property Owner Information:

Name: Paul Preston

Address: 78 State St.

City: Rouses Point State: NY Zip: 12979

Phone: (HM) 518-297-3560 (WK) _____ Email: pkpreston@hotmail.com

Property Information:

Address of Property: 352 Sandpiper St., Palm Desert, CA 92260

Assessor's Parcel No(s): 640260003 (and prorata share of common area: 640260025)

Legal Description (attach additional sheets if necessary):

Date of Purchase by Current owner: April 19, 2011

Use of Property: Vacation home

Eligibility for the Mills Act Program:

A property must be designated and recorded with the Riverside County Recorder at the time an application is submitted. Please check the designation(s) that apply to the property:

___ City Historic Landmark
_X_ Contributor to a City Historic District
___ National Register of Historic Places (individually listed)
___ National Register of Historic Places (contributor to a historic district)
___ National Historic Landmark

Name of Historic District (if applicable): Sandpiper Condominiums (Historic Site #4)

Date of Designation: February 10, 2022

Property Owner Consent: I am (we are) the present owner(s) of the property described above and hereby apply for consideration for a Mills Act Historic Property Contract

Signature of Property Owner — Date: 06/15/22

Signature of Property Owner — Date

For Office Use:

Mills Act Application

3. Grant Deed

05/17/2011 04:13 PM Fees: $16.00
Page 1 of 2 Doc T Tax Paid
Recorded in Official Records
County of Riverside
Larry W. Ward
Assessor, County Clerk & Recorder

RECORDING REQUESTED BY:
First American Title Company

AND WHEN RECORDED MAIL TO:

Paul Preston
78 State Street
Rouses Point, NY 12979

This document was electronically submitted to the County of Riverside for recording
Receipted by: TVERBA

124-018-006

THIS SPACE FOR RECORDER'S USE ONLY:

Title Order No.: 3741889 **Escrow No.: 22426-KC**

GRANT DEED

THE UNDERSIGNED GRANTOR(S) DECLARE(S)
DOCUMENTARY TRANSFER TAX is $218.90
[X] computed on full value of property conveyed, or
[ ] computed on full value less value of liens or encumbrances remaining at time of sale.
[ ] Unincorporated area [X] City of Palm Desert **AND**

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

Susan Brown, Trustee of the Susan Brown Trust dated December 18, 2003 as to an undivided 50% interest and Patricia Anne Griggs, Trustee of the Patricia Anne Griggs Trust dated December 18, 2003 as to an undivided 50% interest

hereby GRANT(s) to:

PAUL KEVIN PRESTON, a single man

the real property in the City of Palm Desert, County of Riverside, State of California, described as:
LEGAL DESCRIPTION ATTACHED HERETO AS EXHIBIT "A" AND MADE A PART HEREOF
Also Known as: 352 Sandpiper Street, Palm Desert, CA 92260
AP#: 640-260-003

DATED April 19, 2011
STATE OF CALIFORNIA
COUNTY OF ORANGE
On APRIL 19, 2011
before me, MEHDI ZAHEDI,
A Notary Public in and for said State personally appeared
SUSAN BROWN & PATRICIA ANNE GRIGGS

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.
WITNESS my hand and official seal.

Signature Mehdi Zahedi (Seal)

Susan Brown, Trustee of the Susan Brown Trust dated December 18, 2003 and Patricia Anne Griggs, Trustee of the Patricia Ann Griggs Trust dated December 18, 2003

Susan Brown
Susan Brown, Trustee

Patricia Anne Griggs
Patricia Anne Griggs, Trustee

MEHDI ZAHEDI
COMM. # 1786625
NOTARY PUBLIC-CALIFORNIA
ORANGE COUNTY
MY COMM. EXP. DEC. 23, 2011

MAIL TAX STATEMENTS TO PARTY SHOWN BELOW; IF NO PARTY SHOWN, MAIL AS DIRECTED ABOVE:

LEGAL DESCRIPTION

Real property in the City of Palm Desert, County of Riverside, State of California, described as follows:

PARCEL 1:

LOT 74 OF TRACT 3103 AS SHOWN BY MAP ON FILE IN BOOK 54 PAGES 36 TO 38, INCLUSIVE, OF MAPS, RECORDS OF RIVERSIDE COUNTY.

EXCEPTING THEREFROM ALL THAT PORTION OF LOT 99 AS CONVEYED TO THE COUNTRY CLUB COTTAGES, INC. BY DEED RECORDED DECEMBER 1, 1965 AS INSTRUMENT NO. 101369, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 2:

AN UNDIVIDED 1/24TH INTEREST IN AND TO LOT 99 OF SAID TRACT 3103 AS SHOWN BY MAP ON FILE IN BOOK 54, PAGES 36 TO 38, INCLUSIVE, OF MAPS, RECORDS OF RIVERSIDE COUNTY.

APN: 640-260-003-5

4. 10-Year Property Improvement Plan

Year	Projects/Areas		Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
1 *(2023-24)*	**1.1 HOA Annual Maintenance/Repairs**				*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	1.11 Operating Expenditures				*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2023-24 fiscal year (07/01-06/30)*
	GL Acct Code				
	7080	Landscape Contract	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	7091	Seed, Fertlizer, Plants	4,320.01	180.00	• Replace and care for turf and plants
	7100	Landscape Repairs & Maint	3,235.03	134.79	• Repairs and replacement to landscape elements
	7120	Irrigation Repairs	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
	7121	Lighting Repairs & Maint	1,973.76	82.24	• Maintain historic lighting infrastructure
	7130	Pool Contract	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	7140	Pool & Spa Repairs	1,450.00	60.42	• Specific pool and pool equipment related repairs
	7150	Pest Control	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	7190	Tree Trimming	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	7210	Common Area Repairs	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
		Subtotal	68,042.84	2,835.12	
	1.12 Reserve Expenditures				*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2023-24 fiscal year (07/01-06/30)*
		Asphalt - Seal Coat	2,296.79	95.70	• Seal coat all asphalt (13,117 SF), incl. Pitahaya St. parking area.
		Grounds - Common Area	3,605.00	150.21	• Misc. reserve expenditures (fans, trash recepticles and gates, carports)
		Grounds - Mailboxes	3,605.00	150.21	• Replace two (2) mailboxes
		Irrigation - System Renovation, Phase 2	19,570.00	815.42	• Major renovation to irrigation system in four (4) phases
		Painting - Wrought Iron	4,635.00	193.13	• Paint the perimeter fencing and (13) light poles.
		Pool Area - Extras	515.00	21.46	• Misc pool/pool area related repair (eg. pool mastic)
		Subtotal	34,226.79	1,426.12	
		Subtotal (HOA)	68,042.84	**2,835.12**	
	1.2 Specific Homeowner Projects				
		Breezeblock construction on patio	N/A	2,000.00	• Construct privacy breezeblock screen based on Krisel designs
		HVAC maintenance	N/A	150.00	
		Subtotal (Homeowner)	N/A	**2,150.00**	
		Total		**6,411.23**	

Year	Projects/Areas	Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
2 *(2024-25)*	**2.1 HOA Annual Maintenance/Repairs**			*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	2.11 Operating Expenditures			*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2024-25 fiscal year (07/01-06/30)*
	GL Acct Code			
	7080 Landscape Contract	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	7091 Seed, Fertlizer, Plants	4,320.01	180.00	• Replace and care for turf and plants
	7100 Landscape Repairs & Maint	3,235.03	134.79	• Repairs and replacement to landscape elements
	7120 Irrigation Repairs	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
	7121 Lighting Repairs & Maint	1,973.76	82.24	• Maintain historic lighting infrastructure
	7130 Pool Contract	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	7140 Pool & Spa Repairs	1,450.00	60.42	• Specific pool and pool equipment related repairs
	7150 Pest Control	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	7190 Tree Trimming	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	7210 Common Area Repairs	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
	Subtotal	68,042.84	2,835.12	
	2.12 Reserve Expenditures			*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2024-25 fiscal year (07/01-06/30)*
	Grounds - Common Area	3,713.15	154.71	• Misc. reserve expenditures (fans, trash recepticles and gates, carports)
	Irrigation - System Renovation, Phase 3	21,218.00	884.08	• Major renovation to irrigation system in four (4) phases
	Pool Area - Extras	530.45	22.10	• Misc pool/pool area related repair (eg. pool mastic)
	Pool Area - Pool, Replaster	27,695.86	1153.99	• Replaster the pool and replace the tile.
	Subtotal	53,157.46	2,214.89	
	Subtotal (HOA)	121,200.30	**5,050.01**	
	2.2 Specific Homeowner Projects			
	Master bathroom remodel	N/A	2000.00	• Replace bathroom cabinet/faucet
	Subtotal (Homeowner)	N/A	**2,000.00**	
	Total		**7,050.01**	

Year	GL Acct Code	Projects/Areas	Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
3 *(2025-26)*		**3.1 HOA Annual Maintenance/Repairs**			*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
		3.11 Operating Expenditures			*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2025-26 fiscal year (07/01-06/30)*
	7080	Landscape Contract	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	7091	Seed, Fertlizer, Plants	4,320.01	180.00	• Replace and care for turf and plants
	7100	Landscape Repairs & Maint	3,235.03	134.79	• Repairs and replacement to landscape elements
	7120	Irrigation Repairs	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
	7121	Lighting Repairs & Maint	1,973.76	82.24	• Maintain historic lighting infrastructure
	7130	Pool Contract	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	7140	Pool & Spa Repairs	1,450.00	60.42	• Specific pool and pool equipment related repairs
	7150	Pest Control	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	7190	Tree Trimming	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	7210	Common Area Repairs	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
		Subtotal	68,042.84	2,835.12	
		3.12 Reserve Expenditures			*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2025-26 fiscal year (07/01-06/30)*
		Grounds - Common Area	3,824.54	159.36	• Misc. reserve expenditures (fans, trash recepticles and gates, carports)
		Grounds - Entry Gates, Wrought Iron	7,430.54	309.61	• Replace the wrought iron entry gates and locks
		Irrigation - System Renovation, Phase 4	21,854.54	910.61	• Major renovation to irrigation system in four (4) phases
		Pool Area - Extras	546.36	22.77	• Misc pool/pool area related repair (eg. pool mastic)
		Subtotal	33,655.98	1,402.33	
		Subtotal (HOA)	101,698.82	**4,237.45**	
		3.2 Specific Homeowner Projects			
		Replace broadloom with tiling	N/A	6,500.00	• Replace carpeting with porcelain flooring
		Restore original tongue/groove ceiling	N/A	3,000.00	• Remove popcorn ceiling
		HVAC maintenance	N/A	150.00	
		Subtotal (Homeowner)	N/A	**9,650.00**	
		Total		**13,887.45**	

Year	Projects/Areas	Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
4 *(2026-27)*	**4.1 HOA Annual Maintenance/Repairs**			*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	4.11 Operating Expenditures			*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2026-27 fiscal year (07/01-06/30)*
	GL Acct Code			
	7080 Landscape Contract	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	7091 Seed, Fertlizer, Plants	4,320.01	180.00	• Replace and care for turf and plants
	7100 Landscape Repairs & Maint	3,235.03	134.79	• Repairs and replacement to landscape elements
	7120 Irrigation Repairs	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
	7121 Lighting Repairs & Maint	1,973.76	82.24	• Maintain historic lighting infrastructure
	7130 Pool Contract	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	7140 Pool & Spa Repairs	1,450.00	60.42	• Specific pool and pool equipment related repairs
	7150 Pest Control	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	7190 Tree Trimming	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	7210 Common Area Repairs	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
	Subtotal	68,042.84	2,835.12	
	4.12 Reserve Expenditures			*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2026-27 fiscal year (07/01-06/30)*
	Grounds - Common Area	3,939.28	164.14	• Misc. reserve expenditures (fans, trash recepticles and gates, carports)
	Grounds - Shuffleboard	1,575.71	65.65	• Resurface the shuffleboard court.
	Grounds - Surveillance System	7,315.81	304.83	• Replace surveillance system (four dome cameras and one DVR)
	Pool Area - Extras	562.75	23.45	• Misc pool/pool area related repair (eg. pool mastic)
	Subtotal	13,393.55	558.06	
	Subtotal (HOA)	81,436.39	**3,393.18**	
	4.2 Specific Homeowner Projects			
	AC/heater replacement	N/A	9,000.00	• Replace AC and heater unit
	Subtotal (Homeowner)	N/A	**9,000.00**	
	Total		**12,393.18**	

Year	Projects/Areas		Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
5 *(2027-28)*	**5.1 HOA Annual Maintenance/Repairs**				*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	5.11 Operating Expenditures				*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2027-28 fiscal year (07/01-06/30)*
	GL Acct Code				
	7080	Landscape Contract	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	7091	Seed, Fertlizer, Plants	4,320.01	180.00	• Replace and care for turf and plants
	7100	Landscape Repairs & Maint	3,235.03	134.79	• Repairs and replacement to landscape elements
	7120	Irrigation Repairs	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
	7121	Lighting Repairs & Maint	1,973.76	82.24	• Maintain historic lighting infrastructure
	7130	Pool Contract	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	7140	Pool & Spa Repairs	1,450.00	60.42	• Specific pool and pool equipment related repairs
	7150	Pest Control	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	7190	Tree Trimming	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	7210	Common Area Repairs	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
		Subtotal	68,042.84	2,835.12	
	5.12 Reserve Expenditures				*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2027-28 fiscal year (07/01-06/30)*
		Grounds - Common Area	4,057.46	169.06	• Misc. reserve expenditures (fans, trash recepticles and gates, carports)
		Painting - Trim	11,685.48	486.90	• Paint the wood and metal trim of the units
		Painting - Wrought Iron	5,216.73	217.36	• Paint the perimeter fencing and (13) light poles.
		Pool Area - Extras	579.64	24.15	• Misc pool/pool area related repair (eg. pool mastic)
		Pool Area - Pool, Heater	4,173.39	173.89	• Replace the Raypack pool heater
		Subtotal	25,712.70	1,071.36	
		Subtotal (HOA)	93,755.54	**3,906.48**	
	5.2 Specific Homeowner Projects				
		Second bathroom remodel	N/A	2,000.00	• Add laundry door, replace faucet, replace lighting
		Interior repainting		3,000.00	• Full interior repainting
		Subtotal (Homeowner)	N/A	**5,000.00**	
		Total		**8,906.48**	

Year	Projects/Areas		Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
6 *(2028-29)*	**6.1 HOA Annual Maintenance/Repairs**				*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	6.11 Operating Expenditures				*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2028-29 fiscal year (07/01-06/30)*
	GL Acct Code				
	7080	Landscape Contract	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	7091	Seed, Fertlizer, Plants	4,320.01	180.00	• Replace and care for turf and plants
	7100	Landscape Repairs & Maint	3,235.03	134.79	• Repairs and replacement to landscape elements
	7120	Irrigation Repairs	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
	7121	Lighting Repairs & Maint	1,973.76	82.24	• Maintain historic lighting infrastructure
	7130	Pool Contract	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	7140	Pool & Spa Repairs	1,450.00	60.42	• Specific pool and pool equipment related repairs
	7150	Pest Control	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	7190	Tree Trimming	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	7210	Common Area Repairs	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
		Subtotal	68,042.84	2,835.12	
	6.12 Reserve Expenditures				*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2028-29 fiscal year (07/01-06/30)*
		Asphalt - Seal Coat	2,662.61	110.94	• Seal coat all asphalt (13,117 SF), incl. Pitahaya St. parking area.
		Grounds - Common Area	4,179.18	174.13	• Misc. reserve expenditures (fans, trash recepticles and gates, carports)
		Irrigation - Controllers (2017)	1,910.48	79.60	• Replace the five (2) controllers installed in 2017
		Pool Area - Extras	597.03	24.88	• Misc pool/pool area related repair (eg. pool mastic)
		Subtotal	9,349.30	389.55	
		Subtotal (HOA)	77,392.14	**3,224.67**	
	6.2 Specific Homeowner Projects				
		Bedroom ceiling fan replacement	N/A	800.00	• Replace fan
		Post repair		1,000.00	• Repair, patch and paint posts from water damage
		Subtotal (Homeowner)	N/A	**1,800.00**	
		Total		**5,024.67**	

Year	Projects/Areas	Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
7 *(2029-30)*	**7.1 HOA Annual Maintenance/Repairs**			*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	7.11 Operating Expenditures			*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2029-30 fiscal year (07/01-06/30)*
	GL Acct Code			
	7080 Landscape Contract	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	7091 Seed, Fertlizer, Plants	4,320.01	180.00	• Replace and care for turf and plants
	7100 Landscape Repairs & Maint	3,235.03	134.79	• Repairs and replacement to landscape elements
	7120 Irrigation Repairs	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
	7121 Lighting Repairs & Maint	1,973.76	82.24	• Maintain historic lighting infrastructure
	7130 Pool Contract	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	7140 Pool & Spa Repairs	1,450.00	60.42	• Specific pool and pool equipment related repairs
	7150 Pest Control	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	7190 Tree Trimming	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	7210 Common Area Repairs	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
	Subtotal	68,042.84	2,835.12	
	7.12 Reserve Expenditures			*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2029-30 fiscal year (07/01-06/30)*
	Grounds - Common Area	4,304.56	179.36	7
	Pool Area - Extras	614.94	25.62	• Misc pool/pool area related repair (eg. pool mastic)
	Subtotal	4,919.50	204.98	
	Subtotal (HOA)	72,962.34	**3,040.10**	
	7.2 Specific Homeowner Projects			
	Roof foam resurfacing	N/A	5,000.00	• Roof spray foam (multi coat)
	Subtotal (Homeowner)	N/A	**5,000.00**	
	Total		**8,040.10**	

Year	Projects/Areas	Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
8 *(2030-31)*	**8.1 HOA Annual Maintenance/Repairs**			*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	8.11 Operating Expenditures			*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2030-31 fiscal year (07/01-06/30)*
	GL Acct Code			
	7080 Landscape Contract	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	7091 Seed, Fertlizer, Plants	4,320.01	180.00	• Replace and care for turf and plants
	7100 Landscape Repairs & Maint	3,235.03	134.79	• Repairs and replacement to landscape elements
	7120 Irrigation Repairs	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
	7121 Lighting Repairs & Maint	1,973.76	82.24	• Maintain historic lighting infrastructure
	7130 Pool Contract	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	7140 Pool & Spa Repairs	1,450.00	60.42	• Specific pool and pool equipment related repairs
	7150 Pest Control	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	7190 Tree Trimming	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	7210 Common Area Repairs	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
	Subtotal	68,042.84	2,835.12	
	8.12 Reserve Expenditures			*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2030-31 fiscal year (07/01-06/30)*
	Grounds - Common Area	4,433.70	184.74	• Misc. reserve expenditures (fans, trash recepticles and gates, carports)
	Painting - Pool Cabana	3,800.31	158.35	• x
	Pool Area - Extras	633.39	26.39	• Misc pool/pool area related repair (eg. pool mastic)
	Subtotal	8,867.40	369.48	
	Subtotal (HOA)	76,910.24	**3,204.59**	
	8.2 Specific Homeowner Projects			
	Dishwasher replacement/installation	N/A	1,500.00	• Replace diswasher inbuilt into original cabinetry
	Subtotal (Homeowner)	N/A	**1,500.00**	
	Total		**4,704.59**	

Year	Projects/Areas		Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
9 *(2031-32)*	**9.1 HOA Annual Maintenance/Repairs**				*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	9.11 Operating Expenditures				*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2031-32 fiscal year (07/01-06/30)*
	GL Acct Code				
	7080	Landscape Contract	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	7091	Seed, Fertlizer, Plants	4,320.01	180.00	• Replace and care for turf and plants
	7100	Landscape Repairs & Maint	3,235.03	134.79	• Repairs and replacement to landscape elements
	7120	Irrigation Repairs	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
	7121	Lighting Repairs & Maint	1,973.76	82.24	• Maintain historic lighting infrastructure
	7130	Pool Contract	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	7140	Pool & Spa Repairs	1,450.00	60.42	• Specific pool and pool equipment related repairs
	7150	Pest Control	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	7190	Tree Trimming	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	7210	Common Area Repairs	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
		Subtotal	68,042.84	2,835.12	
	9.12 Reserve Expenditures				*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2031-32 fiscal year (07/01-06/30)*
		Grounds - Common Area	4,566.71	190.28	• Misc. reserve expenditures (fans, trash recepticles and gates, carports)
		Painting - Wrought Iron	5,871.48	244.65	• Paint the perimeter fencing and (13) light poles.
		Pool Area - Extras	652.39	27.18	• Misc pool/pool area related repair (eg. pool mastic)
		Subtotal	11,090.58	462.11	
		Subtotal (HOA)	79,133.42	**3,297.23**	
	9.2 Specific Homeowner Projects				
		Washer/Dryer replacement	N/A	1,500.00	• Replace stacked washer/dryer
		Subtotal (Homeowner)	N/A	**1,500.00**	
		Total		**4,797.23**	

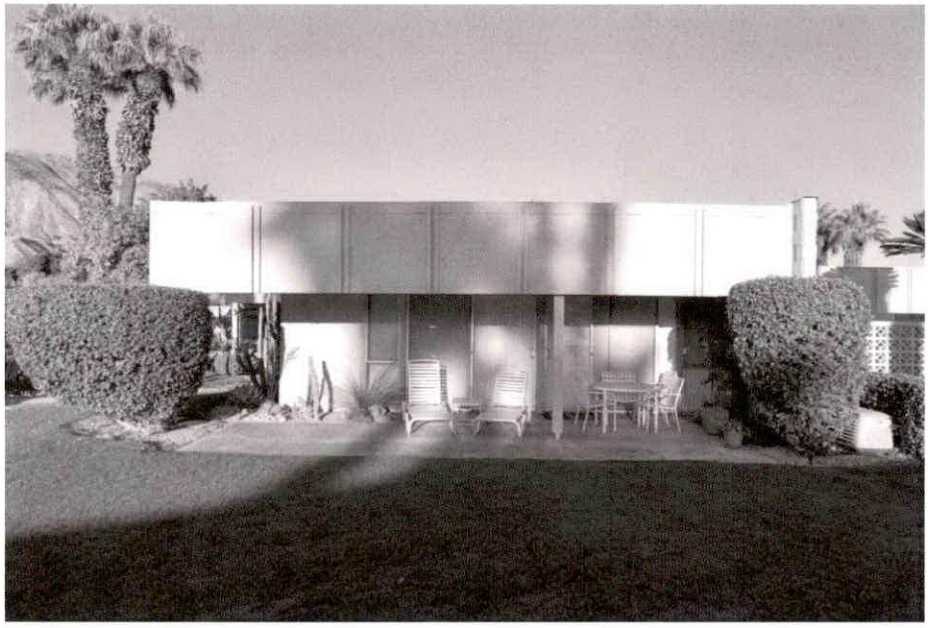
Year	Projects/Areas	GL Acct Code	Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
10 *(2032-33)*	**10.1 HOA Annual Maintenance/Repairs**				*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	10.11 Operating Expenditures				*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2032-33 fiscal year (07/01-06/30)*
	Landscape Contract	7080	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	Seed, Fertlizer, Plants	7091	4,320.01	180.00	• Replace and care for turf and plants
	Landscape Repairs & Maint	7100	3,235.03	134.79	• Repairs and replacement to landscape elements
	Irrigation Repairs	7120	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
	Lighting Repairs & Maint	7121	1,973.76	82.24	• Maintain historic lighting infrastructure
	Pool Contract	7130	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	Pool & Spa Repairs	7140	1,450.00	60.42	• Specific pool and pool equipment related repairs
	Pest Control	7150	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	Tree Trimming	7190	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	Common Area Repairs	7210	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
	Subtotal		**68,042.84**	2,835.12	
	10.12 Reserve Expenditures				*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2032-33 fiscal year (07/01-06/30)*
	Grounds - Common Area		4,703.71	195.99	• Misc. reserve expenditures (fans, trash recepticles and gates, carports)
	Painting - Trim		13,546.68	564.45	• Paint the wood and metal trim of the units
	Painting - Units, Stucco & Trim		54,159.83	2256.66	• Paint residential units exteriors
	Pool Area - Extras		671.96	28.00	• Misc pool/pool area related repair (eg. pool mastic)
	Pool Area - Pool, Pump		2,217.46	92.39	• Replace the Pentair Intelle-Flo variable speed pool pump
	Subtotal		**75,299.64**	3,137.49	
	Subtotal (HOA)		143,342.48	**5,972.60**	
	10.2 Specific Homeowner Projects				
	Install exterior electrical outlets		N/A	1,000.00	• Add electrical outlets on both patio and courtyard
	Subtotal (Homeowner)		N/A	**1,000.00**	
	Total			**6,972.60**	

Year	Projects/Areas	Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
10 Year Annual Average	**11.1 HOA Annual Maintenance/Repairs**			*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	11.11 Operating Expenditures			*The amounts show are based on 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with yearly GL actuals*
	Total 10 Years	680,428.40	28,351.18	
	10 Yr Average/Year	68,042.84	**2,835.12**	
	11.12 Reserve Expenditures			*From April 2022 Reserve Analysis Report forecasted expenditures - select categories specific to Mills Act; will be updated with actual yearly expenditures*
	Total 10 Years	269,672.90	11,236.37	
	10 Yr Average/Year	26,967.29	**1,123.64**	
	Combined 10 Years	950,101.30	39,587.55	
	10 Yr Average/Year **Subtotal (HOA)**	95,010.13	**3,958.76**	
	11.2 Specific Homeowner Projects			
	10 Yr Subtotal	N/A	38,600.00	
	10 Yr Average/Year **Subtotal (Homeowner)**	N/A	**3,860.00**	
	10 Yr.Total/Homeowner	N/A	78,187.55	
	Total 10 Yr. Average/Year	N/A	**7,818.76**	

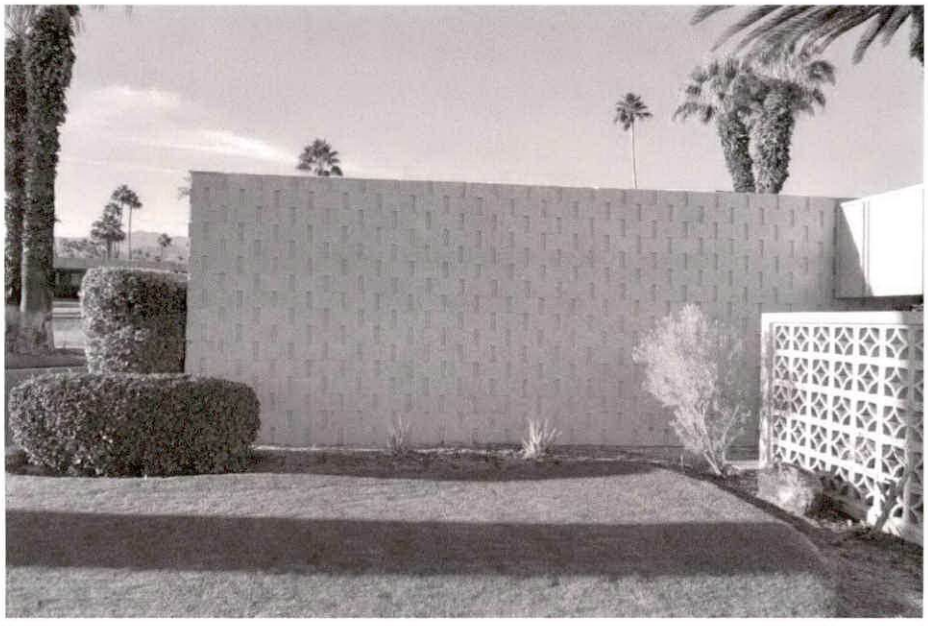
5. Photographs

Exterior

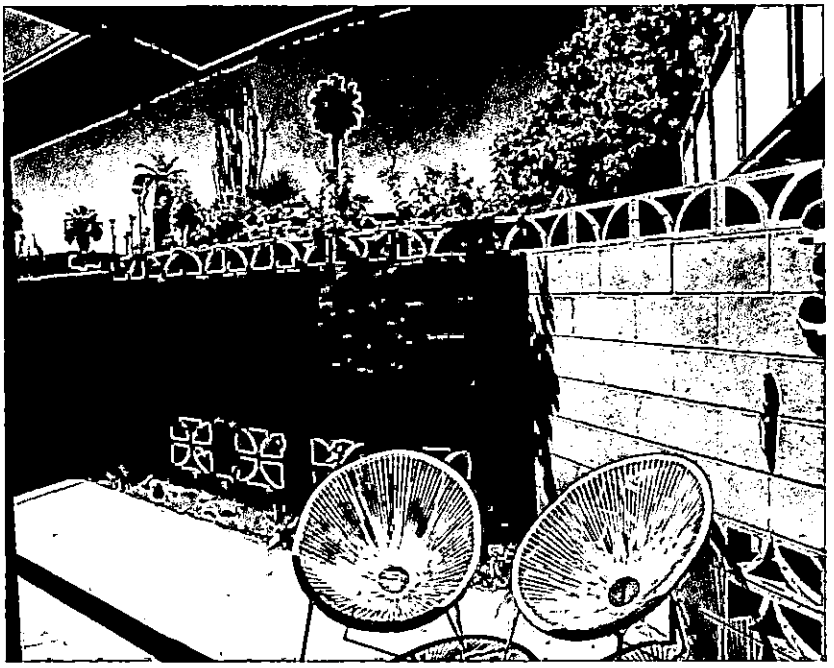
Front Entrance



Patio View

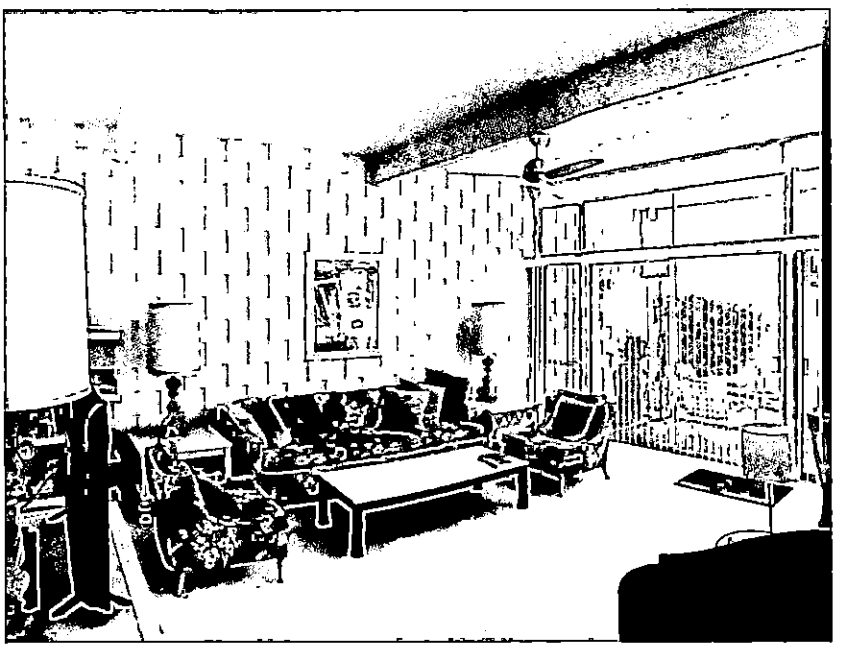


Side View



Courtyard

Interior



Living room

Dining area and Kitchen

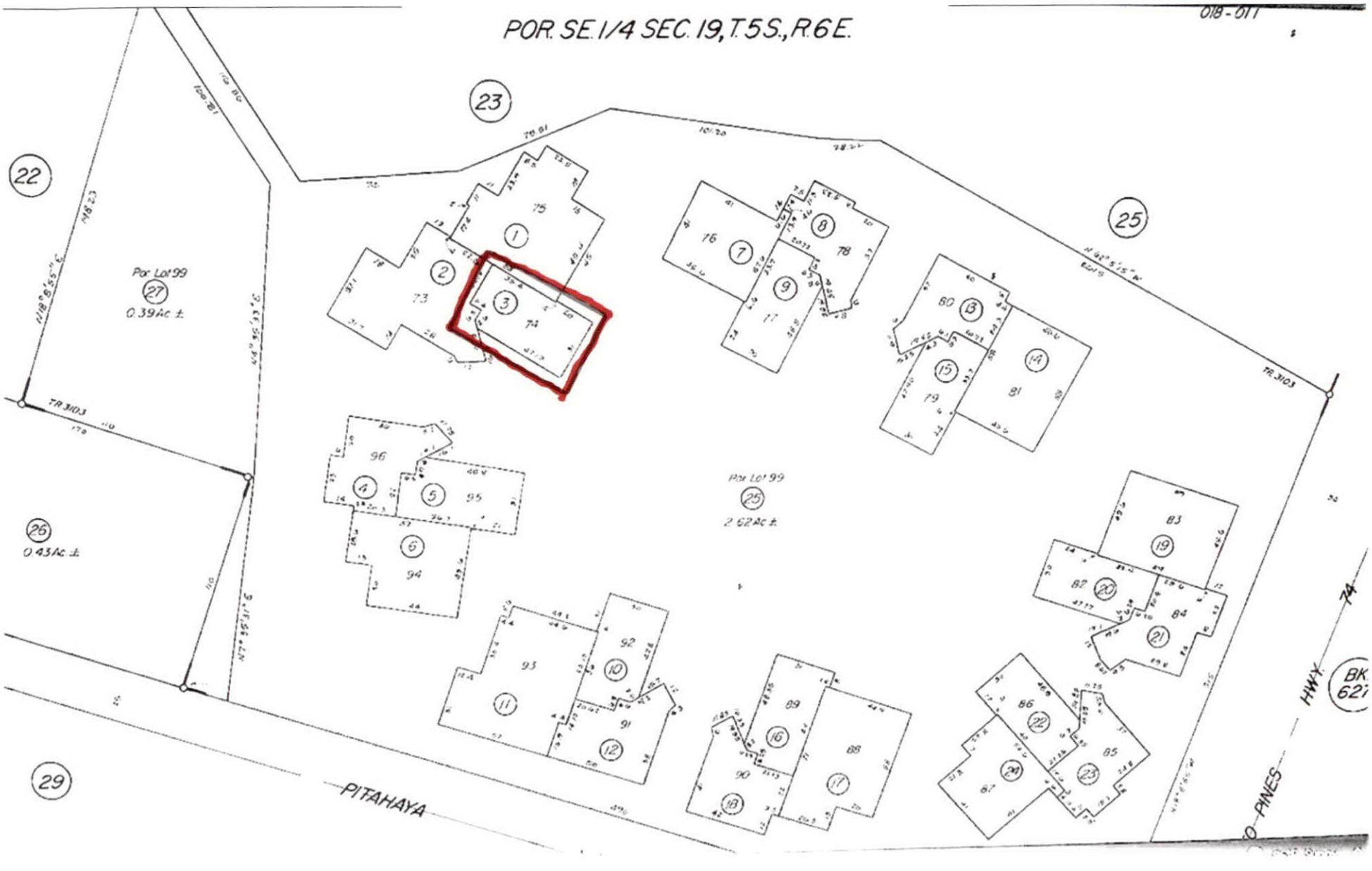
Item 1J-107

Kitchen

Second bedroom

Master bedroom

6. Site Plan


POR. SE. 1/4 SEC. 19, T. 5 S., R. 6 E.
018-011
23
22
25
26
29
Por Lot 99
27
0.39 Ac ±
Por Lot 99
25
2.62 Ac ±
0.43 Ac ±
TR 3103
PITAHAYA
HWY.
74
PINES

Item 1J-110

Appendix: (Current Tax Bill)

Tax Year 2021

PARCEL NUMBER	GEO PARCEL #	LAST UPDATE
640260003	640260003	6/12/2022 5:38:53 AM

Assessment Data

Description	Value
Net Taxable Value	$235,524.00

Exemptions

No Tax Exemptions Records Found

Taxing Agencies

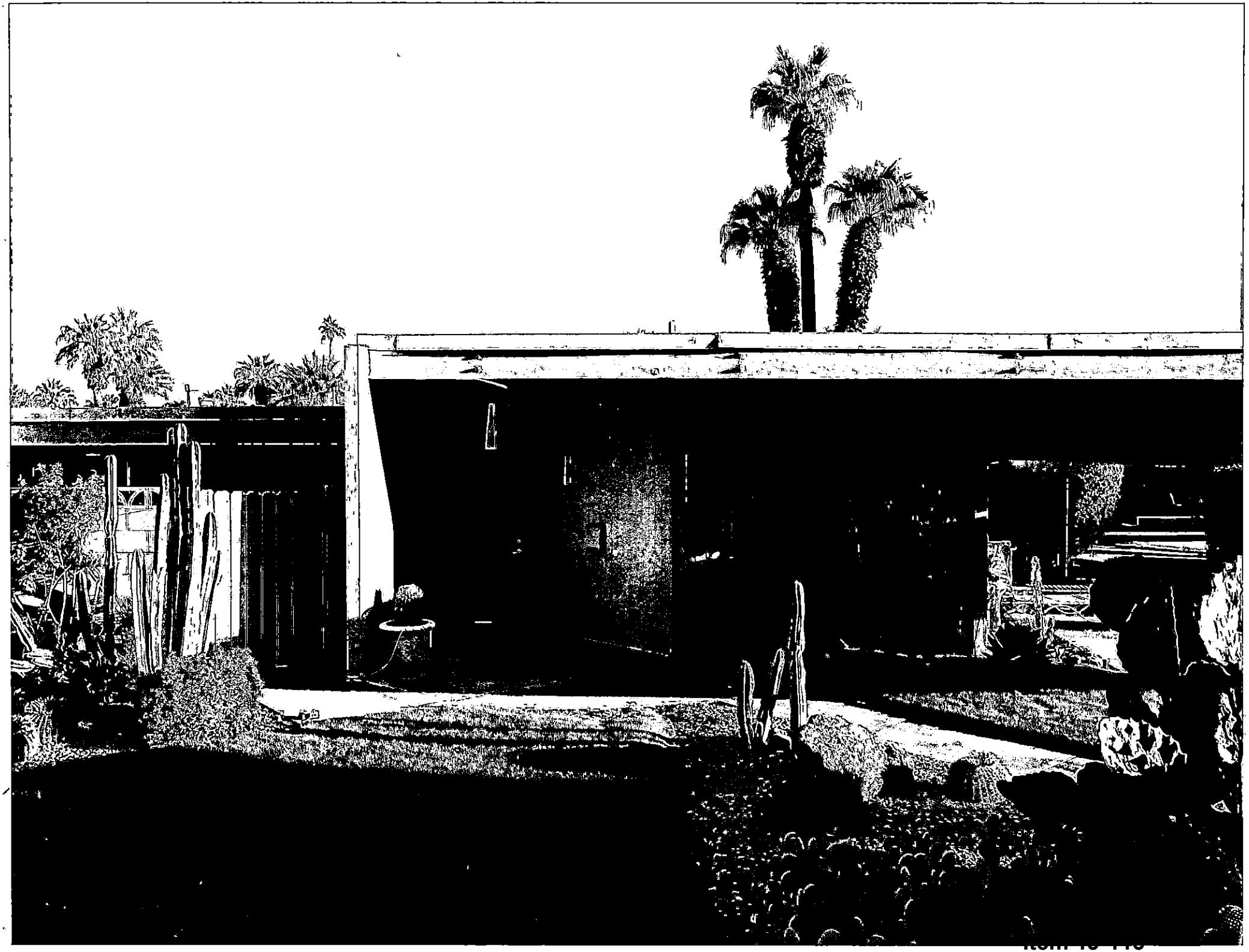
Tax Payment Distribution
For information regarding these charges please contact the Taxing Agency directly at the numbers listed here.

General Purpose			
Taxing Authority	**Phone**	**Net Rate**	**Net Tax**
01-0000-GP GENERAL PURPOSE	See Phone List	1.0000000000 %	$2,355.23
Fund Type Total		1.0000000000 %	$2,355.23
Debt			
Taxing Authority	**Phone**	**Net Rate**	**Net Tax**
03-2001-D DESERT SANDS UNIFIED SCHOOL	See Phone List	0.0750000000 %	$176.64
04-4821-D CV WATER DISTRICT STATE WTR PROJ	See Phone List	0.1100000000 %	$259.08
03-9001-D DESERT COMMUNITY COLLEGE	See Phone List	0.0395000000 %	$93.03
Fund Type Total		0.2245000000 %	$528.75
Special Assessment			
Taxing Authority	**Phone**	**Net Rate**	**Net Tax**
68-2586-FC PALM DESERT EMG SRV	See Phone List	NA	$60.00
68-4556-FC COACHELLA VALLEY MOSQUITO & RIFA	See Phone List	NA	$7.90
68-4612-FC AD COACHELLA VALLEY RC/PK 93-1	See Phone List	NA	$9.90
68-4836-FC CVWD SEWER SERVICE CHARGE ID80	See Phone List	NA	$295.44
Fund Type Total			$373.24
Total		1.22450 %	$3,257.22

NOTE: Tax Authority Districts 28-5251, 28-5275 and 28-5291 are applied to the land value only.

Payments

TAX YEAR	BILL NUMBER	PMT TYPE	RECEIPT NUMBER	AMOUNT PAID	LAST PAID
2021	2021004039064	Payment	B21.458824	$1,628.61	12/9/2021
2021	2021004039064	Payment	B21.852278	$1,829.51	4/19/2022



361 SANDPIPER APPLICATION

- ✔ 1. Application Checklist
- ✔ 2. Application Form
- ✔ 3. Copy of the grant deed, including a complete legal description
- ✔ 4. 10-Year Property Improvement Plan
- ✔ 5. Photographs (FLASH DRIVE INCLUDED.)
- ✔ 6. Site plan
- ✔ 7. Non-refundable application fee of $318.00

City of Palm Desert
Department of Building and Safety
MILLS ACT HISTORIC PROPERTY CONTRACT APPLICATION

73-510 Fred Waring Drive · Palm Desert · California · 92260 · (760) 776-6420 · Fax (760) 776-6392

Property Owner Information:

Name: NOREEN COUP
Address: 361 SANDPIPER ST.
City: PALM DESERT State: CA Zip: 92260
Phone: (HM) 442.282.0080 (WK) _____ Email: noreen.coup@gmail

Property Information:

Address of Property: 361 SANDPIPER ST., PALM DESERT CA. 92260 LOT 78
Assessor's Parcel No(s): 640260008 (PRORATA SHARE OF COMMON AREA: 640260025)
Legal Description (attach additional sheets if necessary): ORIGINAL PURCHASE
Date of Purchase by Current owner: 11.24.2020 / REFI AFTER DIVORCE 12.27.21
Use of Property: PRIMARY RESIDENCE

Eligibility for the Mills Act Program:

A property must be designated and recorded with the Riverside County Recorder at the time an application is submitted. Please check the designation(s) that apply to the property:

___ City Historic Landmark
X Contributor to a City Historic District
___ National Register of Historic Places (individually listed)
___ National Register of Historic Places (contributor to a historic district)
___ National Historic Landmark

Name of Historic District (if applicable): SANDPIPER CONDOMINIUMS (HISTORIC SITE #4)
Date of Designation: FEBRUARY 10, 2022.

Property Owner Consent: I am (we are) the present owner(s) of the property described above and hereby apply for consideration for a Mills Act Historic Property Contract

_____ 6.17.22
Signature of Property Owner Date

_____ _____
Signature of Property Owner Date

For Office Use:

RECORDING REQUESTED BY:
Fidelity National Title Company IE

Escrow No.: 00134309-031-1CB
Title No.: 00134309-991

WHEN RECORDED MAIL DOCUMENT AND TAX STATEMENT TO:
Noreen Dale Coup , as Trustee of the
Noreen Dale Coup Revocable Trust dtd
June 11, 2021
361 Sandpiper Street
Palm Desert, CA 92260

APN: 640-260-008

SPACE ABOVE THIS LINE FOR RECORDER'S USE

TRA# 018-006

GRANT DEED

THE UNDERSIGNED GRANTOR(s) DECLARE(s)
DOCUMENTARY TRANSFER TAX is $ 0.00 CITY TAX $ 0.00

- ☐ computed on full value of interest or property conveyed, or
- ☐ computed on full value of items or encumbrances remaining at time of sale,
- ☒ Unincorporated area ☐ City of Palm Desert , and

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

Noreen D. Coup , an Unmarried Woman

hereby GRANT(s) to
Noreen Dale Coup , as Trustee of the Noreen Dale Coup Revocable Trust dtd June 11, 2021

the following real property in the County of **Riverside**, State of California:

SEE EXHIBIT A ATTACHED HERETO AND MADE A PART HEREOF.

Dated: December 20, 2021

Mail Tax Statement As Directed Above

Noreen D. Coup

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

State of California)
County of Riverside) SS:

On 12-20-2021 before me, Jack Triantas

a Notary Public, personally appeared Noreen D. Coup

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)

JACK TRIANTAS
COMM. #2313656
Notary Public - California
Riverside County
My Comm. Expires Dec. 22, 2023

NRO1

EXHIBIT A

Legal Description

THE LAND REFERRED TO HEREIN BELOW IS SITUATED PALM DESERT, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1: LOT 78 OF TRACT NO. 3103, IN THE CITY OF PALM DESERT, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY MAP ON FILE IN BOOK 54 PAGES 36 TO 38 INCLUSIVE OF MAPS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

PARCEL 2: AN UNDIVIDED 1/24TH INTEREST IN AND TO LOT 99 OF SAID TRACT 3103 AS SHOWN ON FILE IN BOOK 54 PAGES 36 TO 38 INCLUSIVE OF MAPS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

10 Year Project Improvement Plan *361 Sandpiper St. Palm Desert, CA 92260*

Year	Projects/Areas		Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
1 *(2023-24)*	**1.1 HOA Annual Maintenance/Repairs**				*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	1.11 Operating Expenditures				*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2023-24 fiscal year (07/01-06/30)*
	GL Acct Code				
	7080	Landscape Contract	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	7091	Seed, Fertlizer, Plants	4,320.01	180.00	• Replace and care for turf and plants
	7100	Landscape Repairs & Maint	3,235.03	134.79	• Repairs and replacement to landscape elements
	7120	Irrigation Repairs	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
	7121	Lighting Repairs & Maint	1,973.76	82.24	• Maintain historic lighting infrastructure
	7130	Pool Contract	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	7140	Pool & Spa Repairs	1,450.00	60.42	• Specific pool and pool equipment related repairs
	7150	Pest Control	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	7190	Tree Trimming	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	7210	Common Area Repairs	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
		Subtotal	68,042.84	2,835.12	
	1.12 Reserve Expenditures				*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2023-24 fiscal year (07/01-06/30)*
		Asphalt - Seal Coat	2,296.79	95.70	• Seal coat all asphalt (13,117 SF), incl. Pitahaya St. parking area.
		Grounds - Common Area	3,605.00	150.21	• Misc. reserve expenditures (fans, trash recepticles and gates, carports)
		Grounds - Mailboxes	3,605.00	150.21	• Replace two (2) mailboxes
		Irrigation - System Renovation, Phase 2	19,570.00	815.42	• Major renovation to irrigation system in four (4) phases
		Painting - Wrought Iron	4,635.00	193.13	• Paint the perimeter fencing and (13) light poles.
		Pool Area - Extras	515.00	21.46	• Misc pool/pool area related repair (eg. pool mastic)
		Subtotal	34,226.79	1,426.12	
		Subtotal (HOA)	68,042.84	**2,835.12**	
	1.2 Specific Homeowner Projects				
		New Washer and Dryer	N/A	$ 2,000.00	
		Replace Grout at tile floors	N/A	$ 1,200.00	
		General repairs and maintenance per year		$ 1,250.00	
		Subtotal (Homeowner)	N/A	**4,450.00**	
		Total		**7,285.12**	

Year	Projects/Areas		Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
2 *(2024-25)*	**2.1 HOA Annual Maintenance/Repairs**				*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	2.11 Operating Expenditures				*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2024-25 fiscal year (07/01-06/30)*
	GL Acct Code				
	7080	Landscape Contract	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	7091	Seed, Fertlizer, Plants	4,320.01	180.00	• Replace and care for turf and plants
	7100	Landscape Repairs & Maint	3,235.03	134.79	• Repairs and replacement to landscape elements
	7120	Irrigation Repairs	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
	7121	Lighting Repairs & Maint	1,973.76	82.24	• Maintain historic lighting infrastructure
	7130	Pool Contract	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	7140	Pool & Spa Repairs	1,450.00	60.42	• Specific pool and pool equipment related repairs
	7150	Pest Control	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	7190	Tree Trimming	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	7210	Common Area Repairs	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
		Subtotal	68,042.84	2,835.12	
	2.12 Reserve Expenditures				*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2024-25 fiscal year (07/01-06/30)*
		Grounds - Common Area	3,713.15	154.71	• Misc. reserve expenditures (fans, trash recepticles and gates, carports)
		Irrigation - System Renovation, Phase 3	21,218.00	884.08	• Major renovation to irrigation system in four (4) phases
		Pool Area - Extras	530.45	22.10	• Misc pool/pool area related repair (eg. pool mastic)
		Pool Area - Pool, Replaster	27,695.86	1153.99	• Replaster the pool and replace the tile.
		Subtotal	53,157.46	2,214.89	
		Subtotal (HOA)	121,200.30	**5,050.01**	
	2.2 Specific Homeowner Projects				
		Add Alarm System Overall with Cameras		$ 2,000.00	
		Clear Story Window Replacement		$ 2,750.00	
		Add New Patio Lighting	N/A	$ 800.00	• Replace bathroom cabinet/faucet
		Subtotal (Homeowner)	N/A	**5,550.00**	
		Total		**10,600.01**	

Year	Projects/Areas		Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
3 *(2025-26)*	**3.1 HOA Annual Maintenance/Repairs**				*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	3.11 Operating Expenditures				*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2025-26 fiscal year (07/01-06/30)*
	GL Acct Code				
	7080	Landscape Contract	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	7091	Seed, Fertlizer, Plants	4,320.01	180.00	• Replace and care for turf and plants
	7100	Landscape Repairs & Maint	3,235.03	134.79	• Repairs and replacement to landscape elements
	7120	Irrigation Repairs	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
	7121	Lighting Repairs & Maint	1,973.76	82.24	• Maintain historic lighting infrastructure
	7130	Pool Contract	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	7140	Pool & Spa Repairs	1,450.00	60.42	• Specific pool and pool equipment related repairs
	7150	Pest Control	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	7190	Tree Trimming	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	7210	Common Area Repairs	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
		Subtotal	68,042.84	2,835.12	
	3.12 Reserve Expenditures				*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2025-26 fiscal year (07/01-06/30)*
		Grounds - Common Area	3,824.54	159.36	• Misc. reserve expenditures (fans, trash recepticles and gates, carports)
		Grounds - Entry Gates, Wrought Iron	7,430.54	309.61	• Replace the wrought iron entry gates and locks
		Irrigation - System Renovation, Phase 4	21,854.54	910.61	• Major renovation to irrigation system in four (4) phases
		Pool Area - Extras	546.36	22.77	• Misc pool/pool area related repair (eg. pool mastic)
		Subtotal	33,655.98	1,402.33	
		Subtotal (HOA)	101,698.82	**4,237.45**	
	3.2 Specific Homeowner Projects				
		Screen Door Replacement	N/A	320.00	• Replace carpeting with porcelain flooring
		Replace Sealants at all Windows		1,500.00	
		New front Door		1,100.00	
		New Front Door Hardward		350.00	
		Build new Master Bedroom Closets	N/A	2,000.00	• Remove popcorn ceiling
		Add Mirror and Downlights at Bar	N/A	1,500.00	
		Subtotal (Homeowner)	N/A	**6,770.00**	
		Total		**11,007.45**	

Year	Projects/Areas		Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
4 *(2026-27)*	**4.1 HOA Annual Maintenance/Repairs**				*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	4.11 Operating Expenditures				*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2026-27 fiscal year (07/01-06/30)*
	GL Acct Code				
	7080	Landscape Contract	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	7091	Seed, Fertlizer, Plants	4,320.01	180.00	• Replace and care for turf and plants
	7100	Landscape Repairs & Maint	3,235.03	134.79	• Repairs and replacement to landscape elements
	7120	Irrigation Repairs	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
	7121	Lighting Repairs & Maint	1,973.76	82.24	• Maintain historic lighting infrastructure
	7130	Pool Contract	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	7140	Pool & Spa Repairs	1,450.00	60.42	• Specific pool and pool equipment related repairs
	7150	Pest Control	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	7190	Tree Trimming	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	7210	Common Area Repairs	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
		Subtotal	68,042.84	2,835.12	
	4.12 Reserve Expenditures				*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2026-27 fiscal year (07/01-06/30)*
		Grounds - Common Area	3,939.28	164.14	• Misc. reserve expenditures (fans, trash recepticles and gates, carports)
		Grounds - Shuffleboard	1,575.71	65.65	• Resurface the shuffleboard court.
		Grounds - Surveillance System	7,315.81	304.83	• Replace surveillance system (four dome cameras and one DVR)
		Pool Area - Extras	562.75	23.45	• Misc pool/pool area related repair (eg. pool mastic)
		Subtotal	13,393.55	558.06	
		Subtotal (HOA)	81,436.39	**3,393.18**	
	4.2 Specific Homeowner Projects				
		New Exterior Heaters		$ 2,500.00	
		Misc Reparis and Maintenance		$ 1,200.00	
		Subtotal (Homeowner)	N/A	**3,700.00**	
		Total		**7,093.18**	

Year	Projects/Areas		Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
5 (2027-28)	**5.1 HOA Annual Maintenance/Repairs**				*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	5.11 Operating Expenditures				*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2027-28 fiscal year (07/01-06/30)*
	GL Acct Code				
	7080	Landscape Contract	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	7091	Seed, Fertlizer, Plants	4,320.01	180.00	• Replace and care for turf and plants
	7100	Landscape Repairs & Maint	3,235.03	134.79	• Repairs and replacement to landscape elements
	7120	Irrigation Repairs	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
	7121	Lighting Repairs & Maint	1,973.76	82.24	• Maintain historic lighting infrastructure
	7130	Pool Contract	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	7140	Pool & Spa Repairs	1,450.00	60.42	• Specific pool and pool equipment related repairs
	7150	Pest Control	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	7190	Tree Trimming	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	7210	Common Area Repairs	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
		Subtotal	68,042.84	2,835.12	
	5.12 Reserve Expenditures				*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2027-28 fiscal year (07/01-06/30)*
		Grounds - Common Area	4,057.46	169.06	• Misc. reserve expenditures (fans, trash recepticles and gates, carports)
		Painting - Trim	11,685.48	486.90	• Paint the wood and metal trim of the units
		Painting - Wrought Iron	5,216.73	217.36	• Paint the perimeter fencing and (13) light poles.
		Pool Area - Extras	579.64	24.15	• Misc pool/pool area related repair (eg. pool mastic)
		Pool Area - Pool, Heater	4,173.39	173.89	• Replace the Raypack pool heater
		Subtotal	25,712.70	1,071.36	
		Subtotal (HOA)	93,755.54	**3,906.48**	
	5.2 Specific Homeowner Projects				
		New Landscape at Poolside Patio	N/A	1,250.00	
		Add gas line to outdoor BBQ		1,200.00	
		Subtotal (Homeowner)	N/A	**2,450.00**	
		Total		**6,356.48**	

Year	Projects/Areas		Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
6 *(2028-29)*	**6.1 HOA Annual Maintenance/Repairs**				*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	6.11 Operating Expenditures				*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2028-29 fiscal year (07/01-06/30)*
	GL Acct Code				
	7080	Landscape Contract	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	7091	Seed, Fertlizer, Plants	4,320.01	180.00	• Replace and care for turf and plants
	7100	Landscape Repairs & Maint	3,235.03	134.79	• Repairs and replacement to landscape elements
	7120	Irrigation Repairs	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
	7121	Lighting Repairs & Maint	1,973.76	82.24	• Maintain historic lighting infrastructure
	7130	Pool Contract	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	7140	Pool & Spa Repairs	1,450.00	60.42	• Specific pool and pool equipment related repairs
	7150	Pest Control	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	7190	Tree Trimming	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	7210	Common Area Repairs	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
		Subtotal	68,042.84	2,835.12	
	6.12 Reserve Expenditures				*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2028-29 fiscal year (07/01-06/30)*
		Asphalt - Seal Coat	2,662.61	110.94	• Seal coat all asphalt (13,117 SF), incl. Pitahaya St. parking area.
		Grounds - Common Area	4,179.18	174.13	• Misc. reserve expenditures (fans, trash recepticles and gates, carports)
		Irrigation - Controllers (2017)	1,910.48	79.60	• Replace the five (2) controllers installed in 2017
		Pool Area - Extras	597.03	24.88	• Misc pool/pool area related repair (eg. pool mastic)
		Subtotal	9,349.30	389.55	
		Subtotal (HOA)	77,392.14	**3,224.67**	
	6.2 Specific Homeowner Projects				
		Roof Replacement	N/A	8,000.00	• Replace fan • Repair, patch and paint posts from water damage
		Subtotal (Homeowner)	N/A	**8,000.00**	
		Total		**11,224.67**	

Year	Projects/Areas		Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
7 *(2029-30)*	**7.1 HOA Annual Maintenance/Repairs**				*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	7.11 Operating Expenditures				*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2029-30 fiscal year (07/01-06/30)*
	GL Acct Code				
	7080	Landscape Contract	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	7091	Seed, Fertlizer, Plants	4,320.01	180.00	• Replace and care for turf and plants
	7100	Landscape Repairs & Maint	3,235.03	134.79	• Repairs and replacement to landscape elements
	7120	Irrigation Repairs	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
	7121	Lighting Repairs & Maint	1,973.76	82.24	• Maintain historic lighting infrastructure
	7130	Pool Contract	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	7140	Pool & Spa Repairs	1,450.00	60.42	• Specific pool and pool equipment related repairs
	7150	Pest Control	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	7190	Tree Trimming	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	7210	Common Area Repairs	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
		Subtotal	68,042.84	2,835.12	
	7.12 Reserve Expenditures				*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2029-30 fiscal year (07/01-06/30)*
		Grounds - Common Area	4,304.56	179.36	7
		Pool Area - Extras	614.94	25.62	• Misc pool/pool area related repair (eg. pool mastic)
		Subtotal	4,919.50	204.98	
		Subtotal (HOA)	72,962.34	**3,040.10**	
	7.2 Specific Homeowner Projects				
		New Landscxape at Private Patio		$ 1,200.00	
		Patio Concrete Reparis at Rear Patio		$ 2,000.00	
		Replace private Patio Concrete with Squares and River Rock		$ 4,000.00	
			N/A	7,200.00	• Roof spray foam (multi coat)
		Subtotal (Homeowner)	N/A	**7,200.00**	
		Total		**10,240.10**	

Year	Projects/Areas		Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
8 (2030-31)	**8.1 HOA Annual Maintenance/Repairs**				*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	8.11 Operating Expenditures				*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2030-31 fiscal year (07/01-06/30)*
	GL Acct Code				
	7080	Landscape Contract	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	7091	Seed, Fertlizer, Plants	4,320.01	180.00	• Replace and care for turf and plants
	7100	Landscape Repairs & Maint	3,235.03	134.79	• Repairs and replacement to landscape elements
	7120	Irrigation Repairs	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
	7121	Lighting Repairs & Maint	1,973.76	82.24	• Maintain historic lighting infrastructure
	7130	Pool Contract	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	7140	Pool & Spa Repairs	1,450.00	60.42	• Specific pool and pool equipment related repairs
	7150	Pest Control	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	7190	Tree Trimming	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	7210	Common Area Repairs	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
		Subtotal	68,042.84	2,835.12	
	8.12 Reserve Expenditures				*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2030-31 fiscal year (07/01-06/30)*
		Grounds - Common Area	4,433.70	184.74	• Misc. reserve expenditures (fans, trash recepticles and gates, carports)
		Painting - Pool Cabana	3,800.31	158.35	• x
		Pool Area - Extras	633.39	26.39	• Misc pool/pool area related repair (eg. pool mastic)
		Subtotal	8,867.40	369.48	
		Subtotal (HOA)	76,910.24	**3,204.59**	
	8.2 Specific Homeowner Projects				
		New Kitchen Appliances		$ 3,500.00	
		Remodel Kitchen new Cabinets and Island	N/A	$25,000.00	
		Subtotal (Homeowner)	N/A	**$28,500.00**	
		Total		**31,704.59**	

Year	Projects/Areas		Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
9 (2031-32)	**9.1 HOA Annual Maintenance/Repairs**				*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	9.11 Operating Expenditures				*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2031-32 fiscal year (07/01-06/30)*
	GL Acct Code				
	7080 Landscape Contract		43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	7091 Seed, Fertlizer, Plants		4,320.01	180.00	• Replace and care for turf and plants
	7100 Landscape Repairs & Maint		3,235.03	134.79	• Repairs and replacement to landscape elements
	7120 Irrigation Repairs		2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
	7121 Lighting Repairs & Maint		1,973.76	82.24	• Maintain historic lighting infrastructure
	7130 Pool Contract		3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	7140 Pool & Spa Repairs		1,450.00	60.42	• Specific pool and pool equipment related repairs
	7150 Pest Control		1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	7190 Tree Trimming		3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	7210 Common Area Repairs		1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
		Subtotal	68,042.84	2,835.12	
	9.12 Reserve Expenditures				*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2031-32 fiscal year (07/01-06/30)*
	Grounds - Common Area		4,566.71	190.28	• Misc. reserve expenditures (fans, trash recepticles and gates, carports)
	Painting - Wrought Iron		5,871.48	244.65	• Paint the perimeter fencing and (13) light poles.
	Pool Area - Extras		652.39	27.18	• Misc pool/pool area related repair (eg. pool mastic)
		Subtotal	11,090.58	462.11	
		Subtotal (HOA)	79,133.42	**3,297.23**	
	9.2 Specific Homeowner Projects				
	Interior Paint Overall			$ 5,000.00	
	Guest Bath Renovation,		N/A	$15,000.00	
		Subtotal (Homeowner)	N/A	**$20,000.00**	
		Total		**23,297.23**	

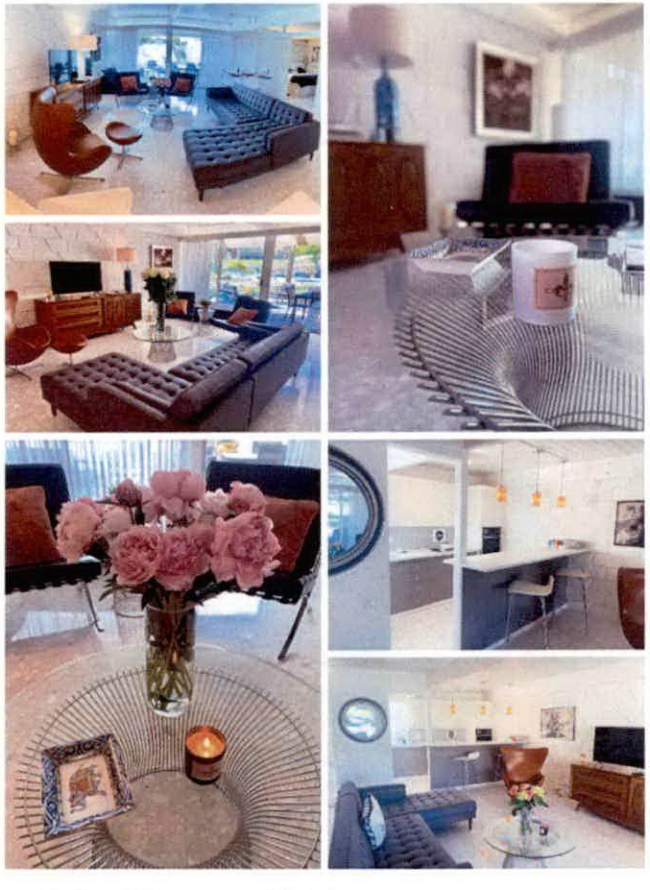
Year	Projects/Areas		Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
10 *(2032-33)*	**10.1 HOA Annual Maintenance/Repairs**				*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	10.11 Operating Expenditures				*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2032-33 fiscal year (07/01-06/30)*
	GL Acct Code				
	7080	Landscape Contract	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	7091	Seed, Fertlizer, Plants	4,320.01	180.00	• Replace and care for turf and plants
	7100	Landscape Repairs & Maint	3,235.03	134.79	• Repairs and replacement to landscape elements
	7120	Irrigation Repairs	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
	7121	Lighting Repairs & Maint	1,973.76	82.24	• Maintain historic lighting infrastructure
	7130	Pool Contract	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	7140	Pool & Spa Repairs	1,450.00	60.42	• Specific pool and pool equipment related repairs
	7150	Pest Control	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	7190	Tree Trimming	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	7210	Common Area Repairs	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
		Subtotal	68,042.84	2,835.12	
	10.12 Reserve Expenditures				*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2032-33 fiscal year (07/01-06/30)*
		Grounds - Common Area	4,703.71	195.99	• Misc. reserve expenditures (fans, trash recepticles and gates, carports)
		Painting - Trim	13,546.68	564.45	• Paint the wood and metal trim of the units
		Painting - Units, Stucco & Trim	54,159.83	2256.66	• Paint residential units exteriors
		Pool Area - Extras	671.96	28.00	• Misc pool/pool area related repair (eg. pool mastic)
		Pool Area - Pool, Pump	2,217.46	92.39	• Replace the Pentair Intelle-Flo variable speed pool pump
		Subtotal	75,299.64	3,137.49	
		Subtotal (HOA)	143,342.48	**5,972.60**	
	10.2 Specific Homeowner Projects				
		New HVAC System		$ 10,000.00	
		Relocate A/C to side of Property		$ 2,000.00	
		New Water Heater	N/A	$1,500.00	• Add electrical outlets on both patio and courtyard
		Subtotal (Homeowner)	N/A	**$13,500.00**	
		Total		**19,472.60**	

10 Year Project Improvement Plan *#REF!*

Year	Projects/Areas	Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
10 Year Annual Average	**11.1 HOA Annual Maintenance/Repairs**			*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	11.11 Operating Expenditures			*The amounts show are based on 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with yearly GL actuals*
	Total 10 Years	680,428.40	28,351.18	
	10 Yr Average/Year	68,042.84	**2,835.12**	
	11.12 Reserve Expenditures			*From April 2022 Reserve Analysis Report forecasted expenditures - select categories specific to Mills Act; will be updated with actual yearly expenditures*
	Total 10 Years	269,672.90	11,236.37	
	10 Yr Average/Year	26,967.29	**1,123.64**	
	Combined 10 Years	950,101.30	39,587.55	
	10 Yr Average/Year **Subtotal (HOA)**	95,010.13	**3,958.76**	
	11.2 Specific Homeowner Projects			
	10 Yr Subtotal	N/A	100,120.00	
	10 Yr Average/Year **Subtotal (Homeowner)**	N/A	**10,012.00**	
	10 Yr.Total/Homeowner	N/A	139,707.55	
	Total 10 Yr. Average/Year	N/A	**13,970.76**	

Interior Photos – Unit 361

Living Room – Dining Area



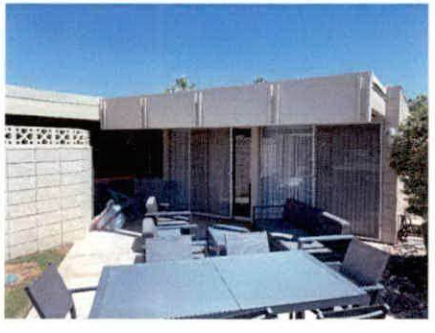
Living Room – Kitchen

Kitchen

Exterior Photos – Unit 361

North Facade

North Facade



South Facade

North Street Facade

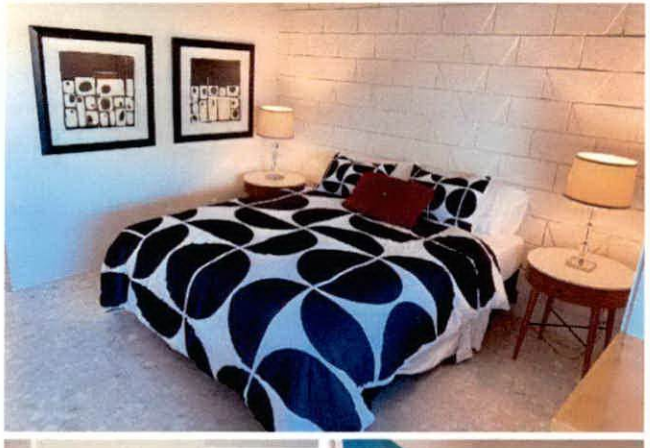
West Façade

East Façade – Left Side

East Façade – Right Side

Entry Door

Interior Photos – Unit 361



Master Bedroom, Hallway, Kitchen

Master Bedroom, Laundry and Master Bath

Interior Photos – Unit 361

Master Bath

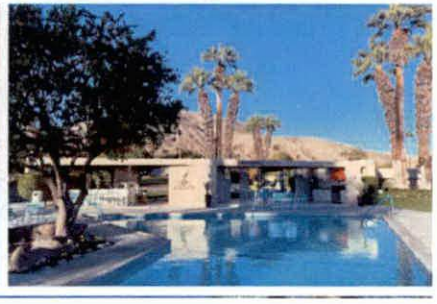
Terrazzo Flooring Overall

Guest Bedroom – View from Dining Area

Private Patios & Shared Common Areas – Unit 361

Private Patio of Master

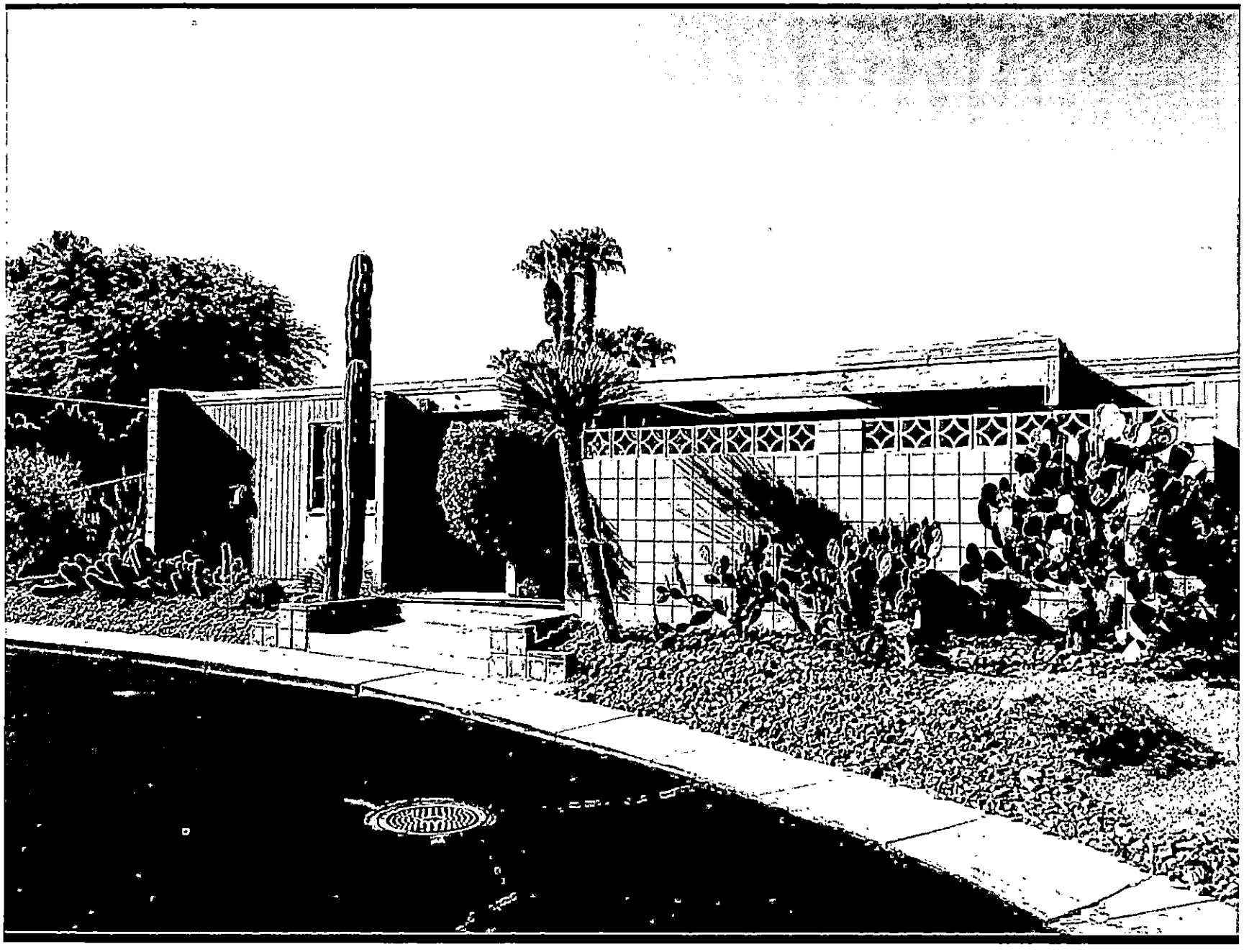
Private Terrace off LR



Common Areas and Pool

SANDPIPER
UNIT 361 - LOT 78
PALM DESERT, CA.

OWNER: HOPEEN LOUP



361 SANDPIPER ST. - LOT 78 PALM DESERT, CA. 92260

Tax Year 2021

PARCEL NUMBER	GEO PARCEL #	LAST UPDATE
640260008	640260008	6/16/2022 1:41:15 PM

Assessment Data

Description	Value
Net Taxable Value	$379,250.00

Exemptions

No Tax Exemptions Records Found

Taxing Agencies

Tax Payment Distribution
For information regarding these charges please contact the Taxing Agency directly at the numbers listed here.

General Purpose			
Taxing Authority	**Phone**	**Net Rate**	**Net Tax**
01-0000-GP GENERAL PURPOSE	See Phone List	1.0000000000 %	$3,792.50
Fund Type Total		**1.0000000000 %**	**$3,792.50**
Debt			
Taxing Authority	**Phone**	**Net Rate**	**Net Tax**
03-2001-D DESERT SANDS UNIFIED SCHOOL	See Phone List	0.0750000000 %	$284.44
03-9001-D DESERT COMMUNITY COLLEGE	See Phone List	0.0395000000 %	$149.80
04-4821-D CV WATER DISTRICT STATE WTR PROJ	See Phone List	0.1100000000 %	$417.18
Fund Type Total		**0.2245000000 %**	**$851.42**
Special Assessment			
Taxing Authority	**Phone**	**Net Rate**	**Net Tax**
68-2586-FC PALM DESERT EMG SRV	See Phone List	NA	$60.00
68-4556-FC COACHELLA VALLEY MOSQUITO & RIFA	See Phone List	NA	$7.90
68-4612-FC AD COACHELLA VALLEY RC/PK 93-1	See Phone List	NA	$9.90
68-4836-FC CVWD SEWER SERVICE CHARGE ID80	See Phone List	NA	$295.44
Fund Type Total			**$373.24**
Total		**1.22450 %**	**$5,017.16**

NOTE: Tax Authority Districts 28-5251, 28-5275 and 28-5291 are applied to the land value only.

Payments

TAX YEAR	BILL NUMBER	PMT TYPE	RECEIPT NUMBER	AMOUNT PAID	LAST PAID
2021	2021004039089	Payment	B21.466511	$2,508.58	12/10/2021
2021	2021004039089	Payment	B21.809914	$2,508.58	4/10/2022

363 SANDPIPER APPLICATION

1. Application Checklist
2. Application Form
3. Copy of the grant deed, including a complete legal description
4. 10-Year Property Improvement Plan
5. Photographs
6. Site plan
7. Non-refundable application fee of $318.00

City of Palm Desert
Department of Building and Safety
MILLS ACT HISTORIC PROPERTY CONTRACT APPLICATION

73-510 Fred Waring Drive · Palm Desert · California · 92260 · (760) 776-6420 · Fax (760) 776-6392

Property Owner Information:

Name: CATHERINE ANN MULFLUR

Address: 363 SANDPIPER

City: PALM DESERT State: CA Zip: 92260

Phone: (HM) 818-398-1646 (WK) SAME. Email: CATHERINEMULFLURDESIGN @GMAIL.COM

Property Information:

Address of Property: 363 SANDPIPER PALM DESERT CA. 92260

Assessor's Parcel No(s): 640260007 (PRORATA SHARE OF COMMON AREA 640260025

Legal Description (attach additional sheets if necessary):

Date of Purchase by Current owner: DECEMBER 6 2019

Use of Property: VACATION HOME

Eligibility for the Mills Act Program:

A property must be designated and recorded with the Riverside County Recorder at the time an application is submitted. Please check the designation(s) that apply to the property:

- [X] City Historic Landmark
- [X] Contributor to a City Historic District
- [ ] National Register of Historic Places (individually listed)
- [ ] National Register of Historic Places (contributor to a historic district)
- [ ] National Historic Landmark

Name of Historic District (if applicable): SANDPIPER CONDOMINIUMS (HISTORIC SITE #4)

Date of Designation: FEB 10, 2022

Property Owner Consent: I am (we are) the present owner(s) of the property described above and hereby apply for consideration for a Mills Act Historic Property Contract

Catherine Ann Mulflur — Signature of Property Owner — 6/16/2022 — Date

Signature of Property Owner — Date

For Office Use:

DOC # 2019-0519737
12/16/2019 04:18 PM Fees: $17.00
Page 1 of 2
Recorded in Official Records
County of Riverside
Peter Aldana
Assessor-County Clerk-Recorder

RECORDING REQUESTED BY:
Orange Coast Title of California

AND WHEN RECORDED MAIL TO:

Catherine Mulflur
3826 SW Lyle Court
Portland, OR 97221

This document was electronically submitted to the County of Riverside for recording
Receipted by: KAREN #277

216-2 OH6670-10

THIS SPACE FOR RECORDER'S USE ONLY:

Title Order No.: 2046670-10 **Escrow No.:** 191411-TB
AP#: 640-260-007-9 TRA: 018-006

GRANT DEED

THE UNDERSIGNED GRANTOR(S) DECLARE(S)
DOCUMENTARY TRANSFER TAX is $346.50
[X] computed on full value of property conveyed, or
[ ] computed on full value less value of liens or encumbrances remaining at time of sale.
[ ] Unincorporated area [X] City of Palm Desert **AND**

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

Janet L. Coffyn, Trustee of the Janet L. Coffyn Trust Agreement Dated November 8, 2005

hereby GRANT(s) to:

Catherine Ann Mulflur, an Unmarried Woman

the real property in the City of Palm Desert, County of Riverside, State of California, described as:
LEGAL DESCRIPTION ATTACHED HERETO AS EXHIBIT "A" AND MADE A PART HEREOF
Also Known as: 363 Sandpiper Street, Palm Desert, CA 92260

Dated November 5, 2019

The Janet L. Coffyn Trust Agreement Dated November 8, 2005

By: Janet L Coffyn
Janet L. Coffyn, Trustee

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 Orange)
On November 22, 2019 before me, Morgan Green A Notary Public personally appeared Janet L. Coffyn who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.
WITNESS my hand and official seal.

Signature Morgan Green (Seal)

MORGAN GREEN
Notary Public - California
Orange County
Commission # 2189902
My Comm. Expires Apr 7, 2021

MAIL TAX STATEMENTS TO PARTY SHOWN BELOW; IF NO PARTY SHOWN, MAIL AS SHOWN ABOVE:

Exhibit "A"

Lot 76 and an undivided 1/24 interest in Lot 99 of Tract No. 3103, as shown by Map on file in Book 64, Pages 36 to 3B, inclusive of Maps in the office of the Recorder of said County;

Excepting therefrom all that portion of Lot 99 as conveyed to Country Club Cottages, Inc., by Deed Recorded September 1, 1965 as Instrument No. 101369 of Official Records of Riverside County, California.

This must be in red to be a
"CERTIFIED COPY"

I hereby certify the foregoing instrument to which this stamp has been affixed consisting of 2 pages to be a full, true and correct copy of the original on file and of record in my office.

Peter Aldana

Assessor - County Clerk - Recorder

County of Riverside, State of California

Dated: JUN 14 2022

ASSESSOR - COUNTY CLERK - RECORDER
ACR
RIVERSIDE COUNTY, CALIFORNIA

Certification must be in red to be a
"CERTIFIED COPY"

OFFICE OF THE TREASURER-TAX COLLECTOR
RIVERSIDE COUNTY, CALIFORNIA

HOME ACCOUNT SEARCH CHECK OUT COUNTY HOME CONTACT US

←BACK ACCOUNT SUMMARY

Tax Year 2021

PARCEL NUMBER	GEO PARCEL #	LAST UPDATE
640260007	640260007	6/14/2022 3:27:07 PM

Assessment Data

Description	Value
Net Taxable Value	$318,262.00

Exemptions

No Tax Exemptions Records Found

Taxing Agencies

Tax Payment Distribution
For information regarding these charges please contact the Taxing Agency directly at the numbers listed here.

General Purpose

Taxing Authority	Phone	Net Rate	Net Tax
01-0000-GP GENERAL PURPOSE	See Phone List	1.0000000000 %	$3,182.62
Fund Type Total		**1.0000000000 %**	**$3,182.62**

Debt

Taxing Authority	Phone	Net Rate	Net Tax
04-4821-D CV WATER DISTRICT STATE WTR PROJ	See Phone List	0.1100000000 %	$350.09
03-2001-D DESERT SANDS UNIFIED SCHOOL	See Phone List	0.0750000000 %	$238.70
03-9001-D DESERT COMMUNITY COLLEGE	See Phone List	0.0395000000 %	$125.71
Fund Type Total		**0.2245000000 %**	**$714.50**

Special Assessment

Taxing Authority	Phone	Net Rate	Net Tax
68-4556-FC COACHELLA VALLEY MOSQUITO & RIFA	See Phone List	NA	$7.90
68-4612-FC AD COACHELLA VALLEY RC/PK 93-1	See Phone List	NA	$9.90
68-2586-FC PALM DESERT EMG SRV	See Phone List	NA	$60.00
68-4836-FC CVWD SEWER SERVICE CHARGE ID80	See Phone List	NA	$295.44
Fund Type Total			**$373.24**
Total		**1.22450 %**	**$4,270.36**

NOTE: Tax Authority Districts 28-5251, 28-5275 and 28-5291 are applied to the land value only.

Payments

TAX YEAR	BILL NUMBER	PMT TYPE	RECEIPT NUMBER	AMOUNT PAID	LAST PAID
2021	2021004039084	Payment	B21.367434	$2,135.18	12/3/2021
2021	2021004039084	Payment	B21.714858	$2,135.18	4/4/2022

Year	Projects/Areas	Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
1 *(2023-24)*	**1.1 HOA Annual Maintenance/Repairs**			*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	1.11 Operating Expenditures			*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2023-24 fiscal year (07/01-06/30)*
	GL Acct Code			
	7080 Landscape Contract	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	7091 Seed, Fertlizer, Plants	4,320.01	180.00	• Replace and care for turf and plants
	7100 Landscape Repairs & Maint	3,235.03	134.79	• Repairs and replacement to landscape elements
	7120 Irrigation Repairs	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
	7121 Lighting Repairs & Maint	1,973.76	82.24	• Maintain historic lighting infrastructure
	7130 Pool Contract	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	7140 Pool & Spa Repairs	1,450.00	60.42	• Specific pool and pool equipment related repairs
	7150 Pest Control	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	7190 Tree Trimming	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	7210 Common Area Repairs	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
	Subtotal	68,042.84	2,835.12	
	1.12 Reserve Expenditures			*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2023-24 fiscal year (07/01-06/30)*
	Asphalt - Seal Coat	2,296.79	95.70	• Seal coat all asphalt (13,117 SF), incl. Pitahaya St. parking area.
	Grounds - Common Area	3,605.00	150.21	• Misc. reserve expenditures (fans, trash recepticles and gates, carports)
	Grounds - Mailboxes	3,605.00	150.21	• Replace two (2) mailboxes
	Irrigation - System Renovation, Phase 2	19,570.00	815.42	• Major renovation to irrigation system in four (4) phases
	Painting - Wrought Iron	4,635.00	193.13	• Paint the perimeter fencing and (13) light poles.
	Pool Area - Extras	515.00	21.46	• Misc pool/pool area related repair (eg. pool mastic)
	Subtotal	34,226.79	1,426.12	
	Subtotal (HOA)	68,042.84	**2,835.12**	
	1.2 Specific Homeowner Projects			
	Repair Sunflap and Exterior Wood		$ 3,000.00	
	Replace Front Door and Hardward		$ 1,200.00	
	General Repairs and Maintenance	N/A	$1,000.00	
	New Master Bath Toilet	N/A	$1,000.00	
	Subtotal (Homeowner)	N/A	**6,200.00**	
	Total		**9,035.12**	

Year	Projects/Areas	Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
2 *(2024-25)*	**2.1 HOA Annual Maintenance/Repairs**			*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	2.11 Operating Expenditures			*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2024-25 fiscal year (07/01-06/30)*
	GL Acct Code			
	7080 Landscape Contract	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	7091 Seed, Fertlizer, Plants	4,320.01	180.00	• Replace and care for turf and plants
	7100 Landscape Repairs & Maint	3,235.03	134.79	• Repairs and replacement to landscape elements
	7120 Irrigation Repairs	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
	7121 Lighting Repairs & Maint	1,973.76	82.24	• Maintain historic lighting infrastructure
	7130 Pool Contract	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	7140 Pool & Spa Repairs	1,450.00	60.42	• Specific pool and pool equipment related repairs
	7150 Pest Control	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	7190 Tree Trimming	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	7210 Common Area Repairs	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
	Subtotal	68,042.84	2,835.12	
	2.12 Reserve Expenditures			*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2024-25 fiscal year (07/01-06/30)*
	Grounds - Common Area	3,713.15	154.71	• Misc. reserve expenditures (fans, trash recepticles and gates, carports)
	Irrigation - System Renovation, Phase 3	21,218.00	884.08	• Major renovation to irrigation system in four (4) phases
	Pool Area - Extras	530.45	22.10	• Misc pool/pool area related repair (eg. pool mastic)
	Pool Area - Pool, Replaster	27,695.86	1153.99	• Replaster the pool and replace the tile.
	Subtotal	53,157.46	2,214.89	
	Subtotal (HOA)	121,200.30	**5,050.01**	
	2.2 Specific Homeowner Projects			
	Replace Clear Story Windows		$ 1,500.00	
	Redo all Window Caulking		$ 1,000.00	
	Install new HVAC	N/A	$12,000.00	
	Subtotal (Homeowner)	N/A	**14,500.00**	
	Total		**19,550.01**	

Year	Projects/Areas		Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
3 *(2025-26)*	**3.1 HOA Annual Maintenance/Repairs**				*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	3.11 Operating Expenditures				*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2025-26 fiscal year (07/01-06/30)*
	GL Acct Code				
	7080	Landscape Contract	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	7091	Seed, Fertlizer, Plants	4,320.01	180.00	• Replace and care for turf and plants
	7100	Landscape Repairs & Maint	3,235.03	134.79	• Repairs and replacement to landscape elements
	7120	Irrigation Repairs	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
	7121	Lighting Repairs & Maint	1,973.76	82.24	• Maintain historic lighting infrastructure
	7130	Pool Contract	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	7140	Pool & Spa Repairs	1,450.00	60.42	• Specific pool and pool equipment related repairs
	7150	Pest Control	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	7190	Tree Trimming	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	7210	Common Area Repairs	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
		Subtotal	68,042.84	2,835.12	
	3.12 Reserve Expenditures				*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2025-26 fiscal year (07/01-06/30)*
		Grounds - Common Area	3,824.54	159.36	• Misc. reserve expenditures (fans, trash recepticles and gates, carports)
		Grounds - Entry Gates, Wrought Iron	7,430.54	309.61	• Replace the wrought iron entry gates and locks
		Irrigation - System Renovation, Phase 4	21,854.54	910.61	• Major renovation to irrigation system in four (4) phases
		Pool Area - Extras	546.36	22.77	• Misc pool/pool area related repair (eg. pool mastic)
		Subtotal	33,655.98	1,402.33	
		Subtotal (HOA)	101,698.82	**4,237.45**	
	3.2 Specific Homeowner Projects				
		Remodel Master Bath	N/A	5,000.00	• Replace carpeting with porcelain flooring
		Add bathroom air vents (2)	N/A	1,000.00	• Remove popcorn ceiling
		Add alarm System and Cameras	N/A	1,500.00	
		Subtotal (Homeowner)	N/A	**7,500.00**	
		Total		**11,737.45**	

Year	Projects/Areas		Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
4 *(2026-27)*	**4.1 HOA Annual Maintenance/Repairs**				*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	4.11 Operating Expenditures				*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2026-27 fiscal year (07/01-06/30)*
	GL Acct Code				
	7080	Landscape Contract	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	7091	Seed, Fertlizer, Plants	4,320.01	180.00	• Replace and care for turf and plants
	7100	Landscape Repairs & Maint	3,235.03	134.79	• Repairs and replacement to landscape elements
	7120	Irrigation Repairs	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
	7121	Lighting Repairs & Maint	1,973.76	82.24	• Maintain historic lighting infrastructure
	7130	Pool Contract	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	7140	Pool & Spa Repairs	1,450.00	60.42	• Specific pool and pool equipment related repairs
	7150	Pest Control	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	7190	Tree Trimming	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	7210	Common Area Repairs	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
		Subtotal	68,042.84	2,835.12	
	4.12 Reserve Expenditures				*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2026-27 fiscal year (07/01-06/30)*
		Grounds - Common Area	3,939.28	164.14	• Misc. reserve expenditures (fans, trash recepticles and gates, carports)
		Grounds - Shuffleboard	1,575.71	65.65	• Resurface the shuffleboard court.
		Grounds - Surveillance System	7,315.81	304.83	• Replace surveillance system (four dome cameras and one DVR)
		Pool Area - Extras	562.75	23.45	• Misc pool/pool area related repair (eg. pool mastic)
		Subtotal	13,393.55	558.06	
		Subtotal (HOA)	81,436.39	**3,393.18**	
	4.2 Specific Homeowner Projects				
		Remodel Kitchen and Appliances		$ 18,000.00	
		Repaint LR DR Kitchen Ceilings	N/A	950.00	
		Subtotal (Homeowner)	N/A	**18,950.00**	
		Total		**22,343.18**	

Year	Projects/Areas		Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
5 (2027-28)	**5.1 HOA Annual Maintenance/Repairs**				*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	5.11 Operating Expenditures				*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2027-28 fiscal year (07/01-06/30)*
	GL Acct Code				
	7080	Landscape Contract	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	7091	Seed, Fertlizer, Plants	4,320.01	180.00	• Replace and care for turf and plants
	7100	Landscape Repairs & Maint	3,235.03	134.79	• Repairs and replacement to landscape elements
	7120	Irrigation Repairs	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
	7121	Lighting Repairs & Maint	1,973.76	82.24	• Maintain historic lighting infrastructure
	7130	Pool Contract	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	7140	Pool & Spa Repairs	1,450.00	60.42	• Specific pool and pool equipment related repairs
	7150	Pest Control	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	7190	Tree Trimming	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	7210	Common Area Repairs	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
		Subtotal	68,042.84	2,835.12	
	5.12 Reserve Expenditures				*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2027-28 fiscal year (07/01-06/30)*
		Grounds - Common Area	4,057.46	169.06	• Misc. reserve expenditures (fans, trash recepticles and gates, carports)
		Painting - Trim	11,685.48	486.90	• Paint the wood and metal trim of the units
		Painting - Wrought Iron	5,216.73	217.36	• Paint the perimeter fencing and (13) light poles.
		Pool Area - Extras	579.64	24.15	• Misc pool/pool area related repair (eg. pool mastic)
		Pool Area - Pool, Heater	4,173.39	173.89	• Replace the Raypack pool heater
		Subtotal	25,712.70	1,071.36	
		Subtotal (HOA)	93,755.54	**3,906.48**	
	5.2 Specific Homeowner Projects				
		Resurface Roof	N/A	3,000.00	• Add laundry door, replace faucet, replace lighting
		Repaint Bedrooms and Bath		3,000.00	• Full interior repainting
		Subtotal (Homeowner)	N/A	**6,000.00**	
		Total		**9,906.48**	

Year	Projects/Areas		Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
6 *(2028-29)*	**6.1 HOA Annual Maintenance/Repairs**				*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	6.11 Operating Expenditures				*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2028-29 fiscal year (07/01-06/30)*
	GL Acct Code				
	7080	Landscape Contract	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	7091	Seed, Fertlizer, Plants	4,320.01	180.00	• Replace and care for turf and plants
	7100	Landscape Repairs & Maint	3,235.03	134.79	• Repairs and replacement to landscape elements
	7120	Irrigation Repairs	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
	7121	Lighting Repairs & Maint	1,973.76	82.24	• Maintain historic lighting infrastructure
	7130	Pool Contract	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	7140	Pool & Spa Repairs	1,450.00	60.42	• Specific pool and pool equipment related repairs
	7150	Pest Control	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	7190	Tree Trimming	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	7210	Common Area Repairs	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
		Subtotal	68,042.84	2,835.12	
	6.12 Reserve Expenditures				*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2028-29 fiscal year (07/01-06/30)*
		Asphalt - Seal Coat	2,662.61	110.94	• Seal coat all asphalt (13,117 SF), incl. Pitahaya St. parking area.
		Grounds - Common Area	4,179.18	174.13	• Misc. reserve expenditures (fans, trash recepticles and gates, carports)
		Irrigation - Controllers (2017)	1,910.48	79.60	• Replace the five (2) controllers installed in 2017
		Pool Area - Extras	597.03	24.88	• Misc pool/pool area related repair (eg. pool mastic)
		Subtotal	9,349.30	389.55	
		Subtotal (HOA)	77,392.14	**3,224.67**	
	6.2 Specific Homeowner Projects				
		Remodel Guest Bathroom	N/A	15,000.00	
		Subtotal (Homeowner)	N/A	**15,000.00**	
		Total		**18,224.67**	

Year	Projects/Areas		Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
7 *(2029-30)*	**7.1 HOA Annual Maintenance/Repairs**				*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	7.11 Operating Expenditures				*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2029-30 fiscal year (07/01-06/30)*
	GL Acct Code				
	7080	Landscape Contract	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	7091	Seed, Fertlizer, Plants	4,320.01	180.00	• Replace and care for turf and plants
	7100	Landscape Repairs & Maint	3,235.03	134.79	• Repairs and replacement to landscape elements
	7120	Irrigation Repairs	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
	7121	Lighting Repairs & Maint	1,973.76	82.24	• Maintain historic lighting infrastructure
	7130	Pool Contract	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	7140	Pool & Spa Repairs	1,450.00	60.42	• Specific pool and pool equipment related repairs
	7150	Pest Control	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	7190	Tree Trimming	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	7210	Common Area Repairs	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
		Subtotal	68,042.84	2,835.12	
	7.12 Reserve Expenditures				*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2029-30 fiscal year (07/01-06/30)*
		Grounds - Common Area	4,304.56	179.36	7
		Pool Area - Extras	614.94	25.62	• Misc pool/pool area related repair (eg. pool mastic)
		Subtotal	4,919.50	204.98	
		Subtotal (HOA)	72,962.34	**3,040.10**	
	7.2 Specific Homeowner Projects				
		Redo Master Bedroom Closets		$ 1,200.00	
		Replace Storage Cabinets Doors Private Patio		$ 2,000.00	
		Relocate Washer and Dryer To Private Patio	N/A	$2,000.00	
		Subtotal (Homeowner)	N/A	**5,200.00**	
		Total		**8,240.10**	

Year	Projects/Areas	Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
8 *(2030-31)*	**8.1 HOA Annual Maintenance/Repairs**			*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	8.11 Operating Expenditures			*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2030-31 fiscal year (07/01-06/30)*
GL Acct Code				
7080	Landscape Contract	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
7091	Seed, Fertlizer, Plants	4,320.01	180.00	• Replace and care for turf and plants
7100	Landscape Repairs & Maint	3,235.03	134.79	• Repairs and replacement to landscape elements
7120	Irrigation Repairs	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
7121	Lighting Repairs & Maint	1,973.76	82.24	• Maintain historic lighting infrastructure
7130	Pool Contract	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
7140	Pool & Spa Repairs	1,450.00	60.42	• Specific pool and pool equipment related repairs
7150	Pest Control	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
7190	Tree Trimming	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
7210	Common Area Repairs	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
	Subtotal	68,042.84	2,835.12	
	8.12 Reserve Expenditures			*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2030-31 fiscal year (07/01-06/30)*
	Grounds - Common Area	4,433.70	184.74	• Misc. reserve expenditures (fans, trash recepticles and gates, carports)
	Painting - Pool Cabana	3,800.31	158.35	• x
	Pool Area - Extras	633.39	26.39	• Misc pool/pool area related repair (eg. pool mastic)
	Subtotal	8,867.40	369.48	
	Subtotal (HOA)	76,910.24	**3,204.59**	
	8.2 Specific Homeowner Projects			
	Replace all sliding glass doors		$ 4,500.00	
	General Maintenance and Repairs	N/A	$1,200.00	
	Subtotal (Homeowner)	N/A	**5,700.00**	
	Total		**8,904.59**	

Year	Projects/Areas		Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
9 *(2031-32)*	**9.1 HOA Annual Maintenance/Repairs**				*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	9.11 Operating Expenditures				*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2031-32 fiscal year (07/01-06/30)*
	GL Acct Code				
	7080	Landscape Contract	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	7091	Seed, Fertlizer, Plants	4,320.01	180.00	• Replace and care for turf and plants
	7100	Landscape Repairs & Maint	3,235.03	134.79	• Repairs and replacement to landscape elements
	7120	Irrigation Repairs	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
	7121	Lighting Repairs & Maint	1,973.76	82.24	• Maintain historic lighting infrastructure
	7130	Pool Contract	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	7140	Pool & Spa Repairs	1,450.00	60.42	• Specific pool and pool equipment related repairs
	7150	Pest Control	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	7190	Tree Trimming	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	7210	Common Area Repairs	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
		Subtotal	68,042.84	2,835.12	
	9.12 Reserve Expenditures				*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2031-32 fiscal year (07/01-06/30)*
		Grounds - Common Area	4,566.71	190.28	• Misc. reserve expenditures (fans, trash recepticles and gates, carports)
		Painting - Wrought Iron	5,871.48	244.65	• Paint the perimeter fencing and (13) light poles.
		Pool Area - Extras	652.39	27.18	• Misc pool/pool area related repair (eg. pool mastic)
		Subtotal	11,090.58	462.11	
		Subtotal (HOA)	79,133.42	**3,297.23**	
	9.2 Specific Homeowner Projects				
		New Tile at exterior Patio flooring	N/A	5,000.00	
		Subtotal (Homeowner)	N/A	**5,000.00**	
		Total		**8,297.23**	

Year	GL Acct Code	Projects/Areas	Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
10 *(2032-33)*		**10.1 HOA Annual Maintenance/Repairs**			*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
		10.11 Operating Expenditures			*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2032-33 fiscal year (07/01-06/30)*
	7080	Landscape Contract	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	7091	Seed, Fertlizer, Plants	4,320.01	180.00	• Replace and care for turf and plants
	7100	Landscape Repairs & Maint	3,235.03	134.79	• Repairs and replacement to landscape elements
	7120	Irrigation Repairs	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
	7121	Lighting Repairs & Maint	1,973.76	82.24	• Maintain historic lighting infrastructure
	7130	Pool Contract	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	7140	Pool & Spa Repairs	1,450.00	60.42	• Specific pool and pool equipment related repairs
	7150	Pest Control	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	7190	Tree Trimming	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	7210	Common Area Repairs	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
		Subtotal	68,042.84	2,835.12	
		10.12 Reserve Expenditures			*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2032-33 fiscal year (07/01-06/30)*
		Grounds - Common Area	4,703.71	195.99	• Misc. reserve expenditures (fans, trash recepticles and gates, carports)
		Painting - Trim	13,546.68	564.45	• Paint the wood and metal trim of the units
		Painting - Units, Stucco & Trim	54,159.83	2256.66	• Paint residential units exteriors
		Pool Area - Extras	671.96	28.00	• Misc pool/pool area related repair (eg. pool mastic)
		Pool Area - Pool, Pump	2,217.46	92.39	• Replace the Pentair Intelle-Flo variable speed pool pump
		Subtotal	75,299.64	3,137.49	
		Subtotal (HOA)	143,342.48	**5,972.60**	
		10.2 Specific Homeowner Projects			
		Replace interior Floorings	N/A	10,000.00	• Add electrical outlets on both patio and courtyard
		Subtotal (Homeowner)	N/A	**10,000.00**	
		Total		**15,972.60**	

10 Year Project Improvement Plan *#REF!*

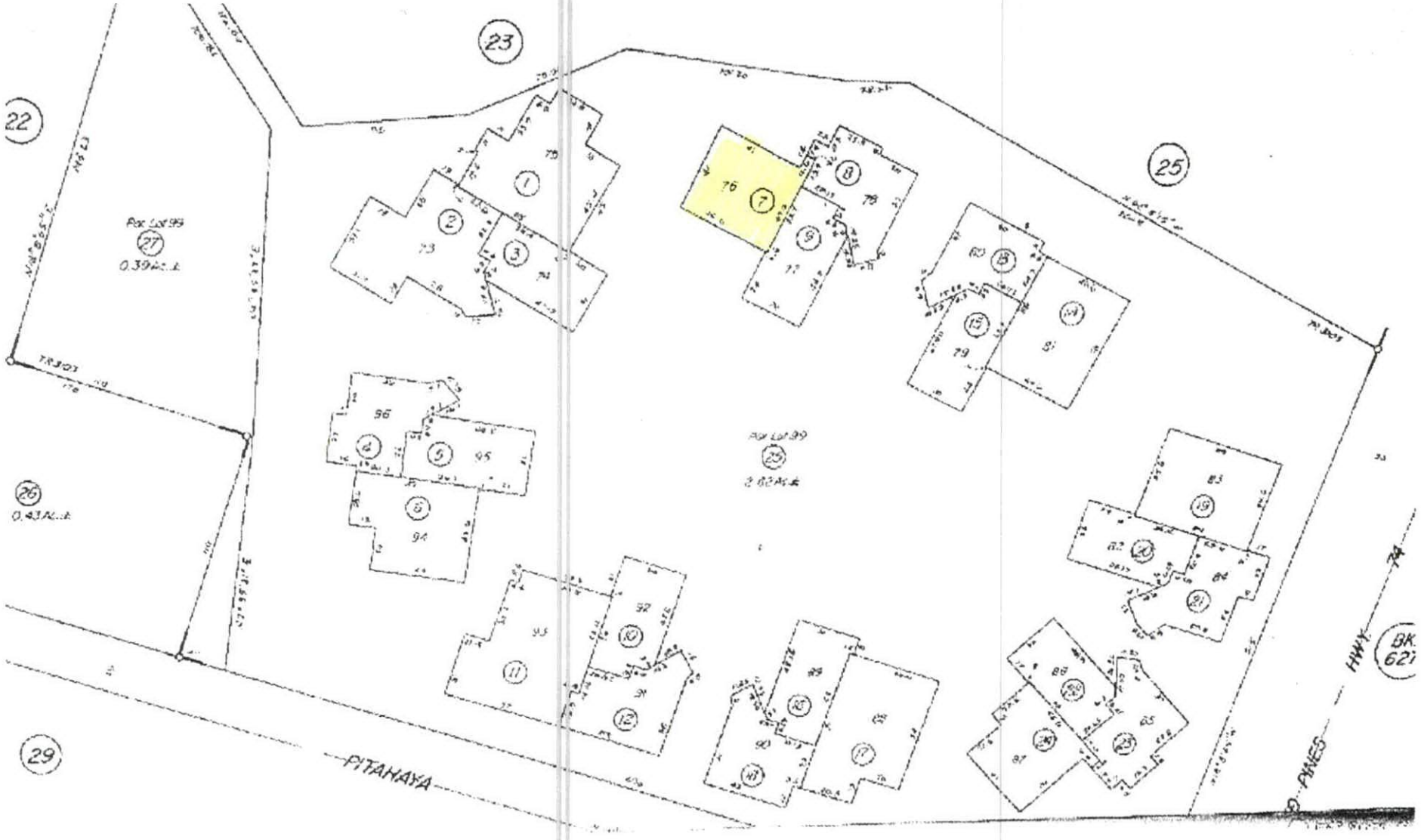
Year	Projects/Areas	Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
10 Year Annual Average	**11.1 HOA Annual Maintenance/Repairs**			*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	11.11 Operating Expenditures			*The amounts show are based on 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with yearly GL actuals*
	Total 10 Years	680,428.40	28,351.18	
	10 Yr Average/Year	68,042.84	**2,835.12**	
	11.12 Reserve Expenditures			*From April 2022 Reserve Analysis Report forecasted expenditures - select categories specific to Mills Act; will be updated with actual yearly expenditures*
	Total 10 Years	269,677.90	11,236.37	
	10 Yr Average/Year	26,967.79	**1,123.64**	
	Combined 10 Years	950,101.30	39,587.55	
	10 Yr Average/Year **Subtotal (HOA)**	95,010.13	**3,958.76**	
	11.2 Specific Homeowner Projects			
	10 Yr Subtotal	N/A	94,050.00	
	10 Yr Average/Year **Subtotal (Homeowner)**	N/A	**9,405.00**	
	10 Yr.Total/Homeowner	N/A	133,637.55	
	Total 10 Yr. Average/Year	N/A	**13,363.76**	

FRONT VIEW.

363 SANDPIPER
PALM DESERT CA. 92260

OWNER CATHERINE MULFLUR
"LOT 76"

Item 1J-157



SANDPIPER
UNIT 363 LOT 76
PALM DESERT CA.
92260

OWNER
CATHERINE MULFLUR

- ✓ 1. Application Checklist
- ✓ 2. Application Form
- ✓ 3. Copy of the grant deed, including a complete legal description
- ✓ 4. 10-Year Property Improvement Plan
- ✓ 5. Photographs
- ✓ 6. Site plan
- ✓ 7. Non-refundable application fee of $318.00

City of Palm Desert
Department of Building and Safety
MILLS ACT HISTORIC PROPERTY CONTRACT APPLICATION

73-510 Fred Waring Drive · Palm Desert · California · 92260 · (760) 776-6420 · Fax (760) 776-6392

Property Owner Information:

Name: CATHERINE ANN MULFLUR

Address: 363 SANDPIPER

City: PALM DESERT State: CA Zip: 92260

Phone: (HM) 818-398-1646 (WK) SAME. Email: CATHERINEMULFLURDESIGN @GMAIL.COM

Property Information:

Address of Property: 363 SANDPIPER PALM DESERT CA. 92260

Assessor's Parcel No(s): 640260007 (PRORATA SHARE OF COMMON AREA 640260025

Legal Description (attach additional sheets if necessary):

Date of Purchase by Current owner: DECEMBER 6 2019

Use of Property: VACATION HOME

Eligibility for the Mills Act Program:

A property must be designated and recorded with the Riverside County Recorder at the time an application is submitted. Please check the designation(s) that apply to the property:

- [X] City Historic Landmark
- [X] Contributor to a City Historic District
- [ ] National Register of Historic Places (individually listed)
- [ ] National Register of Historic Places (contributor to a historic district)
- [ ] National Historic Landmark

Name of Historic District (if applicable): SANDPIPER CONDOMINIUMS (HISTORIC SITE #4)

Date of Designation: FEB 10, 2022

Property Owner Consent: I am (we are) the present owner(s) of the property described above and hereby apply for consideration for a Mills Act Historic Property Contract

Catherine Ann Mulflur — Signature of Property Owner — 6/16/2022 — Date

Signature of Property Owner — Date

For Office Use:

DOC # 2019-0519737
12/16/2019 04:18 PM Fees: $17.00
Page 1 of 2
Recorded in Official Records
County of Riverside
Peter Aldana
Assessor-County Clerk-Recorder

RECORDING REQUESTED BY:
Orange Coast Title of California

AND WHEN RECORDED MAIL TO:

Catherine Mulflur
3826 SW Lyle Court
Portland, OR 97221

This document was electronically submitted to the County of Riverside for recording
Receipted by: KAREN #277

210-2846670-10

THIS SPACE FOR RECORDER'S USE ONLY:

Title Order No.: 2046670-10 **Escrow No.:** 191411-TB
AP#: 640-260-007-9 TRA: 018-006

GRANT DEED

THE UNDERSIGNED GRANTOR(S) DECLARE(S)
DOCUMENTARY TRANSFER TAX is $346.50
[X] computed on full value of property conveyed, or
[ ] computed on full value less value of liens or encumbrances remaining at time of sale.
[ ] Unincorporated area [X] City of Palm Desert **AND**

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

Janet L. Coffyn, Trustee of the Janet L. Coffyn Trust Agreement Dated November 8, 2005

hereby GRANT(s) to:

Catherine Ann Mulflur, an Unmarried Woman

the real property in the City of Palm Desert, County of Riverside, State of California, described as:
LEGAL DESCRIPTION ATTACHED HERETO AS EXHIBIT "A" AND MADE A PART HEREOF
Also Known as: 363 Sandpiper Street, Palm Desert, CA 92260

Dated November 5, 2019

The Janet L. Coffyn Trust Agreement Dated November 8, 2005

By: _____
Janet L. Coffyn, Trustee

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 Orange)
On November 22, 2019 before me, Morgan Green A Notary Public personally appeared Janet L. Coffyn who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.
WITNESS my hand and official seal.

Signature _____ (Seal)

MORGAN GREEN
Notary Public - California
Orange County
Commission # 2189902
My Comm. Expires Apr 7, 2021

MAIL TAX STATEMENTS TO PARTY SHOWN BELOW; IF NO PARTY SHOWN, MAIL AS SHOWN ABOVE:

Exhibit "A"

Lot 76 and an undivided 1/24 interest in Lot 99 of Tract No. 3103, as shown by Map on file in Book 64, Pages 36 to 3B, inclusive of Maps in the office of the Recorder of said County;

Excepting therefrom all that portion of Lot 99 as conveyed to Country Club Cottages, Inc., by Deed Recorded September 1, 1965 as Instrument No. 101369 of Official Records of Riverside County, California.

This must be in red to be a
"CERTIFIED COPY"

I hereby certify the foregoing instrument to which this stamp has been affixed consisting of 2 pages to be a full, true and correct copy of the original on file and of record in my office.

Peter Aldana

Assessor - County Clerk - Recorder

County of Riverside, State of California

Dated: JUN 14 2022

ASSESSOR - COUNTY CLERK - RECORDER
ACR
RIVERSIDE COUNTY, CALIFORNIA

Certification must be in red to be a
"CERTIFIED COPY"

OFFICE OF THE TREASURER-TAX COLLECTOR
RIVERSIDE COUNTY, CALIFORNIA

HOME ACCOUNT SEARCH CHECK OUT COUNTY HOME CONTACT US

←BACK ACCOUNT SUMMARY

Tax Year 2021

PARCEL NUMBER	GEO PARCEL #	LAST UPDATE
640260007	640260007	6/14/2022 3:27:07 PM

Assessment Data

Description	Value
Net Taxable Value	$318,262.00

Exemptions

No Tax Exemptions Records Found

Taxing Agencies

Tax Payment Distribution
For information regarding these charges please contact the Taxing Agency directly at the numbers listed here.

General Purpose

Taxing Authority	Phone	Net Rate	Net Tax
01-0000-GP GENERAL PURPOSE	See Phone List	1.0000000000 %	$3,182.62
Fund Type Total		**1.0000000000 %**	**$3,182.62**

Debt

Taxing Authority	Phone	Net Rate	Net Tax
04-4821-D CV WATER DISTRICT STATE WTR PROJ	See Phone List	0.1100000000 %	$350.09
03-2001-D DESERT SANDS UNIFIED SCHOOL	See Phone List	0.0750000000 %	$238.70
03-9001-D DESERT COMMUNITY COLLEGE	See Phone List	0.0395000000 %	$125.71
Fund Type Total		**0.2245000000 %**	**$714.50**

Special Assessment

Taxing Authority	Phone	Net Rate	Net Tax
68-4556-FC COACHELLA VALLEY MOSQUITO & RIFA	See Phone List	NA	$7.90
68-4612-FC AD COACHELLA VALLEY RC/PK 93-1	See Phone List	NA	$9.90
68-2586-FC PALM DESERT EMG SRV	See Phone List	NA	$60.00
68-4836-FC CVWD SEWER SERVICE CHARGE ID80	See Phone List	NA	$295.44
Fund Type Total			**$373.24**
Total		**1.22450 %**	**$4,270.36**

NOTE: Tax Authority Districts 28-5251, 28-5275 and 28-5291 are applied to the land value only.

Payments

TAX YEAR	BILL NUMBER	PMT TYPE	RECEIPT NUMBER	AMOUNT PAID	LAST PAID
2021	2021004039084	Payment	B21.367434	$2,135.18	12/3/2021
2021	2021004039084	Payment	B21.714858	$2,135.18	4/4/2022

Year	Projects/Areas	Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
1 *(2023-24)*	**1.1 HOA Annual Maintenance/Repairs**			*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	1.11 Operating Expenditures			*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2023-24 fiscal year (07/01-06/30)*
	GL Acct Code			
	7080 Landscape Contract	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	7091 Seed, Fertlizer, Plants	4,320.01	180.00	• Replace and care for turf and plants
	7100 Landscape Repairs & Maint	3,235.03	134.79	• Repairs and replacement to landscape elements
	7120 Irrigation Repairs	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
	7121 Lighting Repairs & Maint	1,973.76	82.24	• Maintain historic lighting infrastructure
	7130 Pool Contract	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	7140 Pool & Spa Repairs	1,450.00	60.42	• Specific pool and pool equipment related repairs
	7150 Pest Control	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	7190 Tree Trimming	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	7210 Common Area Repairs	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
	Subtotal	68,042.84	2,835.12	
	1.12 Reserve Expenditures			*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2023-24 fiscal year (07/01-06/30)*
	Asphalt - Seal Coat	2,296.79	95.70	• Seal coat all asphalt (13,117 SF), incl. Pitahaya St. parking area.
	Grounds - Common Area	3,605.00	150.21	• Misc. reserve expenditures (fans, trash recepticles and gates, carports)
	Grounds - Mailboxes	3,605.00	150.21	• Replace two (2) mailboxes
	Irrigation - System Renovation, Phase 2	19,570.00	815.42	• Major renovation to irrigation system in four (4) phases
	Painting - Wrought Iron	4,635.00	193.13	• Paint the perimeter fencing and (13) light poles.
	Pool Area - Extras	515.00	21.46	• Misc pool/pool area related repair (eg. pool mastic)
	Subtotal	34,226.79	1,426.12	
	Subtotal (HOA)	68,042.84	**2,835.12**	
	1.2 Specific Homeowner Projects			
	Repair Sunflap and Exterior Wood		$ 3,000.00	
	Replace Front Door and Hardward		$ 1,200.00	
	General Repairs and Maintenance	N/A	$1,000.00	
	New Master Bath Toilet	N/A	$1,000.00	
	Subtotal (Homeowner)	N/A	**6,200.00**	
	Total		**9,035.12**	

Year	Projects/Areas		Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
2 (2024-25)	**2.1 HOA Annual Maintenance/Repairs**				*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	2.11 Operating Expenditures				*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2024-25 fiscal year (07/01-06/30)*
	GL Acct Code				
	7080	Landscape Contract	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	7091	Seed, Fertlizer, Plants	4,320.01	180.00	• Replace and care for turf and plants
	7100	Landscape Repairs & Maint	3,235.03	134.79	• Repairs and replacement to landscape elements
	7120	Irrigation Repairs	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
	7121	Lighting Repairs & Maint	1,973.76	82.24	• Maintain historic lighting infrastructure
	7130	Pool Contract	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	7140	Pool & Spa Repairs	1,450.00	60.42	• Specific pool and pool equipment related repairs
	7150	Pest Control	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	7190	Tree Trimming	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	7210	Common Area Repairs	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
		Subtotal	68,042.84	2,835.12	
	2.12 Reserve Expenditures				*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2024-25 fiscal year (07/01-06/30)*
		Grounds - Common Area	3,713.15	154.71	• Misc. reserve expenditures (fans, trash recepticles and gates, carports)
		Irrigation - System Renovation, Phase 3	21,218.00	884.08	• Major renovation to irrigation system in four (4) phases
		Pool Area - Extras	530.45	22.10	• Misc pool/pool area related repair (eg. pool mastic)
		Pool Area - Pool, Replaster	27,695.86	1153.99	• Replaster the pool and replace the tile.
		Subtotal	53,157.46	2,214.89	
		Subtotal (HOA)	121,200.30	**5,050.01**	
	2.2 Specific Homeowner Projects				
		Replace Clear Story Windows		$ 1,500.00	
		Redo all Window Caulking		$ 1,000.00	
		Install new HVAC	N/A	$12,000.00	
		Subtotal (Homeowner)	N/A	**14,500.00**	
		Total		**19,550.01**	

Year	Projects/Areas	GL Acct Code	Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
3 *(2025-26)*	**3.1 HOA Annual Maintenance/Repairs**				*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	3.11 Operating Expenditures				*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2025-26 fiscal year (07/01-06/30)*
	Landscape Contract	7080	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	Seed, Fertlizer, Plants	7091	4,320.01	180.00	• Replace and care for turf and plants
	Landscape Repairs & Maint	7100	3,235.03	134.79	• Repairs and replacement to landscape elements
	Irrigation Repairs	7120	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
	Lighting Repairs & Maint	7121	1,973.76	82.24	• Maintain historic lighting infrastructure
	Pool Contract	7130	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	Pool & Spa Repairs	7140	1,450.00	60.42	• Specific pool and pool equipment related repairs
	Pest Control	7150	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	Tree Trimming	7190	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	Common Area Repairs	7210	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
	Subtotal		68,042.84	2,835.12	
	3.12 Reserve Expenditures				*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2025-26 fiscal year (07/01-06/30)*
	Grounds - Common Area		3,824.54	159.36	• Misc. reserve expenditures (fans, trash recepticles and gates, carports)
	Grounds - Entry Gates, Wrought Iron		7,430.54	309.61	• Replace the wrought iron entry gates and locks
	Irrigation - System Renovation, Phase 4		21,854.54	910.61	• Major renovation to irrigation system in four (4) phases
	Pool Area - Extras		546.36	22.77	• Misc pool/pool area related repair (eg. pool mastic)
	Subtotal		33,655.98	1,402.33	
	Subtotal (HOA)		101,698.82	**4,237.45**	
	3.2 Specific Homeowner Projects				
	Remodel Master Bath		N/A	5,000.00	• Replace carpeting with porcelain flooring
	Add bathroom air vents (2)		N/A	1,000.00	• Remove popcorn ceiling
	Add alarm System and Cameras		N/A	1,500.00	
	Subtotal (Homeowner)		N/A	**7,500.00**	
	Total			**11,737.45**	

Year	Projects/Areas		Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
4 *(2026-27)*	**4.1 HOA Annual Maintenance/Repairs**				*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	4.11 Operating Expenditures				*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2026-27 fiscal year (07/01-06/30)*
	GL Acct Code				
	7080	Landscape Contract	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	7091	Seed, Fertlizer, Plants	4,320.01	180.00	• Replace and care for turf and plants
	7100	Landscape Repairs & Maint	3,235.03	134.79	• Repairs and replacement to landscape elements
	7120	Irrigation Repairs	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
	7121	Lighting Repairs & Maint	1,973.76	82.24	• Maintain historic lighting infrastructure
	7130	Pool Contract	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	7140	Pool & Spa Repairs	1,450.00	60.42	• Specific pool and pool equipment related repairs
	7150	Pest Control	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	7190	Tree Trimming	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	7210	Common Area Repairs	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
		Subtotal	68,042.84	2,835.12	
	4.12 Reserve Expenditures				*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2026-27 fiscal year (07/01-06/30)*
		Grounds - Common Area	3,939.28	164.14	• Misc. reserve expenditures (fans, trash recepticles and gates, carports)
		Grounds - Shuffleboard	1,575.71	65.65	• Resurface the shuffleboard court.
		Grounds - Surveillance System	7,315.81	304.83	• Replace surveillance system (four dome cameras and one DVR)
		Pool Area - Extras	562.75	23.45	• Misc pool/pool area related repair (eg. pool mastic)
		Subtotal	13,393.55	558.06	
		Subtotal (HOA)	81,436.39	**3,393.18**	
	4.2 Specific Homeowner Projects				
		Remodel Kitchen and Appliances		$ 18,000.00	
		Repaint LR DR Kitchen Ceilings	N/A	950.00	
		Subtotal (Homeowner)	N/A	**18,950.00**	
		Total		**22,343.18**	

Year	Projects/Areas		Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
5 (2027-28)	**5.1 HOA Annual Maintenance/Repairs**				*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	5.11 Operating Expenditures				*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2027-28 fiscal year (07/01-06/30)*
	GL Acct Code				
	7080	Landscape Contract	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	7091	Seed, Fertlizer, Plants	4,320.01	180.00	• Replace and care for turf and plants
	7100	Landscape Repairs & Maint	3,235.03	134.79	• Repairs and replacement to landscape elements
	7120	Irrigation Repairs	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
	7121	Lighting Repairs & Maint	1,973.76	82.24	• Maintain historic lighting infrastructure
	7130	Pool Contract	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	7140	Pool & Spa Repairs	1,450.00	60.42	• Specific pool and pool equipment related repairs
	7150	Pest Control	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	7190	Tree Trimming	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	7210	Common Area Repairs	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
		Subtotal	68,042.84	2,835.12	
	5.12 Reserve Expenditures				*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2027-28 fiscal year (07/01-06/30)*
		Grounds - Common Area	4,057.46	169.06	• Misc. reserve expenditures (fans, trash recepticles and gates, carports)
		Painting - Trim	11,685.48	486.90	• Paint the wood and metal trim of the units
		Painting - Wrought Iron	5,216.73	217.36	• Paint the perimeter fencing and (13) light poles.
		Pool Area - Extras	579.64	24.15	• Misc pool/pool area related repair (eg. pool mastic)
		Pool Area - Pool, Heater	4,173.39	173.89	• Replace the Raypack pool heater
		Subtotal	25,712.70	1,071.36	
		Subtotal (HOA)	93,755.54	**3,906.48**	
	5.2 Specific Homeowner Projects				
		Resurface Roof	N/A	3,000.00	• Add laundry door, replace faucet, replace lighting
		Repaint Bedrooms and Bath		3,000.00	• Full interior repainting
		Subtotal (Homeowner)	N/A	**6,000.00**	
		Total		**9,906.48**	

Year	Projects/Areas		Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
6 *(2028-29)*	**6.1 HOA Annual Maintenance/Repairs**				*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	6.11 Operating Expenditures				*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2028-29 fiscal year (07/01-06/30)*
	GL Acct Code				
	7080	Landscape Contract	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	7091	Seed, Fertlizer, Plants	4,320.01	180.00	• Replace and care for turf and plants
	7100	Landscape Repairs & Maint	3,235.03	134.79	• Repairs and replacement to landscape elements
	7120	Irrigation Repairs	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
	7121	Lighting Repairs & Maint	1,973.76	82.24	• Maintain historic lighting infrastructure
	7130	Pool Contract	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	7140	Pool & Spa Repairs	1,450.00	60.42	• Specific pool and pool equipment related repairs
	7150	Pest Control	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	7190	Tree Trimming	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	7210	Common Area Repairs	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
		Subtotal	68,042.84	2,835.12	
	6.12 Reserve Expenditures				*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2028-29 fiscal year (07/01-06/30)*
		Asphalt - Seal Coat	2,662.61	110.94	• Seal coat all asphalt (13,117 SF), incl. Pitahaya St. parking area.
		Grounds - Common Area	4,179.18	174.13	• Misc. reserve expenditures (fans, trash recepticles and gates, carports)
		Irrigation - Controllers (2017)	1,910.48	79.60	• Replace the five (2) controllers installed in 2017
		Pool Area - Extras	597.03	24.88	• Misc pool/pool area related repair (eg. pool mastic)
		Subtotal	9,349.30	389.55	
		Subtotal (HOA)	77,392.14	**3,224.67**	
	6.2 Specific Homeowner Projects				
		Remodel Guest Bathroom	N/A	15,000.00	
		Subtotal (Homeowner)	N/A	**15,000.00**	
		Total		**18,224.67**	

Year	Projects/Areas		Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
7 *(2029-30)*	**7.1 HOA Annual Maintenance/Repairs**				*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	7.11 Operating Expenditures				*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2029-30 fiscal year (07/01-06/30)*
	GL Acct Code				
	7080	Landscape Contract	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	7091	Seed, Fertlizer, Plants	4,320.01	180.00	• Replace and care for turf and plants
	7100	Landscape Repairs & Maint	3,235.03	134.79	• Repairs and replacement to landscape elements
	7120	Irrigation Repairs	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
	7121	Lighting Repairs & Maint	1,973.76	82.24	• Maintain historic lighting infrastructure
	7130	Pool Contract	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	7140	Pool & Spa Repairs	1,450.00	60.42	• Specific pool and pool equipment related repairs
	7150	Pest Control	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	7190	Tree Trimming	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	7210	Common Area Repairs	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
		Subtotal	68,042.84	2,835.12	
	7.12 Reserve Expenditures				*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2029-30 fiscal year (07/01-06/30)*
		Grounds - Common Area	4,304.56	179.36	7
		Pool Area - Extras	614.94	25.62	• Misc pool/pool area related repair (eg. pool mastic)
		Subtotal	4,919.50	204.98	
		Subtotal (HOA)	72,962.34	**3,040.10**	
	7.2 Specific Homeowner Projects				
		Redo Master Bedroom Closets		$ 1,200.00	
		Replace Storage Cabinets Doors Private Patio		$ 2,000.00	
		Relocate Washer and Dryer To Private Patio	N/A	$2,000.00	
		Subtotal (Homeowner)	N/A	**5,200.00**	
		Total		**8,240.10**	

Year	Projects/Areas	Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
8 *(2030-31)*	**8.1 HOA Annual Maintenance/Repairs**			*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	8.11 Operating Expenditures			*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2030-31 fiscal year (07/01-06/30)*
GL Acct Code				
7080	Landscape Contract	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
7091	Seed, Fertlizer, Plants	4,320.01	180.00	• Replace and care for turf and plants
7100	Landscape Repairs & Maint	3,235.03	134.79	• Repairs and replacement to landscape elements
7120	Irrigation Repairs	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
7121	Lighting Repairs & Maint	1,973.76	82.24	• Maintain historic lighting infrastructure
7130	Pool Contract	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
7140	Pool & Spa Repairs	1,450.00	60.42	• Specific pool and pool equipment related repairs
7150	Pest Control	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
7190	Tree Trimming	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
7210	Common Area Repairs	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
	Subtotal	68,042.84	2,835.12	
	8.12 Reserve Expenditures			*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2030-31 fiscal year (07/01-06/30)*
	Grounds - Common Area	4,433.70	184.74	• Misc. reserve expenditures (fans, trash recepticles and gates, carports)
	Painting - Pool Cabana	3,800.31	158.35	• x
	Pool Area - Extras	633.39	26.39	• Misc pool/pool area related repair (eg. pool mastic)
	Subtotal	8,867.40	369.48	
	Subtotal (HOA)	76,910.24	**3,204.59**	
	8.2 Specific Homeowner Projects			
	Replace all sliding glass doors		$ 4,500.00	
	General Maintenance and Repairs	N/A	$1,200.00	
	Subtotal (Homeowner)	N/A	**5,700.00**	
	Total		**8,904.59**	

Year	Projects/Areas		Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
9 *(2031-32)*	**9.1 HOA Annual Maintenance/Repairs**				*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	9.11 Operating Expenditures				*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2031-32 fiscal year (07/01-06/30)*
	GL Acct Code				
	7080	Landscape Contract	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	7091	Seed, Fertlizer, Plants	4,320.01	180.00	• Replace and care for turf and plants
	7100	Landscape Repairs & Maint	3,235.03	134.79	• Repairs and replacement to landscape elements
	7120	Irrigation Repairs	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
	7121	Lighting Repairs & Maint	1,973.76	82.24	• Maintain historic lighting infrastructure
	7130	Pool Contract	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	7140	Pool & Spa Repairs	1,450.00	60.42	• Specific pool and pool equipment related repairs
	7150	Pest Control	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	7190	Tree Trimming	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	7210	Common Area Repairs	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
		Subtotal	68,042.84	2,835.12	
	9.12 Reserve Expenditures				*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2031-32 fiscal year (07/01-06/30)*
		Grounds - Common Area	4,566.71	190.28	• Misc. reserve expenditures (fans, trash recepticles and gates, carports)
		Painting - Wrought Iron	5,871.48	244.65	• Paint the perimeter fencing and (13) light poles.
		Pool Area - Extras	652.39	27.18	• Misc pool/pool area related repair (eg. pool mastic)
		Subtotal	11,090.58	462.11	
		Subtotal (HOA)	79,133.42	**3,297.23**	
	9.2 Specific Homeowner Projects				
		New Tile at exterior Patio flooring	N/A	5,000.00	
		Subtotal (Homeowner)	N/A	**5,000.00**	
		Total		**8,297.23**	

Year	GL Acct Code	Projects/Areas	Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
10 *(2032-33)*		**10.1 HOA Annual Maintenance/Repairs**			*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
		10.11 Operating Expenditures			*The amounts show are from 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with GL actuals over City 2032-33 fiscal year (07/01-06/30)*
	7080	Landscape Contract	43,200.00	1800.00	• Maintain and improve current landscape incl. ad hoc irrigation repairs
	7091	Seed, Fertlizer, Plants	4,320.01	180.00	• Replace and care for turf and plants
	7100	Landscape Repairs & Maint	3,235.03	134.79	• Repairs and replacement to landscape elements
	7120	Irrigation Repairs	2,940.43	122.52	• Repairs to 60 year old Irrigation system which covers 3 acres
	7121	Lighting Repairs & Maint	1,973.76	82.24	• Maintain historic lighting infrastructure
	7130	Pool Contract	3,900.00	162.50	• Cleaning & upkeep to ensure proper chemical levels to preserve pool
	7140	Pool & Spa Repairs	1,450.00	60.42	• Specific pool and pool equipment related repairs
	7150	Pest Control	1,985.98	82.75	• Prevent pest infestation/damage to buildings, structures and fixtures
	7190	Tree Trimming	3,585.00	149.38	• Palm tree trimming to ensure healthand appearnance of plants
	7210	Common Area Repairs	1,452.63	60.53	• Ad hoc repairs to cabana, fence, sidewalks, electrical and lighting
		Subtotal	68,042.84	2,835.12	
		10.12 Reserve Expenditures			*Forecasted reserve expenditures by year from April 2022 Reserve Analysis Report - select categories specific to Mills Act; will be updated with actual expenditures over City 2032-33 fiscal year (07/01-06/30)*
		Grounds - Common Area	4,703.71	195.99	• Misc. reserve expenditures (fans, trash recepticles and gates, carports)
		Painting - Trim	13,546.68	564.45	• Paint the wood and metal trim of the units
		Painting - Units, Stucco & Trim	54,159.83	2256.66	• Paint residential units exteriors
		Pool Area - Extras	671.96	28.00	• Misc pool/pool area related repair (eg. pool mastic)
		Pool Area - Pool, Pump	2,217.46	92.39	• Replace the Pentair Intelle-Flo variable speed pool pump
		Subtotal	75,299.64	3,137.49	
		Subtotal (HOA)	143,342.48	**5,972.60**	
		10.2 Specific Homeowner Projects			
		Replace interior Floorings	N/A	10,000.00	• Add electrical outlets on both patio and courtyard
		Subtotal (Homeowner)	N/A	**10,000.00**	
		Total		**15,972.60**	

10 Year Project Improvement Plan *#REF!*

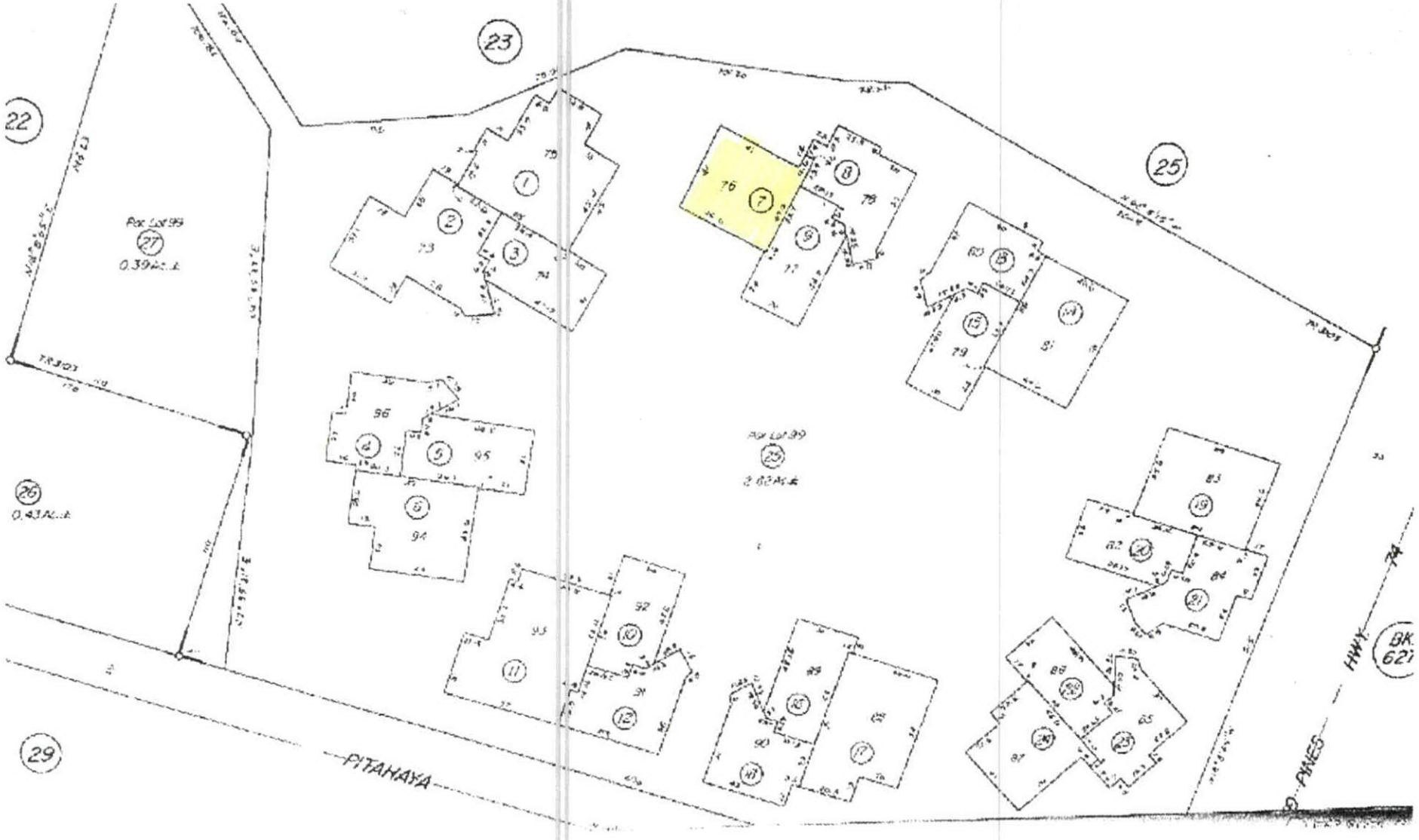
Year	Projects/Areas	Est. Annual Cost HOA	Est. Annual Cost Per Homeowner	Notes/Comments
10 Year Annual Average	**11.1 HOA Annual Maintenance/Repairs**			*Pro-rata share of HOA budget/homeowner (1 of 24 homeowners)*
	11.11 Operating Expenditures			*The amounts show are based on 2021 Sandpiper 3 on El Paseo HOA ("Circle 3") GL transaction records for areas specific to Mills Act; will be updated with yearly GL actuals*
	Total 10 Years	680,428.40	28,351.18	
	10 Yr Average/Year	68,042.84	**2,835.12**	
	11.12 Reserve Expenditures			*From April 2022 Reserve Analysis Report forecasted expenditures - select categories specific to Mills Act; will be updated with actual yearly expenditures*
	Total 10 Years	269,672.90	11,236.37	
	10 Yr Average/Year	26,967.29	**1,123.64**	
	Combined 10 Years	950,101.30	39,587.55	
	10 Yr Average/Year **Subtotal (HOA)**	95,010.13	**3,958.76**	
	11.2 Specific Homeowner Projects			
	10 Yr Subtotal	N/A	94,050.00	
	10 Yr Average/Year **Subtotal (Homeowner)**	N/A	**9,405.00**	
	10 Yr.Total/Homeowner	N/A	133,637.55	
	Total 10 Yr. Average/Year	N/A	**13,363.76**	

FRONT VIEW.

363 SANDPIPER
PALM DESERT CA. 92260

OWNER CATHERINE MULFLUR
"LOT 76"

Item 1J-176



SANDPIPER
UNIT 363 LOT 76
PALM DESERT CA.
92260

OWNER
CATHERINE MULFLUR

SANDPIPER MILLS ACT CONTRACTS

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121 SANDPIPER CONTRACT

RECORDING REQUESTED BY, AND WHEN RECORDED, MAIL TO:

City Clerk's Office
City of Palm Desert
73-510 Fred Waring Drive
Palm Desert, CA 92260-2578

FOR THE BENEFIT OF THE CITY OF PALM DESERT - NO FEE - 6103 OF THE GOVT. CODE

(This Space for Recorder's Use Only)

Historic Property Preservation Agreement

("Mills Act Contract")

Between

City of Palm Desert, California

a Municipal Corporation "City"

and

Ronald Green and Jessica McCann-Green, as Trustees of the Green Family Trust Dated May 17,2021

"Owner"

Legal Description of Property
APN 640-240-014
121 Sandpiper, Palm Desert, California 92260

Dated: August 25, 2022

(Resolution No. 2022-29 – Case No. CRPC 22-01
Approved at the Palm Desert City Council Meeting of April 14, 2022)

(Title of Document)

HISTORIC PROPERTY PRESERVATION AGREEMENT
("MILLS ACT CONTRACT or Agreement")

This agreement is made this August 25, 2022, by and between the City of Palm Desert, a municipal corporation ("City") and **Ronald Green and Jessica McCann-Green, as Trustees of the Green Family Trust, established by agreement executed May 17, 2021** ("Owner").

RECITALS

1. California Government Code section 50280, et. seq. allows cities the discretion to enter into contracts with the owners of qualified historic properties, as that term is defined in Government Code section 50280.1, for the purpose of providing for the use, maintenance, protection, and restoration of such historic property so as to retain its characteristics as property of historic significance.

2. Owner holds fee title in and to that certain real property, together with associated structures and improvements thereon, generally located at the street address **121 Sandpiper Street,** Palm Desert, California ("Historic Property"). A legal description of the Historic Property is attached hereto as Exhibit "A," and incorporated herein by this reference.

3. On **April 14, 2022**, the Cultural Resources Preservation Committee and/or the City Council designated the Historic Property as an historic resource pursuant to the terms and provisions of Title 29 of the Palm Desert Municipal Code.

4. City and Owner desire to enter into this Agreement for the purpose of protecting and preserving the characteristics of historical significance of the Historic Property that help provide the community with its own unique civic identity and character.

5. Owner, in consideration for abiding by the terms of this Agreement, shall be entitled to qualify for a reassessment of valuation of the Historic Property, pursuant to the

provisions of Chapter 3, Part 2, of Division 1 of the California Revenue and Taxation Code, and any corresponding adjustment in property taxes resulting therefrom.

TERMS NOW, THEREFORE, the City and Owner in consideration of mutual covenants and conditions set forth herein, do hereby agree as follows:

1. Effective Date and Term of Agreement. This Agreement shall be effective and commence on August 25, 2022, ("Effective Date") and shall remain in effect for a term of ten (10) years thereafter.

2. Yearly Renewal. Each year upon the anniversary of the Effective Date ("Renewal Date"), an additional one (1) year shall automatically be added to the remaining term of the Agreement unless a notice of nonrenewal is delivered as provided in Section 3 of this Agreement.

3. Nonrenewal. If either the Owner or City desires in any year not to renew this Agreement, Owner or City shall serve a written notice of nonrenewal upon the party in advance of the Renewal Date ("Notice of Nonrenewal"). The Notice of Nonrenewal shall be effective only if served by Owner upon City at least ninety (90) days prior to the Renewal Date, or if served by City upon Owner, the Notice of Nonrenewal shall be effective only if served upon Owner at least sixty (60) days prior to the Renewal Date. If either City or Owner serves a Notice of Nonrenewal in any year, this Agreement shall remain in effect for the balance of the term then remaining.

4. Owner Protest of City Nonrenewal. Within fifteen (15) days of Owner's receipt of the Notice of Nonrenewal from City, Owner may file with City a written protest of the Notice of Nonrenewal. Upon receipt of the written protect, the City Council shall set a hearing prior to the expiration of the Renewal Date of this Agreement. Owner may furnish the City Council with any information which Owner deems relevant and shall furnish the City Council with any information it may require. The City Council may, at any time prior to the annual Renewal Date, withdraw its Notice of Nonrenewal.

5. Standards for Historical Property. During the term of this Agreement, the Historic Property shall be subject to the following conditions, requirements, and restrictions:

A. Owner shall preserve and maintain the characteristics of the cultural and historical significance of the Historic Property. Attached hereto as Exhibit "B," and incorporated herein by this reference, is a list of the minimum standards and conditions for maintenance, use, protection, and preservation of the Historic Property, which shall apply to the Historic Property and be complied with by Owner throughout the term of this Agreement. In addition, Owner shall comply with the terms of the City's Cultural Resources Ordinance 1168 (Title 29 of the Palm Desert Municipal Code), and shall obtain any applicable permits necessary to protect, preserve, restore, and rehabilitate the Historic Property so as to maintain its historical and cultural significance.

B. Owner shall, where necessary, repair, maintain, restore, and rehabilitate the Historic Property according to the rules and regulations of the Office of Historic Preservation of the State Department of Parks and Recreation and the City of Palm Desert. The condition of the exterior of the Historic Property on the effective date of this Agreement is documented in photographs attached as Exhibit "C" and incorporated herein by this reference. At a minimum, Owner shall continually maintain the exterior of the Historic Property in the same condition as documented in Exhibit "C."

C. Owner shall carry out specific restoration, repair, maintenance, and/or rehabilitation projects on the Historic Property, as outlined in the attached Exhibit "D," which is incorporated herein by this reference. All such projects shall be undertaken and completed in accordance with the Secretary of Interior Standards for Rehabilitation and the City of Palm Desert design guidelines.

D. Owner shall not be permitted to block the view corridor with any new structure, such as walls, fences, or shrubbery, so as to prevent the viewing of the Historic Property from the public right-of-way.

6. Periodic Examinations. Upon reasonable advance notice, Owner shall allow reasonable periodic examinations of the interior and exterior of the Historic Property by representatives of the County Assessor, the State Department of Parks and Recreation, the State Board of Equalization and/or City, as may be necessary to determine Owner's compliance with the terms and provisions of this Agreement. City shall inspect Historic Property prior to entering into this Agreement and at least every five years thereafter to determine Owner's continued compliance with Agreement.

7. Provision of Information of Compliance. Owner hereby agrees to furnish City with any and all information requested by City, which City deems necessary or advisable to determine eligibility of the Historic Property and compliance with the terms and provisions of this Agreement.

8. Breach of Agreement; Remedies.

A. Notice of Breach; Opportunity to Cure. If Owner breaches any provision of this Agreement, City may give written notice to Owner by registered or certified mail detailing Owner's violations. If such violation is not corrected to the reasonable satisfaction of City within thirty (30) days after the date of notice of violation, or within such a reasonable time as may be required to cure the violation (provided the acts to cure the violation are commenced within thirty (30) days and thereafter diligently pursued to completion), the City may, without further notice, declare Owner to be in breach of this Agreement. Upon City's declaration of Owner's breach, City may pursue any remedy available under local, state, or federal law, including those specifically provided for in this section.

B. Remedy - Cancellation. City may cancel this Agreement if City determines, following a duly noticed public hearing in accordance with Government Code section 50286, that Owner breached any of the conditions of the Agreement, Owner allowed the Historic Property to deteriorate to the point that it no longer meets the standards for a qualified historic property, or Owner failed to maintain and preserve the Historic Property in accordance with the terms of this Agreement. If this Agreement is cancelled, under this paragraph, Owner shall pay a cancellation fee to the Office of the Auditor for the County of Riverside as required by Government Code section 50286.

C. Alternative Remedies. As an alternative to cancellation of this Agreement for Owner's breach of any condition, City may bring an action in court necessary to enforce this Agreement including, but not limited to, an action to enforce this Agreement by specific performance, injunction, or receivership.

9. Destruction of Property; Eminent Domain; Cancellation. If the Historic Property is destroyed by earthquake, fire, flood, or other natural disaster such that in the opinion of the City Building Official more than sixty percent (60%) of the original fabric of the structure must be replaced, this Agreement shall be cancelled because the historic value of the structure will have been destroyed. If the Historic Property is acquired in whole or in part by eminent domain or other acquisition by any entity authorized to exercise the power of eminent domain, and the acquisition is determined by the City Council to frustrate the purpose of this Agreement, this Agreement shall be cancelled. No cancellation fee pursuant to Government Code section 50286 shall be imposed if the Agreement is cancelled pursuant to this Section.

10. Waiver. City does not waive any claim of default by Owner if City does not enforce or cancel this Agreement. All other remedies at law or in equity which are not otherwise provided for in this Agreement or in City's regulations governing historic properties are available to the City to pursue in the event that there is a reach of this

Agreement. No waiver by City of any breach or default under this Agreement shall be deemed to be a waiver of any other subsequent breach thereof or default hereunder.

11. Binding Effect of Agreement. Owner hereby subjects the Historic Property to the covenants, conditions, and restrictions set forth in this Agreement. City and Owner hereby declare their specific intent that the covenants, conditions, and restrictions set forth herein shall be deemed covenants running with the land and shall inure to and be binding upon Owner's successors and assigns in title or interest to the Historic Property. Each and every contract, deed or other instrument herein after executed, covering or conveying the Historic Property, or any portion thereof, shall conclusively be held to have been executed, delivered and accepted subject to the covenants, reservations and restrictions are set forth in such contract, deed or other instrument.

12. Covenants Run with the Land. City and Owner hereby declare their understanding and intent that the burden of the covenants, reservations and restrictions set forth herein touch and concern the land in that it restricts development of the Historic Property. City and Owner hereby further declare their understanding and intent that the benefit of such covenants, reservations and restrictions touch and concern the land by enhancing and maintaining the cultural and historical characteristics and significance of the Historic Property for the benefit of the public and the Owner.

13. Notice. Any notice required to be given by the terms of this Agreement shall be provided at the address of the respective parties as specified below or at any other address as may be later specified by the parties hereto:

City: City of Palm Desert
Building and Safety Division
73-510 Fred Waring Drive
Palm Desert, CA 92260

Owner: **Ronald Green and Jessica McCann-Green, as Trustees of the Green Family Trust, established By agreement executed May 17, 2021**
121 Sandpiper Street
Palm Desert, CA 92260

14. Effect of Agreement. None of the terms, provisions or conditions of this Agreement shall be deemed to create a partnership between the parties hereto and any of their heirs, successors, or assigns, nor shall such terms, provisions or conditions cause the parties to be considered joint venturers or members of any joint enterprise.

15. Indemnity of City. Owner shall defend, indemnify, and hold harmless City and its elected officials, officers, agents and employees from any actual or alleged claims, demands, causes of action, liability, loss, damage, or injury to property or persons, including wrongful death, whether imposed by a court of law or by administrative action of any federal, state or local governmental agency, arising out of or incident to (i) the direct or indirect use operation, or maintenance of the Historic Property by Owner or any contractor, subcontractor, employee, agent, lessee, licensee, invitee, or any other person; (ii) Owner's activities in connection with the Historic Property; and (iii) any restrictions on the use or development of the Historic Property, from application or enforcement of Title 29 of the City's Municipal Code, or from the enforcement of this Agreement. This indemnification includes, without limitation, the payment of all penalties, fines, judgments, awards, decrees, attorneys' fees, and related costs or expenses, and the reimbursement of City, its elected officials, employees, and/or agents for all legal expenses and costs incurred by each of them.

Owner's obligation to indemnify shall survive the termination, cancellation, or expiration of this Agreement and shall not be restricted to insurance proceeds, if any, received by City, its elected officials, employees, or agents.

16. Binding Upon Successors. All of the agreements, rights, covenants, reservations and restrictions contained in this Agreement shall be binding upon and shall inure to the benefit of the parties herein, their heirs, successors, legal representatives, assigns and all persons acquiring any part or portion of the Historic Property, whether by operation of law or in any manner whatsoever.

17. Legal Costs. In the event legal proceedings are brought by any party or parties to enforce or restrain a violation of any of the covenants, conditions or restrictions contained herein, or to determine the rights and duties of any party hereunder, the prevailing party in such proceeding may recover all reasonable attorneys' fees to be fixed by the court, in addition to court costs and other relief ordered by the court.

18. Severability. In the event that any of the provisions of this Agreement are held to be unenforceable or invalid by any court of competent jurisdiction, or by subsequent preemptive legislation, the validity and enforceability of the remaining provisions, or portions thereof, shall not be affected thereby.

19. Recordation. No later than twenty (20) days after the Effective Date, City shall cause this Agreement to be recorded in the office of the County Recorder of the County of Riverside.

20. Amendments. This Agreement may be amended, in whole or in part, only by written recorded instrument executed by the parties hereto.

21. Governing Law and Venue. This Agreement shall be construed and governed in accordance with the laws of the State of California. Any action at law or in equity brought by either of the parties hereto for the purpose of enforcing a right or rights provided for by this Agreement shall be tried in a court of competent jurisdiction in the County of Riverside, State of California, and the parties hereby waive all provisions of law providing for a change of venue in such proceedings to any other county.

IN WITNESS WHEREOF, City and Owner have executed this Agreement on the day and year first above written.

Dated: _____ CITY OF PALM DESERT

By _____
JAN C. HARNIK, MAYOR

ATTEST:

By _____
ANTHONY J. MEJIA, CITY CLERK
CITY OF PALM DESERT, CALIFORNIA

Dated: _____ Ronald S. Green

_____
Owner

Jessica L. McCann-Green

_____
Owner

APPROVED AS TO FORM

_____
ROBERT W. HARGREAVES
CITY ATTORNEY

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 _____ }
} SS.
County of _____ }

On _____, **2022** , before me,_____, a Notary Public, personally appeared_____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature _____

231 SANDPIPER CONTRACT

RECORDING REQUESTED BY, AND WHEN RECORDED, MAIL TO:

City Clerk's Office
City of Palm Desert
73-510 Fred Waring Drive
Palm Desert, CA 92260-2578

FOR THE BENEFIT OF THE CITY OF PALM DESERT
- NO FEE -
6103 OF THE GOVT. CODE

(This Space for Recorder's Use Only)

Historic Property Preservation Agreement

("Mills Act Contract")

Between

City of Palm Desert, California

a Municipal Corporation "City"

and

CASSANDRA R. HEARN

"Owner"

Legal Description of Property

APN 640-250-018
231 Sandpiper Street, Palm Desert, California 92260

Dated: August 25, 2022

(Resolution No. 2022-07 – Case No. CRPC 21-01
Approved at the Palm Desert City Council Meeting of February 10, 2022)

(Title of Document)

HISTORIC PROPERTY PRESERVATION AGREEMENT

("MILLS ACT CONTRACT or Agreement")

This agreement is made this August 25, 2022, by and between the City of Palm Desert, a municipal corporation ("City") and **Cassandra R. Hearn** ("Owner").

RECITALS

1. California Government Code section 50280, et. seq. allows cities the discretion to enter into contracts with the owners of qualified historic properties, as that term is defined in Government Code section 50280.1, for the purpose of providing for the use, maintenance, protection, and restoration of such historic property so as to retain its characteristics as property of historic significance.

2. Owner holds fee title in and to that certain real property, together with associated structures and improvements thereon, generally located at the street address **231 Sandpiper Street,** Palm Desert, California ("Historic Property"). A legal description of the Historic Property is attached hereto as Exhibit "A," and incorporated herein by this reference.

3. On **February 10, 2022**, the Cultural Resources Preservation Committee and/or the City Council designated the Historic Property as an historic resource pursuant to the terms and provisions of Title 29 of the Palm Desert Municipal Code.

4. City and Owner desire to enter into this Agreement for the purpose of protecting and preserving the characteristics of historical significance of the Historic Property that help provide the community with its own unique civic identity and character.

5. Owner, in consideration for abiding by the terms of this Agreement, shall be entitled to qualify for a reassessment of valuation of the Historic Property, pursuant to the provisions of Chapter 3, Part 2, of Division 1 of the California Revenue and Taxation Code, and any corresponding adjustment in property taxes resulting therefrom.

TERMS NOW, THEREFORE, the City and Owner in consideration of mutual covenants and conditions set forth herein, do hereby agree as follows:

1. Effective Date and Term of Agreement. This Agreement shall be effective and commence on August 25, 2022, ("Effective Date") and shall remain in effect for a term of ten (10) years thereafter.

2. Yearly Renewal. Each year upon the anniversary of the Effective Date ("Renewal Date"), an additional one (1) year shall automatically be added to the remaining term of the Agreement unless a notice of nonrenewal is delivered as provided in Section 3 of this Agreement.

3. Nonrenewal. If either the Owner or City desires in any year not to renew this Agreement, Owner or City shall serve a written notice of nonrenewal upon the party in advance of the Renewal Date ("Notice of Nonrenewal"). The Notice of Nonrenewal shall be effective only if served by Owner upon City at least ninety (90) days prior to the Renewal Date, or if served by City upon Owner, the Notice of Nonrenewal shall be effective only if served upon Owner at least sixty (60) days prior to the Renewal Date. If either City or Owner serves a Notice of Nonrenewal in any year, this Agreement shall remain in effect for the balance of the term then remaining.

4. Owner Protest of City Nonrenewal. Within fifteen (15) days of Owner's receipt of the Notice of Nonrenewal from City, Owner may file with City a written protest of the Notice of Nonrenewal. Upon receipt of the written protect, the City Council shall set a hearing prior to the expiration of the Renewal Date of this Agreement. Owner may furnish the City Council with any information which Owner deems relevant and shall furnish the City Council with any information it may require. The City Council may, at any time prior to the annual Renewal Date, withdraw its Notice of Nonrenewal.

5. Standards for Historical Property. During the term of this Agreement, the Historic Property shall be subject to the following conditions, requirements, and restrictions:

A. Owner shall preserve and maintain the characteristics of the cultural and historical significance of the Historic Property. Attached hereto as Exhibit “B,” and incorporated herein by this reference, is a list of the minimum standards and conditions for maintenance, use, protection, and preservation of the Historic Property, which shall apply to the Historic Property and be complied with by Owner throughout the term of this Agreement. In addition, Owner shall comply with the terms of the City’s Cultural Resources Ordinance 1168 (Title 29 of the Palm Desert Municipal Code), and shall obtain any applicable permits necessary to protect, preserve, restore, and rehabilitate the Historic Property so as to maintain its historical and cultural significance.

B. Owner shall, where necessary, repair, maintain, restore, and rehabilitate the Historic Property according to the rules and regulations of the Office of Historic Preservation of the State Department of Parks and Recreation and the City of Palm Desert. The condition of the exterior of the Historic Property on the effective date of this Agreement is documented in photographs attached as Exhibit “C” and incorporated herein by this reference. At a minimum, Owner shall continually maintain the exterior of the Historic Property in the same condition as documented in Exhibit “C.”

C. Owner shall carry out specific restoration, repair, maintenance, and/or rehabilitation projects on the Historic Property, as outlined in the attached Exhibit “D,” which is incorporated herein by this reference. All such projects shall be undertaken and completed in accordance with the Secretary of Interior Standards for Rehabilitation and the City of Palm Desert design guidelines.

D. Owner shall not be permitted to block the view corridor with any new structure, such as walls, fences, or shrubbery, so as to prevent the viewing of the Historic Property from the public right-of-way.

6. Periodic Examinations. Upon reasonable advance notice, Owner shall allow reasonable periodic examinations of the interior and exterior of the Historic Property by representatives of the County Assessor, the State Department of Parks and Recreation, the State Board of Equalization and/or City, as may be necessary to determine Owner's compliance with the terms and provisions of this Agreement. City shall inspect Historic Property prior to entering into this Agreement and at least every five years thereafter to determine Owner's continued compliance with Agreement.

7. Provision of Information of Compliance. Owner hereby agrees to furnish City with any and all information requested by City, which City deems necessary or advisable to determine eligibility of the Historic Property and compliance with the terms and provisions of this Agreement.

8. Breach of Agreement; Remedies.

A. Notice of Breach; Opportunity to Cure. If Owner breaches any provision of this Agreement, City may give written notice to Owner by registered or certified mail detailing Owner's violations. If such violation is not corrected to the reasonable satisfaction of City within thirty (30) days after the date of notice of violation, or within such a reasonable time as may be required to cure the violation (provided the acts to cure the violation are commenced within thirty (30) days and thereafter diligently pursued to completion), the City may, without further notice, declare Owner to be in breach of this Agreement. Upon City's declaration of Owner's breach, City may pursue any remedy available under local, state, or federal law, including those specifically provided for in this section.

B. Remedy - Cancellation. City may cancel this Agreement if City determines, following a duly noticed public hearing in accordance with Government Code section 50286, that Owner breached any of the conditions of the Agreement, Owner allowed the Historic Property to deteriorate to the point that it no longer meets the standards for a

qualified historic property, or Owner failed to maintain and preserve the Historic Property in accordance with the terms of this Agreement. If this Agreement is cancelled, under this paragraph, Owner shall pay a cancellation fee to the Office of the Auditor for the County of Riverside as required by Government Code section 50286.

C. Alternative Remedies. As an alternative to cancellation of this Agreement for Owner's breach of any condition, City may bring an action in court necessary to enforce this Agreement including, but not limited to, an action to enforce this Agreement by specific performance, injunction, or receivership.

9. Destruction of Property; Eminent Domain; Cancellation. If the Historic Property is destroyed by earthquake, fire, flood, or other natural disaster such that in the opinion of the City Building Official more than sixty percent (60%) of the original fabric of the structure must be replaced, this Agreement shall be cancelled because the historic value of the structure will have been destroyed. If the Historic Property is acquired in whole or in part by eminent domain or other acquisition by any entity authorized to exercise the power of eminent domain, and the acquisition is determined by the City Council to frustrate the purpose of this Agreement, this Agreement shall be cancelled. No cancellation fee pursuant to Government Code section 50286 shall be imposed if the Agreement is cancelled pursuant to this Section.

10. Waiver. City does not waive any claim of default by Owner if City does not enforce or cancel this Agreement. All other remedies at law or in equity which are not otherwise provided for in this Agreement or in City's regulations governing historic properties are available to the City to pursue in the event that there is a reach of this Agreement. No waiver by City of any breach or default under this Agreement shall be deemed to be a waiver of any other subsequent breach thereof or default hereunder.

11. Binding Effect of Agreement. Owner hereby subjects the Historic Property to the covenants, conditions, and restrictions set forth in this Agreement. City and Owner hereby declare their specific intent that the covenants, conditions, and

restrictions set forth herein shall be deemed covenants running with the land and shall inure to and be binding upon Owner's successors and assigns in title or interest to the Historic Property. Each and every contract, deed or other instrument herein after executed, covering or conveying the Historic Property, or any portion thereof, shall conclusively be held to have been executed, delivered and accepted subject to the covenants, reservations and restrictions are set forth in such contract, deed or other instrument.

12. Covenants Run with the Land. City and Owner hereby declare their understanding and intent that the burden of the covenants, reservations and restrictions set forth herein touch and concern the land in that it restricts development of the Historic Property. City and Owner hereby further declare their understanding and intent that the benefit of such covenants, reservations and restrictions touch and concern the land by enhancing and maintaining the cultural and historical characteristics and significance of the Historic Property for the benefit of the public and the Owner.

13. Notice. Any notice required to be given by the terms of this Agreement shall be provided at the address of the respective parties as specified below or at any other address as may be later specified by the parties hereto:

City: City of Palm Desert
Building and Safety Division
73-510 Fred Waring Drive
Palm Desert, CA 92260

Owner: **Cassandra R. Hearn**
231 Sandpiper Street
Palm Desert, CA 92260

14. Effect of Agreement. None of the terms, provisions or conditions of this Agreement shall be deemed to create a partnership between the parties hereto and any of their heirs, successors, or assigns, nor shall such terms, provisions or

conditions cause the parties to be considered joint venturers or members of any joint enterprise.

15. Indemnity of City. Owner shall defend, indemnify, and hold harmless City and its elected officials, officers, agents and employees from any actual or alleged claims, demands, causes of action, liability, loss, damage, or injury to property or persons, including wrongful death, whether imposed by a court of law or by administrative action of any federal, state or local governmental agency, arising out of or incident to (i) the direct or indirect use operation, or maintenance of the Historic Property by Owner or any contractor, subcontractor, employee, agent, lessee, licensee, invitee, or any other person; (ii) Owner's activities in connection with the Historic Property; and (iii) any restrictions on the use or development of the Historic Property, from application or enforcement of Title 29 of the City's Municipal Code, or from the enforcement of this Agreement. This indemnification includes, without limitation, the payment of all penalties, fines, judgments, awards, decrees, attorneys' fees, and related costs or expenses, and the reimbursement of City, its elected officials, employees, and/or agents for all legal expenses and costs incurred by each of them.

Owner's obligation to indemnify shall survive the termination, cancellation, or expiration of this Agreement and shall not be restricted to insurance proceeds, if any, received by City, its elected officials, employees, or agents.

16. Binding Upon Successors. All of the agreements, rights, covenants, reservations and restrictions contained in this Agreement shall be binding upon and shall inure to the benefit of the parties herein, their heirs, successors, legal representatives, assigns and all persons acquiring any part or portion of the Historic Property, whether by operation of law or in any manner whatsoever.

17. Legal Costs. In the event legal proceedings are brought by any party or parties to enforce or restrain a violation of any of the covenants, conditions or restrictions contained herein, or to determine the rights and duties of any party

hereunder, the prevailing party in such proceeding may recover all reasonable attorneys' fees to be fixed by the court, in addition to court costs and other relief ordered by the court.

18. Severability. In the event that any of the provisions of this Agreement are held to be unenforceable or invalid by any court of competent jurisdiction, or by subsequent preemptive legislation, the validity and enforceability of the remaining provisions, or portions thereof, shall not be affected thereby.

19. Recordation. No later than twenty (20) days after the Effective Date, City shall cause this Agreement to be recorded in the office of the County Recorder of the County of Riverside.

20. Amendments. This Agreement may be amended, in whole or in part, only by written recorded instrument executed by the parties hereto.

21. Governing Law and Venue. This Agreement shall be construed and governed in accordance with the laws of the State of California. Any action at law or in equity brought by either of the parties hereto for the purpose of enforcing a right or rights provided for by this Agreement shall be tried in a court of competent jurisdiction in the County of Riverside, State of California, and the parties hereby waive all provisions of law providing for a change of venue in such proceedings to any other county.

IN WITNESS WHEREOF, City and Owner have executed this Agreement on the day and year first above written.

Dated: _____ CITY OF PALM DESERT

By _____
JAN C. HARNIK, MAYOR

ATTEST:

By _____
ANTHONY J. MEJIA, CITY CLERK
CITY OF PALM DESERT, CALIFORNIA

Dated: _____ Cassandra R. Hearn

_____
Owner

APPROVED AS TO FORM

_____
ROBERT W. HARGREAVES
CITY ATTORNEY

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 _____ }
} SS.
County of _____ }

On _____, **2022** , before me,_____, a Notary Public, personally appeared_____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature _____

242 SANDPIPER CONTRACT

RECORDING REQUESTED BY, AND WHEN RECORDED, MAIL TO:

City Clerk's Office
City of Palm Desert
73-510 Fred Waring Drive
Palm Desert, CA 92260-2578

FOR THE BENEFIT OF THE CITY OF PALM DESERT
- NO FEE -
6103 OF THE GOVT. CODE

(This Space for Recorder's Use Only)

Historic Property Preservation Agreement

("Mills Act Contract")

Between

City of Palm Desert, California

a Municipal Corporation "City"

and

Justin Andrews and Courteney Andrews

"Owner"

Legal Description of Property

APN 640-250-011
242 Sandpiper Street, Palm Desert, California 92260

Dated: August 25, 2022

(Resolution No. 2022-07 – Case No. CRPC 21-01
Approved at the Palm Desert City Council Meeting of February 10, 2022)

(Title of Document)

HISTORIC PROPERTY PRESERVATION AGREEMENT
("MILLS ACT CONTRACT or Agreement")

This agreement is made this August 25, 2022, by and between the City of Palm Desert, a municipal corporation ("City") and **Justin Andrews and Courteney Andrews** ("Owner").

RECITALS

1. California Government Code section 50280, et. seq. allows cities the discretion to enter into contracts with the owners of qualified historic properties, as that term is defined in Government Code section 50280.1, for the purpose of providing for the use, maintenance, protection, and restoration of such historic property so as to retain its characteristics as property of historic significance.

2. Owner holds fee title in and to that certain real property, together with associated structures and improvements thereon, generally located at the street address **242 Sandpiper Street,** Palm Desert, California ("Historic Property"). A legal description of the Historic Property is attached hereto as Exhibit "A," and incorporated herein by this reference.

3. On **February 10, 2022**, the Cultural Resources Preservation Committee and/or the City Council designated the Historic Property as an historic resource pursuant to the terms and provisions of Title 29 of the Palm Desert Municipal Code.

4. City and Owner desire to enter into this Agreement for the purpose of protecting and preserving the characteristics of historical significance of the Historic Property that help provide the community with its own unique civic identity and character.

5. Owner, in consideration for abiding by the terms of this Agreement, shall be entitled to qualify for a reassessment of valuation of the Historic Property, pursuant to the provisions of Chapter 3, Part 2, of Division 1 of the California Revenue and Taxation Code, and any corresponding adjustment in property taxes resulting therefrom.

TERMS NOW, THEREFORE, the City and Owner in consideration of mutual covenants and conditions set forth herein, do hereby agree as follows:

1. Effective Date and Term of Agreement. This Agreement shall be effective and commence on August 25, 2022, ("Effective Date") and shall remain in effect for a term of ten (10) years thereafter.

2. Yearly Renewal. Each year upon the anniversary of the Effective Date ("Renewal Date"), an additional one (1) year shall automatically be added to the remaining term of the Agreement unless a notice of nonrenewal is delivered as provided in Section 3 of this Agreement.

3. Nonrenewal. If either the Owner or City desires in any year not to renew this Agreement, Owner or City shall serve a written notice of nonrenewal upon the party in advance of the Renewal Date ("Notice of Nonrenewal"). The Notice of Nonrenewal shall be effective only if served by Owner upon City at least ninety (90) days prior to the Renewal Date, or if served by City upon Owner, the Notice of Nonrenewal shall be effective only if served upon Owner at least sixty (60) days prior to the Renewal Date. If either City or Owner serves a Notice of Nonrenewal in any year, this Agreement shall remain in effect for the balance of the term then remaining.

4. Owner Protest of City Nonrenewal. Within fifteen (15) days of Owner's receipt of the Notice of Nonrenewal from City, Owner may file with City a written protest of the Notice of Nonrenewal. Upon receipt of the written protect, the City Council shall set a hearing prior to the expiration of the Renewal Date of this Agreement. Owner may furnish the City Council with any information which Owner deems relevant and shall furnish the City Council with any information it may require. The City Council may, at any time prior to the annual Renewal Date, withdraw its Notice of Nonrenewal.

5. Standards for Historical Property. During the term of this Agreement, the Historic Property shall be subject to the following conditions, requirements, and restrictions:

A. Owner shall preserve and maintain the characteristics of the cultural and historical significance of the Historic Property. Attached hereto as Exhibit "B," and incorporated herein by this reference, is a list of the minimum standards and conditions for maintenance, use, protection, and preservation of the Historic Property, which shall apply to the Historic Property and be complied with by Owner throughout the term of this Agreement. In addition, Owner shall comply with the terms of the City's Cultural Resources Ordinance 1168 (Title 29 of the Palm Desert Municipal Code), and shall obtain any applicable permits necessary to protect, preserve, restore, and rehabilitate the Historic Property so as to maintain its historical and cultural significance.

B. Owner shall, where necessary, repair, maintain, restore, and rehabilitate the Historic Property according to the rules and regulations of the Office of Historic Preservation of the State Department of Parks and Recreation and the City of Palm Desert. The condition of the exterior of the Historic Property on the effective date of this Agreement is documented in photographs attached as Exhibit "C" and incorporated herein by this reference. At a minimum, Owner shall continually maintain the exterior of the Historic Property in the same condition as documented in Exhibit "C."

C. Owner shall carry out specific restoration, repair, maintenance, and/or rehabilitation projects on the Historic Property, as outlined in the attached Exhibit "D," which is incorporated herein by this reference. All such projects shall be undertaken and completed in accordance with the Secretary of Interior Standards for Rehabilitation and the City of Palm Desert design guidelines.

D. Owner shall not be permitted to block the view corridor with any new structure, such as walls, fences, or shrubbery, so as to prevent the viewing of the Historic Property from the public right-of-way.

6. Periodic Examinations. Upon reasonable advance notice, Owner shall allow reasonable periodic examinations of the interior and exterior of the Historic Property by representatives of the County Assessor, the State Department of Parks and Recreation, the State Board of Equalization and/or City, as may be necessary to determine Owner's compliance with the terms and provisions of this Agreement. City shall inspect Historic Property prior to entering into this Agreement and at least every five years thereafter to determine Owner's continued compliance with Agreement.

7. Provision of Information of Compliance. Owner hereby agrees to furnish City with any and all information requested by City, which City deems necessary or advisable to determine eligibility of the Historic Property and compliance with the terms and provisions of this Agreement.

8. Breach of Agreement; Remedies.

A. Notice of Breach; Opportunity to Cure. If Owner breaches any provision of this Agreement, City may give written notice to Owner by registered or certified mail detailing Owner's violations. If such violation is not corrected to the reasonable satisfaction of City within thirty (30) days after the date of notice of violation, or within such a reasonable time as may be required to cure the violation (provided the acts to cure the violation are commenced within thirty (30) days and thereafter diligently pursued to completion), the City may, without further notice, declare Owner to be in breach of this Agreement. Upon City's declaration of Owner's breach, City may pursue any remedy available under local, state, or federal law, including those specifically provided for in this section.

B. Remedy - Cancellation. City may cancel this Agreement if City determines, following a duly noticed public hearing in accordance with Government Code section 50286, that Owner breached any of the conditions of the Agreement, Owner allowed the Historic Property to deteriorate to the point that it no longer meets the standards for a

qualified historic property, or Owner failed to maintain and preserve the Historic Property in accordance with the terms of this Agreement. If this Agreement is cancelled, under this paragraph, Owner shall pay a cancellation fee to the Office of the Auditor for the County of Riverside as required by Government Code section 50286.

C. Alternative Remedies. As an alternative to cancellation of this Agreement for Owner's breach of any condition, City may bring an action in court necessary to enforce this Agreement including, but not limited to, an action to enforce this Agreement by specific performance, injunction, or receivership.

9. Destruction of Property; Eminent Domain; Cancellation. If the Historic Property is destroyed by earthquake, fire, flood, or other natural disaster such that in the opinion of the City Building Official more than sixty percent (60%) of the original fabric of the structure must be replaced, this Agreement shall be cancelled because the historic value of the structure will have been destroyed. If the Historic Property is acquired in whole or in part by eminent domain or other acquisition by any entity authorized to exercise the power of eminent domain, and the acquisition is determined by the City Council to frustrate the purpose of this Agreement, this Agreement shall be cancelled. No cancellation fee pursuant to Government Code section 50286 shall be imposed if the Agreement is cancelled pursuant to this Section.

10. Waiver. City does not waive any claim of default by Owner if City does not enforce or cancel this Agreement. All other remedies at law or in equity which are not otherwise provided for in this Agreement or in City's regulations governing historic properties are available to the City to pursue in the event that there is a reach of this Agreement. No waiver by City of any breach or default under this Agreement shall be deemed to be a waiver of any other subsequent breach thereof or default hereunder.

11. Binding Effect of Agreement. Owner hereby subjects the Historic Property to the covenants, conditions, and restrictions set forth in this Agreement. City and Owner hereby declare their specific intent that the covenants, conditions, and

restrictions set forth herein shall be deemed covenants running with the land and shall inure to and be binding upon Owner's successors and assigns in title or interest to the Historic Property. Each and every contract, deed or other instrument herein after executed, covering or conveying the Historic Property, or any portion thereof, shall conclusively be held to have been executed, delivered and accepted subject to the covenants, reservations and restrictions are set forth in such contract, deed or other instrument.

12. Covenants Run with the Land. City and Owner hereby declare their understanding and intent that the burden of the covenants, reservations and restrictions set forth herein touch and concern the land in that it restricts development of the Historic Property. City and Owner hereby further declare their understanding and intent that the benefit of such covenants, reservations and restrictions touch and concern the land by enhancing and maintaining the cultural and historical characteristics and significance of the Historic Property for the benefit of the public and the Owner.

13. Notice. Any notice required to be given by the terms of this Agreement shall be provided at the address of the respective parties as specified below or at any other address as may be later specified by the parties hereto:

City: City of Palm Desert
Building and Safety Division
73-510 Fred Waring Drive
Palm Desert, CA 92260

Owner: **Justin Andrews and Courteney Andrews**
242 Sandpiper Street
Palm Desert, CA 92260

14. Effect of Agreement. None of the terms, provisions or conditions of this Agreement shall be deemed to create a partnership between the parties hereto and

any of their heirs, successors or assigns, nor shall such terms, provisions or conditions cause the parties to be considered joint venturers or members of any joint enterprise.

15. Indemnity of City. Owner shall defend, indemnify, and hold harmless City and its elected officials, officers, agents and employees from any actual or alleged claims, demands, causes of action, liability, loss, damage, or injury to property or persons, including wrongful death, whether imposed by a court of law or by administrative action of any federal, state or local governmental agency, arising out of or incident to (i) the direct or indirect use operation, or maintenance of the Historic Property by Owner or any contractor, subcontractor, employee, agent, lessee, licensee, invitee, or any other person; (ii) Owner's activities in connection with the Historic Property; and (iii) any restrictions on the use or development of the Historic Property, from application or enforcement of Title 29 of the City's Municipal Code, or from the enforcement of this Agreement. This indemnification includes, without limitation, the payment of all penalties, fines, judgments, awards, decrees, attorneys' fees, and related costs or expenses, and the reimbursement of City, its elected officials, employees, and/or agents for all legal expenses and costs incurred by each of them.

Owner's obligation to indemnify shall survive the termination, cancellation, or expiration of this Agreement and shall not be restricted to insurance proceeds, if any, received by City, its elected officials, employees, or agents.

16. Binding Upon Successors. All of the agreements, rights, covenants, reservations and restrictions contained in this Agreement shall be binding upon and shall inure to the benefit of the parties herein, their heirs, successors, legal representatives, assigns and all persons acquiring any part or portion of the Historic Property, whether by operation of law or in any manner whatsoever.

17. Legal Costs. In the event legal proceedings are brought by any party or parties to enforce or restrain a violation of any of the covenants, conditions or restrictions contained herein, or to determine the rights and duties of any party

hereunder, the prevailing party in such proceeding may recover all reasonable attorneys' fees to be fixed by the court, in addition to court costs and other relief ordered by the court.

18. Severability. In the event that any of the provisions of this Agreement are held to be unenforceable or invalid by any court of competent jurisdiction, or by subsequent preemptive legislation, the validity and enforceability of the remaining provisions, or portions thereof, shall not be affected thereby.

19. Recordation. No later than twenty (20) days after the Effective Date, City shall cause this Agreement to be recorded in the office of the County Recorder of the County of Riverside.

20. Amendments. This Agreement may be amended, in whole or in part, only by written recorded instrument executed by the parties hereto.

21. Governing Law and Venue. This Agreement shall be construed and governed in accordance with the laws of the State of California. Any action at law or in equity brought by either of the parties hereto for the purpose of enforcing a right or rights provided for by this Agreement shall be tried in a court of competent jurisdiction in the County of Riverside, State of California, and the parties hereby waive all provisions of law providing for a change of venue in such proceedings to any other county.

IN WITNESS WHEREOF, City and Owner have executed this Agreement on the day and year first above written.

Dated: _____ CITY OF PALM DESERT

By _____
JAN C. HARNIK, MAYOR

ATTEST:

By _____
ANTHONY J. MEJIA, CITY CLERK
CITY OF PALM DESERT, CALIFORNIA

Dated: _____ Justin Andrews

_____
Owner

Courteney Andrews

_____
Owner

APPROVED AS TO FORM

_____
ROBERT W. HARGREAVES
CITY ATTORNEY

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 _____ }
} SS.
County of _____ }

On _____, **2022** , before me,_____, a Notary Public, personally appeared_____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature _____

342 SANDPIPER CONTRACT

RECORDING REQUESTED BY, AND WHEN RECORDED, MAIL TO:

City Clerk's Office
City of Palm Desert
73-510 Fred Waring Drive
Palm Desert, CA 92260-2578

FOR THE BENEFIT OF THE CITY OF PALM DESERT - NO FEE - 6103 OF THE GOVT. CODE

(This Space for Recorder's Use Only)

Historic Property Preservation Agreement

("Mills Act Contract")

Between

City of Palm Desert, California

a Municipal Corporation "City"

and

DON LUSSIER and JOY LUSSIER TRUSTEES of the LUSSIER FAMILY LIVING TRUST dated 2/13/18

"Owner"

Legal Description of Property

APN 640-260-005
342 Sandpiper Street, Palm Desert, California 92260

Dated: August 25, 2022

(Resolution No. 2022-08 – Case No. CRPC 21-02
Approved at the Palm Desert City Council Meeting of February 10, 2022)

(Title of Document)

HISTORIC PROPERTY PRESERVATION AGREEMENT

("MILLS ACT CONTRACT or Agreement")

This agreement is made this August 25, 2022, by and between the City of Palm Desert, a municipal corporation ("City") and **Don Lussier and Joy Lussier Trustees of the Lussier Family Living Trust dated 2/13/18** ("Owner").

RECITALS

1. California Government Code section 50280, et. seq. allows cities the discretion to enter into contracts with the owners of qualified historic properties, as that term is defined in Government Code section 50280.1, for the purpose of providing for the use, maintenance, protection, and restoration of such historic property so as to retain its characteristics as property of historic significance.

2. Owner holds fee title in and to that certain real property, together with associated structures and improvements thereon, generally located at the street address **342 Sandpiper Street,** Palm Desert, California ("Historic Property"). A legal description of the Historic Property is attached hereto as Exhibit "A," and incorporated herein by this reference.

3. On **February 10, 2022**, the Cultural Resources Preservation Committee and/or the City Council designated the Historic Property as an historic resource pursuant to the terms and provisions of Title 29 of the Palm Desert Municipal Code.

4. City and Owner desire to enter into this Agreement for the purpose of protecting and preserving the characteristics of historical significance of the Historic Property that help provide the community with its own unique civic identity and character.

5. Owner, in consideration for abiding by the terms of this Agreement, shall be entitled to qualify for a reassessment of valuation of the Historic Property, pursuant to the

provisions of Chapter 3, Part 2, of Division 1 of the California Revenue and Taxation Code, and any corresponding adjustment in property taxes resulting therefrom.

TERMS NOW, THEREFORE, the City and Owner in consideration of mutual covenants and conditions set forth herein, do hereby agree as follows:

1. Effective Date and Term of Agreement. This Agreement shall be effective and commence on August 25, 2022, ("Effective Date") and shall remain in effect for a term of ten (10) years thereafter.

2. Yearly Renewal. Each year upon the anniversary of the Effective Date ("Renewal Date"), an additional one (1) year shall automatically be added to the remaining term of the Agreement unless a notice of nonrenewal is delivered as provided in Section 3 of this Agreement.

3. Nonrenewal. If either the Owner or City desires in any year not to renew this Agreement, Owner or City shall serve a written notice of nonrenewal upon the party in advance of the Renewal Date ("Notice of Nonrenewal"). The Notice of Nonrenewal shall be effective only if served by Owner upon City at least ninety (90) days prior to the Renewal Date, or if served by City upon Owner, the Notice of Nonrenewal shall be effective only if served upon Owner at least sixty (60) days prior to the Renewal Date. If either City or Owner serves a Notice of Nonrenewal in any year, this Agreement shall remain in effect for the balance of the term then remaining.

4. Owner Protest of City Nonrenewal. Within fifteen (15) days of Owner's receipt of the Notice of Nonrenewal from City, Owner may file with City a written protest of the Notice of Nonrenewal. Upon receipt of the written protect, the City Council shall set a hearing prior to the expiration of the Renewal Date of this Agreement. Owner may furnish the City Council with any information which Owner deems relevant and shall furnish the City Council with any information it may require. The City Council may, at any time prior to the annual Renewal Date, withdraw its Notice of Nonrenewal.

5. Standards for Historical Property. During the term of this Agreement, the Historic Property shall be subject to the following conditions, requirements, and restrictions:

A. Owner shall preserve and maintain the characteristics of the cultural and historical significance of the Historic Property. Attached hereto as Exhibit "B," and incorporated herein by this reference, is a list of the minimum standards and conditions for maintenance, use, protection, and preservation of the Historic Property, which shall apply to the Historic Property and be complied with by Owner throughout the term of this Agreement. In addition, Owner shall comply with the terms of the City's Cultural Resources Ordinance 1168 (Title 29 of the Palm Desert Municipal Code), and shall obtain any applicable permits necessary to protect, preserve, restore, and rehabilitate the Historic Property so as to maintain its historical and cultural significance.

B. Owner shall, where necessary, repair, maintain, restore, and rehabilitate the Historic Property according to the rules and regulations of the Office of Historic Preservation of the State Department of Parks and Recreation and the City of Palm Desert. The condition of the exterior of the Historic Property on the effective date of this Agreement is documented in photographs attached as Exhibit "C" and incorporated herein by this reference. At a minimum, Owner shall continually maintain the exterior of the Historic Property in the same condition as documented in Exhibit "C."

C. Owner shall carry out specific restoration, repair, maintenance, and/or rehabilitation projects on the Historic Property, as outlined in the attached Exhibit "D," which is incorporated herein by this reference. All such projects shall be undertaken and completed in accordance with the Secretary of Interior Standards for Rehabilitation and the City of Palm Desert design guidelines.

D. Owner shall not be permitted to block the view corridor with any new structure, such as walls, fences, or shrubbery, so as to prevent the viewing of the Historic Property from the public right-of-way.

6. Periodic Examinations. Upon reasonable advance notice, Owner shall allow reasonable periodic examinations of the interior and exterior of the Historic Property by representatives of the County Assessor, the State Department of Parks and Recreation, the State Board of Equalization and/or City, as may be necessary to determine Owner's compliance with the terms and provisions of this Agreement. City shall inspect Historic Property prior to entering into this Agreement and at least every five years thereafter to determine Owner's continued compliance with Agreement.

7. Provision of Information of Compliance. Owner hereby agrees to furnish City with any and all information requested by City, which City deems necessary or advisable to determine eligibility of the Historic Property and compliance with the terms and provisions of this Agreement.

8. Breach of Agreement; Remedies.

A. Notice of Breach; Opportunity to Cure. If Owner breaches any provision of this Agreement, City may give written notice to Owner by registered or certified mail detailing Owner's violations. If such violation is not corrected to the reasonable satisfaction of City within thirty (30) days after the date of notice of violation, or within such a reasonable time as may be required to cure the violation (provided the acts to cure the violation are commenced within thirty (30) days and thereafter diligently pursued to completion), the City may, without further notice, declare Owner to be in breach of this Agreement. Upon City's declaration of Owner's breach, City may pursue any remedy available under local, state, or federal law, including those specifically provided for in this section.

B. Remedy - Cancellation. City may cancel this Agreement if City determines, following a duly noticed public hearing in accordance with Government Code section 50286, that Owner breached any of the conditions of the Agreement, Owner allowed the Historic Property to deteriorate to the point that it no longer meets the standards for a qualified historic property, or Owner failed to maintain and preserve the Historic Property in accordance with the terms of this Agreement. If this Agreement is cancelled, under this paragraph, Owner shall pay a cancellation fee to the Office of the Auditor for the County of Riverside as required by Government Code section 50286.

C. Alternative Remedies. As an alternative to cancellation of this Agreement for Owner's breach of any condition, City may bring an action in court necessary to enforce this Agreement including, but not limited to, an action to enforce this Agreement by specific performance, injunction, or receivership.

9. Destruction of Property; Eminent Domain; Cancellation. If the Historic Property is destroyed by earthquake, fire, flood, or other natural disaster such that in the opinion of the City Building Official more than sixty percent (60%) of the original fabric of the structure must be replaced, this Agreement shall be cancelled because the historic value of the structure will have been destroyed. If the Historic Property is acquired in whole or in part by eminent domain or other acquisition by any entity authorized to exercise the power of eminent domain, and the acquisition is determined by the City Council to frustrate the purpose of this Agreement, this Agreement shall be cancelled. No cancellation fee pursuant to Government Code section 50286 shall be imposed if the Agreement is cancelled pursuant to this Section.

10. Waiver. City does not waive any claim of default by Owner if City does not enforce or cancel this Agreement. All other remedies at law or in equity which are not otherwise provided for in this Agreement or in City's regulations governing historic properties are available to the City to pursue in the event that there is a reach of this

Agreement. No waiver by City of any breach or default under this Agreement shall be deemed to be a waiver of any other subsequent breach thereof or default hereunder.

11. Binding Effect of Agreement. Owner hereby subjects the Historic Property to the covenants, conditions, and restrictions set forth in this Agreement. City and Owner hereby declare their specific intent that the covenants, conditions, and restrictions set forth herein shall be deemed covenants running with the land and shall inure to and be binding upon Owner's successors and assigns in title or interest to the Historic Property. Each and every contract, deed or other instrument herein after executed, covering or conveying the Historic Property, or any portion thereof, shall conclusively be held to have been executed, delivered and accepted subject to the covenants, reservations and restrictions are set forth in such contract, deed or other instrument.

12. Covenants Run with the Land. City and Owner hereby declare their understanding and intent that the burden of the covenants, reservations and restrictions set forth herein touch and concern the land in that it restricts development of the Historic Property. City and Owner hereby further declare their understanding and intent that the benefit of such covenants, reservations and restrictions touch and concern the land by enhancing and maintaining the cultural and historical characteristics and significance of the Historic Property for the benefit of the public and the Owner.

13. Notice. Any notice required to be given by the terms of this Agreement shall be provided at the address of the respective parties as specified below or at any other address as may be later specified by the parties hereto:

City: City of Palm Desert
Building and Safety Division
73-510 Fred Waring Drive
Palm Desert, CA 92260

Owner: **Don Lussier and Joy Lussier Trustees of the Lussier Family Living Trust dated 2/13/18**
342 Sandpiper Street, Palm Desert, CA 92260

14. Effect of Agreement. None of the terms, provisions or conditions of this Agreement shall be deemed to create a partnership between the parties hereto and any of their heirs, successors, or assigns, nor shall such terms, provisions or conditions cause the parties to be considered joint venturers or members of any joint enterprise.

15. Indemnity of City. Owner shall defend, indemnify, and hold harmless City and its elected officials, officers, agents and employees from any actual or alleged claims, demands, causes of action, liability, loss, damage, or injury to property or persons, including wrongful death, whether imposed by a court of law or by administrative action of any federal, state or local governmental agency, arising out of or incident to (i) the direct or indirect use operation, or maintenance of the Historic Property by Owner or any contractor, subcontractor, employee, agent, lessee, licensee, invitee, or any other person; (ii) Owner's activities in connection with the Historic Property; and (iii) any restrictions on the use or development of the Historic Property, from application or enforcement of Title 29 of the City's Municipal Code, or from the enforcement of this Agreement. This indemnification includes, without limitation, the payment of all penalties, fines, judgments, awards, decrees, attorneys' fees, and related costs or expenses, and the reimbursement of City, its elected officials, employees, and/or agents for all legal expenses and costs incurred by each of them.

Owner's obligation to indemnify shall survive the termination, cancellation, or expiration of this Agreement and shall not be restricted to insurance proceeds, if any, received by City, its elected officials, employees, or agents.

16. Binding Upon Successors. All of the agreements, rights, covenants, reservations and restrictions contained in this Agreement shall be binding upon and

shall inure to the benefit of the parties herein, their heirs, successors, legal representatives, assigns and all persons acquiring any part or portion of the Historic Property, whether by operation of law or in any manner whatsoever.

17. Legal Costs. In the event legal proceedings are brought by any party or parties to enforce or restrain a violation of any of the covenants, conditions or restrictions contained herein, or to determine the rights and duties of any party hereunder, the prevailing party in such proceeding may recover all reasonable attorneys' fees to be fixed by the court, in addition to court costs and other relief ordered by the court.

18. Severability. In the event that any of the provisions of this Agreement are held to be unenforceable or invalid by any court of competent jurisdiction, or by subsequent preemptive legislation, the validity and enforceability of the remaining provisions, or portions thereof, shall not be affected thereby.

19. Recordation. No later than twenty (20) days after the Effective Date, City shall cause this Agreement to be recorded in the office of the County Recorder of the County of Riverside.

20. Amendments. This Agreement may be amended, in whole or in part, only by written recorded instrument executed by the parties hereto.

21. Governing Law and Venue. This Agreement shall be construed and governed in accordance with the laws of the State of California. Any action at law or in equity brought by either of the parties hereto for the purpose of enforcing a right or rights provided for by this Agreement shall be tried in a court of competent jurisdiction in the County of Riverside, State of California, and the parties hereby waive all provisions of law providing for a change of venue in such proceedings to any other county.

IN WITNESS WHEREOF, City and Owner have executed this Agreement on the day and year first above written.

Dated: _____ CITY OF PALM DESERT

By _____
JAN C. HARNIK, MAYOR

ATTEST:

By _____
ANTHONY J. MEJIA, CITY CLERK
CITY OF PALM DESERT, CALIFORNIA

Dated: _____ Don Lussier

_____
Owner

Joy Lussier

_____
Owner

APPROVED AS TO FORM

_____
ROBERT W. HARGREAVES
CITY ATTORNEY

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 _____ }
} SS.
County of _____ }

On _____, **2022** , before me,_____, a Notary Public, personally appeared_____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature _____

352 SANDPIPER CONTRACT

RECORDING REQUESTED BY, AND WHEN RECORDED, MAIL TO:

City Clerk's Office
City of Palm Desert
73-510 Fred Waring Drive
Palm Desert, CA 92260-2578

FOR THE BENEFIT OF THE CITY OF PALM DESERT
- NO FEE -
6103 OF THE GOVT. CODE

(This Space for Recorder's Use Only)

Historic Property Preservation Agreement

("Mills Act Contract")

Between

City of Palm Desert, California

a Municipal Corporation "City"

and

Paul Preston

"Owner"

Legal Description of Property

APN 640-260-003
352 Sandpiper Street, Palm Desert, California 92260

Dated: August 25, 2022

(Resolution No. 2022-08 – Case No. CRPC 21-02
Approved at the Palm Desert City Council Meeting of February 10, 2022)

(Title of Document)

HISTORIC PROPERTY PRESERVATION AGREEMENT

("MILLS ACT CONTRACT or Agreement")

This agreement is made this August 25, 2022, by and between the City of Palm Desert, a municipal corporation ("City") and **Paul Preston** ("Owner").

RECITALS

1. California Government Code section 50280, et. seq. allows cities the discretion to enter into contracts with the owners of qualified historic properties, as that term is defined in Government Code section 50280.1, for the purpose of providing for the use, maintenance, protection, and restoration of such historic property so as to retain its characteristics as property of historic significance.

2. Owner holds fee title in and to that certain real property, together with associated structures and improvements thereon, generally located at the street address **352 Sandpiper Street,** Palm Desert, California ("Historic Property"). A legal description of the Historic Property is attached hereto as Exhibit "A," and incorporated herein by this reference.

3. On **February 10, 2022**, the Cultural Resources Preservation Committee and/or the City Council designated the Historic Property as an historic resource pursuant to the terms and provisions of Title 29 of the Palm Desert Municipal Code.

4. City and Owner desire to enter into this Agreement for the purpose of protecting and preserving the characteristics of historical significance of the Historic Property that help provide the community with its own unique civic identity and character.

5. Owner, in consideration for abiding by the terms of this Agreement, shall be entitled to qualify for a reassessment of valuation of the Historic Property, pursuant to the provisions of Chapter 3, Part 2, of Division 1 of the California Revenue and Taxation Code, and any corresponding adjustment in property taxes resulting therefrom.

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2. Yearly Renewal. Each year upon the anniversary of the Effective Date ("Renewal Date"), an additional one (1) year shall automatically be added to the remaining term of the Agreement unless a notice of nonrenewal is delivered as provided in Section 3 of this Agreement.

3. Nonrenewal. If either the Owner or City desires in any year not to renew this Agreement, Owner or City shall serve a written notice of nonrenewal upon the party in advance of the Renewal Date ("Notice of Nonrenewal"). The Notice of Nonrenewal shall be effective only if served by Owner upon City at least ninety (90) days prior to the Renewal Date, or if served by City upon Owner, the Notice of Nonrenewal shall be effective only if served upon Owner at least sixty (60) days prior to the Renewal Date. If either City or Owner serves a Notice of Nonrenewal in any year, this Agreement shall remain in effect for the balance of the term then remaining.

4. Owner Protest of City Nonrenewal. Within fifteen (15) days of Owner's receipt of the Notice of Nonrenewal from City, Owner may file with City a written protest of the Notice of Nonrenewal. Upon receipt of the written protect, the City Council shall set a hearing prior to the expiration of the Renewal Date of this Agreement. Owner may furnish the City Council with any information which Owner deems relevant and shall furnish the City Council with any information it may require. The City Council may, at any time prior to the annual Renewal Date, withdraw its Notice of Nonrenewal.

5. Standards for Historical Property. During the term of this Agreement, the Historic Property shall be subject to the following conditions, requirements, and restrictions:

A. Owner shall preserve and maintain the characteristics of the cultural and historical significance of the Historic Property. Attached hereto as Exhibit “B,” and incorporated herein by this reference, is a list of the minimum standards and conditions for maintenance, use, protection, and preservation of the Historic Property, which shall apply to the Historic Property and be complied with by Owner throughout the term of this Agreement. In addition, Owner shall comply with the terms of the City’s Cultural Resources Ordinance 1168 (Title 29 of the Palm Desert Municipal Code), and shall obtain any applicable permits necessary to protect, preserve, restore, and rehabilitate the Historic Property so as to maintain its historical and cultural significance.

B. Owner shall, where necessary, repair, maintain, restore, and rehabilitate the Historic Property according to the rules and regulations of the Office of Historic Preservation of the State Department of Parks and Recreation and the City of Palm Desert. The condition of the exterior of the Historic Property on the effective date of this Agreement is documented in photographs attached as Exhibit “C” and incorporated herein by this reference. At a minimum, Owner shall continually maintain the exterior of the Historic Property in the same condition as documented in Exhibit “C.”

C. Owner shall carry out specific restoration, repair, maintenance, and/or rehabilitation projects on the Historic Property, as outlined in the attached Exhibit “D,” which is incorporated herein by this reference. All such projects shall be undertaken and completed in accordance with the Secretary of Interior Standards for Rehabilitation and the City of Palm Desert design guidelines.

D. Owner shall not be permitted to block the view corridor with any new structure, such as walls, fences, or shrubbery, so as to prevent the viewing of the Historic Property from the public right-of-way.

6. Periodic Examinations. Upon reasonable advance notice, Owner shall allow reasonable periodic examinations of the interior and exterior of the Historic Property by representatives of the County Assessor, the State Department of Parks and Recreation, the State Board of Equalization and/or City, as may be necessary to determine Owner's compliance with the terms and provisions of this Agreement. City shall inspect Historic Property prior to entering into this Agreement and at least every five years thereafter to determine Owner's continued compliance with Agreement.

7. Provision of Information of Compliance. Owner hereby agrees to furnish City with any and all information requested by City, which City deems necessary or advisable to determine eligibility of the Historic Property and compliance with the terms and provisions of this Agreement.

8. Breach of Agreement; Remedies.

A. Notice of Breach; Opportunity to Cure. If Owner breaches any provision of this Agreement, City may give written notice to Owner by registered or certified mail detailing Owner's violations. If such violation is not corrected to the reasonable satisfaction of City within thirty (30) days after the date of notice of violation, or within such a reasonable time as may be required to cure the violation (provided the acts to cure the violation are commenced within thirty (30) days and thereafter diligently pursued to completion), the City may, without further notice, declare Owner to be in breach of this Agreement. Upon City's declaration of Owner's breach, City may pursue any remedy available under local, state, or federal law, including those specifically provided for in this section.

B. Remedy - Cancellation. City may cancel this Agreement if City determines, following a duly noticed public hearing in accordance with Government Code section 50286, that Owner breached any of the conditions of the Agreement, Owner allowed the Historic Property to deteriorate to the point that it no longer meets the standards for a

qualified historic property, or Owner failed to maintain and preserve the Historic Property in accordance with the terms of this Agreement. If this Agreement is cancelled, under this paragraph, Owner shall pay a cancellation fee to the Office of the Auditor for the County of Riverside as required by Government Code section 50286.

C. Alternative Remedies. As an alternative to cancellation of this Agreement for Owner's breach of any condition, City may bring an action in court necessary to enforce this Agreement including, but not limited to, an action to enforce this Agreement by specific performance, injunction, or receivership.

9. Destruction of Property; Eminent Domain; Cancellation. If the Historic Property is destroyed by earthquake, fire, flood, or other natural disaster such that in the opinion of the City Building Official more than sixty percent (60%) of the original fabric of the structure must be replaced, this Agreement shall be cancelled because the historic value of the structure will have been destroyed. If the Historic Property is acquired in whole or in part by eminent domain or other acquisition by any entity authorized to exercise the power of eminent domain, and the acquisition is determined by the City Council to frustrate the purpose of this Agreement, this Agreement shall be cancelled. No cancellation fee pursuant to Government Code section 50286 shall be imposed if the Agreement is cancelled pursuant to this Section.

10. Waiver. City does not waive any claim of default by Owner if City does not enforce or cancel this Agreement. All other remedies at law or in equity which are not otherwise provided for in this Agreement or in City's regulations governing historic properties are available to the City to pursue in the event that there is a reach of this Agreement. No waiver by City of any breach or default under this Agreement shall be deemed to be a waiver of any other subsequent breach thereof or default hereunder.

11. Binding Effect of Agreement. Owner hereby subjects the Historic Property to the covenants, conditions, and restrictions set forth in this Agreement. City and Owner hereby declare their specific intent that the covenants, conditions, and

restrictions set forth herein shall be deemed covenants running with the land and shall inure to and be binding upon Owner's successors and assigns in title or interest to the Historic Property. Each and every contract, deed or other instrument herein after executed, covering or conveying the Historic Property, or any portion thereof, shall conclusively be held to have been executed, delivered and accepted subject to the covenants, reservations and restrictions are set forth in such contract, deed or other instrument.

12. Covenants Run with the Land. City and Owner hereby declare their understanding and intent that the burden of the covenants, reservations and restrictions set forth herein touch and concern the land in that it restricts development of the Historic Property. City and Owner hereby further declare their understanding and intent that the benefit of such covenants, reservations and restrictions touch and concern the land by enhancing and maintaining the cultural and historical characteristics and significance of the Historic Property for the benefit of the public and the Owner.

13. Notice. Any notice required to be given by the terms of this Agreement shall be provided at the address of the respective parties as specified below or at any other address as may be later specified by the parties hereto:

City: City of Palm Desert
Building and Safety Division
73-510 Fred Waring Drive
Palm Desert, CA 92260

Owner: **Paul Preston**
352 Sandpiper Street
Palm Desert, CA 92260

14. Effect of Agreement. None of the terms, provisions or conditions of this Agreement shall be deemed to create a partnership between the parties hereto and

any of their heirs, successors or assigns, nor shall such terms, provisions or conditions cause the parties to be considered joint venturers or members of any joint enterprise.

15. Indemnity of City. Owner shall defend, indemnify, and hold harmless City and its elected officials, officers, agents and employees from any actual or alleged claims, demands, causes of action, liability, loss, damage, or injury to property or persons, including wrongful death, whether imposed by a court of law or by administrative action of any federal, state or local governmental agency, arising out of or incident to (i) the direct or indirect use operation, or maintenance of the Historic Property by Owner or any contractor, subcontractor, employee, agent, lessee, licensee, invitee, or any other person; (ii) Owner's activities in connection with the Historic Property; and (iii) any restrictions on the use or development of the Historic Property, from application or enforcement of Title 29 of the City's Municipal Code, or from the enforcement of this Agreement. This indemnification includes, without limitation, the payment of all penalties, fines, judgments, awards, decrees, attorneys' fees, and related costs or expenses, and the reimbursement of City, its elected officials, employees, and/or agents for all legal expenses and costs incurred by each of them.

Owner's obligation to indemnify shall survive the termination, cancellation, or expiration of this Agreement and shall not be restricted to insurance proceeds, if any, received by City, its elected officials, employees, or agents.

16. Binding Upon Successors. All of the agreements, rights, covenants, reservations and restrictions contained in this Agreement shall be binding upon and shall inure to the benefit of the parties herein, their heirs, successors, legal representatives, assigns and all persons acquiring any part or portion of the Historic Property, whether by operation of law or in any manner whatsoever.

17. Legal Costs. In the event legal proceedings are brought by any party or parties to enforce or restrain a violation of any of the covenants, conditions or restrictions contained herein, or to determine the rights and duties of any party

hereunder, the prevailing party in such proceeding may recover all reasonable attorneys' fees to be fixed by the court, in addition to court costs and other relief ordered by the court.

18. Severability. In the event that any of the provisions of this Agreement are held to be unenforceable or invalid by any court of competent jurisdiction, or by subsequent preemptive legislation, the validity and enforceability of the remaining provisions, or portions thereof, shall not be affected thereby.

19. Recordation. No later than twenty (20) days after the Effective Date, City shall cause this Agreement to be recorded in the office of the County Recorder of the County of Riverside.

20. Amendments. This Agreement may be amended, in whole or in part, only by written recorded instrument executed by the parties hereto.

21. Governing Law and Venue. This Agreement shall be construed and governed in accordance with the laws of the State of California. Any action at law or in equity brought by either of the parties hereto for the purpose of enforcing a right or rights provided for by this Agreement shall be tried in a court of competent jurisdiction in the County of Riverside, State of California, and the parties hereby waive all provisions of law providing for a change of venue in such proceedings to any other county.

IN WITNESS WHEREOF, City and Owner have executed this Agreement on the day and year first above written.

Dated: _____ CITY OF PALM DESERT

By _____
JAN C. HARNIK, MAYOR

ATTEST:

By _____
ANTHONY J. MEJIA, CITY CLERK
CITY OF PALM DESERT, CALIFORNIA

Dated: _____ Paul Preston

_____
Owner

APPROVED AS TO FORM

_____
ROBERT W. HARGREAVES
CITY ATTORNEY

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 _____ }
} SS.
County of _____ }

On _____, **2022** , before me,_____, a Notary Public, personally appeared_____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature _____

361 SANDPIPER CONTRACT

RECORDING REQUESTED BY, AND WHEN RECORDED, MAIL TO:

City Clerk's Office
City of Palm Desert
73-510 Fred Waring Drive
Palm Desert, CA 92260-2578

FOR THE BENEFIT OF THE CITY OF PALM DESERT
- NO FEE -
6103 OF THE GOVT. CODE

(This Space for Recorder's Use Only)

Historic Property Preservation Agreement

("Mills Act Contract")

Between

City of Palm Desert, California

a Municipal Corporation "City"

and

NOREEN COUP

"Owner"

Legal Description of Property

APN 640-260-008
361 Sandpiper Street, Palm Desert, California 92260

Dated: August 25, 2022

(Resolution No. 2022-08 – Case No. CRPC 21-02
Approved at the Palm Desert City Council Meeting of February 10, 2022)

(Title of Document)

HISTORIC PROPERTY PRESERVATION AGREEMENT

("MILLS ACT CONTRACT or Agreement")

This agreement is made this August 25, 2022, by and between the City of Palm Desert, a municipal corporation ("City") and **Noreen Coup** ("Owner").

RECITALS

1. California Government Code section 50280, et. seq. allows cities the discretion to enter into contracts with the owners of qualified historic properties, as that term is defined in Government Code section 50280.1, for the purpose of providing for the use, maintenance, protection, and restoration of such historic property so as to retain its characteristics as property of historic significance.

2. Owner holds fee title in and to that certain real property, together with associated structures and improvements thereon, generally located at the street address **361 Sandpiper Street,** Palm Desert, California ("Historic Property"). A legal description of the Historic Property is attached hereto as Exhibit "A," and incorporated herein by this reference.

3. On **February 10, 2022**, the Cultural Resources Preservation Committee and/or the City Council designated the Historic Property as an historic resource pursuant to the terms and provisions of Title 29 of the Palm Desert Municipal Code.

4. City and Owner desire to enter into this Agreement for the purpose of protecting and preserving the characteristics of historical significance of the Historic Property that help provide the community with its own unique civic identity and character.

5. Owner, in consideration for abiding by the terms of this Agreement, shall be entitled to qualify for a reassessment of valuation of the Historic Property, pursuant to the provisions of Chapter 3, Part 2, of Division 1 of the California Revenue and Taxation Code, and any corresponding adjustment in property taxes resulting therefrom.

TERMS NOW, THEREFORE, the City and Owner in consideration of mutual covenants and conditions set forth herein, do hereby agree as follows:

1. Effective Date and Term of Agreement. This Agreement shall be effective and commence on August 25, 2022, ("Effective Date") and shall remain in effect for a term of ten (10) years thereafter.

2. Yearly Renewal. Each year upon the anniversary of the Effective Date ("Renewal Date"), an additional one (1) year shall automatically be added to the remaining term of the Agreement unless a notice of nonrenewal is delivered as provided in Section 3 of this Agreement.

3. Nonrenewal. If either the Owner or City desires in any year not to renew this Agreement, Owner or City shall serve a written notice of nonrenewal upon the party in advance of the Renewal Date ("Notice of Nonrenewal"). The Notice of Nonrenewal shall be effective only if served by Owner upon City at least ninety (90) days prior to the Renewal Date, or if served by City upon Owner, the Notice of Nonrenewal shall be effective only if served upon Owner at least sixty (60) days prior to the Renewal Date. If either City or Owner serves a Notice of Nonrenewal in any year, this Agreement shall remain in effect for the balance of the term then remaining.

4. Owner Protest of City Nonrenewal. Within fifteen (15) days of Owner's receipt of the Notice of Nonrenewal from City, Owner may file with City a written protest of the Notice of Nonrenewal. Upon receipt of the written protect, the City Council shall set a hearing prior to the expiration of the Renewal Date of this Agreement. Owner may furnish the City Council with any information which Owner deems relevant and shall furnish the City Council with any information it may require. The City Council may, at any time prior to the annual Renewal Date, withdraw its Notice of Nonrenewal.

5. Standards for Historical Property. During the term of this Agreement, the Historic Property shall be subject to the following conditions, requirements, and restrictions:

A. Owner shall preserve and maintain the characteristics of the cultural and historical significance of the Historic Property. Attached hereto as Exhibit “B,” and incorporated herein by this reference, is a list of the minimum standards and conditions for maintenance, use, protection, and preservation of the Historic Property, which shall apply to the Historic Property and be complied with by Owner throughout the term of this Agreement. In addition, Owner shall comply with the terms of the City’s Cultural Resources Ordinance 1168 (Title 29 of the Palm Desert Municipal Code), and shall obtain any applicable permits necessary to protect, preserve, restore, and rehabilitate the Historic Property so as to maintain its historical and cultural significance.

B. Owner shall, where necessary, repair, maintain, restore, and rehabilitate the Historic Property according to the rules and regulations of the Office of Historic Preservation of the State Department of Parks and Recreation and the City of Palm Desert. The condition of the exterior of the Historic Property on the effective date of this Agreement is documented in photographs attached as Exhibit “C” and incorporated herein by this reference. At a minimum, Owner shall continually maintain the exterior of the Historic Property in the same condition as documented in Exhibit “C.”

C. Owner shall carry out specific restoration, repair, maintenance, and/or rehabilitation projects on the Historic Property, as outlined in the attached Exhibit “D,” which is incorporated herein by this reference. All such projects shall be undertaken and completed in accordance with the Secretary of Interior Standards for Rehabilitation and the City of Palm Desert design guidelines.

D. Owner shall not be permitted to block the view corridor with any new structure, such as walls, fences, or shrubbery, so as to prevent the viewing of the Historic Property from the public right-of-way.

6. Periodic Examinations. Upon reasonable advance notice, Owner shall allow reasonable periodic examinations of the interior and exterior of the Historic Property by representatives of the County Assessor, the State Department of Parks and Recreation, the State Board of Equalization and/or City, as may be necessary to determine Owner's compliance with the terms and provisions of this Agreement. City shall inspect Historic Property prior to entering into this Agreement and at least every five years thereafter to determine Owner's continued compliance with Agreement.

7. Provision of Information of Compliance. Owner hereby agrees to furnish City with any and all information requested by City, which City deems necessary or advisable to determine eligibility of the Historic Property and compliance with the terms and provisions of this Agreement.

8. Breach of Agreement; Remedies.

A. Notice of Breach; Opportunity to Cure. If Owner breaches any provision of this Agreement, City may give written notice to Owner by registered or certified mail detailing Owner's violations. If such violation is not corrected to the reasonable satisfaction of City within thirty (30) days after the date of notice of violation, or within such a reasonable time as may be required to cure the violation (provided the acts to cure the violation are commenced within thirty (30) days and thereafter diligently pursued to completion), the City may, without further notice, declare Owner to be in breach of this Agreement. Upon City's declaration of Owner's breach, City may pursue any remedy available under local, state, or federal law, including those specifically provided for in this section.

B. Remedy - Cancellation. City may cancel this Agreement if City determines, following a duly noticed public hearing in accordance with Government Code section 50286, that Owner breached any of the conditions of the Agreement, Owner allowed the Historic Property to deteriorate to the point that it no longer meets the standards for a

qualified historic property, or Owner failed to maintain and preserve the Historic Property in accordance with the terms of this Agreement. If this Agreement is cancelled, under this paragraph, Owner shall pay a cancellation fee to the Office of the Auditor for the County of Riverside as required by Government Code section 50286.

C. Alternative Remedies. As an alternative to cancellation of this Agreement for Owner's breach of any condition, City may bring an action in court necessary to enforce this Agreement including, but not limited to, an action to enforce this Agreement by specific performance, injunction, or receivership.

9. Destruction of Property; Eminent Domain; Cancellation. If the Historic Property is destroyed by earthquake, fire, flood, or other natural disaster such that in the opinion of the City Building Official more than sixty percent (60%) of the original fabric of the structure must be replaced, this Agreement shall be cancelled because the historic value of the structure will have been destroyed. If the Historic Property is acquired in whole or in part by eminent domain or other acquisition by any entity authorized to exercise the power of eminent domain, and the acquisition is determined by the City Council to frustrate the purpose of this Agreement, this Agreement shall be cancelled. No cancellation fee pursuant to Government Code section 50286 shall be imposed if the Agreement is cancelled pursuant to this Section.

10. Waiver. City does not waive any claim of default by Owner if City does not enforce or cancel this Agreement. All other remedies at law or in equity which are not otherwise provided for in this Agreement or in City's regulations governing historic properties are available to the City to pursue in the event that there is a reach of this Agreement. No waiver by City of any breach or default under this Agreement shall be deemed to be a waiver of any other subsequent breach thereof or default hereunder.

11. Binding Effect of Agreement. Owner hereby subjects the Historic Property to the covenants, conditions, and restrictions set forth in this Agreement. City and Owner hereby declare their specific intent that the covenants, conditions, and

restrictions set forth herein shall be deemed covenants running with the land and shall inure to and be binding upon Owner's successors and assigns in title or interest to the Historic Property. Each and every contract, deed or other instrument herein after executed, covering or conveying the Historic Property, or any portion thereof, shall conclusively be held to have been executed, delivered and accepted subject to the covenants, reservations and restrictions are set forth in such contract, deed or other instrument.

12. Covenants Run with the Land. City and Owner hereby declare their understanding and intent that the burden of the covenants, reservations and restrictions set forth herein touch and concern the land in that it restricts development of the Historic Property. City and Owner hereby further declare their understanding and intent that the benefit of such covenants, reservations and restrictions touch and concern the land by enhancing and maintaining the cultural and historical characteristics and significance of the Historic Property for the benefit of the public and the Owner.

13. Notice. Any notice required to be given by the terms of this Agreement shall be provided at the address of the respective parties as specified below or at any other address as may be later specified by the parties hereto:

City: City of Palm Desert
Building and Safety Division
73-510 Fred Waring Drive
Palm Desert, CA 92260

Owner: **Noreen Coup**
361 Sandpiper Street
Palm Desert, CA 92260

14. Effect of Agreement. None of the terms, provisions or conditions of this Agreement shall be deemed to create a partnership between the parties hereto and

any of their heirs, successors, or assigns, nor shall such terms, provisions or conditions cause the parties to be considered joint venturers or members of any joint enterprise.

15. Indemnity of City. Owner shall defend, indemnify, and hold harmless City and its elected officials, officers, agents and employees from any actual or alleged claims, demands, causes of action, liability, loss, damage, or injury to property or persons, including wrongful death, whether imposed by a court of law or by administrative action of any federal, state or local governmental agency, arising out of or incident to (i) the direct or indirect use operation, or maintenance of the Historic Property by Owner or any contractor, subcontractor, employee, agent, lessee, licensee, invitee, or any other person; (ii) Owner's activities in connection with the Historic Property; and (iii) any restrictions on the use or development of the Historic Property, from application or enforcement of Title 29 of the City's Municipal Code, or from the enforcement of this Agreement. This indemnification includes, without limitation, the payment of all penalties, fines, judgments, awards, decrees, attorneys' fees, and related costs or expenses, and the reimbursement of City, its elected officials, employees, and/or agents for all legal expenses and costs incurred by each of them.

Owner's obligation to indemnify shall survive the termination, cancellation, or expiration of this Agreement and shall not be restricted to insurance proceeds, if any, received by City, its elected officials, employees, or agents.

16. Binding Upon Successors. All of the agreements, rights, covenants, reservations and restrictions contained in this Agreement shall be binding upon and shall inure to the benefit of the parties herein, their heirs, successors, legal representatives, assigns and all persons acquiring any part or portion of the Historic Property, whether by operation of law or in any manner whatsoever.

17. Legal Costs. In the event legal proceedings are brought by any party or parties to enforce or restrain a violation of any of the covenants, conditions or

restrictions contained herein, or to determine the rights and duties of any party hereunder, the prevailing party in such proceeding may recover all reasonable attorneys' fees to be fixed by the court, in addition to court costs and other relief ordered by the court.

18. Severability. In the event that any of the provisions of this Agreement are held to be unenforceable or invalid by any court of competent jurisdiction, or by subsequent preemptive legislation, the validity and enforceability of the remaining provisions, or portions thereof, shall not be affected thereby.

19. Recordation. No later than twenty (20) days after the Effective Date, City shall cause this Agreement to be recorded in the office of the County Recorder of the County of Riverside.

20. Amendments. This Agreement may be amended, in whole or in part, only by written recorded instrument executed by the parties hereto.

21. Governing Law and Venue. This Agreement shall be construed and governed in accordance with the laws of the State of California. Any action at law or in equity brought by either of the parties hereto for the purpose of enforcing a right or rights provided for by this Agreement shall be tried in a court of competent jurisdiction in the County of Riverside, State of California, and the parties hereby waive all provisions of law providing for a change of venue in such proceedings to any other county.

IN WITNESS WHEREOF, City and Owner have executed this Agreement on the day and year first above written.

Dated: _____ CITY OF PALM DESERT

By _____
JAN C. HARNIK, MAYOR

ATTEST:

By _____
ANTHONY J. MEJIA, CITY CLERK
CITY OF PALM DESERT, CALIFORNIA

Dated: _____ Noreen Coup

_____
Owner

APPROVED AS TO FORM

_____
ROBERT W. HARGREAVES
CITY ATTORNEY

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 _____ }
} SS.
County of _____ }

On _____, **2022** , before me,_____, a Notary Public, personally appeared_____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature _____

363 SANDPIPER CONTRACT

RECORDING REQUESTED BY, AND WHEN RECORDED, MAIL TO:

City Clerk's Office
City of Palm Desert
73-510 Fred Waring Drive
Palm Desert, CA 92260-2578

FOR THE BENEFIT OF THE CITY OF PALM DESERT
- NO FEE -
6103 OF THE GOVT. CODE

(This Space for Recorder's Use Only)

Historic Property Preservation Agreement

("Mills Act Contract")

Between

City of Palm Desert, California

a Municipal Corporation "City"

and

CATHERINE ANN MULFLUR

"Owner"

Legal Description of Property

APN 640-260-007
363 Sandpiper Street, Palm Desert, California 92260

Dated: August 25, 2022

(Resolution No. 2022-08 – Case No. CRPC 21-02
Approved at the Palm Desert City Council Meeting of February 10, 2022)

(Title of Document)

HISTORIC PROPERTY PRESERVATION AGREEMENT

("MILLS ACT CONTRACT or Agreement")

This agreement is made this August 25, 2022, by and between the City of Palm Desert, a municipal corporation ("City") and **Catherine Ann Mulflur** ("Owner").

RECITALS

1. California Government Code section 50280, et. seq. allows cities the discretion to enter into contracts with the owners of qualified historic properties, as that term is defined in Government Code section 50280.1, for the purpose of providing for the use, maintenance, protection, and restoration of such historic property so as to retain its characteristics as property of historic significance.

2. Owner holds fee title in and to that certain real property, together with associated structures and improvements thereon, generally located at the street address **363 Sandpiper Street,** Palm Desert, California ("Historic Property"). A legal description of the Historic Property is attached hereto as Exhibit "A," and incorporated herein by this reference.

3. On **February 10, 2022**, the Cultural Resources Preservation Committee and/or the City Council designated the Historic Property as an historic resource pursuant to the terms and provisions of Title 29 of the Palm Desert Municipal Code.

4. City and Owner desire to enter into this Agreement for the purpose of protecting and preserving the characteristics of historical significance of the Historic Property that help provide the community with its own unique civic identity and character.

5. Owner, in consideration for abiding by the terms of this Agreement, shall be entitled to qualify for a reassessment of valuation of the Historic Property, pursuant to the provisions of Chapter 3, Part 2, of Division 1 of the California Revenue and Taxation Code, and any corresponding adjustment in property taxes resulting therefrom.

TERMS NOW, THEREFORE, the City and Owner in consideration of mutual covenants and conditions set forth herein, do hereby agree as follows:

1. Effective Date and Term of Agreement. This Agreement shall be effective and commence on August 25, 2022, ("Effective Date") and shall remain in effect for a term of ten (10) years thereafter.

2. Yearly Renewal. Each year upon the anniversary of the Effective Date ("Renewal Date"), an additional one (1) year shall automatically be added to the remaining term of the Agreement unless a notice of nonrenewal is delivered as provided in Section 3 of this Agreement.

3. Nonrenewal. If either the Owner or City desires in any year not to renew this Agreement, Owner or City shall serve a written notice of nonrenewal upon the party in advance of the Renewal Date ("Notice of Nonrenewal"). The Notice of Nonrenewal shall be effective only if served by Owner upon City at least ninety (90) days prior to the Renewal Date, or if served by City upon Owner, the Notice of Nonrenewal shall be effective only if served upon Owner at least sixty (60) days prior to the Renewal Date. If either City or Owner serves a Notice of Nonrenewal in any year, this Agreement shall remain in effect for the balance of the term then remaining.

4. Owner Protest of City Nonrenewal. Within fifteen (15) days of Owner's receipt of the Notice of Nonrenewal from City, Owner may file with City a written protest of the Notice of Nonrenewal. Upon receipt of the written protect, the City Council shall set a hearing prior to the expiration of the Renewal Date of this Agreement. Owner may furnish the City Council with any information which Owner deems relevant and shall furnish the City Council with any information it may require. The City Council may, at any time prior to the annual Renewal Date, withdraw its Notice of Nonrenewal.

5. Standards for Historical Property. During the term of this Agreement, the Historic Property shall be subject to the following conditions, requirements, and restrictions:

A. Owner shall preserve and maintain the characteristics of the cultural and historical significance of the Historic Property. Attached hereto as Exhibit “B,” and incorporated herein by this reference, is a list of the minimum standards and conditions for maintenance, use, protection, and preservation of the Historic Property, which shall apply to the Historic Property and be complied with by Owner throughout the term of this Agreement. In addition, Owner shall comply with the terms of the City’s Cultural Resources Ordinance 1168 (Title 29 of the Palm Desert Municipal Code), and shall obtain any applicable permits necessary to protect, preserve, restore, and rehabilitate the Historic Property so as to maintain its historical and cultural significance.

B. Owner shall, where necessary, repair, maintain, restore, and rehabilitate the Historic Property according to the rules and regulations of the Office of Historic Preservation of the State Department of Parks and Recreation and the City of Palm Desert. The condition of the exterior of the Historic Property on the effective date of this Agreement is documented in photographs attached as Exhibit “C” and incorporated herein by this reference. At a minimum, Owner shall continually maintain the exterior of the Historic Property in the same condition as documented in Exhibit “C.”

C. Owner shall carry out specific restoration, repair, maintenance, and/or rehabilitation projects on the Historic Property, as outlined in the attached Exhibit “D,” which is incorporated herein by this reference. All such projects shall be undertaken and completed in accordance with the Secretary of Interior Standards for Rehabilitation and the City of Palm Desert design guidelines.

D. Owner shall not be permitted to block the view corridor with any new structure, such as walls, fences, or shrubbery, so as to prevent the viewing of the Historic Property from the public right-of-way.

6. Periodic Examinations. Upon reasonable advance notice, Owner shall allow reasonable periodic examinations of the interior and exterior of the Historic Property by representatives of the County Assessor, the State Department of Parks and Recreation, the State Board of Equalization and/or City, as may be necessary to determine Owner's compliance with the terms and provisions of this Agreement. City shall inspect Historic Property prior to entering into this Agreement and at least every five years thereafter to determine Owner's continued compliance with Agreement.

7. Provision of Information of Compliance. Owner hereby agrees to furnish City with any and all information requested by City, which City deems necessary or advisable to determine eligibility of the Historic Property and compliance with the terms and provisions of this Agreement.

8. Breach of Agreement; Remedies.

A. Notice of Breach; Opportunity to Cure. If Owner breaches any provision of this Agreement, City may give written notice to Owner by registered or certified mail detailing Owner's violations. If such violation is not corrected to the reasonable satisfaction of City within thirty (30) days after the date of notice of violation, or within such a reasonable time as may be required to cure the violation (provided the acts to cure the violation are commenced within thirty (30) days and thereafter diligently pursued to completion), the City may, without further notice, declare Owner to be in breach of this Agreement. Upon City's declaration of Owner's breach, City may pursue any remedy available under local, state, or federal law, including those specifically provided for in this section.

B. Remedy - Cancellation. City may cancel this Agreement if City determines, following a duly noticed public hearing in accordance with Government Code section 50286, that Owner breached any of the conditions of the Agreement, Owner allowed the Historic Property to deteriorate to the point that it no longer meets the standards for a

qualified historic property, or Owner failed to maintain and preserve the Historic Property in accordance with the terms of this Agreement. If this Agreement is cancelled, under this paragraph, Owner shall pay a cancellation fee to the Office of the Auditor for the County of Riverside as required by Government Code section 50286.

C. Alternative Remedies. As an alternative to cancellation of this Agreement for Owner's breach of any condition, City may bring an action in court necessary to enforce this Agreement including, but not limited to, an action to enforce this Agreement by specific performance, injunction, or receivership.

9. Destruction of Property; Eminent Domain; Cancellation. If the Historic Property is destroyed by earthquake, fire, flood, or other natural disaster such that in the opinion of the City Building Official more than sixty percent (60%) of the original fabric of the structure must be replaced, this Agreement shall be cancelled because the historic value of the structure will have been destroyed. If the Historic Property is acquired in whole or in part by eminent domain or other acquisition by any entity authorized to exercise the power of eminent domain, and the acquisition is determined by the City Council to frustrate the purpose of this Agreement, this Agreement shall be cancelled. No cancellation fee pursuant to Government Code section 50286 shall be imposed if the Agreement is cancelled pursuant to this Section.

10. Waiver. City does not waive any claim of default by Owner if City does not enforce or cancel this Agreement. All other remedies at law or in equity which are not otherwise provided for in this Agreement or in City's regulations governing historic properties are available to the City to pursue in the event that there is a reach of this Agreement. No waiver by City of any breach or default under this Agreement shall be deemed to be a waiver of any other subsequent breach thereof or default hereunder.

11. Binding Effect of Agreement. Owner hereby subjects the Historic Property to the covenants, conditions, and restrictions set forth in this Agreement. City and Owner hereby declare their specific intent that the covenants, conditions, and

restrictions set forth herein shall be deemed covenants running with the land and shall inure to and be binding upon Owner's successors and assigns in title or interest to the Historic Property. Each and every contract, deed or other instrument herein after executed, covering or conveying the Historic Property, or any portion thereof, shall conclusively be held to have been executed, delivered and accepted subject to the covenants, reservations and restrictions are set forth in such contract, deed or other instrument.

12. Covenants Run with the Land. City and Owner hereby declare their understanding and intent that the burden of the covenants, reservations and restrictions set forth herein touch and concern the land in that it restricts development of the Historic Property. City and Owner hereby further declare their understanding and intent that the benefit of such covenants, reservations and restrictions touch and concern the land by enhancing and maintaining the cultural and historical characteristics and significance of the Historic Property for the benefit of the public and the Owner.

13. Notice. Any notice required to be given by the terms of this Agreement shall be provided at the address of the respective parties as specified below or at any other address as may be later specified by the parties hereto:

City: City of Palm Desert
Building and Safety Division
73-510 Fred Waring Drive
Palm Desert, CA 92260

Owner: **Catherine Ann Mulflur**
363 Sandpiper Street
Palm Desert, CA 92260

14. Effect of Agreement. None of the terms, provisions or conditions of this Agreement shall be deemed to create a partnership between the parties hereto and any of their heirs, successors, or assigns, nor shall such terms, provisions or

conditions cause the parties to be considered joint venturers or members of any joint enterprise.

15. Indemnity of City. Owner shall defend, indemnify, and hold harmless City and its elected officials, officers, agents and employees from any actual or alleged claims, demands, causes of action, liability, loss, damage, or injury to property or persons, including wrongful death, whether imposed by a court of law or by administrative action of any federal, state or local governmental agency, arising out of or incident to (i) the direct or indirect use operation, or maintenance of the Historic Property by Owner or any contractor, subcontractor, employee, agent, lessee, licensee, invitee, or any other person; (ii) Owner's activities in connection with the Historic Property; and (iii) any restrictions on the use or development of the Historic Property, from application or enforcement of Title 29 of the City's Municipal Code, or from the enforcement of this Agreement. This indemnification includes, without limitation, the payment of all penalties, fines, judgments, awards, decrees, attorneys' fees, and related costs or expenses, and the reimbursement of City, its elected officials, employees, and/or agents for all legal expenses and costs incurred by each of them.

Owner's obligation to indemnify shall survive the termination, cancellation, or expiration of this Agreement and shall not be restricted to insurance proceeds, if any, received by City, its elected officials, employees, or agents.

16. Binding Upon Successors. All of the agreements, rights, covenants, reservations and restrictions contained in this Agreement shall be binding upon and shall inure to the benefit of the parties herein, their heirs, successors, legal representatives, assigns and all persons acquiring any part or portion of the Historic Property, whether by operation of law or in any manner whatsoever.

17. Legal Costs. In the event legal proceedings are brought by any party or parties to enforce or restrain a violation of any of the covenants, conditions or restrictions contained herein, or to determine the rights and duties of any party

hereunder, the prevailing party in such proceeding may recover all reasonable attorneys' fees to be fixed by the court, in addition to court costs and other relief ordered by the court.

18. Severability. In the event that any of the provisions of this Agreement are held to be unenforceable or invalid by any court of competent jurisdiction, or by subsequent preemptive legislation, the validity and enforceability of the remaining provisions, or portions thereof, shall not be affected thereby.

19. Recordation. No later than twenty (20) days after the Effective Date, City shall cause this Agreement to be recorded in the office of the County Recorder of the County of Riverside.

20. Amendments. This Agreement may be amended, in whole or in part, only by written recorded instrument executed by the parties hereto.

21. Governing Law and Venue. This Agreement shall be construed and governed in accordance with the laws of the State of California. Any action at law or in equity brought by either of the parties hereto for the purpose of enforcing a right or rights provided for by this Agreement shall be tried in a court of competent jurisdiction in the County of Riverside, State of California, and the parties hereby waive all provisions of law providing for a change of venue in such proceedings to any other county.

IN WITNESS WHEREOF, City and Owner have executed this Agreement on the day and year first above written.

Dated: _____ CITY OF PALM DESERT

By _____
JAN C. HARNIK, MAYOR

ATTEST:

By _____
ANTHONY J. MEJIA, CITY CLERK
CITY OF PALM DESERT, CALIFORNIA

Dated: _____ Catherine Ann Mulflur

_____
Owner

APPROVED AS TO FORM

_____
ROBERT W. HARGREAVES
CITY ATTORNEY

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 _____ }
} SS.
County of _____ }

On _____, **2022** , before me,_____, a Notary Public, personally appeared_____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature _____

CITY OF PALM DESERT
STAFF REPORT

MEETING DATE: November 17, 2022

PREPARED BY: Ryan Gayler, Senior Project Manager
Andy Ramirez, Deputy Director of Public Works

REQUEST: ADOPT A RESOLUTION ESTABLISHING A WIND FENCE POLICY

RECOMMENDATION:

Adopt a Resolution establishing a wind fence policy.

BACKGROUND/ANALYSIS:

In the spring and summer of 2022, the City experienced significant wind events that resulted in lane closures from sand and debris. As a result, staff presented a contract for approval for the installation of wind fencing at problem locations near undeveloped land. On October 13, 2022, the City Council authorized staff to draft a resolution creating a policy governing the City's installation of wind fencing.

According to the policy, the City may install wind fencing at locations where either or both of the following occur, following notification of the City Council:

- sand reduces the travel lanes creating unsafe driving conditions
- sand obstructs right-of-way multiple times in a week causing a hardship for maintenance crews

The locations that meet the above criteria are candidates for fencing due to potential safety impacts, and/or financial and productivity burdens on staff. The policy specifies that the fencing must be installed within the City's right-of-way, or within an easement. The policy does not apply to sites that have been graded or otherwise disturbed.

Strategic Plan:
The proposed solution will further the goals of the strategic plan by providing a safe, efficient, and reliable transportation system for residents and visitors.

FINANCIAL IMPACT:

There is no financial impact associated with this action.

REVIEWED BY:

Department Director:	*Martin Alvarez*
City Attorney:	*Robert Hargreaves*
Finance Director:	*John Ramont*
Assistant City Manager:	*Chris Escobedo*
City Manager:	*Todd Hileman*

Attachment: Resolution

RESOLUTION NO. 2022-____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM DESERT, CALIFORNIA, ESTABLISHING A POLICY GOVERNING THE CITY'S INSTALLATION OF WIND FENCE

WHEREAS, the City experiences wind events that result in wind-blown sand collecting in streets and other rights-of-way; and

WHEREAS, the accumulation of sand has necessitated the closure of travel lanes; and

WHEREAS, the removal of sand from streets and other rights-of-way cause a financial and productivity burden on the City's maintenance crews; and

WHEREAS, the City desires to adopt a resolution establishing a policy governing the City's installation of wind fencing.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Palm Desert, California, as follows:

SECTION 1. The City Council finds that it is in the general interest of the City to establish a barrier between undisturbed vacant land and city streets prone to the accumulation of blow sand.

SECTION 2. The City Council orders that the location of the wind fence meet one or both of the following criteria:

- Sand has accumulated in an adjacent street creating a safety hazard.
- City maintenance crews have responded to the same location multiple times within a weeks' time to clean sand from the street or right-of-way.

SECTION 3. The City Council orders that the installation of wind fence only applies to locations where the source of the sand is an undisturbed, or re-naturalized vacant lot.

SECTION 4. The City Council orders that the fence must be installed within the City's right-of-way, or within an easement which permits the installation of wind fence.

RESOLUTION NO. 2022-____

ADOPTED ON _____, 20__.

JAN C. HARNIK
MAYOR

ATTEST:

ANTHONY J. MEJIA
CITY CLERK

RESOLUTION NO. 2022-____

I, Anthony J. Mejia, City Clerk of the City of Palm Desert, hereby certify that Resolution No. 2022-__ is a full, true, and correct copy, and was duly adopted at a regular meeting of the City Council of the City of Palm Desert on _____, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:
RECUSED:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Palm Desert, California, on _____, 20__.

_____
ANTHONY J. MEJIA
CITY CLERK

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CITY OF PALM DESERT
STAFF REPORT

MEETING DATE: November 17, 2022

PREPARED BY: Clayton von Helf, Information Systems Manager

REQUEST: DECLARATION OF SURPLUS PROPERTY AND AUTHORIZE DISPOSAL

RECOMMENDATION:

Declare the items identified in Exhibit A as surplus property and authorize disposal as appropriate.

BACKGROUND/ANALYSIS:

All items on the attached equipment list are broken or obsolete. Therefore, staff is requesting the City Council to authorize disposal of the equipment according to the federal and state laws and guidelines. Most of the equipment listed is obsolete or broken and will be disposed of using e-waste guidelines.

FINANCIAL IMPACT:

There is no fiscal impact associated with this item.

REVIEWED BY:

Department Director:	*John Ramont*
Finance Director:	*John Ramont*
Assistant City Manager:	*Chris Escobedo*
City Manager:	*Todd Hileman*

ATTACHMENTS:

1. Surplus Property List

Exhibit A - Surplus of Electronic Equipment & Other Items
As of 11/2/2022

Computers	Asset #	Condition	Destination
Microsoft Surface	9129	broken/obsolete	e-waste
Microsoft Surface	9228	broken/obsolete	e-waste
Microsoft Surface	9796	broken/obsolete	e-waste
IBM Thinkpad	8985	broken/obsolete	e-waste
IBM Thinkpad	8986	broken/obsolete	e-waste
IBM Thinkpad	8987	broken/obsolete	e-waste
IBM Thinkpad	8988	broken/obsolete	e-waste
IBM Thinkpad	8989	broken/obsolete	e-waste
IBM Thinkpad	8990	broken/obsolete	e-waste
IBM Thinkpad	9219	broken/obsolete	e-waste
IBM Thinkpad	9220	broken/obsolete	e-waste
IBM Thinkpad	9221	broken/obsolete	e-waste
IBM Thinkpad	9222	broken/obsolete	e-waste
IBM Thinkpad	9223	broken/obsolete	e-waste
IBM Thinkpad	9224	broken/obsolete	e-waste
IBM Thinkpad	9617	broken/obsolete	e-waste
IBM Thinkpad	9612	broken/obsolete	e-waste
Dell Latitude laptop	8568	broken/obsolete	e-waste
Dell Latitude laptop	8871	broken/obsolete	e-waste
Dell Latitude laptop	8873	broken/obsolete	e-waste
Dell Latitude laptop	9016	broken/obsolete	e-waste
Dell Latitude laptop	9101	broken/obsolete	e-waste
Dell Latitude laptop	9102	broken/obsolete	e-waste
Dell Latitude laptop	9103	broken/obsolete	e-waste
Dell Latitude laptop	9104	broken/obsolete	e-waste
Dell Latitude laptop	9105	broken/obsolete	e-waste
Dell Latitude laptop	9107	broken/obsolete	e-waste
Dell Latitude laptop	9108	broken/obsolete	e-waste
Dell Latitude laptop	9109	broken/obsolete	e-waste
Dell Latitude laptop	9110	broken/obsolete	e-waste
Dell Latitude laptop	9692	broken/obsolete	e-waste
Dell Latitude laptop	9676	broken/obsolete	e-waste
Dell Latitude laptop	9309	broken/obsolete	e-waste
Dell Optiplex 9010	8500	broken/obsolete	e-waste
Dell Optiplex 9020	8865	broken/obsolete	e-waste
Dell Optiplex 9020	8659	broken/obsolete	e-waste
Dell Optiplex 9020	8655	broken/obsolete	e-waste
Dell Optiplex 9020	8508	broken/obsolete	e-waste
Dell Optiplex 9020	8510	broken/obsolete	e-waste
Dell Optiplex 9020	8509	broken/obsolete	e-waste
Dell Optiplex 9020	8546	broken/obsolete	e-waste
Dell Optiplex 9020	8554	broken/obsolete	e-waste

Dell Optiplex 9020	8555	broken/obsolete	e-waste
Dell Optiplex 9020	8686	broken/obsolete	e-waste
Dell Optiplex 9020	8869	broken/obsolete	e-waste
Dell Optiplex 3050	9074	broken/obsolete	e-waste
Dell Optiplex 3050	9255	broken/obsolete	e-waste
Dell Optiplex 3050	9104	broken/obsolete	e-waste
Dell Optiplex 3050	9090	broken/obsolete	e-waste
Dell Optiplex 3050	9092	broken/obsolete	e-waste
Dell Optiplex 3050	9020	broken/obsolete	e-waste
Dell Optiplex 3060	9257	broken/obsolete	e-waste
Dell Optiplex 3060	9065	broken/obsolete	e-waste
Dell Optiplex 3060	9238	broken/obsolete	e-waste
Dell Optiplex 3060	9472	broken/obsolete	e-waste
Dell Optiplex 7040	8861	broken/obsolete	e-waste
Dell Optiplex 7040	8907	broken/obsolete	e-waste
Dell Optiplex 7040	9094	broken/obsolete	e-waste
Dell Optiplex 7040	8860	broken/obsolete	e-waste
Dell Optiplex 7040	9029	broken/obsolete	e-waste
Dell Optiplex 7040	9108	broken/obsolete	e-waste
Dell Optiplex 7040	9088	broken/obsolete	e-waste
Dell Optiplex 7040	8870	broken/obsolete	e-waste
Dell Optiplex 7040	9080	broken/obsolete	e-waste
Dell Optiplex 7040	8868	broken/obsolete	e-waste
Dell Optiplex 7040	8874	broken/obsolete	e-waste
Dell Optiplex 7040	9067	broken/obsolete	e-waste
Dell Optiplex 7040	8675	broken/obsolete	e-waste
Dell Optiplex 7040	8691	broken/obsolete	e-waste
Dell Optiplex 7040	9089	broken/obsolete	e-waste
Dell Optiplex 7040	8865	broken/obsolete	e-waste
Dell Optiplex 7040	9073	broken/obsolete	e-waste
Dell Optiplex 7040	8905	broken/obsolete	e-waste
Dell Optiplex 7040	8906	broken/obsolete	e-waste
Dell Optiplex 7040	9075	broken/obsolete	e-waste
Dell Optiplex 7050	9072	broken/obsolete	e-waste
Dell Optiplex 7050	9083	broken/obsolete	e-waste
Dell Optiplex 7050	9086	broken/obsolete	e-waste
Dell Optiplex 7050	9071	broken/obsolete	e-waste
Dell Optiplex 7050	9093	broken/obsolete	e-waste
Dell Optiplex 7050	9076	broken/obsolete	e-waste
Dell Optiplex 7050	9082	broken/obsolete	e-waste
Dell Optiplex 7050	8859	broken/obsolete	e-waste
Dell Optiplex 7050	9077	broken/obsolete	e-waste
Dell Optiplex 7050	9084	broken/obsolete	e-waste
Dell Optiplex 7050	9085	broken/obsolete	e-waste
Dell Optiplex 7050	8864	broken/obsolete	e-waste
Dell Optiplex 7050	8862	broken/obsolete	e-waste
Dell Optiplex 7050	9081	broken/obsolete	e-waste

Dell Optiplex 7050	9087	broken/obsolete	e-waste
Dell Optiplex 7050	8908	broken/obsolete	e-waste
Dell Optiplex 7050	9068	broken/obsolete	e-waste
Dell Optiplex 7050	9069	broken/obsolete	e-waste
Dell Optiplex 7050	9070	broken/obsolete	e-waste
Dell Optiplex 7050	8859	broken/obsolete	e-waste
Dell Optiplex 7050	9079	broken/obsolete	e-waste
Dell Optiplex 7050	9066	broken/obsolete	e-waste
Dell Optiplex 7050	9107	broken/obsolete	e-waste
Dell Opitplex 7050	8872	broken/obsolete	e-waste
Dell Optiplex 7050	9078	broken/obsolete	e-waste
Dell Optiplex 7050	8904	broken/obsolete	e-waste
Dell Optiplex 7060	9322	broken/obsolete	e-waste
Dell Optiplex 7060	9316	broken/obsolete	e-waste
Dell Optiplex 7060	9325	broken/obsolete	e-waste
Dell Optiplex 7060	9234	broken/obsolete	e-waste
Dell Optiplex 7060	9236	broken/obsolete	e-waste
Dell Optiplex 7060	9258	broken/obsolete	e-waste
Dell Optiplex 7060	9237	broken/obsolete	e-waste
Dell Optiplex 7060	9091	broken/obsolete	e-waste
Dell Optiplex 7060	9229	broken/obsolete	e-waste
Dell Optiplex 7070	9419	broken/obsolete	e-waste
Dell Optiplex 780	8177	broken/obsolete	e-waste
Dell R710 Server	8147	broken/obsolete	e-waste
Monitors	**Asset #**	**Condition**	**Destination**
Dell LCD	8176	obsolete	e-waste
Dell LCD	7620	obsolete	e-waste
Dell LCD	8172	obsolete	e-waste
Dell LCD	7098	obsolete	e-waste
Dell LCD	7853	obsolete	e-waste
Dell LCD	7668	obsolete	e-waste
Dell LCD	8170	obsolete	e-waste
Dell LCD	8178	obsolete	e-waste
Dell LCD	7106	obsolete	e-waste
Dell LCD	5603	obsolete	e-waste
Printers/Scanners	**Asset #**	**Condition**	**Destination**
HP Deskjet	4648	Obsolete	e-waste
HP Deskjet	6167	Obsolete	e-waste
HP Laserjet M607	9035	Broken	e-waste
HP 2015	7864	Broken	e-waste
Fijitsu 6140	8126	Broken	e-waste
Fijitsu 6130	8317		e-waste

Cameras	**Asset #**	**Condition**	**Destination**
	7519	obsolete	e-waste
	7772	obsolete	e-waste
	7782	obsolete	e-waste
	7530	obsolete	e-waste
	7014	obsolete	e-waste
	7516	obsolete	e-waste
	7504	obsolete	e-waste
	7521	obsolete	e-waste
	8201	obsolete	e-waste
	7004	obsolete	e-waste
Body Camera	**Asset #**	**Condition**	**Destination**
	8581	obsolete	e-waste
	8582	obsolete	e-waste
	8586	obsolete	e-waste
	8584	obsolete	e-waste
Radars	**Asset #**	**Condition**	**Destination**
	8259	obsolete	e-waste
	8595	obsolete	e-waste
	7847	obsolete	e-waste
	7845	obsolete	e-waste
	8602	obsolete	e-waste
	8261	obsolete	e-waste
	7842	obsolete	e-waste
	8599	obsolete	e-waste
	7846	obsolete	e-waste
	8600	obsolete	e-waste
	7841	obsolete	e-waste
Furniture/Other	**Asset #**	**Condition**	**Destination**
APC	7924	obsolete	e-waste
APC	8124	obsolete	e-waste
Dell Tape Autoloader	8798	obsolete	e-waste

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CITY OF PALM DESERT
STAFF REPORT

MEETING DATE: November 17, 2022

PREPARED BY: Deborah Glickman, Management Analyst

REQUEST: APPROVE THE EXPANSION OF THE UNITE PALM DESERT SECURITY CAMERA SYSTEM GRANT PROGRAM TO ALLOW BUSINESSES AND COMMERCIAL PROPERTY OWNERS TO BE REIMBURSED FOR SECURITY CAMERA SYSTEMS PURCHASED AND INSTALLED WITHOUT PRIOR APPROVAL FROM THE CITY

RECOMMENDATION:

Approve the expansion of the Unite Palm Desert Security Camera System Grant program to allow businesses and commercial property owners to be reimbursed for security camera systems purchased and installed without prior approval from the City.

BACKGROUND/ANALYSIS:

On March 10, 2022, to deter crime and assist with security for Palm Desert businesses and property owners, the City Council approved one-time funding in the amount of $20,000 to create the Unite Palm Desert Security Camera System Grant (SCS) program. The SCS program provides Palm Desert business and commercial property owners with a reimbursement grant up to $500 to purchase and install security cameras in the interior or exterior of their location.

Currently, to be eligible for the grant, business and commercial property owners must do the following:

- Complete a Unite Palm Desert Security Camera System Grant application for staff review and approval.
- **After receiving grant approval**, purchase and install a security camera system of the applicant's choice at the property.
- Provide proof of registry of the security system with the Riverside County Sheriff's Department's "Security Camera Registration Program."
- Retain and operate the security system in place for three (3) years unless replaced by an upgraded system at the sole expense of the business and commercial property owner.
- Complete a Unite Palm Desert Security Camera System Grant agreement with the City of Palm Desert and submit receipts for reimbursement.

Discussion

With this request, staff is seeking approval to lift the requirement to receive pre-approval from the City before purchasing and installing a camera system. Pre-approval was included in the original requirements to ensure that funds were available to applicants prior to their purchasing

equipment. Since demand for the grant has not been as high as anticipated, staff believes that removing the pre-approval requirement will allow the City to assist a higher number of businesses/property owners. Staff does not anticipate any negative ramifications to this change, as there is ample funding available ($17,000), and grants will still be funded on a first come first served basis until funds run out.

If the pre-approval requirement is lifted, staff is proposing that business/property owners be able to apply for reimbursement through the grant without prior approval for camera systems that are purchased and installed on or after the City Council's approval date of March 10, 2022.

To ensure that as many Palm Desert businesses/property owners as possible are aware of the funding opportunity, the SCS program has been promoted in the following places:

- Palm Desert Area Chamber of Commerce
- Palm Desert BrightSide Newsletter
- KESQ
- Engage Palm Desert
- El Paseo Business Improvement District Meeting
- El Paseo Business Improvement District Newsletter
- Desert Restaurant Association

Since approval of the program in March, the City has received six (6) applications for the program. One business, Elder Love Thrift and Boutique, has completed its installation and been reimbursed. The other five businesses are in the approval or agreement phase. If all six applications are funded in the total amount of $3,000, there will be $17,000 remaining in the fund.

Staff has received requests from more than one Palm Desert business and commercial property owner to be reimbursed for a security camera system that was purchased and installed on or after March 10, 2022, without prior approval through the SCS application process. Since there are ample funds remaining for SCS grants, staff recommends updating the SCS program to allow businesses that install or have already installed systems on or after March 10, 2022, to apply to be reimbursed through the grant, once they register their camera system with Riverside County Sheriff's Department.

The proposed change in the SCS policy would allow for the grant to assist a broader number of Palm Desert business and commercial property owners. The increase in security camera systems would also assist the Sheriff's Department because of the increase in the number of businesses and commercial properties that are registered on the Riverside County Sheriff's Department's "Security Camera Registration Program." All other requirements of the SCS program including receipts for the purchase and installation of the system, registration of the cameras with the Sherriff's Department, and pictures of the installed cameras, would remain the same.

FINANCIAL IMPACT:

Funds in the amount of $20,000 have been allocated from account 4254430-4393000 for the SCS program. Currently, $3,000 is encumbered leaving $17,000 available to fund the additional grants. No additional funds are being requested.

REVIEWED BY:

Department Director:	*Eric Ceja*
Finance Director:	*Veronica Chavez*
Assistant City Manager:	*Chris Escobedo*
City Manager:	*Todd Hileman*

ATTACHMENTS:

1. Security Camera System Grant Program Updated Guidelines

PALM DESERT

UNITE PALM DESERT SECURITY CAMERA SYSTEM GRANT GUIDELINES

BACKGROUND

To assist with security for Palm Desert businesses and commercial property owners, the City of Palm Desert has set aside one-time funding for grants in the amount of up to $500 per business. Grants will be paid as a reimbursement to businesses and commercial property owners based on actual costs for the purchase and installation of security cameras.

REQUIREMENTS

Grantees will be required to do/submit the following:

- Purchase and install a security camera system on or after March 10, 2022.
- Register the SCS with the Riverside County Sheriff's Department (www.riversidesheriff.org/761/Security-Camera-Registration-Program).
- SCS must remain in place for three (3) years unless replaced by an upgraded system at the sole expense of the business and commercial property owner.
- Complete an agreement with the City of Palm Desert and submit the following
    - A current City of Palm Desert Business License as of application date.
    - A completed W-9.
    - Proof of payment (up to $500) for purchase and installation of SCS.
    - Image(s) of the installed SCS.
    - Proof of authorization for the signatory to execute legal documents on behalf of the business (i.e. most recent tax return, articles of incorporation, or Statement of Information).
    - Proof that all required City of Palm Desert permits, if any, have been attained. Contact the City's Permit Center to determine if any permits are required.

FEES

There are no fees associated with this grant unless permits are required.

APPLICATION DEADLINE

- Grants will be issued on a first-come-first-served basis based on receipt of Unite Palm Desert Security Camera System Grant application.
- Applications will be accepted as long as funding is available up to $20,000.

QUESTIONS/INFORMATION

Contact Deborah Glickman, Management Analyst, dglickman@cityofpalmdesert.org or 760-776-6441.

CITY OF PALM DESERT
STAFF REPORT

MEETING DATE: November 17, 2022

PREPARED BY: Shawn Muir, Senior Management Analyst
Andy Ramirez, Deputy Director of Public Works
Bertha Escobedo, Senior Management Analyst

REQUEST: AWARD A FIVE-YEAR CONTRACT TO THE CHRISTMAS KINGS FOR SEASONAL LIGHTING AND DECOR IN AN AMOUNT NOT TO EXCEED $370,000 (PROJECT NO. 775-24)

RECOMMENDATION:

1. Award a five-year contract in an amount not to exceed $370,000, with an option for three (3) one-year extensions not to exceed $100,000 per fiscal year to The Christmas Kings, dba Southern California Lighting, Inc., for seasonal lighting and décor.
2. Authorize allowable extra work and services in an amount not to exceed $10,000 per fiscal year.
3. Authorize the City Manager to execute said agreement.
4. Authorize the City Manager or designee to review and execute one-year extensions/amendments and change orders for unanticipated conditions per Section 3.30.170 Section A of Ordinance No. 1335.

BACKGROUND/ANALYSIS:

Since 2013, the City of Palm Desert has included the lighting of palm trees and accent trees in the medians along the El Paseo Business Corridor in its Seasonal Lighting and Decor Program. The program includes El Paseo and City Hall seasonal lighting and décor. Over the years, seasonal lighting has been positively received by businesses, residents, and visitors. As a result, the City Council directed staff to extend the duration of the tree lighting season from October to May.

The Christmas Kings has provided the City with seasonal lighting since 2018. Their contract is set to expire on June 30, 2023. Anticipating supply chain concerns, staff developed and posted a Request for Proposals (RFP) on OpenGov (the City's online public bidding portal) on September 20, 2022. Three vendors attended the mandatory pre-bid meeting held on September 26, 2022. Three official proposals were submitted by the due date of October 14, 2022.

An evaluation team within Public Works reviewed and scored each proposal based on clarity and conformance to the RFP, content and work plan, experience and past performance, comments by references, and the proposed cost. The proposals were ranked as follows:

Proposer	Location	Amount	Ranking
The Christmas Kings	Lake Elsinore, CA	$370,000.00	1
St. Nick's Christmas Lighting	La Palma, CA	$603,081.50	2

Bright Life Designs	Huntington Beach, CA	$614,107.00	3

Public Works has been satisfied with The Christmas Kings' performance over the last few years. Therefore, staff recommends awarding the said contract to them. The scope of work for the project is consistent with previous years and the term of the contract is for five (5) years with the option for three one-year extensions. Due to normal wear and tear, the inventory of lighting needs to be updated, therefore Year 1 of the contract includes additional budget for this expense.

FINANCIAL IMPACT:

The five-year contract amount of $370,000 is for annual operations/maintenance services and storage. A one-time initial charge of $5,000 in Year 1 is included to replace worn or damaged equipment. Authorize allowable extra work and services in an amount not to exceed $10,000 per fiscal year. The cumulative five-year budget for seasonal lighting is $420,000.

Fiscal Year	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
Initial Cost	$5,000	n/a	n/a	n/a	n/a
Annual Service	$68,000	$68,000	$68,000	$68,000	$68,000
Replacements	$5,000	$5,000	$5,000	$5,000	$5,000
Contract Annual Amount	$78,000	$73,000	$73,000	$73,000	$73,000
Extra work/services	$10,000	$10,000	$10,000	$10,000	$10,000
Max Annual Amount	**$88,000**	**$83,000**	**$83,000**	**$83,000**	**$83,000**
Total					**$420,000**

The approved Public Works Operations Budget for Fiscal Year 2022-2023 includes $96,400 for this program under Account No. 1104614-4391001, Holiday Decor. Staff plans to keep this amount consistent for the term of the contract, which begins in Fiscal Year 2023-24. Therefore, there will be no additional fiscal impacts to the general fund.

REVIEWED BY:

Department Director:	*Martin Alvarez*
Finance Director:	*Veronica Chavez*
Assistant City Manager:	*Chris Escobedo*
City Manager:	*Todd Hileman*

ATTACHMENTS:

1. Agreement
2. The Christmas Kings proposal

CITY OF PALM DESERT
MAINTENANCE SERVICES AGREEMENT
SEASONAL LIGHTING AND DECOR

1. PARTIES AND DATE.

This Agreement is made and entered into this **17th** day of **NOVEMBER, 2022** by and between the City of Palm Desert, a municipal corporation organized under the laws of the State of California with its principal place of business at 73-510 Fred Waring Drive, Palm Desert, California 92260-2578, County of Riverside, State of California ("City") and **THE CHRISTMAS KINGS, dba SOUTHERN CALIFORNIA LIGHTING, INC.**, a **CORPORATION** with its principal place of business at **31500 GRAPE STREET, SUITE 3-233, LAKE ELSINORE, CA 92532** ("Contractor"). City and Contractor are sometimes individually referred to as "Party" and collectively as "Parties" in this Agreement.

2. RECITALS.

2.1 Contractor.

Contractor desires to perform and assume responsibility for the provision of certain maintenance services required by the City on the terms and conditions set forth in this Agreement. Contractor represents that it is experienced in providing maintenance services to public clients, that it and its subcontractors have all necessary licenses and permits to perform the services in the State of California, and that it is familiar with the plans of City. Contractor shall not subcontract any portion of the work required by this Agreement, except as expressly stated herein, without prior written approval of City. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

2.2 Project.

City desires to engage Contractor to render such services for the **SEASONAL LIGHTING AND DÉCOR PROGRAM – PROJECT NO. 775-24** ("Project") as set forth in this Agreement.

3. TERMS.

3.1 Scope of Services and Term.

3.1.1 General Scope of Services. Contractor promises and agrees to furnish to the City all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately supply the maintenance services necessary for the Project ("Services"). The Services are more particularly described in Exhibit "A" attached hereto and incorporated herein by reference. All Services shall be subject to, and performed in accordance with, this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations.

3.1.2 Term. The term of this Agreement shall be from **JULY 1, 2023, to JUNE 30, 2028**, unless earlier terminated as provided herein. The City shall have the unilateral option, at its sole discretion, to renew this Agreement automatically for no more than three (3) additional one-year terms. Contractor shall complete the Services within the term of this Agreement and shall meet any other established schedules and deadlines. The Parties may, by mutual, written consent, extend the term of this Agreement if necessary to complete the Services.

3.2 Responsibilities of Contractor.

3.2.1 Control and Payment of Subordinates; Independent Contractor. The Services shall be performed by Contractor or under its supervision. Contractor will determine the means, methods and details of performing the Services subject to the requirements of this Agreement. City retains Contractor on an independent contractor basis and not as an employee. Any personnel performing the Services under this Agreement on behalf of Contractor shall not be employees of City and shall at all times be under Contractor's exclusive direction and control. Contractor shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of Services under this Agreement and as required by law. Contractor shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance.

3.2.2 Schedule of Services. Contractor shall perform the Services in a prompt and timely manner in accordance with the Schedule of Services set forth in Exhibit "B" attached hereto and incorporated herein by reference. Contractor represents that it has the professional and technical personnel required to perform the Services in conformance with such conditions. Upon request of City, Contractor shall provide a more detailed schedule of anticipated performance to meet the Schedule of Services.

3.2.3 Conformance to Applicable Requirements. All work prepared by Contractor shall be subject to the approval of City.

3.2.4 City's Representative. The City hereby designates **SHAWN MUIR, SENIOR MANAGEMENT ANALYST**, or his or her designee, to act as its representative for the performance of this Agreement ("City's Representative"). City's Representative shall have the power to act on behalf of the City for all purposes under this Agreement except for increasing compensation. Contractor shall not accept direction or orders from any person other than the City's Representative or his or her designee.

3.2.5 Contractor's Representative. Contractor hereby designates [***INSERT NAME OR TITLE***], or his or her designee, to act as its representative for the performance of this Agreement ("Contractor's Representative"). Contractor's Representative shall have full authority to represent and act on behalf of the Contractor for all purposes under this Agreement. The Contractor's Representative shall supervise and direct the Services, using his best skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Services under this Agreement.

3.2.6 Coordination of Services. Contractor agrees to work closely with City staff in the performance of Services and shall be available to City's staff, consultants and other staff at all reasonable times.

3.2.7 Standard of Care; Performance of Employees. Contractor shall perform all Services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Contractor represents and maintains that it is skilled in the professional calling necessary to perform the Services. Contractor warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Services assigned to them. Finally, Contractor represents that it, its employees and subcontractors have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services,

including a City Business License, and that such licenses and approvals shall be maintained throughout the term of this Agreement. Contractor shall perform, at its own cost and expense and without reimbursement from the City, any services necessary to correct errors or omissions which are caused by the Contractor's failure to comply with the standard of care provided for herein. Any employee of the Contractor or its sub-contractors who is determined by the City to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project, a threat to the safety of persons or property, or any employee who fails or refuses to perform the Services in a manner acceptable to the City, shall be promptly removed from the Project by the Contractor and shall not be re-employed to perform any of the Services or to work on the Project.

3.2.8 Period of Performance and Liquidated Damages. Contractor shall perform and complete all Services under this Agreement within the term set forth in Section 3.1.2 above ("Performance Time"). Contractor shall perform the Services in strict accordance with any completion schedule or Project milestones described in Exhibits "A" or "B" attached hereto, or which may be provided separately in writing to the Contractor. Contractor agrees that if the Services are not completed within the aforementioned Performance Time and/or pursuant to any such completion schedule or Project milestones developed pursuant to provisions of this Agreement, it is understood, acknowledged and agreed that the City will suffer damage. Pursuant to Government Code Section 53069.85, Contractor shall pay to the City as fixed and liquidated damages, and not as a penalty, the sum of **TWO HUNDRED FIFTY DOLLARS ($250.00)** per day for each and every calendar day of delay beyond the Performance Time or beyond any completion schedule or Project milestones established pursuant to this Agreement.

3.2.9 Disputes. Should any dispute arise respecting the true value of any work done, of any work omitted, or of any extra work which Contractor may be required to do, or respecting the size of any payment to Contractor during the performance of this Contract, Contractor shall continue to perform the Work while said dispute is decided by the City. If Contractor disputes the City's decision, Contractor shall have such remedies as may be provided by law.

3.2.10 Laws and Regulations; Employee/Labor Certifications. Contractor shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services, including all Cal/OSHA requirements, and shall give all notices required by law. Contractor shall be liable for all violations of such laws and regulations in connection with the Services and this Agreement. All violations of such laws and regulations shall be grounds for the City to terminate the Agreement for cause. City is a public entity of the State of California subject to certain provisions of the Health & Safety Code, Government Code, Public Contract Code, and Labor Code of the State. It is stipulated and agreed that all provisions of the law applicable to the public contracts of a municipality are a part of this Agreement to the same extent as though set forth herein and will be complied with.

3.2.10.1 Employment Eligibility; Contractor. Contractor certifies that it fully complies with all requirements and restrictions of state and federal law respecting the employment of undocumented aliens, including, but not limited to, the Immigration Reform and Control Act of 1986, as may be amended from time to time and shall require all subconsultants and sub-subconsultants to comply with the same. Contractor certifies that it has not committed a violation of any such law within the five (5) years immediately preceding the date of execution of this Agreement, and shall not violate any such law at any time during the term of the Agreement.

3.2.10.2 Labor Certification. By its signature hereunder, Contractor certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Services.

3.2.10.3 Equal Opportunity Employment. Contractor represents that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination. Contractor shall comply with all relevant provisions of City's Minority Business Enterprise program, Affirmative Action Plan or other related programs or guidelines currently in effect or hereinafter enacted.

3.2.10.4 Air Quality. Contractor must fully comply with all applicable laws, rules and regulations in furnishing or using equipment and/or providing services, including, but not limited to, emissions limits and permitting requirements imposed by the California Air Resources Board (CARB). Contractor shall specifically be aware of the CARB limits and requirements' application to "portable equipment", which definition is considered by CARB to include any item of equipment with a fuel-powered engine. Contractor shall indemnify City against any fines or penalties imposed by CARB or any other governmental or regulatory agency for violations of applicable laws, rules and/or regulations by Contractor, its subcontractors, or others for whom Contractor is responsible under its indemnity obligations provided for in this Agreement.

3.2.10.5 Water Quality Management and Compliance. To the extent applicable, Contractor's Services must account for, and fully comply with, all local, state and federal laws, rules and regulations that may impact water quality compliance, including, without limitation, all applicable provisions of the Federal Water Pollution Control Act (33 U.S.C. §§ 1300); the California Porter-Cologne Water Quality Control Act (Cal Water Code §§ 13000-14950); laws, rules and regulations of the Environmental Protection Agency and the State Water Resources Control Board; the City's ordinances regulating discharges of storm water; and any and all regulations, policies, or permits issued pursuant to any such authority regulating the discharge of pollutants, as that term is used in the Porter-Cologne Water Quality Control Act, to any ground or surface water in the State. Failure to comply with the laws, regulations and policies described in this Section is a violation of law that may subject Contractor to penalties, fines, or additional regulatory requirements.

3.2.11 Insurance.

3.2.11.1 Minimum Requirements. Without limiting Contractor's indemnification of City, and prior to commencement of the Services, Contractor shall obtain, provide and maintain at its own expense during the term of this Agreement, policies of insurance of the type and amounts described below and in a form that is satisfactory to City.

(A) General Liability Insurance. Contractor shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than $2,000,000 per occurrence, $4,000,000 general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted.

(B) Automobile Liability Insurance. Contractor shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Contractor arising out of or in connection with Work to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than $1,000,000 combined single limit for each accident. The City's Risk Manager may modify this requirement if it is determined that Consultant will not be utilizing a vehicle in the performance of his/her duties under this Agreement.

(C) Umbrella or Excess Liability Insurance. Contractor may opt to utilize umbrella or excess liability insurance in meeting insurance requirements. In such circumstances, Contractor may obtain and maintain an umbrella or excess liability insurance policy with limits that will provide bodily injury, personal injury and property damage liability coverage at least as broad as the primary coverages set forth above, including commercial general liability and employer's liability. Such policy or policies shall include the following terms and conditions:

(a) A drop down feature requiring the policy to respond if any primary insurance that would otherwise have applied proves to be uncollectible in whole or in part for any reason;

(b) Pay on behalf of wording as opposed to reimbursement;

(c) Concurrency of effective dates with primary policies; and

(d) Policies shall "follow form" to the underlying primary policies.

(e) Insureds under primary policies shall also be insureds under the umbrella or excess policies.

(D) Workers' Compensation Insurance. Contractor shall maintain Workers' Compensation Insurance (Statutory Limits) and Employer's Liability Insurance (with limits of at least $1,000,000). Contractor shall submit to City, along with the certificate of insurance, a Waiver of Subrogation endorsement in favor of the City, its elected or appointed officers, and their respective agents, officials, employees, volunteers and representatives.

(E) Fidelity Coverage. Reserved.

(F) Cyber Liability Insurance. Reserved.

(G) Pollution Liability Insurance. Reserved.

3.2.11.2 Other Provisions and Requirements.

(A) Proof of Insurance. Contractor shall provide certificates of insurance to City as evidence of the insurance coverage required herein, along with a waiver of subrogation endorsement for workers' compensation. Insurance certificates and endorsements must be approved by City's Risk Manager prior to commencement of performance. Current certification of insurance shall be kept on file with City at all times during the term of this contract.

City reserves the right to require complete, certified copies of all required insurance policies, at any time.

(B) Duration of Coverage. Contractor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the work hereunder by Contractor, his/her agents, representatives, employees or subconsultants.

(C) Primary/Non-Contributing. Coverage provided by Contractor shall be primary and any insurance or self-insurance procured or maintained by City shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of City before the City's own insurance or self-insurance shall be called upon to protect it as a named insured.

(D) City's Rights of Enforcement. In the event any policy of insurance required under this Agreement does not comply with these specifications, or is canceled and not replaced, City has the right, but not the duty, to obtain the insurance it deems necessary and any premium paid by City will be promptly reimbursed by Contractor, or City will withhold amounts sufficient to pay premium from Contractor payments. In the alternative, City may cancel this Agreement.

(E) Acceptable Insurers. All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance or is on the List of Approved Surplus Line Insurers in the State of California, with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VII (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the City's Risk Manager.

(F) Waiver of Subrogation. All insurance coverage maintained or procured pursuant to this agreement shall be endorsed to waive subrogation against the City, its elected or appointed officers, and their respective agents, officials, employees, volunteers and representatives, or shall specifically allow Contractor or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Contractor hereby waives its own right of recovery against the City, its elected or appointed officers, and their respective agents, officials, employees, volunteers and representatives, and shall require similar written express waivers and insurance clauses from each of its subcontractors.

(G) Enforcement of Contract Provisions (non estoppel). Contractor acknowledges and agrees that any actual or alleged failure on the part of the City to inform Contractor of non-compliance with any requirement imposes no additional obligations on the City nor does it waive any rights hereunder.

(H) Requirements Not Limiting. Requirements of specific coverage features or limits contained in this Section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type. If the Contractor maintains higher limits than the minimums shown above, the City requires and shall be entitled to coverage for the higher limits

maintained by the Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

(I) Notice of Cancellation. Contractor agrees to oblige its insurance agent or broker and insurers to provide City with a thirty (30) day notice of cancellation (except for nonpayment for which a ten (10) day notice is required) or nonrenewal of coverage for each required coverage.

(J) Additional Insured Status. General liability, automobile liability, and if applicable, pollution liability and cyber liability, policies shall provide or be endorsed to provide that the City, its elected or appointed officers, and their respective agents, officials, employees, volunteers and representatives, shall be additional insureds under such policies. This provision shall also apply to any excess/umbrella liability policies.

(K) Prohibition of Undisclosed Coverage Limitations. None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to City and approved of in writing.

(L) Separation of Insureds. A severability of interests provision must apply for all additional insureds ensuring that Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the insurer's limits of liability. The policy(ies) shall not contain any cross-liability exclusions.

(M) Pass Through Clause. Contractor agrees to ensure that its sub-consultants, sub-contractors, and any other party involved with the Project who is brought onto or involved in the project by Contractor, provide the same minimum insurance coverage and endorsements required of Contractor. Contractor agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Contractor agrees that upon request, all agreements with consultants, subcontractors, and others engaged in the Project will be submitted to City for review.

(N) City's Right to Revise Specifications. The City or its Risk Manager reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving the Contractor ninety (90) days advance written notice of such change. If such change results in cost to the Contractor, the City and Contractor may renegotiate Contractor's compensation. If the City reduces the insurance requirements, the change shall go into effect immediately and require no advanced written notice.

(O) Self-Insured Retentions. Any self-insured retentions must be declared to and approved by City. City reserves the right to require that self-insured retentions be eliminated, lowered, or replaced by a deductible. Self-insurance will not be considered to comply with these specifications unless approved by City.

(P) Timely Notice of Claims. Contractor shall give City prompt and timely notice of claims made or suits instituted that arise out of or result from Contractor's performance under this Agreement, and that involve or may involve coverage under any of the required liability policies.

(Q) Additional Insurance. Contractor shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its proper protection and prosecution of the work.

3.2.12 Safety. Contractor shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, the Contractor shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed. Safety precautions, where applicable, shall include, but shall not be limited to: (A) adequate life protection and lifesaving equipment and procedures; (B) instructions in accident prevention for all employees and subcontractors, such as safe walkways, scaffolds, fall protection ladders, bridges, gang planks, confined space procedures, trenching and shoring, equipment and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and (C) adequate facilities for the proper inspection and maintenance of all safety measures.

3.2.13 Bonds.

3.2.13.1 Performance Bond. If required by law or otherwise specifically requested by City in Exhibit "C" attached hereto and incorporated herein by reference, Contractor shall execute and provide to City concurrently with this Agreement a Performance Bond in the amount of the total, not-to-exceed compensation indicated in this Agreement, and in a form provided or approved by the City. If such bond is required, no payment will be made to Contractor until it has been received and approved by the City.

3.2.13.2 Payment Bond. If required by law or otherwise specifically requested by City in Exhibit "C" attached hereto and incorporated herein by reference, Contractor shall execute and provide to City concurrently with this Agreement a Payment Bond in the amount of the total, not-to-exceed compensation indicated in this Agreement, and in a form provided or approved by the City. If such bond is required, no payment will be made to Contractor until it has been received and approved by the City.

3.2.13.3 Bond Provisions. Should, in City's sole opinion, any bond become insufficient or any surety be found to be unsatisfactory, Contractor shall renew or replace the affected bond within ten (10) days of receiving notice from City. In the event the surety or Contractor intends to reduce or cancel any required bond, at least thirty (30) days prior written notice shall be given to the City, and Contractor shall post acceptable replacement bonds at least ten (10) days prior to expiration of the original bonds. No further payments shall be deemed due or will be made under this Agreement until any replacement bonds required by this Section are accepted by the City. To the extent, if any, that the total compensation is increased in accordance with the Agreement, the Contractor shall, upon request of the City, cause the amount of the bonds to be increased accordingly and shall promptly deliver satisfactory evidence of such increase to the City. To the extent available, the bonds shall further provide that no change or alteration of the Agreement (including, without limitation, an increase in the total compensation, as referred to above), extensions of time, or modifications of the time, terms, or conditions of payment to the Contractor, will release the surety. If the Contractor fails to furnish any required bond, the City may terminate this Agreement for cause.

3.2.13.4 Surety Qualifications. Only bonds executed by an admitted surety insurer, as defined in Code of Civil Procedure Section 995.120, shall be accepted. The

surety must be a California-admitted surety with a current A.M. Best's rating no less than A:VIII and satisfactory to the City. If a California-admitted surety insurer issuing bonds does not meet these requirements, the insurer will be considered qualified if it is in conformance with Section 995.660 of the California Code of Civil Procedure, and proof of such is provided to the City.

3.2.14 Accounting Records. Contractor shall maintain complete and accurate records with respect to all costs and expenses incurred under this Agreement. All such records shall be clearly identifiable. Contractor shall allow a representative of City during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Contractor shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.

3.2.15 Work Sites.

3.2.15.1 Inspection Of Site. Contractor shall visit sites where Services are to be performed and shall become acquainted with all conditions affecting the Services prior to commencing the Services. Contractor shall make such examinations as it deems necessary to determine the condition of the work sites, its accessibility to materials, workmen and equipment, and to determine Contractor's ability to protect existing surface and subsurface improvements. No claim for allowances–time or money–will be allowed as to such matters after commencement of the Services.

3.2.15.2 Field Measurements. Contractor shall make field measurements, verify field conditions and shall carefully compare such field measurements and conditions and other information known to Contractor with the Contract, including any plans, specifications, or scope of work before commencing Services. Errors, inconsistencies or omissions discovered shall be reported to the City immediately and prior to performing any Services or altering the condition.

3.2.15.3 Hazardous Materials and Differing Conditions. Should Contractor encounter material reasonably believed to be polychlorinated biphenyl (PCB) or other toxic wastes, hazardous substances and hazardous materials as defined in California state or federal law at the site which have not been rendered harmless, the Contractor shall immediately stop work at the affected area and shall report the condition to the City in writing. The City shall contract for any services required to directly remove and/or abate PCBs, hazardous substances, other toxic wastes and hazardous materials, and shall not require the Contractor to subcontract for such services. The Services in the affected area shall not thereafter be resumed except by written agreement of the City and Contractor.

3.2.16 Loss and Damage. Contractor shall be responsible for all loss and damage which may arise out of the nature of the Services agreed to herein, or from the action of the elements, or from any unforeseen difficulties which may arise or be encountered in the prosecution of the Services until the same is fully completed and accepted by City.

3.2.17 Warranty. Contractor warrants all Services under the Agreement (which for purposes of this Section shall be deemed to include unauthorized work which has not been removed and any non-conforming materials incorporated into the work) to be of good quality and free from any defective or faulty material and workmanship. Contractor agrees that for a period of one year (or the period of time specified elsewhere in the Agreement or in any guarantee or

warranty provided by any manufacturer or supplier of equipment or materials incorporated into the work, whichever is later) after the date of final acceptance, Contractor shall within ten (10) days after being notified in writing by the City of any defect in the Services or non-conformance of the Services to the Agreement, commence and prosecute with due diligence all Services necessary to fulfill the terms of the warranty at its sole cost and expense. Contractor shall act sooner as requested by the City in response to an emergency. In addition, Contractor shall, at its sole cost and expense, repair and replace any portions of the work (or work of other contractors) damaged by its defective Services or which becomes damaged in the course of repairing or replacing defective work. For any work so corrected, Contractor's obligation hereunder to correct defective work shall be reinstated for an additional one (1) year period, commencing with the date of acceptance of such corrected work. Contractor shall perform such tests as the City may require to verify that any corrective actions, including, without limitation, redesign, repairs, and replacements comply with the requirements of the Agreement. All costs associated with such corrective actions and testing, including the removal, replacement, and reinstitution of equipment and materials necessary to gain access, shall be the sole responsibility of the Contractor. All warranties and guarantees of subcontractors, suppliers and manufacturers with respect to any portion of the work, whether express or implied, are deemed to be obtained by Contractor for the benefit of the City, regardless of whether or not such warranties and guarantees have been transferred or assigned to the City by separate agreement and Contractor agrees to enforce such warranties and guarantees, if necessary, on behalf of the City. In the event that Contractor fails to perform its obligations under this Section, or under any other warranty or guaranty under this Agreement, to the reasonable satisfaction of the City, the City shall have the right to correct and replace any defective or non-conforming work and any work damaged by such work or the replacement or correction thereof at Contractor's sole expense. Contractor shall be obligated to fully reimburse the City for any expenses incurred hereunder upon demand.

3.3 Fees and Payments.

3.3.1 Compensation. Contractor shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth in Exhibit "C" attached hereto and incorporated herein by reference. The total compensation shall not exceed **THREE HUNDRED SEVENTY THOUSAND DOLLARS** (**$370,000.00**) without written approval of the City Council or City Manager, as applicable.

3.3.2 Payment of Compensation. Contractor shall submit to City monthly invoices which provides a detailed description of the Services and hours rendered by Contractor. City shall, within thirty (30) days of receiving such statement, review the statement and pay all non-disputed and approved charges. Contractor shall submit its final invoice to City within thirty (30) days from the last date of provided Services or termination of this Agreement and failure by the Contractor to submit a timely invoice shall constitute a waiver of its right to final payment. Payment shall not constitute acceptance of any Services completed by Contractor. The making of final payment shall not constitute a waiver of any claims by the City for any reason whatsoever.

3.3.3 Deductions. City may deduct or withhold, as applicable, from each progress payment an amount necessary to protect City from loss because of: (1) stop payment notices as allowed by state law; (2) unsatisfactory prosecution of the Services by Contractor; (3) sums representing expenses, losses, or damages as determined by the City, incurred by the City for which Contractor is liable under the Agreement; and (4) any other sums which the City is entitled to recover from Contractor under the terms of the Agreement or pursuant to state law, including Section 1727 of the California Labor Code. The failure by the City to deduct any of these sums from a progress payment shall not constitute a waiver of the City's right to such sums.

3.3.4 Reimbursement for Expenses. Contractor shall not be reimbursed for any expenses unless authorized in writing by City.

3.3.5 Extra Work. At any time during the term of this Agreement, City may request that Contractor perform Extra Work. As used herein, "Extra Work" means any work which is determined by City to be necessary for the proper completion of the Project, but which the parties did not reasonably anticipate would be necessary at the execution of this Agreement. Contractor shall not perform, nor be compensated for, Extra Work without written authorization from City's Representative.

3.3.6 Prevailing Wages. Contractor is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "public works" and "maintenance" projects. If the Services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is $15,000 or more, Contractor agrees to fully comply with such Prevailing Wage Laws. City shall provide Contractor with a copy of the prevailing rates of per diem wages in effect at the commencement of this Agreement. Contractor shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request and shall post copies at the Contractor's principal place of business and at the Project site. Contractor shall defend, indemnify and hold the City, its elected or appointed officers, and their respective agents, officials, employees, volunteers and representatives free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws. It shall be mandatory upon the Contractor and all subcontractors to comply with all California Labor Code provisions, which include but are not limited to prevailing wages (Labor Code Sections 1771, 1774 and 1775), employment of apprentices (Labor Code Section 1777.5), certified payroll records (Labor Code Sections 1771.4 and 1776), hours of labor (Labor Code Sections 1813 and 1815) and debarment of contractors and subcontractors (Labor Code Section 1777.1). The requirement to submit certified payroll records directly to the Labor Commissioner under Labor Code section 1771.4 shall not apply to work performed on a public works project that is exempt pursuant to the small project exemption specified in Labor Code Section 1771.4.

3.3.7 Registration/DIR Compliance. If the Services are being performed as part of an applicable "public works" or "maintenance" project, and if the total compensation is $15,000 or more, then pursuant to Labor Code Sections 1725.5 and 1771.1, the Contractor and all subcontractors performing such Services must be registered with the Department of Industrial Relations. Contractor shall maintain registration for the duration of the Project and require the same of any subcontractors, as applicable. This Project may also be subject to compliance monitoring and enforcement by the Department of Industrial Relations. It shall be Contractor's sole responsibility to comply with all applicable registration and labor compliance requirements. Any stop orders issued by the Department of Industrial Relations against Contractor or any subcontractor that affect Contractor's performance of Services, including any delay, shall be Contractor's sole responsibility. Any delay arising out of or resulting from such stop orders shall be considered Contractor caused delay and shall not be compensable by the City. Contractor shall defend, indemnify and hold the City, its elected or appointed officers, and their respective agents, officials, employees, volunteers and representatives free and harmless from any claim or liability arising out of stop orders issued by the Department of Industrial Relations against Contractor or any subcontractor.

3.4 Termination of Agreement.

3.4.1 Grounds for Termination. City may, by written notice to Contractor, terminate the whole or any part of this Agreement at any time and without cause by giving written notice to Contractor of such termination, and specifying the effective date thereof, at least seven (7) days before the effective date of such termination. Upon termination, Contractor shall be compensated only for those Services which have been adequately rendered to City, and Contractor shall be entitled to no further compensation. Contractor may not terminate this Agreement except for cause.

3.4.2 Effect of Termination. If this Agreement is terminated as provided herein, City may require Contractor to provide all finished or unfinished information of any kind prepared by Contractor in connection with the performance of Services under this Agreement. Contractor shall be required to provide such document and other information within fifteen (15) days of the request.

3.4.3 Additional Services. In the event this Agreement is terminated in whole or in part as provided herein, City may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated.

3.5 General Provisions.

3.5.1 Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

Contractor:

THE CHRISTMAS KINGS
dba SOUTHERN CALIFORNIA LIGHTING, INC.
31500 GRAPE STREET
SUITE 3-233
LAKE ELSINORE, CA 92532

City:

City of Palm Desert
73-510 Fred Waring Drive
Palm Desert, CA 92260-2578
Attn: Shawn Muir, Senior Management Analyst

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

3.5.2 Indemnification.

3.5.2.1 Scope of Indemnity. To the fullest extent permitted by law, Contractor shall defend, indemnify and hold the City, its elected or appointed officers, and their respective agents, officials, employees, volunteers and representatives free and harmless from

any and all claims, demands, causes of action, suits, actions, proceedings, costs, expenses, liability, judgments, awards, decrees, settlements, loss, damage or injury of any kind, in law or equity, regardless of whether the allegations are false, fraudulent, or groundless, to property or persons, including wrongful death, (collectively, "Claims") in any manner arising out of, pertaining to, or incident to any acts, errors or omissions, or willful misconduct of Contractor, its officials, officers, employees, subcontractors, consultants or agents in connection with the performance of the Services, the Project or this Agreement, including without limitation the payment of all expert witness fees, attorneys' fees and other related costs and expenses except such Claims caused by the sole or active negligence or willful misconduct of the City.

3.5.2.2 Additional Indemnity Obligations. Contractor shall defend, with counsel of City's choosing and at Contractor's own cost, expense and risk, any and all Claims covered by this section that may be brought or instituted against the City, its elected or appointed officers, and their respective agents, officials, employees, volunteers and representatives. In addition, Contractor shall pay and satisfy any judgment, award or decree that may be rendered against the City, its elected or appointed officers, and their respective agents, officials, employees, volunteers and representatives as part of any such claim, suit, action or other proceeding. Contractor shall also reimburse City for the cost of any settlement paid by the City, its elected or appointed officers, and their respective agents, officials, employees, volunteers and representatives as part of any such claim, suit, action or other proceeding. Such reimbursement shall include payment for City's attorney's fees and costs, including expert witness fees. Contractor shall reimburse the City, its elected or appointed officers, and their respective agents, officials, employees, volunteers and representatives, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Contractor's obligation to indemnify shall survive expiration or termination of this Agreement, and shall not be restricted to insurance proceeds, if any, received by the Contractor, the City, its elected or appointed officers, and their respective agents, officials, employees, volunteers and representatives.

3.5.3 Governing Law; Government Code Claim Compliance. This Agreement shall be governed by the laws of the State of California. Venue shall be in Riverside County. In addition to any and all Agreement requirements pertaining to notices of and requests for compensation or payment for extra work, disputed work, claims and/or changed conditions, Contractor must comply with the claim procedures set forth in Government Code sections 900 et seq. prior to filing any lawsuit against the City. Such Government Code claims and any subsequent lawsuit based upon the Government Code claims shall be limited to those matters that remain unresolved after all procedures pertaining to extra work, disputed work, claims, and/or changed conditions have been followed by Contractor. If no such Government Code claim is submitted, or if any prerequisite contractual requirements are not otherwise satisfied as specified herein, Contractor shall be barred from bringing and maintaining a valid lawsuit against the City.

3.5.4 Time of Essence. Time is of the essence for each and every provision of this Agreement.

3.5.5 City's Right to Employ Other Contractors. City reserves right to employ other contractors in connection with this Project.

3.5.6 Successors and Assigns. This Agreement shall be binding on the successors and assigns of the parties.

3.5.7 Assignment or Transfer. Contractor shall not assign, hypothecate or transfer, either directly or by operation of law, this Agreement or any interest herein without the prior written consent of the City. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

3.5.8 Construction; References; Captions. Since the Parties or their agents have participated fully 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. All references to Contractor include all personnel, employees, agents, and subcontractors of Contractor, except as otherwise specified in this Agreement. All references to the City include its elected or appointed officers, and their respective agents, officials, employees, volunteers and representatives 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.

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

3.5.10 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 rights by custom, estoppel or otherwise.

3.5.11 No Third Party Beneficiaries. Except to the extent expressly provided for in Section 3.5.7, there are no intended third-party beneficiaries of any right or obligation assumed by the Parties.

3.5.12 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.

3.5.13 Prohibited Interests. Contractor maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Contractor, to solicit or secure this Agreement. Further, Contractor warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Contractor, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

3.5.14 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.

3.5.15 Authority to Enter Agreement. Contractor has all requisite power and authority to conduct its business and to execute, deliver, and perform the 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.

3.5.16 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

3.5.17 Entire Agreement. This Agreement contains the entire Agreement of the parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. This Agreement may only be modified by a writing signed by both parties.

[SIGNATURES ON NEXT PAGE]

Contract No. _____

SIGNATURE PAGE TO MAINTENANCE SERVICES AGREEMENT BY AND BETWEEN THE CITY OF PALM DESERT AND THE CHRISTMAS KINGS dba SOUTHERN CALIFORNIA LIGHTING, INC.

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed on the day and year first above written.

CITY OF PALM DESERT

By: _____
L. TODD HILEMAN
CITY MANAGER

ATTEST:

By: _____
ANTHONY J. MEJIA
City Clerk

APPROVED AS TO FORM:

By: _____
Best Best & Krieger LLP
City Attorney

THE CHRISTMAS KINGS dba SOUTHERN CALIFORNIA LIGHTING, INC.

By: _____

Its: _____

Printed Name: _____

By: _____

Its: _____

Printed Name: _____

_____
Contractor's License Number and Classification

_____
DIR Registration Number (*if applicable*)

QC: _____

Insurance:

_____
Initial Review

_____
Final Approval

EXHIBIT "A"
SCOPE OF SERVICES

A. GENERAL INFORMATION

For the purposes of this RFP, Proposers are asked to submit proposals for the following scope of work, including the design, installation, maintenance, removal, and storage of the following:

1. **El Paseo Seasonal Lighting** for trees located in the medians along the El Paseo Business Corridor, between Portola Avenue and Monterey Avenue. All Washingtonia filiera (California Fan Palms); Washingtonia robusta (Mexican Fan Palms); and hardwood trees (with a tree canopy beginning at approximately five (5) feet from top of grade and higher), shall have trunks wrapped with a commercial grade light emitting diode ("LED") string lights spaced no more than six (6) inches apart. And according to the approved design by the successful Proposer, canopy lighting shall include a mix of LED lights and icicle lights, or approved equal. Lighting used in previous years will be provided by the City to be used at the discretion of the Proposer. All tree lighting on El Paseo to be a matching color in the warm white spectrum. All lighting to be installed by October 1 and remain fully functional through January 1 of each year.

2. **El Paseo Seasonal/Holiday Décor** for the El Paseo medians at the entrances to the El Paseo Business Corridor, located West of Portola Avenue and East of Monterey Avenue. The décor should be located near or designed to highlight the monument signs in the median. All décor must be installed by the Wednesday of the week prior to Thanksgiving, and remain fully functional through January 1, each year.

3. **City Hall Holiday Lighting** for the exterior of the City Hall along the perimeter of the City Hall buildings included on Attachment 1. Examples of desired lighting may include but are not limited to string lights and/or projection lighting. Additional lighting and/or décor may be on trees or lawn around the Council Chambers on Attachment 1. All lighting and décor must be installed by the Wednesday of the week prior to Thanksgiving, and remain fully functional through January 1, each year.

4. **Additional Areas as Determined in the Future.** There are several other buildings and facilities within the City that are being considered for Seasonal Lighting. If these are added to the scope of work, the Contractor shall submit material options for City review prior to purchasing. The City will reimburse Contractor cost of the material with an allowable 15% markup. Receipts will need to be supplied to the City.

The work to be done consists of furnishing all labor, materials, necessary tools and machinery, supervision, storage space, and all utility and transportation services required for the completion of this Scope of Work. No additional compensation shall be allowed therefor. The Proposer by submitting such proposal acknowledges that they have familiarized themselves with the current site conditions and verified information provided by the City. It is the responsibility of the Proposer to promptly bring to the attention of the City discrepancies, omissions, ambiguities, and requirements likely to cause disputes between trades and similar matters. When appropriate, Addenda will be issued by the City.

B. TASKS AND CONTRACT DELIVERABLES:

The Proposer shall:

- Conduct a project kickoff design meeting with City staff to refine and clarify the project's objectives and schedule. City supplied materials will be provided at that time.
- Provide all commercial grade light emitting diode ("LED") string lights.
- Repair or replace any installed nonfunctional lights within twenty-four (24) hours of discovery or notification by City staff.
- All products shall be purchased for or leased to the City for the entire term of the contract.
- All tree string lighting on trunks of palm and hardwood trees to be spaced no more than 6 inches apart.
- Install all lights on trees with zip ties only, no nails are to be used. Staples may be selectively used with prior authorization of the City.
- No drilling or screws shall be used for the installation of lighting or décor without prior authorization of the City. The City may, at its own discretion, elect to install fastening mechanisms on buildings.
- Use only graffer tape, or approved equal, for cords (color and brand to be approved by the City).
- All cords in turf must be buried to prevent mower damage. Contractor to ensure turf is not unnecessarily damaged during the installation and removal of the cords.
- All electrical connections must be covered to minimize overhead sprinkler damage.
- Have samples of all decorations pre-approved by City staff prior to installation.
- Be professional and utilize appropriate methods and equipment considered to be acceptable and industry standard.
- Provide the City with a safety and traffic plan at least two (2) weeks prior to work being performed. Work will not be allowed to commence without an approved traffic plan and valid Encroachment Permit. Workers to wear Personal Protective Equipment when installing lights or working in the medians.

C. LIGHTS FURNISHED

To assist the Proposer in fulfilling the terms of this Agreement, the City agrees to furnish the following:

1. All lighting and decorations for project startup in Year 1 of the Agreement.
2. All City owned string lights used for the 2022-23 El Paseo Seasonal Lighting of hardwood and palm trees, to be used at the Proposer's discretion.
3. When replacement lights are needed, Contractor to submit material options for City review prior to purchasing. The City will reimburse Contractor cost of the material with an allowable 15% markup. Receipts will need to be supplied to the City.

D. FUNCTIONS AND TIMING

It is anticipated the agreement resulting from this solicitation, if awarded, will be a fixed-price contract for a five-year term effective July 1, 2023, through June 30, 2028, with three (3) one-year optional extensions at the City's discretion and based on Contractor's performance and mutual agreement. Contractor may request a CPI increase as noted in the Agreement.
During the contracted term the Proposer shall perform the following functions:

- Conduct a meeting annually prior to lighting/décor installation to discuss objectives and schedule.
- Provide storage for all lighting and décor when not in use, during the term of the Agreement at the Contractor's expense.
- For the El Paseo Seasonal Lighting of the trees located in the medians along the El Paseo Business Corridor, from Portola Avenue to Monterey Avenue, the Proposer shall:
    - Inspect existing timer and Ground Fault Circuit Interrupters (GFCI) at each tree in the medians annually prior to installation one (1) time. Notify the City in a timely manner to accommodate the repair as to not impact the mandated schedule.
    - Set up and wrap lighting at each specified tree one (1) time annually on a date prior to October 1, scheduled in advance with City staff.
    - Remove all wrapped lighting at each tree one (1) time annually on a date prior to Memorial Day, scheduled in advance with City staff.
    - Inspect night operation weekly during lighting season. Any lights found to be nonfunctional shall be repaired or replaced within 24 hours. Any timers, or GFCI found to be nonfunctional shall be reported to City Staff immediately.
- For the El Paseo Seasonal/Holiday Decor for the medians at the entrances to the El Paseo Business Corridor, located West of Portola Avenue and East of Monterey Avenue, the Proposer shall:
    - Inspect existing timer and GFCI at each tree in the medians annually prior to installation one (1) time. Notify the City in a timely manner to accommodate the repair as to not impact the mandated schedule.
    - Install décor one (1) time annually on a date prior to the Wednesday of the week prior to Thanksgiving, scheduled in advance with City staff.
    - Remove all decor one (1) time annually on a date between January 1 and January 10, scheduled in advance with City staff.
    - Inspect night operation weekly during lighting season. Any lights found to be nonfunctional shall be repaired or replaced within 24 hours. Any timers, or GFCI found to be nonfunctional shall be reported to City Staff immediately.
- City Hall Seasonal/Holiday Lighting and/or Decor for exterior of City Hall, the Proposer shall:

- Inspect existing timer and GFCI at each tree in the medians annually prior to installation one (1) time. Notify the City in a timely manner to accommodate the repair as to not impact the mandated schedule.

- Install lighting and décor one (1) time annually on a date prior to the Wednesday of the week prior to Thanksgiving, scheduled in advance with City staff.

- Remove all decor one (1) time annually between January 1 and January 10, scheduled in advance with City staff.

- Inspect night operation weekly during lighting season. Any lights found to be nonfunctional shall be repaired or replaced within 24 hours. Any timers, or GFCI found to be nonfunctional shall be reported to City Staff immediately.

Attachment 1 – CITY HALL Holiday LIGHTING AND décor AREA

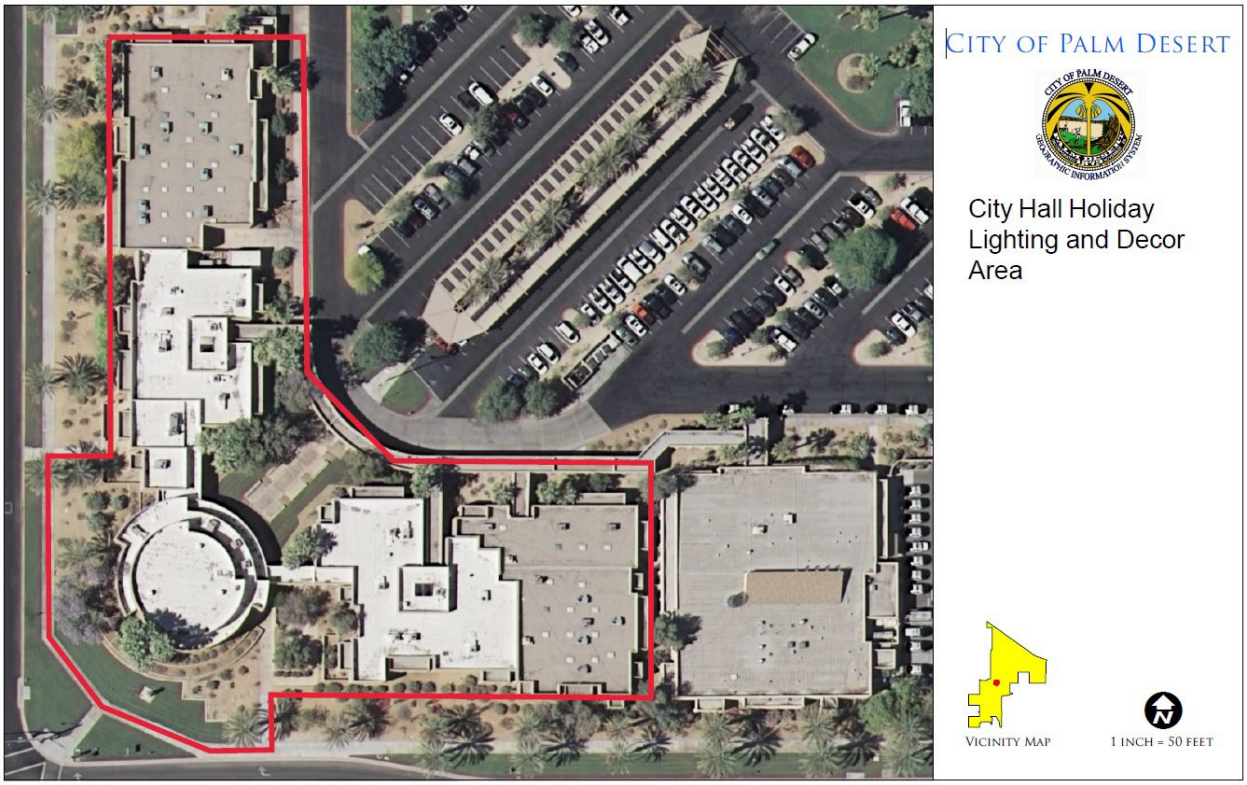

EXHIBIT "B"

SCHEDULE OF SERVICES

The term of this Agreement shall be from **JULY 1, 2023, to JUNE 30, 2028**, unless earlier terminated as provided herein. The City shall have the unilateral option, at its sole discretion, to renew this Agreement automatically for no more than three (3) additional one-year terms. Contractor shall complete the Services within the term of this Agreement and shall meet any other established schedules and deadlines. The Parties may, by mutual, written consent, extend the term of this Agreement if necessary to complete the Services.

EXHIBIT "C"

COMPENSATION

[SEE ATTACHED PROPOSAL]

In the event that this Agreement is renewed pursuant to Section 3.1.2, the rates set forth above may be increased or reduced each fiscal year at the time of renewal, but any increase shall not exceed the Consumer Price Index, All Urban Consumers, Los Angeles-Riverside-Orange Counties over the past 12 months.

Contract No. _____

PERFORMANCE BOND

KNOW ALL PERSONS BY THESE PRESENTS:

THAT WHEREAS, the City of Palm Desert (hereinafter referred to as "City") has awarded to The Christmas Kings dba Southern California Lighting, Inc., (hereinafter referred to as the "Contractor") an agreement for Seasonal Lighting and Decor (hereinafter referred to as the "Project").

WHEREAS, the work to be performed by the Contractor is more particularly set forth in the Contract Documents for the Project dated **NOVEMBER 17, 2022**, (hereinafter referred to as "Contract Documents"), the terms and conditions of which are expressly incorporated herein by reference; and

WHEREAS, the Contractor is required by said Contract Documents to perform the terms thereof and to furnish a bond for the faithful performance of said Contract Documents.

NOW, THEREFORE, we, **THE CHRISTMAS KINGS dba SOUTHERN CALIFORNIA LIGHTING, INC.**, the undersigned Contractor and _____ as Surety, a corporation organized and duly authorized to transact business under the laws of the State of California, are held and firmly bound unto the City in the sum of **THREE HUNDRED SEVENTY THOUSAND DOLLARS**, (**$370,000.00**), said sum being not less than one hundred percent (100%) of the total amount of the Contract, for which amount well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that, if the Contractor, his or its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and agreements in the Contract Documents and any alteration thereof made as therein provided, on its part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their intent and meaning; and shall faithfully fulfill all obligations including the one-year guarantee of all materials and workmanship; and shall indemnify and save harmless the City, its elected or appointed officers, and their respective agents, officials, employees, volunteers and representatives, as stipulated in said Contract Documents, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect.

As a condition precedent to the satisfactory completion of the Contract Documents, unless otherwise provided for in the Contract Documents, the above obligation shall hold good for a period of one (1) year after the acceptance of the work by City, during which time if Contractor shall fail to make full, complete, and satisfactory repair and replacements and totally protect the City from loss or damage resulting from or caused by defective materials or faulty workmanship, Surety shall undertake and faithfully fulfill all such obligations. The obligations of Surety hereunder shall continue so long as any obligation of Contractor remains. Nothing herein shall limit the City's rights or the Contractor or Surety's obligations under the Contract, law or equity, including, but not limited to, California Code of Civil Procedure section 337.15.

Whenever Contractor shall be, and is declared by the City to be, in default under the Contract Documents, the Surety shall remedy the default pursuant to the Contract Documents, or shall promptly, at the City's option:

(1) Take over and complete the Project in accordance with all terms and conditions in the Contract Documents; or

(2) Obtain a bid or bids for completing the Project in accordance with all terms and conditions in the Contract Documents and upon determination by Surety of the lowest responsive and responsible bidder, arrange for a Contract between such bidder, the Surety and the City, and make available as work progresses sufficient funds to pay the cost of completion of the Project, less the balance of the contract price, including other costs and damages for which Surety may be liable. The term "balance of the contract price" as used in this paragraph shall mean the total amount payable to Contractor by the City under the Contract and any modification thereto, less any amount previously paid by the City to the Contractor and any other set offs pursuant to the Contract Documents.

(3) Permit the City to complete the Project in any manner consistent with local, California and federal law and make available as work progresses sufficient funds to pay the cost of completion of the Project, less the balance of the contract price, including other costs and damages for which Surety may be liable. The term "balance of the contract price" as used in this paragraph shall mean the total amount payable to Contractor by the City under the Contract and any modification thereto, less any amount previously paid by the City to the Contractor and any other set offs pursuant to the Contract Documents.

Surety expressly agrees that the City may reject any contractor or subcontractor which may be proposed by Surety in fulfillment of its obligations in the event of default by the Contractor.

Surety shall not utilize Contractor in completing the Project nor shall Surety accept a bid from Contractor for completion of the Project if the City, when declaring the Contractor in default, notifies Surety of the City's objection to Contractor's further participation in the completion of the Project.

The Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract Documents or to the Project to be performed thereunder shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Contract Documents or to the Project, including but not limited to the provisions of sections 2819 and 2845 of the California Civil Code.

[SIGNATURES ON NEXT PAGE]

Contract No. _____

IN WITNESS WHEREOF, we have hereunto set our hands and seals this _____ day of _____, 20____.

(Corporate Seal)

_____
Contractor/ Principal

By_____

Title_____

(Corporate Seal)

_____
Surety

By _____

Attorney-in-Fact

(Attach Attorney-in-Fact Certificate)

Title_____

Signatures of those signing for the Contractor and Surety must be notarized and evidence of corporate authority attached.

The rate of premium on this bond is _____ per thousand. The total amount of premium charges, $_____.

(The above must be filled in by corporate attorney.)

THIS IS A REQUIRED FORM

Any claims under this bond may be addressed to:

(Name and Address of Surety) _____

_____

_____

(Name and Address of Agent or Representative for service of process in California, if different from above) _____

_____

_____

(Telephone number of Surety and Agent or Representative for service of process in California) _____

_____

NOTE: A copy of the Power-of-Attorney authorizing the person signing on behalf of the Surety to do so must be attached hereto.

Contract No. _____

Notary Acknowledgment

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

STATE OF CALIFORNIA

COUNTY OF _____

On _____, 20___, before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

_____
Signature of Notary Public

OPTIONAL

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

CAPACITY CLAIMED BY SIGNER

¨ Individual
¨ Corporate Officer

_____
Title(s)

¨ Partner(s) ¨ Limited ¨ General
¨ Attorney-In-Fact
¨ Trustee(s)
¨ Guardian/Conservator
¨ Other:

Signer is representing:
Name Of Person(s) Or Entity(ies)

_____

_____

DESCRIPTION OF ATTACHED DOCUMENT

_____
Title or Type of Document

_____
Number of Pages

_____
Date of Document

_____
Signer(s) Other Than Named Above

NOTE: This acknowledgment is to be completed for Contractor/Principal.

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NOTE: This acknowledgment is to be completed for the Attorney-in-Fact. The Power-of-Attorney to local representatives of the bonding company must also be attached.

Contract No. _____

PAYMENT BOND

KNOW ALL MEN BY THESE PRESENTS That

WHEREAS, the City of Palm Desert (hereinafter designated as the "City"), by action taken or a resolution passed **NOVEMBER 17, 2022** has awarded to **THE CHRISTMAS KINGS dba SOUTHERN CALIFORNIA LIGHTING, INC.** hereinafter designated as the "Principal," a contract for the work described as follows:

SEASONAL LIGHTING AND DÉCOR PROGRAM (the "Project"); and

WHEREAS, the work to be performed by the Principal is more particularly set forth in the Contract Documents for the Project dated **NOVEMBER 17, 2022** ("Contract Documents"), the terms and conditions of which are expressly incorporated by reference; and

WHEREAS, said Principal is required to furnish a bond in connection with said contract; providing that if said Principal or any of its Subcontractors shall fail to pay for any materials, provisions, provender, equipment, or other supplies used in, upon, for or about the performance of the work contracted to be done, or for any work or labor done thereon of any kind, or for amounts due under the Unemployment Insurance Code or for any amounts required to be deducted, withheld, and paid over to the Employment Development Department from the wages of employees of said Principal and its Subcontractors with respect to such work or labor the Surety on this bond will pay for the same to the extent hereinafter set forth.

NOW THEREFORE, we, the Principal and _____ as Surety, are held and firmly bound unto the City in the penal sum of **THREE HUNDRED SEVENTY THOUSAND DOLLARS** (**$370,000.00**) lawful money of the United States of America, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH that if said Principal, his or its subcontractors, heirs, executors, administrators, successors or assigns, shall fail to pay any of the persons named in Section 9100 of the Civil Code, fail to pay for any materials, provisions or other supplies, used in, upon, for or about the performance of the work contracted to be done, or for any work or labor thereon of any kind, or amounts due under the Unemployment Insurance Code with respect to work or labor performed under the contract, or for any amounts required to be deducted, withheld, and paid over to the Employment Development Department or Franchise Tax Board from the wages of employees of the contractor and his subcontractors pursuant to Section 18663 of the Revenue and Taxation Code, with respect to such work and labor the Surety or Sureties will pay for the same, in an amount not exceeding the sum herein above specified, and also, in case suit is brought upon this bond, all litigation expenses incurred by City in such suit, including reasonable attorneys' fees, court costs, expert witness fees and investigation expenses.

This bond shall inure to the benefit of any of the persons named in Section 9100 of the Civil Code so as to give a right of action to such persons or their assigns in any suit brought upon this bond.

It is further stipulated and agreed that the Surety on this bond shall not be exonerated or released from the obligation of this bond by any change, extension of time for performance, addition, alteration or modification in, to, or of any contract, plans, specifications, or agreement

pertaining or relating to any scheme or work of improvement herein above described, or pertaining or relating to the furnishing of labor, materials, or equipment therefore, nor by any change or modification of any terms of payment or extension of the time for any payment pertaining or relating to any scheme or work of improvement herein above described, nor by any rescission or attempted rescission of the contract, agreement or bond, nor by any conditions precedent or subsequent in the bond attempting to limit the right of recovery of claimants otherwise entitled to recover under any such contract or agreement or under the bond, nor by any fraud practiced by any person other than the claimant seeking to recover on the bond and that this bond be construed most strongly against the Surety and in favor of all persons for whose benefit such bond is given, and under no circumstances shall Surety be released from liability to those for whose benefit such bond has been given, by reason of any breach of contract between the owner or City and original contractor or on the part of any obligee named in such bond, but the sole conditions of recovery shall be that claimant is a person described in Section 9100 of the Civil Code, and has not been paid the full amount of his claim and that Surety does hereby waive notice of any such change, extension of time, addition, alteration or modification herein mentioned and the provisions of sections 2819 and 2845 of the California Civil Code.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, we have hereunto set our hands and seals this _____ day of _____, 20__.

(Corporate Seal)

_____
Contractor/ Principal

By_____

Title_____

_____

(Corporate Seal) Surety

By_____

Attorney-in-Fact

(Attach Attorney-in-Fact Certificate) Title_____

Signatures of those signing for the Contractor and Surety must be notarized and evidence of corporate authority attached. A Power-of-Attorney authorizing the person signing on behalf of the Surety to do so much be attached hereto.

NOTE: A copy of the Power-of-Attorney authorizing the person signing on behalf of the Surety to do so must be attached hereto.

Contract No. _____

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- ¨ Individual
- ¨ Corporate Officer

_____
Title(s)

- ¨ Partner(s) ¨ Limited ¨ General
- ¨ Attorney-In-Fact
- ¨ Trustee(s)
- ¨ Guardian/Conservator
- ¨ Other:

Signer is representing:
Name Of Person(s) Or Entity(ies)

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City of Palm Desert
PW - Operations & Maintenance
Andy Ramirez, Deputy Director
73-510 Fred Waring Drive, Palm Desert, CA 92260

PROPOSAL DOCUMENT REPORT

RFP No. 2022-RFP-142

Seasonal Lighting and Décor Program

RESPONSE DEADLINE: October 14, 2022 at 2:00 pm

Report Generated: Friday, October 14, 2022

The Christmas Kings Proposal

CONTACT INFORMATION

Company:
The Christmas Kings

Email:
support@thechristmaskings.com

Contact:
Mathew Kronquist

Address:
31500 GRAPE ST SUITE 3-233
LAKE ELSINORE, CA 92532

Phone:
(951) 402-2000

Website:
www.thechristmaskings.com

Submission Date:
Oct 12, 2022 1:47 PM

ADDENDA CONFIRMATION

No addenda issued

QUESTIONNAIRE

1. Proposal (WITHOUT COST)*

Proposals shall be concise, well organized and demonstrate qualifications and applicable experience. Proposals shall be organized, and include page numbers for all pages in the proposal. The proposal shall be uploaded here, in the following order and shall include:

A. Cover Letter

1. This letter should briefly introduce the firm, summarize the firm's general qualifications, include an executive summary of the specific approach which will be used to deliver the work scope; and identify the individual(s) name, address and phone number authorized to negotiate Agreement terms and compensation.

B. Experience and Technical Competence

1. Background: Provide history of the firm's consulting experience which specifically addresses the individual or firm's experience with similar Service as described in this RFP.
2. References: The proposal shall include a list of recently completed projects that are similar in scope and function to this RFP. Provide a description of the project, client name, and the name, title, and telephone number of the primary contact person.

C. Firm Staffing and Key Personnel

1. Staffing: Provide the number of staff to be assigned to perform the Services and the names/discipline/job title of each as well as your firm's capacity to provide additional personnel as needed.
2. Key Personnel: Identify key persons that will be principally responsible for working with the City. Indicate the role and responsibility of each individual.

3. Team Organization: Describe proposed team organization, including identification and responsibilities of key personnel.
4. Subcontractors: The Proposer shall identify functions that are likely to be subcontracted and identify the subcontractor that is anticipated to perform each function.

D. Proposed Method to Accomplish the Work

1. Describe the technical and management approach to providing the Services to the City. Proposer should take into account the scope of the Services, and general functions required. Include a draft first year schedule of tasks, milestones, and deliverables that will provide for timely provision of the Services. In reviewing the scope of Services and goals described herein, the Proposer may identify additional necessary tasks and is invited to bring these to the City's attention within the discussion of its proposed method to accomplish the work.

PALM_DESERT_RFP_RESPONSE_(1).pdf

2. Non-Collusion Declaration*

The undersigned declares:

I am an authorized representative of my company, the party making the foregoing Bid, to certify the following.

The Bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation. The Bid is genuine and not collusive or sham. The Bidder has not directly or indirectly induced or solicited any other Bidder to put in a false or sham bid. The Bidder has not directly or indirectly colluded, conspired, connived, or agreed with any Bidder or anyone else to put in a sham bid, or to refrain from bidding. The Bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the Bid Price of the Bidder or any other Bidder, or to fix any overhead, profit, or cost element of the Bid Price, or of that of any other Bidder. All statements contained in the Bid are true. The Bidder has not, directly or indirectly, submitted his or her Bid Price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, to any corporation, partnership, company, association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham bid, and has not paid, and will not pay, any person or entity for such purpose.

Any person executing this declaration on behalf of a Bidder that is a corporation, partnership, joint venture, limited liability company, limited liability partnership, or any other entity, hereby represents that he or she has full power to execute, and does execute, this declaration on behalf of the Bidder.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Confirmed

3. Type of Business*

S Corporation (if corporation, two signatures are required)

4. Litigation*

Provide litigation history for any claims filed by your firm or against your firm related to the provision of Services in the last five (5) years (or type "N/A").

N/A

5. Changes to Agreement*

The City standard professional services agreement contract is included as an attachment herein. The Proposer shall identify any objections to and/or request changes to the standard contract language in this section of the proposal (or type "N/A"). If you are identifying changes here ***ALSO*** upload a copy of the redlined Language/Agreement with your Proposal. Changes requested may effect the City's decision to enter into an Agreement.

N/A

6. No Deviations from the RFP*

In submitting a proposal in response to this RFP, Proposer is certifying that it takes no exceptions to this RFP including, but not limited to, the Agreement. If any exceptions are taken, such exceptions must be clearly noted here, and may be reason for rejection of the proposal. As such, Proposer is directed to carefully review the proposed Agreement and, in particular, the insurance and indemnification provisions therein (or type "N/A").

The addition of 20 Spritzers around the monument signs to be included in the RFP as requested for an additional enhancement

7. Project Team Resumes*

Submit resumes of all key personnel/support staff that will produce work product for the Services. Describe their qualifications, education, and professional licensing.

Resume_1.pngResume_2.png

8. List the Signatory(s) Authorized to Sign and Bind an Agreement.*

(If two (2) signatures are required, include the following information for both signatories)

A. Full Name

B. Title

C. Physical Business Address

D. Email Address

E. Phone Number

Mathew Kronquist

President

31500 grape st. unit 3233 lake elsinore ca 92532

mat@thechristmaskings.com

951-454-9777

Melissa Kronquist

Secretary

31500 grape st. unit 3233 lake elsinore ca 92532

melissakronquist@gmail.com

951-265-1113

9. Certification of Proposal: The undersigned hereby submits its proposal and, by doing so, agrees to furnish services in accordance with the Request for Proposal (RFP), and to be bound by the terms and conditions of the RFP.*

Confirmed

PRICE TABLES

SEASONAL LIGHTING PRICE SHEET

Costs for startup of program including purchase of lighting and décor, installation, traffic control and storage.

Line Item	Description	Quantity	Unit of Measure	Unit Cost	Total
1	Initial Startup Materials (Year 1 only)	1	maximum cost	$5,000.00	$5,000.00
2	El Paseo Seasonal Lighting Annual Cost	5	per year	$58,000.00	$290,000.00
3	El Paseo Seasonal/Holiday Décor Annual Cost	5	per year	$2,000.00	$10,000.00
4	City Hall Holiday Lighting Annual Cost	5	per year	$8,000.00	$40,000.00
5	Mid-Year Materials Replacement	5	maximum cost	$5,000.00	$25,000.00
TOTAL					$370,000.00

EXTRA WORK

Line Item	Description	Quantity	Unit of Measure	Unit Cost	Total
1	Installer	1	hour	$70.00	$70.00
2	Supervisor	1	hour	$90.00	$90.00
3	Designer	1	hour	$0.00	$0.00
4	Specialty / Rental Equipment	1	hour	$0.00	$0.00
5	Additional Storage	1	year	$0.00	$0.00

City of Palm Desert

Seasonal Lighting and Decor Program

Response

The Christmas Kings
10/11/2022

Firm Introduction

The Christmas Kings is a full service holiday lighting and decor company. Started in 2005, we pride ourselves on providing elite services to our customers and stay at the leading edge with innovation and technologies. The Christmas Kings installs holiday lighting for municipalities, malls, hotels, casinos, and more.

Our team is highly skilled and trained on best practices for our industry. Safety is at top of mind during all processes. We pay attention to detail and provide great customer service and communication for our clients along the way.

The Christmas Kings has successfully designed and installed the lighting display for the city of Palm Desert for the past 4 years and would love to install the display for many more to come.

Firm Information / Executive Summary

The account manager for this project will be Mathew Kronquist, Mathew will be responsible for bid completion, planning, execution, quality control, communication throughout the process, removal and wrap up. Mathew Kronquist has 17 years experience in the industry and consults / trains other lighting companies and franchises on best practices.

Sean Skog, General Manager, will also be assigned to the project as lead installer and operations oversight. Sean will also be responsible for the light show programming and implementation. Sean Skog has been in the event industry for over 10 years with advanced lighting and equipment training in the past 5 years.

Mathew Kronquist
951-454-9777
Mat@thechristmaskings.com
31500 grape st. 3233 lake elsinore ca 92532

Sean Skog
951-385-3149
Sean@thechristamskings.com
31500 grape st. 3233 lake elsinore ca 92532

EXPERIENCE & TECHNICAL COMPETENCE

Firm Information / Executive Summary

The Christmas Kings is a full service holiday lighting and decor company. Started in 2005, we pride ourselves on providing elite services to our customers and stay at the leading edge with innovation and technologies. The Christmas Kings installs holiday lighting for municipalities, malls, hotels, casinos, and more.

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Firm General Qualifications & References

1. City of Redlands, Erik Reeves, (909)203-9864 ereeves@cityofredlands.org
   Contract dates 2017 - 2022
   Holiday lighting for the city, permanent lighting for the city, art installations

2. City of Laguna Beach, Dan Meehan, (949)707-2686, dmeehan@lagunahillsca.gov
   Contract dates - 2019 - 2023
   Holiday lighting In the city, Lighting trees, buildings and installing decor & light show

3. Ladera Ranch Community, Christopher Crowley, (949) 355-4175, Christopher.Crowley@fsresidential.com
   Contract dates - 2020 - 2023
   Holiday Lighting for the community monuments, trees, and building lighting

Firm Staffing & Key Personnel

Staffing

Account Manager: Mathew Kronquist

Responsible for city contact, communication and coordination, logistics and planning

General Manager: Sean Skog

Responsible for coordination of equipment and staff, job jackets and understanding of the project, onsite safety and deployment of staff, product as well as quality assurance.

Groundwork Supervisor: Andrue Ordonez

Responsible for safety and daily objectives, overall execution of the installation

Arial Supervisor: Trevor Romaine

Responsible for safety and daily objectives, overall execution of the installation of all aerial work done in boom lifts.

Install Crew:

The Christmas Kings has a staff of year around workers that have been working with us for years. Several of our staff has been assigned to this specific project for the past several years and we are very familiar with the intricacies of it.

Subcontractors: Advanced Holiday Lighting (AHL)

The Christmas Kings has assisted many of its former staff to start their own companies. AHL is one of those companies, and will be our partner in this and many other projects throughout the area. AHL will be used as support labor.

Proposed Method

The approach from a management perspective: Scheduling and communication will be addressed and confirmed months in advance. Management will be in continual communication as necessary with our onsite contact to ensure we work around tree trimming and landscaping projects in the planned area. Mathew and Sean are very accessible and will provide key leads with our personal cell numbers and emails for 24 hr communication if necessary.

The approach from a technical point of view:
The install will begin on the preferred date of the client, historically the last week in september. The install is scheduled for a 5 day process as follows:

Day 1 - 3 Groundwork, Ladderwork, Cabling
Nights 3 - 5 Aerial work with road closure for drip tubes, adding height on trees and Flood lights

INSTALL: El Paseo Seasonal Light Installation

Start date: 9/25/23
Ground Completion: 9/27/23
Arial Start date: 9/27/23
Arial Completion date: 9/29/23

INSTALL: City Hall and El Paseo Holiday Decor

Start date: 11/20/23
Completion date:11/20/23

REMOVAL: City Hall and El Paseo Holiday Decor

Start date: 1/8/24
Completion date: 1/8/24

REMOVAL: El Paseo Seasonal Light Installation

Start date: 5/6/24
Ground Completion: 5/8/24
Arial Start date: 5/6/24
Arial Completion date: 5/8/24

Proposed Method Cont…

Product:

Understanding that product has been originally purchased for this project, The Christmas Kings suggest to adjust from standard warm micro LED lights to a warm light / pure light combination strand where every 5th bulb of the light lines has a shimmering aesthetic. We feel this change will provide a new appearance for the next term of the agreement while maintaining an elegant look.

-Video can be provided for reference of shimmering lights

If this aesthetic adjustment is acceptable, we are willing to provide the NEW shimmering strands as a one-for-one replacement for the warm LED strands the CIty currently owns at no additional cost to the project. The Christmas Kings would then become owner of the existing warm LED light strands.

If the adjustment to aesthetics is not preferred, The Christmas Kings will plan to utilize the existing product for this project as owned by the City.

The Startup Material Costs are as follows:

Replacement of currently installed flood lights for the palm tree frond lighting
This will replace all fixtures and there wiring harnesses

Additional implementation of spritzers surrounding the monument signs on either Side of the El Paseo center medians 10 spritzers at each location. The city Will own this and all the existing product for future years.

All product will be delivered at the time of installation

MATHEW KRONQUIST

GENERAL MANAGER

CONTACT:

951-454-9777

matkronquist@gmail.com

25315 Apache Hill Circle
Menifee, CA 92584

EDUCATION: *Degrees, certs, licenses*

Temescal Canyon High School (99-03)
- Diploma with 3.85 overall

Mount San Jacinto College (02 - 05)
- AS MATH / SCIENCE
- AS FIRE SCIENCE
- EMT Training

CLARK TRAINING CENTER (2003)
- HAZMAT First Responder

RIVERSIDE COUNTY FIRE DEPARTMENT (03-05)
- FIRE ACADEMY
- VOLUNTEER FIREFIGHTER

HIGH REACH EQUIPMENT (2012)
- Boom Lift Certified
- Fork Lift Certified
- Scissor Lift Certified

CONTRACTORS STATE LICENSE BOARD (2009)
- Low Voltage Electrical Contractor

PROFILE:

Resident for 35 years in Riverside county. I have a diverse background and over the past 20 years, I have held a variety of jobs in different fields as I worked my way from entry-level positions to Management. I am consistent and operate to systems and processes. Positivity, Respect, Resourceful, Hard Working, Diligent, Focused, Dedicated, Loyal, I Can Attitude are words I would use to describe myself.

SKILLS:

MANAGEMENT: Built a team from 4 to 100 employees over 5 states in 10 years as General Manager.

ORGANIZATION: Creation of systems and processes to automate business.

DELEGATION: Oversee department managers in Operations, Sales, Logistics, Design, etc.

CONSISTENCY: Stick to the plan, utilizing proven methods for success and not wavering from them.

CONSTRUCTION / FABRICATION: not only useful in its apparent fields but crosses over to problem-solving and planning ahead as well as creating solutions.

TECHNOLOGIES: I have a diverse background in many technology areas. Self-taught, infield trained, and in a classroom setting, I have skills that involve computer applications: database management, spreadsheets, word processing, photo editing, etc.

EXPERIENCE:

The Christmas Kings - (2005 - present)
General Manager (President - CEO)

As the founder of TCK, I wore all of the hats. TCK is a Holiday Lighting and Decor company. We provide services for residential and commercial customers. Starting off I was sales, service, marketing, office, operations, etc. As I grew the company over the past 16 years I have hired a core year around management team of 10 and a seasonal crew up to 50 employees. We have had continual growth every year since 2005 and never went down in gross sales or net profits. Currently operating around $2.1M annually and only servicing jobs from October through January. Operationally this equates to an $8.4M business. I operate under the EOS model.

SEAN SKOG

Opperations Manager/Event Coordinator

(951) 385-3149
sean@thechristmaskings.com

EXPERIENCE

Opperations Manager
The Christmas Kings
09/2018 - Present

Food and Beverage Manager
Wilson Creek Winery
10/2013 - 09/2018

CERTIFICATES

California Forklift Certification
Issued By: California AHERN Safety Solutions

Healthcare Provider Cardiopulmonary Resuscitation (CPR/AED)
Issued By: American Heart Association

EDUCATION

Riverside Community College
08/2003 - 05/2006

Redlands High School
08/1999 - 05/2003

SKILLS

Oversee Operational Logistics including inventory control, quality control, and warehouse efficiency

Working knowledge of company software, Excel, Office, PowerPoint, Dropbox, and Photoshop

Perform leadership duties effectively through daily nightly meetings with warehouse crew and checkout with Truck crews

Works hands on with the event sales and Operational team on special events for as many as 1600 people

Responsible for staffing up to 40 employees each year

Oversees warehouse and field personnel duties and schedules Truck Routes daily

Works with customers daily to ensure service calls are addressed in a timely manner

Works with residential and commercial customers to design a scope of work to fit their budget

CITY OF PALM DESERT
STAFF REPORT

MEETING DATE: November 17, 2022

PREPARED BY: Jason Finley, Chief Building Official

REQUEST: INTRODUCE AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALM DESERT, CALIFORNIA, AMENDING SPECIFIED CHAPTERS OF THE PALM DESERT MUNICIPAL CODE TO ADOPT THE 2022 EDITIONS OF THE CALIFORNIA CODE OF REGULATIONS, TITLE 24, AND RELATED CODES WITH SELECTED APPENDICES AND AMENDMENTS (FIRST READING)

RECOMMENDATION:

Waive further reading and pass to second reading and public hearing an Ordinance to amend specified chapters of the Palm Desert Municipal Code to adopt the 2022 editions of the California Code of Regulations, Title 24, and related codes with selected appendices and amendments.

BACKGROUND/ANALYSIS:

Every three (3) years, the California Building and Standards Commission revises, adopts, and publishes the California Building Standards Law (Health and Safety Code, Division 13, Part 2.5, commencing with Section 18901) and the State Housing Law (Health and Safety Code, Division 13, Part 1.5, commencing with Section 17910). These laws govern and regulate the various types of building construction, building uses, energy efficiencies, and green sustainable construction. Moving from the 2019 series, the list below identifies the new model codes:

California Building Standard Code	Reference Model Code
2022 California Building Code	2021 International Building Code (ICC)
2022 California Residential Code	2021 International Residential (ICC)
2022 California Mechanical Code	2021 Uniform Mechanical Code (IAPMO)
2022 California Electrical Code	2020 National Electrical Code (NFPA)
2022 California Plumbing Code	2021 Uniform Plumbing Code (IAPMO)
2022 California Fire Code	2021 International Fire Code (ICC)
2022 California Existing Building Code	2021 International Existing Building Code (ICC)
2022 California Energy Code	
2022 California Green Building Standards	
2022 California Historical Building Code	

The above-related codes are consistent with the provisions found in the California Building Standards Code Triennial Cycle. The benefit of adopting the above codes directly supports our building and fire officials, building and fire inspectors, and all plan examiners with the necessary resources to provide direction on the intent, applicability, and enforcement of minimum life, health, and safety standards to all buildings within the City of Palm Desert.

In addition to the adoption of the 2022 California Model Code Series, the Building and Safety Division recommends reasonable and necessary modifications due to local conditions within the City of Palm Desert. Extreme temperatures, high winds, and the City's physical proximity to known active earthquake faults are some of the local conditions necessitating these modifications. Other modifications are administrative or procedural in nature with subjects that are not covered by the Code.

If approved, the proposed Ordinance would amend and provide modified sections of the Palm Desert Municipal Code – Chapter 15. These modifications are in cooperation and collaboration with the City's Planning and Zoning requirements. Such modifications do not necessarily affect minimum safeguards but provide fewer administrative processes and streamline plan review and permitting.

To meet the January 2023 implementation of the new California Building Codes, the introduction of the ordinance will need to be considered at the City Council meeting on November 17, 2022. The second reading and public hearing will be conducted at the December 15, 2022, Council meeting. The effective date will be 30 days after the approval. This schedule factors in any unforeseen delays.

Strategic Plan:
Economic Development Priority No. 4: Expand and raise awareness of business-friendly services in order to retain and attract business. This action supports business-friendly services by maintaining streamlined and timely plan review and inspection services.

FINANCIAL IMPACT:

The cost of implementing, training, and enforcing model code updates has been included in the annual Building and Safety Division budget for FY2022/2023: Account No. 1104420-431200 (Training) and Account No. 1104420-4632000 (Subscriptions and Publications). No other fiscal impact is anticipated to the City.

REVIEWED BY:

Department Director:	*Richard D. Cannone, AICP*
City Attorney:	*Robert Hargreaves*
Finance Director:	*John Ramont*
Assistant City Manager:	*Chris Escobedo*
City Manager:	*Todd Hileman*

ATTACHMENTS:

1. 2022 Model Code Adoption of Amendments Ordinance

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALM DESERT, CALIFORNIA, AMENDING SPECIFIED CHAPTERS OF THE CITY MUNICIPAL CODE, TO ADOPT THE 2022 EDITIONS OF THE CALIFORNIA CODE OF REGULATIONS, TITLE 24, AND RELATED CODES WITH SELECTED APPENDICES AND AMENDMENTS

WHEREAS, the Building and Safety Division recommends that modifications be made to the 2022 editions of the California Model Code Series. These modifications are reasonable and necessary due to local conditions within the City of Palm Desert. Extreme temperatures, high winds, and the City's physical proximity to known active earthquake faults are some of the local conditions necessitating these modifications. Other modifications are administrative or procedural with subjects that are not covered by the Code; however, are reasonably necessary to safeguard life and property within the City of Palm Desert.

FINDINGS, The City Council finds that the requirements set forth in this title are reasonable and necessary modifications due to climatic and geological conditions within the City of Palm Desert.

The "Findings of Need" contained herein address each of these conditions and present the local circumstances which cause the established amendments to be adopted:

A. The City of Palm Desert may establish more restrictive standards reasonably necessary due to climatic, geological, and topographical conditions. These include increase energy efficiencies, water conservation, fire protection, and streamlined permitting procedures to better serve our community.

B. Palm Desert experiences and sustains temperatures exceeding 100° Fahrenheit in the summer months. Severe Santa Ana Winds can reach gusts of 90 miles per hour. The adverse climatic conditions increase the likelihood of fire and wind damage to all buildings and vegetation.

C. Palm Desert periodically experiences drought which requires usage regulations and restrictions. With burdened storage capacities, limited rainfall, and community consumption, mandating sound management of our water resources make us good stewards of natural resources.

D. Our community is located in an area of historically and active seismic area. The existing and planned developments are at risk from damage and fire because of this activity. Modifications to fire-sprinkler systems require lower occupancy levels than those stipulated in the California Building Code. The active earthquake faults possess the capability of disaster that may quickly deplete fire department resources. Automatic fire-suppression systems suppress and extinguish fires to aid in the rescue of life and property.

THE CITY COUNCIL OF THE CITY OF PALM DESERT DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. That Ordinance No. _____ and all amendments thereto, and all other ordinances, or parts of ordinances in conflict therewith, be and the same are hereby repealed.

SECTION 2. That Title 15, Building and Construction, of the Palm Desert Municipal Code, is hereby amended as shown in Exhibit A, which is attached hereto.

ADOPTED ON _____, 2022.

_____
JAN C. HARNIK
MAYOR

ATTEST:

_____
ANTHONY J. MEJIA
CITY CLERK

I, Anthony J. Mejia, City Clerk of the City of Palm Desert, California, do hereby certify that Ordinance No. _____ is a full, true, and correct copy, and was introduced at a regular meeting of the Palm Desert City Council on November 17, 2022, and adopted at a regular meeting of the City Council held on _____, 2022, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:
RECUSED:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Palm Desert, California, on _____, 2022.

_____
ANTHONY J. MEJIA
CITY CLERK

EXHIBIT A

TITLE 15
BUILDING AND CONSTRUCTION

Chapters:

15.02 Administration
15.04 Building Code
15.06 Residential Code
15.08 Mechanical Code
15.10 Electrical Code
15.12 Plumbing Code
15.14 Energy Code
15.16 Solar PV Code
15.17 Residential Solar PV Permits
15.18 Green Building Standards Code
15.20 Historical Code
15.22 Housing Code
15.24 Existing Building Code
15.26 Fire Code
15.28 Address Numbering
15.30 Construction Site Security
15.32 Moved Buildings and Temporary Structures
15.34 Safety Assessment Placards
15.36 Electric Vehicle Charging Stations

CHAPTER 15.02
ADMINISTRATION

Sections:

15.02.010 Adoption of Chapter 1, Division II, of the California Building Code.
15.02.020 Amendments to Chapter 1, Division II, Scope and Administration.

15.02.010 Adoption of Chapter 1, Division II, of the California Building Code.

Except as provided in this chapter, the certain building code known and designated as the California Building Code, Title 24, Part 2, 2022 Edition, (CBC), as developed by the State of California, based on the 2021 International Building Code as published by the International Code Council, shall become the administrative provisions of the City of Palm Desert for regulating the construction, erection, enlargement, alteration, repair, moving, removal, demolition, conversion, occupancy, equipment, use and occupancy and maintenance of all buildings and/or structures in the city. The California Building Code and its adopted appendices and amendments will be on file for public examination in the offices of the Building Official.

15.02.020 Amendments to Chapter 1, Division II, Scope and Administration.

A. Amending Section 105.2 Work Exempt from Permit.

Building:

2. Fences not over 3 feet 6 inches (1,066.8 mm) high.

4. Retaining walls that are not over 3 feet 6 inches (1,066.8 mm) in height measured from the top of the footing to the top of the wall, unless supporting a surcharge or impounding Class I, II or IIIA liquids.

B. Amending Section 113 Means of Appeals.

113.1 General. For all occupancies not provided for under the authority provided in the California Building Code (CBC) Section 1.8.8.1, an appeals board shall be created, and the appeals board shall be applicable for all buildings and structures within the City of Palm Desert.

113.2 Definition

The following terms shall, for the purpose of this section, have the meaning shown.

Accessible Appeals Board. The board of the city which is authorized by the governing body of the City to hear appeals brought by any person regarding action taken by the building department of the city in enforcement of the authority to grant exceptions to the standards and specifications contained in California Health and Safety Code section 19957. (Note: The establishment of this board is pursuant to Health and Safety Code 19957.5)

113.3 Appeals Board Defined. The Housing Appeals Board, Accessible Appeals Board, and the Local Appeals Board shall, for the purposes of this code, may be one in the same and shall be referred to herein throughout this code as the Appeals Board.

113.4 Limitations on Authority. An application for appeal shall be based on a claim that the true intent of this code or the rules legally adopted thereunder have been incorrectly interpreted, the provisions of this code do not fully apply, or an equally good or better form of construction is proposed. The board shall not have the authority to waive requirements of this code.

113.5 Qualifications. In addition to the qualifications established in CBC Section 1.8.8.1, at least two members shall be physically disabled, if the Appeals Board is to hear appeals relating to accessibility issues pursuant to CBC Section 1.9.1.5 (special conditions for persons with disabilities requiring appeals action ratification; pursuant to Health and Safety Code 19957.5).

C. Amending Section 114 Violations.

114.4 Violation Penalties. Any person, firm or corporation violating any of the provisions, regulations, requirements, additions, amendments and/or deletions of this code is guilty of a misdemeanor and the penalty for such a misdemeanor shall be as set forth in Chapter 1.12 of the Palm Desert Municipal Code.

CHAPTER 15.04
BUILDING CODE

15.04.010 Adoption of California Building Code.

Except as provided in this chapter, those certain building codes known and designated as the California Building Code, Title 24, Part 2, 2022 Edition (CBC), including Appendix Chapter I, as adopted by the state of California, based on the 2021 International Building Code as published by the International Code Council, except as amended herein, shall become the "Building Code" of the City of Palm Desert for regulating the erection, construction, enlargement, alteration, repair, moving, removal, demolition, conversion, occupancy, equipment, use, height, area and maintenance of all buildings and/or structures in the city. The California Building Code, 2022 Edition, and its adopted appendices and amendments will be on file for public examination in the offices of the Building Official.

CHAPTER 15.06
RESIDENTIAL CODE

Sections:

15.06.010 Adoption of the California Residential Code
15.06.020 Adoption of Chapter 1, Division II, of the California Residential Code.
15.06.030 Amendments to the California Residential Code.

15.06.010 Adoption of the California Residential Code.

Except as provided in this chapter, the California Residential Code, Title 24, Part 2.5, 2022 Edition (CRC), including Appendix Chapter AH as adopted by the state of California, based on the 2021 International Residential Code as published by the International Code Council (ICC), shall be and become the "Residential Code" of the City of Palm Desert, regulating construction, alteration, movement, enlargement, replacement, repair, equipment, use and occupancy, location, maintenance, removal and demolition of every detached one- and two-family dwelling, townhouse not more than three stories above grade within the city. The California Residential Code will be on file for public examination in the office of the Building Official.

15.06.020 Adoption of Chapter 1, Division II, of the California Residential Code.

Except as provided in this chapter, the certain building code known and designated as the California Residential Code, Title 24, Part 2.5, 2022 Edition (CRC), as developed by the state of California, based on the 2021 International Residential Code as published by the International Code Council, shall become the administrative provisions of the City of Palm Desert for regulating the construction, erection, enlargement, alteration, repair, moving, removal, demolition, conversion, occupancy, equipment, use and maintenance of all buildings and/or structures in the city. The California Residential Code and its adopted appendices and amendments will be on file for public examination in the offices of the Building Official.

15.06.030 Amendments to the California Residential Code.

A. Amending Section R105.2 Work exempt from permit.

Building:

2. Fences not over 3 feet 6 inches (1,066.8 mm) high.

4. Retaining walls that are not over 3 feet 6 inches (1,066.8 mm) in height measured from the top of the footing to the top of the wall, unless supporting a surcharge or impounding Class I, II or IIIA liquids.

B. Amending Section R112 Board of Appeals.

R112.1 General. For all occupancies not provided for under the authority provided in the California Residential Code (CRC) Section 1.8.8.1, an appeals board shall be created, and the appeals board shall be applicable for all buildings and structures within the City of Palm Desert.

R112.2 Appeals Board Defined. The Housing Appeals Board, and the Local Appeals Board shall, for the purposes of this code, may be one in the same and shall be referred to herein throughout this code as the Appeals Board.

R112.3 Limitations on Authority. An application for appeal shall be based on a claim that the true intent of this code or the rules legally adopted thereunder have been incorrectly interpreted, the provisions of this code do not fully apply or an equally good or better form of construction is proposed. The board shall not have the authority to waive requirements of this code.

R112.4 Qualifications. The board of appeals shall consist of members who are qualified by experience and training to pass judgement on matters pertaining to building construction and not employees of the jurisdiction.

R112.5 Administration. The building official shall take immediate action in accordance with the decision of the board.

C. Amending Section R113 Violations.

R113.4 Violation Penalties. Any person, firm or corporation violating any of the provisions, regulations, requirements, additions, amendments and/or deletions of this code is guilty of a misdemeanor and the penalty for such a misdemeanor shall be as set forth in Chapter 1.12 of the Palm Desert Municipal Code.

CHAPTER 15.08
MECHANICAL CODE

Sections:

15.08.010 Adoption of the California Mechanical Code.
15.08.020 Amendments to the California Mechanical Code.

15.08.010 Adoption of the California Mechanical Code.

Except as provided in this chapter, the California Mechanical Code, Title 24, Part 4, 2022 Edition (CMC), including Chapter 1, Division II, and Appendix Chapters B, C, and D, as adopted by the State of California, based on the 2021 Uniform Mechanical Code as published by the International Association of Plumbing and Mechanical Officials (IAPMO), shall be and become the “Mechanical Code” of the City of Palm Desert, regulating and controlling the design, construction, installation, quality of materials, location, operation and maintenance of heating, ventilating, cooling, refrigeration systems, incinerators and other miscellaneous heat producing appliances. The California Mechanical Code is on file for public examination in the office of the Building Official.

15.08.020 Amendments to the California Mechanical Code.

A. Amending Section 104 Fees.

104.5 Fees. On buildings, structures, mechanical systems or alterations requiring a permit, a fee for each permit shall be paid as required, in accordance with the scheduled as established by the applicable governing authority.

B. Deleting last paragraph of Section 104.3.2 Plan Review Fees.

~~When plans are incomplete or changed so as to require additional plan review, an additional plan review fee shall be charged at the rate shown in Table 104-5.~~

C. Amending Section 105.2.6 Reinspections.

Fourth paragraph of Section 105.2.6 of the California Mechanical Code is amended to read as follows:

To obtain reinspection, the applicant shall pay a reinspection fee as set forth in a fee schedule as established by the applicable governing authority.

CHAPTER 15.10
ELECTRICAL CODE

15.10.010 Adoption of the California Electrical Code.

Except as provided in this chapter, the California Electrical Code, Title 24, Part 3, 2022 Edition (CEC), as adopted by the state of California, based on the 2020 National Electrical Code as published by the National Fire Protection Association (NFPA), shall become the "Electrical Code" of the City of Palm Desert, regulating all installation, arrangement, alteration, repair, use and other operation of electrical wiring, connections, fixtures and other electrical appliances on premises within the city. The California Electrical Code is on file for public examination in the office of the Building Official.

CHAPTER 15.12
PLUMBING CODE

Sections:

15.12.010 Adoption of the California Plumbing Code.
15.12.020 Amendments to the California Plumbing Code.

15.12.010 Adoption of the California Plumbing Code.

Except as provided in this chapter, the California Plumbing Code, Title 24, Part 5, 2022 Edition (CPC), including Chapter 1, Division II, and Appendices A, B, D, H, I, and J, as adopted by the State of California, based on the 2021 Uniform Plumbing Code as published by the International Association of Plumbing and Mechanical Officials (IAPMO), shall be and become the "Plumbing Code" of the City of Palm Desert, regulating erection, installation, alteration, repair, relocation, replacement, maintenance or use of plumbing systems within the city. The California Plumbing Code will be on file for public examination in the office of the Building Official.

15.12.020 Amendments to the California Plumbing Code.

A. Amending Section 104 Fees.

104.5 Fees. On buildings, structures, plumbing systems or alterations requiring a permit, a fee for each permit shall be paid as required, in accordance with the scheduled as established by the applicable governing authority.

B. Deleting last paragraph of Section 104.3.2 Plan Review Fees.

~~When plans are incomplete or changed so as to require additional plan review, an additional plan review fee shall be charged at the rate shown in Table 104-5.~~

C. Amending Section 105.2.6 Reinspections.

Fourth paragraph of Section 105.2.6 of the California Plumbing Code is amended to read as follows:

To obtain reinspection, the applicant shall pay a reinspection fee as set forth in a fee schedule as established by the applicable governing authority.

CHAPTER 15.14
ENERGY CODE

15.14.010 Adoption of the California Energy Code.

That certain document in book form entitled “California Energy Code, Title 24, Part 6, 2022 Edition,” including the appendices thereof, as approved and copyrighted by the “California Building Standards Commission,” 2525 Natomas Park Drive, Suite 130, Sacramento, California, 95833-2936, prescribing regulations governing the building envelope, space-conditioning system, water-heating systems, indoor lighting systems, outdoor lighting systems, and indoor and outdoor signs installations, construction, maintenance, alteration, and repair within the city, is hereby adopted by reference as the “Energy Code” of the City of Palm Desert. The California Energy Code will be on file for public examination in the office of the Building Official.

CHAPTER 15.16
SOLAR PV CODE

Sections:

15.16.010 Adoption.
15.16.020 Purposes.
15.16.030 Definitions.
15.16.040 Mandatory requirements.
15.16.050 Validity.
15.16.060 Penalties and enforcement.

15.16.010 Adoption.

That this chapter is hereby adopted by reference as the “Solar PV Code” of the City of Palm Desert, and from the date on which the ordinance codified in this chapter shall take effect, the provisions thereof shall be controlling within the corporate limits of the City of Palm Desert. The Solar PV Code will be on file for public examination in the office of the Building Official.

15.16.020 Purposes.

The purposes of this chapter are to provide minimum standards to safeguard life or limb, health, property and the public welfare by regulating and controlling the design, construction, quality of materials, use and occupancy, location and maintenance of all buildings and structures within the City of Palm Desert; to encourage and instruct people to build safely and economically, rather than to discourage building; to provide a minimum or restrictive enforcement; and to encourage good building.

15.16.030 Definitions.

Production Home means a dwelling constructed as part of a residential development of at least five homes per project that is intended or offered for sale.

Solar PV Energy System means a photovoltaic solar collector or other photovoltaic solar energy device that has a primary purpose of providing for the collection and distribution of solar energy for the generation of alternating current rated peak electricity. The installation of any solar PV energy system must meet all installation criteria of the current edition of the California Electrical Code, and must include PV panels and inverters, which are listed by the California Energy Commission.

15.16.040 Mandatory requirements.

All buildings covered by this chapter shall include the following mandatory energy measures as applicable and limited to the permitted scope of work:

1) At least one model home as part of a production home development shall be equipped with a solar PV energy system with a minimum nominal output of 2.0 kW.

2) A seller of production homes shall offer a solar PV energy system option to all customers that enter negotiations to purchase a new production home and disclose the following:

    a) The total installed cost of the solar PV energy system option; and

    b) The estimated cost savings associated with the solar energy system option as determined by current and projected future utility costs.

3) Provisions for Future Solar PV Energy Systems. A one-inch diameter electrical conduit shall be provided for installation of future solar PV energy systems. The one-inch diameter electrical conduit shall extend from a point on the exterior wall located under the southern roof exposure, to the exterior wall location adjacent to the main electrical service panel. At each location, the conduit shall terminate at a two-gang, exterior wet location rated electric junction box.

4) Energy Star Appliances Required. If provided by the developer, all the following installed appliances shall be Energy Star rated:

   a) Dishwashers.
   b) Refrigerators.
   c) Clothes washers.
   d) Clothes dryers (natural gas only).
   e) Ceiling fans.
   f) Exhaust fans.

15.16.050 Validity.

The City Council of the City of Palm Desert hereby declares that if any section, subsection, sentence, clause or phrase of this chapter or the code hereby adopted is, for any reason, held to be unconstitutional, such decision shall not affect the validity of the remaining portions of the ordinance codified in this chapter. The City Council of the City of Palm Desert hereby declares that it would have passed the ordinance codified in this chapter, and each section, subsection, clause, or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, and phrases be declared unconstitutional.

15.16.060 Penalties and enforcement.

a) Each violation of the provisions of this chapter shall constitute a misdemeanor and shall be punishable by imprisonment in the County Jail for up to six months, or by a fine of up to one thousand dollars, or both. Each day that a violation continues shall be deemed a new and separate offense.

b) The Building Official shall have the authority to enforce this chapter as specified in Chapter 1.12 of the Palm Desert Municipal Code, including, but not limited to, the authority to order that work be stopped where any work is being done contrary to the provisions of this chapter.

CHAPTER 15.17
RESIDENTIAL SOLAR PV PERMITS CODE

Sections:

15.17.010 Adoption
15.17.020 Purpose
15.17.030 Definitions
15.17.040 Mandatory requirements
15.17.050 Validity

15.17.010 Adoption

The ordinance codified in this chapter is hereby adopted by reference as “Residential Solar PV Permits” of the City of Palm Desert, and from the date on which the ordinance codified in this chapter shall take effect, the provisions thereof shall be controlling within the corporate limits of the City of Palm Desert.

15.17.020 Purpose

The purpose of this chapter is to provide for an expedited, streamlined solar permitting process that complies with the Solar Rights Act, including California Civil Code section 714 and California Government Code section 65850.5, as amended, and as outlined in the California Solar Permitting Guidebook. This action provides timely and cost-effective installations of small residential rooftop solar energy systems. This chapter encourages the use of solar systems by removing unreasonable barriers, minimizing costs to property owners and the City of Palm Desert, and expanding the ability of property owners to install solar energy systems. This chapter allows the City of Palm Desert to achieve these goals while protecting the public health and safety.

15.17.030 Definitions

The following words and phrases as used in this chapter are defined as follows:

Electronic submittal means the utilization of one or more of the following:

1. E-mail.
2. Internet or jurisdictional permitting software.
3. Facsimile.

Small residential rooftop solar energy system means all the following:

1. A solar energy system that is no larger than ten kilowatts alternating current nameplate rating or thirty kilowatts thermal.

2. A solar energy system that conforms to all applicable state fire, structural, electrical, and other building codes as adopted or amended by the city and paragraph (iii) of subdivision (c) of Section 714 of the Civil Code, as such section or subdivision may be amended, renumbered, or redesignated from time to time.

3. A solar energy system that is installed on a single or duplex family dwelling.

4. A solar panel or module array that does not exceed the maximum legal building height as defined by the City of Palm Desert.

Solar energy system has the same meaning set forth in paragraphs (1) and (2) of subdivision (a) of Section 801.5 of the Civil Code, as such section or subdivision may be amended, renumbered, or redesignated from time to time.

15.17.040 Mandatory requirements

Section 65850.5 of the California Government Code provides that, on or before September 30, 2015, every city, county, or city and county shall adopt an ordinance that creates an expedited, streamlined permitting process for small residential rooftop solar energy systems.

Section 65850.5 of the California Government Code provides that in developing an expedited permitting process, the city, county, or city and county shall adopt a checklist of all requirements with which small rooftop solar energy systems shall comply to be eligible for expedited review. The building official is hereby authorized and directed to develop and adopt such checklist. As required by Section 65850.5, the small residential rooftop solar energy system permit process to be adopted by the building official, including the standard plan(s), and checklist(s), shall substantially conform to recommendations for expedited permitting contained in the most current version of the California Solar Permitting Guidebook adopted by the Governor's Office of Planning and Research.

The checklist shall be published on the city's Internet website. The applicant may submit the permit application and associated documentation to the City's Permitting Center in person, mailed, or electronic submittal together with any required permit processing and inspection fees. In the case of electronic submittal, the electronic signature of the applicant on all forms, applications and other documentation may be used in lieu of a wet signature.

Prior to submitting an application, the applicant shall:

A. Verify to the applicant's reasonable satisfaction and through the use of standard engineering evaluation techniques that the support structure for the small residential rooftop solar energy system is stable and adequate to transfer all wind, seismic, and dead and live loads associated with the system to the building foundation; and

B. At the applicant's cost, verify to the applicant's reasonable satisfaction using standard electrical inspection techniques that the existing electrical system including existing line, load, grounding and bonding wiring, as well as main panel and subpanel sizes, are adequately sized, based on the existing electrical system's current use, to carry all new photovoltaic electrical loads.

For a small residential rooftop solar energy system eligible for expedited review, only one inspection shall be required, which shall be done in a timely manner and may include a consolidated inspection by the Building Official and Fire Chief. If a small residential rooftop solar energy system fails inspection, a subsequent inspection is authorized;

however, the subsequent inspection need not conform to the requirements of this subsection.

An application that satisfies the information requirements in the checklist, as determined by the Building Official, shall be deemed complete. Upon receipt of an incomplete application, the building official shall issue a written correction notice detailing all deficiencies in the application and any additional information required to be eligible for expedited permit issuance.

Upon confirmation by the Building Official of the application and supporting documentation being complete and meeting the requirements of the checklist, the building official shall, in a timely manner, administratively approve the application and issue all required permits or authorizations. Such approval does not authorize an applicant to connect the small residential rooftop energy system to the local utility provider's electricity grid. The applicant is responsible for obtaining such approval or permission from the local utility provider.

A city, county, or city and county shall not condition approval for any solar energy system permit on the approval of a solar energy system by an association, as that term is defined in Section 4080 of the Civil Code.

15.17.050 Validity

The City Council of the City of Palm Desert hereby declares that should any section, subsection, sentence, clause or phrase of this chapter or the code hereby adopted is, for any reason, held to be unconstitutional, such decision shall not affect the validity of the remaining portions of the ordinance codified in this chapter. The City Council of the City of Palm Desert hereby declares that it would have passed the ordinance codified in this chapter, and each section, subsection, clause, or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, and phrases be declared unconstitutional.

CHAPTER 15.18
GREEN BUILDING STANDARDS CODE

15.18.010 Adoption of the California Green Building Standards Code.

That certain document in book form entitled California Green Building Standards Code, Title 23 Part 11, Chapters 4 and 5, known as CALGreen, as amended, (CGBSC), copyrighted by the "California Building Standards Commission," 2525 Natomas Park Drive, Suite 130, Sacramento, California, 95833-2936, prescribing regulating public health, safety and general welfare by enhancing the design and construction of buildings through the use of building concepts having a reduced negative impact, or positive environmental impact and encouraging sustainable construction practice within the city, are hereby adopted by reference as the "Green Building Code" of the City of Palm Desert, and from the date on which the ordinance codified in this chapter shall take effect, the

provisions thereof shall be controlling within the corporate limits of the City of Palm Desert. The California Green Building Standards Code will be on file for public examination in the office of the Building Official.

CHAPTER 15.20
HISTORICAL CODE

15.20.010 Adoption of the California Historical Building Code.

Except as provided in this chapter, the California Historical Building Code, Title 24, Part 8, 2022 Edition, (CHBC), copyrighted by the "California Building Standards Commission," 2525 Natomas Park Drive, Suite 130, Sacramento, California, 95833-2936, prescribing regulations for the preservation, restoration, rehabilitation, relocation or reconstruction of buildings or properties designated as qualified historical building or properties within the city, are hereby adopted by reference as "the Historical Code" of the City of Palm Desert, and from the date on which the ordinance codified in this chapter shall take effect, the provisions thereof shall be controlling within the corporate limits of the City of Palm Desert. The California Historical Building Code will be on file for public examination in the office of the Building Official.

CHAPTER 15.22
HOUSING CODE

15.22.010 Adoption of the Uniform Housing Code.

Except as provided in this chapter, known and designated as the Uniform Housing Code, 1997 Edition, (UHC), continues as the adopted reference in the state Housing Law, Title 25, CCR, Division 1, Chapter 1, Subchapter 1, Section 32 for the enforcement of use, maintenance and occupancy requirements by local code enforcement agencies. The Housing Code will be on file for public examination in the office of the building official. (Ord. 1351 § 2, 2019)

15.22.020 Amendments.

The Uniform Housing Code, 1997 Edition, (UHC), with California amendments in the state Housing Law, Title 25, CCR, Division 1, Chapter 1, Subchapter 1, Section 32. Only Chapters 4, 5, 6 and Sections 701.2 and 701.3 of the 1997 UHC are adopted and applicable. (Ord. 1351 § 2, 2019)

CHAPTER 15.24
EXISTING BUILDING CODE

15.24.010 Adoption of the California Existing Building Code

Except as provided in this chapter, the California Existing Building Code, Title 24, Part 10, 2022 Edition, (CEBC), based on the 2021 International Existing Building Code, as

adopted by the State of California, as published by the International Code Council (ICC), shall become the "Existing Building Code" of the City of Palm Desert for the purpose of regulating the Seismic Strengthening Provisions for Unreinforced Masonry Bearing Wall Buildings, in existing buildings in the City. The California Existing Building Code will be on file for public examination in the office of the Building Official.

CHAPTER 15.26
FIRE CODE

Section:

15.26.010 Adoption of the California Fire Code
15.26.060 Outdoor Fires Prohibited

15.26.010 Adoption of the California Fire Code

Section 1

FINDINGS. The City of Palm Desert finds the following:

A. Every three years the state of California adopts a new California Fire Code, as part of the California Building Standards Code, which becomes effective as to Riverside County one hundred eighty days after publication by the California Building Standards Commission.

B. The International Fire Code has been published and adopted, as amended, by the California Building Standards Commission into the California Code of Regulations as Title 24, Part 9, titled the California Fire Code.

C. Riverside County may establish more restrictive standards reasonably necessary to provide fire protection for life and property because of local climatic, geological, or topographical conditions.

D. Riverside County has an arid climate with annual rainfall varying from three inches in Blythe to over thirty-three inches in Pine Cove. The County also experiences annual hot, dry Santa Ana Winds, which contribute to fires spreading quickly throughout the County.

E. A variety of regions exist within Riverside County including deserts, mountains, brush covered wild lands, the Salton Sea, and agricultural lands. Additionally, elevations within Riverside County range from three hundred feet below sea level to mountains over ten thousand feet. This variety in regions contributes to an increased emergency response time, which necessitates cooperation between local agencies.

F. Riverside County contains a large number of sensitive habitats for various species and vegetation, consists of large open space areas between major urban centers and includes landscapes varying from mountains and hills to valleys and deserts. These

conditions impact building and structure location, which impedes emergency access and response.

G. Riverside County extends from Orange County to the state of Arizona and is mixed with congested urban areas, rural lands and wild lands, which increase Riverside County Fire Department response times to emergencies.

H. Two major earthquake faults, the San Andreas Fault and the San Jacinto Fault, bisect Riverside County and numerous minor faults exist throughout it. As a result, a substantial amount of property and persons located in Riverside County are likely to be impacted by earthquakes and will require emergency response and rescue.

I. The topography within Riverside County extends from flat to twenty-five percent slope for habitable land, which causes buildings and structures to be located in unique areas that impact emergency response and access.

J. In addition to earthquakes, a substantial amount of property and persons located in Riverside County are likely to be impacted by landslides, wind erosion, blown sand, flooding and wildfires because of the County's unique climatic, geological, and topographical conditions.

K. The additional requirements included herein are necessary to properly protect the health, safety and welfare of the residents and workers of Riverside County.

L. Revenue shortages make it difficult to locate additional fire stations and provide staffing sufficient to control fires in single and multi-story retail, commercial and industrial buildings, making enhanced built-in protection necessary.

M. The sections of the California Fire Code may be referred to by the same number used in said published compilation preceded by the words "Riverside County Fire Code Section" or "Fire Code Section."

2022 CODE SECTION	TITLE/SUBJECT	FINDINGS I, II, III
101.4	Severability	Administrative
102.5	Application of residential code	I, II & III
104.1.1	Authority of the Fire Chief and Fire Department	Administrative
104.7 and 104.7.1	Liability	Administrative
104.13	Authority of the Fire Chief to close hazardous fire areas	Administrative
107.2	Schedule of permit fees	Administrative
107.7	Cost Recovery	Administrative
111.1	Board of Appeals established	Administrative
112.4	Violation and Penalties	Administrative
202	Fire Chief	Administrative
308.1.6.3	Sky Lanterns or similar devices	I, II & III
503.2.1	Dimensions	Administrative
503.2.2	Authority	Administrative
503.6.1	Automatic opener	Administrative

503.7	Loading areas and passenger drop-off areas	Administrative
507.5.7	Fire hydrant size and outlets	I & III

Table Continued

2022 CODE SECTION	TITLE/SUBJECT	FINDINGS I, II, III
507.5.8	Fire hydrant street marker	I, II & III
508.1, 508.1.1, 508.1.3	Fire command center	I, II & III
509.2.1	Minimum clearances	I & III
608.11.1.2	Manual operation	II & III
903.2	Where required (automatic sprinkler systems)	I, II & III
903.3.5.3	Hydraulically calculated systems	I & II
3204.2.1	Minimum requirements for client leased or occupant owned warehouses	Administrative
4904.2.1	High Fire Hazard Severity Zone Maps	Administrative
App Ch B, Table B105.2	Fire-Flow - Buildings other than one- or two-family dwellings	I, II & III
App Ch C, C103.1	Hydrant spacing	I, II & III

Section 2

PURPOSE. The purpose of this chapter is to adopt the 2022 California Fire Code, California Code of Regulations, Title 24, Part 9, as amended, to govern the safeguarding of life and property from fire, explosion hazards and hazardous conditions and to regulate the issuance of permits and collection of fees.

Section 3

AUTHORITY. This chapter is adopted pursuant to Health and Safety Code Sections 17958, 17958.5, 17958.7 and 18941.5 which allow a city or county to adopt modifications or changes to the California Fire Code that are reasonably necessary because of local climatic, geological, and topographical conditions.

Section 4

APPLICATION AND ADOPTION OF THE CALIFORNIA FIRE CODE. Except as stated in this section or as amended below in subsection E of this section, all of the provisions and appendices of the 2022 California Fire Code, inclusive of all of the inclusions and exclusions set forth in each chapter's matrix, are hereby adopted and shall apply to the City of Palm Desert. In addition, the following provisions that are excluded in the 2022 California Fire Code are hereby adopted - Chapter 1, Division II of the California Fire Code is hereby adopted, except that Sections 103.2 and 111.3 are not adopted, and Chapters 3,25, and Sections 403.11, 503, 510.2, 1103.2 and 5707 are adopted.

Section 5

AMENDMENTS TO THE CALIFORNIA FIRE CODE:

A. SCOPE OF GENERAL REQUIREMENTS

1. Section 101.4 of the California Fire Code is deleted in its entirety and replaced with

the following:

101.4 Severability. If any provision, clause, sentence or paragraph of this ordinance or the application thereof to any person or circumstances shall be held invalid, such invalidity shall not affect the other provisions of this ordinance which can be given effect without the invalid provision or application, and to this end, the provisions of this ordinance are hereby declared to be severable.

B. APPLICABILITY

1. Section 102.5 of the California Fire Code is amended as follows:

102.5 Application of residential code. Where structures are designed and constructed in accordance with the California Residential Code, the provisions of this code shall apply as follows:

1. Construction and design provisions of this code pertaining to the exterior of the structure shall apply including, but not limited to, premises identification, fire apparatus access and water supplies. Where interior or exterior systems or devices are installed, construction permits required by Section 105.6 of this code shall apply.

2. Administrative, operational and maintenance provisions of this code shall apply.

3. Automatic fire sprinkler system requirements of this code shall apply to detached accessory buildings 3,000 square feet or greater in accordance with Section 903.2. The provisions contained in Section 903.2.18 of the California Fire Code or Section R309.6 of the California Residential Code may be used for the design of the automatic fire sprinkler system for detached private garages.

C. GENERAL AUTHORITY AND RESPONSIBILITIES

1. A new Section 104.1.1 is added to Section 104.1 of the California Fire Code to read as follows:

104.1.1 Authority of the Fire Chief and Fire Department

1. The Fire Chief is authorized and directed to enforce all applicable State fire laws and provisions of this ordinance and to perform such duties as directed by the city Council.

2. The Fire Chief is authorized to administer, interpret, and enforce this ordinance. Under the Fire Chief's direction, the Riverside County Fire Department is authorized to enforce ordinances of the city of Palm Desert pertaining to the following:

2.1 The prevention of fires.
2.2 The suppression or extinguishment of dangerous or hazardous fires.
2.3 The storage, use and handling of hazardous materials.
2.4 The installation and maintenance of automatic, manual, and other private fire alarm systems and fire extinguishing equipment.
2.5 The maintenance and regulation of fire escapes.
2.6 The maintenance of fire protection and the elimination of fire hazards on land, in buildings, structures and other property, including those under construction.
2.7 The maintenance of means of egress.
2.8 The investigation of the cause, origin and circumstances of fire and unauthorized releases of hazardous materials.

3. The following persons are hereby authorized to interpret and enforce the provisions of this ordinance and to make arrests and issue citations as authorized by law:

3.1 The Unit Chief, Peace Officers and Public Officers of the California Department of Forestry and Fire Protection.
3.2 The Fire Chief, Peace Officers, and Public Officers of the Riverside County Fire Department.
3.3 The Riverside County Sheriff and any deputy sheriff.
3.4 The Police Chief and any police officer of any city served by the Riverside County Fire Department.
3.5 Officers of the California Highway Patrol.
3.6 Code Officers of the City of Palm Desert Code Enforcement Department.
3.7 Peace Officers of the California Department of Parks and Recreation.
3.8 The law enforcement officer of the Federal Bureau of Land Management.

2. Sections 104.7 and 104.7.1 are deleted in their entirety and replaced with the following:

104.7 Liability. Any liability against Riverside County or the City of Palm Desert or any officer or employee for damages resulting from the discharge of their duties shall be as provided by law.

3. A new section 104.13 is added to Section 104 of the California Fire Code to read as follows:

104.13 Authority of the Fire Chief to close hazardous fire areas. Except upon National Forest Land, the Fire Chief is authorized to determine and announce the closure of any hazardous fire area or portion thereof. Any closure by the Fire Chief for a period of more than fifteen (15) calendar days must be approved by the Riverside County Board of Supervisors and/or the City Council within fifteen (15) calendar days of the Fire Chief's original order of closure. Upon such closure, no person shall go in or be upon any

hazardous fire area, except upon the public roadways and inhabited areas. During such closure, the Fire Chief shall erect and maintain at all entrances to the closed area sufficient signs giving notice of closure. This section shall not prohibit residents or owners of private property within any closed area, or their invitees, from going in or being upon their lands. This section shall not apply to any entry, in the course of duty, by a peace officer, duly authorized public officer or fire department personnel. For the purpose of this section, “hazardous fire area” shall mean public or private land that is covered with grass, grain, brush or forest and situated in a location that makes suppression difficult resulting in great damage. Such areas are designated on Hazardous Fire Area maps filed with the office of the Fire Chief.

D. FEES

1. Section 107.2 of the California Fire Code is deleted in its entirety and replaced with the following:

107.2 Schedule of permit fees. Fees for services and permits shall be as set forth in the city of Palm Desert fee schedule.

1. A new Section 107.7 is added to Section 106 of the California Fire Code to read as follows:

107.7 Cost recovery. Fire suppression, investigation, rescue, or emergency medical costs are recoverable in accordance with Health and Safety Code Sections 13009 and 13009.1, as may be amended from time to time. Additionally, any person who negligently, intentionally or in violation of law causes an emergency response, including, but not limited to, a traffic accident, spill of toxic or flammable fluids or chemicals is liable for the costs of securing such emergency, including those costs pursuant to Government Code Section 53150, et seq., as may be amended from time to time. Any expense incurred by the Riverside County Fire Department for securing such emergency shall constitute a debt of such person and shall be collectable by Riverside County in the same manner as in the case of an obligation under contract, express or implied.

E. BOARD OF APPEALS

1. Section 111.1 of the California Fire Code is deleted in its entirety and replaced with the following:

111.1 Board of appeals established. The Board of Appeals shall be the City Manager. If he or she determines an outside board is needed, he or she shall designate an outside hearing officer to hear the appeal. The Fire Chief shall be notified of any appeal and the Fire Chief or designee shall be in attendance at the appeal hearing. Depending on the subject of the appeal, specialized expertise may be solicited, at the expense of the applicant, for the purpose of providing input to the Appeals Board.

F. VIOLATIONS

1. Violations. Section 110.4 of the California Fire Code is deleted in its entirety and replaced with the following:

112.4 Violation and penalties. It shall be unlawful for any person, firm, corporation, or association of persons to violate any provision of this ordinance, or to violate the provisions of any permit granted pursuant to this code or Ordinance. Punishments and penalties for violations shall be in accordance with the City of Palm Desert ordinances, fee schedule and Health and Safety Code Sections 17995 through 17995.5.

G. DEFINITIONS

1. Definition. Section 202, definition of “Fire Chief” in the California Fire Code is deleted in its entirety and replaced with the following:

FIRE CHIEF. The Fire Chief of Riverside County or the Fire Chief’s designee.

H. OPEN FLAMES

1. Open Flames. Section 308.1.6.3 of the California Fire Code is deleted in its entirety and replaced with the following:

308.1.6.3 Sky lanterns or similar devices. A person shall not release or cause to be released a sky lantern or similar device.

I. FIRE APPARATUS ROADS

1. Section 503.2.1 of the California Fire Code is deleted in its entirety and replaced with the following:

503.2.1 Dimensions. Fire apparatus access roads shall have an unobstructed width of not less than 24 feet (7315 mm), exclusive of shoulders, except for approved security gates in accordance with Section 503.6, and an unobstructed vertical clearance of not less than 13 feet 6 inches (4115 mm). For additional requirements or alternatives see Riverside County Fire Department Standards and Policies, as may be amended from time to time.

1. Section 503.2.2 of the California Fire Code is deleted in its entirety and replaced with the following:

503.2.2 Authority. The fire code official shall be the only authority authorized to designate fire apparatus access roads and fire lanes and to modify the minimum fire lane access widths for fire or rescue operations.

1. A new Section 503.6.1 is added to Section 503.6 of the California Fire Code to read as follows:

503.6.1 Automatic opener. New motorized gates shall be provided with means to be automatically opened remotely by emergency vehicle in accordance with Riverside County Fire Department Standards and Policies, as may be amended from time to time.

Exception: Gates serving individual one- and two-family dwelling parcels.

4. A new Section 503.7 is added to Section 503 of the California Fire Code to read as follows:

503.7 Loading areas and passenger drop-off areas. On private properties, where fire apparatus access roads are utilized for loading or unloading or utilized for passenger drop-off or pick-up, an additional eight (8) feet of width shall be added to the minimum required width for the fire apparatus access road.

J. FIRE PROTECTION AND WATER SUPPLIES

1. A new Section 507.5.7 is added to Section 507 of the California Fire Code to read as follows:

507.5.7 Fire hydrant size and outlets. As determined by the fire code official, fire hydrant sizes and outlets shall be based on the following:

1. Residential Standard – one (1) four (4) inch outlet and one (1) two and half (2 ½) inch outlet.
2. Super Hydrant Standard – one (1) four (4) inch outlet and two (2) two and one half (2 ½) inch outlet.
3. Super Hydrant Enhanced – two (2) four (4) inch outlet and one (1) two and one half (2 ½) inch outlet.

2. A new Section 507.5.8 is added to Section 507 of the California Fire Code to read as follows:

507.5.8 Fire hydrant street marker. Fire hydrant locations shall be visually indicated in accordance with Riverside County Fire Department Technical Policy 06-11, as may be amended from time to time. Any hydrant marker damaged or removed during the course of street construction or repair shall be immediately replaced by the contractor, developer or person responsible for removal or damage.

K. Fire Command Center.

1. Section 508.1 of the California Fire Code is deleted in its entirety and replaced with the following:

508.1 General. Where required by other sections of this code and in all buildings classified as high-rise buildings by the California Building Code, in all buildings greater than 300,000 square feet in area and in Group I-2 occupancies having occupied floors located more than 75 feet above the lowest level of fire department vehicle access, a fire command center for fire department operations shall be provided and comply with Sections 508.1.1 through 508.1.7.

2. Section 508.1.1 of the California Fire Code is deleted in its entirety and replaced with the following:

508.1.1 Location and access. The fire command center shall be located adjacent to the main lobby and shall be accessible from fire department vehicular access or as approved by the fire code official. The room shall have direct access from the building exterior at the lowest level of fire department access.

3. Section 508.1.3 of the California Fire Code is amended as follows:

508.1.3 Size. The fire command center shall be not less than 0.015 percent of the total building area of the facility served or 200 square feet (19 m2) in area, whichever is greater, with a minimum dimension of 0.7 times the square root of the room area or 10 feet (3048 mm), whichever is greater.

Exception: A fire command center solely required because a building is greater than 300,000 square feet in area shall be a minimum of 96 square feet (9 m2) with a minimum dimension of 8 feet (2438mm).

L. FIRE PROTECTION AND UTILITY EQUIPMENT IDENTIFICATION AND LOCATION

1. Section 509.2.1 of the California Fire Code is amended to add the following:

509.2.1 Minimum clearances. A 3-foot (914 mm) clear space shall be maintained around the circumference of exterior fire protection system control valves, or any other exterior fire protection system component that may require immediate access, except as otherwise required or approved.

M. MECHANICAL REFRIGERATION

1. Section 608.11.1.2 of the California Fire Code is deleted in its entirety and replaced with the following:

608.11.1.2 Manual operation. When required by the fire code official, automatic crossover valves shall be capable of manual operation. The manual valves shall be located in an approved location immediately outside of the machinery room in a secure metal box or equivalent and marked as Emergency Controls.

N. AUTOMATIC FIRE SPRINKLER SYSTEMS

1. Section 903.2 of the California Fire Code is deleted in its entirety and replaced with the following:

903.2 Where required. In all new buildings and structures which are 3,000 square feet or greater, or where the combination of new additional square footage and existing square footage exceeds 3,000 square feet, an approved automatic sprinkler system shall be provided regardless of occupancy classification. The fire-resistive walls shall not be considered for reducing the fire area of the building and structures for the purposes of this section. Where the Sections 903.2.1 – 903.2.21 of the California Fire Code require more restrictive requirements than those listed below, the more restrictive requirement shall take precedence

Exception: Unless required elsewhere in this code or the California Building Code, automatic fire sprinkler systems shall not be required for the following:

1. Detached Group U occupancies used for agricultural purposes constructed in accordance with the California Building Code.

2. Detached non-combustible equestrian arena shade canopies that are open on all sides and used for riding only - no commercial, assembly or storage uses.

3. Detached fabric or non-combustible shade structures that are open on all sides and used to shade playground equipment, temporary storage of vehicles and dining areas with no cooking.

4. Where determined by the Fire Chief that no major life safety hazard exists, and the fuel load does not pose a significant threat to firefighter safety or to other structures or property, automatic fire sprinklers may be exempted.

One- and two-family dwellings shall have an automatic fire sprinkler system regardless of square footage in accordance with the California Residential Code. Fire sprinkler systems shall be installed in mobile homes, manufactured homes, and multifamily manufactured homes with two dwelling units in accordance with Title 25 of the California Code of Regulations.

The following exceptions in the California Fire Code shall not be allowed:

a. Exception in Section 903.2.3
b. Exception 2 in Section 903.2.11.3

2. A new Section 903.3.5.3 is added to Section 903 of the California Fire Code to read as follows:

903.3.5.3 Hydraulically calculated systems. The design of hydraulically calculated fire sprinkler systems shall not exceed 90% of the water supply capacity.

O. DESIGNATION OF HIGH-PILED STORAGE

1. A new section is added to Section 3204.2 of the California Fire Code to read as follows:

3204.2.1 Minimum requirements for client leased or occupant owned warehouses. Designs of an automatic sprinkler system for client leased or occupant owned buildings containing high pile storage shall be based on the requirements of NFPA 13. The responsible fire protection engineer shall perform a survey of the building to determine commodity classification, storage configuration, building height and other information related to the development of an appropriate sprinkler system design. The fire protection engineer shall also make reasonable efforts to meet with the building owner or operator to understand seasonal or customer related fluctuations to the stored commodities, storage height, and configuration. The sprinkler design shall be based on the most demanding requirements determined through the onsite survey and discussions with the building owner or operator. The technical report shall describe the basis for determining the commodity and sprinkler design selection, how the commodities will be isolated or separated, and include references to the design document(s), including NFPA 13 or the current applicable factory mutual data sheets. If a specific fire test is used as the basis of design, a copy of the fire test report shall be provided at the time of plan review.

P. FIRE HAZARD SEVERITY ZONES

1. A new Section 4904.3 is added to Section 4904 of the California Fire Code to read as follows:

4904.3 High Fire Hazard Severity Zone Maps. In accordance with Government Code Sections 51175 through 51189, Very High Fire Hazard Severity Zones (VHFHSZ), located in the Local Responsibility Areas (LRA), are designated as shown on the most recently published VHFHSZ IN LRA map, as recommended and published by the Director of the California Department of Forestry and Fire Protection (CAL FIRE), which may be revised from time to time. The most recent VHFHSZ IN LRA map is on file at the office of the Fire Chief, which supersedes other maps previously adopted designating high fire hazard areas.

Q. APPENDIX B

1. **Table B105.2 of the California Fire Code is amended as follows:**

TABLE B105.2 - REQUIRED FIRE-FLOW FOR BUILDINGS OTHER THAN ONE- AND TWO-FAMILY DWELLINGS, GROUP R-3 AND R-4 BUILDINGS AND TOWNHOUSES AUTOMATIC SPRINKLER SYSTEM

AUTOMATIC SPRINKLER SYSTEM (Design Standard)	MINIMUM FIRE-FLOW (gallons per minute)	FLOW DURATION (hours)
No automatic sprinkler system	Value in Table B105.1(2)	Duration in Table B105.1(2)
Section 903.3.1.1 of the *California Fire Code*	50% of the value in Table B105.1(2)	Duration in Table B105.1(2) at the reduced flow rate
Section 903.3.1.2 of the *California Fire Code*	50% of the value in Table B105.1(2)	Duration in Table B105.1(2) at the reduced flow rate

For SI: 1 gallon per minute = 3.785 L/m.

a. The reduced fire-flow shall be not less than 1,000 gallons per minute.
b. The reduced fire-flow shall be not less than 1,500 gallons per minute.

R. APPENDIX C

1. Section C103.1 of the California Fire Code is deleted in its entirety and replaced with the following:

C103.1 Hydrant spacing. Fire apparatus access roads and public streets providing required access to buildings in accordance with Section 503 of the International Fire Code shall be provided with one or more fire hydrants, as determined by Section C102.1. Where more than one fire hydrant is required, the distance between required fire hydrants shall be in accordance with Sections C103.2 and C103.3. Fire hydrants shall be provided at street intersections.

CHAPTER 15.28
ADDRESS NUMBERING

Sections:

15.28.010 Rules and regulations for street address numbers
15.28.020 Street address numbers size and height
15.28.025 Entrance numbers
15.28.030 Street address numbers responsibility
15.28.040 Street address numbers designation
15.28.050 Correcting erroneous numbers
15.28.060 Unnumbered buildings and obliterated/obstructed numbers
15.28.070 Violation—Penalty.

15.28.010 Rules and regulations for street address numbers

The Building Official shall adopt such reasonable rules and regulations as are necessary to implement the street address number provisions of this article codified in this chapter.

15.28.020 Street address numbers size and height

The City of Palm Desert, Building and Safety Division, shall provide a street address to all buildings used for residential, commercial, industrial, institutional, or governmental purposes. New and existing buildings shall have approved street address numbers, building numbers or approved building identification placed in a position that is plainly legible and visible from the street or road fronting the property. The minimum dimensions of any street address number designated by the Building Official shall be as shown in Table 15.28.020A.

TABLE 15.28.020A					
Distance From Street to Building		Minimum Figure Size			
Over	To	Height	Width	Stroke of Line	Building Placement (Maximum Height)
0’	10’	6”	2”	½”	8’
11’	25’	6”	2 ¼”	½”	10’
26’	35’	7”	2 ½”	½”	12’
36’	45’	10”	3”	⅝”	14’
46’	55’	10”	3 ½”	¾”	16’
56’	65’	10”	4”	¾”	18’
66’	75’	10”	4 ½”	⅞”	20’
76’	85’	12”	5”	1”	22
86’	95’	12”	5 ½”	1 ⅛”	24’
96’	200’	12”	6”	1 ¼”	26’

Stroke of Line – Helvetica Bold or Equal. Design (including shape and style) as well as location of the street address numbers shall be such that they are legible and easily readable. The Building Official may prescribe a street address number larger in size than stated in Table 15.28.020A when determined that lighting conditions, building locations, shadows, background, or readable from the street or approach to the entrance. A street address number of unusual design or placement may not be employed without prior written approval of the Building Official.

15.28.025 Entrance numbers

All entrance numbers from the public streets or parking lots in the city to residential, commercial, or multiple tenant buildings shall be numbered as hereafter provided. Building address number and or suite unit number of each and every entrance shall be placed upon, or immediately above or adjacent to the door or gate closing of said entrance where multi-numbered street addresses exist on a site. Single numbered street addresses on a building will only require the suite number immediately above or adjacent to the door or gate of said entrance. Each figure of said number shall be no less than four inches in height and of corresponding width. (See Section 15.28.020.) The owner, agent

or other person shall cause said building to be numbered in accordance with the building official or designee within thirty days. Results of the Building Official's decision shall be filed with each address record.

Exception: Numbers for single family residences less than thirty feet from the curb to front of building may be a minimum of four inches high by one and one-half inches wide. Notwithstanding the above, the Building Official may set forth different standards on a case-by-case consideration to comply with the intent of this chapter.

15.28.030 Street address numbers responsibility

Every person having ownership, possession, custody, control or charge of any building structure or parking lot shall have and maintain the established street address number thereon upon or near each entrance from a street of the city, and from any other public access way, in the manner and location designated by the building official or designee. "Access way" shall include, but not be limited to, any alley, stairway, driveway, or walkway.

15.28.040 Street address numbers designation

Installation, change, substitution, or removal of any existing or subsequently designated street address number shall be completed within thirty days after receipt by the owner, occupant, lessee, tenant, subtenant, fiduciary or custodian of such building, structure or parking lot, or any person or agent in charge thereof, of a written notice containing appropriate instructions therefor, from the Building Official.

15.28.050 Correcting erroneous numbers

In cases where incorrect numbers have been placed and remain or shall hereafter be placed on any house or building, the owner, agent, or other person shall, upon notification by the Building Official, correct the erroneous numbers within thirty days after official notification.

15.28.060 Unnumbered buildings and obliterated/obstructed numbers

In cases where a building or structure remains unnumbered or where a building or structure may have been numbered and the number since lost or destroyed or defaced as to be unintelligible from right-of-way, the owner, agent, or other person will cause said building or structure to be numbered in accordance with the official notification of the building official within thirty days. All numbered street addresses must be kept clear from all obstructions, including, but not limited to, vegetation, signs, banners, and vehicles.

15.28.070 Violation—Penalty

It is unlawful for any person to violate any provision or fail to comply with any of the requirements of this chapter. Any person violating any provision of the chapter or failing

to comply with any of the requirements is deemed guilty of a violation of Chapter 1.12 of the code of Palm Desert, California.

CHAPTER 15.30
CONSTRUCTION SITE SECURITY

Sections:

15.30.010 Construction site security
15.30.020 New construction
15.30.030 Requirements to receive a building permit.

15.30.010 Construction site security

A. The owner, contractor or responsible party constructing a new building, addition, alteration, or demolition to an existing building shall maintain security measures as deemed necessary or as required by the Building Official to control vandalism, fires, blowing dust, sand, or debris.

B. Perimeter security fencing is required along all property lines. Fencing shall be a minimum six feet high with a minimum ninety-four percent blackout heavy-duty plastic screening. The number of access points onto the site shall be minimized, and where feasible, situated in locations that are highly visible from an adjacent street. Vehicle and pedestrian gates and openings shall have gates secured after hours of operation. Locking gates shall be secured with minimum 3/8-inch thick, 30-grade coil chain, or minimum 5/16-inch cable. The perimeter security fencing shall be maintained and remain in place through the duration of the project or until a permanent wall/fencing is installed.

C. The owner, contractor or responsible party constructing a new building, addition, alteration, or demolition to an existing building shall keep the construction site clean by having adequately sized discarded materials containers placed on the site for the depositing of discarded materials. For the purpose of this section, discarded materials shall have the same meaning as in Chapter 8.16, and shall include those substances that may be accumulated as a result of construction activities.

D. In accordance with Section 15.18.010 the owner, contractor or responsible party will meet diversion requirements as specified in Chapters 4 and 5 of the California Green Building Code, 23 CCR, Part 11. Containers, as defined in Chapter 8.16 of this municipal code, shall remain on the construction site until the building inspector has completed the final inspection or has approved the removal of the container. Said container shall be emptied of its contents on a regular schedule or as ordered by the building inspector in order to avoid blowing debris or other public nuisances.

E. Disposal shall be by transportation to a legally established recovery, processing, or disposal site by the city's franchise waste hauler or other person authorized by law to remove any container from the location where the person in charge for storage and collection placed the container.

F. Refusal to comply with the provisions of this section shall be deemed a misdemeanor or infraction and is punishable as stipulated in Chapter 1.12 of this code. The noncompliance can be sufficient cause for the revocation of the issued building permit.

15.30.020 New construction

Persons applying for a permit from the city for new construction and building additions and alternations shall comply with the adequate container space requirements of Section 8.12.030 and applicable required components of the California Green Building Standards Code, 24 CCR, Part 11, known as CALGreen, as amended, if its project is covered by the scope of CALGreen. If the requirements of CALGreen are more stringent than the container enclosure requirements of Section 8.12.030, the CALGreen requirements shall apply.

15.30.030 Requirements to receive a building permit

Prior to the issuance of a building permit for all new projects requiring a building permit, the proponent of the project shall obtain the review and approval of the city manager or their designee of a plan depicting the recyclable materials and/or organic materials collection area or areas for the project. The plan shall comply with the following provisions:

A. Location. recyclable materials and/or organic materials collection areas may be located either indoors or outdoors and may be included as part of the same enclosure where solid waste is collected. In no case shall any recyclable materials and/or organic materials collection area be farther from a dwelling unit or structure than the solid waste collection area which serves the same dwelling unit or structure.

B. Signage. Collection areas and containers shall be clearly labeled to indicate the type and condition of discarded materials accepted.

C. Space Allocation Based on an Approved Recycling Plan. In lieu of having specific collection area space allocation tables or formulas, and to allow maximum flexibility, a recycling plan may be submitted by the applicant which details the recyclable materials and/or organic materials collection system from the individual workstations to the final collection area and/or the size of interim and final collection areas (which must be minimum of one hundred twenty-eight square feet) and type of materials collected.

CHAPTER 15.32
MOVED BUILDINGS AND TEMPORARY STRUCTURES

Sections:

15.32.010 Permits required
15.32.020 Application and investigation fee
15.32.030 Investigation and report
15.32.040 Denial of permit
15.32.050 Security required
15.32.060 Conditions of security
15.32.070 Permit issuance and fees
15.32.080 General requirements
15.32.090 Expiration of permits
15.32.110 Procedure upon default
15.32.120 Release of security

15.32.010 Permits required

It is unlawful for any person, firm or corporation to move or cause to be moved any building or structure excepting a contractor's tool house, construction office, or similar structure, which is relocated as construction requires, into or within the city without first obtaining a permit to do so from the Building Official.

Exception: Buildings moved to the business premises of a house for the purpose of temporary storage.

15.32.020 Application and investigation fee

To obtain a permit to relocate a building or structure the applicant shall first file an application therefore as required by California Building Code. The Building Official may require plans, photographs, and other data to substantiate the application.

Each application shall be accompanied by an investigation fee to cover the costs of processing the application, inspecting the building and premises, and handling other matters connected therewith. Such fee shall be nonrefundable. If the building to be moved is located outside the city, the applicant shall pay an additional fee to cover increased costs of inspection and mileage.

15.32.030 Investigation and report

The Building Official may cause an investigation to be made of each building or structure for which an application for a relocation permit has been received. A written report shall be prepared based on such inspection, and a copy of the report shall be given to the applicant. This report shall contain the approval or disapproval by the Building Official for relocating the building. If approved for relocation, the report may list the requirements and corrections necessary for making the building conform to the codes adopted herein.

In granting an approval for relocation, the Building Official may impose such terms and conditions as deemed reasonable and proper, including time limits for completion of all work, and requirements for whatever changes, alterations, additions, or repairs are necessary to assure that relocation will not be materially detrimental or injurious to public health, safety and welfare.

The investigation report shall remain valid for a period of one hundred eighty days after the building or structure has been inspected, after which time a new investigation and report may be required by the Building Official.

15.32.040 Denial of permit

Except as otherwise provided in this section, the Building Official shall be vested with the discretion to refuse to issue a relocation permit for any building or structure which:

A. Is so constructed or is in such condition as to be dangerous.

B. Is infested with pests or is unsanitary.

C. Is in such condition in the judgment of the building official that it does not admit of practicable and effective repair.

D. Is so dilapidated, defective or unsightly or is in such a condition of deterioration or disrepair that its relocation at the proposed site would cause appreciable harm to or be materially detrimental to the property or improvements in the area to which it would be relocated.

E. Because of age, size, design or architectural treatment, does not substantially conform to the design, plan and construction of the buildings located in the area to which it is to be relocated so that its relocation would be materially detrimental to the property or improvements in said area.

15.32.050 Security required

The building official shall be vested with the authority to require the applicant for a permit to first post with the building official a performance bond executed by the owner of the premises where the building or structure is to be located, listing said owner as principal, and an approved surety company authorized to do business in the state as surety; a cash bond naming the city of Palm Desert as the payee; or an assignment of certificates or shares issued by a savings and loan association doing business in this state and insured by the Federal Savings and Loan Insurance Corporation. The building official may waive the requirement of security when the owner of the property is a governmental agency.

The performance bond required by this section shall:

1. Be in form joint and several.

2. Name the city of Palm Desert as oblige.

3. Guarantee that the required work will be completed or, when ordered by the building official, the building or structure will be removed or demolished and the site cleared, cleaned, and restored to its original condition; within a reasonable time frame set by the building official.

4. Be in an amount equal to the estimated cost, plus ten percent, of the work required to be done in order to comply with all of the conditions of the relocation permit or shall be in an amount equal to the cost of demolition and removal, whichever is greater. Such costs for purposes of the bond shall be as estimated by the building official.

5. State therein the legal description or address of the property to which the building or structure is to be relocated.

15.32.060 Conditions of security

Every performance bond, cash bond or assignment of shares required by this article shall be conditioned as follows:

1. Unless otherwise specified in the investigation report, work required to be done pursuant to the conditions of the relocation building permit shall be initiated within one hundred eighty days from the date of issuance of the permit.

2. The time limit specified may be extended for good and sufficient cause after written request of the principal or surety, before said time limit has expired. The building official shall notify the principal and surety in writing of such time extension and may extend the time limit without consent of the surety.

3. The term of each bond posted pursuant to this section shall begin upon the date of the posting thereof and shall end upon the completion to the satisfaction of the building official of the performance of all the terms and conditions of the relocation building permit.

4. The building official and the surety, or the duly authorized representative of either, shall have access to the premises described in the relocation permit for the purpose of inspecting the progress of the work.

5. Upon default by the principal, the surety shall cause all required work to be performed as set forth as stated in the investigation report and relocation permit.

6. In the event of default in the performance of any term or condition of the relocation permit, the surety or any person employed or engaged on its behalf, or the building official or any person employed or engaged on his or her behalf, may go upon the premises to complete the required work or to remove or demolish the building or structure, and to clear, clean and restore the site.

15.32.070 Permit issuance and fees

Before any permit is issued for the relocation, reconstruction or repair of a building or structure a fee therefor shall be paid to the building official in accordance with the city council resolution for building, electrical, plumbing, mechanical, and grading or other permits when applicable. The required permits, together with the investigation report, shall comprise the relocation permit for the purpose of this chapter.

The valuation for the purpose of determining the relocation permit fee shall be based upon the building official's estimate of the cost of work necessary to relocate the structure and to bring into compliance with conditions listed on the investigation report and permit.

15.32.080 General requirements

The following information shall be filed for review and subject to the approval of the building official prior to the issuance of the building relocation permit:

1. The location and address of the old and new sites.

2. A plot plan of the new location, including adjacent lots of all sides of the property with their use and an indication of all structures and improvements on such lot.

3. Plans and specifications for the proposed improvements at the new location, including drainage, foundation design and attachment, structural, geologic and soil engineering as appropriate.

4. The definition of the route of travel for the structure to be moved. The time and route shall be subject to the approval of the city engineer, fire chief and chief of police.

5. A termite inspection report prepared by a legally qualified person.

6. The abandonment of sewage disposal systems and/or sewer laterals as set forth in the California Plumbing Code, for the old and the new parcels involved.

7. A current photograph showing all four elevations of each structure to be relocated.

8. Such additional information as shall be deemed reasonably necessary by the building official to carry out the intent and purpose of this chapter.

9. That the structure shall comply or be altered to comply with current building, electrical, comfort heating, and air conditioning and plumbing code requirements; and

10. The vacated site shall be cleaned and restored to a safe and sightly condition, including the removal of abandoned foundation systems.

15.32.090 Expiration of permits

Permits for the relocation, reconstruction and repair of a building or structure shall be null and void in accordance with the provisions of CBC, Chapter 1, Division II, Section 105.5 if the building or structure is not relocated to the proposed site and/or the required work commenced within one hundred eighty consecutive calendar days of the date of issuance of such permits.

15.32.110 Procedure upon default

1. Performance Bond. Should the principal fail to comply with the conditions required by the relocation permit, the building official shall give notice of default in writing to the principal and to the surety named in the performance bond. The notice of default shall state the conditions of the bond, which have not been complied with and shall specify the period of time the building official deems to be reasonably necessary for completion of the work. Upon receipt of a notice of default, the surety shall cause the required work to be completed within the time specified. The surety shall have the option of removing or demolishing the building or structure in lieu of completing the required work, in which case the site shall be suitably cleared, cleaned and restored to the satisfaction of the Building Official.

   Exception: The surety may be granted a release from its obligation to perform under the conditions of the performance bond provided:

   a. A written agreement is executed between surety and the division of building and safety under which the division assumes responsibility for causing completion of required work or demolition of the structure; and

   b. A cash bond is posted by surety in the amount of the performance bond, payable to the city, to enable the building official to cause the required work of repair or demolition to be performed in accordance with subsection B of this section.

2. Cash Bond. When a cash bond has been posted the building official shall give notice of default to the principal in the manner set forth above. Should the principal fail to comply with requirements within the specified time period, the building official at his or her own discretion may proceed without delay and without further notice or proceeding to use the cash deposit or any portion thereof to cause the required work to be completed by contract or otherwise.

3. Assignment of Shares. When an assignment of shares has been posted the building official shall give notice of default to the principal in the manner set forth above. Should the principal fail to comply with requirements within the specified time period, the building official may request payment of the assigned certificates or share or any portion thereof by the savings and loan association and at his or her own discretion the building official may proceed without delay and without further notice or proceeding to use such assets to cause the required work to be completed by contractor or otherwise.

15.32.120 Release of security

1. Performance Bond. When all conditions and requirements of the relocation permit and applicable laws and ordinances have been completed, the building official shall notify the surety that the bond has been exonerated.

2. Cash Bond. When a cash bond has been posted and all requirements of the relocation permit have been completed, the building official shall return the cash to the depositor, or to his or her successor or assigns, except any portion thereof that may have been used, cashed or deducted as provided elsewhere in this chapter.

3. Assignment of Shares. When an assignment of shares has been made and all requirements of the relocation permit have been completed, the building official shall notify the savings and loan association and shall do all things reasonably necessary to effect a release of said assignment to the principal or to his or her successors or assigns, except any portion thereof that may have been used, cashed or deducted as provided elsewhere in this chapter.

CHAPTER 15.34
SAFETY ASSESSMENT PLACARDS

15.34.010 Intent
15.34.020 Application of provisions
15.34.030 Definitions
15.34.040 Placards

15.34.010 Intent

This chapter establishes standard placards to be used to indicate the condition of a structure for continued occupancy. The chapter further authorizes the Building Official and their authorized representatives to post the appropriate placard at each entry point to a building or structure upon completion of a safety assessment.

15.34.020 Application of provisions

The provisions of this chapter are applicable to all buildings and structures and all occupancies regulated by the city. The council may extend the provisions as necessary.

15.34.030 Definitions

“Safety assessment” means a visual, nondestructive examination of a building or structure for the purpose of determining the condition of the building or structure for continued occupancy.

15.34.040 Placards

A. The following are verbal descriptions of the official jurisdiction placards to be used to designate the condition for continued occupancy of buildings or structures. Copies of actual placards are attached to the ordinance codified in this chapter and adopted by reference.

   1. “INSPECTED” - Lawful Occupancy Permitted (Green Placard) is to be posted on any building or structure wherein no apparent structural hazard has been found. This placard is not intended to mean that there is no damage to the building or structure.

   2. “RESTRICTED USE” - (Yellow Placard) is to be posted on each building or structure that has been damaged wherein the damage has resulted in some form of restriction to the continued occupancy. The individual who posts this placard will note in general terms the type of damage encountered and will clearly and concisely note the restrictions on continued occupancy.

   3. “UNSAFE” - Do Not Enter or Occupy (Red Placard) is to be posted on each building or structure that has been damaged such that continued occupancy poses a threat to life safety. Buildings or structures posted with this placard shall not be entered under any circumstance except as authorized in writing by the building official, or his or her authorized representative. Safety assessment teams shall be authorized to enter these buildings at any time. This placard is not to be used or considered as a demolition order. The individual who posts this placard will note in general terms the type of damage encountered.

B. The number of the ordinance codified in this chapter, the name of the jurisdiction, its address and phone number shall be permanently affixed to each placard.

C. Once it has been attached to a building or structure, a placard is not to be removed, altered or covered until done so by an authorized representative of the building official. It is unlawful for any person, firm or corporation to alter, remove, cover or deface a placard unless authorized pursuant to this chapter.

CHAPTER 15.36
ELECTRIC VEHICLE CHARGING STATIONS

15.36.010 Adoption
15.36.020 Purposes
15.36.030 Definitions
15.36.040 Expedited permitting requirements
15.36.050 Permit application process
15.36.060 Technical review
15.36.070 Electric vehicle charging station installation requirements.

15.36.010 Adoption

That this chapter is hereby adopted by reference as “The Electric Vehicle Charging Stations” of the city of Palm Desert, and from the date on which the ordinance codified in this chapter shall take effect, the provisions thereof shall be controlling within the corporate limits of the city of Palm Desert.

15.36.020 Purposes

The purpose of this chapter is to promote and encourage the use of electric vehicles by creating an expedited, streamlined permitting process for electric vehicle charging stations while promoting public health and safety and preventing specific adverse impacts in the installation and use of such charging stations. This chapter is also purposed to comply with California Government Code Section 65850.7.

15.36.030 Definitions

“Electronic submittal” means the utilization of one or more of the following:

1. Electronic mail or email.

2. The Internet.

3. Facsimile.

“Electric vehicle charging station” or “charging station” means any level of electric vehicle supply equipment station that is designed and built-in compliance with Article 625 of the California Electrical Code, as it reads on the effective date of this chapter, and delivers electricity from a source outside an electric vehicle into a plug-in electric vehicle.

“Specific, adverse impact” means a significant, quantifiable, direct, and unavoidable impact, based on objective, identified, and written public health or safety standards, policies, or conditions as they existed on the date the application was deemed complete.

15.36.040 Expedited permitting requirements

The building official shall implement an expedited, streamlined permitting process for electric vehicle charging stations, and adopt a checklist of all requirements with which electric vehicle charging stations shall comply with in order to be eligible for expedited review. The expedited, streamlined permitting process and checklist may refer to the recommendations contained in the most current version of the "Plug-In Electric Vehicle Infrastructure Permitting Checklist" of the "Zero-Emission Vehicles in California: Community Readiness Guidebook" as published by the Governor's Office of Planning and Research. The city's adopted checklist shall be published on the city's website.

15.36.050 Permit application process

A. Prior to submitting an application for processing, the applicant shall verify that the installation of an electric vehicle charging station will not have specific, adverse impact to public health and safety and building occupants. Verification by the applicant includes, but is not limited to: electrical system capacity and loads; electrical system wiring, bonding and overcurrent protection; building infrastructure affected by charging station equipment and associated conduits; areas of charging station equipment and vehicle parking.

B. A permit application that satisfies the information requirements in the city's adopted checklist shall be deemed complete and be promptly processed. Upon confirmation by the building official that the permit application and supporting documents meets the requirements of the city adopted checklist and is consistent with all applicable laws and health and safety standards, the building official shall, approve the application and issue all necessary permits. Such approval does not authorize an applicant to energize or utilize the electric vehicle charging station until approval is granted by the city. If the building official determines that the permit application is incomplete, he or she shall issue a written correction notice to the applicant, detailing all deficiencies in the application and any additional information required to be eligible for expedited permit issuance.

C. The building official shall allow for electronic submittal of permit applications covered by this chapter and associated supporting documentations. In accepting such permit applications, the building official shall also accept electronic signatures on all forms, applications, and other documentation in lieu of a wet signature by any applicant.

15.36.060 Technical review

A. It is the intent of this chapter to encourage the installation of electric vehicle charging stations by removing obstacles to permitting for charging stations so long as the action does not supersede the building official's authority to address higher priority life-safety situations. If the building official makes a finding based on substantial evidence that the electric vehicle charging station could have a specific adverse impact upon the public health or safety, as defined in this chapter, the city may require the applicant to apply for a use permit.

B. In the technical review of a charging station, the building official shall not condition the approval for any electric vehicle charging station permit on the approval of such a system by an association, as that term is defined by Civil Code Section 4080.

15.36.070 Electric vehicle charging station installation requirements.

A. Electric vehicle charging station equipment shall meet the requirements of the California Electrical Code, the Society of Automotive Engineers, the National Electrical Manufacturers Association, and accredited testing laboratories such as Underwriters Laboratories, and rules of the Public Utilities Commission.

B. Installation of electric vehicle charging stations and associated wiring, bonding, disconnecting means and overcurrent protective devices shall meet the requirements of Article 625 and all applicable provisions of the California Electrical Code.

C. Installation of electric vehicle charging stations shall be incorporated into the load calculations of all new or existing electrical services and shall meet the requirements of the California Electrical Code. Electric vehicle charging equipment shall be considered a continuous load.

D. Anchorage of either floor-mounted or wall-mounted electric vehicle charging stations shall meet the requirements of the California Building or Residential Code as applicable per occupancy, and the provisions of the manufacturer's installation instructions. Mounting of charging stations shall not adversely affect building elements."

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CITY OF PALM DESERT
STAFF REPORT

MEETING DATE: November 17, 2022

PREPARED BY: Richard D. Cannone, AICP, Director of Development Services

REQUEST: APPROVAL OF THE ELECTRONIC PAYMENT OPTION FOR SHORT-TERM RENTAL TRANSIENT OCCUPANCY TAXES

RECOMMENDATION: Approve the option of electronic payments allowing the convenience fee to be charged by a third party.

BACKGROUND/ANALYSIS:

On April 13, 2017, the City Council adopted Resolution No. 2017-35 (attached), authorizing the acceptance of electronic forms of payment that include credit and debit cards for the payment of City-imposed fees, charges, fines, permits, and licenses. The resolution also provided authority to the City Manager to establish policies and procedures regarding the acceptance of electronic payments (Electronic Payment Acceptance Policy).

Policy FIN-001 established through Resolution No.2017-35 says when the City Manager determines the cost of providing electronic payments options cannot be borne by the City through increased user fees or offsetting cost savings internally, the City Manager may, with City Council approval, assess a “convenience fee” or service fee and the “convenience fee” may be administered by a third party.

On October 27, 2022, City Council approved the new STR Monitoring, Compliance, Enforcement, and Collection Service Contract with Deckard Technologies in the amount of $64,900. Upon approval, staff began working with them to develop the TOT online payment portal. The payment portal will be managed by a third-party payment processor, Stripe, who imposes a convenience fee for their service.

While the option of sending a paper check will still be available, offering the online payment portal for STR owners provides the option and convenience of remitting payments electronically. Additionally, the electronic payment would benefit staff by saving significant time processing checks, which amounts to approximately 17,500+ checks annually.

Generally, the credit card charges are 2.9% +.30 per transaction, and maximum ACH (debit) fees of $5.00 per transaction. Based on these charges, the estimated cost associated with the convenience of electronic payment for STRs is $88,000 annually.

Staff, therefore, recommends approval of the electronic payment option with Deckard Technologies and convenience fees shall be borne by the STR owner, if they choose to use the online payment portal.

FINANCIAL IMPACT:

If the City absorbs the convenience fees for the online payment of TOT for STRs, an additional

$88,000 would need to be appropriated from the General Fund for the STR program.

REVIEWED BY:

Department Director:	*Richard D. Cannone, AICP*
Finance Director:	*Veronica Chavez*
Assistant City Manager:	*Chris Escobedo*
City Manager:	*Todd Hileman*

ATTACHMENTS:

1. Resolution 2017-35 Authorizing Acceptance of Electronic Payments and Related Agenda Material

CITY OF PALM DESERT

STAFF REPORT

REQUEST: ADOPT RESOLUTION No. 2017-35 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM DESERT AUTHORIZING THE ACCEPTANCE OF ELECTRONIC FORMS OF PAYMENT INCLUDING CREDIT AND DEBIT CARDS FOR THE PAYMENT OF CITY-IMPOSED FEES, CHARGES, FINES, PERMITS AND LICENSES AND AUTHORIZING THE CITY MANAGER TO ESTABLISH POLICIES AND PROCEDURES NECESSARY TO EFFECTUATE THE ACCEPTANCE OF ELECTRONIC FORMS OF PAYMENT

SUBMITTED BY: Janet Moore, Director of Finance

DATE: April 13, 2017

CONTENTS: Resolution No. 2017-35
Draft Electronic Payment Acceptance Policy

Recommendation

By Minute Motion, that the City Council:

1. Adopt Resolution 2017-35 authorizing the acceptance of electronic forms of payment including credit and debit cards for the payment of city-imposed fees, charges, fines, permits and licenses; and

2. Authorize the City Manager to establish policies and procedures necessary to effectuate the acceptance of electronic forms of payment; and

3. Authorize the City Manager or the Director of Finance to execute agreements with banks and/or third parties for electronic payment processing that may include fees for such processing.

Strategic Plan Objective/City Manager 2017 Goals

This request does not apply to a specific strategic plan goal, however, the request does specifically relate to the 2017 City Manager's Goals under Service Related Goals: Enable the use of credit cards for conducting business with the City.

Executive Summary

In order to provide a high level of customer service, the City would like to accept electronic forms of payment (including credit and debit cards) for City-imposed fees,

charges, fines, permits and licenses. To accept electronic forms of payment, the City is required to adopt policies and procedures to comply with the Payment Card Industry Data Security Standards (PCIDSS). Because the forms of electronic payments are constantly evolving, staff is requesting that the City Manager be authorized to establish and review policies from time to time to ensure compliance with PCIDSS. Staff is also requesting authorization for the City Manager or Director of Finance to enter into any agreements or contracts to facilitate the processing of electronic payments with banks and/or third parties.

Background

The City currently does not accept any electronic forms of payment (including credit/debit cards) from its customers. The use of electronic forms of payment, including credit and debit cards, is a customary and economical business practice to provide a high level of customer service and to expand payment options available to our customers.

PCI Compliance

In order for the City to accept electronic forms of payments including credit/debit cards, the City must establish policies and procedures to ensure that the City is compliant with the rules and regulations established by the Payment Card Industry (PCI).

PCI regulations require that a merchant, which in this case is the City, understands and implements standards for security policies, technologies and ongoing processes that protect payment systems from breaches and theft of cardholder data. A large part of the regulations is information security. The Information Technology Department is reviewing its policies to ensure they are PCI compliant, which includes network security, network monitoring, secure applications, internal controls, encryptions, and routine system tests.

The City Manager's draft policy includes procedures related to cardholder security, including access to cardholder data, methods of collecting cardholder data, transmission of cardholder data, and prohibited card activities. The policy also identifies procedures for City staff relative to handling card payments, refunds and chargebacks.

Fees

For each electronic transaction, the City will be charged fees by the merchant services provider and the bank of approximately two percent (2%) depending on the type of card used. While the City as a government entity is allowed to charge a 'convenience fee' for an electronic payment card transaction, staff believes that as the City progresses with online processes for licenses, permits, and plan checking, the benefits to both our customers and the City to transact online will outweigh the City's costs to accept electronic forms of payment. Staff believes that a fair number of the anticipated credit card transactions will be for business licenses. Initial costs are estimated to be about $500 a month; however, once our other online functions are up and running the fees will increase. Staff will look at these annually to determine if a convenience fee should be considered.

Excluded Transactions

Staff recommends that the City not accept credit, debit or payment cards for certain types of payment transactions including transient occupancy taxes (TOT), assessment district payments, rent payments and/or other taxes, not including business licenses. While the merchant cost may be minimal for other type of charges due to the overall aggregate amounts, in the case of TOT payments the aggregate amount could be over ten million dollars wherein the cost to the City would be in the hundreds of thousands of dollars. In the rare circumstance that allowing a payment for these types of transaction would be beneficial to the City, the City Manager or Finance Director could authorize it provided it was requested and approved in writing. Staff will look at these exclusions annually to ensure that it is still appropriate that they be excluded.

Conclusion

Staff believes that the acceptance of electronic forms of payment including credit/debit cards is appropriate given the growing electronic dependence in business practices. With some companies changing to 'no-cash' and 'no-check' systems, the acceptance of electronic payments including credit, debit and payment cards, will allow the City to move forward as technology evolves.

Fiscal Analysis

The cost of accepting electronic forms of payment, including credit, debit and payment cards, is estimated to be approximately two percent (2%) of the transaction amount depending on the type of card/form used. It is anticipated that cost will be minimal in the 2016-2017 fiscal year as staff will be establishing the accounts and purchasing the equipment needed. In FY2017-2018 the cost is estimated to be $500 a month, and will gradually increase as more customers transact online.

Department Head:

Janet Moore, Director of Finance

Approval:

Lauri Aylaian, City Manager

RESOLUTION NO. 2017- 35

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM DESERT AUTHORIZING THE ACCEPTANCE OF ELECTRONIC FORMS OF PAYMENT INCLUDING CREDIT AND DEBIT CARDS FOR THE PAYMENT OF CITY-IMPOSED FEES, CHARGES, FINES, PERMITS AND LICENSES AND AUTHORIZING THE CITY MANAGER TO ESTABLISH POLICIES AND PROCEDURES NECESSARY TO EFFECTUATE THE ACCEPTANCE OF ELECTRONIC FORMS OF PAYMENT

WHEREAS, the effective and efficient management of the City's cash resources requires reasonable but expeditious revenue collection; and

WHEREAS, the use of electronic forms of payment, including credit and debit cards, has become a customary and economical business practice to provide a high level of customer service and to expand payment options for its customers; and

WHEREAS, the City desires to allow electronic forms of payment when appropriate, ensuring the greatest value in the most cost effective way possible; and

WHEREAS, the policies, procedures and practices of accepting electronic forms of payment should be reviewed and revised as required to minimize risk and ensure the security of data within the rules and regulations established by the Payment Card Industry (PCI) and articulated in the PCI Data Security Standards (DSS); and

WHEREAS, the City recognizes the necessity to best accommodate its customers by facilitating the payment of City-imposed fees, charges, fines, permits, licenses and/or sales by electronic forms of payment including credit and debit cards.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PALM DESERT DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. The above recitals are true and correct.

Section 2. The City Manager is hereby authorized to establish and periodically review policies and procedures for the acceptance of electronic forms of payment including appropriate business practices. Such policies, procedures and practices shall include: the types of electronic payments to be accepted; the types of charges imposed by the City that may be paid through electronic payments; whether limits are appropriate for certain types of transactions; whether certain types of transactions would be excluded from some or all types of electronic payments; the imposition of fees for rejected transactions or the waiving thereof; or other considerations deemed appropriate concerning the acceptance of current and future forms of electronic payments.

Section 3. The City Manager or the Director of Finance is hereby authorized, on behalf of the City of Palm Desert, to execute an agreement or agreements with one or more banks or third parties for the use of electronic payment processing including credit and debit cards for payment by the public of fees, charges, fines, permits, licenses and/or sales in accordance with any policies established set forth in Section 1. The agreement(s) may provide for the payment by the City of fees in accordance with the bank's or third party's schedule of fees for accounts of similar volume subject to change from time to time, and may provide for the use of, or purchase of, equipment provided by the bank or third party.

Section 4. The City Manager, the Director of Finance and all other officers of the City are hereby authorized and directed, jointly and severally, to do any and all things to implement the policies established pursuant to this Resolution, and any such actions previously taken by such officers are hereby ratified and confirmed.

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

PASSED, APPROVED AND ADOPTED at the regular meeting of the Palm Desert City Council held on this ____ day of April, 2017, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
JAN C. HARNIK, MAYOR

ATTEST:

_____
RACHELLE D. KLASSEN, CITY CLERK
CITY OF PALM DESERT, CALIFORNIA

APPROVED AS TO FORM:

_____
ROBERT W. HARGREAVES, CITY ATTORNEY
BEST, BEST & KRIEGER, LLP

	CITY OF PALM DESERT ADMINISTRATIVE PROCEDURES	
	Subject	**Acceptance of Electronic Forms of Payments including Credit Debit and Payment Cards**
	Policy No.	**FIN-001**
	Date	**Issued: April 13, 2017** **Amended: N/A**
	Approved by	**Resolution No. 2017-35 authorizing City Manager to draft policy**
	Authored by	**Finance Department**

I. PURPOSE

The purpose of this policy is to establish guidelines and parameters for the acceptance of electronic forms of payment including, credit, debit or payment cards, at the City of Palm Desert (the "City") for various payments including fees, charges, fines, permits, licenses and/or sales, while minimizing risk, ensuring the security of data within the rules and regulations established by the Payment Card Industry (PCI) and articulated in the PCI Data Security Standards (DSS), and ensuring that payment card acceptance procedures are appropriately integrated with the City's financial and other systems.

II. SCOPE

This policy applies to all City employees, contractors, consultants or agents who, when doing business on behalf of the City, accept, process, transmit, or otherwise handle electronic forms of payment or cardholder information in physical or electronic format, for payments including but not limited to fees, charges, fines, permits, licenses and/or sales.

This policy applies to all electronic forms of payment including credit, debit or payment cards, including payments made in person, by phone, mail, text, fax or via the Internet. "Phone payments" include both person to person contact and IVR (Interactive Voice Response).

III. DEFINITIONS

A. Automated Clearing House (ACH): A nationwide electronic funds transfer network which enables participating financial institutions to distribute electronic credit and debit entries to bank accounts and to settle such entries.
B. Cardholder: The person who owns, and whose name is on, a debit, credit or payment card.
C. Cardholder Data: Cardholder data is any personally identifiable information associated with a user of a credit/debit. Primary account number (PAN), name, expiration date, and card verification value 2 (CVV2) are included in this definition.

D. Card Verification Code or Value: Data element on a card's magnetic stripe that uses a secure cryptographic process to protect data integrity on the stripe and reveals any alteration or counterfeiting (commonly referred to as CAV, CVC, CVV, CSC, or CID,) or a three- or four-digit value printed in the signature panel area on the back of the card or embossed above the card number on the face of the payment cards (commonly referred to as CAV2, CVC2, CVV2):
   - CAV – Card Authentication Value (JCB payment cards)
   - CVC – Card Validation Code (MasterCard payment cards)
   - CVV – Card Verification Value (Visa and Discover payment cards)
   - CSC – Card Security Code (American Express)
   - CID – Card Identification Number (American Express and Discover payment cards)
   - CAV2 – Card Authentication Value 2 (JCB payment cards)
   - CVC2 – Card Validation Code 2 (MasterCard payment cards)
   - CVV2 – Card Verification Value 2 (Visa payment cards)

E. Chargebacks: A charge deducting sums that had provisionally been credited to City's account for the payment of services, fees, charges, fines, permits and/or licenses.

F. Convenience fee: A fee charged, by the City, to recover the costs associated with offering the convenience of using a credit card.

G. Credit Card: A card issued by a bank or business authorizing the holder to buy goods or services on credit.

H. Credit/Debit Card Terminal/Terminal Reader: Stand-alone credit and debit card swipe device that processes card transactions. Card terminals are connected to a merchant bank using an encrypted tunnel over the internet.

I. Debit Card: A card used to pay for purchases by electronic transfer directly from the purchaser's bank account.

J. Direct Debit Transaction: A method of ACH collection used where the debtor grants authorization to a specific company to electronically debit his/her account via an ACH debit transaction.

K. Electronic Bill Presentment and Payment (EBPP): Electronic delivery and payment of bills over the Internet.

L. Interactive Voice Response (IVR): A software application that accepts a combination of voice telephone input and touch-tone keypad selection and provides appropriate responses in the form of voice or other media.

M. IVR Payment Service: IVR payment service consists of a standard IVR application which connects to a third party financial processor that authorizes and settles financial transactions.

N. Merchant Transaction Fees: A fee, or combination of fees, charged to the City by a contracted third party provider for processing the City's credit and debit card sales (transactions).

O. Payment Card Industry (PCI) Data Security Standard (DSS): A multi-faceted security standard that includes requirements for security management, policies, procedures, network architecture, software design and other critical protective measures.

P. Payment Cards: Cards issued by a bank or business authorizing the holder to buy goods or services.
Q. Personally Identifiable Information: Information that can be utilized to identify an individual including but not limited to name, address, social security number, phone number, etc.
R. Personal Identification Number (PIN): A confidential unique numeric code selected by the cardholder which acts as an electronic signature on certain payment card transactions. The PIN is not printed on the card, it is usually manually entered by the cardholder into the Card Terminal.
S. Point of Sale (POS): An electronic payment system which captures and transmits the customer's credit or debit card number and sale information to the merchant's financial institution for approval and payment.
T. Primary Account Number (PAN): Acronym for primary account number, also referred to as account number. Unique payment card number (typically for credit or debit cards) that identifies the issuer and the particular cardholder account.
U. Rents: Leases and rents of City-owned property.
V. Sensitive Authentication Data: Security-related information (card validation codes/values, full magnetic-stripe data, or personal identification number (PIN)) used to authenticate cardholders, appearing in plain-text or otherwise unprotected form.
W. Transient Occupancy Tax (TOT): A tax charged to short-term guests by hotels, motels and vacation properties and paid monthly to the City Treasurer.
X. Third Party Provider: A company, other than a financial institution, that processes electronic payments (credit card, debit card, ACH and checks) over a secure private network connection.

IV. GENERAL POLICIES

A. **Compliance with PCI-DSS** – All departments, employees, consultants, contractors, agents, etc. accepting electronic payments on behalf of the City are responsible for compliance and must comply with and/or implement the terms and conditions of any agreements between the City and its credit card payment service providers, PCI DSS, as well as section 1798.29 of the California Civil Code.

B. **Initiating Electronic Payment Processing** - The Director of Finance or City Manager will determine the most appropriate payment options, establish the necessary bank accounts, order equipment, select banks or third party providers, and facilitate the training of staff. No department will enter into any agreement for payment processing without first contacting and obtaining the written approval of the Director of Finance or City Manager.

i. **Use of Third Party Providers** – The City will use a third party provider for all electronic payment-related services including credit, debit or

payment cards. The City will accept VISA, MasterCard, and Discover and has negotiated contracts for processing payment card transactions. At the City Manager's discretion, the City may also accept other forms of payment provided such acceptance is consistent with the resolution authorizing the acceptance of electronic payments as well as this policy. Individual City departments may not use or negotiate individual contracts with payment card companies or processors.

ii. **IVR** – Payment systems that allow for persons to make payments via IVR will be established by the Information Technology Department Head or the Director of Finance and approved by the City Manager.

iii. **Internet Electronic Payments** – Payment systems that allow for persons to make payments via the Internet will be established by the Information Technology Department or the Director of Finance and approved by the City Manager.

C. **Cardholder Data Security** - Cardholder data must be protected at all times. As such, the City will not retain PAN data or any sensitive authentication data.

i. **General Protections of Cardholder Data** - To ensure the protection and privacy of any individual's cardholder data, sensitive authentication data and/or personal information will only be used at the time of the transaction while doing business with the City of Palm Desert.

ii. **Transmission of cardholder data** - The City prohibits the transmission of cardholder data or sensitive authentication data through any unsecure methods, including email, telephone (except by approved fully automated IVR), mail, text, unsealed envelopes through city mail, or the pneumatic tube system.

iii. **PCI Compliant** - The City requires that all third party providers that handle payment card information be PCI compliant.

D. **Cardholder Access** - The City restricts access to cardholder data and will only request additional information from cardholders in those infrequent instances that may arise related to the processing of rejected charges, disputes, refunds or chargebacks.

E. **Prohibited Payment Card Activities** - Prohibited activities from any type of electronic payment or payment card include, but are not limited to:

i. Transmission of cardholder data, sensitive authentication data or personal information through any unsecure methods, including email, telephone (except by approved fully automated IVR), mail, text, unsealed envelopes through city mail, or the pneumatic tube system.

ii. Cash advances.

iii. Discounts to any charges based on the method of payment.

iv. Additional surcharges or fees to payment card transactions except as provided herein.
v. Using a paper imprinting system unless authorized by the Finance Director or the City Manager.
vi. Any other activity that the City Manager or Director of Finance deems inconsistent with the established intent in accepting credit cards.

F. **Assessing Convenience Fees** - If the City Manager determines that the cost of providing these payment options cannot be borne by the City through increased user fees or offsetting cost savings internally, the City Manager may, with City Council approval, assess a "convenience fee". This convenience fee may be administered by a third party provider.

G. **Exceptions**

i. **Transaction Type** - Credit, debit or payment cards will not be accepted as payment for TOT, Assessment District Payments, taxes and/or rents (does not include business licenses), unless authorized in writing by the Finance Director or City Manager.
ii. **Other** - The City Manager or his/her designee may consider exceptions to this policy statement, however, such exceptions must comply with all resolutions, and all other policy statements related to information security and privacy.

V. TRANSACTIONAL PROCEDURES

In addition to the policies and procedures set forth herein, the actual processing steps may be set forth by any department accepting over-the-counter transactions, external service provider or the Finance Department and may be amended from time to time.

A. **In Person and/or Over-the-Counter Payments**

i. Payments accepted in person will only be allowed through terminal reader over a secure internet connection.
ii. To the extent possible, the cardholder will swipe the card through the terminal reader.
iii. The **cardholder will be required** to enter any personal identification information including their PIN into the terminal reader, when required. No one other than the cardholder will be allowed to enter a PIN into the terminal reader.
iv. Manually entered payments are discouraged but are allowed on the rare occasion that there is a malfunction of equipment or payment card and may only be entered in the physical presence of the cardholder.

v. Merchant receipts will be signed by the cardholder before the transaction is finalized.

B. **E-Mail, Telephone, Mail, Text and Fax Payments** – To protect cardholder data, payments **will not** be accepted through any unsecure methods including email, telephone (except by fully automated IVR), mail, text or by fax.

C. **Internet Electronic Payments** – Approved PCI compliant payment systems that allow for persons to make payments via the Internet will follow the requirements established guidelines by the payment system to ensure security.

D. **IVR** – Approved PCI-compliant payment systems that allow for persons to make payments via IVR must be fully automated and completed by the cardholder.

E. **Refunds** - Refunds will be processed in the same manner as all other refunds of the City. The Director of Finance will determine the appropriate method for refunds which may be through a terminal reader or a refund check.

F. **Chargebacks** - Chargebacks will be processed in the same manner as all other chargebacks of the City. Until the chargeback is resolved by the cardholder, the City's approval or process for which a permit and/or license was issued by an electronic form of payment will be suspended.

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CITY OF PALM DESERT
STAFF REPORT

MEETING DATE: November 17, 2022

PREPARED BY: Jessica Gonzales, Housing Manager

REQUEST: APPROVE A HOUSING AGREEMENT BY AND BETWEEN THE CITY OF PALM DESERT AND PALM DESERT PACIFIC ASSOCIATES, LP., FOR THE VITALIA APARTMENT PROJECT LOCATED OFF GERALD FORD DRIVE, PALM DESERT

RECOMMENDATION:

1. Approve a Housing Agreement, substantially as to form, by and between the City of Palm Desert Pacific Associates, LP ("PD Pacific Associates"), in accordance with the conditions of approval of the development of 269-units known as Vitalia Apartments, a multifamily rental housing project located at located off Gerald Ford Drive, Palm Desert, California (the "Project").
2. Authorize the City Manager or his designee with consent of legal counsel to finalize such Housing Agreement and documents as described in the Housing Agreement, or which are otherwise required, to effectuate Housing Agreement.
3. Authorize the Mayor and/or City Manager to execute all necessary documents to facilitate the Housing Agreement and the City Clerk to record.

BACKGROUND/ANALYSIS:

Palm Desert Resolution No. 2021-57, Case No. PP/CUP 21-004 - Vitalia Apartments, was approved by City Council on August 26, 2021. As approved, the project is required to provide twenty-four (24 units) of the total 269 units of the units to be developed restricted as affordable units, to households not exceeding 80% of the area median income ("AMI") in Riverside County.

Subsequently on August 26, 2021, the SARDA Board authorized the Executive Director to enter into an Exclusive Negotiating Agreement (the "ENA") with the Developer for the purpose of negotiating the terms and conditions upon which SARDA would sell the Property to the Developer to develop the Project. Thereafter on January 20, 2021, the SARDA Board approved a Purchase and Sale Agreement ("PSA").

The project is currently owned by SARDA and is scheduled to be conveyed to Pacific Associates under the terms of the PSA, no later than December 31, 2022. As successor in interest upon conveyance, Pacific Associates understands that the conditions set forth in the approval of Resolution No. 2021-57 run with the land, and as the new owner of the Vitalia Apartment is subject to said provision.

As part of the project's approval, the developer is required to enter into a Housing Agreement in order to effectuate the condition for an affordable housing requirement. Without this agreement in place, the developer cannot obtain building or grading permits to construct the project.

The Vitalia Apartments will include 269 total multi-family rental units. Twenty-four (24) of the rental units will be made available to low-income households earning no more than 80% AMI, and will be comprised of 12 one-bedroom, 6 two-bedroom units and 6 three-bedroom units. In addition to such affordability restrictions, the Housing Agreement terms include Pacific Associates providing the units affordable for 55 years or the useful life of the project and will transfer to any successors-in-interest in the real property.

It should be noted that the density bonus restrictions will be layered with the Palm Desert Housing Authority Loan's restrictions, and the extremely-low income restrictions will prevail. Staff, therefore, recommends approval of the Housing Agreement in accordance with the requirement of the affordable housing condition of approval pursuant to City Council Resolution No. 2021-57.

California Environmental Quality Act (CEQA)**:**
The Vitalia Apartment project was approved by the Palm Desert City Council under Resolution No. 2021-57 on August 26, 2021. The project was evaluated pursuant to the requirements of the California Environmental Quality Act (CEQA). Pursuant to the State CEQA Guidelines Section 15063, an Initial Study was prepared to analyze the environmental impacts of the project. The Initial Study concluded that no substantial adverse impacts were found that could not be mitigated to a level less than significant. Therefore, in accordance with CEQA, the City prepared a Mitigated Negative Declaration (MND) containing an evaluation of potential environmental impacts associated with the project and appropriate mitigation measures for each potential impact. A Mitigation Monitoring and Reporting Program (MMRP) was approved to ensure that implementation of CEQA occurs. Therefore, the approved MND satisfies the requirements of CEQA.

Strategic Plan:

This project achieves several priorities under the Land Use, Housing & Open Space chapter and the Transportation chapter of the Strategic Plan.

Land Use, Housing & Open Space

- Priority No. 2: "Facilitate development of high-quality housing for people of all income levels."

FINANCIAL IMPACT:

There is no fiscal impact to the City resulting from the approval of the Housing Agreement. However, upon close of escrow, any proceeds will be remitted to the taxing entities, including the City.

REVIEWED BY:

Department Director:	*Eric Ceja*
City Attorney	*Robert Hargreaves, BBK Law*

Special Counsel to the City:	*Bruce W. Galloway, Richards, Watson & Gershon Law*
Finance Director:	*Veronica Chavez*
Assistant City Manager:	*Chris Escobedo*
Executive Director:	*Todd Hileman*

ATTACHMENTS:

1. City Draft Housing Agreement for Vitalia Apartments.
2. Map and Site Plan.

RECORDING REQUESTED BY, AND
WHEN RECORDED RETURN TO:

City of Palm Desert
73-510 Fred Waring Drive
Palm Desert, CA 92260-2578
Attn: Jessica Gonzales

SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY

This Document is recorded for the benefit of the City of Palm Desert and is exempt from recording fees pursuant to Sections 6103, 27383 and 27388.1 of the California Government Code.

HOUSING AGREEMENT
(Density Bonus Agreement)

by and between

the CITY OF PALM DESERT,

and

PALM DESERT PACIFIC ASSOCIATES,
a California limited partnership

DATED AS OF _____ ____, 2022

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2.2 Residential Rental Property

2.3 Low Income Households

2.4 Affordable Rent

2.5 Rent Increases

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EXHIBIT C Certificate of Continuing Compliance

HOUSING AGREEMENT

THIS HOUSING AGREEMENT (the "**Agreement**") is dated as of _____ ___, 2022, and is by and among the CITY OF PALM DESERT, a municipal corporation (the "**City**"), and PALM DESERT PACIFIC ASSOCIATES, a California Limited Partnership (the "**Owner**"). City and Owner are sometimes referred to herein individually as a "Party" and collectively as "Parties".

RECITALS

This Agreement is predicated upon the following facts:

A. Pacific West Communities, Inc., an Idaho corporation ("Developer") has acquired the property described on Exhibit "A" ("Site") from the Successor Agency to the Palm Desert Redevelopment Agency.

B. Developer has entered into a Loan Agreement ("Loan Agreement") with the Authority which contemplates that the Authority, as successor to the housing assets of the former Palm Desert Redevelopment Agency, shall make a $6,030,000.00 purchase money and construction loan ("Loan") to Developer using moneys in the Authority's low and moderate income housing asset fund for the purchase price for the Site and to pay certain construction costs of the 269 unit apartment project described in the Loan Agreement ("Project"). The Loan Agreement requires that Developer execute and record this Agreement against the Site and Project, and provides that an uncured default under this Agreement shall constitute a default under the Loan Agreement and shall entitle the Authority to accelerate the maturity date of the Loan.

C. As described in Resolution No. 2021-57 adopted by the City Council of the City, the City has granted a 12.5% density bonus to Developer consisting of a reduction in the required parking from 538 spaces to 420 spaces, in exchange for Developer's compliance with this Agreement.

E. This Agreement is that density bonus restrictions agreement.

NOW, THEREFORE, in consideration of the mutual covenants and undertakings set forth herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the City and the Owner hereby agree as follows:

ARTICLE 1. DEFINITIONS AND INTERPRETATION.

1.1 Definitions.

Capitalized terms used herein shall have the following meanings unless the context in which they are used clearly requires otherwise.

"**Affordable Units**" shall mean twenty-four (24) of the units in the Apartment Community available to and occupied by, or held vacant for occupancy only by Low Income

Households and rented at an Affordable Rent. The Affordable Units will include the number of bedrooms shown on the following table:

Bedroom Size	Low Income Household Units
One	12
Two	6
Three	6
Total:	**24**

"**Affordable Rent**" shall mean rent for an Affordable Unit, including a Reasonable Utility Allowance, determined pursuant to California Health and Safety Code Section 50053(b) and the state regulations adopted by the California Department of Housing and Community Development ("HCD") pursuant thereto, as amended from time to time, based upon the AMI adjusted for a Household Size Appropriate to the Affordable Unit. More specifically, the maximum monthly Affordable Rent, including a Reasonable Utility Allowance, may not exceed thirty percent (30%) of sixty percent (60%) of the AMI, adjusted for a Household Size Appropriate to the Affordable Unit, divided by twelve.

"**AMI**" shall mean the area median income for Riverside County as published by the California Department of Housing and Community Development pursuant to Health and Safety Code Section 50052.5, or successor statute, as adjusted for family size in accordance with the state regulations adopted pursuant to California Health and Safety Code Section 50052.5.

"**Household Size Appropriate to the Affordable Unit**" in the absence of pertinent federal statutes or regulations applicable to the Apartment Community, shall have the meaning set forth in California Health and Safety Code Section 50052.5(h), as amended from time to time.

"**Reasonable Utility Allowance**" shall mean a utility allowance for utilities paid by a tenant (not including telephone, internet or cable service) utilizing the utility allowance schedule published annually by the Housing Authority of the County of Riverside.

"**Required Covenant Period**" shall mean the period commencing on the date all units in the Apartment Community have been completed as evidenced by the City's issuance of a final Certificate of Occupancy for the Apartment Community, and ending as of the fifty-fifth (55th) anniversary thereof.

"**Low Income Household**" shall mean persons and families who meet the sixty percent (60%) or less of AMI income qualification limits set forth in California Health and Safety Code Section 50079.5 and Title 25 of the California Code of Regulations, including Section 6910, as such statute and regulations are amended from time to time.

1.2 Rules of Construction.

1.2.1 The singular form of any word used herein, including the terms defined herein shall include the plural and vice versa. The use herein of a word of any gender shall include correlative words of all genders.

1.2.2 Unless otherwise specified, references to articles, sections, and other subdivisions of this Agreement are to the designated articles, sections, and other subdivisions of this Agreement as originally executed. The words "**hereof**," "**herein**," "**hereunder**," and words of similar import shall refer to this Agreement as a whole.

1.2.3 All of the terms and provisions hereof shall be construed to effectuate the purposes set forth in this Agreement and to sustain the validity hereof.

1.2.4 Headings or titles of the several articles and sections hereof and the table of contents appended to copies hereof shall be solely for convenience of reference and shall not affect the meaning, construction, or effect of the provisions hereof.

ARTICLE 2. ONGOING APARTMENT COMMUNITY OBLIGATIONS.

2.1 Apartment Community and Affordable Units.

The Owner shall develop and construct the Apartment Community within a portion of the Project on the Property in conformity with the Loan Agreement. Thereafter, during the Required Covenant Period, the Owner agrees that not less than twenty-four (24) units in the Apartment Community shall be Affordable Units under this Agreement, meaning that such units shall be continually available to and occupied by, or held vacant for occupancy only by, Low Income Households. All of the rental units in the Apartment Community shall be similarly constructed and all of the Affordable Units shall be generally constructed at the same time as those units which are available to other tenants, and distributed in terms of location throughout the Apartment Community. The Affordable Units shall be of comparable quality to those rental units in the Apartment Community which are available to other tenants. The Owner agrees that, to the extent commercially reasonable, Affordable Units will not be underutilized. No persons shall be permitted to occupy any Affordable Unit in excess of applicable limit of maximum occupancy set by the City's Municipal Code and the laws of the State of California.

2.2 Residential Rental Property.

The Owner covenants to operate the Apartment Community as residential rental property. During the Required Covenant Period, the Affordable Units will be held and used for the purpose of providing residential living, and the Owner shall own, manage and operate, or cause the management and operation of, the Apartment Community to provide such affordable rental housing. All of the rental units in the Apartment Community with the exception of three (3) manager units will be available for rental on a continuous basis to members of the general public and the Owner will not give preference to any particular class or group in renting the units in the Apartment Community, except as required under this Agreement . The Owner shall not convert any Affordable Unit(s) to condominiums or cooperative ownership or sell condominium or cooperative conversion rights to any Affordable Unit(s) during the term of this Agreement.

2.3 Low Income Households.

2.3.1 Income Qualification; Initial Certification. Subject to the applicable provisions hereof, throughout the Required Covenant Period, the Affordable Units restricted by this Agreement will be exclusively occupied by, or available for occupancy only by Low Income Households on a continuous basis. Prior to the rental or lease of an Affordable Unit and in accordance with Section 2.6 hereof, the Owner will obtain and maintain on file a Household Income Certification ("**Income Certification**") substantially in the form attached hereto as **Exhibit "B"** and incorporated herein by this reference for each Low Income Household, and shall provide copies of same to the City at such times as the City may, from time to time, reasonably require. In addition, the Owner will provide such further information as may reasonably be required in the future by the City. The Income Certification shall be dated immediately prior to the applicable household's initial occupancy of an Affordable Unit. The Owner shall make a good faith effort to verify that the income provided by an applicant in an Income Certification is accurate by taking any one or more of the following steps as part of the verification process for all household members over the age of eighteen (18) as appropriate:

(i) Obtain two (2) pay stubs for the two (2) most recent pay periods;

(ii) Obtain a true copy of an income tax return for the most recent tax year in which a return was filed;

(iii) Obtain an income verification form from the household member's current employer;

(iv) Obtain an income verification form from the Social Security Administration and/or the State Department of Social Services, or its equivalent, if the household member receives assistance from either of those agencies;

(v) If the household member is unemployed and has no tax return, obtain another form of independent verification; or

(vi) Obtain such other documentation as may be reasonably acceptable pursuant to Title 25 of the California Code of Regulations, as amended from time to time, to verify income.

2.3.2 Certificate of Continuing Program Compliance; Annual Report. Throughout the Required Covenant Period, the Owner will prepare and submit to the City, at such periodic frequency as the City might reasonably require, but not more than once annually, a Certificate of Continuing Compliance in substantially the form attached hereto as **Exhibit "C"** and incorporated herein by this reference, and executed by the Owner. The Owner will also prepare and submit to the City on or before each anniversary date of the commencement of the Required Covenant Period, and for the preceding calendar year, a report in form and substance reasonably satisfactory to the City summarizing the vacancy rate of the Apartment Community, including the number of Affordable Units held vacant for occupancy by Low Income Households for such calendar year.

2.4 Affordable Rent. Throughout the Required Covenant Period, an Affordable Rent shall be charged to the Low Income Household occupants of Affordable Units, as more specifically described above.

2.5 Rent Increases. Rents for Affordable Units may be increased not more than once per year and twelve (12) months must have elapsed since the date of the tenant's initial occupancy or the last rent increase. The rents charged following such an increase, or upon a vacancy and new occupancy by a Low Income Household shall not exceed an Affordable Rent. The Owner shall, consistent with applicable law, give proper written notice to tenants of all rent increases, and upon written request, provide the City with reasonable detail concerning the amount of and rationale for such rent increases.

2.6 Income Recertification of Affordable Units. Annually, on the anniversary date of occupancy of an Affordable Unit by a Low Income Household, the Owner shall obtain and maintain on file an annual income certification, in form and substance reasonably satisfactory to the City, from each household occupying an Affordable Unit, based upon the current income of each household member over the age of eighteen (18). The Owner shall make a good faith effort to verify that the income provided by the household is accurate in accordance with Section 2.3.1, above.

2.6.1 A rental unit occupied by a household that qualifies as a Low Income Household, as applicable, at the time the household first occupies an Affordable Unit shall be deemed to continue to be so occupied until a recertification of such household's income demonstrates that such household no longer qualifies as a Low Income Household. At such time as a household ceases to qualify as a Low Income Household based on income recertification, the Owner shall designate the next available unit (one that is not occupied by a tenant) with the same number of bedrooms as the occupied Affordable Unit and it shall be leased to a Low Income Household, so that the number of Affordable Units occupied by or reserved for occupancy by Low Income Households will remain constant. For purposes of this Agreement, such designated unit will be considered an Affordable Unit if it is held vacant and available solely for occupancy by a Low Income Household and, upon occupancy, the income eligibility of the household as a Low Income Household is verified and the unit is rented at Affordable Rent.

2.7 Lease or Occupancy Agreement. Prior to the rental or lease of an Affordable Unit to a Low Income Household, the Owner shall require the tenant to execute a written lease or occupancy agreement. The Owner shall maintain on file throughout the Required Covenant Period and for a four (4) year period thereafter, the executed lease or occupancy agreement of each tenant occupying an Affordable Unit. The form of lease or occupancy agreement used by the Owner for the lease or rental of Affordable Units shall be that which is reasonable and customary in residential leasing. In addition, each lease or occupancy agreement for an Affordable Unit shall (i) provide that the tenants of such Affordable Unit shall be subject to annual recertification of income and subject to rental increases in accordance with Sections 2.5 and 2.6 of this Agreement, and (ii) contain a provision to the effect that the Owner has relied on the income certification and supporting information supplied by the tenant in determining qualification for occupancy of the Affordable Unit, and that any material misstatement in such certification (whether or not intentional) may be cause for immediate termination of such lease or occupancy agreement.

2.7.1 The Owner shall refrain from restricting the rental or lease of Affordable Units on the basis of race, color, religion, sex, marital status, disability, ancestry or national origin of any person.

2.7.2 The covenants established herein shall, without regard to technical classification and designation, be binding for the benefit and in favor of the City, and its successors and assigns, and shall burden and run with the Property.

2.7.3 The City is deemed to be the beneficiary of the terms and provisions of the covenants herein, both for and in its own right and for the purposes of protecting the interests of the community and other parties, public or private, for whose benefit these covenants running with the land have been provided.

2.8 Security Deposits. The Owner may require security deposits on Affordable Units in amounts which are consistent with applicable law.

2.9 Additional Information; Books and Records. The Owner shall provide any additional information concerning the Affordable Units reasonably requested by the City. The Owner will maintain complete and accurate records pertaining to the Affordable Units throughout the Covenant Period and for a four (4) year period thereafter. The City shall have the right upon written notice of no less than two (2) business days to the Owner, at any time during normal business hours of 9:00 am to 5:00 pm, to examine of all books, records or other documents maintained by the Owner or by any of the Owner's agents which pertain to any Affordable Unit, including all executed leases or occupancy agreements and all Income Certifications, and obtain copies of any requested executed leases, occupancy agreements and Income Certifications within ten (10) business days following such examination and the City's written request.

2.10 Specific Performance. The Owner hereby agrees that specific enforcement of the Owner's agreement to comply with the allowable rent and occupancy restrictions and covenants contained herein is one of the reasons and consideration for the City having granted a density bonus and that, in the event of the Owner's breach of such requirements, potential monetary damages to the City, as well as to existing and prospective Low Income Households, would be difficult, if not impossible, to evaluate and quantify. Therefore, in addition to any other relief to which the City may be entitled as a consequence of the breach hereof, the Owner agrees to the imposition of the remedy of specific performance against it in the case of any event of default by the Owner in complying with any provision of this Agreement beyond any applicable notice and cure period.

2.11 Audit. The City shall have the right to perform an audit of the Apartment Community to determine compliance with the provisions of this Agreement. Such audit shall not be undertaken more often than once each calendar year. All costs and expenses associated with the audit shall be paid by the Owner.

2.12 Management. The Owner and/or the management agent (if not the Owner) shall operate the Apartment Community in a manner that will provide decent, safe and sanitary residential facilities to the occupants thereof, and will comply with provisions of this Agreement. Upon the written request of the City, the Owner shall cooperate with the City in the periodic review (but not more than once each calendar year) of the management practices and financial status of the Affordable Units. The purpose of each periodic review will be to enable the City to determine if the Affordable Units are being operated and managed in accordance with the requirements and standards of this Agreement. Results of such City review shall be provided to the Owner, and

the City shall have the authority to require the Owner to make modifications that are reasonably necessary to ensure the objectives of this Agreement are met.

2.13 Binding for Term. It is intended by the Parties that except as otherwise expressly provided herein the provisions of this Agreement shall apply to the Apartment Community throughout the entire term hereof, as established in Section 3.1 below.

ARTICLE 3. TERM AND RECORDATION.

3.1 Term of Agreement. This Agreement shall remain in full force and effect for the Required Covenant Period, unless the Owner and the City agree, in writing, to terminate this Agreement prior to the expiration of the Required Covenant Period. Unless terminated earlier pursuant to the prior sentence of this Section 3.1, or Section 3.3 below, the Parties intend that the provisions and effect of this Agreement and specifically of Article 2 hereof, shall remain in full force and effect for the entire Required Covenant Period.

3.2 Agreement to Record. The Owner represents, warrants, and covenants that this Agreement will be recorded in the real property records of Riverside County.

3.3 Suspension of Restrictions. Notwithstanding the generality of the foregoing provisions of this Article 3 or any other provisions hereof, this Agreement and all of the terms and restrictions contained herein shall be suspended for any period of involuntary noncompliance as a result of unforeseen events such as fire or act of God which leaves the entire Apartment Community uninhabitable (and the proceeds of insurance available to the Owner as a result thereof are insufficient to reconstruct the Apartment Community), or a change in a federal or state law or an action by the federal government, the State or a court of competent jurisdiction, after the date of recordation hereof, that prevents the City from enforcing the provisions of this Agreement, or a condemnation or a similar event.

ARTICLE 4. DEFAULT; REMEDIES.

4.1 An Event of Default. Each of the following shall constitute an "Event of Default" by the Owner under this Agreement:

4.1.1 Failure by the Owner to duly perform, comply with and observe any of the conditions, terms, or covenants of any agreement with the City concerning the Apartment Community, or of this Agreement, if such failure remains uncured thirty (30) days after written notice of such failure from the City to the Owner in the manner provided herein or, with respect to a default that cannot be cured within thirty (30) days, if the Owner fails to commence such cure within such thirty (30) day period or thereafter fails to diligently and continuously proceed with such cure to completion. However, if a different period or notice requirement is specified under any other section of this Agreement, then the specific provision shall control.

4.1.2 Any representation or warranty contained in this Agreement or in any application, financial statement, certificate, or report submitted by the Owner to the City proves to have been incorrect in any material respect when made.

4.1.3 A court having jurisdiction shall have made or rendered a decree or order: (i) adjudging the Owner to be bankrupt or insolvent; (ii) approving as properly filed a petition seeking reorganization of the Owner or seeking any arrangement on behalf of the Owner under the bankruptcy laws or any other applicable debtor's relief law or statute of the United States or of any state or other jurisdiction; (iii) appointing a receiver, trustee, liquidator, or assignee of the Owner in bankruptcy or insolvency or for any of its properties; or (iv) directing the winding up or liquidation of the Owner, providing, however, that any such decree or order described in any of the foregoing subsections shall have continued unstayed or undischarged for a period of ninety (90) days.

4.1.4 The Owner shall have assigned its assets for the benefit of its creditors or suffered a sequestration or attachment or execution on any substantial part of its property, unless the property so assigned, sequestered, attached, or executed upon shall have been returned or released within ninety (90) days after such event (unless a lesser time period is permitted for cure hereunder) or prior to sale pursuant to such sequestration, attachment, or execution. If the Owner is diligently working to obtain a return or release of the property and the City's interests hereunder are not imminently threatened in its reasonable business judgment, then the City shall not declare a default under this subsection.

4.1.5 The Owner shall have voluntarily suspended its business or dissolved.

4.1.6 The seizure or appropriation of all or, in the reasonable opinion of the City, a substantial part of the Apartment Community, except for condemnation initiated by the City or any governmental agency or authority.

4.2 City's Option to Lease. Upon the occurrence of an Event of Default, and to cause the Apartment Community to meet the requirements of this Agreement, the Owner hereby grants to the City the option to lease up to all of the rental units as necessary to achieve compliance with the provisions of Article 2 of this Agreement and for the purpose of subleasing such units in accordance with the requirements of this Agreement. The amount of rental to be paid by the City for such rental units following the exercise of the City's option shall be equal to the applicable Affordable Rent. Any rental paid under any such sublease shall be paid to the City without obligation to pay any such rent to the Owner during the pendency of the Owner's default.

4.3 City and Authority Remedies. The City shall have the right to mandamus or other suit, action or proceeding at law or in equity to require the Owner to perform its obligations and covenants under this Agreement or to enjoin acts or things which may be unlawful or in violation of the provisions hereof, provided that in any such case the City has first provided the required notice of any alleged default and the Owner has had the requisite opportunity to cure pursuant to Section 4.1.1, above. Additionally, an uncured default under this Agreement shall entitle the Authority to accelerate the Authority Loan.

4.4 Action at Law; No Remedy Exclusive. The City may take whatever action at law or in equity as may be necessary to enforce performance and observance of any obligation, agreement or covenant of the Owner under this Agreement. No remedy herein conferred upon or reserved by the City is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law, in equity or by statute. No delay or

omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of such right or power, but any such right or power may be exercised from time to time and as often as the City may deem expedient. In order to entitle the City to exercise any remedy reserved to it in this Agreement, it shall not be necessary to give any notice, other than such notice as may be herein otherwise expressly required or required by law to be given.

ARTICLE 5. GENERAL PROVISIONS.

5.1 Limitations on Recourse. Notwithstanding anything to the contrary contained in this Agreement, except in the event of fraud, waste, or illegal acts, or with regard to any indemnity obligations imposed upon the Owner under the terms of this Agreement, (i) no partner, member, officer or director, as applicable, of the Owner (each, an "**Owner Affiliate**") shall have any direct, indirect or derivative personal liability for the obligations of the Owner under this Agreement, and (ii) the City shall not exercise any rights or institute any action against any Owner Affiliate directly, indirectly or derivatively for the payment of any sum of money that is or may become payable hereunder.

5.2 Maintenance, Repair, Alterations. The Owner shall maintain and preserve the Apartment Community in good condition and repair and in a prudent and businesslike manner. The Owner shall comply with all laws, ordinances, rules, regulations, covenants, conditions, restrictions, and orders of any governmental authority now or hereafter affecting the conduct or operation of the Apartment Community or any part thereof or requiring any alteration or improvement to be made thereon. The Owner shall not commit, suffer, or permit any act to be done in, upon, or to the Apartment Community or any part thereof in violation of any such laws, ordinances, rules, regulations, or orders. The Owner hereby agrees that the City may conduct from time to time through representatives, upon reasonable notice of no less than twenty-four (24) hours, on-site inspections and observation of: (i) the maintenance and repair of the Apartment Community, including a review of all maintenance and repair programs and practices and all reports and records pertaining thereto, including records of expenditures relating thereto; and (ii) such other facilities, practices, and records of the Owner relating to the Affordable Units as the City reasonably deems to be necessary or appropriate in order to monitor the Owner's compliance with the provisions of this Agreement.

5.3 Notices. All notices (other than telephone notices), certificates or other communications (other than telephone communications) required or permitted hereunder shall be sufficiently given and should be deemed given when sent by telegram, or when sent by facsimile (if confirmed by sending a copy of such transmission by mail the same calendar day), or forty-eight (48) hours following mailing by registered or certified mail, postage prepaid, or twenty-four (24) hours following transmission of such notice by express mail, Federal Express or similar commercial carrier, addressed as follows:

If to the City and/or Authority:

City of Palm Desert
73-510 Fred Waring Drive
Palm Desert, CA 92260-2578
Attn: Housing Division

Phone: (760) 346-0611
Fax: (760) 341-6372

If to the Owner:

Palm Desert Pacific Associates
c/o Pacific West Communities, Inc.
430 E. State Street, Suite 100,
Eagle, ID 83616
Attention: Caleb Roope
With a copies to:

McReynolds & McCormack, PLLC
430 E. State Street, Ste.140
Eagle, ID 83616
Attention: Clay McReynolds

And:

BF Vitalia, LLLP
101 Arch Street, 13th Floor
Boston, MA 02110
Attn: Asset Management - Vitalia Apartments

5.4 Relationship of Parties. Nothing contained in this Agreement shall be interpreted or understood by any of the Parties, or by any third persons, as creating the relationship of employer and employee, principal and agent, limited or general partnership, or joint venture between the City and the Owner or the Owner's agents, employees or contractors, and the Owner shall at all times be deemed an independent contractor and shall be wholly responsible for the manner in which it or its agents, or both, perform the services required of it by the terms of this Agreement for the operation of the Apartment Community. The Owner has and hereby retains the right to exercise full control of employment, direction, compensation and discharge of all persons assisting in the performance of services hereunder. In regards to the on-site operation of the Apartment Community, the Owner shall be solely responsible for all matters relating to payment of its employees, including compliance with Social Security, withholding and all other laws and regulations governing such matters. The Owner agrees to be solely responsible for its own acts and those of its agents and employees.

5.5 No Claims. Nothing contained in this Agreement shall create or justify any claim against the City by any person the Owner may have employed or with whom the Owner may have contracted relative to the purchase of materials, supplies or equipment, or the furnishing or the performance of any work or services with respect to the operation of the Affordable Units.

5.6 Conflict of Interests. No member, official or employee of the City shall make any decision relating to this Agreement which affects his or her personal interests or the interests of any corporation, partnership or association in which he or she is directly or indirectly interested.

No officer or employee of the Owner shall acquire any interest in conflict with or inimical to the interests of the City.

5.7 Non-Liability of City Officials, Employees and Agents. No member, official, employee or agent of the City shall be personally liable to the Owner, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to the Owner or successor in connection with this Agreement or on any obligation of the City under the terms of this Agreement.

5.8 Unavoidable Delay; Extension of Time of Performance. In addition to specific provisions of this Agreement, performance by either Party hereunder shall not be deemed to be in default where it is due to an "Unavoidable Delay." "**Unavoidable Delay**" means a delay due to the elements (including unseasonable weather), fire, earthquakes or other acts of God, strikes, pandemics, labor disputes, lockouts, shortages of construction materials experienced generally in the construction industry in the local area, acts of the public enemy, riots, insurrections or governmental regulation of the sale or transportation of materials, supply or labor; provided, however, that to the extent a delay is caused by any other reason that the Owner reasonably believes is beyond its control, the Owner may request, on a case-by-case basis, that the City excuse any such delay as an Unavoidable Delay and the City shall make its determination as to whether such delay constitutes an Unavoidable Delay using its reasonable judgment.

5.9 Indemnity. The Owner shall indemnify, defend and hold harmless the City and all officials, employees and agents of City (with counsel reasonably satisfactory to the City) against any costs, liabilities, damages or judgments arising from claims or litigation of any nature whatsoever brought by third parties and directly or indirectly arising from the Owner's ownership or operation of the Apartment Community, or the Owner's performance of its obligations under this Agreement, and in the event of settlement, compromise or judgment hold the City free and harmless therefrom. Notwithstanding the foregoing, the indemnity provisions contained in this Section 5.9 shall not apply with respect to any costs, liabilities, damages or judgments arising directly or indirectly from the City's rental of units within the Apartment Community as described in Section 4.2 hereof. The provisions of this Section 5.9 shall survive the term of this Agreement.

5.10 Rights and Remedies Cumulative. Except as otherwise expressly stated in this Agreement, the rights and remedies of the Parties are cumulative, and the exercise or failure to exercise one or more of such rights or remedies by either Party shall not preclude the exercise by it, at the same time or different times, of any right or remedy for the same default or any other default by the other Party. No waiver of any default or breach by the Owner hereunder shall be implied from any omission by the City to take action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the waiver, and such wavier shall be operative only for the time and to the extent therein stated. Waivers of any covenant, term, or condition contained herein shall not be construed as a waiver of any subsequent breach of the same covenant, term or condition. The consent or approval by the City to or of any act by the Owner requiring further consent or approval shall not be deemed to waive or render unnecessary the consent or approval to or of any subsequent similar act. The exercise of any right, power, or remedy shall in no event constitute a cure or a waiver of any default under this Agreement, nor shall it invalidate any act done

pursuant to notice of default, or prejudice the City in the exercise of any right, power, or remedy hereunder or under any agreements ancillary or related hereto.

5.11 Applicable Law. This Agreement shall be interpreted under and pursuant to the laws of the State of California.

5.12 Severability. If any term, provision, covenant or condition of this Agreement is held in a final disposition by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall continue in full force and effect unless the rights and obligations of the Parties have been materially altered or abridged by such invalidation, voiding or unenforceability.

5.13 Legal Actions. In the event any legal action is commenced to interpret or to enforce the terms of this Agreement or to collect damages as a result of any breach thereof, the Party prevailing in any such action shall be entitled to recover against the Party not prevailing all reasonable attorneys' fees and costs incurred in such action (including all legal fees incurred in any appeal or in any action to enforce any resulting judgment), as awarded by a court of competent jurisdiction.

5.14 Binding Upon Successors. This Agreement shall be binding upon and inure to the benefit of the permitted heirs, administrators, executors, successors in interest and assigns of each of the Parties. Any reference in this Agreement to a specifically named Party shall be deemed to apply to any successor, heir, administrator, executor or assign of such Party who has acquired an interest in compliance with the terms hereof or under law.

5.15 Time of the Essence. In all matters under this Agreement, time is of the essence.

5.16 Approval by the City. Any approvals required under this Agreement shall be made by the City Manager or his or her designee, and shall not be unreasonably withheld, conditioned, delayed or made, except where it is specifically provided herein that another standard applies, in which case the specified standard shall apply.

5.17 Complete Understanding of the Parties. This Agreement and the attached Exhibits constitute the entire understanding and agreement of the Parties with respect to the matters described herein.

5.18 Covenants to Run With the Land. The Owner hereby subjects the Apartment Community to the covenants, reservations, and restrictions set forth in this Agreement. The City and the Owner hereby declare their express intent that the covenants, reservations, and restrictions set forth herein shall be deemed covenants running with the land and shall pass to and be binding upon the Owner's successors in title to the Apartment Community; provided, however, that on the termination of this Agreement said covenants, reservations and restrictions shall expire. Each and every contract, deed or other instrument hereafter executed covering or conveying the Apartment Community or any portion thereof shall conclusively be held to have been executed, delivered and accepted subject to such covenants, reservations and restrictions, regardless of whether such covenants, reservations and restrictions are set forth in such contract, deed or other instruments. No breach of any of the provisions of this Agreement shall defeat or render invalid

the lien of a mortgage or deed of trust made in good faith and for value encumbering the Property or any interest of the Owner therein.

5.19 Burden and Benefit. The City and the Owner hereby declare their understanding and intent that: (i) the burden of the covenants, reservations, restrictions, and agreements set forth herein touch and concern the Property and the Apartment Community, in that Owner's legal interest in the Apartment Community is rendered less valuable thereby, (ii) the covenants, reservations, restrictions, and agreements set forth herein directly benefit the Property and the Apartment Community (a) by enhancing and increasing the enjoyment and use of the Apartment Community by certain Low Income Households, the intended beneficiaries of such covenants, reservations, restrictions, and agreements, (b) by making possible the obtaining of advantageous financing for the Property and the Apartment Community, and (c) by furthering the public purposes advanced by the City, and (iii) the covenants, reservations, restrictions and agreements set forth herein shall run with the Property and shall be binding for the benefit of and enforceable by the City and its successors and assigns for the entire Term of this Agreement.

5.20 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be an original, but all of which shall constitute one and the same instrument.

5.21 Amendments. This Agreement may be amended only by the written agreement of the City and the Owner.

WHEREFORE, the undersigned has executed this Agreement as of the date first-above written.

OWNER:

PALM DESERT PACIFIC ASSOCIATES,
a California Limited Partnership

By: TPC HOLDINGS IX, LLC,
an Idaho limited liability company
Its: Administrative General Partner

By: Pacific West Communities, Inc.,
an Idaho corporation
Its: Manager

By: _____
Name: Caleb Roope
Its: President and CEO

By: CENTRAL VALLEY COALITION FOR AFFORDABLE HOUSING, a California Nonprofit Public Benefit Corporation
Its: Managing General Partner

By: _____
Name: Christina Alley
Chief Executive Officer

CITY:

CITY OF PALM DESERT,
a municipal corporation

By: _____
Name: _____
Title: _____

ATTEST:

_____
Anthony J. Mejia, City Clerk

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 _____)

On _____, 2022, before me, _____,
(insert name and title of the officer)

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

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

WITNESS my hand and official seal.

Signature _____(Seal)

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 _____)

On _____, 2022, before me, _____,
(insert name and title of the officer)

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

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

WITNESS my hand and official seal.

Signature _____(Seal)

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 _____)

On _____, 20__, before me, _____,
(insert name and title of the officer)

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

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

WITNESS my hand and official seal.

Signature _____(Seal)

EXHIBIT "A"

LEGAL DESCRIPTION OF THE PROPERTY

Real property in the City of Palm Desert, County of Riverside, State of California, described as follows:

A PORTION OF PARCEL 1 OF THAT CERTAIN CERTIFICATE OF COMPLIANCE NO. 88-1, RECORDED JUNE 1, 1988 AS INSTRUMENT NO, 146461 OF OFFICIAL RECORDS. IN THE CITY OF PALM DESERT. COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, LOCATED IN THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 32, TOWNSHIP 4 NORTH, RANGE 6 EAST, SAN BERNARDINO MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SAID PARCEL 1;

THENCE NORTH 89°55'15' EAST, ALONG THE NORTHERLY LINE OF SAID PARCEL 1, SAID LINE ALSO BEING THE SOUTHERLY RIGHT-OF-WAY LINE OF GERALD FORD DRIVE, A DISTANCE OF 514.35 FEET;

THENCE SOUTH 47°23'23" EAST, A DISTANCE OF 34.01 FEET,
THENCE SOUTH 00°03'36" WEST, A DISTANCE OF 942.64 FEET,
THENCE NORTH 89°56'24" WEST, A DISTANCE OF 539.40 FEET;

THENCE NORTH 00°03'36" EAST, ALONG THE WESTERLY LINE OF SAID PARCEL 1 AND THE SOUTHERLY EXTENSION THEREOF, A DISTANCE OF 964.39 FEET, TO THE POINT OF BEGINNING.

EXHIBIT "B"

HOUSEHOLD INCOME CERTIFICATION

(Attached)

AFFORDABLE HOUSING
HOUSEHOLD INCOME CERTIFICATION

Applicant (s) Name: _____

Address: _____ Unit No. _____ # Bedrooms: _____

Program Eligibility and Affordability verifications for Low Income Households shall be performed as required by Title 25 subject to eligibility verification procedures and requirements described therein, and as amended from time to time. The following outlines how annual income is calculated to determine household income eligibility, which is required in order to determine a person, family or Household to be a "Qualified Household" as established by the Program and Redevelopment Law.

The following questions will assist you in completing the HOUSEHOLD INCOME CERTIFICATION. When answering the questions answer "Yes" if any of the information requested or income source pertains to any person, co-applicant, or adult individual member of the household (individuals 18 years and older) during the 12 months following the date of the certification.

HOUSEHOLD COMPOSITION
(List all members of the household including yourself that will occupy the unit applied for.)

Last Name	First Name & Middle Initial	Relationship to Head of Household	Date of Birth (M/D/YYYY)
		Self	
		TOTAL HOUSEHOLD MEMBERS:	#

PART I. HOUSEHOLD INCOME INFORMATION

YES	NO		All sources are to be disclosed below for all household members unless otherwise excluded by Title 25 Section	MONTHLY AMOUNT
☐	☐	1	EMPLOYMENT *(wages, overtime, etc.)* *List name of employer:*_____	(use gross income; amount before any pay deductions) $_____
☐	☐	2	SELF EMPLOYED *List nature of self employment:*_____	(use net income from business) $_____
☐	☐	3	OTHER EMPLOYMENT RELATED COMPENSATION *(i.e.; tips, bonuses)*	$_____
☐	☐	4	SOCIAL SECURITY INCOME	$_____
☐	☐	5	SUPPLEMENTAL SECURITY INCOME (SSI)	$_____
☐	☐	6	CASH CONTRIBUTIONS *(i.e.; From third parties including gifts' for rent or utility payments)*	$_____
☐	☐	7	PUBLIC ASSISTANCE INCOME *(Welfare, food stamps, foster care assistance)*	$_____
☐	☐	8	UNEMPLOYMENT BENEFITS	$_____
☐	☐	9	VETERAN'S BENEFIT/INCOME	$_____
☐	☐	10	DISABILITY OR DEATH BENEFITS OTHER THAN SSI	$_____
☐	☐	11	CHILD SUPPORT/ALIMONY/SPOUSAL SUPPORT PAYMENTS *(Received by any and all household members. Note for how many children did you receive support: _____)*	$_____

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FILE NO. _____
EFFECTIVE DATE _____

YES	NO		INCOME INFORMATION (*CONTINUED*) **All sources are to be disclosed below for all household members unless otherwise excluded by Title 25 Section**	MONTHLY AMOUNT
☐	☐	12	TRUSTS PAYMENTS, ANNUITY PAYMENTS, RETIREMENT PAYMENTS, WORKERS COMPENSATION PAYMENTS, SEVERANCE PAYMENTS, LOTTERY WINNINGS OR OTHER INCOME. *List sources:* _____	$_____
☐	☐	13	RENTAL, REAL OR PERSONAL PROPERTY INCOME	$_____
			TOTAL MONTHLY INCOME (BOX A)	$_____

PART II. HOUSEHOLD ASSET INFORMATION

YES	NO		**All sources are to be disclosed below for all household members unless otherwise excluded by Title 25 Section**	CASH VALUE
☐	☐	1	CHECKING ACCOUNT(S): *List bank(s):* _____	$_____
☐	☐	2	SAVINGS ACCOUNT(S): *List bank(s):* _____	$_____
☐	☐	3	TRUST ACCOUNT(S): *List bank(s):* _____	$_____
☐	☐	4	REAL ESTATE: *Provide description:* _____	$_____
☐	☐	5	STOCKS, BONDS, OR TREASURY BILLS: *List sources/bank names:* _____	$_____
☐	☐	6	CERTIFICATES OF DEPOSIT (CD) OR MONEY MARKET ACCOUNT(S): *List Sources/bank names:* _____	$_____
☐	☐	7	IRA/LUMP SUM PENSION/KEOGH ACCOUNT/401 K: *List bank(s):* _____	$_____
☐	☐	8	LIFE INSURANCE POLICY CASH VALUE: *How many policies:* _____	$_____
☐	☐	9	DISPOSED OF ASSETS (i.e. gave away money/assets for less than the fair market value in the past 2 years) *List Items and date disposed:* _____	$_____
☐	☐	10	OTHER ASSETS OR CAPITAL INVESTMENTS *Describe source:* _____	$_____
			TOTAL ASSET VALUE (BOX B)	$_____

HOUSEHOLD INCOME CERTIFICATION
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FILE NO. _____
EFFECTIVE DATE _____

PART III. HOUSEHOLD STUDENT STATUS

YES	NO		All sources are to be disclosed below for all household members who are STUDENTS unless otherwise excluded by Title 25 Section	AMOUNT
☐	☐	1	IS ANY HOUSEHOLD MEMBER A FULL-TIME STUDENT *(i.e.; College/University, trade school, etc.)*	
			IF QUESTION NO. 1 IS NO, SKIP TO PART IV	
☐	☐	2	DOES STUDENT FILE A JOINT TAX RETURN WITH OTHER HOUSEHOLD MEMBERS	
☐	☐	3	IS STUDENT A DEPENDENT OF ANOTHER INDIVIDUAL *Explain:*_____	
☐	☐	4	DOES STUDENT RECEIVE FINANCIAL AID. IF YES ENTER AMOUNT *(i.e.; Public or private, not including student loans).*	$_____
			IF QUESTION NO. 4 IS NO, SKIP TO PART IV	
☐	☐	5	DOES STUDENT RECEIVE FINANCIAL AID THAT INCLUDES HOUSING/SHELTER ALLOWANCE. IF YES ENTER AMOUNT.	$_____
			TOTAL FINANCIAL AID ASSISTANCE (BOX C)	$_____

PART IV. HOUSEHOLD UNUSUAL EXPENSES

YES	NO		All sources are to be disclosed below for all household members unless otherwise excluded by Title 25 Section	AMOUNT
☐	☐	1	MEDICAL EXPENSES NOT COVERED BY INSURANCE EXCEEDING 25% OF THE GROSS HOUSEHOLD ANNUAL INCOME INCLUDING INSURANCE MONTHLY PREMIUM *Describe*_____	$_____
☐	☐	2	UNUSUAL EXPENSES PAID BY HEAD OF HOUSEHOLD UNUSUAL FOR THE CARE OF MINORS UNDER 13 YEARS OF AGE, DISABLED, OR HANDICAPPED HOUSEHOLD MEMBERS NECESSARY FOR GAINFUL EMPLOYMENT *Describe*_____	$_____
			TOTAL ANNUAL UNUSUAL EXPENSES (BOX D) *(Explanation of Benefits must be provided as proof and all receipts for the non-covered medical expenses.)*	$_____

TOTAL NET ANNUAL HOUSEHOLD INCOME FROM ALL SOURCES
(Box (A + B + C) – (D) = total)

$_____

HOUSEHOLD CERTIFICATION & SIGNATURES

The information on this form will be used to determine maximum household income eligibility. I/we have provided each person(s) set forth in Part I acceptable verification of current anticipated annual income. I/we agree to notify immediately upon any changes in income, household size or composition, or any other information.

Under penalty of perjury of the laws of the State of California, I/we certify that the information presented in the Certification is true and accurate to the best of my/our knowledge and belief. The undersigned further understands that providing false representations herein constitutes an act of fraud. False, misleading or incomplete information may result in the termination of the lease agreement.

_____ Signature _____ Date _____ Signature _____ Date

_____ Signature _____ Date _____ Signature _____ Date

https://palmdesertcity-my.sharepoint.com/personal/cosbrera_cityofpalmdesert_org/Documents/Desktop/Household Income Certification Form Celina Edit 9.1.22.doc

EXHIBIT "C"

CERTIFICATE OF CONTINUING COMPLIANCE

(Attached)

CITY OF PALM DESERT

OWNER'S CERTIFICATE OF CONTINUING PROGRAM COMPLIANCE

To: City of Palm Desert
73-510 Fred Waring Drive
Palm Desert, CA 92260
ATTN: HOUSING DIVISION

Report Date: _____

Certification Dates: From: _____ To: _____

Project Name: _____ **Project No.:** _____

Project Address: _____ **City:** _____ **Zip:** _____

Tax ID # of Ownership Entity: _____

The undersigned _____ on behalf of _____ (the "Owner"), hereby certifies that:

☐ No buildings have been placed in service.
☐ At least one building has been placed in service, but owner elects to begin credit period in the following year.

If either of the above applies, please check the appropriate box, and proceed to page 3 to sign and date this form.

☐ All buildings ARE in service.

1. The Project meets the minimum requirements of (as outlined in the Agreement):
   ☐ _____
   ☐ _____
2. Has there been a change in any building in the Project?
   ☐ No Change ☐ Change
   If **"Change"**, list the applicable change in the project for the certification year on page 4.
3. The Owner has received an annual Household Income Certification from each low-income resident and documentation to support that certification, at their initial occupancy and annually.
   ☐ Yes ☐ No
4. Each low-income unit in the Project has been rent-restricted pursuant to Section _____ of the Agreement:
   ☐ Yes ☐ No

5. Has there been a finding of discrimination under the Fair Housing Act, 42 U.S.C. 3601-3619, for this Project? A finding of discrimination includes an adverse final decision by the Secretary of Housing and Urban Development (HUD), 24 CFR 180.680, an adverse final decision by a substantially equivalent state or local fair housing agency, 42 U.S.C. 3616a(a)(1), or an adverse judgment from a federal court:

   ☐ **No Finding** ☐ **Finding**

   If "**Finding**", state the nature of the finding on page 4.

6. Each building in the Project is and has been suitable for occupancy, taking into account local health, safety and building codes (or other habitability standards), and the state or local government unit responsible for making building code inspections did not issue a report of a violation for any building or low-income unit in the project:

   ☐ Yes ☐ No

   If **"No,"** state the nature of violation on page 4 and attach a copy of the violation report and any documentation of correction.

7. Has there been a **change in the eligible basis** (as defined in _____ of the Agreement) of any building in the project since last certification submission?

   ☐ No Change ☐ Change

   If "Change," state nature of change on page 4 (e.g., a common area has become commercial space, a fee is now charged for a tenant facility formerly provided without charge, or the project owner has received federal subsidies with respect to the project which had not been disclosed).

8. All tenant facilities included, such as swimming pools, other recreational facilities, parking areas, washer/dryer hookups and appliances were provided on a comparable basis without charge to all tenants in the buildings:

   ☐ Yes ☐ No

9. If a low-income unit in the Project has been vacant during the year, reasonable attempts were, or are being, made to rent that unit or the next available unit of comparable or smaller size to tenants having a qualifying income before any units were or will be rented to tenants not having a qualifying income:

   ☐ Yes ☐ No

10. If the income of tenants of a low-income unit in any building increased above the limit, the next available unit of comparable or smaller size in that building was or will be rented to residents having a qualifying income:

    ☐ Yes ☐ No

11. An extended low-income housing commitment, wherein an owner cannot refuse to lease a unit in the project to an applicant because the applicant holds a voucher or certificate of eligibility under Section 8 of the United States Housing Act of 1937, 42 U.S.C. 1437s. Owner has not refused to lease a unit to an applicant based solely on their status as a holder of a Section 8 voucher:

    ☐ Yes ☐ No ☐ N/A

12. The owner has complied with and not evicted or terminated the tenancy of an existing tenant of any low-income unit other than for good cause:

    ☐ Yes ☐ No

13. Has there been a change in the ownership or management of the Project?

☐ **No Change** ☐ **Change**

If "**Change**," complete page 4 detailing the changes in ownership or management of the project.

NOTE: Failure to complete this form in its entirety will result in noncompliance with the program requirements. In addition, any individual other than an owner or general partner of the project is not permitted to sign this form.

The project is otherwise in compliance with Affordable Housing Agreement No. _____ and all other applicable laws, rules, and regulations. This Certification and any attachments are made **UNDER PENALTY OF PERJURY** of the Laws of the State of California.

Signature: _____

Name: _____

Title: _____

Date: _____

PLEASE EXPLAIN ANY ITEMS THAT WERE ANSWERED "NO," "CHANGE" OR "FINDING ON QUESTIONS 1-15.

Question #	Explanation (if applicable)
2	
5	
6	
7	
13	

CHANGES IN OWNERSHIP OR MANAGEMENT

(To be completed **ONLY if "CHANGE"** marked for Question 15 above)

TRANSFER OF OWNERSHIP:

Date of Change:	
Taxpayer ID Number:	
Legal Owner Name:	
General Partnership:	
Status of Partnership (LLC, etc.):	

CHANGE IN OWNER CONTACT:

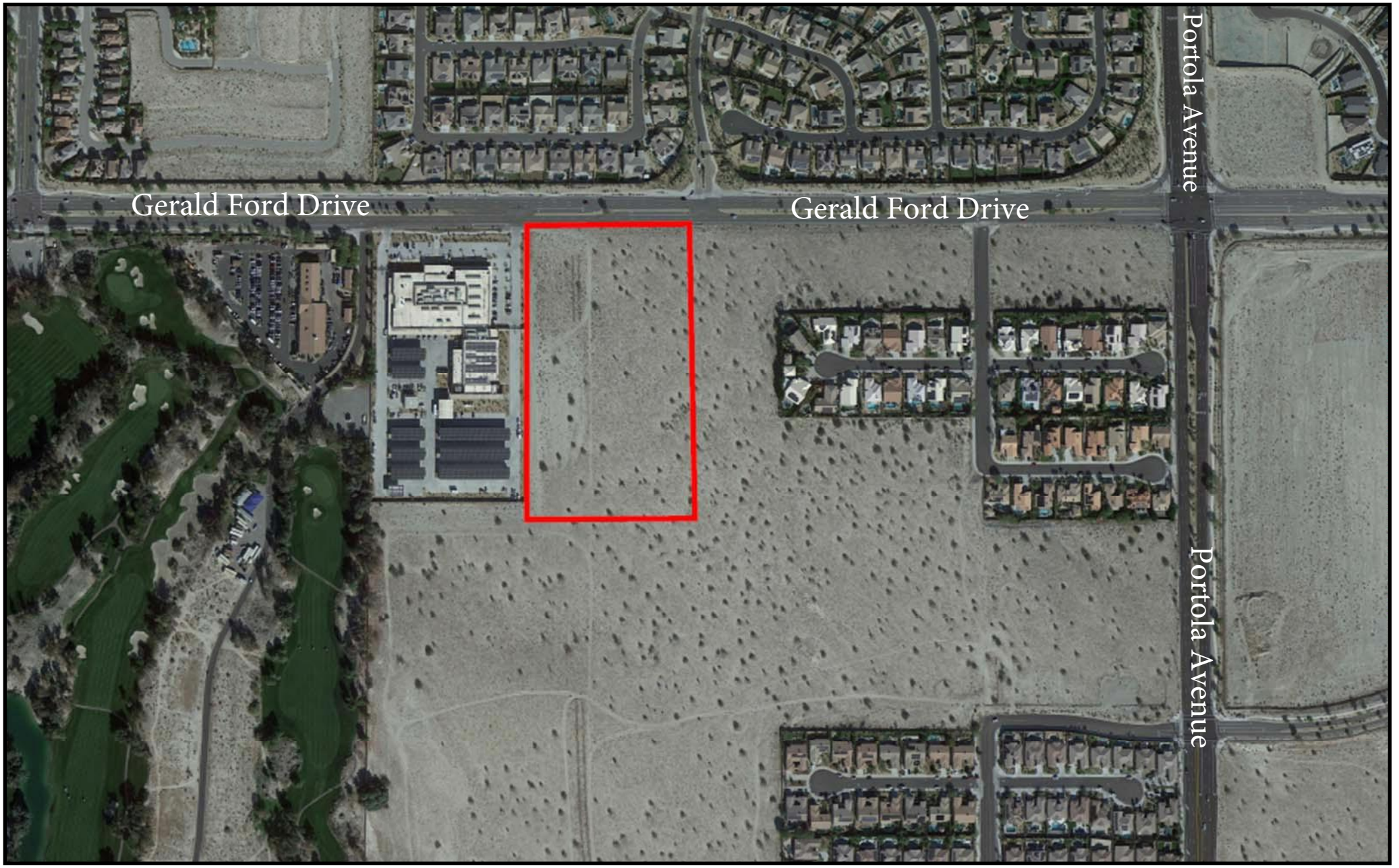
Date of Change:	
Owner Contact:	
Owner Contact Phone:	
Owner Contact Email:	

CHANGE IN MANAGEMENT CONTACT

Date of Change:	
Management Co. Name:	
Management Address:	
Management city, state, zip:	
Management Contact:	
Management Contact Phone:	
Management Contact Email:	

Vitalia Apartments

Gerald Ford Drive, west of Portola Drive Palm Desert, California



Item 2D-35

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PALM DESERT HOUSING AUTHORITY
STAFF REPORT

MEETING DATE: November 17, 2022

PREPARED BY: Jessica Gonzales, Housing Manager

REQUEST: ADOPT A RESOLUTION OF THE BOARD OF THE PALM DESERT HOUSING AUTHORITY (i) AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT BETWEEN THE AUTHORITY AND PALM DESERT PACIFIC ASSOCIATES APPROVING A LOAN IN THE AMOUNT OF $6,030,000 FROM THE AUTHORITY'S LOW AND MODERATE INCOME HOUSING ASSET FUND TO FUND THE PURCHASE BY PALM DESERT PACIFIC ASSOCIATES OF A PROPERTY AND CONSTRUCTION OF 269 MULTIFAMILY HOUSING UNITS; AND (ii) TAKING RELATED ACTIONS.

RECOMMENDATION:

Waive further reading and adopt a Resolution (Housing Authority):

1. Authorizing the execution and delivery of a Loan Agreement, in substantial form, between the Palm Desert Housing Authority and Palm Desert Pacific Associates approving a loan in the amount of $6,030,000 from the Authority's Low and Moderate Income Housing Asset Fund ("LMIHAF") to fund the purchase by Palm Desert Pacific Associates of a property and construction of 269 multi-family units consisting of 266 affordable housing units and three (3) on-site property manager units.
2. Authorize the Chairman or Executive Director, in consultation with legal counsel, to execute and deliver, for and in the name of the Authority, the Loan Agreement and documents presented to the Authority Board at this meeting, as modified, provided such modifications are materially consistent with the terms set forth in the Loan Agreement.
3. Authorize the Chairman, the Executive Director, or their respective designees, in consultation with legal counsel, to execute and deliver, for and in the name of the Authority, all other necessary or proper documents and instruments, and to do all things which they may deem necessary or proper to effectuate the purposes of the Resolution.

BACKGROUND/ANALYSIS:

On August 28, 2021, the Palm Desert Housing Authority ("Authority"), conditionally authorized and approved a loan commitment to Palm Desert Pacific Associates ("Pacific Associates"), in the amount of $6,030,000 from the Authority's Low and Moderate Income Housing Asset Fund for the financing and construction of a 100% affordable multi-family apartment community project that will consist of 266 affordable units with 3 on-site manager units in one phase (the "Project").

Concurrently, the Authority Board authorized Pacific Associates to submit an application to CDLAC/TCAC for Tax Bonds, Federal Tax Credits and State Tax Credits. Thereafter, the Pacific Associates submitted an application to obtain an allocation of four percent (4%) Low Income Housing Tax Credits. Although Pacific Associates was successful in the first application submittal of August 2021, Pacific Associates was awarded an allocation in the application submittal of March 2022 and received notification of such in June 2022.

With the successful award to Pacific Associates, staff and legal counsel proceeded in negotiating and preparing such agreements and documents, or which are otherwise required, to effectuate the Authority's funding commitment for the Project as provided in the Conditional Loan Agreement. The documents consist of (i) a loan agreement, (ii) a promissory note, (iii) a deed of trust and (iv) a regulatory agreement, (entitled "Housing Agreement") each by and between, or for the benefit of the Authority or Pacific Associates (collectively, "Documents").

The initial terms of the Conditional Loan commitment required completion of the project by the date that is two years after closing, subject to force majeure delays (which was staff's attempt to reflect required completion within 5 years from the 8/2021 loan commitment). However, the borrower/developer and its primary lender have requested a three (3) year period; the primary lender's loan documents give the borrower/developer three years, and its policy is not to accept a shorter deadline in subordinate loans like the Housing Authority loan. We note that the Authority's conditional loan commitment permits the City Manager/Executive Director to negotiate loan terms. Staff and the Executive Director believe that the three-year period is reasonable, and the documents have been revised to three years

The Land was declared by the Successor Agency to the Palm Desert Redevelopment Agency (SARDA) exempt to the Surplus Land Act (SLA) and was qualified by the California Department of Housing and Community Development (HCD) for the grandfathered exemption which requires the land to be conveyed to Pacific Associates by December 31, 2022. If the land is not conveyed to by this deadline, the Purchase and Sale Agreement (PSA) would expire and no longer be valid. This would also terminate the authority provided under the PSA, for Pacific Associates to proceed with the Project.

The Documents require the following provisions:

Project. The Project will be operated for a period of fifty-five (55) years following the date of completion of construction and obtaining a certificate of occupancy for the Project to provide rental housing affordable to persons and families of low and extremely low income in accordance with the affordability restrictions contained in the Loan Documents and in accordance with the four percent (4%) Tax-Exempt Bonds, Federal Tax Credits, State Tax Credits being used to finance the Project. To the extent necessary, the Authority will subordinate the deed of trust securing its Loan to the liens and encumbrances of the Project's construction and permanent lenders. However, the Authority will not subordinate its interests in the LMIHAF Housing Agreement (described below) to such liens or encumbrances. The City will be able to count 81 extremely-low income units, 185 low income units and three (3) above-moderate income units towards the City's Regional Housing Needs Assessment ("RHNA") requirements. The Project will also be restricted by a density bonus regulatory agreement that will restrict 24 units to low

income households. It should be noted that the density bonus restrictions will be layered with the Authority Loan's restrictions, and the extremely-low income restrictions will prevail.

Authority Loan Terms. The Loan shall be in the principal amount of $6,030,000, and will have a term of fifty-five (55) years following the date of completion of construction and obtaining a certificate of occupancy for the Project, bear simple interest at three (3%) per annum and will be repaid from fifty percent (50%) of the Project's residual receipts and the loans will be due and payable at the end of the loan term. There are no other soft lenders providing funding sources and the Authority will not have to share repayment of the residual receipts. The Authority Loan also includes an express event of default if a TCAC Regulatory Agreement is not recorded against the property for a 55 year period that restricts 266 units to 30%, 60% and 80% AMI households.

LMIHAF Housing Agreement: The regulatory agreement for the Project associated with the Authority Loan, will restrict 81 units in the Project for rental at affordable rents to individuals and families with incomes that do not exceed the 30% of the area median income for Riverside County adjusted for family size (AMI). Three two-bedroom units will be set-aside for the onsite managers, and the remaining 185 units will be restricted to 60% and 80% AMI households by the TCAC Regulatory Agreement. The City's Density Bonus Housing Agreement will also restrict 24 units to low income households for a 55 year term.

Based on the analysis, presented in Attachment 5, prepared by Keyser Marston Associates, Inc. ("KMA"), the Authority's financial consultant, the full $6,030,000 in LMIHAF assistances can be attributed to the extremely-low income units for SB 341 income targeting purposes, which equates to approximately $74,444 per restricted unit. A $74,444 per unit subsidy for extremely-low income units that do not also have an operating subsidy, is very reasonable in Southern California. The proposed subsidy is only 22% of the estimated $336,015 per unit cost to develop the Project.

KMA concluded after comparing the November 2, 2022, pro forma to the initial financial gap analysis completed in 2021, the Project costs have increased significantly (approximately 18%) as have interest rates. Both events cause the Project to have a significant financial gap if the Authority places affordability restrictions on all the units. The LMIHAF affordability restrictions, while restricting the units to the same income level, have slightly different rent calculation methodologies than the TCAC program. As such, if the Authority were to impose the LMIHAF requirements on all units, the permanent loan will decrease by over $3 million and create an approximately $3 million financial gap for the Project with no time to identify additional funding sources prior to the December 31, 2022, land closing deadline. While the LMIHAF Housing Agreement will only restrict 81 units to extremely-low income households, the LMIHAF Loan Agreement has a provision that if the TCAC Regulatory Agreement that restricts 266 units to households earning 30%, 60% and 80% AMI is not recorded against the property for 55 years, the LMIHAF Loan will be in default. Thus, 100% of the units will be restricted to households earning 30%, 60% and 80% AMI. In summary, the following is the comparison of the changes from 2021 to November 2, 2022, analysis:

	2021	**2022**
LMIHAF Affordability Restriction	81 - Extremely Low-Income	81 - Extremely Low-Income

	186 – Lower Income	
LMIHAF Loan Assistance	$6,030,000	$6,030,000
Per Unit Cost	$28,000	$74,444

It should be noted that 100% of the $6,030,000 will be allocated towards households earning up to 30% AMI. As such, future projects assisted by LMIHAF money will likely not be required to provide as many extremely-low income restricted units since the SB 341 LMIHAF income targeting requirements only require at least 30% of LMIHAF monies spent in a five year per are required to benefit households earning 30% of AMI.

	Vitalia	**UHC Project**	**Palm Villas**
Total Units	269	176	241
Total Affordable Units	266	175	239
Authority Restricted Units	81	175	239
Extremely-Low Income Units	81	175	239
Project Based Vouchers	0	88	60
Average AMI %	55%	46%	49%
Total Development Costs	**$336,000/Du**	**$581,900/Du**	**$539,300/Du**
Includes Prevailing Wages	No	Yes	Yes
Authority LMIHAF Assistance	**$6,030,000**	**7,235,000**	**$6,755,000**
/Total Units	$22,400	$41,100	$28,000
/Affordable Units	$22,700	$41,300	$28,300
/Authority Restricted Units	$74,400	$41,300	$28,300
/Authority ELI Units	$74,400	$77,800	$93,800

Prior to close of escrow, Pacific Associates has to perform its due diligence and provide proof of financing commitments from all sources to fund the entire Project and the Project must be permit ready in which Pacific Associates has to obtain a conditional permit ready approval letter.

Adoption of the resolution approves a Loan Agreement with Pacific Associates, which provides a loan in the amount of $6,030,000 from the Authority's Low and Moderate Income Housing Asset Fund (the "Loans"), approves the Documents, including the exhibits attached thereto, substantially in the form presented to the Authority Board at this meeting and authorize staff and officers of the City and Authority to finalize, execute and record the Documents, as applicable, and any other agreements and documents necessary to implement the Loan Agreement at the close of escrow.

By making the Loan to Pacific Associates, the Authority will benefit from a 55-year affordable restricted community available to extremely low and low income households. Staff recommends approval.

Strategic Plan:
One of the priorities of the City of Palm Desert's ("City") Envision Palm Desert Strategic Plan, as part of Land, Use, Housing and Open Space, is to facilitate development of high-quality housing

for people of all income levels. This request meets that objective by diversifying the City's housing stock for lower income households.

FINANCIAL IMPACT:

The fiscal impact of this request is the loan itself in the amount of $6,030,000 from the Authority's Low and Moderate Income Housing Asset Fund, or $74,444 per restricted unit. This transaction will not impact the City's General Fund.

The Developer's sources of financing breakdown for the project are as follows:

Funding Source	Description	Total Project Cost
Palm Desert Housing Authority Low and Moderate Income Housing Asset Fund	Land Purchase and Construction Cost	$6,030,000
Tax-Exempt Bonds	Permanent Loan	$22,000,000
(4%) Federal Tax Credits	Investor Equity	$37,478,458
State Tax Credits	Investor Equity	$19,633,567
CVAG TUMF Waiver	Fee Waiver	$361,228
Solar Tax Credit Equity	Investor Equity	$432,000
Deferred Developer Fee	43% of Dev Fee	$4,452,884
	TOTAL	$90,388,137

REVIEWED BY:

Department Director:	*Eric Ceja*
City Attorney:	*Robert Hargreaves, BBK Law*
Special Counsel:	*Bruce W. Galloway, Richards, Watson & Gershon Law.*
Finance Director:	*Veronica Chavez*
Assistant City Manager:	*Chris Escobedo*
Executive Director:	*Todd Hileman*

ATTACHMENTS:

1. Palm Desert Housing Authority Resolution
2. Palm Desert Pacific Associates – Vitalia LMIHAF Housing Agreement
3. Palm Desert Pacific Associates – Vitalia Loan Agreement
4. Palm Desert Pacific Associates – Vitalia Deed of Trust and Assignment of Rents
5. Palm Desert Pacific Associates – Vitalia Promissory Note
6. Palm Desert Pacific Associates – Vitalia Notice of Affordability Restriction
7. KMA Financial Gap Analysis dated November 2, 2022
8. Project Site Map

RESOLUTION NO. HA-___

A RESOLUTION OF THE PALM DESERT HOUSING AUTHORITY APPROVING A LOAN AGREEMENT REGARDING VITALIA BETWEEN THE AUTHORITY AND PALM DESERT PACIFIC ASSOCIATES, L.P,, AND TAKING RELATED ACTIONS

RECITALS:

A. Pursuant to AB X1 26 (enacted in June 2011) and the California Supreme Court's decision in California Redevelopment Association, et al. v. Ana Matosantos, et al., 53 Cal. 4th 231 (2011), the former Palm Desert Redevelopment Agency (the "**Former Agency**") was dissolved as of February 1, 2012, the Successor Agency to the Palm Desert Redevelopment Agency (the "**Successor Agency**"), as the successor entity to the Former Agency, was constituted, and a board of the Successor Agency (the "**Board**") was established.

B. AB X1 26 added Part 1.8 (commencing with Section 34161) and Part 1.85 (commencing with Section 34170) to Division 24 of the California Health and Safety Code ("**HSC**") (such Parts 1.8 and 1.85, including amendments and supplements enacted after AB X1 26, being referred to herein as the "**Dissolution Act**").

C. Pursuant to HSC Section 34176(b), the City Council of the City of Palm Desert (the "**City**") adopted Resolution No. 2012-07, electing for the City to not retain the responsibility for performing housing functions previously performed by the Former Agency, and determining that all of the assets, as allowed by law, and all rights, powers, liabilities, duties, and obligations associated with the housing activities of the Former Agency be transferred to the Palm Desert Housing Authority (the "**Authority**").

D. The Successor Agency and Pacific West Communities, Inc. ("Pacific West") entered into an Exclusive Negotiation Agreement, dated as of October 21, 2020, for the purpose of negotiating the terms and conditions upon which the Successor Agency would sell to the Pacific West the approximately +/- 11.94-acre portion of real property owned by the Successor Agency located in the City along Gerald Ford Drive and identified as APN 694-310-006 (the "**Property"**) for the purpose of constructing thereon a 269-unit multi-family residential apartment community for households with incomes between 30% and 80% of the area median income (the **"Project"**). The Property is described in **Exhibit "A"**, attached hereto and incorporated herein.

E. Pacific West created Palm Desert Pacific Associates, a California limited partnership ("Developer") to be the tax credit limited partnership that will be the borrower and the developer for the Project; Pacific West is its Administrative General Partner.

F. An appraisal of the Property was ordered from Novogradac Consulting, LLP, received and dated March 25, 2021. The report places the current appraised value of the Property at $4,500,000.

G. The Pacific West has submitted a funding request to the Authority to make a loan to the Pacific West in the amount of $6,030,000 (the "**Loan")** to assist the Pacific West in the purchase of the Property from the Successor Agency and the development of the Project. The Project is intended to be funded by leveraging multiple funding sources including four percent tax exempt bonds, federal tax credits, state tax credits, and the Loan.

H. At its meeting on August 26, 2021, the Board of the Successor Agency approved a purchase and sale agreement (the "**PSA**") for the sale of the Property to the Pacific West for a purchase price equal to its appraised value, subsequently was approved on January 20, 2022, by the Countywide Oversight Board of the County of Riverside and, was deemed approved by the State Department of Finance.

I. The Authority, as the housing successor to the Former Agency, on August 26, 2021, approved a Conditional Agreement Regarding Vitalia Apartments between the Authority and the Pacific West and incorporated herein by reference (the **"Conditional Loan Agreement**") which provides for the Authority to make the Loan to the Pacific West subject to the terms and conditions therein.

J. The Pacific West has submitted, an application, including the Conditional Loan Agreement, to the California Tax Credit Allocation Committee ("TCAC") for an allocation of tax-exempt bonds, federal tax credits and state tax credits as described in the Conditional Loan Agreement.

K. The Pacific West has successfully received a Tax Allocation for the Project and has provided proof of financing commitments from all sources to fund the entire Project and the Project is in the process of obtaining a conditional Grading and Building and Safety permit ready approval.

NOW, THEREFORE, THE PALM DESERT HOUSING AUTHORITY DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. The above recitals, and each of them, are true and correct and are a substantive part of this Resolution.

Section 2. The Agreement, in the form attached hereto as **Exhibit "B**", is hereby approved. The Executive Director of the Authority is hereby authorized to execute and deliver, for and in the name of the Authority, the Agreement in substantially such form, with such changes thereto as the Executive Director, in consultation with the Authority legal counsel, may deem appropriate or necessary and consistent with the purposes of this Resolution (such approval to be conclusively evidenced by the execution and delivery thereof).

Section 3. The members of this Board and the staff of the Authority are hereby authorized, jointly and severally, to do all things which they may deem necessary or proper to effectuate the purposes of this Resolution, including negotiating and preparing agreements and documents, and any such actions previously taken are hereby ratified and confirmed.

PASSED, APPROVED and ADOPTED on this 17th day of November 2022, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
JAN C HARNIK, CHAIRMAN

ATTEST:

_____
ANTHONY J. MEJIA, MMC,
SECRETARY

PALM DESERT HOUSING AUTHORITY

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EXHIBIT "A"

The Land referred to herein below is situated in the City of Palm Desert, County of Riverside, State of California, and is described as follows:

LEGAL DESCRIPTION

A PORTION OF PARCEL 1 OF THAT CERTAIN CERTIFICATE OF COMPLIANCE NO. 88-1, RECORDED JUNE 1, 1988 AS INSTRUMENT NO. 146461 OF OFFICIAL RECORDS. IN THE CITY OF PALM DESERT, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, LOCATED IN THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 32, TOWNSHIP 4 NORTH, RANGE 6 EAST, SAN BERNARDINO MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SAID PARCEL 1;

THENCE NORTH 89°55'15" EAST, ALONG THE NORTHERLY LINE OF SAID PARCEL 1, SAID LINE ALSO BEING THE SOUTHERLY RIGHT-OF-WAY LINE OF GERALD FORD DRIVE, A DISTANCE OF 514.35 FEET;

THENCE SOUTH 47°23'23" EAST, A DISTANCE OF 34.01 FEET;

THENCE SOUTH 00°03'36" WEST, A DISTANCE OF 942.64 FEET;

THENCE NORTH 89°56'24" WEST, A DISTANCE OF 539.40 FEET;

THENCE NORTH 00°03'36" EAST, ALONG THE WESTERLY LINE OF SAID PARCEL 1 AND THE SOUTHERLY EXTENSION THEREOF, A DISTANCE OF 964.39 FEET, TO THE **POINT OF BEGINNING**;

SUBJECT TO EXISTING EASEMENTS, COVENANTS, RIGHTS AND RIGHTS-OF-WAY OF RECORD.

CONTAINING 520,257 SQUARE FEET OR 11.943 ACRES MORE OR LESS.

AS DEPICTED ON **EXHIBIT "B"** ATTACHED HERETO AND MADE A PART HEREOF.

THIS LEGAL DESCRIPTION DOES NOT DESCRIBE A LEGAL PARCEL OF LAND. IT IS NOT TO BE USED FOR CONVEYANCE OR FINANCING OR ANY OTHER PURPOSE THAT WOULD BE A VIOLATION OF THE CALIFORNIA SUBDIVISION MAP ACT.

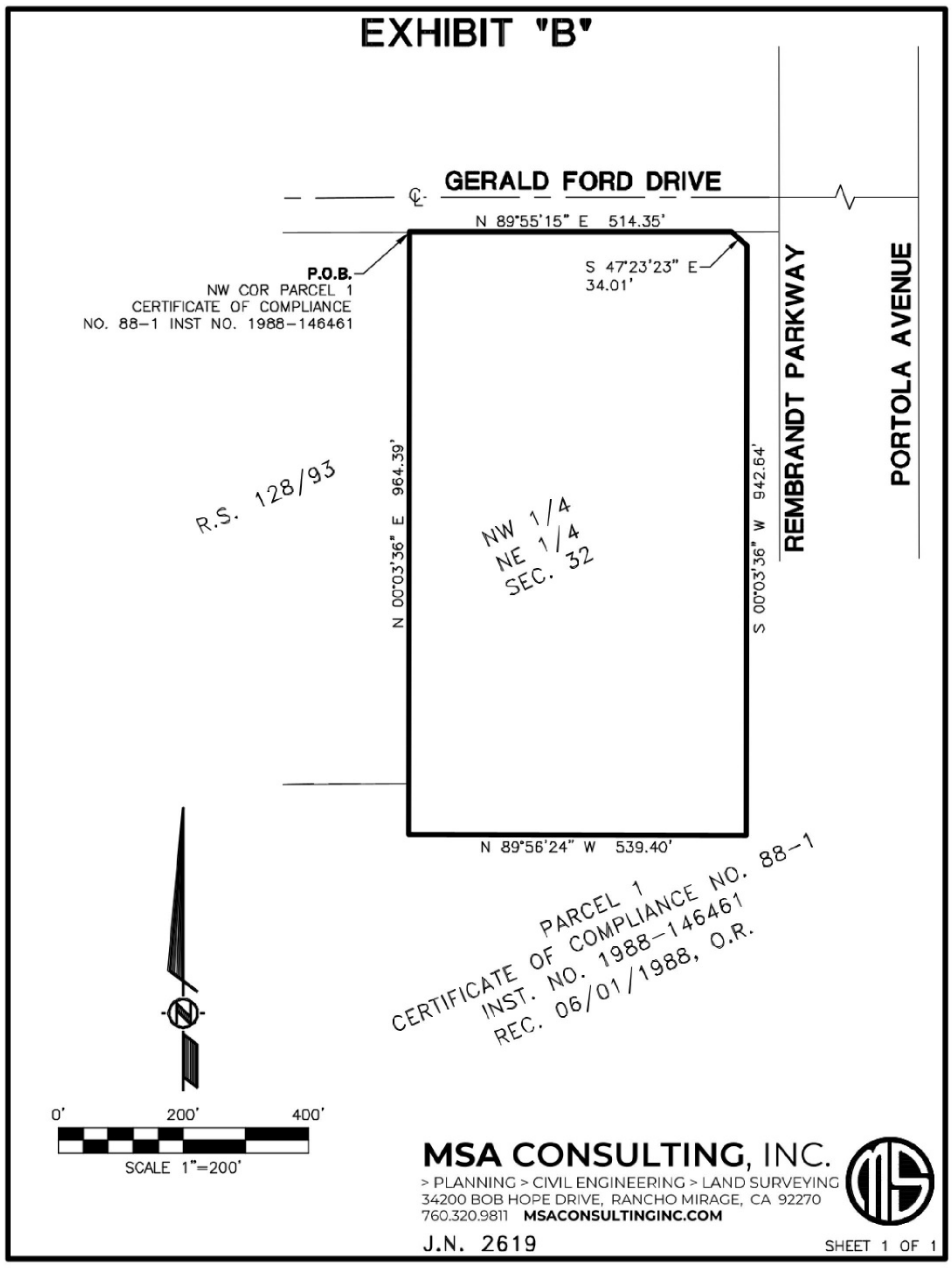
EXHIBIT "B"
GERALD FORD DRIVE
℄
N 89°55'15" E 514.35'
P.O.B.
NW COR PARCEL 1
CERTIFICATE OF COMPLIANCE
NO. 88-1 INST NO. 1988-146461
S 47°23'23" E
34.01'
REMBRANDT PARKWAY
PORTOLA AVENUE
R.S. 128/93
N 00°03'36" E 964.39'
S 00°03'36" W 942.64'
NW 1/4
NE 1/4
SEC. 32
N 89°56'24" W 539.40'
PARCEL 1
CERTIFICATE OF COMPLIANCE NO. 88-1
INST. NO. 1988-146461
REC. 06/01/1988, O.R.
0'
200'
400'
SCALE 1"=200'
MSA CONSULTING, INC.
> PLANNING > CIVIL ENGINEERING > LAND SURVEYING
34200 BOB HOPE DRIVE, RANCHO MIRAGE, CA 92270
760.320.9811 MSACONSULTINGINC.COM
J.N. 2619
SHEET 1 OF 1

EXHIBIT "B"

LOAN AGREEMENT

THIS LOAN AGREEMENT "Loan Agreement") is dated as of _____, 2022 and is entered into by and between the PALM DESERT HOUSING AUTHORITY ("Lender"), and PALM DESERT PACIFIC ASSOCIATES, a California limited partnership ("Borrower").

R E C I T A L S:

A. Borrower has acquired or will acquire the land located in the City of Palm Desert, County of Riverside, State of California, more particularly described on Exhibit "A" attached hereto (together with any improvements thereon, the "Property") from the Successor Agency to the Palm Desert Redevelopment Agency. (The sale of the Property was approved by the Countywide Oversight Board for the County of Riverside by its Resolution No. 2022-30, and the Property is exempt from the surplus land statutes under California Government Code 54234(b)(1)(A) because an Exclusive Negotiation Agreement for the Property was entered into prior to December 31, 2020, and the disposition of the Property is to occur prior to December 31, 2022.)

B. Borrower intends to construct the improvements on the land that are described on Exhibit "B" (the "Improvements" or "Development").

C. Borrower has requested that Lender make a loan to Borrower from low income housing set aside funds in the principal amount of $6,030,000.00, consisting of a purchase money loan in the amount of $4,500,000.00 to be disbursed to the seller of the Property (which is the Successor Agency to the Palm Desert Redevelopment Agency) and a construction loan of $1,530,000.00 (collectively, the "Loan"), with the construction loan portion to be used after all available tax credit equity to pay for a portion of the costs of the Improvements, on the terms and conditions hereinafter set forth.

NOW, THEREFORE, the Parties agree as follows:

A G R E E M E N T:

DEFINITIONS AND EXHIBITS.

Definitions. The following initially capitalized words and terms have the meanings set forth in this Section 1.1 wherever used in this Agreement, unless otherwise provided to the contrary:

"Closing" shall mean the date on which the Deed of Trust is recorded in the Official Records of Riverside County, California.

"Completion of Construction" shall mean the date that Borrower obtains a certificate of occupancy for the Improvements.

"Construction Plans" means the construction plans, specifications and related documents consistent with the Scope of Development attached hereto as Exhibit "B" for the design and construction of the Improvements.

"Deed of Trust" shall mean a Deed of Trust and Assignment of Rents in the form attached hereto as Exhibit "C", executed by Borrower for the benefit of Lender and,

acknowledged (which is to be recorded against the Property in the Official Records of Riverside County, California at the Closing).

"Entitlements" shall mean all authorizations, approvals, rights, maps, licenses, permits, franchises, certificates, instruments, documents, agreements, variances and other land use approvals required for the Development.

"Governmental Authority" shall mean any federal, state or local governments, and all subdivision thereof, including any City, authority, board, bureau, commission, department or other public body, including any court, administrative tribunal or public utility.

"Improvements", "Development" or "Project" shall mean the project/work described in the Scope of Development attached hereto as Exhibit "B".

"Loan" shall mean the loan contemplated by this Agreement as defined in the Recitals.

"Loan Documents" shall mean this Agreement, the Note, the Deed of Trust, the Regulatory Agreements, the Notice and all other documents and instruments executed and delivered, or to be executed and delivered, in connection with the Loan (including the Acknowledgment referred to in Section 3.6.1 below).

"Note" shall mean a Secured Promissory Note, in the form attached hereto as Exhibit "D", executed by Borrower and payable to City.

"Notice" shall mean a Notice of Affordability Restrictions in the form attached hereto as Exhibit "E".

"Operating Year" shall mean each calendar year or portion thereof during which the Project is operating.

"Project Net Cash Flow" shall mean the revenues (without regard to the source) derived from the operation of the Development minus (i) all real estate and personal property taxes and assessments, insurance premiums, monitoring fees and reasonable costs of maintenance, operation and management incurred by the Borrower in connection with the operation and maintenance of the Development, (ii) base property management fees not to exceed the lesser of (a) Twenty-Eight Dollars and Forty-Four cents ($28.44) per unit per month (which amount shall increase annually by the lesser of three and a half percent (3.5%) or the rate of increase in the CPI (defined below) from the prior calendar year) or (b) three and a quarter percent (3.25%) of the effective gross income received by Borrower in connection with its applicable calendar year and other reasonable and customary management fees (iii) a minimum of $24,000 per year in tenant services provided on-site (which amount shall increase annually by the rate of increase in the CPI from the prior calendar year, (iv) the costs of servicing the senior construction loan/financing (and any approved refinancing thereof) or other sources of financing approved by Lender (other than the Loan); (v) amounts necessary to maintain a guaranty or other form of security or bond for an operation reserve account which shall be capitalized in the amount not to exceed Six Hundred Fifty Three Thousand Six Hundred Sixty Five Dollars ($653,665), including any replenishment of such reserve (vi) amounts deposited into a replacement initially capitalized reserve account in the sum of not to exceed $250/unit per annum, increasing 3% per annum and any ongoing deposits to such reserve (vi) the repayment of any amounts loaned by

the Borrower or its partners to the Development for material Development costs which costs were not reasonably foreseeable, and which loan, and the items for which funds were expended pursuant to such loan, are approved in advance by the Lender's Executive Director, (vii) deferred Borrower fees in the total maximum amount of $5,000,000, (viii) a Limited Partner monitoring fee in the annual amount of $7,500; and (ix) a managing general partner fee in the annual amount of $26,900, which may increase up to three percent (3.0%) annually; any unpaid tax credit adjuster payments due to the limited partner of Borrower. The amounts of the operation reserves and replacement reserves described above may increase in accordance with the annual percentage increases from the date hereof in the Consumer Price Index, U.S. City Average, All Urban Consumers as published by the U.S. Bureau of Labor Statistics (the "CPI") or as required for the Borrower limited partner or any senior lender. Project Net Cash Flow shall be determined by Borrower and Lender on a cash basis without regard to any carry-over profit or loss from any prior calendar year, and shall be determined annually, on or before April 15 for the preceding Operating Year.

"Parties" shall mean Lender and Borrower, collectively, and "Party" shall mean Lender or Borrower, individually.

"Person" shall mean a natural person, a partnership, a joint venture, an unincorporated association, a limited liability company, a corporation, a trust, any other business association or any Governmental Authority.

"Potential Default" shall mean any condition or event that could, with the lapse of time/expiration of applicable cure period under this Agreement after any written notice to

Borrower thereof required by this Agreement is delivered, constitute a "Default" (as defined in Section 5.1 below).

"Property" shall have the meaning provided in Recital A, but shall also mean portions thereof or interests therein as the context requires.

"Preliminary Budget" shall mean the budget for the costs of the Project attached hereto as Exhibit "F".

"Regulatory Agreements" shall mean the Housing Agreements in the form attached hereto as Exhibit "G".

"Schedule of Performance" shall mean the schedule for the completion of the Improvements attached to this Agreement as Exhibit "H".

Exhibits. The following exhibits are attached to this Agreement and incorporated into, and made a part of, this Agreement by this reference:

Exhibit "A": Legal Description

Exhibit "B": Scope of Development

Exhibit "C": Form of Deed of Trust

Exhibit "D": Form of Promissory Note

Exhibit "E": Form of Notice of Affordability Restrictions

Exhibit "F": Preliminary Project Budget

Exhibit "G": Forms of Housing Agreement (LMIHF) or "Regulatory Agreement" and Housing Agreement (Density Bonus)

Exhibit "H": Schedule of Performance

CONSTRUCTION OF IMPROVEMENTS.

Construction Pursuant to Plans. The Improvements shall be constructed in accordance with final Construction Plans approved by the City of Palm Desert and the terms and conditions of the permits and approvals issued or to be issued by the City of Palm Desert.

Commencement and Completion of Improvements; Schedule of Performance. Borrower shall commence construction of the Improvements no later than the applicable date set forth in the Schedule of Performance, diligently prosecute to completion the construction of the Improvements no later than the applicable date set forth in the Schedule of Performance, and Borrower shall otherwise comply with the Schedule of Performance, in each case subject to Section 6.11 below (Force Majeure).

Compliance with Applicable Law. Borrower shall cause all construction to be performed in compliance with: (a) all applicable laws, ordinances, rules and regulations of federal, state, county or municipal governments or agencies now in force or that may be enacted hereafter; (b) all directions, rules and regulations of any fire marshal, health officer, building inspector, or

other officer of every governmental authority now having or hereafter acquiring jurisdiction; (c) all applicable permits and governmental approvals.

Monthly Progress Reports. Until such time as Borrower has completed the Improvements, Borrower shall provide Lender with monthly progress reports (within 30 days of the end of each calendar month for the previous calendar month) regarding the status of the construction of the Improvements.

Construction Responsibilities. Borrower shall be solely responsible for all aspects of Borrower's conduct in connection with the Improvements, including (but not limited to) the quality and suitability of the plans and specifications, the supervision of construction work, and the qualifications, financial condition, and performance of all architects, engineers, contractors, subcontractors, suppliers, consultants, and property managers. Any review or inspection undertaken by Lender with reference to the Improvements is solely for the purpose of determining whether Borrower is properly discharging its obligations, and should not be relied upon by Borrower or by any third parties as a warranty or representation as to the quality of the design or construction of the Improvements, or for any other purpose.

Mechanics' Liens, Stop Notices, and Notices of Completion. If any claim of lien is filed against the Property or a stop notice with respect to the Loan is served on Lender or any other lender or other third party in connection with the Improvements, then Borrower shall, subject to Borrower's right to contest such lien in good faith and in accordance with applicable law, within ninety (90) days after such filing or service, either pay and fully discharge the lien or stop notice, effect the release of such lien or stop notice by delivering to Lender a surety bond from a surety acceptable to Lender in sufficient form and amount, or provide Lender with other assurance satisfactory to Lender that the claim of lien or stop notice will be paid or discharged.

Budget Amendments. After the Closing, Borrower shall submit any changes to the Budget to Lender for approval within ten (10) days after Borrower receives information indicating that actual costs therein vary or will vary from those shown on the Budget, together with evidence that Borrower has funds available from sources other than Lender to pay any cost increases and overruns.

LOAN PROVISIONS.

Use. The Loan shall be used solely for costs of the Project (including the purchase price for the Property) as shown on the Project Budget that exceed the equity available for and invested in the Project.

Interest; Payments. The outstanding principal balance of the Loan shall accrue interest as set forth in the Note and such principal and interest shall be payable as set forth in the Note.

Acceleration. Upon a Default by Borrower under Section 5 below, Lender may elect by written notice to Borrower that all outstanding principal and accrued interest on the Loan shall become due and payable.

Security. The Note shall be secured by the Deed of Trust.

Project Net Income Reporting. On or before April 15 of each calendar year, Borrower shall provide the Lender with an annual report in form and substance reasonably

acceptable to Lender that include annual financial statements with respect to the Project that have been reviewed by an independent certified public accountant ("Annual Financial Report"). In the event the Residual Receipts reported or paid deviate by a deficit of three percent (3%) or more from that amount determined to be owing upon review of Developer's submittal and an audit (and the Lender shall have the right to audit Developer's books and records for the Project, which shall be kept at _____ in the City of Palm Desert), Borrower shall reimburse Lender for its cost to review and shall pay the amounts owing within ten (10) days after notice from Lender describing such amounts and costs.

Conditions Precedent to Closing. The obligation of Lender to close the Loan is expressly conditioned upon the satisfaction of the following on or before December 31, 2022:

City's receipt of originals of this Agreement and the Note, duly executed by Borrower, and City's receipt of an Acknowledgement regarding the management of the Project, in the form previously delivered to Borrower, duly executed by Palm Communities;

No Default or Potential Default by Borrower exists.

Commonwealth Land Title Insurance Company has recorded, or is irrevocably and unconditionally committed to record, the Deed of Trust, the Housing Agreement (LMIHF) and the Housing Agreement (Density Bonus) and the Notice of Affordability Restrictions (and any deeds of trust or other documents required as a condition to any other construction financing for the Project).

Commonwealth Land Title Insurance Company has unconditionally committed to issue a lender's title insurance policy to Lender in the amount of the Loan insuring the Deed of Trust, with exceptions approved by Lender and otherwise in form and substance acceptable to Lender.

Borrower shall have delivered to Lender copies of Borrower's organizational documents to Lender (including the partnership agreement for any tax credit limited partnership formed by the Borrower) as well as any other reasonable evidence requested by Lender showing Lender that Borrower has duly authorized the Loan Documents.

The City of Palm Desert shall have issued the building permit for the improvements and shall have completed its environmental (CEQA) review.

Borrower shall have provided reasonable evidence to the Lender of: (i) the cost of the Improvements (including a GMAX or stip sum construction contract from a reputable bondable contractor) and (ii) that Borrower has debt and equity funds to pay for such costs (and any tax credit equity shall have been committed and available, as shown by reasonable evidence delivered to City).

If Lender is requested to execute a subordination agreement with respect to the deed of trust securing senior construction financing, then Lender's receipt and approval of the loan documents for such senior construction financing.

Loan Disbursements. Disbursement of the purchase money portion of the Loan shall be made by Lender to escrow at closing for payment to the seller (the Successor Agency to

the Palm Desert Redevelopment Agency), and disbursements of the construction loan portion of the Loan shall be conditioned upon the following additional conditions:

Borrower shall have delivered to Lender a written disbursement request in form and substance reasonably satisfactory to Lender, together with copies of the applicable invoices or other appropriate documentation for the costs to be paid (consistent with the final Project budget) and appropriate mechanics lien waivers for the work performed prior to the date of disbursement (i.e., unconditional progress payment waivers for all costs paid with the previous disbursement, and conditional progress payment waivers for the costs to be paid with the current disbursement, provided that final waivers shall be provided as a condition to the final disbursement).

No default shall have occurred under any Loan Document that remains uncured as of the date of the disbursement request or actual disbursement.

All equity funds shall have been disbursed and applied to Project costs in the Project Budget as shown by reasonable evidence delivered to Lender, and the Loan funds not yet disbursed together with any other committed sources of funds are sufficient to pay all remaining Project costs.

OTHER LOAN REQUIREMENTS.

Information. Borrower shall provide any information requested by Lender in good faith in connection with the Improvements.

Hazardous Materials. Borrower shall not use, generate, manufacture, store or dispose of on, under, or about the Property or transport to or from the Property any flammable explosives, radioactive materials, hazardous wastes, toxic substances or related materials, including any substances defined as or included in the definition of “hazardous substances,” hazardous wastes,” “hazardous materials,” or “toxic substances” under any applicable federal or state laws or regulations (collectively, “Hazardous Materials”), except such of the foregoing as may be customarily used in connection with the ownership, operation, occupancy, maintenance and construction of improvements similar to the Improvements. Borrower acknowledges and agrees that each representation and warranty in this Agreement (together with any indemnity obligation applicable to a breach of any such representation and warranty) with respect to the environmental condition of the Property is intended by the Parties to be an “environmental provision” for purposes of California Code of Civil Procedure Section 736.

Construction Responsibilities; Commencement and Completion. Borrower shall cause the construction of the Improvements to be prosecuted with diligence, in good faith, and in accordance with the Schedule of Performance, subject to Section 6.11 below. Borrower shall cause the construction of the Improvements to be performed in a good and workmanlike manner in accordance with the Construction Plans approved by the City, in compliance with all applicable laws, ordinances, rules, regulations, building restrictions, recorded covenants and restrictions and requirements of each Governmental Authority having jurisdiction over the Property and free and clear of any liens or claims for liens. Borrower shall be solely responsible for all aspects of Borrower’s business and conduct in connection with the Property, including the quality and suitability of the Construction Plans and their compliance with the requirements of each applicable Governmental Authority and the Loan Documents, and the supervision of the construction of the Improvements, the qualifications, financial condition and performance of all architects, engineers, contractors, subcontractors, material suppliers, consultants and property managers, the accuracy

of all applications for payment and loan draw requests and the proper application of all disbursements.

Fees and Taxes. Borrower shall be solely responsible for payment of all fees, assessments, taxes, charges and levies imposed by any public authority or utility company with respect to the Property, and shall pay such charges prior to delinquency. However, Borrower shall not be required to pay and discharge any such charge so long as (a) the legality thereof is being contested diligently and in good faith and by appropriate proceedings and (b) if requested by Lender, Borrower deposits with Lender such funds or other forms of assurance that Lender in good faith from time to time determines appropriate to protect Lender from the consequences of the contest being unsuccessful, provided, however, that if Borrower has deposited sufficient funds with a senior lender, Borrower shall not be required to deposit funds with Lender.

Notice of Litigation. Borrower shall promptly notify Lender of any litigation materially affecting Borrower or the Property and of any claims or disputes that Borrower reasonably believes involve a material risk of any such litigation.

Transfers. The qualifications and identity of the Borrower are of particular concern to the Lender and it is because of such qualifications and identity that the Lender has entered into this Agreement with the Borrower. No voluntary or involuntary successor in interest of the Borrower shall acquire any rights or powers under this Agreement except as expressly set forth herein. However, Borrower may assign this Loan Agreement to a single-asset limited partnership in which Borrower is the general partner, or which has a general partner that is directly or indirectly owned and controlled by Borrower, provided Lender approves the limited partnership agreement and evidence of such control or ownership, such approval not to be unreasonably withheld. The Loan may be accelerated by Lender if there is any conveyance by Borrower of the Property or any portion thereof or interest therein, or Borrower ceases to be (or ceases to own and control, as applicable) the general partner of such limited partnership prior to the completion of the Improvements without the City's prior written consent. Notwithstanding the foregoing, provided prior written notice to Lender of such transfer (with reasonable evidence of the nature of the transfer) is provided to Lender with respect to items (ii) and (ii) below as applicable, the Lender's consent shall not be required for (i) any direct or indirect transfer of the investor limited partner's interest in the Borrower if such transfer is to an entity controlled by, or under common control with Boston Financial Investment Management, LP or an affiliate thereof, (ii) the removal or replacement of a general partner of Borrower by the investor limited partner in accordance with the provisions of the Borrower's limited partnership agreement, (iii) the transfer of the Property or of a limited partner interest in Borrower to an entity affiliated with Pacific West Communities, Inc., an Idaho corporation made pursuant to an option agreement set forth in Borrower's limited partnership agreement (collectively, a "Permitted Transfer").

Insurance; Indemnity.

Insurance.

Borrower shall obtain and maintain at no cost or expense to the Lender, with a reputable and financially responsible insurance company reasonably acceptable to the Lender, (i) after the opening of the Project for business, commercially reasonable casualty insurance for the Improvements in an amount not less than the replacement cost of the Improvements (subject to commercially reasonable deductibles) with a reasonable inflation rider; (ii) commercial broad form general liability insurance, insuring against claims and liability for bodily injury, death, or property damage arising from the construction, use, occupancy, condition, or

operation of the Property, which liability insurance shall provide combined single limit protection of at least $2,000,000 and shall include a reasonable inflation rider, contractual liability coverage and products and completed operations coverage, and (iii) commercial automobile liability insurance of at least $1,000,000 combined single limit. Such liability insurance policies shall name the Lender and its board members, officers, agents and employees as additional insureds.

Before commencement of any demolition or construction work by Developer, Borrower shall obtain and maintain in force until completion of such work (i) "all risk" builder's risk insurance, including coverage for vandalism and malicious mischief, in a form and amount and with a company reasonably acceptable to the Lender, and (ii) workers' compensation insurance covering all persons employed by Borrower in connection with work on the Project, or any portion thereof. During the construction of Improvements on any portion of the Property by Developer, such builder's risk insurance shall cover improvements in place and all material and equipment at the job site furnished under contract, but shall exclude contractors', subcontractors', and construction managers' tools and equipment and property owned by contractors' and subcontractors' employees.

Each architect and each engineer engaged by Borrower shall provide professional liability insurance with a limit of liability of at least One Million Dollars ($1,000,000.00).

Borrower shall also furnish or cause to be furnished to the Lender evidence satisfactory to the Lender that any contractor with whom it has contracted for the performance of work on the Property or otherwise pursuant to this Agreement carries workers' compensation insurance as required by law.

With respect to each policy of insurance required above, Borrower and each of Developer's general contractors, engineers and architects shall furnish to the Lender a certificate on the insurance carrier's form setting forth the general provisions of the insurance coverage promptly after written request by Lender showing the additional insureds. The certificate shall also be furnished by Borrower prior to commencement of construction of any Improvements.

All such policies required by this Section shall contain (i) language to the effect that the policies cannot be cancelled or materially changed except after thirty (30) days' written notice by the insurer to the City, and (ii) a waiver of the insurer of all rights of subrogation against the Lender and the other additional insureds. All such insurance shall have deductibility limits which shall be commercially reasonable.

Procuring the insurance required under this Section shall not be construed to limit Borrower's liability under the Loan Documents, or to fulfill its indemnity obligations under the Loan Documents. Notwithstanding such insurance policies, Borrower shall be responsible for the total amount of any damage, injury or loss caused by negligence or neglect connected with the ownership, operation or occupancy of the improvements on the land. The insurance requirements set forth in this Section are for the sole purpose of protecting Lender's security for the Loan and are not to be construed as a representation by Lender that the insurance required under this Section is sufficient to cover Borrower from or against all uninsured losses and Borrower releases Lender from any liability and forever waives any claims against Lender in connection therewith.

All insurance policies shall (a) be issued by an insurance company having a rating of "A:VII" or better by A.M. Best Co., in Best's Rating Guide; (b) name Lender as

an additional insured on all liability insurance and the senior lender as mortgagee and loss payee on all casualty insurance, (c) contain the "standard non-contributory mortgagee clause" and the "standard lenders' loss payable clause," or their equivalents, (d) be evidenced by a certificate of insurance (or, if required by City, copy of insurance policy) to be delivered to City.

Indemnity. In addition to Developer's obligations under Section 6.4 below, Borrower hereby agrees to indemnify, defend, protect, and hold harmless the Lender and any and all agents, employees, representatives, board members, consultants, and officers of the Lender, from and against all losses, liabilities, claims, damages (including foreseeable or unforeseeable consequential damages), penalties, fines, forfeitures, costs and expenses (including all reasonable out of pocket litigation costs and reasonable attorneys' fees) and demands of any nature whatsoever, related directly or indirectly to, or arising out of or in connection with:

the validity of this Agreement;

the development and construction by Borrower of the Improvements on the Property or the use, ownership, management, occupancy, or possession of the Property during Developer's period of ownership or control thereof;

any breach or Default by Borrower hereunder; and

any of Developer's activities on the land (or the activities of Developer's agents, employees, lessees, representatives, licensees, guests, invitees, contractors, subcontractors, or independent contractors on the land).

The Lender may in its discretion, and at their own cost, participate in the defense of any legal action naming the Lender. The provisions of this Section shall survive the Closing or the termination of this Agreement.

DEFAULT AND REMEDIES.

Events of Default. Each of the following shall constitute a "Default" by Borrower under this Agreement:

The failure by Borrower to make a payment of money to Lender within ten (10) business days from the date such payment was due under any of the Loan Documents.

The failure by Borrower to perform any obligation under the Loan Documents not involving the payment of money, and, if such failure is curable within thirty (30) days, the expiration of thirty (30) days after written notice of such failure from Lender to Borrower. If such failure is not curable within 30 days, Borrower may have such longer period of time as is reasonably necessary to complete the cure, provided that Borrower has commenced to cure within the initial 30-day period and diligently prosecutes such cure to completion.

Borrower (a) is unable, or admits in writing its inability, to pay its monetary obligations as they become due, (b) makes a general assignment for the benefit of creditors, or (c) applies for, consents to or acquiesces in the appointment of a trustee, receiver or other custodian for itself or its property, or, in the absence of such application, consent or acquiescence,

a trustee, receiver or other custodian is appointed for Borrower or the property of Borrower (including the Development), and such appointment is not discharged within sixty (60) days.

The commencement of any case under the Bankruptcy Code or commencement of any other bankruptcy, arrangement, receivership, custodianship or similar proceeding under any federal, state or foreign law by or against Borrower, provided that if any such case or other bankruptcy, arrangement, reorganization, receivership, custodianship or similar proceeding is commenced against Borrower, such case or other bankruptcy, arrangement, receivership, custodianship or similar proceeding is not dismissed within sixty (60) days after its commencement.

A final judgment or decree for monetary damages or a monetary fine or penalty (not subject to appeal or as to which the time for appeal has expired) is entered against Borrower by any Governmental Authority, and such judgment, decree, fine or penalty is not paid and discharged or stayed within sixty (60) days after the entry thereof.

The assets of Borrower are attached, levied on or otherwise seized by legal process, and such attachment, levy or seizure is not quashed, stayed or released within sixty (60) days of the date thereof.

There shall be filed any claim of lien against the Property or the service of any notice to withhold proceeds of the Loan and the continued maintenance of such claim of lien or notice to withhold for a period of sixty (60) days without discharge or satisfaction thereof or provision therefor (including the posting of bonds) satisfactory to City.

The occurrence of any conveyance that is prohibited under Section 4.6.

A failure to comply in any respect with the Schedule of Performance (subject to force majeure delays under Section 6.11 below).

Borrower's violation of any law or permit applicable to the Property or Improvements (or other improvements on the Property) that is not cured within thirty (30) days after written notice from City. If such failure is not curable within 30 days, Borrower may have such longer period of time as is reasonably necessary to complete the cure, provided that Borrower has commenced to cure within the initial 30-day period and diligently prosecutes such cure to completion.

Borrower's default under any other loans secured by the Property which is not cured within any applicable cure period in the loan documents for such loan or such longer cure period consented to in writing by the applicable lender.

5.1.12. Borrower fails to comply with the CTCAC Reservation Letter dated June 15, 2022 addressed to Christina Alley (which requires, among other things, executing and recording a CTCAC regulatory agreement), or fails to comply with the recorded CTCAC regulatory agreement.

Remedies. The occurrence of any Default by Borrower will relieve Lender of any obligation to make further disbursement of the Loan and shall give Lender the right to proceed with any and all remedies set forth in the Loan Documents, including the following:

Lender shall have the right to declare, by written notice to Borrower, the outstanding principal balance of the Loan, together with any accrued and unpaid interest thereon, due and payable as of the date stated in such notice as determined by Lender in its sole and absolute discretion. Lender may proceed to enforce payment thereof and to exercise any or all rights afforded to Lender as a creditor and secured party under law, including the California, including foreclosure of the Deed of Trust. Borrower shall be obligated to pay City, on demand, all reasonable expenses, costs and fees (including reasonable attorney's fees and expenses) paid or incurred by Lender in connection with the collection of the Loan and the preservation, maintenance, protection, sale or other disposition of the security for the Loan, and such obligation shall be secured by the Deed of Trust.

Lender shall have the right to mandamus or other suit, action or proceeding at law or in equity to require Borrower to perform its obligations under the Loan Documents or to enjoin acts or things that may be unlawful or in violation of the provisions of the Loan Documents.

Lender may cure any default by Borrower under the Loan Documents. Borrower shall be liable to reimburse City, on demand, for any funds advanced by Lender to cure any such monetary default, together with interest thereon at the lesser of the maximum rate permitted by law or eight percent (8%) per annum from the date of expenditure until the date of reimbursement, and the Deed of Trust shall secure such sums owed.

Lender shall have the right to file for record, as Borrower's attorney-in-fact (which appointment is a power coupled with an interest and is irrevocable), any notices of completion, notices of cessation of labor, notices of non-responsibility or any other notices that Lender considers necessary to protect its security for the Loan.

Lender shall also be entitled to all other remedies available at law, in equity or otherwise.

Prior to exercising any remedies hereunder, Lender will give Borrower's investor limited partner notice of default at the same time such notice is given to Borrower provided Lender shall have been given such investor limited partner's name and address by Borrower in writing. The investor limited partner shall have the cure periods set forth above within which to cure the default and Lender will accept or reject such cure on the same basis as if such cure had been tendered by Borrower.

Remedies Cumulative. Except as may be provided by law, no right, power or remedy given to Lender by the terms of the Loan Documents is intended to be exclusive of any other right, power or remedy, and each and every such right, power or remedy shall be cumulative and in addition to every other right, power or remedy given to Lender by the terms of the Loan Documents, by law or otherwise. Neither the failure nor any delay on the part of Lender to exercise any such right, power or remedy shall operate as a waiver thereof, nor shall any single

or partial exercise by Lender of any such right, power or remedy preclude any other or further exercise of such right, power or remedy, or any other right, power or remedy.

GENERAL PROVISIONS.

Relationship of Parties. Nothing contained in this Agreement shall be interpreted by the Parties, or any other party, as creating the relationship of employer and employee, principal and agent, partnership or any other form of joint venture between Lender and Borrower, and Borrower shall at all times be deemed an independent contractor and shall be completely responsible for the manner in which it performs its obligations under this Agreement.

No Claims. Nothing contained in this Agreement shall create or authorize any claim against Lender by any Person that Borrower may have employed or with whom Borrower may have contracted related to the purchase of materials, supplies or equipment, or the furnishing or the performance of any work or services with respect to the construction or operation of the Property, and Borrower shall include similar requirements in any contracts entered into for the construction or operation of the Property.

Amendments. No modification of the terms of this Agreement shall be valid unless made in writing and signed by the Parties.

Indemnification for Prevailing Wages Claims. Borrower shall indemnify, defend, protect and hold harmless Lender and its board members, officers, employees, agents, successors and assigns (collectively, "Indemnified Parties") from and against any and all claims (including, without limitation, any claim under Labor Code Section 1781), losses, proceedings, damages, causes of action, liabilities, costs and expenses, (including attorneys' fees) (collectively, "Claim") arising from or in connection with, or caused by any violations of law by Borrower or any contractor with respect to the Property, including, without limitation, any failure to comply with Labor Code Sections 1720 et. seq. If any action or proceeding be brought against Lender by reason of any such claim, Borrower, upon notice from Lender, shall defend the same at Borrower's expense with counsel satisfactory to Lender (which consent shall not be unreasonably withheld) unless such Claim arose from the willful misconduct or gross negligence of an Indemnified Party. BORROWER'S DUTY AND OBLIGATIONS TO DEFEND, INDEMNIFY AND HOLD LENDER HARMLESS LENDER SHALL SURVIVE CANCELLATION OF THE NOTE AND THE RECONVEYANCE OF THE DEED OF TRUST WITH RESPECT TO EVENTS OCCURRING PRIOR TO THE CANCELLATION OF THE NOTE AND RECONVEYANCE OF THE DEED OF TRUST.

Non-Liability of Lender and Lender Officials, Employees and Agents. No member, official, employee or agent of Lender shall be personally liable to Borrower in the event of any default or breach by Lender, or for any amount that may become due to Borrower, under the terms of this Agreement.

No Third Party Beneficiaries. There shall be no third party beneficiaries of this Agreement.

Notices, Demands and Communications. Except as otherwise required by law, any notice, request, direction, demand, consent, waiver, approval or other communication required or permitted to be given hereunder shall not be effective unless it is given in writing and shall be delivered (a) by certified mail, postage prepaid, return receipt requested, or (b) by a commercial overnight courier that guarantees next day delivery and provides a receipt, and

addressed to the parties at the addresses stated below, or at such other address as either party may hereafter notify the other in writing as aforementioned:

Lender: Palm Desert Housing Authority
73-510 Fred Waring Drive
Palm Desert, CA 92260
Attn: Executive Director

Borrower: Palm Desert Pacific Associates
c/o Pacific West Communities, Inc.
430 E. State Street, Suite 100
Eagle, ID
Attn: Caleb Roope

With a copies to:

McReynolds & McCormack, PLLC
430 E. State Street, Ste.140
Eagle, ID 83616
Attention: Clay McReynolds

And:

BF Vitalia LLLP
101 Arch Street, 13th Floor
Boston, MA 02110
Attn: Asset Management - Vitalia Apartments

Service of any such notice or other communications so made shall be deemed effective on the day of actual delivery or refusal to accept/inability to deliver, as shown by the addressee's return receipt if by certified mail, and as confirmed by the courier service if by courier; provided, however, that if such actual delivery occurs after 5:00 p.m. (local time where received) or on a non-business day, then such notice or demand so made shall be deemed effective on the first business day following the day of actual delivery. No communications via electronic mail shall be effective to give any notice, request, direction, demand, consent, waiver, approval or other communications hereunder.

Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California, without giving effect to conflict of laws principles.

Attorneys' Fees. Should any action be brought to enforce any provision hereof, the prevailing party in such action shall be entitled to reasonable attorneys' fees, court costs and other litigation expenses, including expenses incurred for preparation and discovery. The right to recover such fees, costs and expenses shall accrue upon the commencement of the action regardless of whether the action is prosecuted to final judgment.

Severability. If any term of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall continue in full force

and effect unless the rights and obligations of the Parties have been materially altered or abridged by such invalidation, voiding or unenforceability.

Force Majeure. A Party shall not be deemed to be in default as to any construction obligation where delays are due to war; insurrection; strikes; lock-outs; riots; floods; earthquakes; fires; quarantine restrictions; freight embargoes; lack of transportation; or court order; or any other similar causes (other than lack of funds of Borrower or Borrower's inability to finance the construction of the Development) beyond the control or without the fault of the Party claiming an extension of time to perform. However, no extension of time for any cause will be deemed granted if notice by the Party claiming such extension is not sent to the other Party within ten (10) business days from the commencement of the cause.

Approvals/Amendments/Subordination Agreements. Whenever this Agreement calls for or contemplates Lender approval or consent (including approval of the form and substance of other documents), the written approval or consent or waiver of the Executive Director of Lender shall constitute the approval or consent of Lender. The Lender also authorizes the Executive Director to make non-substantial changes to this Agreement, including, reasonable extensions of time deadlines set forth in this Agreement, provided they are in writing, and to send notices and demands, initiate and administer remedies and otherwise administer the Loan Documents, and to execute reasonable subordination agreements required by senior construction lenders as a condition to making their loans for the Project. The Executive Director shall have the authority to review and approve all documents listed in Section 3.5 hereof and may prohibit disbursement of Loan funds if the documents are not reasonably satisfactory to the Executive Director.

Warranty Against Payment of Consideration for Agreement. Borrower warrants that it has not paid or given, and will not pay or give, any Person, including the Lender or the City of Palm Desert, or any councilmember, board member, official or employee thereof, any money or other consideration for obtaining this Agreement.

Refinance. Borrower shall be permitted to refinance any senior construction or permanent loan on commercially reasonable terms in an amount equal to the then-outstanding principal balance of such senior loan(s) (the "Refinanced Loan"), and Lender agrees that Lender's Executive Director shall have the authority to execute reasonable subordination agreements to confirm such subordination such that the deed of trust securing the Loan shall remain subordinate to any such Refinanced Loan.

Time. Time is of the essence with respect to this Agreement and the performance of each obligation contained herein.

Multiple Originals; Counterparts. This Agreement may be executed in multiple originals, each of which is deemed to be an original, and may be signed in counterparts.

WHEREAS, this Agreement has been entered into by the undersigned as of the date first above written.

LENDER:

PALM DESERT HOUSING AUTHORITY

By:

Name:
Title:

ATTEST:

_____
Anthony J. Mejia, Secretary

APPROVED AS TO FORM:

_____
Robert W. Hargreaves, City Attorney

BORROWER:

PALM DESERT PACIFIC ASSOCIATES, a California limited partnership

By: TPC HOLDINGS IX, LLC,
an Idaho limited liability company
Its: Administrative General Partner

By: Pacific West Communities, Inc.,
an Idaho corporation
Its: Manager

By: _____
Name: Caleb Roope
Its: President and CEO

By: CENTRAL VALLEY COALITION FOR AFFORDABLE HOUSING, a California Nonprofit Public Benefit Corporation
Its: Managing General Partner

By: _____
Name: Christina Alley
Its: Chief Executive Officer

RESOLUTION NO. HA-___

A RESOLUTION OF THE PALM DESERT HOUSING AUTHORITY APPROVING A LOAN AGREEMENT REGARDING VITALIA BETWEEN THE AUTHORITY AND PALM DESERT PACIFIC ASSOCIATES, L.P,~~PACIFIC WEST COMMUNITIES, INC.~~, AND TAKING RELATED ACTIONS

RECITALS:

A. Pursuant to AB X1 26 (enacted in June 2011) and the California Supreme Court's decision in California Redevelopment Association, et al. v. Ana Matosantos, et al., 53 Cal. 4th 231 (2011), the former Palm Desert Redevelopment Agency (the "**Former Agency**") was dissolved as of February 1, 2012, the Successor Agency to the Palm Desert Redevelopment Agency (the "**Successor Agency**"), as the successor entity to the Former Agency, was constituted, and a board of the Successor Agency (the "**Board**") was established.

B. AB X1 26 added Part 1.8 (commencing with Section 34161) and Part 1.85 (commencing with Section 34170) to Division 24 of the California Health and Safety Code ("**HSC**") (such Parts 1.8 and 1.85, including amendments and supplements enacted after AB X1 26, being referred to herein as the "**Dissolution Act**").

C. Pursuant to HSC Section 34176(b), the City Council of the City of Palm Desert (the "**City**") adopted Resolution No. 2012-07, electing for the City to not retain the responsibility for performing housing functions previously performed by the Former Agency, and determining that all of the assets, as allowed by law, and all rights, powers, liabilities, duties, and obligations associated with the housing activities of the Former Agency be transferred to the Palm Desert Housing Authority (the "**Authority**").

D. The Successor Agency and Pacific West Communities, Inc. (~~the "**Developer**"~~"Pacific West") entered into an Exclusive Negotiation Agreement, dated as of October 21, 2020, for the purpose of negotiating the terms and conditions upon which the Successor Agency would sell to the ~~Developer~~Pacific West the approximately +/- 11.94-acre portion of real property owned by the Successor Agency located in the City along Gerald Ford Drive and identified as APN 694-310-006 (the "**Property**") for the purpose of constructing thereon a 269-unit multi-family residential apartment community for households with incomes between 30% and 80% of the area median income (the **"Project"**). The Property is described in **Exhibit "A"**, attached hereto and incorporated herein.

E. Pacific West created Palm Desert Pacific Associates, a California limited partnership ("Developer") to be the tax credit limited partnership that will be the borrower and the developer for the Project; Pacific West is its Administrative General Partner.

F. An appraisal of the Property was ordered from Novogradac Consulting, LLP, received and dated March 25, 2021. The report places the current appraised value of the Property at $4,500,000.

~~F~~G. The ~~Developer~~Pacific West has submitted a funding request to the Authority to make a loan to the ~~Developer~~Pacific West in the amount of $6,030,000 (the "**Loan")** to assist the ~~Developer~~Pacific West in the purchase of the Property from the Successor Agency and the development of the Project. The Project is intended to be funded by leveraging multiple funding sources including four percent tax exempt bonds, federal tax credits, state tax credits, and the Loan.

~~G~~H. At its meeting on August 26, ~~2021~~2021, the Board of the Successor Agency approved a purchase and sale agreement (the "**PSA**") for the sale of the Property to the ~~Developer~~Pacific West for a purchase price equal to its appraised value, subsequently was approved on March __, 2022 by the Countywide Oversight Board of the County of Riverside and, was deemed approved by the State Department of Finance.

~~H~~I. The Authority, as the housing successor to the Former Agency, on August 26, 2021, approved a Conditional Agreement Regarding Vitalia Apartments between the Authority and the ~~Developer~~Pacific West and incorporated herein by reference (the **"Conditional Loan Agreement**") which provides for the Authority to make the Loan to the ~~Developer~~Pacific West subject to the terms and conditions therein.

~~I~~J. The ~~Developer~~Pacific West has submitted, an application, including the Conditional Loan Agreement, to the California Tax Credit Allocation Committee ("TCAC") for an allocation of tax-exempt bonds, federal tax credits and state tax credits as described in the Conditional Loan Agreement.

~~J~~K. The ~~Developer~~Pacific West has successfully received a Tax Allocation for the Project and has provided proof of financing commitments from all sources to fund the entire Project and the Project is in the process of obtaining a conditional Grading and Building and Safety permit ready approval.

NOW, THEREFORE, THE PALM DESERT HOUSING AUTHORITY DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. The above recitals, and each of them, are true and correct and are a substantive part of this Resolution.

Section 2. The Agreement, in the form attached hereto as **Exhibit "B**", is hereby approved. The Executive Director of the Authority is hereby authorized to execute and deliver, for and in the name of the Authority, the Agreement in substantially such form, with such changes thereto as the Executive Director, in consultation with the Authority legal counsel, may deem appropriate or necessary and consistent with the purposes of this Resolution (such approval to be conclusively evidenced by the execution and delivery thereof).

Section 3.

Section 4.

Section 5.

Section 6. The members of this Board and the staff of the Authority are hereby authorized, jointly and severally, to do all things which they may deem necessary or proper to effectuate the purposes of this Resolution, including negotiating and preparing agreements and documents, and any such actions previously taken are hereby ratified and confirmed.

PASSED, APPROVED and ADOPTED on this 17th day of November, 2022, by the following vote, to wit:

AYES: ~~**HARNIK, JONATHAN, NESTANDE, QUINTANILLA, and KELLY**~~

NOES: ~~**NONE**~~

ABSENT: ~~**NONE**~~

ABSTAIN: ~~**NONE**~~

_____

~~KATHLEEN KELLY~~JAN C HARNIK,
CHAIRMAN

ATTEST:

_____

~~NORMA I. ALLEY~~ANTHONY J. MEJIA,
MMC, SECRETARY

PALM DESERT HOUSING AUTHORITY

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EXHIBIT "A"

The Land referred to herein below is situated in the City of Palm Desert, County of Riverside, State of California, and is described as follows:

LEGAL DESCRIPTION

A PORTION OF PARCEL 1 OF THAT CERTAIN CERTIFICATE OF COMPLIANCE NO. 88-1, RECORDED JUNE 1, 1988 AS INSTRUMENT NO. 146461 OF OFFICIAL RECORDS. IN THE CITY OF PALM DESERT, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, LOCATED IN THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 32, TOWNSHIP 4 NORTH, RANGE 6 EAST, SAN BERNARDINO MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SAID PARCEL 1;

THENCE NORTH 89°55'15" EAST, ALONG THE NORTHERLY LINE OF SAID PARCEL 1, SAID LINE ALSO BEING THE SOUTHERLY RIGHT-OF-WAY LINE OF GERALD FORD DRIVE, A DISTANCE OF 514.35 FEET;

THENCE SOUTH 47°23'23" EAST, A DISTANCE OF 34.01 FEET;

THENCE SOUTH 00°03'36" WEST, A DISTANCE OF 942.64 FEET;

THENCE NORTH 89°56'24" WEST, A DISTANCE OF 539.40 FEET;

THENCE NORTH 00°03'36" EAST, ALONG THE WESTERLY LINE OF SAID PARCEL 1 AND THE SOUTHERLY EXTENSION THEREOF, A DISTANCE OF 964.39 FEET, TO THE **POINT OF BEGINNING**;

SUBJECT TO EXISTING EASEMENTS, COVENANTS, RIGHTS AND RIGHTS-OF-WAY OF RECORD.

CONTAINING 520,257 SQUARE FEET OR 11.943 ACRES MORE OR LESS.

AS DEPICTED ON **EXHIBIT "B"** ATTACHED HERETO AND MADE A PART HEREOF.

THIS LEGAL DESCRIPTION DOES NOT DESCRIBE A LEGAL PARCEL OF LAND. IT IS NOT TO BE USED FOR CONVEYANCE OR FINANCING OR ANY OTHER PURPOSE THAT WOULD BE A VIOLATION OF THE CALIFORNIA SUBDIVISION MAP ACT.

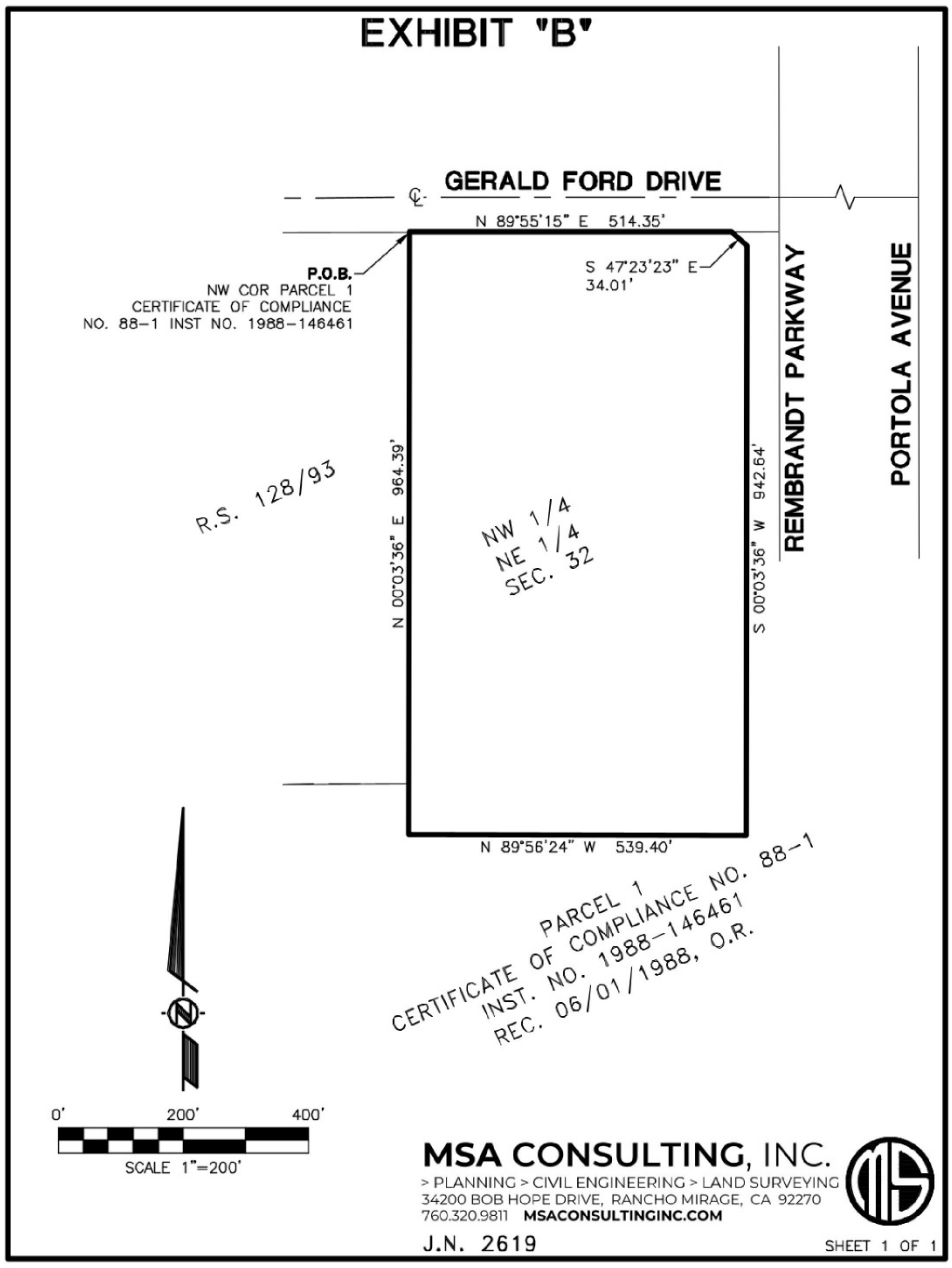
EXHIBIT "B"
GERALD FORD DRIVE
℄
N 89°55'15" E 514.35'
P.O.B.
NW COR PARCEL 1
CERTIFICATE OF COMPLIANCE
NO. 88-1 INST NO. 1988-146461
S 47°23'23" E
34.01'
REMBRANDT PARKWAY
PORTOLA AVENUE
R.S. 128/93
N 00°03'36" E 964.39'
S 00°03'36" W 942.64'
NW 1/4
NE 1/4
SEC. 32
N 89°56'24" W 539.40'
PARCEL 1
CERTIFICATE OF COMPLIANCE NO. 88-1
INST. NO. 1988-146461
REC. 06/01/1988, O.R.
0'
200'
400'
SCALE 1"=200'
MSA CONSULTING, INC.
> PLANNING > CIVIL ENGINEERING > LAND SURVEYING
34200 BOB HOPE DRIVE, RANCHO MIRAGE, CA 92270
760.320.9811 MSACONSULTINGINC.COM
J.N. 2619
SHEET 1 OF 1

2 of 2

EXHIBIT "B"

CONDITIONAL AGREEMENT

August 26, 2021

Caleb Roope
Pacific West Communities, Inc.
430 East State Street, Suite 100
Eagle, ID 83616

Re: Conditional Agreement Regarding Vitalia

Dear Mr. Roope:

The Palm Desert Housing Authority (the "Housing Authority"), has approved a request from your firm, Pacific West Communities, Inc. ("Pacific West"), to finance a loan for the purchase of a +/-11.94-acre portion of APN 694-310-006 (the "Property"), located on the south side along Gerald Ford Drive at the intersection of Rembrandt Parkway directly east of the Riverside County Sheriff Station for the fair market price (as established by a third party appraiser), in the total amount of Six Million Thirty Thousand Dollars ($6,030,000.00) (the "Housing Authority Loan") for the development of a 269-unit multi-family apartment community located on that certain real property located in the City of Palm Desert, California (the "City") and known as Vitalia Apartments (the "Project").

As of August 26, 2021, the Authority has conditionally approved of the proposed Loan commitment of the Housing Authority Loan to Six Million Thirty Thousand Dollars ($6,030,000), subject to the following:

1. Project. The Project will be operated for a period of fifty-five (55) years following the date of completion of the Project and issuance of a certificate of occupancy to provide affordable housing to persons and households of low and very-low income in accordance with the affordability restrictions contained in the Loan Agreement (as defined below) and in accordance with the Tax Exempt Bonds and Low-Income Housing Tax Credit financing being used by the Project. To the extent necessary, the Housing Authority shall subordinate the deed of trust securing the Housing Authority Loan to the liens and encumbrances of the Project's construction and permanent lenders. The Housing Authority will not subordinate its interests in the regulatory agreement referenced in Section 3 below, and the City will not subordinate its interest in any regulatory agreement that is required to be recorded against the Property by virtue of a density bonus granted pursuant to Ordinance No. _____ of the City, to the liens or encumbrances of the Project's construction and permanent lenders.

2. Project Owner. The Project owner shall be a California limited partnership whose administrative general partner is controlled by Pacific West Communities, Ins., an Idaho corporation, or its affiliates.

3. Housing Authority Loan Documents. The proposed structuring of the Housing Authority Loan will be evidenced by, among other things, a loan and development agreement (the "Loan Agreement"), and a promissory note, deed of trust and regulatory agreement, (collectively, the "Loan Documents"), each in form and substance acceptable to the Housing Authority and its counsel, and executed by the Project Owner and the Housing Authority as applicable.

4. Housing Authority Loan Terms. The Housing Authority Loan shall have a term of fifty-five (55) years, commencing as of the effective date of the Loan Agreement and shall bear simple interest at three percent (3%) per annum. The Housing Authority Loan shall be repaid from fifty-percent (50%) the Project's residual receipts remaining after payment of fees (including deferred developer fees, investor fees, partnership fees, and management fees), debt service and operating expenses.

5. Affordability Restrictions.

   (i) A total of 81 Units are to be restricted by Health and Safety Code Sections 50106 and 50053 as Extremely-Low Income units:

      a. 39 one-bedroom units
      b. 21 two-bedroom units
      c. 21 three-bedroom units

   (ii) A total of 186 Units are to be restricted by Health and Safety Code Sections 50079.5 and 50053 (assuming rent is calculated at 80% of the Riverside County Area Median Income instead of 50% AMI) as Low Income Units:

      a. 92 one-bedroom units
      b. 46 two-bedroom units
      c. 47 three-bedroom units

   (iii) Three 2-bedroom units will be unrestricted and used as onsite manager units.

6. Construction and Permanent Lender Loan Documents. The loan documentation pertaining to the proposed construction and permanent loans to finance the Project, and all related instruments, shall be submitted to the Housing Authority for its approval and shall be in form and substance acceptable to, and approved by, the Board of the Housing Authority and its counsel.

7. Award of Tax-Exempt Bonds from CDLAC . Prior to Loan closing and funding, the Project shall have all of their funding sources committed. This includes but is not limited to have been awarded the allocation of tax-exempt bonds pursuant to an application therefor by Pacific West Communities, Inc. to the California Debt Limit Allocation Committee (CDLAC), California Tax Credit Allocation Committee for State Tax Credits and any other funding source.

8. No Third Party Beneficiaries. This letter is solely for the benefit of the Housing Authority and Pacific West Communities, Inc., and shall not inure to the benefit of, or be relied upon by, any other person or entity other than the Project Owner.

9. Counterparts. This letter may be executed in counterparts, with the same effect as if each counterpart were an original document.

Very truly yours,

Palm Desert Housing Authority

By: _____
Name: _____
Its: _____

AGREED BY PACIFIC WEST COMMUNITIES, INC.:

By: _____
Caleb Roope,
President

Date: _____, 2021

RECORDING REQUESTED BY, AND
WHEN RECORDED RETURN TO:

Palm Desert Housing Authority
73-510 Fred Waring Drive
Palm Desert, CA 92260-2578
Attn: Jessica Gonzales

SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY

This Document is recorded for the benefit of the Palm Desert Housing Authority and is exempt from recording fees pursuant to Sections 6103, 27383 and 27388.1 of the California Government Code.

HOUSING AGREEMENT
(LMIHF Funds)

by and between

the PALM DESERT HOUSING AUTHORITY,

and

PALM DESERT PACIFIC ASSOCIATES,
a California limited partnership

DATED AS OF _____ ____, 2022

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1.2 Rules of Construction

ARTICLE 2. ONGOING APARTMENT COMMUNITY OBLIGATIONS

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2.2 Residential Rental Property

2.3 Extremely Low, Low, and Moderate Income Households

2.4 Affordable Rent

2.5 Rent Increases

2.6 Income Recertification of Affordable Units

2.7 Lease or Occupancy Agreement

2.8 Security Deposits

2.9 Additional Information; Books and Records

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5.4 Relationship of Parties

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EXHIBIT C Certificate of Continuing Compliance
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HOUSING AGREEMENT

THIS HOUSING AGREEMENT (the "**Agreement**") is dated as of _____ ___, 2022, and is by and between the PALM DESERT HOUSING AUTHORITY, a public body, corporate and politic (the "**Authority**"), and PALM DESERT PACIFIC ASSOCIATES, a California limited partnership (the "**Owner**"). Authority and Owner are sometimes referred to herein individually as a "Party" and collectively as "Parties".

RECITALS

This Agreement is predicated upon the following facts:

A. The Owner (also referred to herein as the "Developer") has acquired the property described on Exhibit "A" ("Site") from the Successor Agency to the Palm Desert Redevelopment Agency.

B. Developer has entered into a Loan Agreement ("Loan Agreement") with the Authority which contemplates that the Authority, as successor to the housing assets of the former Palm Desert Redevelopment Agency, shall make a $6,030,000.00 purchase money and construction loan ("Loan") to Developer using moneys in the Authority's low and moderate income housing asset fund for the purchase price for the Site and to pay certain construction costs of the 269 unit apartment project described in the Loan Agreement ("Project"). The Loan Agreement requires that Developer execute and record this Agreement against the Site and Project, and provides that an uncured default under this Agreement shall constitute a default under the Loan Agreement and shall entitle the Authority to accelerate the maturity date of the Loan.

C. As described in Resolution No. 2021-57 adopted by the City Council of the City, the City of Palm Desert ("City") has granted a density bonus to Developer consisting of a reduction in the required parking from 538 spaces to 420 spaces, in exchange for Developer's execution and recording of a separate Housing Agreement (Density Bonus) with the City.

D. This Agreement shall **not** be subordinate or subordinated to any deeds of trust or other liens encumbering the Site or Project.

NOW, THEREFORE, in consideration of the mutual covenants and undertakings set forth herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Authority and the Owner hereby agree as follows:

ARTICLE 1. DEFINITIONS AND INTERPRETATION.

1.1 Definitions.

Capitalized terms used herein shall have the following meanings unless the context in which they are used clearly requires otherwise.

"**Affordable Units**" shall mean the 81 of the 269 units in the Apartment Community available to and occupied by, or held vacant for occupancy only by, Extremely Low Income Households and rented at an Affordable Rent. The Affordable Units will include the number of bedrooms shown on the following table:

Bedroom Size	Extremely Low Income Household Affordable Units
One	39
Two	21
Three	21
Total	81

"**Affordable Rent**" shall mean rent for an Affordable Unit, including a Reasonable Utility Allowance, determined pursuant to California Health and Safety Code Section 50053(b) and the state regulations adopted by the California Department of Housing and Community Development ("HCD") pursuant thereto, as amended from time to time, based upon the AMI adjusted for a Household Size Appropriate to the Affordable Unit. More specifically, (1) for each of the 81 Affordable Units reserved for Extremely Low Income Households, the maximum monthly Affordable Rent, including a Reasonable Utility Allowance, may not exceed thirty percent (30%) of thirty percent (30%) of the AMI, adjusted for a Household Size Appropriate to the Affordable Unit, divided by twelve.

"**AMI**" shall mean the area median income for Riverside County as published by the California Department of Housing and Community Development pursuant to Health and Safety Code Section 50052.5, or successor statute, as adjusted for family size in accordance with the state regulations adopted pursuant to California Health and Safety Code Section 50052.5, provided, however, that at any time the Project is subject to a CTCAC extended use agreement, CTCAC's rules and regulations regarding area median income shall control.

"**CTAC**" means the California Tax Credit Allocation Committee.

"**Extremely Income Household**" shall mean persons and families whose income does not exceed the qualifying limits for persons and families of low or moderate income set forth in California Health and Safety Code Section 50106 and Title 25 of the California Code of Regulations, as such statute and regulations may be amended from time to time.

"**Household Size Appropriate to the Affordable Unit**" shall have the meaning set forth in California Health and Safety Code Section 50052.5(h), as amended from time to time.

"**Reasonable Utility Allowance**" shall mean a utility allowance for utilities paid by a tenant (not including telephone, internet or cable service) utilizing at Owner's election, either (i)

the utility allowance schedule published annually by the Housing Authority of the County of Riverside, or (ii) if the California Utility Allowance Calculator.

"**Required Covenant Period**" shall mean the period commencing on the date all units in the Apartment Community have been completed as evidenced by the City's issuance of a final Certificate of Occupancy for the Apartment Community, and ending as of the fifty-fifth (55th) anniversary thereof.

1.2 Rules of Construction.

1.2.1 The singular form of any word used herein, including the terms defined herein shall include the plural and vice versa. The use herein of a word of any gender shall include correlative words of all genders.

1.2.2 Unless otherwise specified, references to articles, sections, and other subdivisions of this Agreement are to the designated articles, sections, and other subdivisions of this Agreement as originally executed. The words "**hereof**," "**herein**," "**hereunder**," and words of similar import shall refer to this Agreement as a whole.

1.2.3 All of the terms and provisions hereof shall be construed to effectuate the purposes set forth in this Agreement and to sustain the validity hereof.

1.2.4 Headings or titles of the several articles and sections hereof and the table of contents appended to copies hereof shall be solely for convenience of reference and shall not affect the meaning, construction, or effect of the provisions hereof.

ARTICLE 2. ONGOING APARTMENT COMMUNITY OBLIGATIONS.

2.1 Apartment Community and Affordable Units.

The Owner shall develop and construct the Apartment Community on the Property in conformity with the applicable governmental permits and approvals. Thereafter, during the Required Covenant Period, the Owner agrees that not less than 81 units in the Apartment Community shall be Affordable Units, meaning that 81 of such units shall be continually available to and occupied by, or held vacant for occupancy only by, Extremely Low Income Households. All of the rental units in the Apartment Community shall be similarly constructed and all of the Affordable Units shall be generally constructed at the same time as those units which are available to other tenants, and distributed in terms of location throughout the Apartment Community. The Affordable Units shall be of comparable quality to those rental units in the Apartment Community which are available to other tenants. The Owner agrees that, to the extent commercially reasonable, Affordable Units will not be underutilized. No persons shall be permitted to occupy any Affordable Unit in excess of applicable limit of maximum occupancy set by the City's Municipal Code, the Authority and the laws of the State of California.

2.2 Residential Rental Property.

The Owner covenants to operate the Apartment Community as residential rental property. During the Required Covenant Period, the Affordable Units will be held and used for the purpose of providing residential living, and the Owner shall own, manage and operate, or cause the management and operation of, the Apartment Community to provide such affordable rental housing. All of the rental units in the Apartment Community with the exception of three (3) manager units will be available for rental on a continuous basis to members of the general public and the Owner will not give preference to any particular class or group in renting the units in the Apartment Community, except as required under the Housing Agreement (Density Bonus) with the City of Palm Desert, or any other required regulatory agreement for the Apartment Community. The Owner shall not convert any Affordable Unit(s) to condominiums or cooperative ownership or sell condominium or cooperative conversion rights to any Affordable Unit(s) during the term of this Agreement.

2.3 Extremely Low Income Households.

2.3.1 Income Qualification; Initial Certification. Subject to the applicable provisions hereof, throughout the Required Covenant Period, Affordable Units will be exclusively occupied by, or available for occupancy only by, Extremely Low Income Households, as applicable, on a continuous basis. Prior to the rental or lease of an Affordable Unit and in accordance with Section 2.6 hereof, the Owner will obtain and maintain on file a Household Income Certification ("**Income Certification**") substantially in the form attached hereto as **Exhibit "B"** and incorporated herein by this reference for each Extremely Low Income Household, as applicable, and shall provide copies of same to the Authority at such times as the City may, from time to time, reasonably require. In addition, the Owner will provide such further information as may reasonably be required in the future by the Authority with respect to compliance with the income and occupancy requirements set forth herein. The Income Certification shall be dated immediately prior to the applicable household's initial occupancy of an Affordable Unit. The Owner shall make a good faith effort to verify that the income provided by an applicant in an Income Certification is accurate by taking any one or more of the following steps as part of the verification process for all household members over the age of eighteen (18) as appropriate:

(i) Obtain two (2) pay stubs for the two (2) most recent pay periods;

(ii) Obtain a true copy of an income tax return for the most recent tax year in which a return was filed;

(iii) Obtain an income verification form from the household member's current employer;

(iv) Obtain an income verification form from the Social Security Administration and/or the State Department of Social Services, or its equivalent, if the household member receives assistance from either of those agencies;

(v) If the household member is unemployed and has no tax return, obtain another form of independent verification; or

(vi) Obtain such other documentation as may be reasonably acceptable pursuant to Title 25 of the California Code of Regulations or CTCAC, as amended from time to time, to verify income.

2.3.2 Certificate of Continuing Program Compliance; Annual Report. Throughout the Required Covenant Period, the Owner will prepare and submit to the Authority, at such periodic frequency as the Authority might reasonably require, but not more than once annually, a Certificate of Continuing Compliance in substantially the form attached hereto as **Exhibit "C"** and incorporated herein by this reference, and executed by the Owner. The Owner will also prepare and submit to the Authority on or before each anniversary date of the commencement of the Required Covenant Period, and for the preceding calendar year, a report in form and substance reasonably satisfactory to the Authority summarizing the vacancy rate of the Apartment Community, including the number of Affordable Units held vacant for occupancy by Extremely Low Income Households for such calendar year.

2.4 Affordable Rent. Throughout the Required Covenant Period, an Affordable Rent shall be charged to the Extremely Low Income Household occupants of Affordable Units, as more specifically described above.

2.5 Rent Increases. Rents for Affordable Units may be increased not more than once per year and twelve (12) months must have elapsed since the date of the tenant's initial occupancy or the last rent increase. The rents charged following such an increase, or upon a vacancy and new occupancy by an Extremely Low Income Household, as applicable, shall not exceed the applicable Affordable Rent. The Owner shall, consistent with applicable law, give proper written notice to tenants of all rent increases, and upon written request, provide the Authority with reasonable detail concerning the amount of and rationale for such rent increases.

2.6 Income Recertification of Affordable Units. Annually, on the anniversary date of occupancy of an Affordable Unit by an Extremely Low Income Household, as applicable, the Owner shall obtain and maintain on file an annual income certification, in form and substance reasonably satisfactory to the Authority (but CTCAC's required form of income certification shall be deemed satisfactory, together with any other information reasonably requested by the Executive Director of the Authority), from each household occupying an Affordable Unit, based upon the current income of each household member over the age of eighteen (18). The Owner shall make a good faith effort to verify that the income provided by the household is accurate in accordance with Section 2.3.1, above.

2.6.1 A rental unit occupied by a household that qualifies as an Extremely Low Income Household at the time the household first occupies an Affordable Unit shall be deemed to continue to be so occupied until a recertification of such household's income demonstrates that such household no longer qualifies as an Extremely Low Income Household, as applicable. At such time as a household ceases to qualify as an Extremely Low Income Household, based on income recertification, such Affordable Unit shall continue to be treated as a qualifying household for purposes of Owner's compliance with this Agreement, provided, however, that the Owner shall designate the next available unit (one that is not occupied by a tenant) with the same number of bedrooms as the occupied Affordable Unit and it shall be leased to an Extremely Low Income Household so that the number of Affordable Units occupied by or reserved for

occupancy by Extremely Low Income Households will remain constant. For purposes of this Agreement, such designated unit will be considered an Affordable Unit if it is held vacant and available solely for occupancy by an Extremely Low Income Household and, upon occupancy, the income eligibility of the household as an Extremely Low Income Household is verified and the unit is rented at the applicable Affordable Rent.

2.7 Lease or Occupancy Agreement. Prior to the rental or lease of an Affordable Unit to an Extremely Low Income Household, the Owner shall require the tenant to execute a written lease or occupancy agreement. The Owner shall maintain on file throughout the Required Covenant Period and for a four (4) year period thereafter, the executed lease or occupancy agreement of each tenant occupying an Affordable Unit. The form of lease or occupancy agreement used by the Owner for the lease or rental of Affordable Units shall be that which is reasonable and customary in affordable residential leasing. In addition, each lease or occupancy agreement for an Affordable Unit shall (i) provide that the tenants of such Affordable Unit shall be subject to annual recertification of income and subject to rental increases in accordance with Sections 2.5 and 2.6 of this Agreement, and (ii) contain a provision to the effect that the Owner has relied on the income certification and supporting information supplied by the tenant in determining qualification for occupancy of the Affordable Unit, and that any material misstatement in such certification (whether or not intentional) may be cause for immediate termination of such lease or occupancy agreement.

2.7.1 The Owner shall refrain from restricting the rental or lease of Affordable Units on the basis of race, color, religion, sex, marital status, disability, ancestry or national origin of any person.

2.7.2 The covenants established herein shall, without regard to technical classification and designation, be binding for the benefit and in favor of the Authority, and its successors and assigns, and shall burden and run with the Property.

2.7.3 The Authority is deemed to be the beneficiaries of the terms and provisions of the covenants herein, both for and in its own right and for the purposes of protecting the interests of the community and other parties, public or private, for whose benefit these covenants running with the land have been provided.

2.8 Security Deposits. The Owner may require security deposits on Affordable Units in amounts which are consistent with applicable law.

2.9 Additional Information; Books and Records. The Owner shall provide any additional information concerning the Affordable Units reasonably requested by the Authority. The Owner will maintain complete and accurate records pertaining to the Affordable Units throughout the Covenant Period and for a four (4) year period thereafter. The Authority shall have the right upon written notice of no less than two (2) business days to the Owner, at any time during normal business hours of 9:00 am to 5:00 pm, to examine of all books, records or other documents maintained by the Owner or by any of the Owner's agents which pertain to any Affordable Unit, including all executed leases or occupancy agreements and all Income Certifications, and obtain copies of any requested executed leases, occupancy agreements and Income Certifications within ten (10) business days following such examination and the Authority's written request.

2.10 Specific Performance. The Owner hereby agrees that specific enforcement of the Owner's agreement to comply with the allowable rent and occupancy restrictions and covenants contained herein is one of the reasons and consideration for the Authority having entered into the Loan Agreement, and that, in the event of the Owner's breach of such requirements, potential monetary damages to the Authority, as well as to existing and prospective Extremely Low Income Households, would be difficult, if not impossible, to evaluate and quantify. Therefore, in addition to any other relief to which the Authority may be entitled as a consequence of the breach hereof, the Owner agrees to the imposition of the remedy of specific performance against it in the case of any event of default by the Owner in complying with any provision of this Agreement beyond any applicable notice and cure period.

2.11 Audit. The Authority shall have the right to perform an audit of the Apartment Community to determine compliance with the provisions of this Agreement. Such audit shall not be undertaken more often than once each calendar year. All costs and expenses associated with the audit shall be paid by the Owner.

2.12 Management. The Owner and/or the management agent (if not the Owner) shall operate the Apartment Community in a manner that will provide decent, safe and sanitary residential facilities to the occupants thereof, and will comply with provisions of this Agreement. Upon the written request of the Authority, the Owner shall cooperate with the Authority in the periodic review (but not more than once each calendar year) of the management practices and financial status of the Affordable Units. The purpose of each periodic review will be to enable the Authority to determine if the Affordable Units are being operated and managed in accordance with the requirements and standards of this Agreement. Results of such Authority review shall be provided to the Owner, and, if the Authority finds evidence of material noncompliance the Authority shall have the right to require the Owner to make modifications that are reasonably necessary to ensure the objectives of this Agreement are met.

2.13 Binding for Term. It is intended by the Parties that except as otherwise expressly provided herein, the provisions of this Agreement shall apply to the Apartment Community throughout the entire term hereof, as established in Section 3.1 below.

ARTICLE 3. TERM AND RECORDATION.

3.1 Term of Agreement. This Agreement shall remain in full force and effect for the Required Covenant Period, unless the Owner and the Authority agree, in writing, to terminate this Agreement prior to the expiration of the Required Covenant Period. Unless terminated earlier pursuant to the prior sentence of this Section 3.1, or Section 3.3 below, the Parties intend that the provisions and effect of this Agreement and specifically of Article 2 hereof, shall remain in full force and effect for the entire Required Covenant Period.

3.2 Agreement to Record. The Owner represents, warrants, and covenants that this Agreement will be recorded in the real property records of Riverside County.

3.3 Early Termination of Restrictions. Notwithstanding the generality of the foregoing provisions of this Article 3 or any other provisions hereof, this Agreement and all of the terms and restrictions contained herein shall terminate and be of no further force and effect in the event of involuntary noncompliance as a result of unforeseen events such as fire or act of God which

leaves the entire Apartment Community uninhabitable (and the proceeds of insurance available to the Owner as a result thereof are insufficient to reconstruct the Apartment Community), or a change in a federal or state law or an action by the federal government, the State or a court of competent jurisdiction, after the date of recordation hereof, that prevents the Authority from enforcing the provisions of this Agreement, or a condemnation or a similar event. Upon termination of this Agreement, the Parties or their successors, as applicable, agree to execute, deliver and record appropriate instruments of release and discharge of the terms hereof; provided, however, that the execution and delivery of such instrument shall not be necessary or a prerequisite to termination of this Agreement in accordance with its terms.

ARTICLE 4. DEFAULT; REMEDIES.

4.1 An Event of Default. Each of the following shall constitute an "Event of Default" by the Owner under this Agreement:

4.1.1 Failure by the Owner to duly perform, comply with and observe any of the conditions, terms, or covenants of any agreement with the Authority concerning the Apartment Community, or of this Agreement, if such failure remains uncured thirty (30) days after written notice of such failure from the Authority to the Owner in the manner provided herein or, with respect to a default that cannot be cured within thirty (30) days, if the Owner fails to commence such cure within such thirty (30) day period or thereafter fails to diligently and continuously proceed with such cure to completion. However, if a different period or notice requirement is specified under any other section of this Agreement, then the specific provision shall control.

4.1.2 Any representation or warranty contained in this Agreement or in any application, financial statement, certificate, or report submitted by the Owner to the Authority proves to have been incorrect in any material respect when made.

4.1.3 A court having jurisdiction shall have made or rendered a decree or order: (i) adjudging the Owner to be bankrupt or insolvent; (ii) approving as properly filed a petition seeking reorganization of the Owner or seeking any arrangement on behalf of the Owner under the bankruptcy laws or any other applicable debtor's relief law or statute of the United States or of any state or other jurisdiction; (iii) appointing a receiver, trustee, liquidator, or assignee of the Owner in bankruptcy or insolvency or for any of its properties; or (iv) directing the winding up or liquidation of the Owner, providing, however, that any such decree or order described in any of the foregoing subsections shall have continued unstayed or undischarged for a period of ninety (90) days.

4.1.4 The Owner shall have assigned its assets for the benefit of its creditors or suffered a sequestration or attachment or execution on any substantial part of its property, unless the property so assigned, sequestered, attached, or executed upon shall have been returned or released within ninety (90) days after such event (unless a lesser time period is permitted for cure hereunder) or prior to sale pursuant to such sequestration, attachment, or execution. If the Owner is diligently working to obtain a return or release of the property and the Authority's and the Authority's interests hereunder are not imminently threatened in its reasonable business judgment, then the Authority shall not declare a default under this subsection.

4.1.5 The Owner shall have voluntarily suspended its business or dissolved.

4.1.6 The seizure or appropriation of all or, in the reasonable opinion of the Authority, a substantial part of the Apartment Community, except for condemnation or similar event initiated by the Authority or any other governmental agency or authority.

4.1.7 There should occur any default declared by any lender under any loan document or deed of trust relating to any loan made in connection with the Apartment Community, which loan is secured by a deed of trust or other instrument affecting the Apartment Community, and such default remains uncured following the expiration of any applicable cure period.

4.2 Option to Lease. Upon the occurrence and during the continuance of an Event of Default, to cause the Apartment Community to meet the requirements of this Agreement, the Owner hereby grants to the Authority the option to lease up to all of the rental units as necessary to achieve compliance with the provisions of Article 2 of this Agreement and for the purpose of subleasing such units in accordance with the requirements of this Agreement. The amount of rental to be paid for such rental units following the exercise of the option by the Authority shall be equal to the applicable Affordable Rent. Any rental paid under any such sublease shall be paid to the Authority without obligation to pay any such rent to the Owner during the pendency of the Owner's default. Upon acceptance by the Authority of a cure by Owner or by owner's limited partner, any lease for Affordable Units with the Authority shall terminate and the Authority shall assign all subleases to Owner.

4.3 Authority Remedies. The Authority shall have the right to mandamus or other suit, action or proceeding at law or in equity to require the Owner to perform its obligations and covenants under this Agreement or to enjoin acts or things which may be unlawful or in violation of the provisions hereof, provided that in any such case the Authority has first provided the required notice of any alleged default and the Owner has had the requisite opportunity to cure pursuant to Section 4.1.1, above.

4.4 Action at Law; No Remedy Exclusive. The Authority may take whatever action at law or in equity as may be necessary to enforce performance and observance of any obligation, agreement or covenant of the Owner under this Agreement. No remedy herein conferred upon or reserved by the Authority is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law, in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of such right or power, but any such right or power may be exercised from time to time and as often as the Authority may deem expedient. In order to entitle the Authority to exercise any remedy reserved to it in this Agreement, it shall not be necessary to give any notice, other than such notice as may be herein otherwise expressly required or required by law to be given.

ARTICLE 5. GENERAL PROVISIONS.

5.1 Limitations on Recourse. Notwithstanding anything to the contrary contained in this Agreement, except in the event of fraud, intentional waste, or illegal acts, or with regard to any indemnity obligations imposed upon the Owner under the terms of this Agreement, (i) no partner, member, officer or director, as applicable, of the Owner (each, an "**Owner Affiliate**") shall have any direct, indirect or derivative personal liability for the obligations of the Owner

under this Agreement, and (ii) the Authority shall not exercise any rights or institute any action against any Owner Affiliate directly, indirectly or derivatively for the payment of any sum of money that is or may become payable hereunder.

5.2 Maintenance, Repair, Alterations. The Owner shall maintain and preserve the Apartment Community in good condition and repair and in a prudent and businesslike manner. The Owner shall comply with all laws, ordinances, rules, regulations, covenants, conditions, restrictions, and orders of any governmental authority now or hereafter affecting the conduct or operation of the Apartment Community or any part thereof or requiring any alteration or improvement to be made thereon. The Owner shall not commit, suffer, or permit any act to be done in, upon, or to the Apartment Community or any part thereof in violation of any such laws, ordinances, rules, regulations, or orders. The Owner hereby agrees that the Authority may conduct from time to time (but not more than once per calendar year unless an Event of Default is ongoing) through representatives, upon reasonable notice of no less than forty-eight (48) hours and subject to the rights of tenants, on-site inspections and observation of: (i) the maintenance and repair of the Apartment Community, including a review of all maintenance and repair programs and practices and all reports and records pertaining thereto, including records of expenditures relating thereto; and (ii) such other facilities, practices, and records of the Owner relating to the Affordable Units as the Authority reasonably deems to be necessary or appropriate in order to monitor the Owner's compliance with the provisions of this Agreement.

5.3 Notices. All notices (other than telephone notices), certificates or other communications (other than telephone communications) required or permitted hereunder shall be sufficiently given and should be deemed given when personally delivered, when sent by telegram, or when sent by facsimile (if confirmed by sending a copy of such transmission by mail the same calendar day), or forty-eight (48) hours following mailing by registered or certified mail, postage prepaid, or twenty-four (24) hours following transmission of such notice by express mail, Federal Express or similar commercial carrier, addressed as follows:

If to the Authority:

Palm Desert Housing Authority
73-510 Fred Waring Drive
Palm Desert, CA 92260-2578
Attn: Housing Division
Phone: (760) 346-0611
Fax: (760) 341-6372

If to the Owner:

Palm Desert Pacific Associates
c/o Pacific West Communities, Inc.
430 E. State Street, Suite 100,
Eagle, ID 83616
Attention: Caleb Roope
With a copies to:

McReynolds & McCormack, PLLC
430 E. State Street, Ste.140
Eagle, ID 83616
Attention: Clay McReynolds

And:

BF Vitalia, LLLP
101 Arch Street, 13th Floor
Boston, MA 02110
Attn: Asset Management - Vitalia Apartments

5.4 Relationship of Parties. Nothing contained in this Agreement shall be interpreted or understood by any of the Parties, or by any third persons, as creating the relationship of employer and employee, principal and agent, limited or general partnership, or joint venture between the Authority and the Owner or the Owner's agents, employees or contractors, and the Owner shall at all times be deemed an independent contractor and shall be wholly responsible for the manner in which it or its agents, or both, perform the services required of it by the terms of this Agreement for the operation of the Apartment Community. The Owner has and hereby retains the right to exercise full control of employment, direction, compensation and discharge of all persons assisting in the performance of services hereunder. In regards to the on-site operation of the Apartment Community, the Owner shall be solely responsible for all matters relating to payment of its employees, including compliance with Social Security, withholding and all other laws and regulations governing such matters. The Owner agrees to be solely responsible for its own acts and those of its agents and employees.

5.5 No Claims. Nothing contained in this Agreement shall create or justify any claim against the Authority by any person the Owner may have employed or with whom the Owner may have contracted relative to the purchase of materials, supplies or equipment, or the furnishing or the performance of any work or services with respect to the operation of the Affordable Units.

5.6 Conflict of Interests. No member, official or employee of the Authority shall make any decision relating to this Agreement which affects his or her personal interests or the interests of any corporation, partnership or association in which he or she is directly or indirectly interested. No officer or employee of the Owner shall acquire any interest in conflict with or inimical to the interests of the Authority.

5.7 Non-Liability of Officials, Employees and Agents. No member, official, employee or agent of the Authority shall be personally liable to the Owner, or any successor in interest, in the event of any default or breach by the Authority or for any amount which may become due to the Owner or successor in connection with this Agreement or on any obligation of the Authority under the terms of this Agreement.

5.8 Unavoidable Delay; Extension of Time of Performance. In addition to specific provisions of this Agreement, performance of a construction obligation by any Party hereunder shall not be deemed to be in default where it is due to an "Unavoidable Delay." "**Unavoidable Delay**" means a delay due to the elements (including unseasonable weather), fire, earthquakes or other acts of God, strikes, pandemics, labor disputes, lockouts, shortages of construction materials experienced generally in the construction industry in the local area, acts of the public enemy, riots, insurrections or governmental regulation of the sale or transportation of materials, supply or labor; provided, however, that to the extent a delay is caused by any other reason that the Owner reasonably believes is beyond its control, the Owner may request, on a case-by-case basis, that the Authority excuse any such delay as an Unavoidable Delay and the Authority shall make its determinations as to whether such delay constitutes an Unavoidable Delay using its reasonable judgment.

5.9 Indemnity. The Owner shall indemnify, defend and hold harmless the the Authority and all officials, employees and agents of the Authority (with counsel reasonably satisfactory to the Authority), against any costs, liabilities, damages or judgments arising from claims or litigation of any nature whatsoever brought by third parties and directly or indirectly arising from the Owner's ownership or operation of the Apartment Community, or the Owner's performance of its obligations under this Agreement, and in the event of settlement, compromise or judgment hold the Authority free and harmless therefrom. Notwithstanding the foregoing, the indemnity provisions contained in this Section 5.9 shall not apply with respect to any costs, liabilities, damages or judgments arising directly or indirectly from the Authority's rental of units within the Apartment Community as described in Section 4.2 hereof. The provisions of this Section 5.9 shall survive the term of this Agreement.

5.10 Rights and Remedies Cumulative. Except as otherwise expressly stated in this Agreement, the rights and remedies of the Parties are cumulative, and the exercise or failure to exercise one or more of such rights or remedies by either Party shall not preclude the exercise by it, at the same time or different times, of any right or remedy for the same default or any other default by the other Party. No waiver of any default or breach by the Owner hereunder shall be implied from any omission by the Authority to take action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the waiver, and such wavier shall be operative only for the time and to the extent therein stated. Waivers of any covenant, term, or condition contained herein shall not be construed as a waiver of any subsequent breach of the same covenant, term or condition. The consent or approval by the the Authority to any act by the Owner requiring further consent or approval shall not be deemed to waive or render unnecessary the consent or approval to or of any subsequent similar act. The exercise of any right, power, or remedy shall in no event constitute a cure or a waiver of any default under this Agreement, nor shall it invalidate any act done pursuant to notice of default, or prejudice the Authority in the exercise of any right, power, or remedy hereunder or under any agreements ancillary or related hereto.

5.11 Applicable Law. This Agreement shall be interpreted under and pursuant to the laws of the State of California.

5.12 Severability. If any term, provision, covenant or condition of this Agreement is held in a final disposition by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall continue in full force and effect unless the rights and obligations of the Parties have been materially altered or abridged by such invalidation, voiding or unenforceability.

5.13 Legal Actions. In the event any legal action is commenced to interpret or to enforce the terms of this Agreement or to collect damages as a result of any breach thereof, the Party prevailing in any such action shall be entitled to recover against the Party not prevailing all reasonable attorneys' fees and costs incurred in such action (including all legal fees incurred in any appeal or in any action to enforce any resulting judgment), as awarded by a court of competent jurisdiction.

5.14 Binding Upon Successors. This Agreement shall be binding upon and inure to the benefit of the permitted heirs, administrators, executors, successors in interest and assigns of each of the Parties. Any reference in this Agreement to a specifically named Party shall be deemed to apply to any successor, heir, administrator, executor or assign of such Party who has acquired an interest in compliance with the terms hereof or under law.

5.15 Time of the Essence. In all matters under this Agreement, time is of the essence.

5.16 Approval by the Authority. Any approvals required under this Agreement to be made by the Authority shall be made by the Executive Director of the Authority or his or her designee. Any such approval or consent shall not be unreasonably withheld, conditioned, delayed or made, except where it is specifically provided herein that another standard applies, in which case the specified standard shall apply.

5.17 Complete Understanding of the Parties. This Agreement and the attached Exhibits constitute the entire understanding and agreement of the Parties with respect to the matters described herein.

5.18 Covenants to Run With the Land. The Owner hereby subjects the Apartment Community to the covenants, reservations, and restrictions set forth in this Agreement. The City, the Authority and the Owner hereby declare their express intent that the covenants, reservations, and restrictions set forth herein shall be deemed covenants running with the land and shall pass to and be binding upon the Owner's successors in title to the Apartment Community; provided, however, that on the termination of this Agreement said covenants, reservations and restrictions shall expire. Each and every contract, deed or other instrument hereafter executed covering or conveying the Apartment Community or any portion thereof shall conclusively be held to have been executed, delivered and accepted subject to such covenants, reservations and restrictions, regardless of whether such covenants, reservations and restrictions are set forth in such contract, deed or other instruments. No breach of any of the provisions of this Agreement shall defeat or render invalid the lien of a mortgage or deed of trust made in good faith and for value encumbering the Property or any interest of the Owner therein.

5.19 Burden and Benefit. The Authority and the Owner hereby declare their understanding and intent that: (i) the burden of the covenants, reservations, restrictions, and agreements set forth herein touch and concern the Property and the Apartment Community, in that Owner's legal interest in the Apartment Community is rendered less valuable thereby, (ii) the covenants, reservations, restrictions, and agreements set forth herein directly benefit the Property and the Apartment Community (a) by enhancing and increasing the enjoyment and use of the Apartment Community by certain Extremely Low Income Households, the intended beneficiaries of such covenants, reservations, restrictions, and agreements, (b) by making possible the obtaining of advantageous financing for the Property and the Apartment Community, and (c) by furthering the public purposes advanced by the Authority, and (iii) the covenants, reservations, restrictions and agreements set forth herein shall run with the Property and shall be binding for the benefit of and enforceable by the Authority and its successors and assigns for the entire Term of this Agreement.

5.20 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be an original, but all of which shall constitute one and the same instrument.

5.21 Amendments. This Agreement may be amended only by the written agreement of the Authority and the Owner.

WHEREFORE, the undersigned has executed this Agreement as of the date first-above written.

OWNER:

PALM DESERT PACIFIC ASSOCIATES, a California limited partnership

By: TPC HOLDINGS IX, LLC,
an Idaho limited liability company
Its: Administrative General Partner

By: Pacific West Communities, Inc.,
an Idaho corporation
Its: Manager

By: _____
Name: Caleb Roope
Its: President and CEO

By: CENTRAL VALLEY COALITION FOR AFFORDABLE HOUSING, a California Nonprofit Public Benefit Corporation
Its: Managing General Partner

By: _____
Name: Christina Alley
Chief Executive Officer

AUTHORITY:

PALM DESERT HOUSING AUTHORITY,
a public body, corporate and politic

By: _____
Name: _____
Title: _____

ATTEST:

_____
[Anthony J. Mejia], Secretary

APPROVED AS TO FORM:

Richards, Watson & Gershon,
a Professional Corporation

By: _____
Special Counsel

NOTARY ACKNOWLEDGEMENT

STATE OF IDAHO)
) ss
COUNTY OF ADA)

On this ___ day of [ ], in the year of 2022, before me, _____, a notary public, personally appeared Caleb Roope, known or identified to me to be President and CEO of Pacific West Communities, Inc., an Idaho corporation, the Manager of TPC Holdings IX, LLC, an Idaho limited liability company, proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

~~[SEAL]~~

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 _____)

On _____, 2022, before me, _____,
(insert name and title of the officer)

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

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

WITNESS my hand and official seal.

Signature _____(Seal)

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 _____)

On _____, 20__, before me, _____,
(insert name and title of the officer)

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

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

WITNESS my hand and official seal.

Signature _____(Seal)

EXHIBIT "A"

LEGAL DESCRIPTION OF THE PROPERTY

Real property in the City of Palm Desert, County of Riverside, State of California, described as follows:

A PORTION OF PARCEL 1 OF THAT CERTAIN CERTIFICATE OF COMPLIANCE NO. 88-1, RECORDED JUNE 1, 1988 AS INSTRUMENT NO, 146461 OF OFFICIAL RECORDS. IN THE CITY OF PALM DESERT. COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, LOCATED IN THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 32, TOWNSHIP 4 NORTH, RANGE 6 EAST, SAN BERNARDINO MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SAID PARCEL 1;

THENCE NORTH 89°55'15' EAST, ALONG THE NORTHERLY LINE OF SAID PARCEL 1, SAID LINE ALSO BEING THE SOUTHERLY RIGHT-OF-WAY LINE OF GERALD FORD DRIVE, A DISTANCE OF 514.35 FEET;

THENCE SOUTH 47°23'23" EAST, A DISTANCE OF 34.01 FEET,
THENCE SOUTH 00°03'36" WEST, A DISTANCE OF 942.64 FEET,
THENCE NORTH 89°56'24" WEST, A DISTANCE OF 539.40 FEET;

THENCE NORTH 00°03'36" EAST, ALONG THE WESTERLY LINE OF SAID PARCEL 1 AND THE SOUTHERLY EXTENSION THEREOF, A DISTANCE OF 964.39 FEET, TO THE **POINT OF BEGINNING.**

EXHIBIT "B"

HOUSEHOLD INCOME CERTIFICATION

COMPLIANCE MONITORING STATUS REPORT

REPORT DATE: ____/____/____ REPORT NO. PERIOD: _____

PROJECT NAME: _____ ADDRESS: _____

DATE WHEN PROPERTY FIRST BECAME AVAILABLE FOR LEASE: ____/____/____ TOTAL # OF UNITS IN ALL BUILDINGS: _____ # AFFORDABLE UNITS REQUIRED: _____

CURRENT PROJECT OWNER: _____ MANAGEMENT AGENT: _____

Address: _____ Address: _____

Phone: _____ Phone: _____

UNIT # (1)	# OF BD (2)	SQ FOOT PER UNIT (3)	TENANT NAME (4)	MOVE-IN DATE (5)	LEASE TERM (MO/YR - MO/YR) (6)	GROSS HSE HLD INCOME AT MOVE-IN (7)	SPECIAL NEEDS POP (8)	RECERT DATE (9)	HSE HLD SIZE (10)	CURRENT HH GR ANN INCOME (11)	% OF AMI (12)	GROSS RENT (13)	UTILITY ALLOW (14)	TENANT PMT (15)	RENT SUBSIDY (16)	MOVE-OUT DATE (17)	FOR SSI ASSISTED LIVING UNITS ONLY: SSI AMOUNT (PER MONTH) (18)	FOR SSI ASSISTED LIVING UNITS ONLY: SSI RECIPIENT AGE (19)

EXHIBIT "C"

CERTIFICATE OF CONTINUING COMPLIANCE

OWNER'S CERTIFICATE OF CONTINUING COMPLIANCE

To: City of Palm Desert/Palm Desert Housing Authority
73-510 Fred Waring Drive
Palm Desert, CA 92260

Attn: ***DIRECTOR OF HOUSING***

Certification Dates:	From:	To:
Project Name:		
Project Number:		
Project Address:		
Tax Id # of Ownership Entity:		

The undersigned_____ on behalf of _____

_____ ("the Owner", hereby certifies that:

☐ No buildings have been Placed in Service
☐ Other_____

1. The project meets the minimum requirements of:
   ☐ _____
   ☐ _____

2. There has been **change / no change** for any building in the project:

   ☐ NO CHANGE ☐ CHANGE

   If **"Change,"** please list :_____

3. The owner has received annual Tenant Income Certification from all low-income households and documentation to support that certification.

   ☐ YES ☐ NO

4. All low-income units in the project have been rent-restricted under the terms of Agreement No.:_____

   ☐ YES ☐ NO

5. All low-income units in the project have been and are being for used by the general public on a non-transient basis:

   ☐ YES ☐ NO

6. No finding of discrimination under the Fair Housing Act, 42 U.S.C 3601-3619, has occurred for this project. A finding of discrimination includes an adverse final decision by the Secretary of Housing and Urban Development (HUD), 24CFR 180.680, an adverse final decision by a substantially equivalent state or local fair housing agency, 42 U.S.C 3616a(a)(1), or an adverse judgment from a federal court:

   ☐ YES ☐ NO

   List Finding if occurred:_____

7. Each building and low-income unit in the project is and has been suitable for occupancy, taking into account local health, safety, and building codes (or other habitability standards), and the state or local government unit responsible for making building code inspections did not issue a report of a violation for any building or low-income unit in the project:

☐ YES ☐ NO

If "**No**" state nature of violation:_____
Attach a copy of the violation report as required by 26 CFR 1.42- and any documentation of correction.

8. All tenant facilities, such as swimming pools, other recreational facilities, parking areas, washer/dryer hookups, and appliances were provided on a comparable basis, without charge, to all tenants in the buildings:

☐ YES ☐ NO

9. If any of the low-income units in the project has been vacant during the year, reasonable attempts were or are being made to rent that unit or the next available unit of comparable size to households having a qualifying income before any units were or will be rented to tenants not having a qualifying income:

☐ YES ☐ NO

10. If the income of a household of a low-income unit in any building increased above the qualifying limit allowed by the Agreement NO. _____, the next available unit of comparable size in that building was or will be rented to tenants having a qualifying income:

☐ YES ☐ NO

11. There has been **change / no change** in the ownership or management of the project:

☐ NO CHANGE ☐ CHANGE

If "**Change,**" attach a copy detailing information of the changes in ownership or management of the project.

Note: Failure to complete this form in its entirety will result in non-compliance with program requirements. In addition, any individual other than an owner or general partner of project is not permitted to sign this form.

The project is otherwise in compliance with Agreement No. _____ and all other applicable laws, rules and regulations. This Certification and any attachments are made **UNDER PENALTY OF PERJURY** of the Laws of the State of California.

_____
(Ownership Entry)

By: _____

Title:_____

Date: _____

Place:_____

EXHIBIT "D"

2022 STANDARD AFFORDABLE RENTAL RATES[6]

NO. OF BEDROOMS	HOUSEHOLD SIZE APPROPRIATE TO THE UNIT[1]:	EXTREMLY LOW[2] (20%-30%) the product of 30% x 30% of AMI[4]	VERY LOW[2] (31% - 50%) the product of 30% x 50% of AMI[4]	LOW[2] (51% - 80%) the product of 30% x 60%[3] of AMI[4]	MODERATE[2] (81% - 120%) the product of 30% x 110%[3] of AMI[4]
Studio	1	$385.00	$642.00	$1,233.00	$1,836.00
1 Bedroom	2	$441.00	$733.00	$1,409.00	$2,097.00
2 Bedroom	3	$496.00	$825.00	$1,585.00	$2,360.00
3 Bedroom	4	$578.00	$917.00	$1,760.00	$2,622.00
4 Bedroom	5	$676.00	$991.00	$1,901.00	$2,832.00

NOTES: *Updated 8.3.22*

1 Pursuant to H&S Code Section 50052.5(h), "A HOUSEHOLD SIZE APPROPRIATE TO THE UNIT" shall mean: A household of one person in the case of a studio unit, two persons in the case of a one-bedroom unit, three persons in the case of a two-bedroom unit, four persons in the case of a three-bedroom unit, And five persons in the case of a four-bedroom unit.

2 Pursuant to H&S Code Section 50053(b), An affordable rent shall include a reasonable utility allowance. Utility Allowances are not included in the calculated affordable rental rates.

3 Pursuant to H&S Code Section 50053(b)(3)&(4), *Low and Moderate Calculation Exception is as follows:* For households with gross incomes that exceed 60 % for Low and 110% for Moderate of the area median income ("AMI") adjusted for family size, it shall be optional for any state or local funding agency to require that affordable rent be established at a level not to exceed 30 percent of gross income of the household.

4 Pursuant to H&S Code Section 50053(c), "AMI" shall mean: The area median income for Riverside County as published by the Department of Housing and Community Development (HCD), or if such agency shall cease to publish such an index, then any comparable index published by any other federal or state agency which is approved by the Agency.

5 The Standard Affordable Rental Rates have been calculated based on what the California Code of Regulations establish and publish as a general definition of income, including inclusions, exclusions, and allowances, for qualifying persons under the income limits and are not specific to any agreement or qualification of an individual eligibility.

LOAN AGREEMENT

THIS LOAN AGREEMENT "Loan Agreement") is dated as of _____, 2022 and is entered into by and between the PALM DESERT HOUSING AUTHORITY ("Lender"), and PALM DESERT PACIFIC ASSOCIATES, a California limited partnership ("Borrower").

R E C I T A L S:

A. Borrower has acquired or will acquire the land located in the City of Palm Desert, County of Riverside, State of California, more particularly described on Exhibit "A" attached hereto (together with any improvements thereon, the "Property") from the Successor Agency to the Palm Desert Redevelopment Agency. (The sale of the Property was approved by the Countywide Oversight Board for the County of Riverside by its Resolution No. 2022-30, and the Property is exempt from the surplus land statutes under California Government Code 54234(b)(1)(A) because an Exclusive Negotiation Agreement for the Property was entered into prior to December 31, 2020 and the disposition of the Property is to occur prior to December 31, 2022.)

B. Borrower intends to construct the improvements on the land that are described on Exhibit "B" (the "Improvements" or "Development").

C. Borrower has requested that Lender make a loan to Borrower from low income housing set aside funds in the principal amount of $6,030,000.00, consisting of a purchase money loan in the amount of $4,500,000.00 to be disbursed to the seller of the Property (which is the Successor Agency to the Palm Desert Redevelopment Agency) and a construction loan of $1,530,000.00 (collectively, the "Loan"), with the construction loan portion to be used after all available tax credit equity to pay for a portion of the costs of the Improvements, on the terms and conditions hereinafter set forth.

NOW, THEREFORE, the Parties agree as follows:

A G R E E M E N T:

1. DEFINITIONS AND EXHIBITS.

1.1. Definitions. The following initially capitalized words and terms have the meanings set forth in this Section 1.1 wherever used in this Agreement, unless otherwise provided to the contrary:

1.1.1. "Closing" shall mean the date on which the Deed of Trust is recorded in the Official Records of Riverside County, California.

1.1.2. "Completion of Construction" shall mean the date that Borrower obtains a certificate of occupancy for the Improvements.

1.1.3. "Construction Plans" means the construction plans, specifications and related documents consistent with the Scope of Development attached hereto as Exhibit "B" for the design and construction of the Improvements.

1.1.4. "Deed of Trust" shall mean a Deed of Trust and Assignment of Rents in the form attached hereto as Exhibit "C", executed by Borrower for the benefit of Lender and, acknowledged (which is to be recorded against the Property in the Official Records of Riverside County, California at the Closing).

1.1.5. "Entitlements" shall mean all authorizations, approvals, rights, maps, licenses, permits, franchises, certificates, instruments, documents, agreements, variances and other land use approvals required for the Development.

1.1.6. "Governmental Authority" shall mean any federal, state or local governments, and all subdivision thereof, including any City, authority, board, bureau, commission, department or other public body, including any court, administrative tribunal or public utility.

1.1.7. "Improvements", "Development" or "Project" shall mean the project/work described in the Scope of Development attached hereto as Exhibit "B".

1.1.8. "Loan" shall mean the loan contemplated by this Agreement as defined in the Recitals.

1.1.9. "Loan Documents" shall mean this Agreement, the Note, the Deed of Trust, the Regulatory Agreements, the Notice and all other documents and instruments executed and delivered, or to be executed and delivered, in connection with the Loan (including the Acknowledgment referred to in Section 3.6.1 below).

1.1.10. "Note" shall mean a Secured Promissory Note, in the form attached hereto as Exhibit "D", executed by Borrower and payable to City.

1.1.11. "Notice" shall mean a Notice of Affordability Restrictions in the form attached hereto as Exhibit "E".

1.1.12. "Operating Year" shall mean each calendar year or portion thereof during which the Project is operating.

1.1.13. "Project Net Cash Flow" shall mean the revenues (without regard to the source) derived from the operation of the Development minus (i) all real estate and personal property taxes and assessments, insurance premiums, monitoring fees and reasonable costs of maintenance, operation and management incurred by the Borrower in connection with the operation and maintenance of the Development, (ii) base property management fees not to exceed the lesser of (a) Twenty-Eight Dollars and Forty-Four cents ($28.44) per unit per month (which amount shall increase annually by the lesser of three and a half percent (3.5%) or the rate of increase in the CPI (defined below) from the prior calendar year) or (b) three and a quarter percent (3.25%) of the effective gross income received by Borrower in connection with its applicable calendar year and other reasonable and customary management fees (iii) a minimum of $24,000 per year in tenant services provided on-site (which amount shall increase annually by the rate of increase in the CPI from the prior calendar year, (iv) the costs of servicing the senior construction loan/financing (and any approved refinancing thereof) or other sources of financing approved by Lender (other than the Loan); (v) amounts necessary to maintain a guaranty or other form of security or bond for an operation reserve account which shall be capitalized in the amount

not to exceed Six Hundred Fifty Three Thousand Six Hundred Sixty Five Dollars ($653,665), including any replenishment of such reserve (vi) amounts deposited into a replacement initially capitalized reserve account in the sum of not to exceed $250/unit per annum, increasing 3% per annum and any ongoing deposits to such reserve (vi) the repayment of any amounts loaned by the Borrower or its partners to the Development for material Development costs which costs were not reasonably foreseeable, and which loan, and the items for which funds were expended pursuant to such loan, are approved in advance by the Lender's Executive Director, (vii) deferred Borrower fees in the total maximum amount of $5,000,000, (viii) a Limited Partner monitoring fee in the annual amount of $7,500; and (ix) a managing general partner fee in the annual amount of $26,900, which may increase up to three percent (3.0%) annually; any unpaid tax credit adjuster payments due to the limited partner of Borrower. The amounts of the operation reserves and replacement reserves described above may increase in accordance with the annual percentage increases from the date hereof in the Consumer Price Index, U.S. City Average, All Urban Consumers as published by the U.S. Bureau of Labor Statistics (the "CPI") or as required for the Borrower limited partner or any senior lender. Project Net Cash Flow shall be determined by Borrower and Lender on a cash basis without regard to any carry-over profit or loss from any prior calendar year, and shall be determined annually, on or before April 15 for the preceding Operating Year.

1.1.14. "Parties" shall mean Lender and Borrower, collectively, and "Party" shall mean Lender or Borrower, individually.

1.1.15. "Person" shall mean a natural person, a partnership, a joint venture, an unincorporated association, a limited liability company, a corporation, a trust, any other business association or any Governmental Authority.

1.1.16. "Potential Default" shall mean any condition or event that could, with the lapse of time/expiration of applicable cure period under this Agreement after any written notice to Borrower thereof required by this Agreement is delivered, constitute a "Default" (as defined in Section 5.1 below).

1.1.17. "Property" shall have the meaning provided in Recital A, but shall also mean portions thereof or interests therein as the context requires.

1.1.18. "Preliminary Budget" shall mean the budget for the costs of the Project attached hereto as Exhibit "F".

1.1.19. "Regulatory Agreements" shall mean the Housing Agreements in the form attached hereto as Exhibit "G".

1.1.20. "Schedule of Performance" shall mean the schedule for the completion of the Improvements attached to this Agreement as Exhibit "H".

1.2. Exhibits. The following exhibits are attached to this Agreement and incorporated into, and made a part of, this Agreement by this reference:

1.2.1. Exhibit "A": Legal Description

1.2.2. Exhibit "B": Scope of Development

1.2.3. Exhibit "C": Form of Deed of Trust

1.2.4. Exhibit "D": Form of Promissory Note

1.2.5. Exhibit "E": Form of Notice of Affordability Restrictions

1.2.6. Exhibit "F": Preliminary Project Budget

1.2.7. Exhibit "G": Forms of Housing Agreement (LMIHF) or "Regulatory Agreement" and Housing Agreement (Density Bonus)

1.2.8. Exhibit "H": Schedule of Performance

2. CONSTRUCTION OF IMPROVEMENTS.

2.1. Construction Pursuant to Plans. The Improvements shall be constructed in accordance with final Construction Plans approved by the City of Palm Desert and the terms and conditions of the permits and approvals issued or to be issued by the City of Palm Desert.

2.2. Commencement and Completion of Improvements; Schedule of Performance. Borrower shall commence construction of the Improvements no later than the applicable date set forth in the Schedule of Performance, diligently prosecute to completion the construction of the Improvements no later than the applicable date set forth in the Schedule of Performance, and Borrower shall otherwise comply with the Schedule of Performance, in each case subject to Section 6.11 below (Force Majeure).

2.3. Compliance with Applicable Law. Borrower shall cause all construction to be performed in compliance with: (a) all applicable laws, ordinances, rules and regulations of federal, state, county or municipal governments or agencies now in force or that may be enacted hereafter; (b) all directions, rules and regulations of any fire marshal, health officer, building inspector, or other officer of every governmental authority now having or hereafter acquiring jurisdiction; (c) all applicable permits and governmental approvals.

2.4. Monthly Progress Reports. Until such time as Borrower has completed the Improvements, Borrower shall provide Lender with monthly progress reports (within 30 days of the end of each calendar month for the previous calendar month) regarding the status of the construction of the Improvements.

2.5. Construction Responsibilities. Borrower shall be solely responsible for all aspects of Borrower's conduct in connection with the Improvements, including (but not limited to) the quality and suitability of the plans and specifications, the supervision of construction work, and the qualifications, financial condition, and performance of all architects, engineers, contractors, subcontractors, suppliers, consultants, and property managers. Any review or inspection undertaken by Lender with reference to the Improvements is solely for the purpose of determining whether Borrower is properly discharging its obligations, and should not be relied upon by Borrower or by any third parties as a warranty or representation as to the quality of the design or construction of the Improvements, or for any other purpose.

2.6. Mechanics' Liens, Stop Notices, and Notices of Completion. If any claim of lien is filed against the Property or a stop notice with respect to the Loan is served on Lender or any other lender or other third party in connection with the Improvements, then Borrower shall, subject to Borrower's right to contest such lien in good faith and in accordance with applicable law, within ninety (90) days after such filing or service, either pay and fully discharge the lien or stop notice, effect the release of such lien or stop notice by delivering to Lender a surety bond from a surety acceptable to Lender in sufficient form and amount, or provide Lender with other assurance satisfactory to Lender that the claim of lien or stop notice will be paid or discharged.

2.7. Budget Amendments. After the Closing, Borrower shall submit any changes to the Budget to Lender for approval within ten (10) days after Borrower receives information indicating that actual costs therein vary or will vary from those shown on the Budget, together with evidence that Borrower has funds available from sources other than Lender to pay any cost increases and overruns.

3. LOAN PROVISIONS.

3.1. Use. The Loan shall be used solely for costs of the Project (including the purchase price for the Property) as shown on the Project Budget that exceed the equity available for and invested in the Project.

3.2. Interest; Payments. The outstanding principal balance of the Loan shall accrue interest as set forth in the Note and such principal and interest shall be payable as set forth in the Note.

3.3. Acceleration. Upon a Default by Borrower under Section 5 below, Lender may elect by written notice to Borrower that all outstanding principal and accrued interest on the Loan shall become due and payable.

3.4. Security. The Note shall be secured by the Deed of Trust.

3.5. Project Net Income Reporting. On or before April 15 of each calendar year, Borrower shall provide the Lender with an annual report in form and substance reasonably acceptable to Lender that include annual financial statements with respect to the Project that have been reviewed by an independent certified public accountant ("Annual Financial Report"). In the event the Residual Receipts reported or paid deviate by a deficit of three percent (3%) or more from that amount determined to be owing upon review of Developer's submittal and an audit (and the Lender shall have the right to audit Developer's books and records for the Project, which shall be kept at _____ in the City of Palm Desert), Borrower shall reimburse Lender for its cost to review and shall pay the amounts owing within ten (10) days after notice from Lender describing such amounts and costs.

3.6. Conditions Precedent to Closing. The obligation of Lender to close the Loan is expressly conditioned upon the satisfaction of the following on or before December 31, 2022:

3.6.1. City's receipt of originals of this Agreement and the Note, duly executed by Borrower, and City's receipt of an Acknowledgement regarding the management of the Project, in the form previously delivered to Borrower, duly executed by Palm Communities;

3.6.2. No Default or Potential Default by Borrower exists.

3.6.3. Commonwealth Land Title Insurance Company has recorded, or is irrevocably and unconditionally committed to record, the Deed of Trust, the Housing Agreement (LMIHF) and the Housing Agreement (Density Bonus) and the Notice of Affordability Restrictions (and any deeds of trust or other documents required as a condition to any other construction financing for the Project).

3.6.4. Commonwealth Land Title Insurance Company has unconditionally committed to issue a lender's title insurance policy to Lender in the amount of the Loan insuring the Deed of Trust, with exceptions approved by Lender and otherwise in form and substance acceptable to Lender.

3.6.5. Borrower shall have delivered to Lender copies of Borrower's organizational documents to Lender (including the partnership agreement for any tax credit limited partnership formed by the Borrower) as well as any other reasonable evidence requested by Lender showing Lender that Borrower has duly authorized the Loan Documents.

3.6.6. The City of Palm Desert shall have issued the building permit for the improvements and shall have completed its environmental (CEQA) review.

3.6.7. Borrower shall have provided reasonable evidence to the Lender of: (i) the cost of the Improvements (including a GMAX or stip sum construction contract from a reputable bondable contractor) and (ii) that Borrower has debt and equity funds to pay for such costs (and any tax credit equity shall have been committed and available, as shown by reasonable evidence delivered to City).

3.6.8. If Lender is requested to execute a subordination agreement with respect to the deed of trust securing senior construction financing, then Lender's receipt and approval of the loan documents for such senior construction financing.

3.7. Loan Disbursements. Disbursement of the purchase money portion of the Loan shall be made by Lender to escrow at closing for payment to the seller (the Successor Agency to the Palm Desert Redevelopment Agency), and disbursements of the construction loan portion of the Loan shall be conditioned upon the following additional conditions:

(i) Borrower shall have delivered to Lender a written disbursement request in form and substance reasonably satisfactory to Lender, together with copies of the applicable invoices or other appropriate documentation for the costs to be paid (consistent with the final Project budget) and appropriate mechanics lien waivers for the work performed prior to the date of disbursement (i.e., unconditional progress payment waivers for all costs paid with the

previous disbursement, and conditional progress payment waivers for the costs to be paid with the current disbursement, provided that final waivers shall be provided as a condition to the final disbursement).

(ii) No default shall have occurred under any Loan Document that remains uncured as of the date of the disbursement request or actual disbursement.

(iii) All equity funds shall have been disbursed and applied to Project costs in the Project Budget as shown by reasonable evidence delivered to Lender, and the Loan funds not yet disbursed together with any other committed sources of funds are sufficient to pay all remaining Project costs.

4. OTHER LOAN REQUIREMENTS.

4.1. Information. Borrower shall provide any information requested by Lender in good faith in connection with the Improvements.

4.2. Hazardous Materials. Borrower shall not use, generate, manufacture, store or dispose of on, under, or about the Property or transport to or from the Property any flammable explosives, radioactive materials, hazardous wastes, toxic substances or related materials, including any substances defined as or included in the definition of "hazardous substances," hazardous wastes," "hazardous materials," or "toxic substances" under any applicable federal or state laws or regulations (collectively, "Hazardous Materials"), except such of the foregoing as may be customarily used in connection with the ownership, operation, occupancy, maintenance and construction of improvements similar to the Improvements. Borrower acknowledges and agrees that each representation and warranty in this Agreement (together with any indemnity obligation applicable to a breach of any such representation and warranty) with respect to the environmental condition of the Property is intended by the Parties to be an "environmental provision" for purposes of California Code of Civil Procedure Section 736.

4.3. Construction Responsibilities; Commencement and Completion. Borrower shall cause the construction of the Improvements to be prosecuted with diligence, in good faith, and in accordance with the Schedule of Performance, subject to Section 6.11 below. Borrower shall cause the construction of the Improvements to be performed in a good and workmanlike manner in accordance with the Construction Plans approved by the City, in compliance with all applicable laws, ordinances, rules, regulations, building restrictions, recorded covenants and restrictions and requirements of each Governmental Authority having jurisdiction over the Property and free and clear of any liens or claims for liens. Borrower shall be solely responsible for all aspects of Borrower's business and conduct in connection with the Property, including the quality and suitability of the Construction Plans and their compliance with the requirements of each applicable Governmental Authority and the Loan Documents, and the supervision of the construction of the Improvements, the qualifications, financial condition and performance of all architects, engineers, contractors, subcontractors, material suppliers, consultants and property managers, the accuracy of all applications for payment and loan draw requests and the proper application of all disbursements.

4.4. Fees and Taxes. Borrower shall be solely responsible for payment of all fees, assessments, taxes, charges and levies imposed by any public authority or utility company with respect to the Property, and shall pay such charges prior to delinquency. However,

Borrower shall not be required to pay and discharge any such charge so long as (a) the legality thereof is being contested diligently and in good faith and by appropriate proceedings and (b) if requested by Lender, Borrower deposits with Lender such funds or other forms of assurance that Lender in good faith from time to time determines appropriate to protect Lender from the consequences of the contest being unsuccessful, provided, however, that if Borrower has deposited sufficient funds with a senior lender, Borrower shall not be required to deposit funds with Lender.

4.5. Notice of Litigation. Borrower shall promptly notify Lender of any litigation materially affecting Borrower or the Property and of any claims or disputes that Borrower reasonably believes involve a material risk of any such litigation.

4.6. Transfers. The qualifications and identity of the Borrower are of particular concern to the Lender and it is because of such qualifications and identity that the Lender has entered into this Agreement with the Borrower. No voluntary or involuntary successor in interest of the Borrower shall acquire any rights or powers under this Agreement except as expressly set forth herein. However, Borrower may assign this Loan Agreement to a single-asset limited partnership in which Borrower is the general partner, or which has a general partner that is directly or indirectly owned and controlled by Borrower, provided Lender approves the limited partnership agreement and evidence of such control or ownership, such approval not to be unreasonably withheld. The Loan may be accelerated by Lender if there is any conveyance by Borrower of the Property or any portion thereof or interest therein, or Borrower ceases to be (or ceases to own and control, as applicable) the general partner of such limited partnership prior to the completion of the Improvements without the City's prior written consent. Notwithstanding the foregoing, provided prior written notice to Lender of such transfer (with reasonable evidence of the nature of the transfer) is provided to Lender with respect to items (ii) and (ii) below as applicable, the Lender's consent shall not be required for (i) any direct or indirect transfer of the investor limited partner's interest in the Borrower if such transfer is to an entity controlled by, or under common control with Boston Financial Investment Management, LP or an affiliate thereof, (ii) the removal or replacement of a general partner of Borrower by the investor limited partner in accordance with the provisions of the Borrower's limited partnership agreement, (iii) the transfer of the Property or of a limited partner interest in Borrower to an entity affiliated with Pacific West Communities, Inc., an Idaho corporation made pursuant to an option agreement set forth in Borrower's limited partnership agreement (collectively, a "Permitted Transfer").

4.7. Insurance; Indemnity.

4.7.1. Insurance.

4.7.1.1. Borrower shall obtain and maintain at no cost or expense to the Lender, with a reputable and financially responsible insurance company reasonably acceptable to the Lender, (i) after the opening of the Project for business, commercially reasonable casualty insurance for the Improvements in an amount not less than the replacement cost of the Improvements (subject to commercially reasonable deductibles) with a reasonable inflation rider; (ii) commercial broad form general liability insurance, insuring against claims and liability for bodily injury, death, or property damage arising from the construction, use, occupancy, condition, or operation of the Property, which liability insurance shall provide

combined single limit protection of at least $2,000,000 and shall include a reasonable inflation rider, contractual liability coverage and products and completed operations coverage, and (iii) commercial automobile liability insurance of at least $1,000,000 combined single limit. Such liability insurance policies shall name the Lender and its board members, officers, agents and employees as additional insureds.

4.7.1.2. Before commencement of any demolition or construction work by Developer, Borrower shall obtain and maintain in force until completion of such work (i) "all risk" builder's risk insurance, including coverage for vandalism and malicious mischief, in a form and amount and with a company reasonably acceptable to the Lender, and (ii) workers' compensation insurance covering all persons employed by Borrower in connection with work on the Project, or any portion thereof. During the construction of Improvements on any portion of the Property by Developer, such builder's risk insurance shall cover improvements in place and all material and equipment at the job site furnished under contract, but shall exclude contractors', subcontractors', and construction managers' tools and equipment and property owned by contractors' and subcontractors' employees.

4.7.1.3. Each architect and each engineer engaged by Borrower shall provide professional liability insurance with a limit of liability of at least One Million Dollars ($1,000,000.00).

4.7.1.4. Borrower shall also furnish or cause to be furnished to the Lender evidence satisfactory to the Lender that any contractor with whom it has contracted for the performance of work on the Property or otherwise pursuant to this Agreement carries workers' compensation insurance as required by law.

4.7.1.5. With respect to each policy of insurance required above, Borrower and each of Developer's general contractors, engineers and architects shall furnish to the Lender a certificate on the insurance carrier's form setting forth the general provisions of the insurance coverage promptly after written request by Lender showing the additional insureds. The certificate shall also be furnished by Borrower prior to commencement of construction of any Improvements.

4.7.1.6. All such policies required by this Section shall contain (i) language to the effect that the policies cannot be cancelled or materially changed except after thirty (30) days' written notice by the insurer to the City, and (ii) a waiver of the insurer of all rights of subrogation against the Lender and the other additional insureds. All such insurance shall have deductibility limits which shall be commercially reasonable.

4.7.1.7. Procuring the insurance required under this Section shall not be construed to limit Borrower's liability under the Loan Documents, or to fulfill its indemnity obligations under the Loan Documents. Notwithstanding such insurance policies, Borrower shall be responsible for the total amount of any damage, injury or loss caused by negligence or neglect connected with the ownership, operation or occupancy of the improvements on the land. The insurance requirements set forth in this Section are for the sole purpose of protecting Lender's security for the Loan and are not to be construed as a representation by Lender that the insurance required under this Section is sufficient to cover Borrower from or against all uninsured losses and Borrower releases Lender from any liability and forever waives any claims against Lender in connection therewith.

4.7.1.8. All insurance policies shall (a) be issued by an insurance company having a rating of "A:VII" or better by A.M. Best Co., in Best's Rating Guide; (b) name Lender as an additional insured on all liability insurance and the senior lender as mortgagee and loss payee on all casualty insurance, (c) contain the "standard non-contributory mortgagee clause" and the "standard lenders' loss payable clause," or their equivalents, (d) be evidenced by a certificate of insurance (or, if required by City, copy of insurance policy) to be delivered to City.

4.8. Indemnity. In addition to Developer's obligations under Section 6.4 below, Borrower hereby agrees to indemnify, defend, protect, and hold harmless the Lender and any and all agents, employees, representatives, board members, consultants, and officers of the Lender, from and against all losses, liabilities, claims, damages (including foreseeable or unforeseeable consequential damages), penalties, fines, forfeitures, costs and expenses (including all reasonable out of pocket litigation costs and reasonable attorneys' fees) and demands of any nature whatsoever, related directly or indirectly to, or arising out of or in connection with:

(i) the validity of this Agreement;

(ii) the development and construction by Borrower of the Improvements on the Property or the use, ownership, management, occupancy, or possession of the Property during Developer's period of ownership or control thereof;

(iii) any breach or Default by Borrower hereunder; and

(iv) any of Developer's activities on the land (or the activities of Developer's agents, employees, lessees, representatives, licensees, guests, invitees, contractors, subcontractors, or independent contractors on the land).

The Lender may in its discretion, and at their own cost, participate in the defense of any legal action naming the Lender. The provisions of this Section shall survive the Closing or the termination of this Agreement.

5. DEFAULT AND REMEDIES.

5.1. Events of Default. Each of the following shall constitute a "Default" by Borrower under this Agreement:

5.1.1. The failure by Borrower to make a payment of money to Lender within ten (10) business days from the date such payment was due under any of the Loan Documents.

5.1.2. The failure by Borrower to perform any obligation under the Loan Documents not involving the payment of money, and, if such failure is curable within thirty (30) days, the expiration of thirty (30) days after written notice of such failure from Lender to Borrower. If such failure is not curable within 30 days, Borrower may have such longer period of time as is reasonably necessary to complete the cure, provided that Borrower has commenced to cure within the initial 30-day period and diligently prosecutes such cure to completion.

5.1.3. Borrower (a) is unable, or admits in writing its inability, to pay its monetary obligations as they become due, (b) makes a general assignment for the benefit of creditors, or (c) applies for, consents to or acquiesces in the appointment of a trustee, receiver or other custodian for itself or its property, or, in the absence of such application, consent or acquiescence, a trustee, receiver or other custodian is appointed for Borrower or the property of Borrower (including the Development), and such appointment is not discharged within sixty (60) days.

5.1.4. The commencement of any case under the Bankruptcy Code or commencement of any other bankruptcy, arrangement, receivership, custodianship or similar proceeding under any federal, state or foreign law by or against Borrower, provided that if any such case or other bankruptcy, arrangement, reorganization, receivership, custodianship or similar proceeding is commenced against Borrower, such case or other bankruptcy, arrangement, receivership, custodianship or similar proceeding is not dismissed within sixty (60) days after its commencement.

5.1.5. A final judgment or decree for monetary damages or a monetary fine or penalty (not subject to appeal or as to which the time for appeal has expired) is entered against Borrower by any Governmental Authority, and such judgment, decree, fine or penalty is not paid and discharged or stayed within sixty (60) days after the entry thereof.

5.1.6. The assets of Borrower are attached, levied on or otherwise seized by legal process, and such attachment, levy or seizure is not quashed, stayed or released within sixty (60) days of the date thereof.

5.1.7. There shall be filed any claim of lien against the Property or the service of any notice to withhold proceeds of the Loan and the continued maintenance of such claim of lien or notice to withhold for a period of sixty (60) days without discharge or satisfaction thereof or provision therefor (including the posting of bonds) satisfactory to City.

5.1.8. The occurrence of any conveyance that is prohibited under Section 4.6.

5.1.9. A failure to comply in any respect with the Schedule of Performance (subject to force majeure delays under Section 6.11 below).

5.1.10. Borrower's violation of any law or permit applicable to the Property or Improvements (or other improvements on the Property) that is not cured within thirty (30) days after written notice from City. If such failure is not curable within 30 days, Borrower may have such longer period of time as is reasonably necessary to complete the cure, provided that Borrower has commenced to cure within the initial 30-day period and diligently prosecutes such cure to completion.

5.1.11. Borrower's default under any other loans secured by the Property which is not cured within any applicable cure period in the loan documents for such loan or such longer cure period consented to in writing by the applicable lender.

5.1.12. Borrower fails to comply with the CTCAC Reservation Letter dated June 15, 2022 addressed to Christina Alley (which requires, among other things, executing

and recording a CTCAC regulatory agreement), or fails to comply with the recorded CTCAC regulatory agreement.

5.2. Remedies. The occurrence of any Default by Borrower will relieve Lender of any obligation to make further disbursement of the Loan and shall give Lender the right to proceed with any and all remedies set forth in the Loan Documents, including the following:

5.2.1. Lender shall have the right to declare, by written notice to Borrower, the outstanding principal balance of the Loan, together with any accrued and unpaid interest thereon, due and payable as of the date stated in such notice as determined by Lender in its sole and absolute discretion. Lender may proceed to enforce payment thereof and to exercise any or all rights afforded to Lender as a creditor and secured party under law, including the California, including foreclosure of the Deed of Trust. Borrower shall be obligated to pay City, on demand, all reasonable expenses, costs and fees (including reasonable attorney's fees and expenses) paid or incurred by Lender in connection with the collection of the Loan and the preservation, maintenance, protection, sale or other disposition of the security for the Loan, and such obligation shall be secured by the Deed of Trust.

5.2.2. Lender shall have the right to mandamus or other suit, action or proceeding at law or in equity to require Borrower to perform its obligations under the Loan Documents or to enjoin acts or things that may be unlawful or in violation of the provisions of the Loan Documents.

5.2.3. Lender may cure any default by Borrower under the Loan Documents. Borrower shall be liable to reimburse City, on demand, for any funds advanced by Lender to cure any such monetary default, together with interest thereon at the lesser of the maximum rate permitted by law or eight percent (8%) per annum from the date of expenditure until the date of reimbursement, and the Deed of Trust shall secure such sums owed.

5.2.4. Lender shall have the right to file for record, as Borrower's attorney-in-fact (which appointment is a power coupled with an interest and is irrevocable), any notices of completion, notices of cessation of labor, notices of non-responsibility or any other notices that Lender considers necessary to protect its security for the Loan.

5.2.5. Lender shall also be entitled to all other remedies available at law, in equity or otherwise.

5.2.6. Prior to exercising any remedies hereunder, Lender will give Borrower's investor limited partner notice of default at the same time such notice is given to Borrower provided Lender shall have been given such investor limited partner's name and address by Borrower in writing. The investor limited partner shall have the cure periods set forth above within which to cure the default and Lender will accept or reject such cure on the same basis as if such cure had been tendered by Borrower.

5.3. Remedies Cumulative. Except as may be provided by law, no right, power or remedy given to Lender by the terms of the Loan Documents is intended to be exclusive of any other right, power or remedy, and each and every such right, power or remedy shall be cumulative and in addition to every other right, power or remedy given to Lender by the

terms of the Loan Documents, by law or otherwise. Neither the failure nor any delay on the part of Lender to exercise any such right, power or remedy shall operate as a waiver thereof, nor shall any single or partial exercise by Lender of any such right, power or remedy preclude any other or further exercise of such right, power or remedy, or any other right, power or remedy.

6. GENERAL PROVISIONS.

6.1. Relationship of Parties. Nothing contained in this Agreement shall be interpreted by the Parties, or any other party, as creating the relationship of employer and employee, principal and agent, partnership or any other form of joint venture between Lender and Borrower, and Borrower shall at all times be deemed an independent contractor and shall be completely responsible for the manner in which it performs its obligations under this Agreement.

6.2. No Claims. Nothing contained in this Agreement shall create or authorize any claim against Lender by any Person that Borrower may have employed or with whom Borrower may have contracted related to the purchase of materials, supplies or equipment, or the furnishing or the performance of any work or services with respect to the construction or operation of the Property, and Borrower shall include similar requirements in any contracts entered into for the construction or operation of the Property.

6.3. Amendments. No modification of the terms of this Agreement shall be valid unless made in writing and signed by the Parties.

6.4. Indemnification for Prevailing Wages Claims. Borrower shall indemnify, defend, protect and hold harmless Lender and its board members, officers, employees, agents, successors and assigns (collectively, "Indemnified Parties") from and against any and all claims (including, without limitation, any claim under Labor Code Section 1781), losses, proceedings, damages, causes of action, liabilities, costs and expenses, (including attorneys' fees) (collectively, "Claim") arising from or in connection with, or caused by any violations of law by Borrower or any contractor with respect to the Property, including, without limitation, any failure to comply with Labor Code Sections 1720 et. seq. If any action or proceeding be brought against Lender by reason of any such claim, Borrower, upon notice from Lender, shall defend the same at Borrower's expense with counsel satisfactory to Lender (which consent shall not be unreasonably withheld) unless such Claim arose from the willful misconduct or gross negligence of an Indemnified Party. BORROWER'S DUTY AND OBLIGATIONS TO DEFEND, INDEMNIFY AND HOLD LENDER HARMLESS LENDER SHALL SURVIVE CANCELLATION OF THE NOTE AND THE RECONVEYANCE OF THE DEED OF TRUST WITH RESPECT TO EVENTS OCCURRING PRIOR TO THE CANCELLATION OF THE NOTE AND RECONVEYANCE OF THE DEED OF TRUST.

6.5. Non-Liability of Lender and Lender Officials, Employees and Agents. No member, official, employee or agent of Lender shall be personally liable to Borrower in the event of any default or breach by Lender, or for any amount that may become due to Borrower, under the terms of this Agreement.

6.6. No Third Party Beneficiaries. There shall be no third party beneficiaries of this Agreement.

6.7. Notices, Demands and Communications. Except as otherwise required by law, any notice, request, direction, demand, consent, waiver, approval or other communication required or permitted to be given hereunder shall not be effective unless it is given in writing and shall be delivered (a) by certified mail, postage prepaid, return receipt requested, or (b) by a commercial overnight courier that guarantees next day delivery and provides a receipt, and addressed to the parties at the addresses stated below, or at such other address as either party may hereafter notify the other in writing as aforementioned:

Lender: Palm Desert Housing Authority
73-510 Fred Waring Drive
Palm Desert, CA 92260
Attn: Executive Director

Borrower: Palm Desert Pacific Associates
c/o Pacific West Communities, Inc.
430 E. State Street, Suite 100
Eagle, ID
Attn: Caleb Roope

With a copies to:

McReynolds & McCormack, PLLC
430 E. State Street, Ste.140
Eagle, ID 83616
Attention: Clay McReynolds

And:

BF Vitalia LLLP
101 Arch Street, 13th Floor
Boston, MA 02110
Attn: Asset Management - Vitalia Apartments

Service of any such notice or other communications so made shall be deemed effective on the day of actual delivery or refusal to accept/inability to deliver, as shown by the addressee's return receipt if by certified mail, and as confirmed by the courier service if by courier; provided, however, that if such actual delivery occurs after 5:00 p.m. (local time where received) or on a non-business day, then such notice or demand so made shall be deemed effective on the first business day following the day of actual delivery. No communications via electronic mail shall be effective to give any notice, request, direction, demand, consent, waiver, approval or other communications hereunder.

6.8. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California, without giving effect to conflict of laws principles.

6.9. Attorneys' Fees. Should any action be brought to enforce any provision hereof, the prevailing party in such action shall be entitled to reasonable attorneys' fees, court

costs and other litigation expenses, including expenses incurred for preparation and discovery. The right to recover such fees, costs and expenses shall accrue upon the commencement of the action regardless of whether the action is prosecuted to final judgment.

6.10. Severability. If any term of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall continue in full force and effect unless the rights and obligations of the Parties have been materially altered or abridged by such invalidation, voiding or unenforceability.

6.11. Force Majeure. A Party shall not be deemed to be in default as to any construction obligation where delays are due to war; insurrection; strikes; lock-outs; riots; floods; earthquakes; fires; quarantine restrictions; freight embargoes; lack of transportation; or court order; or any other similar causes (other than lack of funds of Borrower or Borrower's inability to finance the construction of the Development) beyond the control or without the fault of the Party claiming an extension of time to perform. However, no extension of time for any cause will be deemed granted if notice by the Party claiming such extension is not sent to the other Party within ten (10) business days from the commencement of the cause.

6.12. Approvals/Amendments/Subordination Agreements. Whenever this Agreement calls for or contemplates Lender approval or consent (including approval of the form and substance of other documents), the written approval or consent or waiver of the Executive Director of Lender shall constitute the approval or consent of Lender. The Lender also authorizes the Executive Director to make non-substantial changes to this Agreement, including, reasonable extensions of time deadlines set forth in this Agreement, provided they are in writing, and to send notices and demands, initiate and administer remedies and otherwise administer the Loan Documents, and to execute reasonable subordination agreements required by senior construction lenders as a condition to making their loans for the Project. The Executive Director shall have the authority to review and approve all documents listed in Section 3.5 hereof and may prohibit disbursement of Loan funds if the documents are not reasonably satisfactory to the Executive Director.

6.13. Warranty Against Payment of Consideration for Agreement. Borrower warrants that it has not paid or given, and will not pay or give, any Person, including the Lender or the City of Palm Desert, or any councilmember, board member, official or employee thereof, any money or other consideration for obtaining this Agreement.

6.14. Refinance. Borrower shall be permitted to refinance any senior construction or permanent loan on commercially reasonable terms in an amount equal to the then-outstanding principal balance of such senior loan(s) (the "Refinanced Loan"), and Lender agrees that Lender's Executive Director shall have the authority to execute reasonable subordination agreements to confirm such subordination such that the deed of trust securing the Loan shall remain subordinate to any such Refinanced Loan.

6.15. Time. Time is of the essence with respect to this Agreement and the performance of each obligation contained herein.

6.16. Multiple Originals; Counterparts. This Agreement may be executed in multiple originals, each of which is deemed to be an original, and may be signed in counterparts.

WHEREAS, this Agreement has been entered into by the undersigned as of the date first above written.

LENDER:

PALM DESERT HOUSING AUTHORITY

By: _____
Name: _____
Title: _____

ATTEST:

_____
Anthony J. Mejia, Secretary

APPROVED AS TO FORM:

_____
Robert W. Hargreaves, City Attorney

BORROWER:

PALM DESERT PACIFIC ASSOCIATES, a California limited partnership

By: TPC HOLDINGS IX, LLC,
an Idaho limited liability company
Its: Administrative General Partner

By: Pacific West Communities, Inc.,
an Idaho corporation
Its: Manager

By: _____
Name: Caleb Roope
Its: President and CEO

By: CENTRAL VALLEY COALITION FOR AFFORDABLE HOUSING, a California Nonprofit Public Benefit Corporation
Its: Managing General Partner

By: _____
Name: Christina Alley
Its: Chief Executive Officer

EXHIBIT "A"

LEGAL DESCRIPTION OF the PROPERTY

Real property in the City of Palm Desert, County of Riverside, State of California, described as follows:

A PORTION OF PARCEL 1 OF THAT CERTAIN CERTIFICATE OF COMPLIANCE NO. 88-1, RECORDED JUNE 1, 1988 AS INSTRUMENT NO, 146461 OF OFFICIAL RECORDS. IN THE CITY OF PALM DESERT. COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, LOCATED IN THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 32, TOWNSHIP 4 NORTH, RANGE 6 EAST, SAN BERNARDINO MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SAID PARCEL 1;

THENCE NORTH 89°55'15' EAST, ALONG THE NORTHERLY LINE OF SAID PARCEL 1, SAID LINE ALSO BEING THE SOUTHERLY RIGHT-OF-WAY LINE OF GERALD FORD DRIVE, A DISTANCE OF 514.35 FEET;

THENCE SOUTH 47°23'23" EAST, A DISTANCE OF 34.01 FEET,
THENCE SOUTH 00°03'36" WEST, A DISTANCE OF 942.64 FEET,
THENCE NORTH 89°56'24" WEST, A DISTANCE OF 539.40 FEET;

THENCE NORTH 00°03'36" EAST, ALONG THE WESTERLY LINE OF SAID PARCEL 1 AND THE SOUTHERLY EXTENSION THEREOF, A DISTANCE OF 964.39 FEET, TO THE **POINT OF BEGINNING.**

EXHIBIT "B"

SCOPE OF DEVELOPMENT

A 269 unit apartment complex, with 131 one-bedroom apartments, 70 two-bedroom apartments, and 68 three-bedroom apartments (including 3 three-bedroom manager units).

420 parking spaces (which is reduced parking based on a density bonus).

Laundry facilities in each building.

Gate-controlled access to the project.

Project amenities in a central location/area, may include: leasing office; fitness center; community room; covered community patio; dog run and dog park; outdoor children's playground; swimming pool; barbecue area; child care room.

EXHIBIT "C"

FORM OF DEED OF TRUST

EXHIBIT "D"

FORM OF PROMISSORY NOTE

EXHIBIT "E"

FORM OF NOTICE OF AFFORDABILITY RESTRICTIONS

(Attached.)

EXHIBIT "F'

PRELIMINARY PROJECT BUDGET

(Attached.)

EXHIBIT "G"

FORMS OF HOUSING AGREEMENTS

EXHIBIT "H"

SCHEDULE OF PERFORMANCE

Action	Date / Deadline
Items 1 – 8 Relate to BorrowerActions and Requirements Prior to the Closing	
1. Project Budget. The Borrowershall submit a comprehensive Project Budget for the Improvements.	Prior and as a condition to Closing.
2. Final Plans and Specifications. The Borrowershall submit the Final Plans and Specifications for Lender approval.	Prior and as a condition to Closing.
3. Building Permits. The Borrowershall obtain the Building Permit for the construction of the Improvements.	Prior and as a condition to the Closing.
4. Construction Contract. The Borrower shall submit the stipulated sum construction contract for the construction of the Improvements to the Lender for approval.	Prior and as a condition to the Closing.
5. Intentionally omitted.	
6. Insurance. The Borrower shall submit evidence of insurance to the City.	Prior and as a condition to the Closing.
7. Tax Credit Applications/Award.	Obtained
8. Tax Credit Equity. All tax credit equity must have been committed and no less than the amount of the initial capital contribution and all capital contributions to be used for construction costs shall have been funded by the tax credit investor and committed and available to pay the initial Project costs, as shown by reasonable evidence delivered to City.	Prior and as a condition to Closing].
Items 9 – 13 Relate to Requirements After the Closing	
9. Closing. The Borrower shall acquire the Property and close the Loan.	December 31, 2022

Action	Date / Deadline
10. Commencement of Construction. Borrower shall substantially commence the Improvements.	No later than 90 days after the Closing.
11. Completion of Grading. Borrower shall substantially complete the grading for the Project.	Not later than six (6) months following the commencement of construction.
12. Commencement of Vertical Construction. Borrower shall substantially commence vertical construction.	Not later than 9 months after the commencement of construction.
13. Completion; Qualification for Certificate of Completion. The Project shall be completed and shall qualify for a Certificate of Occupancy.	No later than two (2) calendar years after the Closing.

RECORDING REQUESTED BY,
AND WHEN RECORDED MAIL TO:

Palm Desert Housing Authority
73-510 Fred Waring Drive
Palm Desert, CA 92260
Attn: Jessica Gonzales

SPACE ABOVE THIS LINE FOR RECORDER'S USE

This Document is recorded for the benefit of the Palm Desert Housing Authority and is exempt from recording fees pursuant to Sections 6103, 27383 and 27388.1 of the California Government Code.

DEED OF TRUST AND ASSIGNMENT OF RENTS

THIS DEED OF TRUST AND ASSIGNMENT OF RENTS (this "Deed of Trust") is dated as of _____, 2022, and is executed by PALM DESERT PACIFIC ASSOCIATES, a California limited partnership ("Trustor"), in favor of FIDELITY NATIONAL TITLE COMPANY, as "Trustee," for the benefit of the PALM DESERT HOUSING AUTHORITY ("Beneficiary").

Trustor IRREVOCABLY GRANTS, TRANSFERS AND ASSIGNS TO TRUSTEE IN TRUST, WITH POWER OF SALE, that certain land in the City of Palm Desert, Riverside County, California, described on Exhibit "A" attached hereto;

TOGETHER WITH the rents, issues and profits thereof and all leases and rental agreements related thereto, SUBJECT, HOWEVER, to the right, power, and authority hereinafter given to Trustor to collect and apply such rents, issues, and profits;

TOGETHER WITH all buildings and improvements of every kind and description now or hereafter erected or placed thereon, and all fixtures, including but not limited to all gas and electric fixtures, engines and machinery, radiators, heaters, furnaces, heating equipment, laundry equipment, steam and hot water boilers, stoves, ranges, elevators and motors, bath tubs, sinks, water closets, basins, pipes, faucets and other plumbing and heating fixtures, mantels, cabinets, refrigerating plant and refrigerators, whether mechanical or otherwise, cooking apparatus and appurtenances, and all shades, awnings, screens, blinds and other furnishings, it being hereby agreed that all such fixtures and furnishings shall to the extent permitted by law be deemed to be permanently affixed to and a part of the realty;

TOGETHER WITH all building materials and equipment now or hereafter delivered to the premises and intended to be installed therein;

TOGETHER WITH all articles of personal property owned by the Trustor now or hereafter attached to or used in and about the building or buildings now erected or hereafter to be erected on the lands described which are necessary to the complete and comfortable use and

occupancy of such building or buildings for the purposes for which they were or are to be erected, including all other goods and chattels and personal property as are ever used or furnished in operating a building, or the activities conducted therein, similar to the one herein described and referred to, and all renewals or replacements thereof or articles in substitution therefor, whether or not the same are, or shall be attached to the building or buildings in any manner.

All of the foregoing, together with the real property, is herein referred to as the "Property."

For the purpose of securing (a) payment of the indebtedness evidenced by that certain promissory note (the "Note") of substantially even date herewith, in the stated principal sum of $6,030,000.00, executed by Trustor, as maker, in favor of Beneficiary, as payee, and all amendments thereof; and (b) sums owing by Trustor to Beneficiary under this Deed of Trust.

(1) That it shall faithfully perform each and every covenant contained in the Note, the Loan Agreement ("Loan Agreement") between Trustor and Beneficiary dated substantially concurrently herewith and the Regulatory Agreement described therein. Upon a Default under (and as defined in) the Loan Agreement, Beneficiary may accelerate the loan evidenced by the Note, and if not paid, may exercise any and all remedies permitted by law, including foreclosure of this Deed of Trust.

(2) To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses, including cost of evidence of title and attorneys' fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear, and in any suit brought by Beneficiary to foreclose this Deed of Trust.

(3) To pay before delinquency all property taxes and assessments and any other taxes affecting the Property, including assessments on appurtenant water stock; when due, all encumbrances, charges and liens, with interest, on the Property or any part thereof, which appear to be prior or superior hereto (provided, however, that Trustor may dispute in good faith any such tax or assessment after posting bond on same).

(4) That should Trustor fail to make any payment or to do any act as herein provided and such failure continues past any applicable notice and cure period, then Beneficiary, without obligation so to do and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof may: make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon the Property for such purposes with written notice to Trustor and subject to the rights of tenants; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel and pay its reasonable fees.

(5) To pay immediately and without demand all sums so expended by Beneficiary hereunder, or under Note the in accordance with the terms thereof.

(6) The Trustor further covenants that it will not voluntarily create, suffer, or permit to be created against the Property any lien or liens except for deeds of trust securing financing used to pay for construction of the Project, as defined in the Loan Agreement (or securing refinancing of such construction loans) and further that it will keep and maintain the Property free from the claims of all persons supplying labor or materials which will enter into the construction of any and all buildings now being erected or to be erected on the Property, or will cause the release of or will provide a bond against any such liens within thirty (30) days of the attachment of the lien or liens.

(7) That any award of damages in connection with any condemnation for public use of or injury to the Property or any part thereof is hereby assigned and shall be paid to Beneficiary who may apply or release such moneys it receives in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.

(8) That by accepting payment of any sum secured hereby after its due date, Beneficiary does not waive its right either to require prompt payment when due of all other sums so secured or to declare default for failure to pay all other sums when due so secured.

(9) That at any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may: reconvey any part of the Property; consent to the making of any map or plat thereof; join in granting any easement thereon; or join in any extension agreement or any agreement subordinating the lien or charge hereof.

(10) That upon written request of Beneficiary stating that all sums secured hereby have been paid or forgiven by Beneficiary, and upon surrender of the Note to Trustee for cancellation and retention and upon payment of its fees, Trustee shall reconvey, without warranty, the Property then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto."

(11) That Trustor hereby absolutely and unconditionally assigns and transfers to Beneficiary all the rents, income and profits of the Property encumbered hereby, and hereby give to and confer upon Beneficiary the right, power and authority to collect such rent, income, and profits, and Trustor irrevocably appoints Beneficiary Trustor's true and lawful attorney at the option of Beneficiary, at any time, to give receipts, releases and satisfactions and to sue, either in the name of Trustor or in the name of Beneficiary, for all income, and apply the same to the indebtedness secured hereby; provided, however, so long as no default by Trustor in the payment of any indebtedness secured hereby shall exist and be continuing beyond any applicable cure period expressly provided therein, then, Trustor shall have the right to collect all rent, income and profits from the Property and to retain, use and enjoy the same. Upon any such default, Beneficiary may at any time without notice, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness

hereby secured, enter upon and take possession of the Property or any part thereof, in its own name sue for or otherwise collect such rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of the Property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

(12) That upon a Default by Trustor under the Loan Agreement, Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written declaration of default and demand for sale and of written notice of default and election to cause to be sold the Property, which notice Trustee shall cause to be filed for record. Beneficiary also shall deposit with Trustee this Deed of Trust, the Note and all documents evidencing expenditures secured hereby. After the lapse of such time as may then be required by law following the recordation of the notice of default, and notice of sale having been given as then required by law, Trustee, without demand on Trustor, shall sell the Property at the time and place fixed by it in the notice of sale, either as a whole or in separate parcels, and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of the Property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to such purchaser its deed conveying the Property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee, or Beneficiary as hereinafter defined, may purchase at the sale.

After deducting all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms hereof, not then repaid, with accrued interest at the amount allowed by law in effect at the date hereof; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.

(13) Beneficiary, or any successor in ownership of any indebtedness secured hereby, may from time to time, by instrument in writing, substitute a successor or successors to any Trustee named herein or acting hereunder, which instrument, executed by the Beneficiary and duly acknowledged and recorded in the office of the recorder of the county or counties where the Property is situated, shall be conclusive proof of proper substitution of such successor Trustee or Trustees, who shall, without conveyance from the Trustee predecessor, succeed to all its title estate, rights, powers and duties. The instrument must contain the name of the original Trustor, Trustee and Beneficiary hereunder, the book and page where this Deed of Trust is recorded and the name and address of the new Trustee.

(14) That this Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term Beneficiary shall mean the owner and holder, including pledgees, of the Note, whether or not named as Beneficiary herein. In this Deed of Trust, whenever the context so requires, the

masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

(15) If Trustor shall sell, convey, hypothecate, transfer, encumber or alienate the Property, or any part thereof, or any interest therein, or any interest in Trustor is transferred, or Trustor shall be divested of title or any interest in the Property in any manner or way, whether voluntarily or involuntarily, without the prior written consent of the Beneficiary being first had and obtained (if and to the extent such consent is required in the Loan Agreement or if the failure to get such consent would be a Default) or if a Default by Trustor shall occur under the Loan Agreement then Beneficiary shall have the right, at its option, to declare any indebtedness or obligations secured hereby, irrespective of the maturity date specified in any note evidencing the same, immediately due and payable.

(16) That Trustor shall promptly pay when due the payments of interest, principal, and all other charges accruing under any superior or prior trust deed, mortgage, or other instrument encumbering the Property. Beneficiary shall have the right, but not the obligation, to cure any defaults on any superior or prior deed of trust or promissory note secured thereby and upon curing such default Trustor shall immediately reimburse Beneficiary for all costs and expenses incurred thereby, together with interest thereon at the lesser of seven percent (7%) or the maximum legal rate permitted to be charged by non-exempt lenders under the State of California, and Trustor's failure to pay such amount on demand shall be a breach hereof. Trustor's breach or default of any covenant or condition of any superior or prior trust deed, mortgage or other instrument encumbering the Property shall be a default under this Deed of Trust, whereupon Beneficiary shall have the right to declare all sums under the Note secured hereby immediately due and payable as provided in the Note.

(17) The undersigned Trustor requests that a copy of any Notice of Default and of any Notice of Sale hereunder (and any other notices hereunder) be mailed to it at its address for notices in the Loan Agreement.

(18) Trustor shall not commit intentional waste with respect to the Property.

(19) Beneficiary acknowledges that Trustor and the California Tax Credit Allocation Committee have or intend to enter into, or concurrently with the execution and delivery of the Loan Documents are entering into, a Regulatory Agreement (the "TCAC Regulatory Agreement"), which constitutes the extended low-income housing commitment described in Section 42(h)(6)(B) of the Internal Revenue Code, as amended (the "Code"). Beneficiary acknowledges and agrees that, in the event of a foreclosure of its interest under the Deed of Trust or delivery by the Trustor of a deed in lieu thereof (collectively, a "Foreclosure"), the following rule contained in Section 42(h)(6)(E)(ii) of the Code shall apply: For a period of three (3) years from the date of Foreclosure, with respect to any unit that had been regulated by the TCAC Regulatory Agreement, (i) none of the eligible tenants occupying those units at the time of Foreclosure may be evicted or their tenancy terminated (other than for good cause, including but not limited to, the tenants' ineligibility pursuant to Section 42 of the Code), (ii) nor may any rent be increased except as otherwise permitted under Section 42 of the Code.

TRUSTOR:

PALM DESERT PACIFIC ASSOCIATES, a California limited partnership

By: TPC HOLDINGS IX, LLC,
an Idaho limited liability company
Its: Administrative General Partner

By: Pacific West Communities, Inc.,
an Idaho corporation
Its: Manager

By: _____
Name: Caleb Roope
Its: President and CEO

By: CENTRAL VALLEY COALITION FOR AFFORDABLE HOUSING, a California Nonprofit Public Benefit Corporation
Its: Managing General Partner

By: _____
Name: Christina Alley
Its: Chief Executive Officer

NOTARY ACKNOWLEDGEMENT

STATE OF IDAHO)
) ss
COUNTY OF ADA)

On this ___ day of [ ], in the year of 2022, before me, _____, a notary public, personally appeared Caleb Roope, known or identified to me to be President and CEO of Pacific West Communities, Inc., an Idaho corporation, the Manager of TPC Holdings IX, LLC, an Idaho limited liability company, proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

EXHIBIT "A"

DESCRIPTION OF LAND

Real property in the City of Palm Desert, County of Riverside, State of California, described as follows:

A PORTION OF PARCEL 1 OF THAT CERTAIN CERTIFICATE OF COMPLIANCE NO. 88-1, RECORDED JUNE 1, 1988 AS INSTRUMENT NO, 146461 OF OFFICIAL RECORDS. IN THE CITY OF PALM DESERT. COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, LOCATED IN THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 32, TOWNSHIP 4 NORTH, RANGE 6 EAST, SAN BERNARDINO MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SAID PARCEL 1;

THENCE NORTH 89°55'15' EAST, ALONG THE NORTHERLY LINE OF SAID PARCEL 1, SAID LINE ALSO BEING THE SOUTHERLY RIGHT-OF-WAY LINE OF GERALD FORD DRIVE, A DISTANCE OF 514.35 FEET;

THENCE SOUTH 47°23'23" EAST, A DISTANCE OF 34.01 FEET,
THENCE SOUTH 00°03'36" WEST, A DISTANCE OF 942.64 FEET,
THENCE NORTH 89°56'24" WEST, A DISTANCE OF 539.40 FEET;

THENCE NORTH 00°03'36" EAST, ALONG THE WESTERLY LINE OF SAID PARCEL 1 AND THE SOUTHERLY EXTENSION THEREOF, A DISTANCE OF 964.39 FEET, TO THE **POINT OF BEGINNING.**

SECURED PROMISSORY NOTE

_____, 2022 $6,030,000.00

Palm Desert, California

FOR VALUE RECEIVED, the undersigned, PALM DESERT PACIFIC ASSOCIATES, a California limited partnership ("Maker"), having its principal place of business at 430 E. State Street, Suite 100, Eagle, ID, Attn: Caleb Roope, promises to pay to the order of the PALM DESERT HOUSING AUTHORITY ("Payee" or "PDHA), at 73-510 Fred Waring Drive, Palm Desert, CA 92260, Attn: _____, or at such other place as the holder of this Note from time to time may designate in writing, the principal sum of SIX MILLION THIRTY THOUSAND AND NO/100 DOLLARS ($6,030,000.00) (the "Principal Amount"), together with interest on the unpaid principal amount disbursed under this promissory note ("Note") from time to time outstanding at the "Applicable Interest Rate," as defined below, in lawful money of the United States of America. This Note is being delivered, and the loans evidenced hereby are being made, pursuant to the terms of a Loan Agreement between Maker and PDHA ("Loan Agreement"). All capitalized terms used herein which are not separately defined herein shall have the meanings set forth therefor in the Loan Agreement.

As of the date of this Note, the sum of $4,500,000.00 of principal has been disbursed to the Successor Agency to the Palm Desert Redevelopment Agency as a purchase money loan to Maker for its acquisition of the property encumbered by the deed of trust securing this Note. The remainder of the Principal Amount shall be disbursed as a construction loan as described in Section 3 of the Loan Agreement. "Applicable Interest Rate" means three percent (3%) per annum, simple interest, except that amounts not paid when due shall accrue interest from the date due until the date paid at the lesser of: (i) seven percent (7%) per annum, simple interest, or (ii) the maximum rate permitted by applicable law.

1. Payments. Payments under this Note shall be due and payable as follows: 50% of Project Net Cash Flow, as defined in the Loan Agreement ("PDHA Portion") shall be paid to PDHA on an annual basis [on _____ after] the first anniversary of issuance of a final certificate of occupancy for the Project (defined in the Loan Agreement), and each [_____] anniversary thereafter (with respect to the Project Net Cash Flow for the preceding year ending on _____ prior to each such payment date), until this Note has been satisfied in full. Payments shall first be applied to accrued interest, then to remaining outstanding principal. In addition, the entire amount of outstanding principal and accrued interest and any additional amounts which become owing hereunder shall be paid by Maker to Payee as of the earliest of: (i) a Default under the Loan Agreement; (ii) as provided in Section 4 below; or (iii) fifty-five (55) years after the date a final certificate of occupancy is issued for the Project (the "Maturity Date").

2. Secured by Deed of Trust. Repayment of this Note is secured by a deed of trust (the "Deed of Trust") executed by Maker for the benefit of Payee encumbering the property described in the Deed of Trust (the "Property" or "Site") on which the Project is to be developed/constructed.

3. Prepayment. Maker shall have the right to prepay amounts owing under this Note at any time, without premium.

4. Due on Sale or Encumbrance. In the event of any Transfer (as defined below) of the Property, or any portion thereof or interest therein, Payee shall have the absolute right at its option, without prior demand or notice, to declare all sums secured hereby immediately due and payable. As used herein, the term "Transfer" means and includes the direct or indirect sale, transfer, conveyance, assignment, or other alienation of the Property, or any portion thereof or interest therein, whether voluntary, involuntary, by operation of law or otherwise, or the lease of all or substantially all of the Property or of all or substantially all of the improvements located thereon or a transfer of the general partner interest in Maker or transfer of control of the general partner. Transfer shall not include the sale, transfer, assignment, pledge, hypothecation or encumbrance by Maker's limited partner of its partnership interest, nor shall Transfer include the removal of any general partner of Maker by the limited partner for cause and the replacement of such removed general partner by another person or entity in accordance with the terms of Maker's partnership agreement nor any other "Permitted Transfer" as such term is defined in the Loan Agreement. "Transfer" shall not include any lease of a rental unit so long as Trustor complies with the provisions of the Regulatory Agreement relating to such leasing activity. Failure of Beneficiary to exercise the option to declare all sums secured hereby immediately due and payable upon a Transfer will not constitute waiver of the right to exercise this option in the event of any subsequent Transfer.

5. Miscellaneous.

(a) Governing Law. All questions with respect to the construction of this Note and the rights and liabilities of the parties to this Note shall be governed by the laws of the State of California.

(b) Attorneys' Fees.

(i) Maker shall reimburse Payee for all reasonable attorneys' fees, costs and expenses, incurred by Payee in connection with the enforcement of Payee's rights under this Note, including, without limitation, reasonable attorneys' fees, costs and expenses for trial, appellate proceedings, out-of-court negotiations, workouts and settlements or for enforcement of rights under any state or federal statute, including, without limitation, reasonable attorneys' fees, costs and expenses incurred to protect Payee's security and attorneys' fees, costs and expenses incurred in bankruptcy and insolvency proceedings such as (but not limited to) seeking relief from stay in a bankruptcy proceeding. The term "expenses" means any expenses incurred by Payee in connection with any of the out-of-court, or state, federal or bankruptcy proceedings referred to above, including, without limitation, the fees and expenses of any appraisers, consultants and expert witnesses retained or consulted by Payee in connection with any such proceeding.

(ii) Payee shall also be entitled to its attorneys' fees, costs and expenses incurred in any post-judgment proceedings to collect and enforce the judgment. This provision is separate and several and shall survive the merger of this Note into any judgment on this Note.

(c) Entire Agreement. This Note, the Loan Agreement, the Deed of Trust and the Housing Agreements required by the Loan Agreement constitute the entire agreement and understanding between and among the parties in respect of the subject matter of such agreements and supersede all prior agreements and understandings with respect to such subject matter, whether oral or written.

(d) Time of the Essence. Time is of the essence with respect to every provision hereof.

(e) Waivers by Maker. Maker waives: presentment; demand; notice of dishonor; notice of default or delinquency; notice of acceleration; notice of protest and nonpayment; notice of costs, expenses or losses and interest thereon; and diligence in taking any action to collect any sums arising under this Note or in any proceeding against any of the rights or interests in or to properties securing payment of this Note.

(f) Non-waivers. No previous waiver and no failure or delay by Maker in acting with respect to the terms of this Note, the Loan Agreement, the Deed of Trust or Housing Agreements shall constitute a waiver of any breach, default, or failure of condition under any of them. A waiver of any term must be made in writing and shall be limited to the express written terms of such waiver.

(g) Non-Recourse. Repayment of this Note and all other obligations of Borrower hereunder, under the Loan Agreement, Housing Agreements or Deed of Trust shall be a non-recourse obligation of Borrower, such that a general partner of Borrower shall not have any personal obligation to make any payments or perform any other obligations of Borrower.

(h) Cure by Limited Partner(s). PDHA hereby agrees that any cure of any default made or tendered by Maker's limited partner (whose name and notice address is as set forth below in this Section 5(h)) shall be deemed to be a cure by Maker and shall be accepted or rejected on the same basis as if made or tendered by Maker.

Investor Limited Partner Name and Notice Address:

BF Vitalia LLLP
c/o Boston Financial Investment Management
101 Arch Street, 13th Floor
Boston, MA 02110
Attention: Asset Management - Vitalia Apartments

MAKER:

PALM DESERT PACIFIC ASSOCIATES, a
California limited partnership

By: TPC HOLDINGS IX, LLC,
an Idaho limited liability company
Its: Administrative General Partner

By: Pacific West Communities, Inc.,
an Idaho corporation
Its: Manager

By: _____
Name: Caleb Roope
Its: President and CEO

By: CENTRAL VALLEY COALITION
FOR AFFORDABLE HOUSING,
a California Nonprofit Public Benefit
Corporation
Its: Managing General Partner

By: _____
Name: Christina Alley
Its: Chief Executive Officer

RECORDING REQUESTED BY,
AND WHEN RECORDED MAIL TO:

Palm Desert Housing Authority
73-510 Fred Waring Drive
Palm Desert, CA 92260
Attn: Jessica Gonzales

SPACE ABOVE THIS LINE FOR RECORDER'S USE

This Document is recorded for the benefit of the Palm Desert Housing Authority and is exempt from recording fees pursuant to Sections 6103, 27383 and 27388.1 of the California Government Code.

NOTICE OF AFFORDABILITY RESTRICTIONS

IMPORTANT NOTICE TO OWNERS, PURCHASERS, TENANTS, LENDERS, BROKERS, ESCROW AND TITLE COMPANIES, AND OTHER PERSONS, REGARDING AFFORDABLE HOUSING RESTRICTIONS ON THE REAL PROPERTY DESCRIBED IN THIS NOTICE: RESTRICTIONS HAVE BEEN RECORDED WITH RESPECT TO THE PROPERTY DESCRIBED BELOW WHICH RESTRICT OCCUPANCY TO EXTREMELY LOW AND VERY LOW-INCOME HOUSEHOLDS AND THE RENTS WHICH MAY BE CHARGED. THESE RESTRICTIONS MAY LIMIT THE RENTS FOR EACH UNIT TO AN AMOUNT WHICH IS LESS THAN FAIR MARKET RENT. THESE RESTRICTIONS LIMIT THE INCOME OF PERSONS AND HOUSEHOLDS WHO ARE PERMITTED TO RENT AND OCCUPY THE UNITS.

This NOTICE OF AFFORDABILITY RESTRICTIONS (the "Notice"), is dated as of _____, ___, 2022, and is executed by PALM DESERT PACIFIC ASSOCIATES, a California limited partnership ("Owner"), whose address is 430 E. State Street, Suite 100, Eagle, ID, Attn: Caleb Roope, and by the PALM DESERT HOUSING AUTHORITY (the "PDHA") in connection with that certain Housing Agreement between Owner and the PDHA dated substantially concurrently herewith and recorded in the Official Records of Riverside County substantially concurrently herewith (the "Regulatory Agreement").

RECITALS

A. Owner owns the land described on Exhibit "A" in the City of Palm Desert, State of California and the improvements thereon (the "Property"), which is part of APN 694-310-006.

B. Owner and PDHA are entering into the Regulatory Agreement substantially concurrently herewith.

C. Capitalized terms used herein but not defined shall have the meaning set forth as described in the Regulatory Agreement.

TERMS OF NOTICE

1. Requirement for Recorded Notice. This Notice is being executed and recorded pursuant to California Health and Safety Code Section 33334.3(f)(3)(B).

2. Regulatory Agreement. This Notice is being recorded substantially concurrently with the recordation of the Regulatory Agreement, which is incorporated herein by reference.

3. General Recitation of Affordability Restrictions; Term. The Regulatory Agreement restricts the occupancy of eighty-one (81) rental units on the Property to occupancy by extremely low income households as their principal residence at an affordable rent (as more particularly described in and required by the Regulatory Agreement), and in compliance with California Health & Safety Code Sections 50052.5(h), 50053(b), 50106 and Title 25 of the California Code of Regulations Section 6910, et. seq., for a term commencing on the issuance of a Certificate of Occupancy by the PDHA for the improvements required to be made by Owner to the Property under that certain Loan Agreement between Owner and the PDHA dated substantially concurrently herewith, and continuing until 55 years thereafter. Such restrictions in the Regulatory Agreement are incorporated herein by reference. An additional three (3) units are restricted to be used by on-site managers as their residences.

4. Summary of Affordable Housing Restrictions. The Regulatory Agreement restricts the occupants (tenants) of the apartments on the Property to extremely low income households and restrict the amount of rent which may be charged for the apartment, as follows:

(a) Eighty-one (81) units shall be available to households whose income does not exceed thirty percent (30%) of the Area Median Income (as defined below), adjusted by family size appropriate to the unit. Such units include 39 one-bedroom units; 21 two-bedroom units; and 21 three-bedroom units.

(b) Three (3) units (all three-bedroom units) shall be used solely as manager's units for on-site apartment managers.

Rent Restrictions: Rent is restricted to an "affordable" rent for extremely low income households pursuant to Section 50053(b) of the California Health & Safety Code. As used therein, "adjusted by family size appropriate to the unit" shall have the meaning set forth in California Health and Safety Code Section 50052.5(h).

This Notice does not contain a full description of the details of all of the terms and conditions of the Affordable Housing Restrictions. You will need to obtain and read the Regulatory Agreement to fully understand the restrictions and requirements which apply to the Property.

IN WITNESS WHEREOF, this Notice has been executed and made effective on the day and year first above written.

PDHA:

PALM DESERT HOUSING AUTHORITY

By: _____
Name: _____
Title: Executive Director

OWNER:

PALM DESERT PACIFIC ASSOCIATES,
a California limited partnership

By: TPC HOLDINGS IX, LLC,
an Idaho limited liability company
Its: Administrative General Partner

By: Pacific West Communities, Inc.,
an Idaho corporation
Its: Manager

By: _____
Name: Caleb Roope
Its: President and CEO

By: CENTRAL VALLEY COALITION FOR AFFORDABLE HOUSING, a California Nonprofit Public Benefit Corporation
Its: Managing General Partner

By: _____
Name: Christina Alley
Its: Chief Executive Officer

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

State of California)
County of _____)

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

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

WITNESS my hand and official seal.

Signature_____(Seal)

NOTARY ACKNOWLEDGEMENT

STATE OF IDAHO)
) ss
COUNTY OF ADA)

On this ___ day of [ ], in the year of 2022, before me, _____, a notary public, personally appeared Caleb Roope, known or identified to me to be President and CEO of Pacific West Communities, Inc., an Idaho corporation, the Manager of TPC Holdings IX, LLC, an Idaho limited liability company, proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

EXHIBIT "A"

LEGAL DESCRIPTION OF LAND

Real property in the City of Palm Desert, County of Riverside, State of California, described as follows:

A PORTION OF PARCEL 1 OF THAT CERTAIN CERTIFICATE OF COMPLIANCE NO. 88-1, RECORDED JUNE 1, 1988 AS INSTRUMENT NO, 146461 OF OFFICIAL RECORDS. IN THE CITY OF PALM DESERT. COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, LOCATED IN THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 32, TOWNSHIP 4 NORTH, RANGE 6 EAST, SAN BERNARDINO MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SAID PARCEL 1;

THENCE NORTH 89°55'15' EAST, ALONG THE NORTHERLY LINE OF SAID PARCEL 1, SAID LINE ALSO BEING THE SOUTHERLY RIGHT-OF-WAY LINE OF GERALD FORD DRIVE, A DISTANCE OF 514.35 FEET;

THENCE SOUTH 47°23'23" EAST, A DISTANCE OF 34.01 FEET,
THENCE SOUTH 00°03'36" WEST, A DISTANCE OF 942.64 FEET,
THENCE NORTH 89°56'24" WEST, A DISTANCE OF 539.40 FEET;

THENCE NORTH 00°03'36" EAST, ALONG THE WESTERLY LINE OF SAID PARCEL 1 AND THE SOUTHERLY EXTENSION THEREOF, A DISTANCE OF 964.39 FEET, TO THE **POINT OF BEGINNING.**

ATTACHMENT 5

KMA FINANCIAL GAP ANALYSIS
VITALIA APARTMENTS
PALM DESERT, CALIFORNIA

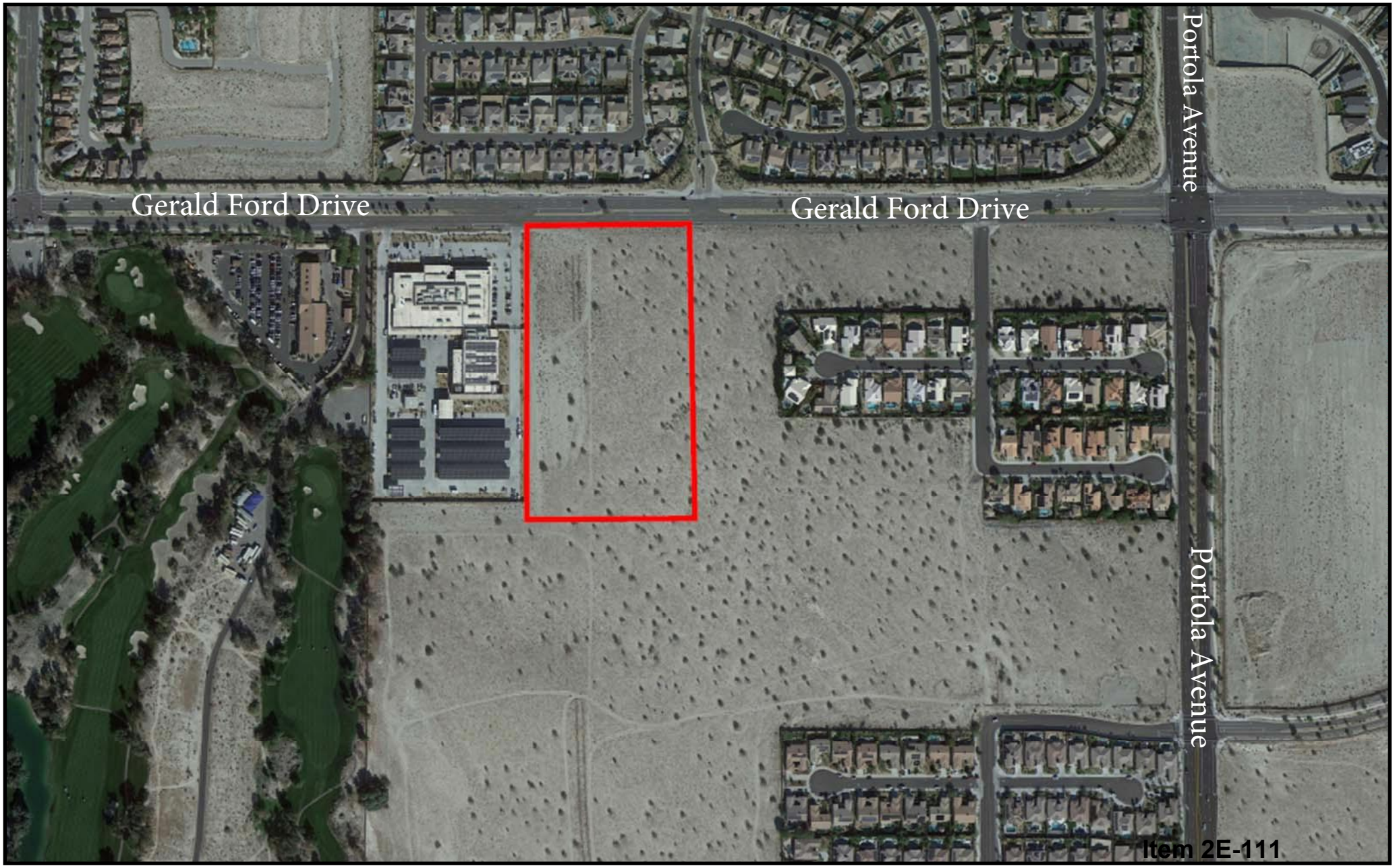
		LMIHAF SB 341 Income Targeting Categories				
		Up to 30% AMI	31% - 59% AMI	60% - 80% AMI	TCAC Restrictions Only	Totals
I.	**Number of Units**	**81**	**0**	**0**	**185**	**266**
II.	**Total Development Costs**	**$27,524,000**	**$0**	**$0**	**$62,864,000**	**$90,388,000**
III.	**Net Operating Income**					
	Potential Gross Rental Income	$447,588	$0	$0	$2,529,372	$2,976,960
	Miscellaneous Income	12,000	0	0	28,350	40,350
	Total Potential Gross Income	$459,588	$0	$0	$2,557,722	$3,017,310
	(Less) Vacancy & Collection Allowa	(22,979)	0	0	(127,886)	(150,866)
	Effective Gross Income	**$436,609**	**$0**	**$0**	**$2,429,836**	**$2,866,445**
	Operating Expenses					
	Supportive Services	$24,000	$0	$0	$0	$24,000
	Other Operating Expenses	392,000	0	0	894,030	1,286,030
	Total Operating Expenses	**$416,000**	**$0**	**$0**	**$894,030**	**$1,310,030**
	Net Operating Income	**$20,609**	**$0**	**$0**	**$1,535,806**	**$1,556,415**
IV.	**Available Funding Sources**					
	Tax-Exempt Bonds	$291,000	$0	$0	$21,709,000	$22,000,000
	4% Federal Tax Credit Equity	11,412,000	0	0	26,066,000	37,478,000
	State Tax Credit Equity	5,979,000	0	0	13,655,000	19,634,000
	CVAG TUMF Waiver	110,000	0	0	251,000	361,000
	Solar Tax Credit Equity	132,000	0	0	300,000	432,000
	Deferred Developer Fee	3,570,000	0	0	883,000	4,453,000
	Total Available Funding Sources	**$21,494,000**	**$0**	**$0**	**$62,864,000**	**$84,358,000**
V.	**Financial Gap**	**$6,030,000**	**$0**	**$0**	**$0**	**$6,030,000**
	Per Unit	$74,400	$0	$0	$0	$22,700

Prepared by: Keyser Marston Associates, Inc.
Filename: Vitalia Affordability Restrictions - 10.31.22; KMA Option 1; jlr; 11/2/2022

Source: Pacific West Communities, Inc. Pro Forma, dated 10/31/2022

Vitalia Apartments

Gerald Ford Drive, west of Portola Drive Palm Desert, California



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CITY OF PALM DESERT
STAFF REPORT

MEETING DATE: November 17, 2022

PREPARED BY: Eric Ceja, Director of Economic Development
Veronica Chavez, Director of Finance

REQUEST: APPROVE A SECOND AMENDMENT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT (DDA) BETWEEN THE CITY OF PALM DESERT AND DESERT WAVE VENTURES, LLC, AND TAKING CERTAIN OTHER NECESSARY RELATED ACTIONS

RECOMMENDATION:

1. Approve the Second Amendment to the DDA between the City of Palm Desert and Desert Wave Ventures, LLC.
2. Approve a Transient Occupancy Tax (TOT) Agreement (Attachment 8) as-to-form with Desert Wave Ventures, LLC, in an amount not to exceed $20M for the operation of a 137-room upscale hotel on parcel B within the Desert Willow Golf Resort.
3. Approve a Loan Agreement (Attachment 11) as-to-form with Desert Wave Ventures, LLC and appropriate funds to cover certain developer impact fees (DIF) in an amount not to exceed $6M from monies available in the Golf Course Capital Fund.
4. Authorize the City Manager to make non-substantive changes to the DDA, TOT, and Loan Agreement as needed prior to execution by the Mayor.
5. Authorize the City Manager to draft, negotiate, and execute all other supporting agreements that may be required by the DDA, including an Acquisition Agreement (Attachment 7) as to form.
6. Authorize the Mayor to execute said Agreements.

BACKGROUND/ANALYSIS:

On January 27, 2022, the City Council approved modifications to the DSRT Surf Specific Plan, Precise Plan, and DDA, for the development of a 5.5-acre surf lagoon and resort hotel and villa project at Desert Willow Golf Resort. Since the approval in January, the applicant has:

- Received Architectural Review Commission (ARC) approval to modify the hotel design to increase the room-count of the hotel project from 92-room to 137-rooms,
- Determined project phasing, and
- Secured a portion of project financing.

With the ability to obtain some project financing, the applicant approached City staff with a request to modify the DDA to include additional City participation. The request is made based on the developer's discussions with potential hoteliers' operational needs, rising interest rates, and increased construction costs. Below is a summary of the proposed amendment to the DDA that includes additional City participation associated with the project:

City Participation	Adopted DDA (Jan 2022)	Proposed DD (Nov 2022)
Bond Proceeds – Public Improvements	20,000,000	20,000,000

TOT Rebate	16,100,000	20,000,000
City Land Transfer	455,000	455,000
City Loan – DIF's*	0	6,000,000
Total City Participation	**36,555,000**	**46,455,000**

***Note: To be paid back in $1M annual increments plus interest.**

Discussion
Changes to the DDA were initiated by the developer and the City has negotiated the following:

1. Developer to show proof of 100% financing for the project costs prior to permit issuance.

2. Developer agrees to a "Supplemental Surf Lagoon Water Use Assurance" agreement that requires remediation of excessive water use beyond the lagoon's anticipated water use approved by the Water Supply Assessment (WSA). The supplemental agreement requires annual reporting of water use to the City and requires to the developer to cure excessive water use within 90-days by conserving water elsewhere within the project.

3. The Developer also agrees to include a Performance Deed of Trust and Security Agreement (Attachment 10) which includes a reversion clause that requires the developer to quit claim the land back to the City if construction fails to begin by June 1, 2023.

Generally, the developer has requested an additional $10M in City contributions to the project. The new terms of the DDA provide the City new protections to redeem ownership of the land in the event of Developer default, provides greater assurances to limit excessive water use, and anticipates an increased return on investment to the City for additional support through a loan and TOT reimbursement agreement.

FINANCIAL IMPACT:

In addition to the various economic and community benefits related to this project, the anticipated net revenue generated for the General Fund by the City's investment of $26.45M is conservatively expected to be $26.9M over 20 years, plus direct repayment of the $6M loan from the Golf Course Capital Fund in the first 6 years of operation.

REVIEWED BY:

Department Director:	*Eric Ceja*
City Attorney:	*Carlos Campos for Robert Hargreaves*
Finance Director:	*Veronica Chavez*
Assistant City Manager:	*Chris Escobedo*
City Manager:	

ATTACHMENTS:

1. Second Revised and Restated Disposition and Development Agreement and Attachments

SECOND REVISED AND RESTATED DISPOSITION AND DEVELOPMENT AGREEMENT

by and among

CITY OF PALM DESERT
("City")

and

DESERT WAVE VENTURES, LLC
a Delaware limited liability company
("Developer")

DSRT SURF HOTEL, RESIDENTIAL UNITS, SURF CENTER AND LAGOON

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SECOND REVISED AND RESTATED DISPOSITION AND DEVELOPMENT AGREEMENT

DSRT Surf Hotel, Residential Units, Surf Center, and Lagoon Project

This Revised and Restated Disposition and Development Agreement (this "Agreement") is entered into as of November __, 2022 (the "Execution Date"), by and among the CITY OF PALM DESERT, a chartered municipal corporation (the "City"), and DESERT WAVE VENTURES, LLC, a Delaware limited liability company (the "Developer"). The City and Developer are the sole parties (each, a "Party" and, collectively, the "Parties") to this Agreement. The "Effective Date" shall be November 17, 2022.

RECITALS

This Agreement is based upon the following recitals, facts and understandings of the Parties:

A. The City and Developer entered into that certain Disposition and Development Agreement, dated December 30, 2019 (the "Original DDA"). The City and Developer subsequently entered into that certain Revised and Restated Disposition and Development Agreement, dated April 22, 2022 (the "First Revised DDA"). The Parties now intend to revise and restate the First Revised DDA with this Agreement. The provisions of this Agreement shall completely supersede both the Original DDA and the First Revised DDA, and shall prevail over any inconsistent provisions in the Original DDA and First Revised DDA

B. The City and Developer have entered into that certain Purchase Option Agreement dated August 15, 2018 ("City POA"), for the sale of up to 3.03 acres (APNs 620-400-008 & 620-420-024) (the "City Property") and the Successor Agency to the Redevelopment Agency of the City of Palm Desert ("SARDA") and Developer have entered into that certain Purchase Option Agreement dated August 15, 2018, as amended by the First Amendment to Real Estate Option and Purchase and Sale Agreement dated May 22, 2021, 2021 (collectively, the original and amended agreements are referred to as the ("SARDA POA"), for the sale of up to 14.65 acres (APN 620-420-023) (the "SARDA Property"). The City POA and the SARDA POA provide for the sale of approximately 17.68 acres which make up the Project Site as further discussed in Section 1.2 below (the "Project Site"). Developer agrees that the close of escrow on the SARDA Property shall be concurrent with the Close of Escrow as defined herein for the City Property.

C. The Developer has completed its due diligence investigations of the Project Site and accepts the conditions of the Project Site.

D. On the Project Site, the Developer will construct improvements in two phases as set forth in the "Scope of Development" (Attachment No. 1 attached hereto

and incorporated herein by reference). In the first phase, Developer will construct an approximately 5.5-acre Surf Lagoon; an approximately 7,000 square foot Surf Center; a minimum 137-key 69,000 square foot Hotel (including restaurant, bar, café, meeting and banquet rooms, and outdoor amenities such as pool, spa, and decks) (the "Hotel"); The Hotel will include a parking structure and surface parking stalls with a minimum of 137 parking spaces (one per key) both on and off-site. In total, the Project will include 493 parking spaces with at least 246 of them off-site.) The first phase of the Developer's Improvements may include private Residential Villa Units and stacked flat buildings, HOA leisure pool, club area, and associated amenities. The second phase of Developer's Improvements will include additional private Residential Villa Units and stacked flat units (including additional HOA buildings and amenities) for a total of up to 83 Residential Units. (Together all improvements at the Project Site are referred to as the "Project")

E. The City will contribute an amount not to exceed the Public Investment Amount (the "Public Investment") to be used by the Developer for the development of the Project, as described in the Scope of Development. The payment of the Public Investment is anticipated to be made through up to $20,000,000.00 in bond proceeds, City Property transfer, and up to $20,000,000 in Transient Occupancy Tax ("TOT") revenue sharing, as described below in Section 4.5. The maximum "Public Investment Amount" equals up to FORTY MILLION DOLLARS ($40,000,000)

F. The Public Investment Amount is based on the assumption that the Hotel, Surf Center, and Surf Lagoon portions of the first phase of Developer's Improvements will be constructed and operated in accordance with the Scope of Development, including that the Hotel will have at least 137 Rooms and not more than 350 Rooms (where "Room" shall mean a separately keyed lodging unit of the Hotel) (the "Hotel"). Any Development Costs in excess of the Public Investment Amount shall be "Project Costs" as defined hereinbelow and shall be the sole obligation of Developer.

G. The first phase Project Costs are currently estimated to be $206,000,000 and the Developer expects to fund the Project Costs as set forth in the "Preliminary Plan of Finance" (Attachment No. 2 attached hereto and incorporated herein by reference). Attachment No. 3 is a "Preliminary Project Budget" that includes Project Costs and the Preliminary Plan of Finance. Both the Preliminary Plan of Finance and the Preliminary Project Budget shall be updated by Developer for City review on or prior to the applicable target date set forth in the Schedule of Performance, Attachment No. 9 attached hereto and incorporated herein by this reference.

H. The Parties now desire to set forth the terms and conditions upon which the City may sell the Project Site to the Developer for the development, operation and maintenance of the Project. Developer may finance the Project Costs and the Developer's Improvements Costs. All capitalized terms not defined within this Agreement shall have the meanings described within the Attachments incorporated hereto as part of this Agreement.

AGREEMENTS

For valuable consideration, receipt of which is hereby acknowledged, and the mutual obligations of and benefits to the Parties set forth herein, the City and Developer agree as follows:

1. GENERAL PROVISIONS.

1.1 Purpose of this Agreement. The intent and purpose of this Agreement is to set forth the obligations of the Parties and conditions precedent to the development and construction of the various elements of the Project, as applicable, and the financing commitments by the City and the financing by the Developer of the Project. Accordingly, this Agreement is intended to provide for the completion of all actions necessary to plan and design the Project, and to obtain all approvals necessary for the sale of the Project Site to the Developer and for commencement of development and construction of the Project, including, but not limited to, the preparation of all construction plans, specifications and cost estimates (to the extent required under this Agreement as a condition to the Close of Escrow) and related documents for the Project, the securing of private and public financing for the various elements of the Project and the negotiation and execution of the sale of land for the Project. This Agreement shall expire and be of no further force or effect upon issuance of Certificate of Occupancy for the first phase of the Project except for those provisions that expressly survive the expiration or earlier termination of this Agreement, which are set forth in Article 8.

1.2 Project Site. The Project Site and Map Showing General Location of Elements of the Project ("Site Plan") is shown on Attachment No. 4 and more particularly described in Attachment No. 5 The "Project Site" shall include a Hotel, Residential Units, Surf Center, and Lagoon. The City-owned portion of the Project Site shall be sold to the Developer pursuant to escrow terms with the City, as described in more detail in Section 6.1, and following, for development of the Project.

1.3 Project Existing Approvals; Implementation Actions. The Parties agree that, as of the Execution Date, the following documents have been approved and may be amended from time to time by the City (the "Existing Approvals"):

(a) **Existing Approvals**:

(i) DSRT SURF Specific Plan, as amended (Case Nos. SP 18-0002 Amendment No. 1, PP 21-0002)

(ii) Surf Lagoon, Hotel, Surf Center, and Residential Unit Precise Plan

(iii) Tentative Parcel Map (amended TTM 36379) and related conditions of approval ("Conditions of Approval")

(iv) Architectural Review Commission recommendation of the Project

(v) Environmental Impact Report ("EIR"), Statement of Overriding Considerations, and Mitigation, Monitoring, and Reporting Program ("MMRP") for the DSRT SURF Project (SCH #2019011044)

(vi) EIR Addendum, Specific Plan Amendment, Precise Plan, and Tentative Tract Map for the DSRT Surf Project (SCH #2019011044)

(vii) Acquisition Agreement attached hereto and incorporated herein as Attachment No. 7, subject to execution concurrent with the Close of Escrow

(viii) City Transient Occupancy Tax Reimbursement Agreement attached hereto and incorporated herein as Attachment No. 8, subject to execution concurrent with the Close of Escrow

(b) **Implementing Actions by City, Government Agencies and Other Parties.** The implementation of this Agreement requires certain actions by the City and other governmental agencies with an interest in the Project Site, which actions include, but are not limited to, the following, which have been or shall be completed on or prior to the applicable target date set forth in the Schedule of Performance, Attachment No. 9 attached hereto and incorporated herein by this reference (the "Target Date") for such respective items (the "Implementing Actions") Assuming adequate environmental review, the City Manager, in consultation with the City Attorney, is hereby authorized to execute any Implementing Actions requiring City approval without City Council consideration, unless the City Manager or City Attorney determine that the Implementing Action should be considered by the City Council. Upon execution of any Implementing Action the City Manager shall provide notice to the City Council.

(i) Utility Related Matters:

(1) CVWD Sewer Agreement

(2) CVWD and or Riverside County Agreement for Water Well Site Approval, Permitting, Construction and Operation, if development of a private water well on the Project Site is legally and technically feasible.

(ii) City and Developer Agreements or Approvals:

(1) Master Use and Maintenance Agreement, include water quality discharge plan which would include a 3-day lagoon evacuation agreement with the City and fee schedule for CVWD water use (prior to Water Well site approval and construction) Water Metering schedule (for freshwater intake pass through).

(2) Agreement to evidence the Developer's obligation to fund 12.1% of the cost to install a signal at the intersection of Marketplace and Cook.

(3) City Well Usage Agreement, if the City determines in its sole discretion that adequate excess water supply exists for existing and foreseeable needs.

(4) Supplemental Water Usage Agreement (Indicating Developer's obligation to fund additional turf removal, conservation efforts, or other mitigations should Surf Lagoon water use exceed 23.8 million gallons annually).

(5) City TOT Reimbursement Agreement

(6) Master Construction, Access and Parking Easement Agreement Over Desert Willow Golf Resort

(7) [Intentionally left blank]

(8) Easements required to satisfy the Existing Approvals, e.g. MMRP and other Conditions of Approval

(9) [Intentionally left blank]

(10) Acquisition Agreement

(11) City Cost Recovery Agreement attached hereto and incorporated herein in Attachment No. 6 (to be executed by both Parties on or prior to the applicable Target Date set forth in the Schedule of Performance, Attachment No. 9 attached hereto and incorporated herein by this reference).

(12) Offsite Turf Reduction Program Funding and Scheduling Agreement

(13) Construction easement(s) from City to the Developer for turf reduction immediately adjacent to the Project Site.

(iii) Misc. Required Agreements:

(1) Parties: City, Developer, future owner(s):

a. An easement and maintenance agreement in favor of developer to cross under Mountain

View golf course, and to access 15" underground water line for freshwater supply.

b. An easement and maintenance agreement in favor of the Developer for construction of grading, landscaping, and retaining walls around entire Project Site.

c. The City may, but shall not be required to, enter into an agreement with the Developer whereby the Developer manages, operates and maintains the Parking Facilities (and any other public facilities acquired by the City pursuant to the Acquisition Agreement) so long as such agreement conforms to the requirements of Revenue Procedure 2017-13 and is structured so as not to create "private business use" within the meaning of that term under Section 141(b) of the Internal Revenue Service Code and Section 1.141-3 of the Treasury Regulations.

d. City shall amend or terminate the overflow parking agreement with JW Marriott on Lot E.

e. Residential Unit CC&R's,

(2) Parties: CVWD, City, Desert Willow Condominium Association, Developer, future owner(s):

a. An easement and maintenance agreement in favor of the landowner(s) to provide tie-in access to sewer line at the adjacent Westin Desert Willow Villas property. If not feasible due to design, Developer will tie-in access to the sewer line located along Desert Willow Drive.

b. Emergency Access Agreement

(3) Parties: City, Embarc and Developer:

a. An easement and maintenance agreement under Mountain View golf course, through Embarc property and discharging to City owned circulatory golf irrigation lakes system.

(4) Parties: Developer, Hotel Operator

a. Hotel Management Agreement

b. Hotel Operator Agreement, to include valet parking requirements and identified parking spaces

(5) Parties: Developer and Surf Lagoon and Center Operator

a. Surf Lagoon and Center Operations Agreement

(c) Project Naming Rights.

(i) The Parties agree and acknowledge that all derivatives, logos, trademarks, service marks, and trade names associated with the Project are valuable property of Developer.

(ii) Developer will have the sole discretion to name or re-name the Project and its component parts, subject to approval by the City Council, which approval shall not be unreasonably conditioned, withheld or delayed, prior to the name or re-name designation.

(iii) Developer will refrain from using a name that in any way competes with or infringes on the Palm Desert name and brand. For example, the Developer will not include references to other cities, or regions in the name.

(iv) Where collateral material, including online materials, and marketing/branding include references to the Project, to the extent practicable all references used and imagery associated shall include Palm Desert or Desert Willow.

1.4 CEQA Compliance. The City prepared and certified, pursuant to the California Environmental Quality Act ("CEQA") and CEQA Guidelines (California Code of Regulations, Title 14, Section 15000, *et seq.*), the EIR, Statement of Overriding Considerations, MMRP, and EIR Addendum for the Project, which satisfies CEQA for purposes of this Agreement and the Existing Approvals.

While no new or supplemental environmental approvals are contemplated, the Parties shall cooperate with respect to any supplemental environmental documentation or approvals that may be required for the Project.

The Developer understands and agrees that the City may require subsequent or supplemental environmental review or other environmental analysis to implement the Project as required by CEQA, and/or by changes in applicable local, state, federal laws, including, without limitation, the applicable codes, ordinances, regulations and policies of the City (collectively, the "Laws").

1.5 Definitions. Capitalized terms not otherwise defined in this Agreement shall have the following meanings ascribed to them.

"Commencement Date" shall mean the date of the initial opening of the Hotel for business to the general public.

"Furniture, Fixtures and Equipment" shall mean movable furniture, fixtures or other equipment that have no permanent connection to the structure of a building or utilities within the Hotel, as well as operational supplies. More specifically, furniture, fixtures and/or equipment would include decorative items, wall coverings, flooring treatment, window treatments, casework, furnishings & accessories, furniture, data communications equipment, voice communications equipment, audio visual communications equipment, electronic surveillance equipment, electronic detection and alarm equipment, commercial equipment, foodservice equipment, entertainment equipment, athletic & recreational equipment, collection and disposal equipment. Operational supplies include all supplies needed for the operation of the Hotel, such as stationery, computer equipment and accessories, guestroom TV's and mounts, alarm clocks in rooms, linen, pillows, maids' carts and supplies, trash cans, all items for the hotel restaurant, bar, banquet and conference facilities (including china, utensils, glasses, etc.). For purposes of determining the costs of Furniture, Fixtures and Equipment, taxes, freight, warehouse expense, installation fees and purchasing agent fees shall also be included.

"Project Costs" shall mean all of Developer's actual costs up to the Commencement Date and Developer's anticipated and reasonably estimated costs and expenses to be incurred after the Commencement Date (including, if applicable, any such costs and expenses incurred prior to the Commencement Date that have not been funded and paid in cash or out of Developer's equity as of that date) to plan, design, engineer, finance, and construct the Hotel on the Project Site through the date of the initial opening of the Hotel for business to the general public, including without limitation all such costs and expenses incurred with respect to any of the following: (i) demolition and clearance of existing improvements situated on the Project Site; (ii) land development work, including excavation, grading, compacting and re-compacting of soils, and removal/remediation of any Hazardous Substances; (iii) construction of all improvements comprising the Hotel and any public improvements, utilities, or other improvements in the public rights-of-way on or adjacent to the Project Site; (iv) installation of all fixtures, equipment, furnishings, and personal property in, on, or about the Hotel and Project Site that are needed upon the initial opening of the Hotel and for the full operation thereof; (v) all permit, entitlement, and inspection fees required to be paid to Lessor and other governmental agencies with jurisdiction over the Hotel and the Project Site, as applicable; (vi) premiums for fire, public liability, and property damage insurance during construction and on bonds securing work against liens for labor and materials; (vii) real estate taxes (including possessory interest taxes) and assessments upon the Project Site and improvements during the period of construction; (viii) interest on construction loans prior to the opening of the Hotel; (ix) fees for architects, engineers, accountants, attorneys, and similar professionals; (x) purchasing foes paid to third pa1iies not affiliated with Developer in connection with the purchase of furniture,

fixtures, and equipment; (xi) costs incurred by Developer in connection with construction financing, including, without limitation, commitment fees, mortgage broker fees, standby fees and fees of a like nature, printing and duplicating expenses, documentary transfer tax stamps, mortgage taxes, and recording charges; (xii) customary and reasonable pre-opening expenses for the Hotel; (xiii) costs of any required studies, reports, and inspections; (xiv) reasonable fees for management and construction services through opening of the Hotel; (xv) any other anticipated costs to be incurred by Developer to satisfy its obligations set forth in this Lease; and (xvi) a reasonable contingency for the categories of costs identified above.

2. IDENTITY OF PARTIES.

2.1 Developer.

(a) **The Developer is Desert Wave Ventures, LLC, a Delaware limited liability company**. The Developer's principals are Don Rady, Doug Sheres, and John Luff. It is on the basis of the qualifications and experience of the Developer that the City is entering into this Agreement. Accordingly, the provisions of this Section 2.1 are deemed necessary by the City and are agreed to be reasonable by the Developer to assure the City that the purposes of this Agreement will be achieved.

(b) Subject to Section 2.1(c), during the Term:

(i) Except for any Permitted Transfers, the Developer shall not voluntarily or involuntarily assign a controlling interest in this Agreement or sell, convey or transfer, or permit a controlling majority of its members, to sell, convey or transfer such controlling interest in the Developer (each, a "Transfer") without the prior written consent of the City. The City shall not unreasonably withhold, condition or delay their consent to a Transfer proposed by Developer that requires their consent if all of the following conditions are satisfied:

(1) Developer shall have disclosed to the City in writing, the verification as required in Section 2.1(b)(i)(4) for each Person who will be a member of the Developer and each Person that will hold, directly or indirectly, any membership interests in the Developer as of the effective date of such proposed Transfer.

(2) Developer shall provide evidence of financing reasonably acceptable to the City that following the proposed Transfer, Developer shall have sufficient financial resources for the Developer to perform its obligations under this Agreement and to achieve the Close of Escrow. Evidence of financing shall include, at a minimum, the following: (i) a copy of the loan commitment obtained by Developer from one or more

financial institutions for the mortgage loan or loans for financing to fund the construction, completion, operation and maintenance of the Hotel during the term of the loan, subject to such lenders' reasonable, customary and normal conditions and terms; (ii) other documentation satisfactory to the Agency as evidence of other sources of Hotel Project Equity sufficient to demonstrate that Developer equity funds in the amount necessary to cover the difference between the total cost of the Completion of the Construction of the Hotel and the Hotel Project Construction Loan.

(3) Developer shall provide documentation reasonably acceptable to the City that following the proposed Transfer, the Developer will continue to have the commercial and real estate experience needed to perform the Developer's obligations under this Agreement (including, without limitation, the ability to secure and maintain the required Hotel brand and Operator and extensive (not less than 10 years of senior management) experience financing and developing resort hotel and projects of a similar size and quality to the Hotel, Residential Units, Surf Center and Lagoon).

(4) Developer shall provide the City with an independent third-party verification, subject to the reasonable approval by the City of the independent third-party, that each Unaffiliated Third Party (as defined below) that acquires any membership interests in the Developer is reputable (which shall mean the absence of reputations for dishonesty, criminal conduct or association with criminal elements – "reputable" shall not mean "prestigious", nor shall the determination of whether one is reputable involve considerations of personal taste or preference), and has no history of, or reputation for, either discriminatory employment practices which violate any Laws or non-compliance with applicable Environmental Laws or listing on the Prohibited Person list described below.

(5) Neither the transferee nor any Person with any direct or indirect membership interest in the Developer shall be a Prohibited Person.

(6) Developer shall have provided to the City an outline of any change in the proposed corporate structure of the Developer, in writing, in a detailed narrative and a visual organizational flow chart.

(ii) The Developer shall not permit or suffer to exist any Change of Control (as hereinafter defined) without the prior written consent of the City, which may be given or withheld in the sole and absolute discretion of the City.

(iii) Except for any Permitted Transfers, the Developer shall prohibit each of its members from voluntarily or involuntarily selling, conveying, or transferring any of such member's direct or indirect membership interest in the Developer to any Person without the prior written consent of the City (which consent shall be given or withheld in the sole and absolute discretion of the City unless such Transfer satisfies the criteria of Section 2.1(b)(i) in which case the City's consent shall not be unreasonably withheld, conditioned or delayed), and in no event to any Prohibited Person (as hereinafter defined).

(iv) Any purported Transfer in violation of this Section 2.1(b) shall be null and void, undone by Developer at Developer's sole cost and expense, and not binding on the City.

(c) Upon written request by the Developer to the City for consent to a Transfer as required under Section 2.1(b), the City shall determine, in its reasonable discretion, within thirty (30) days following delivery of the Developer's request and all information reasonably required by the City to review the request, whether the proposed Transfer as of the effective date of the proposed Transfer, meets the qualifications set forth in Section 2.1(b).

(d) The Developer shall deliver to the City all agreements and all certified documents evidencing the formation, existence, and good standing of the Developer (with all information regarding distributions, including any definitions primarily related thereto, redacted), for review by the City for consistency with the provisions of this Agreement. The City may request updates to such documents and/or agreements from time to time during the Term and Developer shall deliver such updates within thirty (30) days of City's notice to Developer.

(e) The Developer represents and warrants to the City that it has disclosed to the City each of its members, each Person that holds, directly or indirectly, at least ten percent (10%) of the membership interests in the Developer, and each Person that Controls the Developer.

(f) For purposes of this Section 2.1, the following definitions shall apply:

(i) "Change of Control" means a merger, consolidation, recapitalization or reorganization of the Developer or other transaction or an amendment to any governing document of the Developer that results in any Unaffiliated Third Party having the ability to Control the Developer.

(ii) "Unaffiliated Third Party" means any Person that is not one of the principals or is not Controlled by one of the principals.

(iii) "Person" means a natural person, whether acting for himself or herself, or in a representative capacity, a partnership, a corporation, a limited liability company, a governmental authority, a trust, an unincorporated organization or any other legal entity of any kind.

(iv) "Control" means with respect to any Person (the "Controlling Person") the power to both (A) direct or cause the direction of the management or policies of another Person (the "Controlled Person"), whether through the ownership of voting equity, by contract or otherwise; and (B) maintain active and direct control and supervision of the operations of Developer, including without limitation, the day to day operations of the Project; provided, however, that a contractual or other requirement that a Controlling Person obtain the consent or approval of one or more other Persons as a condition to undertaking a Major Decision shall not affect whether such Controlling Person Controls such Controlled Person. "Controls", "Controlled" and "Controlling" shall have correlative meanings to "Control".

(v) "Major Decisions" means, with respect to any Person, any decision that is of the type that requires the consent or approval of such Person's non-managing members, limited partners or minority shareholders, which may include by way of example, any decision to (A) enter into any financing or incur, assume or guarantee any indebtedness that has not been previously approved in an approved budget or operating plan; (B) enter into or terminate or amend any material agreement; (C) merge, liquidate, sell, restructure, consolidate, recapitalize, reorganize, wind up, or dissolve the Person; (D) authorize or declare voluntary bankruptcy, assignment for benefit of creditors, acceleration of third-party obligations, confession of judgment, reorganization or any other similar insolvency action involving the Person or make

any filing in connection therewith; (E) make any material changes to the Project; (F) terminate or amend this Agreement; (G) purchase insurance except as required by this Agreement or the Deed of Sale; (H) sell or transfer any asset of the Person; (I) approve any budget or operating plan; (J) amend any of the organizational documents of the Person; (K) issue, redeem, repurchase or cancel equity or other ownership interests in the Person (or any rights, warrants or options to acquire the foregoing); (L) make changes to the governing body of the Person; (M) declare or pay any distributions; (N) engage in new lines of business; (O) make capital expenditures or similar expenditures except as required in an approved capital budget; (P) make or change tax elections or accounting methodologies; or (Q) undertake an initial public offering of securities.

(vi) "Permitted Transfer" means the following Transfers, provided that there is no Change of Control as a result of such transfer: (A) any Transfer of not more than ten percent (10%) of direct or indirect membership interests in the Developer to any Affiliated Transferee (as defined below) that is not a Prohibited Person; (B) if by a natural person, any Transfer upon the death of such person by will or other instrument taking effect upon such death or by applicable laws of descent and distribution to such person's estate and executors and then to such person's heirs; or (C) if by a natural person, any Transfer made in connection with the dissolution of the transferee's marriage or the legal separation of the transferee and his or her spouse on the account of any settlement of any community property or other marital property rights such spouse may have in any membership interests in the Developer.

(vii) "Prohibited Person" means any Person (A) named as a "Specifically Designated National and Blocked Person" ("SDN") on the most current list published by the U.S. Department of the Treasury Office of Foreign Assets Control at its official website or any replacement website or other replacement official publication of such list or (B) that is Controlled by an SDN.

(viii) "Affiliated Transferee" means, with respect to any Transfer, any of the following: (A) each sibling of the transferor, the spouse of the transferor, and each parent, child, grandchild or great-grandchild of the transferor (including relatives by marriage); (B) any trust for the benefit of the transferor or any of the foregoing members of his or her family; (C) where

the transferor is a trust, any beneficiary of the trust or any of the foregoing family members of a beneficiary of the trust, or any other trust established for the benefit of any of the foregoing; and (D) each Person that Controls, is Controlled by, or is under common Control of, the transferor or any of the foregoing Persons.

In addition, for purposes of this Section 2.1, the quantum of a Person's indirect ownership in any other Person is calculated as the percentage of the proportional ownership interest at each level. As an example, if Person A owns a 50% interest in Person B and Person B owns a 50% interest in Person C, then Person A would be deemed to have a 25% indirect ownership interest in Person C.

2.2 City. The City is the City of Palm Desert, a charter city and municipal corporation.

2.3 Notices.

(a) **To Developer.** Notices to the Developer shall be given or served by (a) recognized national overnight delivery service, or (b) facsimile with a confirmed receipt of such transmittal, provided a copy of such facsimile notice is also sent by mail, as provided below, or (c) first-class mail or certified mail, return receipt requested, addressed as follows, or to such other address(es) as the Developer may from time to time designate by notice to the other Parties:

Desert Wave Ventures, LLC
Attn: Don Rady
1555 Camino Del Mar, Suite 315C
Del Mar, CA 92014

With a copy to:

Don Rady
Value Real Estate
1919 Grand Ave
San Diego, CA 92109

With copy to:

Coast Law Group, LLP
1140 S. Coast Hwy 101
Encinitas, CA 92024
Attention: Marco Gonzalez

(b) **To City.** Notices to the City shall be given or served by (a) recognized national overnight delivery service, or (b) facsimile with a confirmed receipt of such transmittal, provided a copy of such facsimile notice is also sent by mail, as provided below, or (c) first-class mail or certified mail, return receipt requested, at the following address, or to such other address(es) as the City may from time to time designate by notice to the other Parties:

City of Palm Desert
Attention: City Manager
73510 Fred Waring Dr.
Palm Desert, California 92260

With a copy to:

City Attorney
City of Palm Desert
73510 Fred Waring Dr.
Palm Desert, California 92260

(c) **Forms of Delivery.** Facsimile notice shall be deemed given on the date set forth in the sender's confirmation notice; overnight delivery notice shall be deemed given the next business day from when sent; and mailed notice shall be deemed to have been given or served, if mailed by first class mail, on the third business day from when mailed, and, if by certified mail, on the date set forth in the return receipt.

3. TERM.

3.1 Term. The term of this Agreement shall commence on the Execution Date and shall expire on the earlier of completion of all improvements for the Surf Lagoon and Surf Center, Hotel, and Parking on or prior to the applicable Target Date set forth in the Schedule of Performance, Attachment No. 9 attached hereto and incorporated herein by this reference (the "Construction Completion") or the Early Expiration Date (the "Term"). The "Early Expiration Date" will occur on the first anniversary of the close of escrow (subject to extensions as provided below). Upon written request from the Developer, City shall administratively extend the Early Expiration Date up to two times (each, an "Extension"), for a period of six (6) months for each such Extension ("Extension Period"), for a total possible Early Expiration Date of two years, in accordance with the obligations of Section 5.1, Section 3.1(d) below, and the following terms:

(a) Developer delivers notice to the City no later than sixty (60) days prior to the Early Expiration Date or no later than forty-five (45) days prior to the expiration of an Extension Period, as applicable, of its request to extend the Early Expiration Date, together with written evidence that the following conditions precedent have been satisfied or requesting that some or all of the conditions precedent be waived or the time for satisfying such condition(s) precedent be extended by the City:

(i) The Developer shall have obtained Grading Permit approval and submitted Construction Documents as required by this Agreement and shall have obtained, or be diligently working to obtain, approvals of Building Permits in accordance with this Agreement; and

(ii) The Developer shall have submitted to the City for their review and approval a current design and construction schedule for the Developer's Improvements as outlined in the Scope of Development.

(b) Administrative staff-level approval of any Extension by the City shall be conditioned upon, and shall be granted if (i) the Parties have completed a Periodic Review, after the Extension request, as provided in Section 5.1, (i) City staff has determined that no Developer Event of Default has occurred and is continuing, (ii) City staff has determined that each of the Parties is diligently proceeding in good faith to complete their respective obligations under this Agreement for development of the Project; and (iii) City staff has determined that any such Extension will allow the Developer to meet its obligations under this Agreement.

(c) Upon receipt of notice of Extension in accordance with Section 3.1(a) which requests the waiver of, or an extension of time to satisfy, any of the conditions precedent set forth in Section 3.1(a) to achieve such Extension, the Parties shall meet and confer in good faith to determine (i) if such waiver or extension would still make it feasible or practicable to proceed with the Project; and (ii) how much additional time is required to satisfy the applicable conditions precedent for such Extension. If it is determined by the Parties that it is feasible and practicable to proceed with the Project and if the conditions precedent set forth in Section 3.1(b) have been satisfied, then the City shall extend the time period to satisfy the applicable condition(s) precedent. If it is determined by any Party that it is not feasible or practicable to proceed with the Project, then any Party may terminate this Agreement in accordance with Section 5.1 and Article 8. Notwithstanding any such waivers or Extensions granted pursuant to this Section 3.1, this Agreement shall terminate upon an Event of Termination as provided in Section 8.1.

(d) The Early Extension Date may be extended by City staff in their sole discretion for one additional 6 (six) month period at the request of the Developer; however the Close of Escrow shall be completed by December 31, 2022.

4. DESIGN AND DEVELOPMENT OF PROJECT.

4.1 Design and Development of the Project.

(a) The Project shall be designed by the Developer in accordance with the Scope of Development, the Project Existing Approvals and this Agreement.

(b) The final designs and plans for the Developer's Improvements shall be attached to the Deed of Sale and provide for build out consistent with the DSRT

SURF Specific Plan approved for the Project and the Existing Approvals and Implementing Approvals.

(c) The Developer shall comply with all Laws applicable to the Project, including, without limitation, the City's Municipal Code.

(d) The Developer shall comply with all Laws applicable to the development and construction of the Developer's Improvements.

(e) Except as provided below, the Developer shall pay when due all fees pertaining to the review and approval of the Developer's Improvements that are lawfully required by any government agency, including, without limitation, the City and by any public utility. The Developer shall endeavor to obtain, prior to the commencement of construction of the Developer's Improvements, any and all governmental approvals and permits that are required for commencement of such construction and any and all discretionary governmental approvals and permits that are required for completion of the Developer's Improvements.

(i) Deferral of Payment of Certain Fees and Costs to City. The Developer shall not be required to pay to the City when due up to a total of six million dollars ($6,000,000) in City development fees, landscape replacement program costs, and any other fees or costs the City deems appropriate to defer (the "Deferred Fees and Costs"). Developer shall repay the Deferred Fees and Costs, amortized over a six (6) year period beginning upon the issuance of a Certificate of Occupancy for the Hotel. The Deferred Fees and Costs shall bear interest at the rate equal to the then current average annual yield on funds invested with the California State Treasurer's Office Local Agency Investment Fund accruing from the date such fees and costs are assessed until fully repaid, capped at a rate of four percent (4%). Amortized payments for the Deferred Fees and Costs (the "Deferral Repayment") in equal installments of 1/6th of the Deferred Fees and Costs plus accrued interest shall be paid by the Developer annually commencing on the 30th day of June first following the issuance of a Certificate of Occupancy for the Hotel and continuing on each June 30 thereafter until paid in full. Upon a failure to pay an installment of the Deferral Repayment plus interest when due, (i) each installment thereafter shall bear interest at ten percent (10%) per annum, and (ii) reimbursement of transient occupancy tax pursuant to Section 4.5(c) shall cease until the Deferral Repayment is brought current and any delinquency has been cured . This Section 4.1(e) shall survive the termination of this Agreement.

4.2 City Infrastructure Improvements. The City shall not be responsible for any infrastructure improvements for the Project.

4.3 Submission and Approval of Construction Documents and Building Permit and Grading Permit Applications.

(a) On or before the Target Date set forth in the Schedule of Performance, the Developer shall submit for approval to the City Construction Documents for the first phase of Developer's Improvements and Building Permit and

Grading Permit Applications in accordance with clauses (i) and (ii) below, respectively, and to the City, Building Permit and Grading Permit Applications for the first phase of Developer's Improvements in accordance with clause (iii) below.

(i) Construction Documents: On or before the Target Date set forth in the Schedule of Performance, Developer shall submit to the City "Construction Documents" for development of the first phase of Developer's Improvements ("Construction Documents Set") demonstrating conformance with the design approvals at 100% Design Development and 100% Construction Documents completion of such construction drawings. Each Construction Documents Set shall be prepared by an architect or an engineer licensed in the State of California. Inspection, review, or comment by the City with respect to any of the Construction Documents shall not in any way affect or reduce the Developer's obligations under this Agreement or be deemed to be a warranty or acceptance by the City with respect to such Construction Documents; it being understood that the City is relying upon the Developer to design and engineer the Developer's Improvements.

(ii) Building Permit and Grading Permit Applications: On or before the Target Date set forth in the Schedule of Performance, Developer shall submit for review by the City "Grading Permit Application" and "Building Permit Application" for development of the first phase Developer's Improvements. Grading Permit and Building Permit Applications shall be prepared by an architect or engineer, as appropriate, licensed to do business in the State of California. Inspection, review, approval or comment by the City with respect to any of the Grading Permit or Building Permit Applications shall not in any way affect or reduce the Developer's obligations under this Agreement or be deemed to be a warranty or acceptance by the City with respect to such Building Permit or Grading Permit Applications; it being understood that the City is relying upon the Developer to design and engineer the Developer's Improvements in accordance with this Agreement.

(iii) Grading Permit and Building Permits: All standard City fees with respect to the issuance of the Grading Permit and Building Permits will apply and shall be paid by the Developer.

(b) With each of the two submission of Construction Documents and the Grading Permit and Building Permits Applications pursuant to this Section 4.3, the

Developer shall submit to the City Development Cost estimates for such portion of the first phase Developer's Improvements, prepared by Developer, Developer's general contractor or a qualified cost estimator in such detail as warranted by the extent of detail and completeness of the Construction Documents and Grading Permit and Building Permits Applications submitted to the City. Such Development Cost estimates shall be prepared in good faith and shall reflect the reasonable judgment of the Developer regarding such estimates. The Parties acknowledge that such estimates are estimates only and that final Development Costs may differ from the previously provided estimates. Whenever this Agreement requires the Developer to submit Development Cost estimates for such portion of Developer's Improvements, a separate Development Cost estimate shall be prepared for each major category of such portion of the Developer's Improvements, including but not limited to: the Surf Lagoon, the Surf Center and grounds, the Surf Center Parking Lot, the Hotel and hotel parking spaces (each, a "Major Component of Developer's Improvements"). The parties understand and agree Development Cost estimates for the Project will comply with the Construction Specialties Institute divisions for cost estimation.

4.4 Agreement on Total Project Costs.

(a) "Hard Construction Costs" shall mean, with respect to any component of the Project, all costs that the Developer is required to pay to the respective construction contractor for the construction of such component of the Project.

(b) Concurrent with the Developer submission of the Building Permit Application for the first phase Developer's Improvements, the Developer shall submit final estimates (non-GMP) of the total first phase Development Costs of the first phase Developer's Improvements, including the items set forth in Section 4.4(d) to review compliance with the Final Plan of Finance and Final Project Budget.

(c) Following receipt of the Developer's final estimates of the first phase Development Costs of the first phase Developer's Improvements pursuant to Section 4.4(b), the City may review such first phase Development Cost estimates. The final estimates (non-GMP) of the first phase Development Costs which are either (i) reviewed by the City as submitted by the Developer in accordance with Section 4.4(b) or (ii) agreed by the City and the Developer, are herein referred to as the "Total First Phase Project Costs".

(d) As to each Major Component of first phase Developer's Improvements such estimates shall include an estimate for all first phase Development Costs in connection with such Major Component of first phase Developer's Improvements. "Development Costs" shall mean, with respect to any component of the Project, (i) the costs of the entire design, architectural work, engineering work, development work and construction work and (ii) contingency which shall be in an amount equal to at least ten percent (10%) of the sum of the costs set forth in clause (i).

(e) The first phase Project Costs are to be funded as set forth in the "Preliminary Plan of Finance" (Attachment No. 2 attached hereto and incorporated

herein by reference). Attachment No. 3 is a "Preliminary Project Budget" that includes Project Costs and the Preliminary Plan of Finance. Both the Preliminary Plan of Finance and the Preliminary Project Budget shall be updated ("Final Plan of Finance" and "Final Project Budget", respectively) by Developer for City review and written approval, on or prior to the applicable target date set forth in the Schedule of Performance, Attachment No. 9 attached hereto and incorporated herein by this reference.

(f) The Developer shall submit executed guaranteed maximum price construction contracts or fixed price construction contracts, as applicable, with respect to the first phase Developer's Improvements, based on signed bids from Developer's contractors and subcontractors (if applicable), other than bids with respect to the Project, for the construction of the first phase Developer's Improvements (all of which shall be provided to the City) on or before the Target Date set forth in the Schedule of Performance. The Developer shall provide drafts of such contracts to the City, as applicable, for the City's review and comment before execution, in which case the City, as applicable, shall promptly provide to the Developer any comments thereto.

4.5 City Financial Contribution. Based on the independent consultant report required to justify the City's Public Investment Amount in the Project as considered as part of the Existing Approvals, the City will financially participate in the Project in the following manner:

(a) City Property Transfer. City shall transfer the City Property at the Close of Escrow for Developer's commitment to build the first phase of Developer's Improvements Project and other consideration as provided in this Agreement and a consideration of $100.00.

(b) Acquisition of Public Improvements. City shall utilize up to $20,000,000 for acquisition of such public improvements or facilities as set forth in the Form of Acquisition Agreement (Attachment No. 7 attached hereto and incorporated herein by reference) by way of progress payments upon project milestones are met as follows:

Draw	Public Parking	Surf Lagoon and Center	Hotel	RESIDENTIAL UNITS
1st- $5M	30% construction cost of podium Parking Structure	100% rough grading complete	Commence foundation upon fully approved and issued building permits for the entire Hotel	

2nd- $5M	60% of construction cost of podium Parking Structure	100% Foundations Complete	Completion of 60% of Hotel Parking	
3rd- up to $5M	100% completion of all Public Parking and compliance with the Acquisition Agreement	100% of Surf Lagoon floor completed and surf equipment on site	Completion of rough framing construction of the Hotel	
4th- up to $3M	100% of all other public infrastructure and compliance with the Acquisition Agreement	100% complete certificate of occupancy for Surf Lagoon and Center approved	100% complete certificate of occupancy for Hotel approved	
5th- up to $2M	4th Payment has been made, and City "look-back" approval of actual Project Costs in Section 4.5(d) and in compliance with the Acquisition Agreement			100% complete Certificate of Occupancy for First Phase Developer's Improvements and initiation of residential construction

The use, management, operation, maintenance, and existence of the public facilities or improvements acquired by the City pursuant to the Acquisition Agreement shall be within the sole and absolute discretion of the City. Unless specifically directed by the City in writing, the Developer shall have no input whatsoever, directly or indirectly, with respect to any decision, action, or inaction relating to the use, management, operation, maintenance, or existence of such public facilities. Any provision of any agreement to the contrary is or shall be null and void.

(c) Transient Occupancy Tax ("TOT") Reimbursement. Developer shall be entitled to receive up to $20,000,000 over a period of twenty (20) years from the Completion Date, in TOT actually generated by the Project based on a minimum 137 key Hotel as set forth in the Form of TOT Reimbursement Agreement (Attachment No. 8 attached hereto and incorporated herein by reference). The City shall rebate 40% of the TOT from Hotel rooms and 60% of the TOT from the Residential Units, subject to

the Minimum Quarterly TOT Guaranty described in Attachment No. 8 and subject to Section 4.1.

(d) Post-Construction Hard Cost Confirmation ("Look Back"). No later than 90 days after issuance of Certificates of Occupancy for the first phase Developer's Improvements and initiation of residential construction, Developer will provide the City with evidence of the Project Costs of the Surf Center, Surf Lagoon, Hotel, Parking, and associated infrastructure and amenities. If these first phase Project Costs total less than $185,000,000, Developer will reimburse to the City an amount equal to the difference between $185,000,000 and the Project Costs (the "Public Improvements Refund") up to a total maximum refund of twenty million dollars ($20,000,000). The Public Improvements Refund, if any, will be paid in equal annual installments, without interest, over the first ten years following issuance of the last Certificate of Occupancy.

(e) Project Financing. As a condition of City's Public Investment Amount, Developer covenants to provide to City, on or before June 1, 2023, evidence of financing sufficient for the Developer to perform its obligations under this Agreement satisfactory to the City in its sole discretion. Evidence of financing shall include, at a minimum, the following: (i) a copy of the loan commitment obtained by Developer from one or more financial institutions for the mortgage loan or loans for financing to fund the construction, completion, operation and maintenance of the Hotel during the term of the loan, subject to such lenders' reasonable, customary and normal conditions and terms; (ii) other documentation satisfactory to the City as evidence of other sources of Hotel Project Equity sufficient to demonstrate that Developer equity funds in the amount necessary to cover the difference between the total cost of the Completion of the Construction of the Hotel and the Hotel Project Construction Loan.

4.6 Insurance. Without limiting Developer's indemnification of the City of Palm Desert, and prior to commencement of construction of the Project, herein defined as "Work" for this Article 4 and this Agreement, Developer shall obtain, provide and maintain, or cause to be obtained, provided, and maintained, at its own expense during the term of this Agreement, policies of insurance of the type and amounts described below and in a form satisfactory to the City.

4.6.1 General Liability Insurance. Developer or its General Contractor shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than $2,000,000 per occurrence, $4,000,000 general aggregate, for bodily injury, personal injury, and property damage, and a $4,000,000 completed operations aggregate. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted.

4.6.2 Automobile Liability Insurance. Developer or its General Contractor shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Developer arising out of or in connection with Work to be performed under this

Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than $1,000,000 combined single limit for each accident.

4.6.3 Umbrella or Excess Liability Insurance. Developer or its General Contractor may opt to utilize umbrella or excess liability insurance in meeting insurance requirements. In such circumstances, Developer or its General Contractor shall obtain and maintain an umbrella or excess liability insurance policy that will provide bodily injury, personal injury and property damage liability coverage at least as broad as the primary coverages set forth above, including commercial general liability, automobile liability, and employer's liability. Such policy or policies shall include the following terms and conditions:

4.6.4 Workers' Compensation Insurance. Developer or its General Contractor shall maintain Workers' Compensation Insurance (Statutory Limits) and Employer's Liability Insurance (with limits of at least $1,000,000) for Developer's employees in accordance with the laws of the State of California, Section 3700 of the Labor Code. In addition, Developer or its General Contractor shall require each subcontractor to similarly maintain Workers' Compensation Insurance and Employer's Liability Insurance in accordance with the laws of the State of California, Section 3700 for all of the subcontractor's employees. Developer shall submit to City, along with the certificate of insurance, a Waiver of Subrogation endorsement in favor of the City of Palm Desert, its officers, agents, employees and volunteers.

4.6.5 Pollution Liability Insurance. Developer or its General Contractor shall maintain Environmental Impairment Liability Insurance shall be written on a Contractor's Pollution Liability form or other form acceptable to Agency providing coverage for liability arising out of sudden, accidental and gradual pollution and remediation. The policy limit shall be no less than $1,000,000 dollars per claim and in the aggregate. All activities contemplated in this agreement shall be specifically scheduled on the policy as "covered operations." The policy shall provide coverage for the hauling of waste from the project site to the final disposal location, including non-owned disposal sites.

4.7 Other provisions or requirements:

4.7.1 Proof of Insurance. Developer or its General Contractor shall provide certificates of insurance to City as evidence of the insurance coverage required herein, along with a waiver of subrogation endorsement for workers' compensation. Insurance certificates and endorsements must be approved by City's Risk Manager prior to commencement of performance. Current certification of insurance shall be kept on file with City at all times during the term of this contract. City reserves the right to require complete, certified copies of all required insurance policies, at any time.

4.7.2 Duration of Coverage. Developer or it General Contractor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the Work hereunder by Developer, its agents, representatives,

employees or subcontractors. Developer or its General Contractor must maintain general liability and umbrella or excess liability insurance for a minimum of three (3) years after project completion. The City of Palm Desert and its officers, officials, employees, and agents shall continue as additional insureds under such policies.

4.7.3 Primary/Noncontributing. Coverage provided by Developer or its General Contractor shall be primary and any insurance or self-insurance procured or maintained by City shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of City, before the City's own insurance or self-insurance shall be called upon to protect it as a named insured.

4.7.4 Products/Completed Operations Coverage. Products/completed operations coverage shall extend a minimum of three (3) years after project completion. Coverage shall be included on behalf of the insured for covered claims arising out of the actions of independent contractors. If the insured is using subcontractors, the Policy must include work performed "by or on behalf" of the insured. Policy shall contain no language that would invalidate or remove the insurer's duty to defend or indemnify for claims or suits expressly excluded from coverage. Policy shall specifically provide for a duty to defend on the part of the insurer. The City, its officials, officers, agents, and employees, shall be included as additional insureds under the Products and Completed Operations coverage.

4.7.5 City's Rights of Enforcement. In the event any policy of insurance required under this Agreement does not comply with these requirements or is canceled and not replaced, City has the right but not the duty to obtain the insurance it deems necessary. Any premium paid by City will be promptly reimbursed by Developer or City will withhold amounts sufficient to pay premium from Developer payments.

4.7.6 Acceptable Insurers. All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance, with an assigned policyholders' and Financial Size Category Class VII (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the City's Risk Manager.

4.7.7 Waiver of Subrogation. All insurance coverage maintained or procured pursuant to this agreement shall be endorsed to waive subrogation against the City of Palm Desert, its elected or appointed officers, agents, officials, employees and volunteers, or shall specifically allow Developer or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Developer hereby waives its own right of recovery against the City of Palm Desert, its elected or appointed officers, agents, officials, employees and volunteers, and shall require similar written express waivers and insurance clauses from each of its subcontractors.

4.7.8 Enforcement of Contract Provisions (non estoppel). Developer acknowledges and agrees that any actual or alleged failure on the part of the City to inform Developer of non-compliance with any requirement imposes no additional obligations on the City nor does it waive any rights hereunder.

4.7.9 Requirements Not Limiting. Requirements of specific coverage features or limits contained in this Section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type. If the Developer maintains higher limits than the minimums shown above, the City requires and shall be entitled to coverage for the higher limits maintained by the Developer. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

4.7.10 Notice of Cancellation. Developer agrees to oblige its insurance agent or broker and insurers to provide to City with a thirty (30) day notice of cancellation (except for nonpayment for which a ten (10) day notice is required) or nonrenewal of coverage for each required coverage.

4.7.11 Additional Insured Status. General liability, automobile liability, and if applicable, pollution liability policies shall provide or be endorsed to provide that the City of Palm Desert and its officers, officials, employees, agents, and volunteers shall be additional insureds under such policies. This provision shall also apply to any excess/umbrella liability policies. Coverage shall be at least as broad as coverage provided by ISO's Owners, Lessees, or Developers Additional Insured Endorsement for the ongoing (i.e. ISO Form CG 20 10) and completed operations (i.e. ISO Form CG 20 37) of Developer.

4.7.12 Prohibition of Undisclosed Coverage Limitations. None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to City and approved of in writing.

4.7.13 Separation of Insureds. A severability of interests provision must apply for all additional insureds ensuring that Developer's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the insurer's limits of liability. The policy(ies) shall not contain any cross-liability exclusions.

4.7.14 Pass Through Clause. Developer or its General Contractor agrees to ensure that its subconsultants, subcontractors, and any other party involved with the project who is brought onto or involved in the project by Developer, shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than $1,000,000 per occurrence, $2,000,000 general aggregate, for bodily injury, personal injury, and property damage,

and a $2,000,000 completed operations aggregate. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted. Developer or its General Contractor agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Developer agrees that upon request, all agreements with consultants, subcontractors, and others engaged in the project will be submitted to City for review.

4.7.15 City's Right to Revise Requirements. If commercially reasonable, the City or its Risk Manager reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving the Developer ninety (90) days advance written notice of such change. If such change results in substantial additional cost to the Developer, the City and Developer may renegotiate Developer's compensation. If the City reduces the insurance requirements, the change shall go into effect immediately and require no advanced written notice.

4.7.16 Self-Insured Retentions. Any self-insured retentions must be declared to and approved by City. City reserves the right to require that self-insured retentions be eliminated, lowered, or replaced by a deductible. Self-insurance will not be considered to comply with these specifications unless approved by City.

4.7.17 Timely Notice of Claims. Developer shall give City prompt and timely notice of claims made or suits instituted that arise out of or result from Developer's performance under this Agreement, and that involve or may involve coverage under any of the required liability policies.

4.8 Safety.

DEVELOPER SHALL EXECUTE AND MAINTAIN ITS WORK SO AS TO AVOID INJURY OR DAMAGE TO ANY PERSON OR PROPERTY. IN CARRYING OUT ITS SERVICES, THE DEVELOPER SHALL AT ALL TIMES BE IN COMPLIANCE WITH ALL APPLICABLE LOCAL, STATE AND FEDERAL LAWS, RULES AND REGULATIONS, AND SHALL EXERCISE ALL NECESSARY PRECAUTIONS FOR THE SAFETY OF EMPLOYEES APPROPRIATE TO THE NATURE OF THE WORK AND THE CONDITIONS UNDER WHICH THE WORK IS TO BE PERFORMED. SAFETY PRECAUTIONS, WHERE APPLICABLE, SHALL INCLUDE, BUT SHALL NOT BE LIMITED TO: (A) ADEQUATE LIFE PROTECTION AND LIFESAVING EQUIPMENT AND PROCEDURES; (B) INSTRUCTIONS IN ACCIDENT PREVENTION FOR ALL EMPLOYEES AND SUBCONTRACTORS, SUCH AS SAFE WALKWAYS, SCAFFOLDS, FALL PROTECTION LADDERS, BRIDGES, GANG PLANKS, CONFINED SPACE PROCEDURES, TRENCHING AND SHORING, EQUIPMENT AND OTHER SAFETY DEVICES, EQUIPMENT AND WEARING APPAREL AS ARE NECESSARY OR LAWFULLY REQUIRED TO PREVENT ACCIDENTS OR INJURIES; AND (C) ADEQUATE FACILITIES FOR THE PROPER INSPECTION AND MAINTENANCE OF ALL SAFETY MEASURES.

4.9 Developer's Indemnity Agreement/Hold Harmless. Except for sole negligence or willful misconduct of an Indemnitee, the Developer hereby assumes liability for and agrees to defend, indemnify, protect and hold harmless the City and its officers, agents, and employees, and the City Engineer from and against all claims, charges, damages, demands, actions, proceeding, losses, stop payment notices, costs, expenses (including counsel fees), judgments, civil fines and penalties, liabilities of any kind or nature whatsoever, which may arise out of or encountered in connection with this Agreement or the performance of the Work including, but not limited to death, or bodily or personal injury to persons, or damage to property, including property owned by or under the care and custody of the City, and for civil fines and penalties, that may arise from or be caused, in whole or in part, by any negligent or other act or omission of Developer, its officers, agents, employees, or Subcontractors including, but not limited to, liability arising from:

(a) Any dangerous, hazardous, unsafe or defective condition of, in or on the premises, of any nature whatsoever, which may exist by reason of any act, omission, neglect, or any use or occupation of the premises by the Developer, its officers, agents, employees, or subcontractors;

(b) Any operation conducted upon or any use or occupation of the premises by Developer, its officers, agents, employees, or Subcontractors under or pursuant to the provisions of this contract or otherwise;

(c) Any act, omission or negligence of Developer, its officers, agents, employees or Subcontractors;

(d) Any failure of Developer, its officers, agents or employees to comply with any of the terms or conditions of this Contract or any applicable federal, state, regional, or municipal law, ordinance, rule or regulation, including Prevailing Wage Law as set forth in Section 4.12.

The Developer also agrees to indemnify City and pay for all damage or loss suffered by City including, but not limited to damage or loss of City Property, loss of City revenue from any source, caused by or arising out of the conditions, operations, uses, occupations, acts, omissions or negligence referred to in Sections 4.9 (a), (b), (c), and (d) above.

Developer's obligations under this Section apply regardless of whether or not such claim, charge, damage, demand, action, proceeding, loss, stop payment notice, cost, expense, judgment, civil fine or penalty, or liability was caused in part or contributed to by an Indemnitee. However, without affecting the rights of the City under and provision of this agreement, Developer shall not be required to indemnify and hold harmless City for liability attributable to the active negligence of City, provided such active negligence is determined by agreement between the parties or by the findings of a court of competent jurisdiction. In instances where City is shown to have been actively negligent and where City's active negligence accounts for only a percentage of

the liability involved, the obligation of the Developer will be for that entire portion or percentage of liability not attributable to the active negligence of City.

Developer agrees to obtain executed indemnity agreements with provisions similar to those set forth here in this section from each and every subcontractor or any other person or entity involved by, for, with, or on behalf of Developer in the performance of this agreement. In the event that Developer fails to obtain such indemnity obligations from others as required here, Developer agrees to be fully responsible according to the terms of this section.

Failure of City to monitor compliance with these requirements imposes no additional obligations on City and will in no way act as a waiver of any rights hereunder. This obligation to indemnify and defend City as set forth here is binding on the successors, assigns or heirs of Developer and shall survive the termination of this agreement or this section.

This Indemnity shall survive termination of the Agreement hereunder. This Indemnity is in addition to any other rights or remedies that the Indemnitees may have under the law or under any other Contract Documents or Agreements. In the event of any claim or demand made against any party which is entitled to be indemnified hereunder, City may, in its sole discretion, reserve, retain or apply any monies to the Developer under this Agreement for the purpose of resolving such claims; provided, however, City may release such funds if the Developer provides City with reasonable assurance of protection of the Indemnitees' interests. City shall, in its sole discretion, determine whether such assurances are reasonable.

4.10 Payment Bonds and Performance Bonds.

(a) Prior to the Close of Escrow the Developer shall furnish the City with the following separate corporate surety bonds from each contractor that is responsible for the construction of a Major Component of first phase Developer's Improvements, or, in each case, a portion thereof:

(i) A performance bond ("Performance Bond") issued by a surety company licensed and admitted to transact business as such in the State of California, in an amount not less than one hundred percent (100%) of the estimated Hard Construction Costs of the applicable Major Component of the first phase Developer's Improvements, or a portion thereof, as applicable. The Performance Bond shall name Developer as principal obligee, the City, each of the Private Construction Lenders and each of the public lenders as co-obligees. The Performance Bond shall assure full completion of the construction by such contractor of such Major Component of the first phase Developer's Improvement, or such portion thereof, as applicable; and

(ii) A payment bond ("Payment Bond") issued by a surety company licensed and admitted to transact business as such in the State of California, in an amount equal to one hundred percent (100%) of the estimated Hard Construction Costs of the applicable Major Component of the first phase Developer's Improvements, or a portion thereof, as applicable, guaranteeing payment for all materials, provisions, supplies and equipment used in, upon, for or about the performance of the construction by such contractor of such Major Component of the first phase Developer's Improvements, or such portion thereof and for labor done thereon and protecting the City from any and all liability, loss or damages arising out of or in connection with any failure to make any such payments. The Payment Bond shall name Developer as principal obligee, the City, each of the Private Construction Lenders and each of the public lenders as co-obligees.

(b) The Payment Bonds and Performance Bonds shall be in form and content reasonably satisfactory to the City.

4.11 Completion Guaranty. Developer shall cause the Guarantor under any completion guaranty given to City guaranteeing the lien-free completion of construction of the public improvements outlined in the Acquisition Agreement to execute a completion guaranty in favor of City and in substantially the same form and substance as the completion guaranty provided to Developer's lender. "Completion Guaranty" shall mean a guaranty, or guaranties, from a Person or multiple Persons (collectively, the "Guarantor"), each of which is not a Prohibited Person, and which, in the aggregate, have a net worth, which shall mean total assets less the amount of total liabilities, determined in accordance with generally accepted accounting principles of at least TWENTY MILLION DOLLARS ($20,000,000) and which are approved by the City, in its reasonable discretion, guaranteeing to the City the completion of the improvements outlined in the Acquisition Agreement. The Parties shall negotiate the form of the Completion Guaranty and any inter-creditor agreements(s) on or before the Target Date set forth in the Schedule of Performance. The Parties shall execute and deliver the Completion Guaranty at the Close of Escrow.

4.12 Prevailing Wages. The Developer acknowledges and agrees that:

(a) Any construction, alteration, demolition, installation or repair work that the Developer performs, or causes to be performed to complete the first phase of the Project, or that the Developer is required to perform, under this Agreement ("Developer Construction Work"), constitutes "public work" under California Prevailing Wage Law, including Labor Code Sections 1720 through 1861, *et seq.* (as such statutes may be amended from time to time, "PWL"), and PWL obligates the Developer to cause such Developer Construction Work to be performed as "public work", including, but not limited to, the payment of applicable prevailing wages to all Persons subject to the PWL.

(b) The Developer shall cause all Persons performing Developer Construction Work to comply with all applicable provisions of the PWL and other applicable wage Laws.

(c) The City hereby notifies the Developer and the Developer hereby acknowledges that the PWL includes, without limitation, Labor Code Section 1771.1(b) that provides that the following requirements described in Labor Code Section 1771.1(a) shall be included in all bid invitations and "public work" contracts: A contractor or subcontractor shall not be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code, or engage in the performance of any contract for "public work", unless it is currently registered and qualified to perform "public work" pursuant to Section 1725.5. It is not a violation of Section 1771.1 for an unregistered contractor to submit a bid that is authorized by Section 7029.1 of the Business and Professions Code or by Section 10164 or 20103.5 of the Public Contract Code if the contractor is registered to perform "public work" pursuant to Section 1725.5 at the time the contract is awarded.

(d) The Developer acknowledges that its obligations under the PWL include, without limitation, ensuring that:

(i) pursuant to Labor Code Section 1771.1(b), a bid shall not be accepted nor any contract or subcontract entered into without proof of the contractor or subcontractor's current registration to perform "public work" pursuant to Section 1725.5;

(ii) pursuant to Labor Code Section 1771.4(a)(1), the call for bids and contract documents shall specify that the project is subject to compliance monitoring and enforcement by the California Department of Industrial Relations ("DIR");

(iii) pursuant to Labor Code Section 1771.4(a)(2), it posts or requires the prime contractor to post job site notices, as prescribed by regulation; and

(iv) pursuant to Labor Code Section 1773.3(a)(1), it provides notice to the DIR of any "public works" contract subject to the requirements of the PWL, within thirty (30) days of the award, but in no event later than the first day in which a contractor has workers employed upon the public work. Pursuant to Labor Code Section 1773.3(a)(2), the notice shall be transmitted electronically in a format specified by the DIR and shall include the name and registration number issued by the DIR pursuant to Section 1725.5 of the contractor, the name and registration number issued by the DIR pursuant to Section 1725.5 of any subcontractor listed on the successful bid, the bid and contract award dates, the

contract amount, the estimated start and completion dates, job site location, and any additional information that the DIR specifies that aids in the administration and enforcement of the PWL. PWC-100 is the name of the form currently used by the DIR for providing the notice, but the Developer shall determine and use whatever form the DIR requires.

(e) The City shall not be responsible for the Developer's failure to comply with any applicable provisions of the PWL.

(f) The Developer's violations of the PWL shall constitute a breach of this Agreement.

4.13 Liens and Claims.

(a) The Developer agrees that, if any Professional or materialman performing the Work, or furnishing materials in connection therewith, or if anyone claiming directly or indirectly under or through the Developer or any affiliate, professional or materialman shall file or cause to be filed any mechanics lien or other lien or security interest against the Project Site, the Developer's Improvements, or any portion thereof, or against any assets of or funds appropriated to or by the City or the City, then, within thirty (30) days after the Developer receives notice of filing thereof, the Developer shall cause such lien or security interest to be discharged of record by payment, deposit, bond, order of court of competent jurisdiction or otherwise. If the Developer shall fail to cause such lien or security interest to be discharged of record within the period aforesaid, then, in addition to any other right or remedy, the City or the City may, but shall not be obligated to, discharge the same either by paying the amount claimed to be due from retentions or any progress payment next due to the Developer or by procuring the discharge of record of such lien or security interest. Any amount so paid by the City or the City, including all reasonable costs and expenses incurred by the City or the City in connection therewith, shall be payable by the Developer to the City or the City, as applicable, on demand. Each of the City will endeavor to notify Developer of any lien notices that it receives; provided, however, that the failure by City to so notify the Developer shall not affect Developer's obligations hereunder.

(b) Notwithstanding Section 4.13(a), the Developer shall not be required to discharge of record any such lien or security interest if the Developer is in good faith, and consistent with applicable Law, at its own expense, currently and diligently contesting the same; provided that the Developer first records a surety bond sufficient to release such lien or such security interest, as applicable.

4.14 Compliance with Law; Enforceability by City. The City shall provide to the Developer copies of its findings, policies and resolutions which authorize (a) the City to enter into each and every of the Closing Documents to which it is a party and (b) the Person or Persons executing each of such Closing Documents on behalf of the City to do so (collectively, "Compliance Documents"), when they are made available to the public. The Developer shall provide its written comments to the Compliance Documents

within a commercially reasonable period of time of the receipt thereof. If the City disagrees with any of the comments provided by the Developer, then the Parties shall meet and confer in accordance with Section 5.1. If disagreements between the Developer and the City are not resolved pursuant to Section 5.1, then the Developer may terminate this Agreement in accordance with Article 8.

5. REQUIREMENTS OF PARTIES; CONDITIONS PRECEDENT TO CLOSE OF ESCROW.

5.1 Periodic Review; Meet and Confer.

(a) The City shall have the option, not more frequently than every three (3) months during the Term, to conduct a review (the "Periodic Review") to evaluate, among other things, the extent to which the Developer is complying with its obligations under this Agreement or the Schedule of Performance, and the Parties' determinations of whether it is feasible to continue with the development of the Project pursuant to this Agreement (collectively, "Periodic Review Matters").

(b) Meet and Confer. (i) Within thirty (30) days following submittal by the Developer of the information and materials concerning Developer obligations and/ or the Schedule of Performance as reasonably requested by the City and/or the City in accordance with Section 5.1(a) or (ii) within five (5) days following notice of any Event of Default, City staff and the Developer shall meet and confer to seek mutual resolution of areas of concern covered in the Periodic Review or such Event of Default, as applicable, and to come to a mutual agreement whether to take one of the following actions:

(i) Pause. To the extent feasible, pause any actions and activities of the Parties pursuant to this Agreement (except, to the extent applicable, insurance, maintenance and indemnification obligations) for a period up to thirty (30) days to enable the Parties to schedule one or more additional meet and confer events to gather additional information and continue discussions of the Periodic Review Matters or such Event of Default, as applicable; or

(ii) Delay. To the extent feasible, delay for a period up to thirty (30) days any further actions or activities of the Parties under this Agreement to enable the Parties to further investigate their respective positions and whether it is feasible to proceed with the development of the Project as provided for hereunder. If disagreements between the Parties are not resolved pursuant to Section 5.1(b)(i) or (ii), then the Parties shall attempt to resolve such disagreements through mediation in accordance with Section 7.5. If such disagreements are not resolved through mediation within one hundred twenty (120) days after the commencement of

mediation, then either Party may terminate this Agreement pursuant to Article 8.

(c) If disagreements between the Parties are resolved pursuant to Section 5.1(b), then, if applicable, the Parties shall revise the Schedule of Performance to incorporate the changes agreed to by the Parties pursuant to Section 5.1(b) and such revisions to the Schedule of Performance shall be made without the need for an amendment to this Agreement in accordance with Section 9.9.

(d) Notwithstanding any other provision in this Agreement, in the event Schedule of Performance extensions pursuant to Sections 5.1(b)(i) and 5.1(b)(ii) above exceed one hundred and eighty (180) days cumulatively, any Party may elect to terminate this Agreement in accordance with Article 8.

5.2 Conditions Precedent to Close of Escrow Benefiting the City. The City's obligations in connection with the Close of Escrow are expressly conditioned upon the satisfaction by the City (or waiver by the City in writing) of each of the following conditions of the Project on or prior to the Target Date set forth in the Schedule of Performance:

(a) The City shall have received from the Developer in accordance with this Agreement final Development Cost estimates for the first phase of the Developer's Improvements as required under Section 4.4(d) on or prior to the applicable Target Date set forth in the Schedule of Performance;

(b) The City shall have approved in accordance with this Agreement, on or prior to the applicable Target Date set forth in the Schedule of Performance, the Developer provided independent third-party verification that each Unaffiliated Third Party that acquires any membership interests in the Developer is reputable (which shall mean the absence of reputations for dishonesty, criminal conduct or association with criminal elements – "reputable" shall not mean "prestigious", nor shall the determination of whether one is reputable involve considerations of personal taste or preference), and has no history of, or reputation for, either discriminatory employment practices which violate any Laws or non-compliance with applicable Environmental Laws or listing on the Prohibited Person list (each, an "Equity Investor" and, collectively, "the Equity Investors");

(c) The City shall have received from the Developer and reasonably accepted the terms of (i) the executable versions of the agreements with the Equity Investor(s) evidencing the commitments of such Equity Investors to make contributions for the first phase Developer's Improvements Costs (the "Equity Investor Contribution") on or prior to the applicable Target Date set forth in the Schedule of Performance;

(d) The City shall have received from the Developer and shall have reviewed on or prior to the applicable Target Date set forth in the Schedule of Performance, the binding final first phase loan documents ("Loan Documents") to

confirm conformance with the Final Plan of Finance and are in an amount not in excess of the Developer's Debt Contribution where:

(i) "Developer's Debt Contribution" shall mean the Developer's Contribution (as hereinafter defined) *less* the amount of the Equity Investor Contribution; and

(ii) "Developer's Contribution" shall mean the budgeted amount for the first phase Developer's Improvements Costs (currently estimated to be $197,000,000, including all furnishings, fixtures and equipment);

(e) The City shall be prepared to issue upon payment of required fees the required grading permits, Building Permits and all other permits that are required for the commencement and completion of construction of the first phase Developer's Improvements;

(f) The City shall have reviewed and provided comments, on or prior to the applicable Target Date set forth in the Schedule of Performance, regarding the terms of the Developer construction contracts with any contractor for the first phase Developer's Improvements, including guaranteed maximum price construction contracts or fixed price construction contracts for all Major Components of the first phase Developer's Improvements;

(g) The City shall have reviewed and approved the form of Completion Guaranty under Section 4.11;

(h) The City shall have received from the Developer evidence reasonably satisfactory to the City that all discretionary permits and other approvals that are required to complete construction of the first phase Developer's Improvements have been obtained from any and all governmental agencies having jurisdiction over the Project Site and other parties as set forth in Section 1.3;

(i) The City shall have received from the Developer certificates of insurance for each of the policies of insurance required under this Agreement evidencing that such policies meet the respective insurance requirements and will be effective as of the Close of Escrow;

(j) The City shall have received from the Developer for City review the completed Payment Bond and Performance Bond application in accordance with Section 4.10;

(k) No Developer Event of Default shall have occurred and be continuing;

(l) The Developer shall have executed the Deed of Sale to which it is a party, with the effectiveness thereof subject only to the consummation of the Close of Escrow;

(m) City shall have considered and approved items set forth in Section 1.3;

(n) Developer shall have obtained commitments for all financing that is necessary to satisfy its respective obligations for the first phase Developer's Improvements under the Final Plan of Finance and Final Project Budget, with such financing to close concurrently with the Close of Escrow or any extensions provided pursuant to section 5.4(e) below;

(o) The City shall have prepared the City TOT Reimbursement Agreement for execution by Developer;

(p) The City shall have received and reviewed the final, executed versions of the first phase Loan Documents that evidence the commitments for the Developer's Debt Contribution and the disbursement conditions therefor;

(q) The City shall confirm with Developer that the closing under the SARDA POA is ready to take place concurrently with the Close of Escrow and includes a Right of Termination by the City as described in Section 5.4(e) ;

(r) Developer shall provide documentation reasonably acceptable to the City that the required Hotel Operator and Hotel Management Agreement, including dedicated parking requirements, as set forth in the Scope of Development has been agreed to by all parties;

(s) City shall have amended or terminated the overflow parking agreement with JW Marriott on Lot E;

(t) Developer shall have terminated the CITY POA, on or prior to the applicable Target Date set forth in the Schedule of Performance, Attachment No. 9 attached hereto and incorporated herein by this reference; and

(u) City shall have approved the City Well Usage Agreement.

5.3 Conditions Precedent to Close of Escrow Benefiting Developer. The Developer's obligations in connection with the Close of Escrow are expressly conditioned upon the City, satisfying, or causing the satisfaction, of each of the following conditions (or waiver by the Developer in writing of any of the following conditions):

(a) The Title Company shall be irrevocably committed to issue to the Developer, simultaneously with the Close of Escrow, a policy or policies of title insurance in such form and amounts and with such special endorsements as may be reasonably required by the Developer and the Private Construction Lender, subject only to the Approved Title Exceptions;

(b) The Developer shall have received notice from the City approved or disapproved, the Developer's submittals required under this Agreement;

(c) The Developer shall have approved each of the Compliance Documents in accordance with Section 4.14 or the Developer, the City shall have reached an agreement regarding each of the Compliance Documents pursuant to Section 4.14;

(d) The Developer shall have received its Grading Permit and Building Permits;

(e) The Hotel Management Agreement shall have been agreed to and executed by all of the parties thereto, with the effectiveness thereof subject only to the consummation of the Close of Escrow or any extensions provided pursuant to section 5.4(e) below;

(f) The Developer shall have received all discretionary permits and approvals that are required to complete the construction of the first phase Developer's Improvements from any and all non-City governmental agencies having jurisdiction over the Project Site and all such discretionary permits and approvals shall be final beyond any applicable appealable periods;

(g) The first phase Loan Documents shall have been executed, with the effectiveness thereof subject only to the consummation of the Close of Escrow or any extensions provided pursuant to section 5.4(e), below, in an amount sufficient to pay the Developer's Debt Contribution;

(h) Developer shall have considered and approved items set forth in Section 1.3;

(i) The Developer shall have received evidence that the City has received required approvals from any and all third parties;

(j) The City shall have amended or terminated the overflow parking agreement with JW Marriott on Lot E; and

(k) Developer shall have approved the City Well Usage Agreement.

5.4 Existing Approvals; Cooperation Between Parties.

(a) All approvals required by the City and Developer under this Agreement shall not be unreasonably withheld or denied (except where such actions are specifically said to be in the sole and absolute discretion of a Party) and, where specifically referenced in this Agreement or in the Schedule of Performance, shall be given within the times set forth in this Agreement or in the Schedule of Performance.

(b) The City and Developer shall, to the extent reasonably necessary, cooperate with each other to enable each Party to perform its obligations under this Agreement; provided, however, that in the event that any Party is asked to provide cooperation, assurance, assistance, documentation, or investigation and such Party determines that complying with such request will be unlawful, unreasonably

burdensome, unreasonably expensive, or unreasonably time consuming, such Party may refuse to cooperate, without liability to that Party, by providing notice to the Party requesting the cooperation. Notwithstanding this provision, this Section 5.4(b) does not limit City's discretionary actions and City reserve the right to exercise discretionary actions, each in in its sole authority and in its sole and absolute discretion.

(c) From and after the Execution Date, the City shall not use the Project Site for any uses other than legally permitted uses that would not reasonably be expected to materially and adversely affect the development or use of the Project.

(d) Any Party, at its sole election, may in writing waive satisfaction of any of the conditions by another Party set forth in Section 5.2 or Section 5.3 that is to the benefit of such waiving Party only, or if it is to the benefit of two of the Parties, then upon the agreement between such Parties. Any such condition waived by a Party or two Parties, as applicable, shall be deemed to be "satisfied" for purposes of Section 5.2 or Section 5.3, as applicable. Any such waiver shall be set out in an Operating Memorandum in accordance with Section 9.9.

(e) The Parties may agree in writing to waive satisfaction of any of the conditions set forth in Section 5.2 and Section 5.3. The written waiver may classify any or all such waived conditions as post-closing obligations rather than deem them "satisfied." The conditions set forth in Section 5.2 and Section 5.3 that are classified as post-closing obligations together with the obligation set forth in Section 4.5(e) and Items 1 through 25 set forth in the Schedule of Performance attached as Attachment No. 9 shall be referred to herein as the "Post-Closing Obligations." As security for Developer's completion of any "Post-Closing Obligations," the conveyance of the Project Site (including both the City Property and the SARDA Property) to Developer shall be subject to a "Power of Termination" as defined in California Civil Code Section 885.010 as set forth below.

(i) If the Developer fails to satisfy the Post-Closing Obligations by the dates detailed in the Schedule of Performance (subject to delay for events of force majeure)(the "Post-Closing Obligations Deadlines"), the City may exercise its Power of Termination by delivering written notice to Developer. Developer shall not be entitled to any cure period for a failure to satisfy one or more of the Post-Closing Obligations by the applicable Post-Closing Obligations Deadline. Upon receipt from City of written notice of City's exercise of its Power of Termination, Developer agrees to, and shall, within five (5) calendar days, execute and deliver to City a quit claim deed relinquishing any and all of Developer's right, title, and interest in and to the Project Site.

(iii) Developer shall not allow or permit any charge, pledge, mortgage, lien, hypothecation, usufruct, deed of trust, security interest, adverse claim or interest, restriction or easement of any kind (each, an "Encumbrance") to encumber the Project Site or any portion thereof unless and until it has fully satisfied the conditions set forth in Section

5.2(b), (c), (d), and (p) (the "Financing Plan Conditions"), whether as a condition precedent to Close of Escrow or as a Post-Closing Obligation, including obtaining City's written approval of the Financing Plan Conditions being fully satisfied (the "Encumbrance Prohibition"), and any violation of the Encumbrance Prohibition shall constitute a material breach of this Agreement, provided, however, that the Encumbrance Prohibition shall not apply to a Performance Deed of Trust and Security Agreement made for the benefit of the City. Notwithstanding anything to the contrary set forth herein, upon such breach by Developer, City shall be entitled to exercise its Power of Termination by delivering written notice to Developer. Developer shall not be entitled to any cure period for a breach of the Encumbrance Prohibition. Upon receipt from City of written notice of City's exercise of its Power of Termination, Developer agrees to, and shall, within five (5) business days execute and deliver to City a quit claim deed relinquishing any and all of Developer's right, title, and interest in and to the Project Site.

(iv) Except to resolve Developer's claims of delay for events of force majeure, Developer waives its right to judicially contest City's exercise of its Power of Termination under this Section 5.4(e).

(v) If the Developer is in default of Post-Closing Obligations under this Section 5.4(e) following the Close of Escrow and prior to the issuance by the City of a Certificate of Occupancy for the Hotel the City may, in its sole discretion, as a remedy in addition to any and all other remedies set forth herein or available at law or equity, re-enter and take possession of the Project Site with all then-existing improvements, and vest in the City the estate previously conveyed to the Developer. The City's rights under this Section shall terminate and be of no further force and effect upon the earlier of satisfaction of the Post-Closing Obligations or the issuance by the City of a Certificate of Occupancy for the Hotel.

(vi) The City's Power of Termination shall be subordinate and subject to and be limited by and shall not defeat, render invalid, or limit:

(i) Any financing instrument secured by the Property (including any loans or ground lease); or

(ii) Any rights or interests provided in this Agreement for the protection of the holder of a secured financing right with respect to the Property; or

(iii) Any leases affecting the Property as of the date of such termination.

The rights established in this Section 5.4(e) are to be interpreted in light of the fact that the City and SARDA will convey the Project Site to the Developer for development and not for speculation.

This subsection 5.4(e)(vi) shall not apply to City's exercise of its Power of Termination pursuant to subsection 5.4(e)(iii) above.

(vii) Upon vesting in the City of title to the Project Site as provided in this Section 5.4(e), the City shall have the sole discretion to determine the terms and conditions upon which it shall subsequently dispose of or utilize the Project Site and the parties shall have no further obligations to one another. Obligations under any guaranties and ancillary documents in connection with this Agreement shall also terminate and be of no further force and effect.

(viii) Upon the earlier of satisfaction of the Post-Closing Obligations or issuance of a certificate of occupancy for the Hotel Developer shall be entitled to record a memorandum of release of reversionary rights in the form attached hereto as Exhibit [__].

(f) As additional security to secure the performance of Developer's Post Closing Obligations, Developer shall execute and deposit with the Escrow Agent prior to the Close of Escrow, a Performance Deed of Trust and Security Agreement in the form attached hereto as Attachment No. 10.

5.5 Physical Condition of the Project Site. The Developer agrees to unconditionally accept the Project Site SUBJECT TO ALL FAULTS AND CONDITION, "AS-IS", "WHERE IS", WITHOUT ANY WARRANTY AS TO QUALITY, CHARACTER, PERFORMANCE OR CONDITION and with full knowledge of the physical condition of the Project Site, all Laws applicable to the Project Site, the Approved Title Exceptions and of any and all conditions, restrictions, encumbrances and all matters of record relating to the Project Site. The Developer's acceptance of the Project Site shall constitute the Developer's representation and warranty to the City that the Developer is relying solely on its own investigation of the Project Site and has received assurances acceptable to the Developer by means independent of the City or any employee, official, consultant or agent of the City of the truth of all facts material to the Developer's purchase of the Project Site pursuant to this Agreement, the Deed of Sale , and that the Project Site are being purchased by the Developer as a result of its own knowledge, inspection and investigation of the Project Site and not as a result of any representation(s) made by the City or City, or any employee, official, consultant or agent of the City or City relating to the condition of the Project Site. The City hereby expressly and specifically disclaim any express or implied warranties regarding the Project Site, except as expressly set forth in this Agreement.

5.6 Early Entry by Developer

(a) The City shall provide Developer right of entry agreements, as required, by and between the Developer (collectively, the "Right of Entry Agreement").

6. SALE OF CITY PROPERTY; CLOSE OF ESCROW.

6.1 Sale of City Property. City and Developer entered into the City POA, but agreed to transfer the deposit and terminate the City POA and replace it with a prior version of this Agreement. The City POA terms shall upon the execution of this Agreement inure to this Agreement and thereby shall provide for the sale of the City Property. The City Property shall be sold to the Developer pursuant to the Deed of Sale. On or before the Target Date set forth in the Schedule of Performance, the City and the Developer shall negotiate and agree on the form of Deed of Sale which shall include a right of repurchase by the City in the event that the Project has not obtained required building permits within fifteen (15) months of the Close of Escrow or not commenced construction within eighteen (18) months from the Close of Escrow.

(a) Opening of Escrow; Updated Preliminary Title Reports. The Parties shall open an escrow with Foresite Escrow, or such other escrow company as the Parties may mutually select (the "Escrow Agent") to consummate the Close of Escrow as herein provided. Within sixty (60) days of the Execution Date ("Delivery Date"), the Developer shall deliver to the City a preliminary title report ("Preliminary Title Report") for the City Property prepared by Lawyers Title Insurance Company (the "Title Company").

(b) Developer has reviewed the Preliminary Title Report and has no objections to the items of record.

6.2 Execution and Delivery of Documents. The applicable Parties shall complete, execute and deliver the Closing Documents as set forth in Section 6.3(a).

6.3 Close of Escrow; Title Policies. Provided that each of the conditions in Sections 5.2 and 5.3 has been satisfied, or waived in writing by the Party or the Parties, as applicable, to whose benefit such condition exists, the Parties shall close the transaction contemplated by this Agreement ("Close of Escrow") on or before the Target Date set forth in the Schedule of Performance (the "Closing Date"), but in no event earlier than the following conditions have been satisfied:

(a) Escrow Agent and Title Company shall have received fully executed originals of all of the following documents (the "Closing Documents"), all of which Closing Documents shall be delivered not later than one (1) business day prior to the Closing Date:

(i) Two (2) originals of the Deed of Sale, executed by the City and Developer;

(ii) One (1) notarized original of the Performance Deed of Trust and Security Agreement, executed by Developer;

(iii) One (1) notarized original of the Memorandum of Deed of Sale, executed by the City and Developer, in recordable form;

(iv) One (1) original Closing Statement, executed by the City;

(v) One (1) original Closing Statement, executed by the Developer;

(vi) As to each of the lenders involved in the Close of Escrow, one (1) original executed Closing Statement; and

(vii) Such other customary and reasonable title and escrow documents reasonably required by the Title Company and Escrow Company for the Close of Escrow in a form and with terms reasonably acceptable to the Parties executing such documents and supplemental escrow instructions as may be reasonably required for the Close of Escrow.

(b) The Title Company is irrevocably committed to issue to the Developer a policy or policies of title insurance related to the City Property in such form and amounts and with such special endorsements as may be reasonably required by the Developer and the Private Construction Lender, subject only to the Approved Title Exceptions;

(c) The Title Company is irrevocably committed to issue to the City policies of title insurance related to the City Property in such form and amounts and with such special endorsements as may be reasonably required by the City, as applicable, subject only to the Approved Title Exceptions;

(d) Escrow Agent shall have received from the Developer evidence that the Title Company is irrevocably committed to issue to the Private Construction Lender a lender's policy of title insurance in the amount of the first lien mortgage, subject only to the Approved Title Exceptions, and with special endorsements as may be required by the Private Construction Lender;

(e) Escrow Agent shall have received from the City and/or City evidence that the Title Company is irrevocably committed to issue to any public lender a lender's policy of title insurance in the amount of the financing, subject only to the Approved Title Exceptions, and with special endorsements as may be required by the public lenders;

(f) The Developer and the Escrow Agent shall have received from the City certification in writing that all conditions to Close of Escrow set forth in Section 5.2 have either been satisfied or waived; and

(g) The City and the Escrow Agent shall have received from the Developer certification in writing that all conditions to Close of Escrow set forth in Section 5.3 have either been satisfied, waived, or deemed Post-Closing Obligations.

(h) Developer shall have deposited in escrow the amount of One Hundred Seventy-Five Thousand and 00/100 Dollars ($175,000.00) to compensate City for the costs of the Turf Reduction Design at Desert Willow, said amount to be credited to City at Close of Escrow.

6.4 Commencement of Construction. Developer shall commence grading and construction of the Project only after the Close of Escrow. Construction shall be completed as in the Schedule of Performance.

6.5 Costs of Escrow; Title Insurance.

(a) The Developer shall pay in escrow to the Escrow Agent the following fees, charges and costs promptly after the Escrow Agent has notified the Developer of the amount of such fees, charges and costs, but not earlier than ten (10) days prior to the Closing Date:

(i) The escrow fee;

(ii) All premiums for title insurance policies and special endorsements issued by the Title Company to the Developer and the Private Construction Lenders pursuant to Sections 6.3(b) and 6.3(d);

(iii) Ad valorem taxes and assessments, including possessory interest taxes, upon the City Property accruing on and after the Closing Date;

(iv) Any transfer taxes required to be paid at the Close of Escrow;

(v) Any fees payable for the recordation of any of the Closing Documents in the Official Records of the County of Riverside; and

(vi) One-half (1/2) of all other fees, charges and costs of escrow.

(b) The City shall pay in escrow to the Escrow Agent the following fees, charges and costs promptly after the Escrow Agent has notified the City of the amount of such fees, charges and costs, and City has approved the same, but not earlier than ten (10) days prior to the Closing Date:

(i) All premiums for title insurance policies and special endorsements issued by the Title Company to the City and the any public lender pursuant to Sections 6.3(c) and 6.3(e);

(ii) The cost of any endorsements that are required to remove any Title Exception that the City has agreed to remove; and

(iii) One-half (1/2) of all other fees, charges and costs of escrow.

Except as otherwise set forth in this Agreement, each of the Parties shall be responsible for the costs of its own due diligence investigations or activities, including, without limitation, the costs of its own consultants and legal counsel.

7. DEFAULTS; REMEDIES.

7.1 General Developer Default. If, prior to the Close of Escrow and delivery of the City Property to Developer, the Developer shall fail to perform or fulfill any obligation required of it under this Agreement and/or under the Right of Entry Agreement and shall not have cured or commenced to cure such failure within thirty (30) days following written notice thereof from the City and/or the City (or has commenced to cure such failure, but is not diligently proceeding to cure such failure), then the Developer shall be in default under this Agreement (each such event or occurrence, a "Developer Event of Default").

In the event of a Developer Event of Default, the City may, each in its sole discretion, (a) extend the time for the Developer to perform the applicable obligation(s) hereunder for a period of time acceptable to the City beyond the cure period set forth in this Section 7.1, or (b) terminate this Agreement by giving written notice (as required under Section 2.4) of such termination to the other Parties. Upon termination, the rights and obligations of the Parties shall be as set forth in Section 8.3 and Article 8.

7.2 Default by City. If, prior to the Close of Escrow, the City shall fail to perform or fulfill any obligation required of such Party under this Agreement and/or under the Right of Entry Agreement and shall not have cured or commenced to cure such failure within thirty (30) days following written notice thereof from the Developer (or has commenced to cure such failure, but is not diligently proceeding to cure such failure), then the City or the City, as applicable, shall be in default under this Agreement (each such event or occurrence, a "Public Entities Event of Default" and, together with a Developer Event of Default, any "Event of Default").

In the event of a Public Entities Event of Default, the Developer may, in its sole discretion, (a) extend the time for the City or the Developer, as applicable, to perform the applicable obligation(s) hereunder for a period of time acceptable to the Developer beyond the cure period set forth in this Section 7.2, or (b) terminate this Agreement by giving written notice (as required under Section 2.3) of such termination to the other Parties. Upon termination, the rights and obligations of the Parties shall be as set forth in Section 7.4 and Article 8.

7.3 Force Majeure. Notwithstanding anything to contrary contained herein, neither Party shall be held liable or responsible to the other Party nor be deemed to have defaulted under or breached this Agreement for failure or delay in fulfilling or performing any term of this Agreement to the extent, and for so long as, such failure or

delay is caused by or results from causes beyond the reasonable control of the affected Party limited to the following events that actually directly impact and cause delay the Project: fire, floods, seismic events, embargoes, war, acts of war (whether war be declared or not), acts of terrorism, insurrections, riots, civil commotions, strikes, lockouts or other labor disturbances, pandemics, or other acts of God.

7.4 Remedies Exclusive.

(a) Because of the nature of this Agreement, the Parties agree that remedies expressly set forth in this Agreement are the only remedies available to the Parties.

(b) The Developer shall not have any remedy for money damages against the City except for return of the Deposit in accordance with Article 8.

(c) The City shall not have any remedy for money damages against the Developer, except for retention of the Deposit in accordance with Article 8.

(d) The City, and the Developer, as applicable, shall be entitled to compel specific performance of the other Party's(ies') obligation to meet and confer in accordance with Section 5.1.

(e) Except as set forth in Section 7.4(d), the Parties shall not have any remedy for specific performance against any other Party.

7.5 Dispute Resolution. The Parties shall, before the commencement of any lawsuit or court action against any other Party relating to this Agreement or the Project, attempt in good faith to settle their dispute by third-party mediation.

8. EVENTS OF TERMINATION; RIGHTS AND OBLIGATIONS OF PARTIES.

8.1 Events of Termination. This Agreement shall automatically terminate if any of the following events (an "Event of Termination") occur prior to Close of Escrow:

(a) The Early Expiration Date or expiration of any Extension Period without an approved Extension or expiration of the final Extension Period;

(b) Termination of this Agreement by any Party pursuant to Section 3.1(c);

(c) Termination of this Agreement by the Developer pursuant to Section 4.14;

(d) Termination of this Agreement by any Party pursuant to Section 5.1(b);

(e) Termination of this Agreement by any Party pursuant to Section 5.1(d);

(f) Termination of this Agreement by the Developer by reason of a Public Entities Event of Default or by the City or the City by reason of a Developer Event of Default, in each case, pursuant to Article 7; and

(g) The failure to otherwise satisfy, by the Closing Date, the conditions set forth in Sections 5.2, 5.3 and 6.5, unless said failure is waived by the Party or Parties which the condition benefits.

8.1.1 Notwithstanding any of the foregoing, this Agreement will terminate upon the issuance of the final certificate of completion of the first phase Developer's Improvements, if not earlier terminated.

8.2 Disposition of Deposit.

(a) IF THIS AGREEMENT IS TERMINATED BY THE CITY PURSUANT TO SECTION 8.1(g), THE DEVELOPER ACKNOWLEDGES AND AGREES THAT THE DEPOSIT MAY BE RETAINED BY THE CITY AND CITY AS LIQUIDATED DAMAGES AND AS THEIR PROPERTY WITHOUT ANY DEDUCTION, OFFSET OR RECOUPMENT WHATSOEVER BY THE DEVELOPER. IF THE DEVELOPER SHOULD DEFAULT UPON ITS OBLIGATIONS HEREUNDER, ANY SUCH TERMINATION OF THIS AGREEMENT WOULD RESULT IN IMMEASURABLE DAMAGE AND LOSS TO THE CITY. IT IS IMPRACTICABLE AND EXTREMELY DIFFICULT TO FIX THE AMOUNT OF SUCH DAMAGES TO THE CITY, BUT THE PARTIES ARE OF THE OPINION, UPON THE BASIS OF ALL INFORMATION AVAILABLE TO THEM, THAT SUCH DAMAGES WOULD APPROXIMATELY EQUAL THE AMOUNT OF THE DEPOSIT, AND THE AMOUNT OF SUCH DEPOSIT SHALL BE PAID TO THE CITY UPON ANY SUCH OCCURRENCE AS THE TOTAL OF ALL LIQUIDATED DAMAGES FOR ANY AND ALL SUCH DEVELOPER EVENTS OF DEFAULT AND NOT AS A PENALTY.

THE DEVELOPER AND THE CITY SPECIFICALLY ACKNOWLEDGE THIS LIQUIDATED DAMAGES PROVISION BY THEIR SIGNATURES HERE:

CITY:

By:_____

DEVELOPER:

By:_____

(b) If this Agreement is terminated by reason of a Developer Event of Default, then the City shall promptly return or release the Deposit then held by the City to the Developer as the Developer's sole remedy hereunder.

8.3 Effect of Termination.

(a) Following the Close of Escrow, the provisions of this Agreement shall be governed by Section 5.4(e), if applicable, and Article 8, and the rights and obligations of the parties under the Deed of Sale and shall be governed by those documents.

(b) If this Agreement is terminated or expires, then the City shall have the absolute right to enter into agreements relating to the Project, Project Site, Developer's Improvements and the City Property with any developer or operator and brand of its choosing. The City shall not have the right to discuss any aspect of the Project with any prospective or subsequent developer, operator, or brand absent full and final termination of this Agreement.

(c) Except as otherwise expressly provided in Section 5.4(e), if applicable, and this Article 8 and in subsection (d) below, upon an Event of Termination none of the Parties shall have any further rights, obligations or remedies to or against any other Party pursuant to this Agreement.

(d) Notwithstanding termination of this Agreement, the Parties agree that the following provisions shall survive such termination to the extent and for such period as necessary to give them full force and effect under the circumstances giving rise to termination of this Agreement:

(i) Section 1.3(c);

(ii) Section 4.6;

(iii) Section 4.7;

(iv) Section 4.9;

(v) Section 4.10;

(vi) Section 8.2; and

(vii) this Section 8.3.

9. MISCELLANEOUS PROVISIONS.

9.1 Real Estate Commissions. Neither Party shall be liable for any real estate commission or brokerage fees which may arise from this Agreement. Each Party represents that it has engaged no broker, agent or finder in connection with this Agreement, and each Party agrees to hold the other Party or Parties harmless from any claim by any broker, agent or finder retained by such Party.

9.2 Time of Essence. Time is of the essence in the performance of the respective obligations of the Parties under this Agreement.

9.3 Consent. The City shall reasonably cooperate with the Developer in the preparation and submittal of any governmental applications the Developer must submit in the furtherance of this Agreement. The City further agree to reasonably cooperate with the Developer in the timely processing of any such applications.

9.4 Entire Agreement. This Agreement consists of forty-six (46) pages together with Attachment Nos. 1 through 9, inclusive, which are attached hereto and incorporated herein by this reference, which constitute the entire agreement between the Parties.

9.5 Interpretation. This Agreement has been negotiated at arm's length and between Persons sophisticated and knowledgeable in the matters dealt with herein. In addition, each Party has been represented by experienced and knowledgeable legal counsel. Accordingly, any rule of law (including California Civil Code Section 1654) or legal decision that would require interpretation of any ambiguities in this Agreement against the Party that has drafted it, is not applicable and is waived. The provisions of this Agreement shall be interpreted in a reasonable manner to effect the purposes of this Agreement.

9.6 Governing Law. This Agreement shall be governed by the laws of the State of California.

9.7 Captions. The captions used herein are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope or the intent of any Section hereof.

9.8 No Third Party Rights. Nothing in this Agreement shall create or shall give to third parties any claim or right of action against the City, the City or the Developer beyond such as may legally exist, irrespective of this Agreement.

9.9 Modification or Amendment of Agreement; Operating Memoranda.

(a) No change in, modification to, termination or discharge of this Agreement in any form whatsoever shall be valid or enforceable unless it is in writing and signed by the Party to be charged therewith or its duly authorized representative.

(b) The Parties acknowledge that the provisions of this Agreement require a close degree of cooperation, and that new information and future events may make appropriate changes with respect to the details of performance of the Parties under this Agreement. If, as a result of a Periodic Review provided for in Section 5.1, or otherwise from time to time prior to the Early Expiration Date or during any Extension Period, the Parties find that non-substantive refinements or adjustments that do not require any public review or approval and that concern details of performance of the Parties hereunder, are necessary or appropriate, they may effectuate such refinements or adjustments through a memorandum (individually, "Operating Memorandum", and collectively, "Operating Memoranda") approved by the Parties which, after execution, shall be attached to this Agreement as addenda and become a part hereof. Operating Memoranda must be executed on behalf of the City by its City Manager or designee,

and on behalf of the Developer by its authorized representative. Operating Memoranda shall not require prior notice or approval by the City Council and shall not constitute an amendment to this Agreement.

(c) Any substantive or significant modifications to the terms and conditions set forth in this Agreement, such as an increase of the Public Investment Amount, reduction in insurance or indemnity requirements, or waiver of any discretionary approval requirement, shall be processed as an amendment of this Agreement, and must be approved by the Developer, and City Council.

9.10 Waiver. No waiver or any breach of any of the terms, covenants, agreements, restrictions or conditions of this Agreement shall be construed to be a waiver of any succeeding breach of the same or other terms, covenants, agreements, restrictions and conditions hereof.

9.11 Severability. If any term, covenant or condition of this Agreement or the application thereof to any Person or circumstance shall to any extent be invalid or unenforceable, the remainder of this Agreement or the application of such term, covenant or condition of this Agreement shall be valid and enforceable to the fullest extent permitted by Law.

9.12 Integrated Agreement. This Agreement, including the attached exhibits, contains the entire agreement of the parties and supersedes all prior and contemporaneous agreements and understandings, oral or otherwise, among the parties with respect to the matters contained in this Agreement and may not be modified or amended except as set forth in this Agreement.

9.13 Certificates.

(a) On or before the Target Date set forth in the Schedule of Performance, the Developer shall provide to the City an incumbency certificate, in form and substance reasonably satisfactory to the City and signed by a duly authorized officer of the Developer, certifying that Doug Sheres, John Luff and Don Rady are duly authorized to execute this Agreement on behalf of the Developer, and attaching a copy of the Limited Liability Company Agreement of Desert Wave Ventures, LLC and any applicable resolutions.

(b) On or before the Target Date set forth in the Schedule of Performance, the City shall provide to the Developer a copy of the resolution duly adopted by the City Council, evidencing that the City Manager is authorized to execute this Agreement on behalf of the City.

(c) On or before the Target Date set forth in the Schedule of Performance, the City shall provide to the Developer a copy of the ordinance duly passed and adopted by the City Council, evidencing that the Mayor of the City is duly authorized to execute this Agreement on behalf of the City.

9.14 Counterparts. This Agreement may be executed in counterparts which taken together shall constitute one agreement.

9.15 Public Records.

(a) The City is subject to the provisions of the California Public Records Act (Cal. Gov. Code § 6250, *et seq.*), (the "Act"). The City's use and disclosure of public records are governed by the Act.

(b) In the event that any lawsuit, action, or other legal proceeding is brought against City by any person(s) or entity(ies) seeking the disclosure of the information Developer has provided to City under any theory (collectively the "Actions"), Developer hereby agrees to release City from any such liability and to defend, indemnify and hold harmless City from any such Actions. Developer agrees and acknowledges that City has the sole and exclusive right to choose its legal counsel in its defense of the Actions, and Developer agrees to fully and promptly reimburse all legal fees and costs incurred by City in the defense of the Actions no later than thirty (30) days after Developer's receipt of a reimbursement invoice with supporting documentation. Developer further agrees that any award of monetary damages, fees and costs, or otherwise that may be legally imposed upon City in the Actions, relating to the information Developer has articulated as being exempt from disclosure under the Act or any other relevant laws, shall be fully and promptly paid by Developer to the Court, plaintiff(s) in the Actions, or any other third party as may be required by any such award no later than thirty (30) days after Developer's receipt of City's written demand for such payment unless earlier ordered by the Court.

9.16 Incorporation by Reference of Recitals. The Recitals are hereby incorporated into this Agreement by reference as if set forth herein in full.

[Signatures on Following Pages]

CITY:

CITY OF PALM DESERT, a charter city and municipal corporation

Date: _____, 2022

By:_____
JAN HARNIK, Mayor

APPROVED AS TO FORM:

By:_____
ROBERT HARGREAVES
City Attorney

DEVELOPER:

Date: _____2022

DESERT WAVE VENTURES, LLC, a Delaware limited liability company

By: FS VENTURES, LLC, a Delaware corporation, Its Manager

By: _____
Don Rady
Its: Managing Member

APPROVED AS TO FORM:

By:_____
Marco A. Gonzalez, Counsel

CALIFORNIA ALL PURPOSE ACKNOWLEDGMENT

Evalution Only. Created with Aspose.Imaging. Copyright 2010- 2021 Aspose Pty Ltd.	ing this certificate verifies only the identity of the individual who signed the document. to ot the truthfulness. accuracy or validity of that document.

State of California)
) SS.
County of _____)

On _____, 20___, before me,_____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature _____

ATTACHMENT NO. 1

SCOPE OF DEVELOPMENT

I. GENERAL

The Project and all related public improvements shall be designed and constructed substantially in accordance with the provisions of this Agreement, including without limitation the Laws, and all specifications, drawings, plans, data, reports, maps, permit applications, land use applications, zoning applications, environmental review and disclosure documents and design review documents (collectively, "Plans and Specifications") and related documents to be approved by the City pursuant hereto. The City staff, the City's engineers, the Developer and the Developer's architects, engineers, General Contractor and subcontractors shall coordinate with respect to the overall design, architecture and nature of the improvements on the Project Site.

In the event of any conflict between the contents of this Scope of Development and the Agreement, the provisions of the Agreement shall prevail.

II. DEVELOPER'S IMPROVEMENTS

Subject to the terms and conditions of this Agreement, including all attachments hereto, the Developer shall be responsible for the design and construction of the following improvements in two phases (collectively, the "Developer's Improvements"):

A. Phase one Developer's Improvements will include an approximately 17.68 acre Surf Lagoon Resort and Amenities comprised of:

1. Minimum 5.0 acre Surf Lagoon with wave generating equipment.

2. Minimum 6,000 sq. ft. and maximum 15,000 sq. ft. Surf Center Building, to include surf welcome area, ticketing, wetsuit rental/drying, board rental, office space, training area, flex space, and retail facility.

3. Developer to construct a hotel pursuant to the amended Specific Plan and Precise Plan that allows up to 350 hotel rooms in one hotel and complies with the following requirements:

    a. Phase one of Developer's Improvements shall include a minimum of 137 keys, all of which may be provided in the Hotel.

    b. Hotel and related facilities shall include multiple restaurants, spa facilities, pool facilities and group meeting space commensurate with hotel/villa upper upscale brand, size and needs.

c. Hotel shall be designed to meet the standards equivalent to an AAA 4-Diamond rating in accordance with the latest version of the Approval Requirements & Diamond Rating Guidelines Lodging published by AAA.

d. Hotel shall be an independent boutique or shall carry the flag of a major hotel brand (Marriott, Hilton, Hyatt). AAA 4-Diamond rating equivalency requirements shall dictate investment requirements for the hotel amenity and room packages (such investment not to be less than $75,000 per key for Furniture, Fixtures and Equipment, and operating supplies and systems), including the desired mix of rooms, suites and Residential Units. However, any "extended stay" or "time share" hotel shall not be permitted without prior written approval by the City.

e. Evidence and consent of a market based commercially reasonable Hotel Developer/Operator agreement with a partner that has a minimum of 10 years' experience operating Upper Upscale or Luxury hotels or resorts.

f. Developer may but is not required to include a portion of the Project's Residential Units in phase one of Developer's Improvements.

4. Proprietary wave producing machinery and accompanying surf lagoon control building.

5. All ancillary Support Facilities to support wave operations in accordance with Specific Plan including maintenance, guest service, F&B, parking and common area.

6. Private Water Well approval, permitting, construction and operation on Project Site, if development of a private water well on the Project Site is legally and technically feasible.

7. Circular roadway around project perimeter, as necessary, for fire and residential ownership access.

8. Landscape, Open Space, and Swimming Pools equating to a minimum of 20% of the Project Site.

9. Parking – Not less than:

a. Parking structure with 151 parking stalls for Surf Center parking and Desert Willow overflow parking;

b. 96 on-site surface parking stalls for Surf Center and Desert Willow overflow parking;

c. Hotel parking as required by the Existing Approvals to include 30 on-site parking stalls and up to 107 off-site parking stalls; and

d. 246 surface stalls of off-site parking which include the107 from item "C" above

B. Misc. Items included in phase one Developer's Improvements:

1. Construct freshwater intake line from City owned 15" extant water line to west boundary line of SARDA Parcel B consistent with Existing Approvals or in substantial conformance with the Improvement objective.

2. Construct on-site and accompanying off-site storm-water discharge system draining to dry wells and waste areas on the Mountain View golf course or in substantial conformance with the Improvement objective.

3. Construct evacuation line to dry wells and golf course irrigation lake system (through Embarc property) consistent with Existing Approvals or in substantial conformance with the Improvement objective.

4. Construct tie-in sewer line to CVWD owned extant line west of the site adjacent to Westin Desert Willow Villas consistent with Existing Approvals or in substantial conformance with the Improvement objective.

5. Provide emergency gate access point for emergency vehicles at northerly and westerly corner of site adjacent to Westin Desert Willow Villas consistent with Existing Approvals, as required by Palm Desert Fire Department.

6. Provide funding consistent with the Turf Reduction Program Funding Agreement.

7. Construct improvements for overflow parking needs of the Desert Willow Golf Resort.

8. Construction of all utility connections to support the Project.

C. All Conditions of Approval identified in the Existing Approvals.

D. All Mitigation Measures identified in the Existing Approvals.

E. Phase two of Developer's Improvements shall include construction of Residential Units and associated amenities, up to a total of 83 units within the Project.

III. ARCHITECTURE AND DESIGN

The Developer's Improvements shall be of high architectural quality and be sufficiently landscaped, as approved by the Architectural Review Committee. The Construction Documents and the Building Permit Application shall describe the architectural character intended for the Developer's Improvements.

ATTACHMENT NO. 2

PRELIMINARY PLAN OF FINANCE

[TO BE INSERTED]

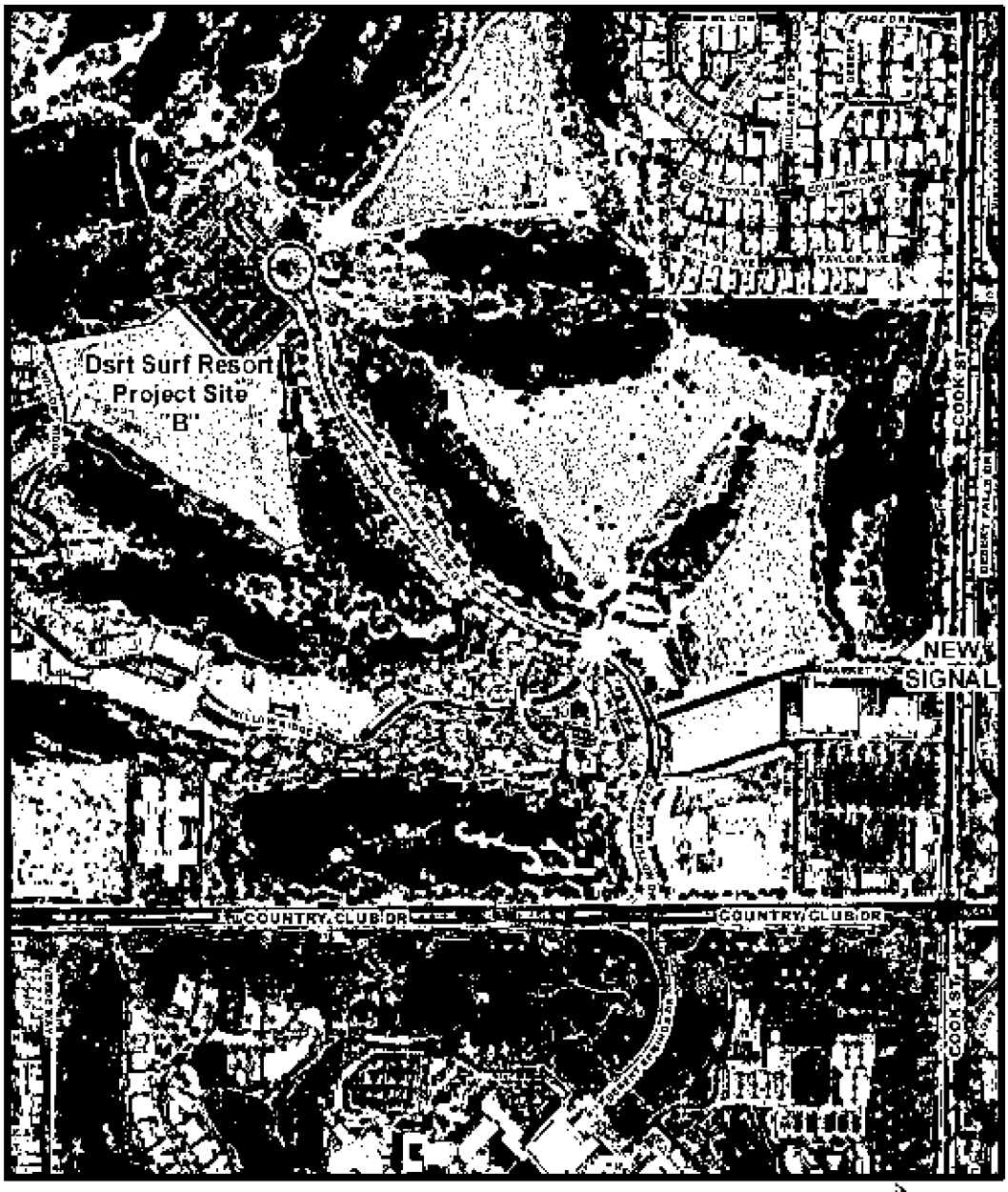
ATTACHMENT NO. 3

FORM OF PROJECT BUDGET

[TO BE INSERTED]

ATTACHMENT NO. 4

MAP OF PROJECT SITE;
MAP SHOWING GENERAL LOCATION OF ELEMENTS OF THE PROJECT



Dsrt Surf Resort Project Site

ATTACHMENT NO. 5

LEGAL DESCRIPTION OF PROJECT SITE

For SARDA Property

All that certain real property situated in the County of Riverside, State of California, described as follows:

Lot 8 of Tract No. 28450, in the City of Palm Desert, County of Riverside, State of California, as shown by map on file in Book 264, Pages 4 through 15 of Maps, Records of Riverside County.

Excepting therefrom all oil, gas and other mineral deposits, together with the right to prospect for, mine, and remove the same, according to the provisions of the Act of Congress approved June 1, 1938 (52 Stat. 609) as reserved in the Patent recorded February 4, 1960 as Instrument No. 9510, of Official Records of Riverside County, California;

Also excepting therefrom one half of all crude oil, petroleum, gas brea, asphaltum, and all kindred substances and other minerals, as reserved in deed from Henry A. Dustin and Pearl M. Dustin, husband and wife recorded January 11, 1956 as Instrument No. 1901 of Official Records of Riverside County, California;

Also excepting therefrom one half of all crude oil, petroleum, gas brea, asphaltum, and all kindred substances and other minerals, as reserved in deed from Henry A. Dustin and Pearl M. Dustin, husband and wife recorded January 11, 1956 as Instrument No. 1895 in Book 1845, Page 474 of Official Records of Riverside County, California;

Also excepting one half of all crude oil, petroleum, gas, brea, asphaltum and all kindred substances and other minerals under and in said land, without right of surface entry and with the obligation of grantor herein and any transfers thereof to repair any damage to said land and/or any improvements now or hereafter constructed thereon resulting from the extraction of said minerals by deed recorded February 8, 1985 as Instrument No. 27280 of Official Records of Riverside County, California;

Also excepting therefrom one half of all crude oil, petroleum, gas, brea, asphaltum and all kindred substances and other minerals under and in said land without the right of surface entry and with the obligation of grantor herein and any transferee thereof to repair any damage to said land and/r any improvements now or hereafter constructed thereon resulting from the extraction of said minerals, as reserved by deed recorded January 31, 1991 as Instrument No. 36436 of Official Records of Riverside County, California; said mineral rights interests now purportedly vest in Lois A. Taylor, Jacqueline Y. Schaper, Jeanelle N. Stehly, Chadwick J. Mc Donald, Kevin O. Mc

Donald, as to an undivided 1/5 interest each as evidenced by Quitclaim Mineral Deed recorded June 1, 1993 as Instrument No. 204127 of Official Records of Riverside County, California;

Also excepting therefrom all oil, gas and other hydrocarbon substances and minerals in and under said land, as set forth in the deed from John J. Kovacevich and Beverly Ellen Kovacevich, husband and wife recorded January 20, 1959 as Instrument No. 5010 of Official Records of Riverside County, California, without right of surface entry to a depth of 500 feet;

Except one half of all oil and mineral rights as reserved by Lucille Sleeper in Document recorded March 20, 1956 in Book 1883, Page 571 of Official Records of Riverside County, California;

Also excepting therefrom one half of all oil and minerals, as reserved by Lucille Sleeper by deed recorded December 14, 1961 as Instrument No. 107309 of Official Records of Riverside County, California.

Also excepting therefrom one half of all crude oil, petroleum, gas brea, asphaltum, and all kindred substances and other minerals, as reserved in deed from Henry A. Dustin and Pearl M. Dustin, husband and wife recorded January 11, 1956 as Instrument No. 1897 of Official Records of Riverside County, California.

Also except therefrom that portion of said land conveyed to the City of Palm Desert, a Municipal Corporation, as set forth and described in that certain document recorded November 6, 2014 as Instrument No. 2014-0428272 of Official Records.

APN: 620-420-023

For City Property:

All that certain real property situated in the County of Riverside, State of California, described as follows:

That portion of Lot 8 of Tract No. 28450, in the City of Palm Desert, County of Riverside, State of California, as per map filed in Book 264, Pages 4 through 15, inclusive, of Maps, in the Office of the County Recorder of said County, described as follows:

Beginning at the Westerly terminus of that certain course in the Northerly line of said Lot 8 shown as "N 89°46'41" W 293.56'" on said map;

Thence along said Northerly line S 89°46'41" E 293.56 feet to the West line of Desert Willow Drive, and to the beginning of a non-tangent curve concave to the East having a radius of 137.00 feet and to which beginning a radial line bears S 88°57'01" W;

Thence along said Wet line Southeasterly 170.74 feet along said curve through a central angle of 71°24'21" to the beginning of a reverse curve concave to the Southwest having a radius of 65.00 feet, a radial line through said beginning of reverse curve bears N 17°32'40" E;
Thence continuing along said West line Southeasterly 51.87 feet along said curve through a central angle of 45°43'21" to the beginning of a compound curve concave to the Southwest having a radius of 526.00 feet;

Thence continuing along said West line Southeasterly 36.97 feet along said curve through a central angle of 4°01'37";

Thence leaving said West line S 46°18'47" W 347.14 feet;

Thence N 43°41'13" W 394.66 feet to the Northerly line of said Lot 8;

Thence along said Northerly line N 54°05'23" E 97.66 feet;

Thence continuing along said Northerly line N 0°50'56" E 92.68 feet to the point of beginning.

APN: 620-400-008; 620-420-024

ATTACHMENT NO. 6

FORM OF CITY COST REIMBURSEMENT AGREEMENT

REIMBURSEMENT AGREEMENT

Between

CITY OF PALM DESERT
a California municipal corporation

and

DESERT WAVE VENTURES, LLC,
a Delaware limited liability company

REIMBURSEMENT AGREEMENT

This Reimbursement Agreement ("Agreement") is made this ___ day of _____, 20__, by and between the City of Palm Desert, a California municipal corporation (the "City"), and Desert Wave Ventures, LLC, a Delaware limited liability company registered to do business in the State of California (the "Applicant").

RECITALS

This Agreement is made with respect to the following facts.

A. The Applicant is in contract to purchase of that certain real property ("Property") located within the City of Palm Desert, County of Riverside, California. The Property is more particularly described in attached **Exhibit A.**

B. The Applicant is contemplating a development described as the 17.68 acre DSRT Surf project described in Environmental Impact Report Project SCH #2019011044 and its Addendum, consisting of a 5.5 acre surf lagoon and surf center facility to include restaurant, bar, retail and similar facilities, a minimum of 137 and a maximum of 350 hotel rooms and up to 83 for-sale residential units which is referred to as the "Project."

C. To provide the City with the planning, environmental and legal services, and other expertise and information necessary to the City's review process concerning the development of the Property, it is necessary for the City to access the services of various consultants for the Project beyond those whose fees are paid through traditional permit and application fees ("Consultants").

D. As a condition to the City's completion of the review process, the Applicant has agreed to reimburse the City for the Consultants' costs and expenses related to the City's review process in the manner and amounts set forth in this Agreement. The Applicant's reimbursement of City under this Agreement will ensure that the City has the necessary resources to diligently and efficiently process the Applicant's Project.

AGREEMENT

NOW, THEREFORE, in consideration of the following mutual promises and agreements, City and Applicant agree as follows:

1 Incorporation of Recitals. The parties agree that the Recitals constitute the factual basis upon which the City and the Applicant have entered into this Agreement. The City and the Applicant each acknowledge the accuracy of the Recitals and agree that the Recitals are incorporated into this Agreement as though fully set forth at length.

2. City to Retain Consultants. As a necessary and indispensable part of its fact-finding process relating to the review and processing of the Applicant's proposed uses of the Property and Project, the City shall retain the services of Consultants as the City may deem necessary in its reasonable and sole discretion.

The Applicant agrees that, notwithstanding the Applicant's reimbursement obligations under this Agreement, Consultants shall be the contractors exclusively of the City and not of the Applicant. Except for those disclosures required by law including, without limitation, the California Public Records Act, all conversations, notes, memoranda, correspondence and other forms of communication by and between the City and its Consultants shall be, to the extent permissible by law, privileged and confidential and not subject to disclosure to the Applicant. The Applicant agrees that it shall have no claim to, nor shall it assert any right in any reports, correspondence, plans, maps, drawings, news releases or any and all other documents or work product produced by the Consultants.

3. Applicant to Cooperate with Consultants. The Applicant agrees to cooperate in good faith with the Consultants and City. The Applicant agrees that it will instruct its agents, employees, consultants, contractors and attorneys to reasonably cooperate with the Consultants and to provide all necessary documents or information reasonably requested of them by the City and/or the Consultants; provided, however, that the foregoing shall not require the disclosure of any documents or information of the Applicant which by law is privileged, proprietary, confidential, and exempt from disclosure under the Public Records Act.

4. Applicant's Reimbursement of Costs and Expenditures. The Applicant shall reimburse the City for one hundred percent (100%) only of the actual costs and expenditures incurred after November 14, 2019 by the City relative to the Consultant costs ("Costs".) The City has preliminarily reviewed the scope of work required and has estimated the Costs to be approximately Fifty Thousand Dollars ($50,000) ("Estimated Costs"). Within ten (10) calendar days of the execution of this Agreement, the Applicant shall submit the initial deposit in the amount of $50,000 to cover 100% of the consultant costs The City shall provide copies of monthly invoices prepared by consultants, with confidential information removed, and the applicant shall make additional deposits to adequately cover the anticipated consultant costs.

5. Applicant's Approval of Excess Costs and Expenditures. City shall not exceed the Estimated Consultants Costs without the Applicants prior written approval. The City may incur aggregate Costs up to the Estimated Costs, subject to the reasonable approval of the Applicant. The City shall use reasonable good faith efforts to consult with the Applicant incurring Costs that exceed the Estimated Costs ("Excess Costs"). The Applicant's obligation to reimburse the City for Excess Costs which exceed the Estimated Costs shall be contingent upon, the City's providing the Applicant with written notice of the amendment of the "Estimated Costs" to be performed by Consultants and the estimated Excess Costs prior to the commencement of work. The City shall not incur Excess Costs without the prior written approval of the Applicant;

however in the event that Applicant does not approve of Excess Costs, City shall not be required to continue processing of the Project.

For purposes of this Section, the City shall be deemed to have consulted with the Applicant when the City has provided written notice to the Applicant that the City reasonably anticipates that it will incur, or has incurred, Excess Costs. If, after consultation, the Applicant disagrees with the City's incurring of Excess Costs, then the Applicant's may terminate this Agreement pursuant to Section 9 of this Agreement, subject to the Applicant's obligation to reimburse the City for all Costs incurred by the City prior to the date of termination, whether or not yet paid by the City to the Consultants.

6. Evidence of Payment of Consultant Costs Immediately following the City's disbursement of funds to Consultant pursuant to an approved Professional Services Agreement or similar retainer agreement with the Consultant(s), the City shall provide the Applicant with such reasonable documentation as the Applicant may request to substantiate any demands for payment by Consultant(s).

7. Applicant understands and agrees that City reserves complete discretion and authority regarding the (a) outcome of the Project, (b) contents, scope, analysis and conclusions of the Consultant(s) and Consultant documents, including plans, staff reports, ordinances, resolutions, maps, conditions, mitigation measures, and environmental review documents and findings, (c) and City determinations and decisions on the Project. Nothing in this Agreement shall in any way commit or obligate City to approve any particular development project application or to support the development of any part of it.

8. Term. The term of this Agreement shall commence on the date that this Agreement is approved by the City and fully executed by the parties and shall terminate when all work required been completed to the City's reasonable satisfaction and the Applicant has satisfied all of its obligations under this Agreement including, without limitation, the obligation to reimburse the City for Estimated Costs and Excess Costs, whether or not paid by the City to Consultant(s) prior to the date of termination. The Applicant's obligation to reimburse the City as provided in this Agreement shall survive the termination of this Agreement pursuant to Section 9.

9. Early Termination. The City may terminate this Agreement prior to the term set forth in Section 8 above, without cost or liability to the City, upon thirty (30) days prior written notice to the Applicant. The Applicant may in its reasonable and sole discretion terminate this Agreement prior to the end of the term set forth in Section 8 above upon thirty (30) days' prior written notice to the City; provided, however, that the Applicant has satisfied all of its obligations under this Agreement to the date of termination regarding reimbursement to the City of both Estimated Costs and Excess Costs and, furthermore, that the Applicant has given City written notice withdrawing its application(s) for the Project.

Within two (2) City working days following either the City's decision to terminate this Agreement or the City's receipt of written notice indicating the Applicant's decision to terminate this Agreement, the City shall notify the Consultant(s) and instruct them to cease work. Consultant(s) shall be instructed to bill the City for any work completed prior to the date of termination.

10. Assignability. This Agreement may not be assigned by either party without the prior and express written consent of the other party, which consent shall not be unreasonably withheld. In determining whether to approve a request by the Applicant to assign this Agreement, the City may consider, among other things, the proposed assignee's financial status and commitment to the Project. Any attempted assignment of this Agreement not in compliance with the terms of this Agreement shall be null and void and shall confer no rights or benefits upon the assignee.

11. No Oral Modifications. This Agreement represents the entire understanding of the City and the Applicant and supersedes all other prior or contemporaneous written or oral agreements pertaining to the subject matter of this Agreement. This Agreement may be modified, only by a writing signed by both the authorized representatives of both the City and the Applicant.

12. Binding Upon Successors. This Agreement and each of its terms shall be binding upon the City, the Applicant and their respective officers, elected officials, employees, agents, contractors, and permitted successors and assigns.

13. Legal Challenges. Nothing herein shall be construed to require City to defend any third party claims and suits challenging any action taken by the City with regard to any procedural or substantive aspect of the City's approval of development of the Property, the environmental process, or the proposed uses of the Property. The Applicant may, however, in its sole and absolute discretion appear as real party in interest in any such third party action or proceeding, and in such event, it and the City shall defend such action or proceeding and the Applicant shall be responsible and reimburse the City for whatever legal fees and costs, in their entirety, including actual attorneys' fees, which may be incurred by the City in defense of such action or proceeding. This City shall have the absolute right to retain such legal counsel as the City deems necessary and appropriate and the Applicant shall reimburse the City for any and all attorneys' fees and costs incurred by the City as a result of such third party action or proceeding; provided, however, Applicant may, at any time, notify City in writing of its decision to terminate such reimbursement obligation and, thereafter, in the event that the City decides to continue the defense of such third party action or proceeding, Applicant shall have no further obligation to reimburse City for its attorney fees and costs.

14. Attorneys' Fees. In the event that any action or proceeding, including arbitration, is commenced by either the City or the Applicant against the other to establish the validity of this Agreement or to enforce any one or more of its terms, the prevailing party in any such action or proceeding shall be entitled to recover from the other, in addition to all other legal and equitable remedies available to it, its actual

attorneys' fees and costs of litigation, including, without limitation, filing fees, service fees, deposition costs, arbitration costs and expert witness fees, including actual costs and attorneys' fees on appeal.

15. Jurisdiction and Venue. This Agreement is executed and is to be performed in the City of Palm Desert, Riverside County, California, and any action or proceeding brought relative to this Agreement shall be heard in the appropriate court in the County of Riverside, California. The City and the Applicant each consent to the jurisdiction of the Court in any such action or proceeding.

16. Severability. If any term or provision of this Agreement is found to be invalid or unenforceable, the City and the Applicant both agree that they would have executed this Agreement notwithstanding the invalidity of such term or provision. The invalid term or provision may be severed from the Agreement and the remainder of the Agreement may be enforced in its entirety.

17. Headings. The headings of each Section of this Agreement are for the purposes of convenience only and shall not be construed to either expand or limit the express terms and language of each Section.

18. Representations of Authority. Each party signing this Agreement on behalf of a party which is not a natural person hereby represents and warrants to the other party that all necessary legal prerequisites to that party's execution of this Agreement have been satisfied and that he or she has been authorized to sign this Agreement and bind the party on whose behalf he or she signs.

19. Notices. Notices required under this Agreement shall be sent to the following:

If to the City:	City Manager City of Palm Desert 73510 Fred Waring Drive Palm Desert, CA 92260
If to the Applicant:	Desert Wave Ventures, LLC Attn: Don Rady 1555 Camino Del Mar Del Mar, CA 92014

Notices given pursuant to this Agreement shall be deemed received as follows:

(1) If sent by United States Mail - five (5) calendar days after deposit into the United States Mail, first class postage prepaid.

(2) If by facsimile - upon transmission and actual receipt by the receiving party.

(3) If by express courier service or hand delivery - on the date of receipt by the receiving party.

The addresses for notices set forth in this Section 19 may be changed upon written notice of such change to either the City or the Applicant, as appropriate.

Dated: _____

CITY OF PALM DESERT
a California municipal corporation

By: _____
_____, Mayor

ATTEST:

By: _____
Anthony Mejia, City Clerk

APPROVED AS TO FORM:

By: _____
Robert W. Hargreaves, City Attorney

Dated: _____

APPLICANT:

_____
By:

_____
Name/Title

Dated: _____

APPROVED AS TO FORM:

By: _____
Applicant's Counsel

Dated: _____

CALIFORNIA ALL PURPOSE ACKNOWLEDGMENT

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	ing this certificate verifies only the identity of the individual who signed the document. to ot the truthfulness. accuracy or validity of that document.

State of California)
) SS.
County of _____)

On _____, 20___, before me,_____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature _____

Exhibit "A"

Description of the Property

Approximately 17.68 acres known as APN 620400008, 620420024 and 620420023 in the City of Palm Desert, County of Riverside, California.

ATTACHMENT NO. 7

FORM OF ACQUISITION AGREEMENT

THIS ACQUISITION AGREEMENT (the "Acquisition Agreement"), dated as of _____, 202_, is by and between the City of Palm Desert, a charter city existing under the laws and Constitution of the State of California (the "City"), and Desert Wave Ventures, LLC, a Delaware limited liability company registered to do business in the State of California (the "Developer").

ARTICLE I
DEFINITIONS

Section 1.1. Definitions. The following terms shall have the meanings ascribed to them in this Section 1.1 for purposes of this Acquisition Agreement.

"Acceptable Title" means title to a Facility or land, in form acceptable to the City Manager, free and clear of all liens, taxes, assessments, leases, easements and encumbrances, whether or not recorded, and, with respect to land, as evidenced by such title guaranty or title insurance as the City Manager may require, but subject to any exceptions determined by the City Manager as not interfering with the actual or intended use of the land.

"Acceptance Date" means the date the City Council takes final action to accept dedication of or transfer of title to a Facility.

"Acquisition Agreement" means this Acquisition Agreement, together with any Supplement hereto.

"Actual Cost" means the substantiated cost of a Facility, which costs may include: (i) the costs incurred by the Developer for the construction of such Facility (evidenced by payments to parties unrelated to the Developer), (ii) the documented costs incurred by the Developer in preparing the Plans for such Facility, (iii) the fees paid to governmental agencies for obtaining permits, licenses or other governmental approvals for such Facility, (iv) documented professional costs incurred by the Developer associated with such Facility, such as engineering, legal, accounting, inspection, construction staking, materials testing and similar professional services; and (v) costs directly related to the construction and/or acquisition of a Facility, such as costs of payment, performance and/or maintenance bonds, and insurance costs (including costs of any title insurance required hereunder). Actual Cost may include (a) an amount not in excess of 7.0% of the cost described in clause (i) of the preceding sentence in respect of any construction management or project management or other similar fee payable to the Developer or any party related thereto, and (b) any financing fees, costs or charges, or any interest, cost of carry or other similar charges.

"Affiliate" means any entity with respect to which 50 percent or more of the ownership or voting power is held individually or collectively by any of the Developer and any other entity owned, controlled or under common ownership or control by or with, the Developer or its managing member(s), general partner(s), or majority shareholder, as applicable, and includes all general partners of any entity which is a

partnership. Control shall mean ownership of 50 percent or more of the voting power of or ownership interest in the respective entity.

"City" means the City of Palm Desert, California.

"City Manager" means the City Manager of the City or or the written designee of such officer acting as such under this Acquisition Agreement.

"Civil Code" means the Civil Code of the State of California.

"County" means the County of Riverside, California.

"Development Agreement" means the Second Revised Disposition and Development Agreement, dated as of _____, 2022 by and between the City and the Developer relating to the development of the Project, as it may be amended from time to time.

"Developer" means Desert Wave Ventures, LLC, and its successors and assigns to the extent permitted under Section 9.7 hereof.

"Facilities" means the public facilities which are described in Exhibit A hereto.

"Finance Director" means the Finance Director of the City, or the written designee of such officer acting as such under this Acquisition Agreement.

"Government Code" means the Government Code of the State of California.

"Hotel" means the primary and accessory structures associated with a minimum of 92 and a maximum of 350 overnight accommodation rooms, grounds and parking facilities associated therewith, described in the Environmental Impact Report for DSRT Surf, Project SCH #2019011044 and its Addendum.

"Labor Code" means the Labor Code of the State of California.

"Payment Request" means a document, substantially in the form of Exhibit C hereto, to be used by the Developer in requesting payment of a Purchase Price.

"Plans" means the plans, specifications, schedules and related construction contracts for the design and construction of any Facility approved by the City or other entity that will own, operate or maintain such Facility when completed and acquired.

"Progress Payment" means the amount paid by the City upon the attainment of certain Project Milestones, each as set forth on Exhibit B hereto.

"Project" means the first phase of that 17.68 acre DSRT Surf project described in Environmental Impact Report Project SCH #2019011044 and its Addendum, located on Lot B of Desert Willow Golf Course consisting of a 5.5 acre surf lagoon and surf center

facility to include restaurant, bar, retail and similar facilities, a minimum of 137 and a maximum of 350 hotel rooms.

"Project Milestone" means the applicable conditions required to be completed or attained prior to each Progress Payment, as set forth on Exhibit B hereto.

"Public Contract Code" means the Public Contract Code of the State of California.

"Purchase Price" means the amount paid by the City for a Facility determined in accordance with Article IV hereof, being an amount equal to the Actual Cost of such Facility, but subject to any applicable limitations and reductions provided for in Article IV.

"Risk Manager" shall mean the person acting in the capacity of Risk Manager for the City.

"RDA Bond Proceeds" shall mean the proceeds of bonds previously issued (specifically, the Palm Desert Financing Authority Tax Allocation Revenue Bonds (Project Area No. 2), 2006 Series A, B, C, and D, and the Palm Desert Financing Authority Tax Allocation Revenue Bonds (Project Area No. 3), 2006 Series A, B, and C) and transferred to the City pursuant to bond proceeds funding agreements previously approved by the California Department of Finance.

"State" means the State of California.

"Surf Center and Surf Lagoon" means that portion of the Project that includes a structure to be used for administration of surfing and recreational activities constructed at no less than 6,000 sq. ft. and no more than 15,000 sq. ft, and including restaurant, bar, cafe, and retail uses; a 5.5 acre surf lagoon with wave generating equipment; and, the grounds surrounding the Surf Center and Surf Lagoon providing pools, additional restaurants, surf schools, lockers, and other amenities available to patrons of the Surf Center and Surf Lagoon.

"Supplement" means a written document amending, supplementing or otherwise modifying this Acquisition Agreement or any exhibit hereto.

ARTICLE II
RECITALS

Section 2.1. The Development. The Developer is developing the Project within the City.

Section 2.2. The Facilities. The Facilities are required as a condition of regulatory approval by the City, and the City and the Developer will benefit from a coordinated plan of design, engineering, and construction of the Facilities and the

development of the Project. The Facilities, which pursuant to the Development Agreement are the subject of acquisition by the City from the Developer under this Acquisition Agreement or with respect to Facilities to be owned by a governmental entity other than the City, contribution by the City toward the Actual Costs thereof from RDA Bond Proceeds, are only the Facilities listed in Exhibit A hereto.

Section 2.3. No Advantage to City Construction. The City, by its approval of this Acquisition Agreement, has determined that it will obtain no advantage from undertaking the construction by the City directly of the Facilities. The Developer agrees to undertake construction of the Facilities in accordance with the requirements of, and subject to the terms and conditions of, this Acquisition Agreement. The Developer hereby represents that it has experience in the supervision of the construction of public facilities of the character of the Facilities.

Section 2.4. Agreements. In consideration of the mutual promises and covenants set forth herein, and for other valuable consideration the receipt and sufficiency of which are hereby acknowledged, the City and the Developer agree that the foregoing recitals, as applicable to each, are true and correct and further make the agreements set forth herein.

ARTICLE III
CONSTRUCTION OF FACILITIES

Section 3.1. Plans. The Developer shall cause Plans to be prepared for the Facilities and shall obtain the written approval of the Plans in accordance with applicable ordinances and regulations of the City or the governmental entity or utility that will own and operate the Facilities. Copies of all Plans shall be provided by the Developer to the City Manager upon request therefor, and, in any event, as built drawings and a written assignment of the Plans for any Facility shall be provided to the City prior to its acceptance of the Facility.

Section 3.2. Duty of Developer to Construct. All Facilities to be acquired hereunder shall be constructed by or at the direction of the Developer in accordance with the approved Plans. The Developer hereby represents it has performed, and shall continue to perform, all of its obligations hereunder and has conducted, and shall continue to conduct, all operations with respect to the construction of the Facilities in a good, workmanlike and commercially reasonable manner, with the standard of diligence and care normally employed by duly qualified persons utilizing their best efforts in the performance of comparable work and in accordance with generally accepted practices appropriate to the activities undertaken. The Developer has employed, and shall continue to employ, at all times adequate staff or consultants with the requisite experience necessary to administer and coordinate all work related to the design, engineering, acquisition, construction and installation of the Facilities to be acquired by the City from the Developer hereunder.

The Developer shall be obligated: (i) to construct and cause to be conveyed to the City, or other applicable governmental entity or utility, all Facilities as a condition of

and pursuant to the terms of any applicable development agreement, improvement agreement, subdivision map, or regulatory approval, and (ii) to use its own funds to pay all costs thereof in excess of the Purchase Prices thereof to be paid therefor hereunder.

The Developer shall not be relieved of its obligation to construct each Facility and convey each such Facility to the City in accordance with the terms hereof, even if because of the limitations imposed by Section 4.6 hereof, the Purchase Price for such Facility is less than the Actual Cost, or cost to the Developer, of such Facility.

Section 3.3. Labor Code Provisions. Pursuant to Section 1781 of the Labor Code, the City hereby states, and the Developer hereby acknowledges, that the construction of the Facilities, the Project, and any portion thereof by the Developer, which will be paid in part out of public funds, is "public work" (as defined in Section 1720 of the Labor Code) to which Section 1771 of the Labor Code applies, and the Developer hereby agrees that it shall cause the construction of the Facilities, the Project, and any portion thereof, to be performed as "public work" as required by Section 1781 of the Labor Code. Without limiting the foregoing, the Developer agrees to comply with the provisions of Sections 1720 et seq. of the Labor Code with respect to prevailing wages with respect to the construction of the Facilities, the Project, and any portion thereof, and to provide to the City payment bonds meeting the requirements of Section 3.6 herein with respect to all such construction.

Section 3.4. Relationship to Public Works; Qualified Contractors; Project Scheduling. The following shall apply to all contracts applicable to the Facilities and any portion thereof which will be the subject of a Payment Request hereunder:

A. General. This Acquisition Agreement is for the acquisition by the City of the Facilities and is not intended to be a public works contract. The City and the Developer agree that the Facilities are of local, and not state-wide concern, and that the provisions of the Public Contract Code shall not apply to the construction of the Facilities. The City and the Developer agree that (i) the Developer shall award, or has awarded, all contracts for the construction of the Facilities and the portions thereof, (ii) this Acquisition Agreement is necessary to assure the timely and satisfactory completion of the Facilities, and (iii) compliance with the Public Contract Code with respect to the Facilities or portions thereof would work an incongruity and would not produce an advantage to the City.

B. Selection of Qualified Contractors. The Developer represents and warrants it shall evaluate, or has evaluated, criteria such as experience, ability to perform on schedule, and financial ability, and such other criteria as recommended by the City Manager to determine qualified contractors for any contract for construction of a Facility or any portion thereof. Such contractors shall comply with any applicable City laws, rules, and regulations.

C. Scheduling. At the request of the City Manager, the Developer shall develop, or cause to be developed, and shall maintain a project schedule, providing for all major project elements included in the construction of the Facilities to be acquired

hereunder, so that the whole project is scheduled in an efficient manner. If a schedule is requested, the Developer shall provide the City Manager with complete copies of the schedule and each update to the schedule for the Director's review.

D. Periodic Meetings. From time to time at the request of the City Manager, representatives of the Developer shall meet and confer with City staff, consultants and contractors regarding matters arising hereunder with respect to the Facilities, and the progress in constructing and acquiring the same, and as to any other matter related to the Facilities or this Acquisition Agreement. The Developer shall advise the City Manager in advance of any coordination and scheduling meetings to be held with contractors relating to the Facilities in the ordinary course of performance of an individual contract. The City Manager shall have the right to be present at such meetings, and to meet and confer with individual contractors if deemed advisable by the City Manager to resolve disputes or ensure the proper completion of the Facilities and any portions thereof.

Section 3.5. Independent Contractor. In performing its obligations under this Acquisition Agreement, the Developer is an independent contractor and not the agent or employee of the City. The City shall not be responsible for making any payments directly or otherwise to any contractor, subcontractor, agent, consultant, employee or supplier of the Developer.

Section 3.6. Performance and Payment Bonds. The Developer shall comply with all performance and payment bonding requirements of the City and other applicable public entities and public utilities with respect to the construction of the Facilities. As to the City, the Developer shall provide to the City payment bonds and performance bonds, which bonds shall meet the following requirements:

A. Payment Bonds. Prior to commencement of construction under each construction contract relating to the construction of any Facility, the Project, or the Hotel, or any portion thereof, the Developer shall provide to the City a payment bond that (I) shall be in conformity with the requirements of the State Civil Code, Sections 9550 and 9554; (II) shall secure with respect to such contract the payment of claims of laborers (including but not limited to the payment of prevailing wages as required by Section 3.3 of this Acquisition Agreement), mechanics, material suppliers, and other persons as provided by law; and (III) otherwise shall be substantially in the form as set forth in Exhibit D. Provided that (a) 15 days have passed after the later of (i) the expiration of the applicable statutory period in which any person may bring suit against the surety(ies) on a payment bond as set forth in Sections 8609 or 9558 of the Civil Code or (ii) the expiration of the applicable statutory period in which any person may record a lien pursuant to Sections 8412 or 8414 of the Civil Code and (b) no such suit or lien has been filed at such time, at the applicable Developer's written request submitted to the Risk Manager, the City shall provide such Developer with a letter confirming that the City no longer requires the applicable payment bond to be maintained in full force and effect.

In the event a contractor to whom a Developer awards a contract for the construction of a Facility provides a payment bond meeting the requirements hereof, such contractor's payment bond shall be deemed as the provision by such Developer of a payment bond hereunder.

B. Performance Bonds. Prior to the commencement of construction on a Facility, the Developer shall require any contractor to whom a contract is awarded for the construction of such Facility to provide a performance bond for the benefit of the City, in substantially the form attached hereto as Exhibit E, securing such contractor's obligations under such contract. Any performance bond provided hereunder shall be in form and substance satisfactory to the City Manager and, if applicable, meet the requirements of Government Code Sections 66499 through 66499.10 of the Subdivision Map Act.

Section 3.7. Contracts and Change Orders. The Developer shall be responsible for entering into all contracts and any supplemental agreements, including change orders, required for the construction of the Facilities, the Project, or any portion thereof. All such contracts and supplemental agreements relating to construction of any Facility shall be submitted to the City Manager or, as to any such contracts and supplemental agreements entered into prior to the date of this Acquisition Agreement, the Developer represents and warrants they have been submitted to the City Manager. Prior approval of supplemental agreements by the City Manager shall only be required for such change orders which in any way materially alter the quality or character of the subject Facilities, provided, as to any such change orders meeting the thresholds set forth in the foregoing and entered into prior to the date of this Acquisition Agreement, the Developer represents and warrants it has obtained the prior approval of the City Manager. The City expects that such contracts and supplemental agreements needing prior approval by the City Manager will be approved or denied (any such denial to be in writing, stating the reasons for denial and the actions, if any, that can be taken to obtain later approval) within five (5) business days of receipt thereof by the City Manager.

ARTICLE IV
ACQUISITION AND PAYMENT

Section 4.1. Inspection. Inspection relating to the applicable Project Milestones shall have been made in connection with each requested Progress Payment, as further set forth in Section 4.3 below. Progress Payments Nos. 3, 4 and 5 shall not be made by the City to the Developer until any and all Facilities required to be completed by the applicable Project Milestones for each such Progress Payment, as set forth on Exhibit B, have been inspected and found to be completed in accordance with the approved Plans by the City or other applicable governmental entity or utility. The City may make periodic site inspections of the Facilities to be acquired by the City hereunder; provided that in no event shall the City incur any liability for any delay in the inspection of any Facilities. For Facilities to be acquired by other public entities or utilities, the Developer shall be responsible for obtaining such inspections and providing written evidence thereof to the City Manager. The Developer agrees to pay all inspection, permit and

other similar fees of the City applicable to construction of the Facilities, subject to reimbursement therefor as an Actual Cost of the related Facility.

Section 4.2. Agreement to Sell and Purchase Facilities.

A. The Developer hereby agrees to sell the Facilities to the City or other applicable governmental entity or utility that will own a Facility, and the City hereby agrees to pay the Purchase Price thereof to the Developer, subject to the terms and conditions hereof. Except for payment of Progress Payments as provided in paragraph B. below, the City shall not be obligated to pay for the purchase of any Facility until the Facility is completed and the Acceptance Date for such Facility has occurred.

B. The City has identified the Project Milestones to be completed or attained for any Progress Payment which may be the subject of a Payment Request prior to completion of the Facilities relating thereto, and paid pursuant to the terms of this Acquisition Agreement prior to completion of such entire Facility or Facilities, and such Project Milestones are set forth on Exhibit B.

The parties hereto acknowledge a Facility does not have to be accepted by the City, or other applicable governmental entity or utility that will own a Facility, as a condition precedent to the payment of any Progress Payment relating thereto, but in no event shall any such payment be made until the requirements of the first paragraph of this Section 4.2.B. have been met. The Developer acknowledges that the Progress Payments, and the Project Milestones relating thereto, have been identified for payment purposes only, and that the City is not obligated to accept a Facility until the entire Facility has been completed, although at the sole discretion of the City Manager, the City may accept a portion of a Facility prior to completion of the entire Facility.

C. In any event, the City shall not be obligated to pay any Progress Payment or the Purchase Price for any Facility except from RDA Bond Proceeds. The City hereby represents and warrants to the Developer that it has reserved and allocated RDA Bond Proceeds in the amount of up to $20,000,000.00 for the purpose of paying the Purchase Prices of the Facilities hereunder, and the Progress Payments toward such Purchase Prices, pursuant to the terms of this Acquisition Agreement.

Section 4.3. Payment Requests. In order to receive a Progress Payment, inspection relating to the applicable Project Milestones shall have been made, and the Developer shall deliver to the City Manager: (a) a Payment Request in the form of Exhibit C hereto for such Progress Payment, together with all attachments and exhibits required by Exhibit C and this Section 4.3 to be included therewith (including, but not limited to, Attachment 1 to Exhibit C), and (b) if payment is requested for a Progress Payment for which one or more completed Facilities is required as a Project Milestone, (i) if the property on which the Facility is located is not owned by the City (or other applicable governmental entity or utility that will own the Facility) at the time of the request, a copy of the recorded documents conveying to the City (or other applicable governmental entity or utility that will own the Facility) Acceptable Title to the real property on, in or over which such Facility is located, as described in Section 5.1 hereof,

(ii) a copy of the recorded notice of completion of such Facility (meeting the requirements specified in Section 4.6), (iii) an assignment to the City of any reimbursements that may be payable with respect to the Facility, such as public or private utility reimbursements, and (iv) an assignment of the warranties and guaranties for such Facility, as described in Section 5.5 hereof, in a form acceptable to the City.

In connection with each Progress Payment, the Developer shall submit such evidence satisfactory to the City Manager and the Finance Director that the Developer has completed or attained the applicable Project Milestones for such Progress Payment.

Section 4.4. Processing Payment Requests. Upon receipt of a Payment Request for any Progress Payment and all accompanying documentation, the City Manager shall conduct a review in order to confirm that such request is complete, that the construction work relating to any Facility required to be completed by a Project Milestone for the applicable Progress Payment has been accomplished in accordance with the Plans therefor, and as to Progress Payments to verify and approve the Actual Cost of all Facilities for purposes of adjustment of the aggregate Purchase Prices therefor pursuant to Section 4.6 herein. The City Manager, and a construction estimator retained by the City, shall also conduct such review as is required in the City Manager' discretion to confirm the matters certified in the Payment Request. The Developer agrees to cooperate with the City Manager, and City's construction estimator, in conducting each such review and to provide the City Manager with such additional information and documentation as is reasonably necessary for the City Manager to conclude each such review. Within ten business days of receipt of any Payment Request, the City Manager will begin to review the request for completeness and notify the Developer whether such Payment Request is complete, and, if not, what additional documentation must be provided. If such Payment Request is complete, the City Manager will provide a written approval, or denial specifying the reason for any denial, of the request within 60 days of its submittal. Each Payment is subject to review and approval by the City Manager as to the amount and allocation, if any, of other project costs allocated to the costs of the Facilities.

Section 4.5. Payment. Upon approval of the Payment Request by the City Manager, the City Manager shall sign the Payment Request and forward the same to the City's Finance Director. Upon receipt of the reviewed and fully signed Payment Request, the City's Finance Director shall, within the then current City financial accounting payment cycle but in any event within 60 business days of receipt of the approved Payment Request, cause the same to be paid but solely from RDA Bond Proceeds.

The Purchase Price paid hereunder for any Facility shall constitute payment in full for such Facility, including, without limitation, payment for all labor, materials, equipment, tools and services used or incorporated in the work, supervision, administration, overhead, expenses and any and all other things required, furnished or incurred for completion of such Facility, as specified in the Plans.

Section 4.6. Restrictions on Payments. Notwithstanding any other provisions of this Acquisition Agreement, the following restrictions shall apply to any payments made to the Developer under Sections 4.2 and 4.5 hereof:

A. Amounts of Payments. Subject to the following paragraphs of this Section 4.6, Progress Payments shall be applied toward the Purchase Prices of the Facilities listed on Exhibit A. If the Actual Cost of all Facilities, in the aggregate, is less than $20,000,000.00, then Progress Payment No. 4 and 5 shall be reduced accordingly such that the total of all Progress Payments paid hereunder does not exceed the aggregate Actual Cost of all Facilities acquired, or paid from RDA Bond Proceeds, by the City hereunder; provided, further, if the aggregate Actual Cost of all Facilities exceeds $20,000,000.00, the aggregate Purchase Price paid under this Acquisition Agreement for all Facilities shall be reduced and limited up to $20,000,000.00.

Nothing herein shall require the City in any event to pay more than the Actual Cost of a Facility. The parties hereto acknowledge and agree that all payments to the Developer for the Purchase Prices of Facilities are intended to be reimbursements to the Developer for monies already expended or, if made pursuant to Section 4.6.B. or 4.6.C. hereof, for immediate payment by the Developer (or directly by the City) to third parties in respect of such Facilities.

B. Joint or Third-Party Payments. The City may make any payment jointly to the Developer and any mortgagee or trust deed beneficiary, contractor or supplier of materials, as their interests may appear, or solely to any such third party, if the Developer so requests the same in writing or as the City otherwise determines such joint or third party payment is necessary to obtain lien releases.

C. Withholding Payments. The City shall withhold payment for Progress Payment Nos. 4 & 5 until Acceptable Title to land on which any Facility required by the applicable Project Milestones to be completed in connection with such Progress Payment is conveyed to the City, as described in Article V hereof.

The City shall withhold any payment hereunder for Progress Payment Nos. 4 & 5 until the City is satisfied that any and all claims for labor and materials have been paid by the Developer for any Facility required by the applicable Project Milestones to be completed in connection with such Progress Payment, or conditional lien releases in accordance with Section 8122 et seq. of the Civil Code have been provided by the Developer for such Facility. The City may waive this limitation upon the provision by the Developer of sureties, undertakings, securities and/or bonds of the Developer or appropriate contractors or subcontractors and deemed satisfactory by the Director of Public Works to assure payment of such claims.

The City shall withhold Progress Payment Nos. 4 & 5 until: (i) the City Manager determines that the Facilities are ready for their intended use, (ii) the Acceptance Date for the Facilities has occurred and the requirements of Section 5.1, if applicable to any Facility, has been satisfied, (iii) a notice of completion executed by the Developer as an owner pursuant to Section 8182 of the Civil Code, reciting the name and address of the

City as an owner of an interest as a vendee under a contract of purchase pursuant to Section 8182 of the Civil Code, and in a form acceptable to the Director or Public Works, has been recorded for the Facility, and (iv) general lien releases in accordance with Section 8122 et seq. of the Civil Code, conditioned solely upon payment to be used to acquire such Facility, has been submitted to the City Manager. The City shall withhold Progress Payment Nos. 4 & 5 until the Developer provides the City Manager with evidence that for any Facility to be owned by other governmental entities the governmental entity or utility has accepted dedication of, or title to, the Facility. If the City Manager determines that a Facility is not ready for intended use under (i) above, the City Manager shall so notify the Developer as soon as reasonably practicable in writing specifying the reason(s) therefor.

Pending transfer of title of any Facility to the City, Developer will not use or permit the use of any such Facility. The Developer shall transfer title to the City of each Facility prior to any use of such Facility.

D. Retention. With respect to Progress Payment No. 5, the City shall withhold an amount up to $2,000,000. Such retention will be released to the Developer upon (i) final completion and acceptance of the related Facilities required by the applicable phase one Project Milestones to be completed in connection with such Progress Payment, (ii) the expiration thereafter of a maintenance/warranty period (or in lieu thereof, posting of a maintenance or warranty bond to remain in effect for such warranty period) consistent with applicable City policy and Section 5.5 hereof, and (iii) after review and approval by the City of the total aggregate Actual phase one Costs of the Facilities and the allocation of other related project costs to the phase one Facilities.

No retention shall apply if the Developer proves to the City Manager' satisfaction that the Developer's contracts for the phase one Facilities provide for the same retention as herein provided, so that the Purchase Price paid for the Facility or portion thereof is at all times net of the required retention.

E. Frequency. No more than one Payment Request shall be submitted by the Developer in any calendar month.

Section 4.7. Defective or Nonconforming Work. If any of the work done or materials furnished for a Facility are found by the City Manager to be defective or not in accordance with the applicable Plans: (i) and such finding is made prior to payment of the Progress Payment for which a percentage or all of the construction of such Facility is required pursuant to the Project Milestones relating to such Progress Payment, the City may withhold payment therefor until such defect or nonconformance is corrected to the satisfaction of the City Manager, or (ii) and such finding is made after payment of the Purchase Price of such Facility or portion thereof, but prior to the expiration of the applicable warranty period, the City and the Developer shall act in accordance with Section 5.5 hereof.

ARTICLE V
OWNERSHIP AND TRANSFER OF FACILITIES

Section 5.1. Facilities to be Owned by the City – Conveyance of Land and Easements to City. Acceptable Title to all property on, in or over which each Facility to be acquired by the City will be located, shall be deeded over to the City by way of grant deed, quitclaim, or dedication of such property. The Developer shall assist the City in obtaining such documents as are required to obtain Acceptable Title with respect to such property on, in, or over which each Facility will be located. Completion of the transfer of title to land shall be accomplished prior to the payment of the Purchase Price for a Facility and shall be evidenced by recordation of the acceptance thereof by the City Council or the designee thereof.

Section 5.2. Facilities to be Owned by the City – Title Evidence. Upon the request of the City Manager, the Developer shall furnish to the City a preliminary title report for land with respect to Facilities to be acquired by the City and not previously dedicated or otherwise conveyed to the City, for review and approval at least 15 calendar days prior to the transfer of Acceptable Title to a Facility to the City. In the event the City Manager does not approve the preliminary title report, the City shall not be obligated to accept title to such Facility, and the City shall not be obligated to pay the Purchase Price for such Facility until the Developer has cured all objections to title to the satisfaction of the City.

Section 5.3. Facilities Constructed on Private Lands. If any Facilities to be acquired are located on privately-owned land, the owner thereof shall retain title to the land and the completed Facilities until acquisition of the Facilities under Article IV hereof. Pending the completion of such transfer of title to land, the Developer shall not be entitled to receive the Progress Payment for the final Purchase Price of any such Facility (e.g., Progress Payment No. 3 with respect to Facilities Nos. 1 and 2, or Progress Payment No. 4 with respect to Facilities Nos. 3, 4, 5 or 6).

Section 5.4. Facilities Constructed on City Land. If the Facilities to be acquired are on land owned by the City, the City shall grant to the Developer a license to enter upon such land for purposes related to the construction, and maintenance pending acquisition, of the Facilities. The provisions for inspection and acceptance of such Facilities otherwise provided herein shall apply.

Section 5.5. Maintenance and Warranties. The Developer shall maintain each Facility in good and safe condition until the Acceptance Date of the Facility. Prior to the Acceptance Date, the Developer shall be responsible for performing any required maintenance on any completed Facility. On or before the Acceptance Date of the Facility, the Developer shall assign to the City all of the Developer's rights in any warranties, guarantees, maintenance obligations or other evidence of contingent obligations of third persons with respect to such Facility. The Developer shall maintain or cause to be maintained each Facility to be owned by the City, including the repair or replacement thereof, for a period of one year from the Acceptance Date thereof, or, alternatively, shall provide a bond reasonably acceptable in form and substance to the

City Manager for such period and for such purpose, to insure that defects, which appear within said period will be repaired, replaced, or corrected by the Developer, at its own cost and expense, to the satisfaction of the City Manager. The Developer shall commence to repair, replace or correct any such defects within 30 days after written notice thereof by the City to the Developer, and shall complete such repairs, replacement or correction as soon as practicable. After such one-year period, the City shall be responsible for maintaining such Facility. Any warranties, guarantees or other evidences of contingent obligations of third persons with respect to the Facilities to be acquired by the City shall be delivered to the City Manager as part of the transfer of title.

ARTICLE VI
INSURANCE; RESPONSIBILITY FOR DAMAGE

Section 6.1. Liability Insurance Requirements. The Developer shall procure and maintain insurance policies and provide to the City Manager evidence of insurance and endorsements thereto on forms acceptable to the Risk Manager as provided below.

A. Time for Compliance. The Developer shall not commence any physical work on the Facilities until it has provided evidence satisfactory to the Risk Manager that it has secured all insurance required under this Section 6.1. In addition, the Developer shall not allow any contractor or subcontractor to commence work on any contract or subcontract until it has provided evidence satisfactory to the City that the subcontractor has secured all insurance required under this Section 6.1.

B. Minimum Requirements. At its expense (but subject to reimbursement to the extent permitted as an Actual Cost), the Developer or its General Contractor shall procure and maintain, until acceptance pursuant to the terms of this Acquisition Agreement of all Facilities, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work covered by this Acquisition Agreement, its agents, representatives, employees or subcontractors. The Developer shall also require all of its contractors and subcontractors to procure and maintain the same insurance until acceptance (pursuant to the terms of this Acquisition Agreement) of all Facilities. Such insurance shall meet at least the following minimum levels of coverage:

1. Minimum Scope of Insurance. Coverage shall be at least as broad as the latest version of the following:

(a) *General Liability:* Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001);

(b) *Automobile Liability:* Insurance Services Office Business Auto Coverage form number CA 0001, code 1 (any auto);

(c) *Workers' Compensation and Employers' Liability:* Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance; and

(d) *Builders'/All Risk:* Builders'/All Risk insurance covering for all risks of loss, including explosion, collapse, underground excavation and removal of lateral support (and including earthquakes and floods if requested by the City).

2. Minimum Limits of Insurance. Developer or its General Contractor shall maintain limits no less than:

(a) *General Liability:* $2,000,000 per occurrence for bodily injury, personal injury and property damage. The general aggregate limit shall apply separately to each construction contract for a Facility thereof that is separately bid and shall be $4,000,000. If multiple Facilities are aggregated under one construction contract, the Risk Manager may in its sole discretion require a higher general aggregate limit;

(b) *Automobile Liability:* $1,000,000 per accident for bodily injury and property damage;

(c) *Workers' Compensation and Employer's Liability:* Workers' compensation limits as required by the Labor Code of the State of California. Employers Liability limits of $1,000,000 per accident for bodily injury or disease;

(d) *Builders'/All Risk:* Completed value of the project;

(e) *Umbrella or Excess Liability Insurance* per Section 4.6.3 of Development Agreement;

(f) *Pollution Liability Insurance:* per Section 4.6.5 of Development Agreement; and

3. Requirements Not Limiting per Section 4.7.9 of Development Agreement.

C. Insurance Endorsements. The insurance policies shall contain the following provisions, or each Developer or its General Contractor shall provide endorsements on forms supplied or approved by the Risk Manager to add the following provisions to its insurance policies:

1. General Liability. (a) The City and its Councilmembers, officers, employees, consultants, agents, attorneys, and volunteers shall be covered as additional insureds with respect to the construction of the Facilities or operations performed by or on behalf of the Developer, including materials, parts or equipment furnished in connection with such work; (b) the insurance coverage shall be primary and non-contributing insurance as respects the City and its Councilmembers, officers, employees, consultants, agents, attorneys, and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Developer's or its General Contractor's scheduled underlying coverage; and (c) any failure to comply with reporting provisions of the policy shall not affect coverage provided to the City and its Councilmembers, officers, employees, consultants, agents, attorneys, and volunteers. Any insurance or

self-insurance maintained by the City and its Councilmembers, officers, employees, consultants, agents, attorneys, and volunteers shall be excess of the Developer's or its General Contractor's insurance and shall not be called upon to contribute with it.

2. Automobile Liability. (a) The City and its Councilmembers, officers, employees, consultants, agents, attorneys, and volunteers shall be covered as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Developer or for which the Developer is responsible; (b) the insurance coverage shall be primary insurance as respects the City and its Councilmembers, officers, employees, consultants, agents, attorneys, and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Developer's or its General Contractor's scheduled underlying coverage; and (c) any failure to comply with reporting provisions of the policy shall not affect coverage provided to the City and its Councilmembers, officers, employees, consultants, agents, attorneys, and volunteers. Any insurance or self-insurance maintained by the City, its officers, employees, consultants, agents' attorneys, and volunteers shall be excess of the Developer's insurance and shall not be called upon to contribute with it in any way.

3. Waiver of Subrogation for All Coverage. The insurer shall agree to waive all rights of subrogation against the City and its Councilmembers, officers, employees, consultants, agents, attorneys, and volunteers for losses paid under the terms of all insurance policies which arise from work performed by the Developer.

4. All Coverages. Each insurance policy required by this Acquisition Agreement shall be endorsed to state that: (a) coverage shall not be suspended, voided, reduced (in coverage or in limits) or canceled except after 30 days prior written notice by certified mail, return receipt requested, has been given to the Risk Manager; and (b) any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to the City and its Councilmembers, officers, employees, consultants, agents, attorneys, and volunteers.

Liability coverage shall not be limited to the vicarious liability or supervising role of any additional insured nor shall there be any limitation with the severability clause. Coverage shall contain no limitation endorsements and there shall be no endorsement or modification limiting the scope of coverage for liability arising from pollution, explosion, collapse, underground property damage or employment related practices. All liability insurance shall be on an occurrence basis. Insurance on a claims made basis will be rejected. There shall be no cross policy exclusion.

E. Separation of Insureds; No Special Limitations. All insurance required by this Section 6.1 shall contain standard separation of insureds provisions. In addition, such insurance shall not contain any special limitations on the scope of protection afforded to the City and its Councilmembers, officers, employees, consultants, agents, attorneys, and volunteers.

F. Professional Liability Insurance. All architects, engineers, consultants or design professionals retained by the Developer shall also procure and maintain, for a period of five years following acceptance (pursuant to the terms of this Acquisition Agreement) of all Facilities for which such Developer is responsible, errors and omissions liability insurance with a limit of not less than $1,000,000 per occurrence.

G. Deductibles and Self-Insurance Retentions. Any deductibles or self-insured retentions must be declared to and approved by the Risk Manager. The Developer shall guarantee that, at the option of the City, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City and its Councilmembers, officers, employees, consultants, agents, attorneys, and volunteers; or (2) the Developer shall procure a bond guaranteeing payment of losses and related investigation costs, claims and administrative and defense expenses.

H. Acceptability of Insurers. **All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance with an assigned policyholders' and Financial Size Category Class VII (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the City's Risk Manager.**

I. Verification of Coverage. The Developer shall furnish the City with certificates of insurance and endorsements, duly authenticated, evidencing coverage required by this Acquisition Agreement on forms satisfactory to the Risk Manager and with other evidence of coverage as may be reasonably required by the Risk Manager. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf, and shall be on forms supplied or approved by the Risk Manager. All certificates and endorsements must be received and approved by the Risk Manager before work commences. The Risk Manager reserves the right to require complete, certified copies of all required insurance policies, at any time.

J. Reduction, Cancellation, Void or Suspended Policy. In the event that any required insurance is reduced in coverage, canceled for any reason, voided or suspended, the Developer or its General Contractor agrees that the City may arrange for insurance coverage as specified, and the Developer or its General Contractor further agrees that administrative and premium costs may be deducted from any deposits or bonds the City may have. A reduction or cancellation will be grounds for termination of this Acquisition Agreement and will cause a halt to payment for any Facilities, or Progress Payments toward the Purchase Prices thereof, until the insurance is reestablished.

K. Subcontractors. All subcontractors shall meet the requirements of subsections (a) though (d) of this Section 6.1 before commencing any physical work on the Facilities; provided, that minimum general liability coverage shall be $1,000,000 per occurrence for bodily injury, personal injury and property damage, and the general aggregate limit shall apply separately to each construction contract for a Facility that is separately bid and shall be $2,000,000. In addition, the Developer or its General

Contractor shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor, in form and substance acceptable to the Risk Manager, prior to the subcontractor entering the job site. All coverages for subcontractors shall be subject to all of the requirements stated herein. The Developer or its General Contractor may furnish insurance that meets all the specifications of this Section 6.1 to all of its subcontractors though use of an "Owner Controlled Insurance Program", "Contractor Controlled Insurance Program" or "Wrap-up" program, subject to approval by the Risk Manager.

Section 6.2. Responsibility for Damage and Claims. The Developer or its General Contractor shall take and assume all responsibility for the work performed as part of the Facilities constructed pursuant to this Acquisition Agreement. The Developer shall bear all losses and damages directly or indirectly resulting to it, to the City, and its Councilmembers, officers, employees, consultants, agents, attorneys, and volunteers, or to others on account of the performance or character of the work, unforeseen difficulties, accidents or any other causes whatsoever.

The Developer and its successors and assigns shall assume the defense of, indemnify, protect and save harmless the City and its Councilmembers, officers, employees, consultants, agents, attorneys, and volunteers (each an "Indemnified Party"), and each and every one of them (including independent contractors who serve as the City's officers or officials), from and against all actions, demands, damages, injuries, claims, losses, causes of action, liabilities or expenses of every type and description to which they may be subjected or put, whether known or unknown, existing or potential, anticipated or unanticipated, in law or equity, to property or persons, including wrongful death, by reason of, or resulting or in any manner arising from or incident to, the performance by the Developer (or any of its officers, agents, servants, employees, subcontractors, materialmen, or suppliers) of its obligations under this Acquisition Agreement, the construction of the Facilities (including, but not limited to, failure of such Developer to pay any amount due to any contractor hired by the Developer for the construction of any Facility and any fines or penalties arising therefrom, and all damages to property or personal injury received by reason of, or in the course of, performing work, which may be caused by any willful or negligent act or omission by the Developer or any of the Developer's employees, or any subcontractor), the nature or physical condition of the Facilities, the presence of any hazardous materials on or in any land conveyed to the City hereunder (but excluding hazardous materials which are introduced in or on such land by an Indemnified Party or after the expiration of the period for which the Developer is responsible for maintenance of the related Facility pursuant to Section 5.5. hereof), including without limitation the payment of all consequential damages and attorneys' fees and other related costs and expenses. No provision of this Acquisition Agreement shall in any way limit the extent of the Developer's responsibility for payment of damages resulting from the operations of the Developer and its contractors.

The Developer shall defend, at the Developer's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against the City or its Councilmembers, officers, employees,

consultants, agents attorneys, or volunteers. The Developer shall pay and satisfy any judgment, award or decree that may be rendered against the City or its Councilmembers, officers, employees, consultants, agents, attorneys, or volunteers, in any such suit, action or other legal proceeding. The Developer shall reimburse City and its Councilmembers, officers, employees, consultants, agent's attorneys, and volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided.

The City does not, and shall not, waive any rights against the Developer which either may have by reason of the aforesaid hold harmless agreements because of the acceptance by the City, or deposit with the City by the Developer of any insurance policies described in Section 6.1. The aforesaid hold harmless agreement by the Developer shall apply to all damages and claims for damages of every kind suffered, or alleged to have been suffered by reasons of any of the aforesaid operations of the Developer, or any subcontractor, regardless of whether or not such insurance policies are determined to be applicable to any of such damages or claims for damages.

No act by the City or its representatives in processing or accepting any plans, in releasing any bond, in inspecting or accepting any work, or of any other nature, shall in any respect relieve the Developer or anyone else from any legal responsibility, obligation or liability it might otherwise have.

The indemnification and hold harmless provisions of this Section 6.2 shall survive the termination of this Acquisition Agreement, the completion of construction of the Facilities, and the conveyance of title thereto to the City.

ARTICLE VII
REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 7.1. Representations, Covenants and Warranties of the Developer. The Developer represents and warrants for the benefit of the City as follows:

A. Organization. The Developer is a Limited Liability Company duly organized and validly existing under the laws of the State of Delaware, is qualified to do business in and is in compliance with all applicable laws of the State of California, and has the power and authority to own its properties and assets and to carry on its business as now being conducted and as now contemplated.

B. Authority. The Developer has the power and authority to enter into this Acquisition Agreement, and has taken all action necessary to cause this Acquisition Agreement to be executed and delivered, and this Acquisition Agreement has been duly and validly executed and delivered by the Developer.

C. Binding Obligation. This Acquisition Agreement is a legal, valid and binding obligation of the Developer, enforceable against the Developer in accordance with its terms, subject to bankruptcy and other equitable principles.

D. Compliance with Laws. The Developer shall not commit, suffer or permit any act to be done in, upon or to the lands of the Developer, the City or the Facilities in violation of any law, ordinance, rule, regulation or order of any governmental authority or any covenant, condition or restriction now or hereafter affecting the lands in the City or the Facilities.

E. Requests for Payment. The Developer represents and warrants that (i) it will not request payment from the City for the acquisition of any improvements that are not part of the Facilities, and (ii) it will diligently follow all procedures set forth in this Acquisition Agreement with respect to the Payment Requests.

F. Financial Records. Until the date which is one year following the final acceptance of the Facilities, the Developer covenants to maintain proper books of record and account for the construction of the Facilities and all costs related thereto. Such accounting books shall be maintained in accordance with generally accepted accounting principles, and shall be available for inspection by the City or its officers, employees, consultants, or agents at any reasonable time during regular business hours.

G. Prevailing Wages. The Developer covenants that, with respect to any contracts or subcontracts for the construction of the Facilities to be acquired from the Developer hereunder, it will assure complete compliance with any applicable law or regulation for the payment of prevailing wages. Without limiting the foregoing, the Developer further covenants that it will assure compliance with Section 3.3 hereof regarding the payment of prevailing wages with respect to the construction of the Facilities and the Project.

H. Plans. The Developer represents that it has obtained or will obtain approval of the Plans for the Facilities to be acquired from the Developer hereunder from all appropriate departments of the City and from any other governmental entity or utility from which such approval must be obtained. The Developer further agrees that the Facilities to be acquired from the Developer hereunder have been or will be constructed in full compliance with such approved plans and specifications and any supplemental agreements and change orders thereto, as approved in the same manner.

ARTICLE VIII
TERMINATION

Section 8.1. Mutual Consent. This Acquisition Agreement may be terminated by the mutual, written consent of the City and the Developer, in which event the City may let contracts for any remaining work related to the Facilities not theretofore acquired from the Developer hereunder, and the Developer shall have no claim or right to any further payments for the Purchase Price of Facilities or Progress Payments toward the Purchase Prices thereof, except as otherwise may be provided in such written consent.

Section 8.2. City Election for Cause. The following events shall constitute grounds for the City to terminate this Acquisition Agreement, without the consent of the Developer:

A. The Developer voluntarily files for reorganization or other relief under any Federal or state bankruptcy or insolvency law.

B. The Developer has any involuntary bankruptcy or insolvency action filed against it, or shall suffer a trustee in bankruptcy or insolvency or receiver to take possession of the assets of the Developer, or has suffered an attachment or levy of execution to be made against the property it owns within the City unless, in any of such cases, such circumstance shall have been terminated or released within 30 days thereafter.

C. The Developer abandons construction of the Facilities. Failure for a period of 60 consecutive days to undertake substantial work related to the construction of the Facilities, other than for a reason specified in Section 8.3 hereof, shall constitute such abandonment.

D. The Developer breaches any material covenant or default in the performance of any material obligation hereunder.

E. The Developer transfers any of its rights or obligations under this Acquisition Agreement in violation of the terms and conditions of this Acquisition Agreement.

If any such event occurs, the City shall give written notice of its knowledge thereof to the Developer, and the Developer shall meet and confer with the City Manager and other appropriate City staff and consultants within five days of receipt of

such notice as to options available to assure timely completion of the Facilities. Such options may include, but not be limited to the termination of this Acquisition Agreement by the City. If the City elects to terminate this Acquisition Agreement, the City shall first notify the Developer of the grounds for such termination and allow the Developer 60 days to eliminate or mitigate to the satisfaction of the City Manager the grounds for such termination. Such period may be extended, at the sole discretion of the City, if the Developer to the satisfaction of the City is proceeding with diligence to eliminate or mitigate such grounds for termination. If at the end of such period (and any extension thereof), as determined solely by the City, the Developer has not eliminated or completely mitigated such grounds to the satisfaction of the City, the City may then terminate this Acquisition Agreement.

Notwithstanding the foregoing, so long as any event listed in any of clauses A. through and including E. above has occurred, notice of which has been given by the City to the Developer, and such event has not been cured or otherwise eliminated by the Developer, the City may in its discretion cease making payments for the Purchase Price of Facilities or Progress Payments toward the Purchase Prices thereof under Article III or Article IV hereof.

Section 8.3. Force Majeure. Whenever performance is required of a party hereunder, that party shall use all due diligence and take all necessary measures in good faith to perform, but if completion of performance is actually delayed by reasons of floods, earthquakes or other acts of God, war, civil commotion, riots, strikes, picketing, or other labor disputes, pandemics, damage to work in progress by casualty, or by other cause beyond the reasonable control of the party (financial inability excepted), then the specified time for performance shall be extended by the amount of the delay actually so caused.

ARTICLE IX
MISCELLANEOUS

Section 9.1. Limited Liability of City. No member of the City Council or City official, employee, consultant, agent, attorney, or volunteer shall incur any liability hereunder to the Developer or any other party in their individual capacities by reason of their actions hereunder or execution hereof.

Section 9.2. Excess Costs. The Developer shall pay all costs of the Facilities that it is obligated to construct (pursuant to Section 3.2 or otherwise) in excess of the aggregate Purchase Price to be paid by the City therefor pursuant to the terms and conditions of this Acquisition Agreement (including but not limited to Section 4.6).

Section 9.3. Audit. The City Manager and the City's Finance Director may, with 72 hours advanced notice, review all books and records of the Developer pertaining to costs and expenses incurred by the Developer into any of the Facilities, and any bids taken or received for the construction thereof or materials therefor.

Section 9.4. Attorney's Fees. In the event that any action or suit is instituted by either party against the other arising out of this Acquisition Agreement, the party in whose favor final judgment shall be entered shall be entitled to recover from the other party all costs and expenses of suit, including reasonable attorneys' fees.

Section 9.5. Notices. Any notice, payment or instrument required or permitted by this Acquisition Agreement to be given or delivered to either party shall be deemed to have been received when personally delivered, or transmitted by telecopy or facsimile transmission (which shall be immediately confirmed by telephone and shall be followed by mailing an original of the same within 24 hours after such transmission), or 72 hours following deposit of the same in any United States Post Office, registered or certified mail, postage prepaid, addressed as follows:

City: City of Palm Desert
73-510 Fred Waring Drive
Palm Desert, CA 92260
Attention: City Manager

Developer: Desert Wave Ventures, LLC
1555 Camino Del Mar, Suite 315C
Del Mar, CA 92014
Attn: Don Rady

Each party may change its address or addresses for delivery of notice by delivering ten calendar days' prior written notice of such change of address to the other party.

Section 9.6. Severability. If any part of this Acquisition Agreement is held to be illegal or unenforceable by a court of competent jurisdiction, the remainder of this Acquisition Agreement shall be given effect to the fullest extent possible.

Section 9.7. Successors and Assigns. This Acquisition Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto. This Acquisition Agreement shall not be assigned by the Developer without the prior written consent of the City shall release the Developer from its obligations and liabilities under this Acquisition Agreement.

Section 9.8. Other Agreements. Nothing herein shall be construed as affecting the Developer's duties to perform its respective obligations, under other agreements, use regulations or requirements relating to the development. This Acquisition Agreement shall not confer any additional rights to, or waive any duties of, the Developer under the Development Agreement or other agreement to which the Developer is a party.

Section 9.9. Waiver. Failure by a party to insist upon the strict performance of any of the provisions of this Acquisition Agreement by the other party, or the failure by a party to exercise its rights upon the default of the other party, shall not constitute a

waiver of such party's right to insist and demand strict compliance by the other party with the terms of this Acquisition Agreement thereafter.

Section 9.10. Merger; Entire Agreement. No other agreement, statement or promise made by any party or any employee, officer or agent of any party with respect to any matters covered hereby that is not in writing and signed by all the parties to this Acquisition Agreement shall be binding.

Section 9.11. Parties in Interest. Nothing in this Acquisition Agreement, expressed or implied, is intended to or shall be construed to confer upon or to give to any person or entity other than the City and the Developer any rights, remedies or claims under or by reason of this Acquisition Agreement or any covenants, conditions or stipulations hereof; and all covenants, conditions, promises, and agreements in this Acquisition Agreement contained by or on behalf of the City or the Developer shall be for the sole and exclusive benefit of the City and the Developer.

Section 9.12. Amendment. This Acquisition Amendment may be amended, from time to time, by written Supplement hereto and executed by the City and the Developer.

Section 9.13. Counterparts. This Acquisition Agreement may be executed in counterparts, each of which shall be deemed an original.

IN WITNESS WHEREOF, the parties have executed this Acquisition Agreement as of the day and year first-above written.

CITY OF PALM DESERT

By:_____
_____ Mayor

[DEVELOPER]

DESERT WAVE VENTURES, LLC
a Delaware limited liability company

By: FS Ventures, LLC
a Delaware corporation, Its Manager

By:_____

Name:_____

Its:_____

ACQUISITION AGREEMENT

EXHIBIT A

Facilities

a. Parking structure with 151 parking stalls for Surf Center parking and Desert Willow overflow parking;

b. 96 on-site surface parking stalls for Surf Center and Desert Willow overflow parking; and

c. 246 surface stalls of off-site parking

d. 493 is the total number of parking spots to be built

e. Of the 493 spots,

--107 of them will be hotel off site

--30 of them will be hotel on site

f. 356 of the stalls as outlined above are the Facilities

e. 137 of the stalls as outlined above are Hotel Parking Spaces (30 surface onsite and 107 surface offsite) and are not a part of the Facilities

[ADDITIONAL PAGES TO BE INSERTED]

ACQUISITION AGREEMENT
EXHIBIT B

SCHEDULE OF PROGRESS PAYMENTS

Draw	Public Parking	Surf Lagoon and Center	Hotel	RESIDENTIAL UNITS
1st- $5M	30% construction cost of podium Parking Structure	100% rough grading complete	Commence foundation upon fully approved and issued building permits for the entire Hotel	
2nd- $5M	60% of construction cost of podium Parking Structure	100% Foundations Complete	Completion of 60% of Hotel Parking	
3rd- up to $5M	100% completion of all Public Parking and compliance with the Acquisition Agreement	100% of Surf Lagoon floor completed and surf equipment on site	Completion of rough framing construction of the Hotel	
4th- up to $3M	100% of all other public infrastructure and compliance with the Acquisition Agreement	100% complete certificate of occupancy for Surf Lagoon and Center approved	100% complete certificate of occupancy for Hotel approved	
5th- up to $2M	4th Payment has been made, and City "look-back" approval of actual Project Costs in Section 4.5(d) of the Development Agreement and in compliance with			100% complete Certificate of Occupancy for First Phase Developer's Improvements and initiation of residential

	the Acquisition Agreement			construction

ACQUISITION AGREEMENT
EXHIBIT C

FORM OF PAYMENT REQUEST

PAYMENT REQUEST NO. _____

The undersigned (the "Developer") hereby requests payment in the total amount of $_____ for Progress Payment No. ____, as more fully described in Attachment 1 hereto. Capitalized terms used but not defined herein shall have the respective meanings ascribed thereto in the Acquisition Agreement, dated as of _____, 20___, between the City of Palm Desert (the "City"), and the Developer. In connection with this Payment Request, the undersigned hereby represents and warrants to the City as follows:

1. The Undersigned is a duly authorized officer of the Developer, qualified to execute this Payment Request for payment on behalf of the Developer and is knowledgeable as to the matters set forth herein.

2. To the extent that this payment request is with respect to a Progress Payment for which the applicable Project Milestones require one or more completed Facilities, the Developer has submitted or submits herewith to the City as-built drawings or similar plans and specifications for the items to be paid for as listed in Attachment 1 hereto with respect to any such completed Facility, and such drawings or plans and specifications, as applicable, are true, correct and complete. To the extent that this payment request is for a Progress Payment for which the applicable Project Milestones require a percentage (less than completion) of one or more Facilities, the Developer has in the Developer's construction office a marked set of drawings or similar plans and specifications for the subject Facility(ies) as listed in Attachment 1 hereto, which drawings or plans and specifications, as applicable, are current and show all changes or modifications which have been made to date.

3. All costs of the Facilities or portions thereof for which payment is requested hereby are Actual Costs (as defined in the Acquisition Agreement) and have not been inflated in any respect. The items for which payment is requested have not been the subject of any prior payment request submitted to the City.

4. Supporting documentation (such as third party invoices) is attached with respect to each cost for which payment is requested.

5. There has been compliance with applicable laws relating to prevailing wages for the work to construct the Facilities or portions thereof for which payment is requested.

6. The Facilities or portions thereof for which payment is requested were constructed in accordance with all applicable City or other governmental standards, and

in accordance with the as-built drawings or plans and specifications, as applicable, referenced in paragraph 2 above.

7. The Developer is in compliance with the terms and provisions of the Acquisition Agreement, and no portion of the amount being requested to be paid was previously paid.

8. The Purchase Price for each Facility or portion thereof for which a Progress Payment is requested hereby (a detailed calculation of which is shown in an Attachment 1 hereto for each such Facility or portion thereof), has been calculated in conformance with the terms of Section 4.6 of the Acquisition Agreement.

I hereby declare and certify that the above representations and warranties are true and correct.

DEVELOPER:	**CITY:**
By:_____	Payment Request Approved for Submission to the Finance Director of the City of Palm Desert
Name:_____	
Its: _____	By:_____ City Manager
Date:_____	Date:_____

EXHIBIT C

ATTACHMENT 1

CALCULATION OF PURCHASE PRICE.

[Use a separate sheet for each Facility for which a Progress Payment is being requested]

1. Description (by reference to Exhibit A to the Acquisition Agreement) of the Facility

2. Actual Cost (list here total of supporting invoices and/or other documentation supporting determination of Actual Cost): $_____

3. Subtractions from Purchase Price:

   A. Holdback for Lien releases (see Section 4.6.C. of the Acquisition Agreement) $_____

   B. Retention (see Section 4.6.D. of the Acquisition Agreement) $_____

4. Total disbursement requested (amount listed in 2, less amounts, if any, listed in 3) $_____

ACQUISITION AGREEMENT
EXHIBIT D

FORM OF PAYMENT BOND

Bond No. _____

PAYMENT BOND
(LABOR AND MATERIALS)

CITY OF PALM DESERT

KNOW ALL PERSONS BY THESE PRESENTS that:

WHEREAS [name of developer] ("Developer") has awarded to _____

_____

_____

_____

(Name, address, and telephone number of Contractor)

("Principal"), a contract (the "Contract") for the work described as follows:

_____

_____

_____

WHEREAS, Principal is required under the terms of the Contract and the California Civil Code to secure the payment of claims of laborers, mechanics, materialmen, and other persons as provided by law.

NOW, THEREFORE, we, the undersigned Principal, and _____

_____

_____,

(Name, address, and telephone number of Surety)

("Surety") a duly admitted surety insurer under the laws of the State of California, as Surety, are held and firmly bound unto Developer and the City of Palm Desert in the penal sum of _____

_____

Dollars ($_____), this amount being not less than 100 percent of the total contract price, in lawful money of the United States of America, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT, if the hereby bounded Principal, his, her or its heirs, executors, administrators, successors or assigns, or subcontractors shall fail to pay any of the persons named in Section 9100 of the California Civil Code, or any amounts due under the Unemployment Insurance Code with respect to work or labor performed under the

Contract, or for any amounts required to be deducted, withheld, and paid over to the Employment Development Department from the wages of employees of the Principal and subcontractors pursuant to Section 13020 of the Unemployment Insurance Code, with respect to work or labor performed under the Contract, the Surety will pay for the same in an amount not exceeding the penal sum specified in this bond; otherwise, this obligation shall become null and void.

This bond shall inure to the benefit of any of the persons named in Section 9100 of the California Civil Code so as to give a right of action to such persons or their assigns in any suit brought upon the bond. In case suit is brought upon this bond, Surety further agrees to pay all court costs and reasonable attorneys' fees in an amount fixed by the court.

FURTHER, the Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration, addition or modification to the terms of the Contract, or of the work to be performed thereunder, or the specifications for the same, shall in any way affect its obligations under this bond, and it does hereby waive notice of any such change, extension of time, alteration, addition, or modification to the terms of the Contract or to the work or to the specifications thereunder. Surety hereby waives the provisions of California Civil Code Sections 2845 and 2849.

IN WITNESS WHEREOF, two identical counterparts of this instrument, each of which shall for all purposes be deemed an original hereof, have been duly executed by Principal and Surety, on the date set forth below, the name of each corporate party being hereto affixed and these presents duly signed by its undersigned representative(s) pursuant to authority of its governing body.

Dated: _____

"Principal"	"Surety"
_____	_____
_____	_____
By:_____ Its	By:_____ Its
By:_____ Its	By:_____ Its
(Seal)	*(Seal)*

Note: This bond must be executed in duplicate and dated, all signatures must be notarized, and evidence of the authority of any person signing as attorney-in-fact must be attached.

ACQUISITION AGREEMENT
EXHIBIT E

FORM OF CONTRACTOR PERFORMANCE BOND

Bond No. _____

CONTRACTOR PERFORMANCE BOND
CITY OF PALM DESERT

KNOW ALL PERSONS BY THESE PRESENTS that:

WHEREAS [name of developer] ("Developer") has awarded to _____

_____

_____

_____

(Name, address, and telephone number of Contractor)

("Principal"), a contract (the "Contract") for the work described as follows:

_____

_____

_____

WHEREAS, Principal is required under the terms of the Contract to furnish a bond for the faithful performance of the Contract.

NOW, THEREFORE, we, the undersigned Principal, and _____

_____

_____,

(Name, address, and telephone number of Surety)

("Surety") a duly admitted surety insurer under the laws of the State of California, as Surety, are held and firmly bound unto Developer and the City of Palm Desert (the "City") in the penal sum of _____

_____

Dollars ($_____), this amount being not less than the total contract price, in lawful money of the United States of America, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT, if the hereby bounded Principal, his, her or its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform all the undertakings, terms, covenants, conditions and agreements in the Contract and any alteration thereof made as therein provided, on the Principal's part to be kept and performed, all within the time and in the manner therein specified,

and in all respects according to their true intent and meaning, and shall indemnify and hold harmless the City and their respective Councilmembers, officers, employees, agents, attorneys, and volunteers, and others as therein provided, then this obligation shall become null and void; otherwise, it shall be and remain in full force and effect.

In case suit is brought upon this bond, Surety further agrees to pay all court costs and reasonable attorneys' fees in an amount fixed by the court.

FURTHER, the Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration, addition or modification to the terms of the Contract, or of the work to be performed thereunder, or the specifications for the same, shall in any way affect its obligations under this bond, and it does hereby waive notice of any such change, extension of time, alteration, addition, or modification to the terms of the Contract or to the work or to the specifications thereunder. Surety hereby waives the provisions of California Civil Code §§ 2845 and 2849. The City is a principal beneficiary of this bond and has all rights of a party thereto.

IN WITNESS WHEREOF, two identical counterparts of this instrument, each of which shall for all purposes be deemed an original hereof, have been duly executed by Principal and Surety, on the date set forth below, the name of each corporate party being hereto affixed and these presents duly signed by its undersigned representative(s) pursuant to authority of its governing body.

Dated: _____

"Principal"	"Surety"
_____	_____
_____	_____
By:_____	By:_____
Its	Its
By:_____	By:_____
Its	Its
(Seal)	*(Seal)*

Note: This bond must be executed in duplicate and dated, all signatures must be notarized, and evidence of the authority of any person signing as attorney-in-fact must be attached.

ATTACHMENT NO. 8

FORM OF TRANSIENT OCCUPANCY TAX REIMBURSEMENT AGREEMENT

[NOTE: The Parties shall execute this Agreement concurrent with the Close of Escrow as such term is defined in the DDA. The Form is subject to minor confirming and clarifying changes to implement the provisions of the DDA]

FORM OF CITY OF PALM DESERT/DESERT WAVE VENTURES TOT REIMBURSEMENT AGREEMENT

THIS AGREEMENT ("Agreement") is entered into as of _____, 20___, by and between THE CITY OF PALM DESERT, a California municipal corporation, (the "City"), and Desert Wave Ventures, LLC, a Delaware limited liability company registered to do business in the State of California ("Owner").

RECITALS

A. Owner intends to purchase certain real property in the City of Palm Desert, as more fully described in Exhibit "A" (the "Property"), on which Owner intends to develop and operate at least a 137-room hotel and up to 83 for-sale residential units (the "Project"). Owner anticipates that the Project, once occupied, will generate transient occupancy taxes ("TOT") to the City in an amount estimated by Owner to exceed _____ dollars ($_____) during the first twenty (20) years of the Project's operation, in addition to increased sales taxes generated by the anticipated increased visitation to the City.

B. The City wishes to provide Owner an incentive to operate the Project in order that increased visitation will generate additional TOT and sales tax to the City, and to provide certain emergency services to City residents.

C. City and Owner have entered into that certain Revised and Restated Disposition and Development Agreement, dated _____ (the "DDA")

AGREEMENT

NOW, THEREFORE, THE CITY AND OWNER AGREE AS FOLLOWS:

Section 1. Reimbursement Commitment.

A. In consideration for Owner's operation of the Project on the Property and the other conditions and covenants provided for herein, if and when the Project is built and operated on the Property, the City shall reimburse to Owner based off the City's current (11%) TOT, as defined in Section 3.28.030 of the Palm Desert Municipal Code as of the date of this Agreement, collected from the Project an amount not to exceed $20,000,000 ("Reimbursement TOT").

B. The City will reimburse to Owner of the Project up to a maximum of $20,000,000 in the following manner:

1. Forty Percent (40%) of the TOT generated by the hotel component of the Project; and

2. Sixty percent (60%) of the TOT generated by the for-sale residential component of the Project.

C. Payment of Reimbursement TOT by City to Owner shall commence for the first full quarter during which commercial operation of the Project commenced and shall continue until the earlier of (1) $20,000,000 has been reimbursed by the City; or (2) twenty years from the date of commencement of commercial operation as defined in Section 2(A) below ("Reimbursement Termination Date"). TOT collected prior to the Reimbursement Termination Date is subject to reimbursement pursuant to this Agreement; TOT collected after the Reimbursement Termination Date is not subject to reimbursement.

D. Owner shall at all times remit to City full payment of TOT as required by the City's Municipal Code. Distributions of Reimbursement TOT by City to Owner shall be made within thirty (30) days of the receipt by the City of the full amount of TOT from the Property for each quarter.

Section 2. Conditions to Reimbursement.

As a condition precedent to payment of any Reimbursement TOT, Owner shall:

A. Commence commercial operation of the Project by _____. If Owner fails to commence commercial operation prior to that date, then the City, in its sole discretion, may terminate this Agreement by delivering written notice of such termination to Owner. Following such termination, neither party shall have any further rights, duties or obligations hereunder, and the City shall have no obligation to pay Reimbursement TOT, provided however that if this Agreement is not so terminated and Owner subsequently commences operation, the terms of this Agreement shall apply and the City's right to terminate shall be void; and

B. Be at all times operated equivalent to an AAA 4-Diamond property as required by the DDA and the Grant Deed dated_____ between the City of Palm Desert and _____, recorded in the Official Records of the County of Riverside, California as Document No._____.

C. Owner shall quarterly certify to the City that the Hotel continues to operate on par with the AAA 4-Diamond rating.

D. Minimum Quarterly TOT Guaranty: Payment of Reimbursement TOT by City to Owner shall occur only in quarters when the Project generates quarterly TOT payments to the City in the amounts set forth below in Table 1 (the "Minimum Quarterly TOT Guaranty").

Table 1

YEAR	QUARTERLY MINIMUM TOT GUARANTY
1	$119,875
2	$138,300
3	$155,425
4	$159,750
5	$164,050
6	$168,175
7	$172,300
8	$176,625
9	$181,050
10	$185,550

In any quarter where Owner does not meet the Minimum Quarterly TOT Guaranty amount through TOT generation, Owner may, in its sole discretion, make payment to the City in an amount equal to the difference between the gross TOT generated and the Minimum Quarterly TOT Guaranty (the difference deemed a "Supplemental Payment"). Payment of the entire Supplemental Payment shall qualify the Owner for the Reimbursement TOT. The method by which Owner generates funds for the Supplemental Payment shall be determined within the sole discretion of Owner, but may include a Lagoon Use Fee, amenity fee(s), surf session fee(s), residential sales/rental fees, or other fees. Subject to Section 2.E, below, the Owner may elect not to make the Supplemental Payment in a quarter where the Minimum Quarterly TOT Guaranty is not generated, in which case the Owner shall not be entitled to the Reimbursement TOT for that quarter. The Reimbursement Termination Date shall be extended one quarter for each quarter the Owner does not make the Minimum Quarterly TOT Guaranty and Supplemental Payment, if applicable.

The Minimum Quarterly TOT Guaranty shall no longer apply: (a) if Certificates of Occupancy are issued for at least 83 residential units on the Property; or (b) the Minimum quarterly TOT Guaranty has been in place for 10 years.

E. At the conclusion of each fiscal year, City shall calculate the total amount of TOT paid to the City by Owner during the preceding four quarters segregated by Project component. In the event the total amount of TOT paid, including any Supplemental Payment, is less than four times the Minimum Quarterly TOT Guaranty for the applicable year set forth above in Table 1, Owner shall pay to the City an amount equal to the difference between the gross TOT generated and the Minimum Quarterly TOT Guaranty for the applicable year. Owner shall pay the City such amount within thirty (30) days of receipt of an invoice for same from the City. In the event the total amount of TOT paid is greater than four times the Minimum Quarterly TOT Guaranty for the applicable year set forth above in Table 1, City shall apply the percentages described in Section 1.B above to the difference between the TOT paid and the Minimum Quarterly TOT Guaranty for the applicable year, segregated by Project component from which the excess TOT was generated. City shall pay Owner such amount within thirty days of the determination.

F. Payment of Reimbursement TOT under this Agreement shall be subject to Owner's payment as and when due of the Deferral Repayment as defined in the DDA. In the event of any delinquency or default in such Deferral Repayment obligation, the payment of Reimbursement TOT shall be suspended until the Deferral Repayment is brought current and any delinquency has been cured.

Section 3. No Obligation to Build or Operate.

Both parties acknowledge that the Project is currently in the proposal stages, and Owner shall have no liability to City for failure to build or operate the Project as intended by the parties herein.

Section 4. Indemnification.

Owner shall defend, assume all responsibility for and hold the City, its council members, officers and employees, harmless from all demands, claims, actions and damages, of whatever type or nature, including all costs of defense and attorneys' fees, to any person or property arising out of or caused by any of Owner's activities under this Agreement, whether such activities or performance thereof be by Owner or anyone directly or indirectly employed or contracted with by Owner and whether such damage shall accrue or be discovered before or after commencement of operation of the Project.

Section 5. Default.

A. Any one or all of the following events shall constitute a default by Owner:

1. Any misleading statement, misrepresentation or warranty of Owner herein or in any other writing at any time furnished by Owner to City that materially harms the City or materially diminishes the benefit of the Agreement to the City;

2. Nonperformance when due of any of the obligations described herein, or failure to perform any obligation or covenant contained herein;

3. The filing by or against Owner of a petition for relief under the Bankruptcy Reform Act of 1978 or any bankruptcy or debtor relief law;

4. A general assignment by Owner for the benefit of creditors or the appointment of any receiver or trustee of all or any portion of the assets of Owner; and

5. The transfer or assignment of this Agreement without approval by the City as set forth in the DDA.

B. Remedies. Upon the occurrence of a default, consistent with the provisions of the DDA, the City will notify the Owner and, may at its option, declare this Agreement to be in default and, in such event, the City shall have all of the rights and remedies prescribed at law or in equity. Following an uncured event of default, the City shall have no further obligation to disburse all or any portion of Reimbursement TOT.

C. No Liability of City Member. No city council member, official or employee of the City shall be personally liable to Owner, or any successor in interest, in the event of any default or breach by City under this Agreement or for any amount which may become due to Owner or any successor or on any obligations under the terms of this Agreement.

Section 6. Compliance With Governmental Regulations.

Owner shall, at its sole cost and expense, comply with all applicable municipal, county, state and federal laws, rules, regulations and ordinances now in force, or which may hereafter be in force, pertaining to its activities contemplated under this Agreement, including, but not limited to: issuance of building and use permits and compliance with all federal and state labor laws (collectively, "Laws"). Supplementing the indemnity set forth in Section 4 above, Owner shall defend, indemnify and hold the City, its elected officials, officers, members, employees and agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure of Owner to comply with such Laws relating to this Agreement

Specifically, by its execution of this Agreement, Owner certifies that it is aware of the requirements of California Labor Code Sections 1720 et seq. and 1770 et seq., as well as California Code of Regulations, Title 8, Section 16000 et seq. ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on certain "public works" and "maintenance" projects. If the project being performed is an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, Owner agrees to fully comply with such Prevailing Wage Laws. If required, Owner shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the work on the project available to interested parties upon request, and shall post copies at the Owner's principal place of business and the project site.

Section 7. Miscellaneous Provisions.

A. Transfer or Assignment. Owner shall not transfer or assign this Agreement without prior written approval by the City. Approval of any such transfer or assignment shall be at the sole discretion of the City, provided that, as the parties acknowledge that Owner will likely monetize this Agreement as part of its project financing, City shall not unreasonably withhold, condition or delay its consent to a pledge or assignment of this Agreement (or rights under this Agreement) as part of the capital financing for the Project. Such financing approval may be granted by the City Manager without further action of the City Council.

B. Interest of Members of City. No member of the City Council of City and no other officer, employee or agent of the City who exercises any functions or responsibilities in connection with the carrying out of the City's work shall have any personal interest, direct or indirect, in this Agreement.

C. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California, to the jurisdiction of which the parties hereto submit.

D. Time of the Essence. Time is of the essence of each and every provision of this agreement.

E. Notices. Notices or other communications given under this Agreement shall be in writing and shall be served personally or transmitted by first class mail, postage prepaid. Notices shall be deemed received either at the time of actual receipt or, if mailed in accordance herewith, on the third (3rd) business day after mailing, whichever occurs first. Notices shall be directed to the parties at the following addresses or at such other addresses as the parties may indicate by notice:

City: The City of Palm Desert
Palm Desert Civic Center
73-510 Fred Waring Drive
Palm Desert, CA 92260
Attention: City Manager

Owner: Desert Wave Ventures, LLC
Attn: Don Rady
1555 Camino Del Mar, Suite 315C
Del Mar, CA 92014

F. Headings. The titles and headings of the various sections of this Agreement are intended solely for reference and are not intended to explain, modify or place any interpretation upon any provision of this Agreement.

G. Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity without invalidating the remainder of such or the remaining provisions of this Agreement.

H. Waiver. No waiver of any provision of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executing in writing by the party making the waiver.

I. Number and Gender. As used in this Agreement, the masculine, feminine or neuter gender, and the singular or plural number, shall each include the others whenever the context so indicates or requires.

J. Further Assurances. The parties shall execute, acknowledge, file or record such other instruments and statements and shall take such additional action as may be necessary to carry out the purpose and intent of this Agreement.

K. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties' respective heirs, legal representatives, successors and assigns.

L. Entire Agreement. This Agreement constitutes the entire agreement between the parties and supersedes all prior or contemporaneous agreements, representations, warranties and understandings of the parties concerning the

subject matter contained herein, written or oral. No change, modification, addendum or amendment to any provision of this Agreement shall be valid unless executed in writing by each party hereto.

M. Attorneys' Fees. In the event of any litigation arising out of this Agreement, the prevailing party in such action, or the non-dismissing party where the dismissal occurs other than by reason of a settlement, shall be entitled to recover its reasonable costs and expenses, including, without limitation, reasonable attorneys' fees and costs paid or incurred in good faith. The "prevailing party," for purposes of this Agreement, shall be deemed to be that party who obtains substantially the result sought, whether by settlement, dismissal or judgment.

N. Amendment. This Agreement may be amended only by a written instrument signed by both City and Owner.

IN WITNESS WHEREOF, the parties hereto have executed this instrument as of the day and year first above written.

CITY:

CITY OF PALM DESERT,
a California municipal corporation

By: _____
_____ Mayor

ATTEST:

_____
Anthony Mejia, City Clerk

APPROVED AS TO LEGAL FORM:

BEST BEST & KRIEGER LLP

_____
Robert W. Hargreaves, City Attorney

OWNER:

DESERT WAVE VENTURES, LLC

a Delaware limited liability company

By: _____

Its: _____

EXHIBIT A

Approximately 17.68 acres known as APN 620400008, 620420024 and 620420023 in the City of Palm Desert, County of Riverside, California.

ATTACHMENT NO. 9

SCHEDULE OF PERFORMANCE

In the event of any conflict between the contents of the Schedule of Performance and the Agreement, the provisions of the Agreement shall prevail.

	ACTION	TARGET DATE
1.	Execution of Agreement and City Cost Reimbursement Agreement by Developer. Developer shall execute and deliver Agreement and City Cost Reimbursement Agreement to City.	Completed.
2.	Execution of Agreement and City Cost Reimbursement Agreement by City. City shall hold public hearings to consider and approve or disapprove Agreement and City Cost Reimbursement Agreement. If approved, City shall execute Agreement.	Completed.
3.	Submission of all Implementing Actions. Developer shall submit all agreements pertaining to the Implementing Actions to City for final review and approval. (§1.3(b), §5.2(a))	June 1, 2023.
4.	Submission of 100% Design Development Drawings and Preliminary Cost Estimate. Developer shall prepare and submit to the City 100% Design Development Drawings and documents for the Surf Lagoon, Surf Center and Hotel; and preliminary costs associated.	Completed.
5.	Submission of 100% Rough Grading Plans. The Developer shall submit to the City 100% Rough Grading Plans, Rough Grading Permit Application and associated fees.	June 1, 2023.
6.	Approval – 100% Rough Grading Plans. The City shall approve or disapprove the 100% Rough Grading Plans for the entire site.	June 1, 2023.
7.	Submission of 100% Construction Drawings. Developer shall prepare and submit to the City 100% Construction Drawings and documents for the	Completed.

	ACTION	TARGET DATE
	Surf Lagoon, Surf Center and Hotel.	
8.	Submit Building Permit Application. Developer shall submit to City Building Permit Application for the Surf Lagoon, Surf Center and Hotel with 100% construction documents. (§4.3(a)(ii))	Completed.
9.	City acceptance of complete Construction Documents and Building Permits. (§4.3)	June 1, 2023.
10.	Submission -- Equity Investors. Developer shall submit to City identity of Equity Investors and written binding agreements with the Equity Investors. (§5.2(b) and (c))	June 1, 2023.
11.	Submission of Final Detailed Cost Estimates (Non-GMP)- Surf Lagoon and Center and Hotel. Developer shall prepare and submit to the City final detailed cost estimates for the design and construction of the Surf Lagoon and Center and Hotel. (§4.4(b))	June 1, 2023.
12.	Review -- Final Cost Estimates - Surf Lagoon and Center and Hotel. The City shall review final detailed cost estimates for the Surf Lagoon and Center and Hotel. (§4.4(b))	June 1, 2023.
13.	Submittal of Final Project Budget and Final Project Plan of Finance. (§4.4(e))	June 1, 2023.
14.	Submission of Loan Documents. Developer shall submit to City binding Loan Documents from Private Construction Lender for construction financing. (§5.2(d) and (p))	June 1, 2023.
15.	Submission of Operating Agreement for the Hotel Developer shall submit to City for review of the Operating Agreement. (§5.2(r), Scope of Development at II.A.3(e))	June 1, 2023.
16.	Submission of Construction Contracts. Developer shall submit to the City construction contracts and	June 1, 2023.

	ACTION	TARGET DATE
	executed guaranteed maximum price construction contracts or fixed price construction contracts, as applicable, with respect to the Developer's Improvements, based on signed bids from Developer's contractors (§4.4(f) for the construction of the Surf Lagoon and Center and Hotel. (§5.2(f))	
17.	City Review of Items 13-16 above.	Within 45 days of submission of each item.
18.	Submission of Completion Guarantee if required, Certificates of Insurance, Payment Bonds and Performance Bonds. (§4.7.1, §4.11)	Within 45 days after completion of City Review of Items 13-16.
19.	City Review Completion Guarantee , Certificates, Insurance, Payment Bonds and Performance Bonds	At City's discretion.
20.	Open Escrow Account. The City and Developer shall open an escrow with the Escrow Agent. (§6.1)	Completed.
21.	Execution and Delivery of SARDA Property, Property Title, etc. The City and Developer shall complete, execute and deliver into escrow the SARDA Property Title (including memorandum relating thereto), together with all documents and supplemental escrow instructions required to close escrow for conveyance of SARDA Property Title from the SARDA to Developer. (§6.5)	Prior to close of escrow.
22.	Escrow Fees, Charges. The City and Developer shall pay their respective fees, charges and other costs into escrow. (§6.4)	Prior to close of escrow.
23.	Close of Escrow. The City shall convey to the Developer title to the City Property and SARDA Property. (§6.3)	December 31, 2022.
24.	Work with City to identify temporary parking to accommodate at least seventy (70) spaces that will be unavailable for the Desert Willow golf courses during Project construction.	June 1, 2023.

	ACTION	TARGET DATE
25.	Commencement of Construction Mobilization of Surf Lagoon and Center and Hotel. The Developer shall commence construction of the Surf Lagoon and Center and Hotel improvements. (§6.3.2)	Within 45 days after completion of City Review of Items 13-16.
26.	Completion of Construction of Project. The Developer shall complete construction of the first phase Developer's Improvements. (§6.4)	Within 24 months following commencement of construction.
27.	Termination of Agreement. This Agreement shall automatically terminate if any of the events listed occur. (§8.1; §8.1.1)	Upon completion and issuance of certificate of occupancy and/or certificate of completion of all improvements for the Surf Lagoon and Center, Hotel, and Parking.

ATTACHMENT NO. 10

FORM OF PERFORMANCE DEED OF TRUST AND SECURITY AGREEMENT

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

City of Palm Desert
City Clerk's Office
2870 Clark Avenue
Palm Desert, CA 92860

EXEMPT FROM RECORDING FEES PER
GOVERNMENT CODE §27383

Space above this line for Recorder's use.

Escrow No: _____
Property Address: _____, Palm Desert
APNS: _____

PERFORMANCE DEED OF TRUST AND SECURITY AGREEMENT

(Desert Surf Project)

THIS PERFORMANCE DEED OF TRUST AND SECURITY AGREEMENT ("**Deed of Trust**") is made as of _____, 20__, by _____ ("**Trustor**") as Trustor, to [_____ Title Company] [the City of Palm Desert, a charter city and municipal corporation] ("**Trustee**") as Trustee, for the benefit of the City of Palm Desert, a charter city and municipal corporation (the "**City**") as Beneficiary.

The Trustor, in consideration of the promises herein recited and the trust herein created, irrevocably and unconditionally grants, transfers, conveys and assigns to Trustee, in trust for the benefit of City, with power of sale and right of entry and possession, all of Trustor's right, title and interest now held or hereafter acquired in and to the property located in the City of Palm Desert, Riverside County, State of California, described in the attached Exhibit A and more commonly known as: _____, Palm Desert, California (the "**Property**");

TOGETHER with all the improvements now or hereafter erected on the Property, and all easements, rights of way, and appurtenances thereto, and all fixtures now or hereafter attached to the Property, all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the Property covered by this Deed of Trust;

All of the foregoing, together with the Property, is herein collectively referred to as the "**Security**."

TO HAVE AND TO HOLD the Security, together with acquittances, to the Trustee, its successors and assigns forever;

TO SECURE to the City the performance of the Post-Closing Obligations of the Trustor (the "**Post-Closing Obligations**"), as defined in and evidenced by, that certain Second Revised and Restated Disposition and Development Agreement (the "**DDA**") executed by and between Trustor and City, dated as of _____, 2022 and recorded substantially concurrently herewith, and all extensions, modifications, or renewals of the DDA. The DDA is incorporated herein by this reference; and

TO SECURE the performance of the covenants and agreements of Trustor herein contained.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is agreed as follows:

1. **Trustor's Estate.** Trustor represents and warrants that Trustor is lawfully seized of the estate hereby conveyed, has the right to grant and convey the Security, and that other than this Deed of Trust, the Security is encumbered only by the DDA. Trustor agrees to warrant and defend generally the title to the Security against all claims and demands, subject to any declarations, easements or restrictions listed in a schedule of exceptions to coverage in any title insurance policy insuring the City's interest in the Security, and Trustor shall pay all costs and expenses, including cost of evidence of title and attorneys' fees in a reasonable sum, in any such action or proceeding in which City or Trustee may appear, and in any suit brought by City to foreclose this Deed of Trust.

2. **DDA.** Trustor shall promptly perform all of Trustor's Post-Closing Obligations in accordance with the Post-Closing Obligations Deadlines under the DDA and this Deed of Trust.

3. **Charges and Liens.** Trustor will promptly pay when due, the interest, principal, and all other charges accruing under any deed of trust, mortgage, or other instrument encumbering the Property, and will pay when due directly to the payee thereof all taxes, assessments and other charges, fines and impositions affecting the Property. Upon request by the City, Trustor will promptly furnish to the City copies of all notices of amounts due described in this Section and evidence of payment of such amounts. Trustor shall pay when due each obligation secured by or reducible to a lien, charge or encumbrance which now does or later may encumber or appear to encumber all or part of the Property or any interest therein, whether or not such lien, charge or encumbrance is or would be senior or subordinate to this Deed of Trust; provided however, Trustor will not be required to pay any tax, charge, lien or assessment described in this Section so long as Trustor is actively contesting its validity in good faith and by appropriate legal proceedings that will operate to prevent the enforcement of the lien or forfeiture of the Property or any part thereof. Trustor shall post security for the payment of such contested claims as may be requested by the City.

4. **Protection of Security.** If Trustor fails to perform any of the covenants and agreements set forth in this Deed of Trust, or if any action or proceeding is commenced that materially affects City's interest in the Property, including, but not limited to, default under any senior lienholder document, eminent domain, insolvency, code enforcement, arrangements or proceedings involving a bankrupt or decedent, foreclosure of any mortgage secured by the

Property or sale of the Property under a power of sale of any instrument secured by the Property, City, at its option, without releasing Trustor from any obligation hereunder, may upon notice to Trustor, make such appearance, disburse such sums and take such action as is necessary to protect City's interest, including, but not limited to, the purchase of insurance, disbursement of reasonable attorneys' fees and entry upon the Property to make repairs. Any amounts disbursed by City pursuant to this Section, with interest thereon, shall become additional indebtedness of Trustor secured by this Deed of Trust. Unless Trustor and City agree to other terms of payment, such amounts shall be payable upon notice from City to Trustor requesting payment thereof, and shall bear interest from the date of disbursement at the highest rate permissible under applicable law. Nothing contained in this Section shall require City to incur any expense or take any action hereunder.

5. **Inspection.** The City may make, or cause to be made, reasonable entries upon the Property and inspections of the Security; provided that the City will give Trustor reasonable notice of inspection.

6. **Title Insurance.** At Trustor's expense, Trustor shall purchase a CLTA lender's policy of title insurance for the benefit of City, insuring this Deed of Trust as a secondary lien on the Property, with no delinquent taxes or assessment liens appearing as exceptions to title.

7. **Hazard Insurance.** Trustor shall keep the Property insured by a standard all-risk property insurance policy with endorsements for vandalism, malicious mischief, and special extended perils, in the full replacement value of the improvements, and with endorsements for increases in costs due to changes in code and inflation, with loss payable to City and any superior trust deed holder, as their interests may appear, and any other insurance required by the City.

The insurance carrier providing such insurance shall be licensed to do business in the State of California and may be chosen by Trustor, subject to approval by City. All insurance policies and renewals thereof shall be in a form acceptable to the City, and shall include a standard mortgagee clause with standard lender's endorsement in favor of the holder of any senior lien and the City as their interests may appear and in a form acceptable to the City. Trustor shall provide City with copies of all policies and renewals thereof, certificates of insurance, all renewal notices and all receipts of paid premiums. In the event of loss, Trustor shall give prompt notice to the insurance carrier and the City or its designated agent. The City, or its designated agent, may make proof of loss if not made promptly by Trustor. The policies shall include an endorsement providing that City shall receive thirty (30) days' advance written notice of the cancellation, expiration or termination or any material change in the coverage afforded by any of the insurance policies required under this Section.

If the Property is acquired by the City, all right, title and interest of Trustor in and to any insurance policy and in and to the proceeds thereof resulting from damage to the Property prior to the sale or acquisition will pass to the City to the extent of the sums secured by this Deed of Trust immediately prior to such sale or acquisition, subject to the rights of the holder of any senior lien.

Renewal policies and any replacement policies, together with premium receipts satisfactory to the City, shall be delivered to the City at least thirty (30) days prior to the expiration of existing policies. Neither Trustee nor the City shall by reason of accepting, rejecting, approving or obtaining insurance incur any liability for the existence, nonexistence, form or legal sufficiency of such insurance, or solvency of any insurer for payment of losses. The application of proceeds pursuant to this Section shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

8. **Awards and Damages.** Subject to the rights of senior lienholders, all judgments, awards of damages, settlements and compensation made in connection with or in lieu of (a) taking of all or any part of or any interest in the Property by or under assertion of the power of eminent domain, (b) any damage to or destruction of the Property or any part thereof by insured casualty, and (c) any other injury or damage to all or any part of the Property, are hereby assigned to and shall be applied to the restoration or repair of the Property (if applicable) or paid to the City. The City is authorized and empowered (but not required) to collect and receive any such sums and is authorized to apply them in whole or in part upon any indebtedness or obligation secured hereby, in such order and manner as the City shall determine at its option. The City shall be entitled to settle and adjust all claims under insurance policies provided under this Deed of Trust and may deduct and retain from the proceeds of such insurance the amount of all expenses incurred by it in connection with any such settlement or adjustment. All or any part of the amounts so collected and recovered by the City may be released to Trustor upon such conditions as the City may impose for its disposition. Application of all or any part of the amounts collected and received by the City or the release thereof shall not cure or waive any default under this Deed of Trust. If the Property is abandoned by Trustor, or if, after notice by City or its designated agent to Trustor that the condemnor or insurer offers to make an award or settle a claim for damages, Trustor fails to respond to City within thirty (30) days after the date such notice is mailed, City or its designated agent is authorized to collect and apply the proceeds, at City's option, either to restoration or repair of the Property or to the sums secured by this Deed of Trust

9. **Maintenance.** Trustor shall maintain the Property and all structures and landscaping thereon in good condition and repair. Trustor agrees to complete installation of landscaping as approved by the City, and to diligently maintain and care for installed landscaping, using generally accepted methods of cultivation and watering. Trustor shall not remove or demolish any building located on the Property, and agrees to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon, and to pay when due all claims for labor performed and materials furnished therefor, and to comply with all laws affecting the Property or requiring any alterations or improvements to be made thereon. Trustor shall not commit or permit waste thereof, and shall not commit or permit any act upon the Property in violation of applicable laws. Trustor will comply with all applicable laws, ordinances and governmental regulations affecting the Property or requiring any alteration or improvement thereof, and will not suffer or permit any violations of any such law, ordinance or governmental regulation, nor of any covenant, condition or restriction affecting the Property. If there arises a condition in contravention of this Section, and if the Trustor has not cured such condition within thirty (30) days after receiving a notice from City of such a condition, then in addition to any other rights available to City, City shall have the right

(but not the obligation) to perform all acts necessary to cure such condition, and to establish or enforce a lien or other encumbrance against the Property to recover its cost of cure.

10. **Reserved.**

11. **Transfer.** Trustor shall not Encumber or Transfer (as such terms are defined in the DDA) any interest in the Property without complying with all requirements of the DDA.

12. **Reserved.**

13. **Default.** An event of default **("Default")** shall arise hereunder upon the occurrence of any one or more of the following and the expiration of any applicable cure period:

(a) The sale, conveyance, encumbrance, refinance, assignment, or other transfer of the Property including without limitation, the lease or rental of the Property in violation of the DDA or this Deed of Trust;

(b) An event of default arises under the DDA in connection with the performance of the Post-Closing Obligations, and such default remains uncured following the expiration of any applicable cure period;

(c) Trustor fails to maintain insurance on the Property as required by the DDA and this Deed of Trust;

(d) Subject to Trustor's right to contest the following charges, Trustor fails to pay prior to delinquency taxes or assessments due on the Property or fails to pay when due any other charge that may result in a lien on the Property, and Trustor fails to cure such default within twenty (20) days of date of delinquency, but in all events prior to the time that the holder of such lien has the right to pursue foreclosure thereon;

(e) Trustor declares bankruptcy or makes an assignment of assets for the benefit of creditors, or an order for relief is entered under federal bankruptcy laws as to Trustor, or Trustor is adjudicated as insolvent or bankrupt pursuant to the provisions of any state or federal insolvency or bankruptcy, or Trustor consents to, acquiesces in, or attempts to secure the appointment of, any receiver for all or any substantial part of the Property;

(f) The occurrence of an event of default under any loan secured by the Property and the continuance of such default beyond the expiration of all applicable cure periods such that the holder of such loan has the right to accelerate such loan.

(g) Trustor fails to observe or perform any other covenant, condition, or agreement to be observed or performed by Trustor pursuant to this Deed of Trust.

14. **Remedies.** Upon the occurrence of a Default, the giving of notice thereof and the expiration of any applicable cure period, City may, at its option, exercise any one or more of the following remedies:

a. Pursue the exercise of the power of sale provided under this Deed of Trust.

b. Either in person or by agent, with or without bringing any action or proceeding, or by a receiver appointed by a court, enter upon, take possession thereof (or any part thereof) and of any of the Security, in its own name or in the name of Trustee, and do any acts which it deems necessary or desirable to preserve the value or marketability of the Property, or part thereof or interest therein, increase the income therefrom, or protect the security thereof. The entering upon and taking possession of the Security shall not cure or waive any breach hereunder or invalidate any act done in response to such breach and, notwithstanding the continuance in possession of the Security, the City shall be entitled to exercise every right and remedy provided under this Deed of Trust, or the DDA, or by law upon occurrence of any uncured breach.

c. Commence an action to foreclose this Deed of Trust as a mortgage, appoint a receiver, or specifically enforce any of the covenants hereof.

d. Exercise its Right of Termination to retake the Property pursuant to the DDA.

e. Exercise all other rights and remedies provided herein, in the instruments by which the Trustor acquires title to any Security, or in any other document or agreement now or hereafter evidencing, creating or securing all or any portion of the obligations secured hereby.

f. Exercise any other remedy provided by law or in equity.

15. Sale.

(a) **Notice of Default**. Upon Trustor's breach of any covenant or agreement of Trustor under the DDA or this Deed of Trust, City shall mail notice to Trustor as provided in Section 24 hereof specifying: (i) the nature of the breach; (ii) the action required to cure such breach; (iii) a date no less than thirty (30) days from the date the notice is mailed to Trustor by which such breach must be cured or such shorter cure period as may be provided in the DDA or this Deed of Trust; and (iv) that failure to cure such breach on or before the date specified in the notice may result in the sale of the Property. The notice shall further inform Trustor of Trustor's right to reinstate after breach and the right to bring a court action to assert the nonexistence of a default or any other defense of Trustor to sale. If the breach is not cured on or before the date specified in the notice, City at City's option may invoke the power of sale and/or pursue any other remedy provided herein or available under law. City shall be entitled to collect from the Trustor, or from the proceeds of the sale of the Property, all reasonable costs and expenses incurred in pursuing the remedies provided hereunder, including, but not limited to, reasonable attorneys' fees.

If a non-monetary default is not reasonably capable of being cured within thirty (30) days, the City, in its sole and absolute discretion, may grant the Trustor such additional time as is reasonably necessary to cure the default provided that the Trustor (i) initiates corrective action within said period, and (ii) diligently, continually, and in good faith works to effect a cure as soon as possible.

Notwithstanding the cure periods established in this Section, in no event shall the City be precluded from sooner exercising any remedies if its security becomes or is about to become materially jeopardized by any failure to cure a default or the default is not cured within ninety (90) days after the first notice of default or delinquency is given.

(b) **Trustor's Right to Reinstate**. Notwithstanding City's invocation of the power of sale, Trustor will have the right to have any proceedings begun by City to enforce this Deed of Trust discontinued at any time prior to five (5) days before sale of the Property pursuant to the power of sale contained in this Deed of Trust or at any time prior to entry of the judgment enforcing this Deed of Trust if: (a) Trustor pays all reasonable expenses incurred by City and Trustee in enforcing the covenants and agreements of Trustor contained in this Deed of Trust, including, but not limited to, reasonable attorneys' fees; (b) Trustor cures all breaches of any covenants or agreements of Trustor set forth in the DDA and this Deed of Trust; and (c) Trustor takes such action as City may reasonably require to assure that the lien of this Deed of Trust, City's interest in the Property and Trustor's obligation to perform the obligations secured by this Deed of Trust shall continue unimpaired. Upon such payment and cure by Trustor, this Deed of Trust and the obligations secured hereby will remain in full force and effect as if no invocation of the power of sale had occurred.

(c) **Sale**. After delivery to Trustee of a Notice of Default and Demand for Sale and after the expiration of such time and the giving of such notice of default and sale as may then be required by law, and without demand on Trustor, Trustee shall sell the Property at the time and place of sale fixed by it in said notice of sale, at public auction to the highest bidder for cash in lawful money of the United States of America, payable at time of sale. Trustee may postpone sale of all or any portion of the Property by public announcement at such time and place of sale and from time to time thereafter may postpone such sale by public announcement at the time and place fixed by the preceding postponement. Any person, including Trustor, Trustee or the City, may purchase at such sale. Upon such sale by Trustee it shall deliver to such purchaser its deed conveying the Property so sold, but without any covenant or warranty expressed or implied. The recitals in such deed of any matters or facts shall be conclusive proof of their truthfulness. Upon sale by Trustee and after deducting all costs, expenses and fees of Trustee, Trustee shall apply the proceeds of sale to the payment of the indebtedness hereby secured, including without limitation, any advances made or costs or expenses paid or incurred by City under this Deed of Trust, any indebtedness evidenced by any other instrument hereby secured, and all other sums then secured hereby, including without limitation, interest, if any, as provided in the DDA, in such order as the City shall direct; and then the remainder, if any, shall be paid to the person or persons legally entitled thereto.

16. **Remedies Cumulative; No Waiver**. No exercise of any right or remedy by the City or Trustee hereunder shall constitute a waiver of any other right or remedy herein contained

or provided by law, and no delay or forbearance by the City or Trustee in exercising any such right or remedy hereunder shall operate as a waiver thereof or preclude the exercise thereof in any continued or subsequent default hereunder. All remedies provided in this Deed of Trust are distinct and cumulative to any other right or remedy under this Deed of Trust or any other document, or afforded by law or equity, and may be exercised concurrently, independently or successively. No sale of the Property, forbearance on the part of City, or extension of the time for payment of the indebtedness hereby secured shall operate to release, discharge, waive, modify, change or affect the liability of Trustor either in whole or in part.

17. **Indemnity.** Trustor agrees to defend, indemnify, and hold the City of Palm Desert, and its elected and appointed officers, officials, employees, and agents harmless from all losses, damages, liabilities, claims, actions, judgments, costs, and reasonable attorneys' fees that they may incur as a direct or indirect consequence of: (i) Trustor's failure to perform any obligations as and when required by the DDA, or this Deed of Trust; or (ii) the failure at any time of any of Trustor's representations or warranties herein or in the DDA to be true and correct.

18. **Reserved.**

19. **Reconveyance.** Upon satisfaction of all obligations secured by this Deed of Trust, including without limitation, and upon the expiration or termination of the DDA, the City will provide a written request to the Trustee to reconvey the Security and will surrender this Deed of Trust to Trustee. The Trustee shall reconvey the Security without warranty and without charge to the person or persons legally entitled thereto. Such person or persons shall pay all costs of recordation, if any. The recitals in the reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof.

20. **Trustee Substitution.** The City, at its option and without prior notice, may from time to time, by written instrument, remove the Trustee and appoint a successor trustee pursuant to a written instrument executed by City and duly acknowledged and recorded in the Official Records of Riverside County. Such instrument shall be conclusive proof of proper substitution of such successor Trustee or Trustees, who shall, without conveyance from the predecessor Trustee, succeed to all the title, estate, power and duties conferred upon the Trustee herein and by applicable law. Such instrument shall set forth the name of the Trustor, the original Trustee and the Beneficiary hereunder, the book and page where this Deed of Trust is recorded, and the name and address of the new Trustee.

21. **City's Rights to Release.** Without affecting the liability of any person for performance of the Secured Obligations hereby secured, and without affecting the lien hereof upon any of the Property not released pursuant hereto, at any time and from time to time without notice: (a) City may in its sole discretion subordinate the lien hereof; and (b) Trustee, acting pursuant to the written request of the City, may reconvey all or any part of the Property, consent to the making of any map or plot of the Land, join in granting any easement thereon, or join in any extension agreement of any agreement subordinating the lien hereof.

22. **Reserved.**

23. **Request for Notice.** City requests that copies of any notice of default and notice of sale affecting the Property be sent to City at its address set forth herein. City shall record a Request for Notice of Default and Sale.

24. **Notices.** All notices, requests, demands, reports or other communications regarding this Deed of Trust shall be in writing and delivered: (i) personally; or (ii) by independent, reputable, overnight commercial courier; or (iii) by deposit in the United States mail, postage and fees fully prepaid, registered or certified mail, with return receipt requested, and addressed as follows, or to such other address as specified in written notice delivered to the parties pursuant to this Section:

To Trustor: Desert Wave Ventures, LLC
Attn: Don Rady
1555 Camino Del Mar, Suite 315C
Del Mar, CA 92014

To City: The City of Palm Desert
Palm Desert Civic Center
73-510 Fred Waring Drive
Palm Desert, CA 92260
Attention: City Manager

Any notice that is personally delivered (including by means of professional messenger service, courier service such as United Parcel Service or Federal Express, or by U.S. Postal Service), shall be deemed received on the documented date of delivery thereof.

25. **Successors Bound.** The terms of this Deed of Trust shall be binding upon the Trustor and the Trustor's heirs, legatees, devisees, administrators, executors, successors and assigns.

26. **Attorneys' Fees and Costs.** If any legal action is filed to enforce or interpret this Deed of Trust, or the interpretation or enforcement thereof, the prevailing party shall be entitled to an award of its reasonable attorneys' fees, costs and expenses incurred therein.

27. **No Waiver.** Any waiver of any term or provision of this Deed of Trust must be in writing. No waiver shall be implied from any delay or failure by City to take action on any breach or default hereunder or to pursue any remedy allowed under this Deed of Trust or applicable law. No failure or delay by City at any time to require strict performance of any provision of this Deed of Trust or to exercise any election contained herein or any right, power or remedy hereunder shall be construed as a waiver of any other provision or any succeeding breach of the same or any other provision hereof or a relinquishment for the future of such election.

28. **No Third-Party Beneficiaries.** This Deed of Trust shall not benefit or be enforceable by any person or entity except the City, the Trustee, and the Trustor and their respective successors and assigns.

29. **Entire Agreement.** This Deed of Trust, together with the DDA, sets forth the entire understanding between Trustor and the City with respect to the subject matter hereof. Any previous representations, warranties, agreements, and understandings among the parties regarding the subject matter of the DDA, this Deed of Trust whether written or oral, are superseded by the terms of the DDA and this Deed of Trust.

30. **Amendments.** This Deed of Trust shall not be amended except by a written instrument duly executed by Trustor and Beneficiary and recorded in the Official Records of Riverside County.

31. **Severability.** If any provision of this Deed of Trust shall be held by a court of competent jurisdiction to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions of this Deed of Trust shall not be affected or impaired thereby.

32. **Controlling Law and Venue.** The terms of this Deed of Trust shall be interpreted under the laws of the State of California without regard to principles of conflicts of law. This Deed of Trust was entered into and is to be performed in the County of Riverside, which is the exclusive venue for any action or dispute arising out of this Deed of Trust.

33. **Captions and Gender.** All captions and headings in this Deed of Trust are for the purposes of reference and convenience and shall be disregarded for all other purposes, including the construction or enforcement of any of provisions thereof. Whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

34. **Joint and Several.** The obligations of each signatory to this Deed of Trust shall be joint and several.

35. **Time of the Essence.** Time is of the essence with regard to all matters contained in this Deed of Trust.

SIGNATURES ON FOLLOWING PAGE.

IN WITNESS WHEREOF, Trustor has executed this Deed of Trust as of the date first written above.

TRUSTOR:

By: _____

Print Name: _____

By: _____

Print Name: _____

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 Riverside)

On _____, 20__, before me, _____,
(Name of Notary Public)

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

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

WITNESS my hand and official seal

_____
Signature of Notary Public

(ABOVE AREA FOR OFFICIAL NOTARIAL SEAL)

Exhibit A

PROPERTY DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF PALM DESERT, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

[Insert legal description.]

APN: _____

SUCCESSOR AGENCY TO THE PALM DESERT REDEVELOPMENT AGENCY STAFF REPORT

MEETING DATE: November 17, 2022

PREPARED BY: Deborah Glickman, Management Analyst

REQUEST: ADOPT A RESOLUTION APPROVING AN EXTENSION TO THE REAL ESTATE OPTION AND PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS BETWEEN THE SUCCESSOR AGENCY TO THE PALM DESERT REDEVELOPMENT AGENCY (SARDA) AND DESERT WAVE VENTURES, LLC FOR DESERT WILLOW PAD "B" (14.65 ACRES, APN 620-420-023).

RECOMMENDATION:

1. Adopt a Resolution approving a Second Amendment to the Real Estate Option and Purchase and Sale Agreement and Joint Escrow Instructions (PSA) between the Successor Agency to the Palm Desert Redevelopment Agency (SARDA) and Desert Wave Ventures for Desert Willow Lot Pad "B" (14.65 acres, APN 620-420-023), providing for a final extension through December 31, 2022.
2. Retroactively authorize staff to submit a Resolution and additional materials relating to the PSA to the Riverside County Countywide Oversight Board for approval of the extension at its November 17, 2022, meeting.

BACKGROUND/ANALYSIS:

On September 22, 2022, the SARDA Board authorized staff to negotiate an extension to the SARDA PSA with Desert Wave Ventures, LLC (Developer) which governs the disposition of one of three parcels that make up the DSRT SURF project. The parcel owned by SARDA, "Lot Pad B," is controlled by a PSA and a First Amendment, and as a result of authorized extensions by the Executive Director, expired on November 8, 2022. All administrative options for extensions were exhausted and any extensions of the closing date must now be authorized by both the SARDA Board and the Countywide Oversight Board (OB). The Second Amendment extends the PSA to December 31, 2022.

The SARDA Resolution for the Second Amendment was agendized for the November 17, 2022, OB meeting and if approved, such approval will be contingent on the approval of the Second Amendment by the SARDA Board at this meeting. If the Amendment is approved by the OB at its morning meeting, and subsequently by the SARDA Board today, then the approved SARDA Resolution will be forwarded to the OB for finalization of its approval.

Normally, the SARDA Board would approve the SARDA Resolution prior to review and consideration by the OB, but since the meetings of both Boards are occurring on the same day, staff is seeking approvals in the opposite order.

Currently, APN 620-420-023 is not regarded as surplus property since the parcel was under contract prior to December of 2020 and, therefore, qualifies for an exemption under the Surplus Land Act (State of California Government Code Title 5, Div. 2, Part 1, Art. 8, sections 54220-54234). If the property sale is not completed by December 31, 2022, the land will no longer be exempt and will have to be sold through the Surplus Land Act process. This process utilizes a Notice of Availability (NOA) to select the purchaser based on the affordability of project and takes between sixty (60) and one hundred and fifty (150) days to complete once an NOA is sent out.

Therefore, staff is recommending the SARDA Board adopt the attached resolution and authorize staff to forward it to the OB for the finalization of approval.

FINANCIAL IMPACT:

Adoption of the resolution does not propose a change in the purchase price or terms of deposits ($2,050,000 which is Fair Market Value established by a professional appraisal).

Upon close of the sale, proceeds will be remitted to the taxing entities, including the City.

REVIEWED BY:

Department Director:	*Eric Ceja*
City Attorney:	*Carlos Campos for Robert Hargreaves*
Finance Director:	*Veronica Chavez*
Assistant City Manager:	*Chris Escobedo*
City Manager:	*Todd Hileman*

ATTACHMENTS:

1. Resolution Authorizing Second Amendment to PSA
2. Second Amendment to PSA

RESOLUTION NO. _____

A RESOLUTION OF THE BOARD OF THE SUCCESSOR AGENCY TO THE PALM DESERT REDEVELOPMENT AGENCY AUTHORIZING SECOND AMENDMENT TO THE PURCHASE OPTION AND SALE AGREEMENT BY AND BETWEEN THE SUCCESSOR AGENCY TO THE PALM DESERT REDEVELOPMENT AGENCY AND DESERT WAVE VENTURES, LLC FOR LOT PAD "B" WITHIN THE DESERT WILLOW RECREATION AREA (14.65 ACRES, APN 620-420-023) PURSUANT TO THE LONG RANGE PROPERTY MANAGEMENT PLAN AND TAKING RELATED ACTIONS

RECITALS:

A. Pursuant to AB X1 26 (enacted in June 2011) and the California Supreme Court's decision in *California Redevelopment Association, et al. v. Ana Matosantos, et al., 53 Cal. 4th 231 (2011)*, the former Palm Desert Redevelopment Agency (the "**Former Agency**") was dissolved as of February 1, 2012, the Successor Agency to the Palm Desert Redevelopment Agency (the "**Successor Agency**"), as the successor entity to the Former Agency, was constituted, and a board of the Successor Agency (the "**Board**") was established.

B. AB X1 26 added Part 1.8 (commencing with Section 34161) and Part 1.85 (commencing with Section 34170) to Division 24 of the California Health and Safety Code ("**HSC**") (such Parts 1.8 and 1.85, including amendments and supplements enacted after AB X1 26, being referred to herein as the "**Dissolution Act**").

C. Pursuant to the Dissolution Act, the Successor Agency is tasked with winding down the affairs of the Former Agency.

D. Pursuant to HSC Section 34175(b), all real properties of the Former Agency are to be transferred pursuant to a Long-Range Property Management Plan which addresses the disposition of the real properties owned by the Successor Agency.

E. On May 5, 2014, the Oversight Board adopted Resolution No. OB-073, approving a Long-Range Property Management Plan (the "**Original LRPMP**") which addresses the disposition of the real properties owned by the Successor Agency.

F. On June 2, 2014, the State Department of Finance (the "**DOF**") approved the Original LRPMP.

G. On September 21, 2015, the Oversight Board approved an amendment to Original LRPMP (the "**LRPMP Amendment**").

H. On December 9, 2015, the DOF approved the LRPMP, as amended by the LRPMP Amendment (the "**LRPMP**").

I. Pursuant to HSC Section 34191.3, the DOF-approved LRPMP shall govern, and supersede all other provisions of the Dissolution Act relating to the disposition and use of the real property assets of the Former Agency.

J. On August 15, 2018, the Successor Agency of City of Palm Desert and Desert Wave Ventures, LLC entered into a valid Purchase Option and Sale Agreement (the "**Agreement**").

K. On June 26, 2018, the Oversight Board held a noticed public hearing and approved the transfer of the subject property (APN 620-420-023) and approved the Agreement.

L. On April 22, 2021, the First Amendment to the Purchase Option and Sale Agreement ("**First Amendment**") was approved by the Successor Agency Board, for the purpose of extending the term of the Agreement.

M. On May 20, 2021, the Oversight Board approved the First Amendment.

N. The expiration of the Agreement, as amended by the First Amendment, was extended to November 8, 2022, through various additional actions of the Successor Agency Executive Director authorized by the Agreement.

O. The Successor Agency Executive Director has exhausted any further administrative ability authorized by the Agreement to extend the closing date beyond November 8, 2022, and therefore additional extensions require review and approval by the Oversight Board.

P. In its meeting of November 17, 2022, the Successor Agency Board will consider for approval the Second Amendment to Purchase Option and Sale Agreement ("**Second Amendment**") which provides for a final extension of the closing date for the conveyance of the surplus Successor Agency property to occur no later than December 31, 2022.

Q. The effectiveness of a Successor Agency Board approval of the Second Amendment is subject to the approval of the Second Amendment by the Oversight Board.

NOW, THEREFORE, THE BOARD OF THE SUCCESSOR AGENCY TO THE PALM DESERT REDEVELOPMENT AGENCY DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. The above recitals, and each of them, are true and correct.

Section 2. The Board hereby directs the execution of Second Amendment to the Agreement which shall only be entered into by the Successor Agency after approval of the Second Amendment by the Consolidated Countywide Oversight Board to the Successor Agency and the approval if required, or deemed approval, by the Department of Finance.

Section 3. The members of this Board and the staff of the Successor Agency are hereby authorized, jointly and severally, to do all things which they may deem necessary or proper to effectuate the purposes of this Resolution and the disposal of the subject property.

Section 4. The Second Amendment is subject to conforming and clarifying changes acceptable to the Executive Director and Successor Agency Counsel, and the Executive Director is authorized to take such actions to implement the Second Amendment.

APPROVED and ADOPTED this ____ day of _____, 2022.

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
JAN C. HARNIK, CHAIRPERSON

ATTEST:

_____
ANTHONY J. MEJIA, SECRETARY
PALM DESERT SUCCESSOR AGENCY TO
THE PALM DESERT REDEVELOPMENT AGENCY

SECOND AMENDMENT TO REAL ESTATE OPTION AND PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS
between
THE SUCCESSOR AGENCY TO THE PALM DESERT REDEVELOPMENT AGENCY
and
DESERT WAVE VENTURES, LLC

This Second Amendment ("**Second Amendment**") to the Real Estate Option and Purchase and Sale Agreement and Joint Escrow Instructions ("**Original Agreement**") between the Successor Agency to the Palm Desert Redevelopment Agency ("**Seller**") and Desert Wave Ventures, LLC ("**Buyer**"), a Delaware limited liability company, as amended by that certain First Amendment to Real Estate Option and Purchase and Sale Agreement and Joint Escrow Instructions (the "**First Amendment**" and together with the Original Agreement, the "**First Amended Agreement**"), is entered into this ____ of _____ 2022 ("**New Effective Date**"). The above parties may be individually referred to as "**Party**" and collectively as the "**Parties**."

RECITALS

A. The Parties entered into that certain Original Agreement dated August 15, 2018 for Buyer's purchase of real option property owned by Seller, consisting of approximately 14.65 acres located in the City of Palm Desert, County of Riverside, identified as APN 620-420-023, and more fully described on Exhibit A and depicted on Exhibit A- 1 to the Original Agreement (the "Option Property"). Initially capitalized terms used, but not otherwise defined herein, shall have the meaning ascribed to such terms in the Original Agreement.

B. The Parties agree that the First Amended Agreement will expire on November 8, 2022. The Parties now mutually wish to amend the First Amended Agreement to extend the term of Buyer's option.

AGREEMENT

In consideration of the mutual obligations in this Second Amendment and pursuant to the terms of the First Amended Agreement, the Parties mutually agree as follows:

1. Incorporation of Recitals. The Recitals of fact set forth above are true and correct and are incorporated into this Second Amendment, in their entirety, by this reference.

2. Second Amendment. Section 1. C. of the First Amended Agreement is amended to read as follows:

"C. Option Term. The extended term of the First Amended Agreement shall expire at 5: 00 p. m. on November 8, 2022. So long as the First Amended Agreement has not already expired, Buyer may extend the term for one 53-day period (the "Option Term"), but only if Buyer timely gives notice of election to extend and deposits the additional option consideration pursuant to section 1.B. Any decision to grant or deny said extension will be subject to the sole discretion of the Seller. The Option Period shall expire at 5:00 p. m. on the fifty-third (53rd) day following the grant of such extension, unless such day is not a Business Day, in which case the extension period shall expire on the next following day which is a Business Day. A Business Day shall mean Monday through Friday, except for holidays on which the Riverside County Recorder's office is closed. In no event may the Option Term, as extended, terminate after the date of December 31, 2022."

4. Affirmation Regarding Absence of Defaults. Each Party hereby represents and warrants to the other Party that, as of the Effective Date of this Second Amendment, the non-representing Party is not in material uncured default of the First Amended Agreement and that there have been no events that, with the passage of time, the giving of notice, or both, would constitute an event of default under the First Amended Agreement. Each Party understands that the foregoing representation and warranty constitutes material consideration to the other Party for the other Party's entry into this Second Amendment.

5. Effect Upon First Amended Agreement. Except as expressly amended by this Second Amendment, the First Amended Agreement is hereby ratified and confirmed and remains in full force and effect, unmodified except as otherwise expressly herein provided. Wherever the term "Agreement" appears in the First Amended Agreement, it shall be read and understood to mean the First Amended Agreement as amended by this Second Amendment. In the event of any direct conflict or inconsistency between the terms of the First Amended Agreement and this Second Amendment, the terms of this Second Amendment shall be controlling to the extent of such conflict or inconsistency.

(SIGNATURES ON FOLLOWING PAGE)

IN WITNESS WHEREOF, Buyer and Seller have executed this Second Amendment to the Real Estate Option and Purchase and Sale Agreement and Joint Escrow Instructions on the dates indicated next to each of the signatures of their authorized representatives, as appear below.

BUYER:

Date: _____2022

DESERT WAVE VENTURES, LLC, a Delaware limited liability company

By: FS VENTURES, LLC, a Delaware corporation, Its Manager

By: _____
Donald Rady
Its: Managing Member

APPROVED AS TO FORM:

By:_____
Marco A. Gonzalez, Counsel

SELLER:

Date: _____, 2022

SUCCESSOR AGENCY TO THE PALM DESERT REDEVELOPMENT AGENCY, a public body, corporate and politic

By:_____
L. Todd Hileman, Executive Director

ATTEST:

By:_____
Anthony J. Mejia, City Clerk

APPROVED AS TO FORM:

By:_____
Successor Agency Counsel