

BOARD REPORT

NO. 19-151

DATE July 17, 2019

C.D. 6

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: ALLEGHENY PARK – FINAL AUTHORIZATION TO PROCEED WITH THE ACQUISITION OF PROPERTY LOCATED AT 11957-1161 ALLEGHENY ST. FOR PARK PURPOSES; CATEGORICAL EXEMPTION FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) PURSUANT TO ARTICLE 19, SECTION 15325, CLASS 25 [ACQUISITION OF LAND FOR FUTURE PARK PURPOSES] AND SECTION 15332, CLASS 32 [IN-FILL DEVELOPMENT PROJECTS] OF THE STATE CEQA GUIDELINES

AP Diaz _____	S. Piña-Cortez _____
H. Fujita _____	<i>fr</i> *C. Santo Domingo <u>DF</u> _____
V. Israel _____	N. Williams _____



 General Manager

Approved _____ Disapproved _____ Withdrawn _____

RECOMMENDATIONS

1. Authorize the Department of Recreation and Parks (RAP) to acquire real property, consisting of two parcels (Los Angeles County Assessor's Parcel Numbers (APN) (APN): 2631-001-017 and 2631-001-018 (Property) totaling approximately 0.61 and 0.44 acres in size or 26,571.6 square feet (sq ft) and 19,166.4 sq ft respectively (collectively called "Property"), located at 11957-1161 Allegheny Street, Los Angeles CA 91352-1834 in the Sun Valley-La Tuna Canyon Community Plan area of the City, and as further described in the Summary of this Report;
2. Approve the Resolution, herein included as Attachment 1, authorizing RAP to acquire the Property in accordance with the terms and conditions set forth in this Report and the proposed Purchase and Sale Agreement and Escrow Instructions attached hereto as Attachment 2;
3. Approve the proposed Purchase and Sale Agreement and Escrow Instructions substantially in the form attached as Attachment 2 to this Report (PSA) for the acquisition of the Property for the purchase price of Three Million, Three Hundred Sixty Thousand Dollars (\$3,360,000) and in accordance with the terms and conditions set forth in this Report and the PSA, subject to the approval of the City Attorney as to form and legality;
4. Authorize the Board of Recreation and Park Commissioners (Board) President and Secretary and RAP's General Manager, or authorized designee to, upon notice and

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completion of all necessary processing of approvals from the Community Redevelopment Agency of Los Angeles (CRA/LA) and all required approvals from the CRA/LA Governing Board, Oversight Board, and State Department of Finance, and City Council, Mayor and any other City Entity Board or City approving authority, and upon completion and approval of all conditions indicated in this Board Report, to execute the PSA, as well as all related documents;

5. Authorize RAP staff to request the Economic and Workforce Development Department (EWDD), the General Services Department (GSD), and RAP's Chief Financial Officer to process, commit and approve the use of CD 6 CRA/LA Excess Bond Proceeds (EBP) for the Property acquisition as directed and recommended by City Council Motions adopted on July 2015 - C.F. 14-1174, February 2019 – C.F. 19-0100, and on June 18, 2019 – C.F. 14-1174-S60 from the following fund(s) and work order number(s) listed and approved City Council actions C.F. 14-1174-S60 a maximum of \$3,432,300 in taxable and tax-exempt EBP from the Project Area within Council District Six be appropriated to the GSD, on behalf of RAP, to acquire real properties located at 11957, 11961 and 11963 Allegheny Street in the Sun Valley community of the City;
6. Authorize RAP's Chief Accounting Employee or designee to set up any necessary accounts and transfer the necessary monies to the appropriate City Department accounts and/or Escrow accounts designated for the acquisition of the Property if necessary;
7. Direct the Board Secretary to execute the escrow instructions and to accept the grant deed to the Property, which shall be set apart and dedicated as park property in perpetuity;
8. Find that the proposed project, consisting of the acquisition of real property, is categorically exempt from the provisions of the California Environmental Quality Act (CEQA), pursuant to Article 19, Sections 15325 and 15332 of the State CEQA Guidelines, and direct staff to file a Notice of Exemption (NOE);
9. Authorize RAP's Chief Accounting Employee or designee to prepare a check to the Los Angeles County Clerk in the amount of Seventy-Five Dollars (\$75.00) for the purpose of filing an NOE;
10. Direct staff to return to the Board with a final plan for the development of the Allegheny Park Facility project as directed by City Council Motion C.F. 14-1174-S60;
11. Authorize RAP's Chief Accounting Employee or designee in coordination with EWDD, GSD, Office of The Chief Legislative Analyst (CLA), and City Administrative Officer (CAO) to make technical corrections as necessary to establish the necessary accounts to acquire the Property, and to accept and/or authorize transfer of the necessary monies to fund and pay for any and all pre-acquisition/due diligence costs; and the acquisition to the appropriate City Department accounts or escrow company account in order to carry out the intent of this Report; and,

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12. Authorize RAP's General Manager, or designee, and City Attorney to make technical corrections, as needed, to carry out the intent of this Report.

SUMMARY

On February 8, 2019, City Council adopted City Council Motion requesting RAP, GSD, and the City Attorney to consider the acquisition of two parcel identified by APN 2631-001-017 and 2631-001-018. Said parcels were identified by Council District 6 for possible acquisition. The proposed Allegheny Park project is a CD 6 proposed acquisition and park development project located at 11957-1161 Allegheny Street, Los Angeles CA 91352-1834 (Property), in the Sun Valley community of the City (C.F.19-0100).

The Property consists of two parcels identified by APN 2631-001-017 and 2631-001-018, which are currently owned by Allegheny Ventures, LLC, A California Limited Liability Company. The Property is currently vacant and consists of three (3) vacant buildings which are boarded up. The properties are currently vacant.

City Council has requested that RAP with the assistance of GSD, City Attorney, EWDD and all other affected Departments, take the lead on the negotiating of acquisition terms, securing of funding to acquire and to obtain all approvals required to ensure the acquisition of the Property (Council File No 14-1174 and C.F.19-0100).

On July 1, 2015, City Council instructed EWDD to provide a Report with recommendations to CRA/LA Bond Oversight Committee to allocate up to \$4,500,000 in CRA/LA Excess Bond Proceeds available to CD 6 for a new park development (CF No 14-1174).

On February 8, 2019, City Council instructed GSD, RAP and the City Attorney to negotiate terms for the acquisition of property identified by CD 6. CD6 identified the Property for acquisition: APN: 2631-001-017 and 2631-001-018 (C.F.19-0100).

On March 20, 2019, the Board, through Report No. 19-059, authorized RAP to initiate the process for the possible acquisition of the Property and to complete preliminary acquisition activities, and directed staff to return to the Board with escrow instructions and related documents for the Board's final approval to acquire the Property.

The Board directed RAP staff to return to the Board, upon completion of preliminary acquisition activities, with a proposed purchase/sale agreement, escrow instructions and any other related documents for the Board's final approval to purchase the Property, subject to the following conditions:

- A. Funding is to be determined for the acquisition of the Property;
- B. Completion of all appropriate California Environmental Quality Act (CEQA) analysis and documentation;

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- C. Completion of all environmental assessments, including Phase I and Phase II if needed;
- D. Finalization of all material terms of the purchase of the Property, including the negotiation by GSD of a purchase price that is consistent with its professional opinion of market value.

All of the conditions have been met. Funding for the acquisition has been determined and approved, CEQA review has been completed and negotiations have been completed.

RAP Staff recommends final authority to acquire the Property upon approval and allocation of funds by City Council and Mayor presented to City Council by EWDD as per the City Council Motion (C.F. 14-1174). City Council approved funding for the acquisition on June 18, 2019 (14-1174-S60). City staff will instruct all parties to proceed with final acquisition of the Property. City Council approved \$3,432,300 in funding for the acquisition of the Property, known as "Allegheny Park".

The cost for the Property acquisition includes land acquisition costs, and due diligence/pre-acquisition costs, and site preparation costs, as follows.

ACQUISITION COSTS

Acquisition cost including Due Diligence costs, = \$3,387,300 .

Budget line items (purchase price, closing cost, due diligence etc.)

- - Due Diligence/Pre-Acquisition costs:
 - Phase I = \$2,350
 - Appraisal = \$4,000
 - Title Report = \$950.
- - Acquisition costs:
 - Purchase Price = \$3,360,000
 - Escrow/Closing Costs = \$20,000

Total Acquisition Project costs: \$3,387,300

Once the acquisition of the Property is complete, RAP will initiate the design process for the proposed park development. The final design for the proposed park development, will be presented to the Board for consideration. Design of the proposed park development will involve the community presentation and input. This Report does not address development approval or design of the park, only the acquisition of the Property.

CD6 recently introduced two new Motions related to this Property. One Motion seeks to allocate up to \$100,000 toward the demolition of the existing structures and removal of any toxic

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substances found on site, and the second Motion seeks to allocate approximately \$450,000 toward planning and design of the proposed new park.

PROPERTY APPRASIALS AND VALUE

Below is a summary of the fair market values from all the appraisal reports for this Property with the dates of value.

Appraisal	Appraiser	Date of Value	Opinion of Value
City Appraisal	GRIBIN, KAPADIA & ASSOCIATES	February 12, 2019	\$3,060,000
City Reviewer	Integra Realty Resources	February 12, 2019	\$3,060,000

GSD reviewed the appraisal reports to determine if the purchase price for the Property is consistent with their professional opinion of market value, including escrow fees and title insurance fees.

GSD reviewed all appraisal reports and concurs with the findings of the appraisals from Gribin, Kapadia & Associates and appraisal review by Integra Realty Resources value for the Property being acquired from Allegheny Ventures, LLC. GSD's consultant appraiser and reviewer have determined that the fair market value of the property as of February 12, 2019, is \$3,060,000. However, based on negotiations with the seller and based on the expert advice from GSD, the final purchase price agreed upon is Three Million, Three Hundred Sixty Thousand Dollars (\$3,360,000.00)

PURCHASE AND SALE AGREEMENT

The acquisition of the Property will entail the execution of a Purchase and Sale Agreement (PSA) at attached to this Report as Attachment 2. The PSA consists of all the acquisitions conditions, terms and obligations required of the City and CRA/LA.

Staff is recommending that the Board authorize the execution of the PSA in accordance with the Property purchase price as set forth in this Report, pending final review and approval by GSD and/or other City Department staff as necessary, and subject to the approval of the City Attorney as to form and legality and pending allocation and approval of CD 6 CRA/LA Excess Bond Proceeds for the Allegheny Park acquisition as directed and recommended by City Council Motions adopted on July 2015- C.F. 14-1174 and on February 2019 – C.F. 19-0100 and June 18, 2019 – C.F. File: 14-1174-S60.

Additionally, staff recommends that the Board authorize the Board President and Secretary to execute the PSA, upon approval from City Council and the Mayor, and upon notice of such, that the purchase of the Property from Allegheny Ventures, LLC, has received all required approvals for Funding from the by CRA/LA Bond Oversight Committee and Mayor and City Council, and or

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any other necessary approval, and upon completion and approval of all conditions indicated in this Board Report.

PROJECT FUNDING

On July 2015, through City Council Motion, City Council adopted said Motion authorizing the expenditure of up to \$4,500,000 in taxable and tax-exempt CRA/LA Excess Bond Proceeds available to Council District 6 from the Pacoima/Panorama City Redevelopment Project Area to be utilized by RAP/City for the acquisition and development of a new park for the community (C.F. 14-1174).

City Council also instructed EWDD, with the assistance of CAO, CLA, RAP, GSD, and any other applicable City Departments, to provide a report with recommendations to the CRA/LA Bond Oversight Committee to allocate up to \$4,500,000 in taxable and tax-exempt CRA/LA Excess Bond Proceeds available to Council District 6 for a new park development project as part of the Parks and Open Space project identified in the Bond Expenditure Agreement and Bond Spending Plan for the Pacoima/Panorama City Redevelopment Project Area.

Upon approval of this Report, \$3,432,300 in CRA/LA Excess Bond Proceeds can be committed to the Allegheny Park Acquisition Project. The total Park Fee funding available for the Allegheny Park Project would be Four Million, Five Hundred Thousand Dollars (\$4,500,000). Potential additional funding for the demolition of existing structures and development has been introduced for City Council approval via two City Council Motions.

PROJECT CONSTRUCTION AND OR DEVELOPMENT PLAN

A development and or construction plan has not yet been finalized. Demolition and related construction cost will entail further environmental studies. At this time, construction and environmental costs have not yet been determined or evaluated.

Sufficient funding has not yet been identified to pay for the development of the Allegheny Park that will be situated on the Property. As discussed above, the funding and allocation of said funds for the development and construction of the Allegheny Project is subject to the approvals of CRA/LA Bond Oversight Committee, the Mayor, and City Council. Motions have been introduced for City Council approval but have not been passed at this time.

The design and development of the park will be subject to community outreach and input, and will be based on the needs of the community it will serve. Further environmental studies will be required to address the demolition and disposal of existing buildings on site.

NEEDS ASSESSMENT

The acquisition of the Property would increase the number of City residents that would be served by a park within walking distance of their residence. An estimated 3,753 City residents who live

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within a one-half (½) mile walking distance of 11957-1161 Allegheny Street, are not currently served by a park.

TREE AND SHADE

The proposed Property acquisition parcel is located within the “Clean UP Green Up” zone. The Clean Up Green Up zones were implemented to address environmental concerns by greening up communities. This is an area and community that would greatly be served by the addition of green space and trees. It is Staff’s recommendation that trees be considered and incorporated in any design plan that meets all park design standards. This site offers a great opportunity to design a park that is in keeping with City’s future environmental goals by addressing Toxic Hot Spots that The Clean Up Green Up policy targets. The non-profit, Southern Group of State Foresters (SGSF) states that Urban forest provide “Cleaner, Cooler Air: In exchange for giving oxygen, trees absorb carbon dioxide produced from the combustion of various fuels. Trees remove or trap lung-damaging dust, ash, pollen and smoke from the air, in addition to providing shade for people and conserving energy.”

PARK ENVIRONMENTAL CONTRIBUTION

Allegheny is considered to be in area known as a “toxic hot spot” which the City has targeted under its Clean UP Green UP policy designed to address pollution issues. Study after study support the need for more green spaces that provide positive impacts on the environment and communities.

Several studies have concluded that City parks offer four major benefits to communities; by increasing better health, by providing for positive social connection and interaction among community members, and by aiding the environment, which have been determined to have significant positive impacts on the local economy.

CLEAN UP GREEN UP ZONES

On January 2011 the Los Angeles City Council via City Motion adopted said Motion directing City Planning Department and others to research, analyze and draft Clean Up Green Up policy recommendations for Boyle Heights, Pacoima and Wilmington areas of the City. (C.F.11-0112) The City Los Angeles policy was implemented to address the cumulative impacts of the accumulation of pollution sources adjacent to residential areas that put neighbors at higher risk for asthma, lung disease, cardiovascular disease, cancer.

The Clean Up Green Up policy establishes Green Zones in three pilot areas in the City of Los Angeles: Boyle Heights, near downtown; Pacoima-Sun Valley, in the East San Fernando Valley and Wilmington, in the harbor area. (C.F. NO. 15-1026). On April 26, 2016, City Council adopted the Ordinances No.184246 and 184245 establishing three (3) Green Zones and establishing air filtration systems for development of buildings. C.F. No. 15-1026. Although RAP is exempt from any of the required policy of the Clean UP Green UP policies. The addition of parks within these Green Zone area is in no doubt a positive effect and a positive impact and contribution to the

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City's goal with regards to cleaning up and greening up these toxic hot spots. Parks benefit the environment.

The California State Parks indicated in its Planning program of 2005, the benefits of parks by listing and focusing on the benefits parks offer to both mental and physical health and its park benefits to society by creating stronger communities. The Non-Profit Trust for Public Land also cited similar benefits of parks having a positive effect on health, environment, social needs and economic benefits, in its 2006 publication entitled, "The Benefits of Parks: Why America Needs More City Parks and Open Space." .

ENVIRONMENTAL IMPACT

The proposed project will consist of acquisition of two parcels totaling approximately 0.61 and 0.0444 acres in size or 26,571.6 square feet (sq ft) and 19,166.4 sq ft for future park purposes. The Property has 3 buildings that will need to be demolished.

Based on the current information, the current plans identify the area of potential contamination on the Property as a portion of the parking area that forms a cap on the soil contamination. This area would remain capped as a proposed parking lot. As such, potential significant impacts related to hazardous materials can be ruled out at this time.

Staff recommends that this acquisition be found to qualify for a California Environmental Quality Act (CEQA) exemption as an acquisition of land for future park development. In addition, Staff recommends that it be found to qualify as an urban in-fill development, as it meets the following conditions:

- (1) It will be located within City limits on a site no larger than five acres that is substantially surrounded by urban uses;
- (2) It will be consistent with the City General Plan designation and policies, as well as zoning regulations;
- (3) It does not have any value as habitat for endangered, rare or threatened species;
- (4) It will not have any significant environmental effects to traffic, noise, air quality, or water quality based on the results of various related technical studies; and,
- (5) It will be adequately served by all required utilities and public services.

Therefore, staff recommends that the Board determine that the project is categorically exempt from the provisions of CEQA pursuant to Article 19, Sections 15325, Class 25(f), and 15332, Class 32 of the State CEQA Guidelines. Filing of a Notice of Exemption with the Los Angeles County Clerk will occur upon Board approval.

If the Project changes or the circumstances that define the project change at any time, a re-evaluation of CEQA will be required.

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FISCAL IMPACT

The approval of the acquisition of property parcels (APN): 2631-001-017 and 2631-001-018 totaling approximately 0.61 and 0.44 acres in size or 26,571.6 sq ft and 19,166.4 sq ft respectively, located at 11957-1161 Allegheny Street, will have no fiscal impact to RAP's General Fund. Funding for acquisition and development will be provided by the City Council District Office Six and CD 6 CRA/LA Excess Bond Proceeds. The estimated Total Acquisition Project costs is \$3,387,300.

It is unknown at this time if the costs for the design, development, and construction of the Allegheny Park will have any impact to RAP's General Fund but it is not anticipated. Current funds available upon approval of allocation funds is of Four Million Five Hundred Thousand Dollars (\$4,500,000)

STRATEGIC PLAN INITIATIVES AND GOALS

Approval of this Board Report advances RAP's Strategic Plan by supporting Six of the Seven Goals:

Goal 3: Create & Maintain World Class Parks and Facilities

Outcome No. 1: Newly Developed park projects and the redesign of signature City Parks

Key Metric: Number of major park projects completed

Result: More park accessibility to traditionally park-poor communities such in the Sun Valley-La Tuna Canyon Community Plan area

This Report was prepared by John Barraza M.A. II, Real Estate Unit, Department of Recreation and Parks.

LIST OF ATTACHMENTS

1. Resolution
2. Purchase and Sale Agreement

RESOLUTION NO. _____

WHEREAS, on July 1, 2015, the City Council instructed Economic and Workforce Development Department (EWDD) to provide a report with recommendations to CRA/LA Bond Oversight Committee to allocate up to \$4,500,000 in CRA/LA Excess Bond Proceeds available to Council District Office 6 (CD 6) for a new park development. (C.F.14-1174); and,

WHEREAS, on February 8, 2019, the City Council instructed and requested Department of General Services (GSD), Department of Recreation and Parks (RAP) and the City Attorney to negotiate terms for the acquisition of the property identified by CD 6. The Council Office identified two parcels for acquisition identified by the Los Angeles County's Assessors' Parcel Number (APN): 2631-001-017 and 2631-001-018. (C.F.19-011); and,

WHEREAS, on March 20,2019, the Board of Recreation and Park Commissioners (Board) through Report No 19-059, authorized RAP to initiate the process for the possible acquisition of the identified property; and to complete preliminary acquisition activities, as well as direct staff to return to the Board with a proposed purchase and sale agreement, escrow instructions and related documents for the Board's final approval to acquire the property; and,

WHEREAS, the Board authorized RAP to initiate the process for the possible acquisition of parcels known as the "Allegheny Park" parcels with an address of 11957-1161 Allegheny Street (Property), Los Angeles California 91352-1834, located in the Sun Valley-La Tuna Canyon Community Plan area and is comprised of two (2) parcel lots totaling 0.61 square feet (sf) and 0.44 acres in size with three (3) building structures; and,

WHEREAS, the Board directed RAP staff to, upon the completion of the preliminary acquisition activities, return to the Board with a proposed purchase/sale agreement, escrow instructions and any other related documents for the Board's final approval to purchase the Property, subject to completion of conditions listed in Board Report 19-059.

WHEREAS, GSD has reviewed all appraisal Reports and concurs with the findings of the appraisals from Gribin, Kapadia & Associates and appraisal review by Integra Realty Resources value for the subject parcels being acquired from Allegheny Ventures, LLC. GSD's consultant appraiser and reviewer have determined that the fair market value of the Property as of February 12, 2019, is \$3,060,000. However, based on negotiations with the seller and based on the expert advice from GSD, the final purchase price agreed upon is Three Million, Three Hundred Sixty Thousand Dollars (\$3,360,000.00); and,

WHEREAS, the estimated acquisition total, including due diligence costs, and escrow fees and title insurance fees is projected and estimated to be: \$3,387,300; and,

WHEREAS, funding to pay for the acquisition of the Property and for the development of the Allegheny Park acquisition Project will come from CD 6 CRA/LA Excess Bond Proceeds, and/or other funding source(s); and,

WHEREAS on June 18, 2019 (CF 14-1174-S60) City Council approved for a maximum of \$3,432,300 in taxable and tax-exempt EBP from the Project Area within Council District Six be appropriated to the GSD, on behalf of the RAP, to acquire real properties located at 11957, 11961 and 11963 Allegheny Street in Sun Valley; and

WHEREAS, the Phase I Environmental Site Assessment report indicates that no evidence of Recognized Environmental Conditions (RECs) was found on the Property, and RAP staff has determined that no further site investigation for the Property is required and that there is no known environmental hazard which should be an obstacle to RAP acquiring the Property for public use; and,

WHEREAS, RAP staff requests authority to proceed with the final acquisition of the Property in order to ensure that the acquisition is expedited and property is acquired and preserved as park property in perpetuity as recommended in City Council Motion No. 54. CF 19-0100 adopted on February 8, 2019 and CF 14-1174-S60.

NOW, THEREFORE, BE IT RESOLVED that the Board authorize RAP to acquire the Property, consisting of two parcels (Los Angeles County Assessor's Parcel Numbers (APN) 2631-001-017 and 2631-001-018) known as the "Allegheny Park" parcels with an address of 11957-1161 Allegheny Street, Los Angeles CA 91352-1834, located in the Sun Valley-La Tuna Canyon Community Plan area and is comprised of two (2) parcel lots totaling 0.61 square feet (sf) and 0.44 acres in size with three (3) building structures; and,

BE IT FURTHER RESOLVED that GSD, and other Departments as necessary, per Charter Section 594(a) and (b), be requested to assist RAP in obtaining fee title to APN 2631-001-017 and 2631-001-018; and,

BE IT FURTHER RESOLVED that RAP's Chief Accounting Employee or designee is authorized to set up any necessary accounts and transfer the necessary monies to the appropriate City Departments accounts and/or Escrow accounts designated for the acquisition of the Property; and,

BE IT FURTHER RESOLVED that, the proposed Purchase and Sale Agreement (PSA) approved as part of the Board Report authorizing this resolution, is approved for the purchase of the Property for the purchase price of Three Million Three Hundred Sixty Thousand Dollars (\$3,360,000.00), and to include Escrow Closing cost, Due Diligence totaling and estimated to be \$3,387,300, pending final review and approval by GSD and/or other City Departments as necessary, and subject to the approval of the City Attorney as to form and legality; and,

BE IT FURTHER RESOLVED that the Board President and Secretary be authorized to execute the PSA upon receipt of the necessary approvals and allocation and approval of CD 6 CRA/LA Excess Bond Proceeds funds; and,

BE IT FURTHER RESOLVED that the Board Secretary, upon successful acquisition, is directed to accept the grant deed for the subject Property, which is to be set apart and dedicated as park property in perpetuity known as the "Allegheny Park".

I HEREBY CERTIFY that the foregoing is a full, true and correct copy of a Resolution adopted by the Board of Recreation and Park Commissioners of the City of Los Angeles at its meeting held on _____, 2019 (Report No. _____).

Iris L Davis, Secretary

Resolution No. _____

**PURCHASE AND SALE AGREEMENT
AND ESCROW INSTRUCTIONS**

Between

ALLEGHENY VENTURES, LLC

SELLER

AND

**CITY OF LOS ANGELES,
A MUNICIPAL CORPORATION, ACTING BY AND THROUGH ITS BOARD OF
RECREATION AND PARK COMMISSIONERS
BUYER**

**FOR PROPERTY LOCATED AT
11957 & 11961 ALLEGHENY STREET, LOS ANGELES, CALIFORNIA 91352**

DATED: _____, 2019

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Exhibit A.....Description of Property

Exhibit B.....Form of Grant Deed

PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

This Purchase and Sale Agreement (Agreement) is made as of _____, 2019 (Effective Date), between the CITY OF LOS ANGELES, a municipal corporation, acting by and through its Board of Recreation and Park Commissioners (**Buyer and City**), and ALLEGHENY VENTURES, LLC (**Seller**).

RECITALS

A. Seller is the owner of certain real property located in the City of Los Angeles, County of Los Angeles, State of California, commonly known as 11957&11961 Allegheny Street, Los Angeles, CA 91352, Assessor's Parcel Numbers 2631-001-017 (11957), 2631-001-018 (11961) and is legally described in **Exhibit A** attached hereto, consisting of approximately 26,376 square feet of land and 19,220 square feet of land respectively. There are three structures on site built in 1945, 1953, and 1957 containing 766, 990 and 1,500 square feet. (collectively, **Property**, as more fully described in Section 1.3 below).

B. Seller desires to sell and Buyer desires to purchase the Property subject to the terms and conditions of this Agreement, all applicable federal, state and local laws and regulations, and all outstanding rights of record or open and obvious on the ground.

C. This Agreement is neither valid nor binding on the City unless and until approved by the Board of Recreation and Park Commissioners of the City of Los Angeles (**Board**) pursuant to the requirements of the City's Charter and Administrative Code.

ARTICLE 1

PROPERTY

1.1. Execution Date. The term "**Execution Date**" shall mean the date that the Office of the City Clerk of Los Angeles attests this Agreement, which shall also be the "**Effective Date**" of this Agreement.

1.2. Purchase and Sale. For good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Seller agrees to sell and Buyer agrees to purchase the Property described below in Section 1.3.

1.3. Components of the Property. The Property to be purchased and sold under this Agreement consists of the following:

1.3.1. Land. Physical land area described in **Exhibit A** hereto (**Land**)

1.3.2. Appurtenances. All privileges, rights, easements appurtenant to the Land, including without limitation, all minerals, oil, gas, and other hydrocarbon

substances on and under the Land; all development rights, air rights, water rights, and water stock relating to the Land; all right, title, and interest of Seller in and to any streets, alleys, passages, water and sewer taps, sanitary or storm drain capacity or reservations, rights under utility agreements, and other easements and rights-of-way included in, adjacent to or used in connection with the beneficial use and enjoyment of the Land (collectively, **Appurtenances**).

1.3.3. Improvements. All buildings, structures, fences, parking areas, or improvements located on the Land or Improvements, including fixtures, systems, and equipment attached to the Land or Improvements and used in connection with the operation or occupancy of the Land and Improvements, such as heating and air-conditioning systems, refrigeration, ventilation, garbage disposal, or utility conduits (collectively, **Improvements**), which together with the Land and Appurtenances are the **Property**.

ARTICLE 2

PURCHASE PRICE

2.1. Amount. The purchase price (**Purchase Price**) of the Property is Three Million Three Hundred and Sixty Thousand Dollars (\$3,360,000), and is payable in cash to Seller in accordance with this Article 2.

2.2. Payment of Purchase Price. Buyer shall pay the Purchase Price as follows:

2.2.1. Deposit. No later than twenty (20) days of Opening of Escrow (defined in Section 3.1 below), Buyer shall deposit into Escrow (for benefit of Seller) the sum of One Hundred Thousand Dollars (\$100,000) as a deposit toward the Purchase Price (**Deposit**). The Deposit will be applied to the Purchase Price at Close of Escrow (defined in Section 3.3 below). However, if Buyer defaults in its duties under this Agreement thus preventing Close of Escrow, Escrow Holder (defined in Section 3.1 below) shall release the Deposit to Seller who shall retain it as liquidated damages for such default. Additionally, if Buyer elects to terminate this Agreement before expiration of the Inspection Period (defined in Section 3.2 below), Escrow Holder shall refund Deposit to Buyer. Further, if Seller defaults under this Agreement, Escrow Holder shall refund Deposit to Buyer.

2.2.2. Balance. No later than three (3) days prior to Close of Escrow, Buyer shall deliver to Escrow Holder a sum equal to the Purchase Price, together with Buyer's share of pro-rations and costs of Escrow (see Section 3.6 below), less the amount of the Deposit.

ARTICLE 3

OPENING AND CLOSING OF ESCROW

3.1. Opening of Escrow. Within two (2) business days after the Effective Date, the parties shall deposit an executed copy of this Agreement (or a fully executed copy in counterparts) with Escrow Holder. Escrow Holder shall promptly execute this Agreement upon receipt and thereupon, the escrow hereunder ("Escrow") shall be established. This Agreement shall serve as the instruction to Escrow Holder to consummate the purchase and sale contemplated hereunder. Seller and Purchaser agree to execute such additional and supplementary escrow instructions as are reasonably necessary to enable Escrow Holder to comply with the terms of this Agreement in the form of an amendment hereto. The transactions contemplated herein shall be consummated through Escrow. The "Close of Escrow" shall occur on the Closing Date. For purposes of this Agreement, the Escrow Holder shall be Chicago Title Company, Joan Hawkins, Escrow Officer located at 725 S. Figueroa Street, Suite 200 Los Angeles CA 90017 (**Escrow Holder**).

3.2. Term of Escrow. The term of this Escrow shall be forty five (45) days from the Opening of Escrow (**Term of Escrow**), unless extended by mutual written agreement of the parties. The Term of Escrow shall consist of two time periods: (a) the initial thirty (30) day period following the Opening of Escrow and receipt of Inspection Documents during which period Buyer will review the Inspection Documents listed in Section 4.1 below (**Inspection Period**) and notify Seller of its approval or disapproval of these Documents, and (b) a subsequent fifteen (15) day period following City's written notice of approval of said Documents in which the parties complete any other duties under this Agreement (**Post-Inspection Period**). Thus, the closing date of this Escrow shall be no later than the expiration date of the Term of Escrow, unless extended by mutual written agreement of the parties (**Closing Date**).

3.3. Close of Escrow. The Close of Escrow (defined below) for the purchase and sale of the Property shall occur following: (a) Buyer's written notice of approval to Seller of the Inspection Documents, (b) Buyer's and Seller's respective Deliveries into Escrow (see Sections 3.4 and 3.5 below), (c) the satisfaction or waiver of Buyer's and Seller's respective Conditions to Close of Escrow (see Sections 4.1 and 4.2 below), and (d) Escrow Holder's recordation of a grant deed transferring fee title to the Property to Buyer (**Close of Escrow**).

3.4. Seller's Deliveries into Escrow. No later than three (3) days prior to Closing Date, Seller must deposit in Escrow the following documents duly executed by Seller in form and substance reasonably satisfactory to Buyer:

3.4.1. Deed. A duly executed and acknowledged grant deed conveying fee title to the Property to Buyer subject only to the Permitted Exceptions (**Deed**). A form of the Deed is attached hereto as **Exhibit B**;

3.4.2. Nonforeign Certification. Certificates required by §1445 of the Internal Revenue Code of 1986, and the California Revenue and Taxation Code §18668, executed by Seller and in a form satisfactory to Buyer (Nonforeign Certification), to relieve Buyer of any potential transferee's withholding liability under such statutes;

3.4.3. Seller's Proof of Power and Authority. Such proof of Seller's

authority and authorization to enter into and perform under this Agreement, and such proof of power and authority of the individuals executing or delivering any instruments, documents, or certificates on behalf of Seller to act for and bind Seller as may reasonably be required by Buyer or the Escrow Holder; and

3.4.4. Additional Documents. Such additional documents, including written Escrow instructions consistent with this Agreement, as may be necessary or desirable to convey the Property in accordance with this Agreement.

3.5. Buyer's Deliveries into Escrow. No later than three (3) days prior to the Closing Date, Buyer must deposit in Escrow the following funds and documents duly executed by Buyer in form and substance reasonably satisfactory to Seller:

3.5.1. Balance of Purchase Price. The Balance of the Purchase Price in accordance with Article 2, plus or minus prorations as provided in Section 3.7 hereof.

3.5.2. Buyer's Proof of Authority. Such proof of Buyer's authority to enter into and perform under this Agreement, including Board approval of this Agreement and authority to purchase the Property.

3.5.3. Acceptance of Deed. A duly executed and acknowledged Acceptance of Deed (City of Los Angeles form) accepting title to the Property.

3.5.4. Additional Documents. Such additional documents, including written Escrow instructions consistent with this Agreement, as may be necessary or desirable for conveyance of the Property in accordance with this Agreement.

3.6. Escrow Holder's Closing Tasks. When Escrow Holder receives all documents and funds identified in Sections 3.4 and 3.5 above, it shall close Escrow by:

3.6.1. Recording the Deed and Acceptance of Deed;

3.6.2. Delivering to Buyer the Nonforeign Certification, copies of all recorded documents related to the transfer or encumbering of the Property and a copy of Seller's Escrow instructions; and

3.6.3. Paying the Purchase Price to Seller, plus or minus prorations under Section 3.6 hereof.

3.6.4. Thereafter, Escrow Holder shall deliver signed closing statements showing all receipts and disbursements to Buyer and Seller and shall file with the Internal Revenue Service (with copies to Buyer and Seller) the reporting statement required under Internal Revenue Code §6045(e).

3.7. Prorations. All receipts and disbursements of the Property shall be prorated as of 11:59 p.m. (Pacific Time) on the Closing Date (such that all taxes, costs and expenses accruing on the Closing Date shall be charged to Seller and all income and revenue from the Property (if any) on the Closing Date shall be for the account of Seller) and the Purchase Price shall be adjusted on the following basis:

3.7.1. **Property Taxes.** All real and personal property ad valorem taxes and special assessments, if any, whether payable in installments or not, including without limitation all supplemental taxes attributable to the period prior to the Closing shall be prorated to the Closing Date, based on the latest available tax rate and assessed valuation.

3.7.2. **Utility Charges.** Charges for utilities, including water, sewer, electric, and gas, shall be prorated within thirty (30) days after the Closing Date based on the then most recent bills for such services. Seller shall pay for all utility services to the Property for all periods before the Closing Date and Buyer shall pay for all utility services to the Property for the Closing Date and all periods thereafter.

3.8. **Closing Costs.** Closing costs shall be allocated as follows:

3.8.1. Seller shall pay all costs associated with removing any debt encumbering the Property;

3.8.2. Escrow costs shall be shared equally by Seller and Buyer. Seller shall pay the cost to record the deed;

3.8.3. Seller shall pay the cost of a standard ALTA Owner's Title Policy issued by Title Company (as defined in Section 4.3 below). Buyer shall pay for any endorsements or extended coverage.

3.9. **Possession.** Seller shall deliver exclusive right of possession of the Property to Buyer on the Closing Date.

ARTICLE 4

BUYER'S CONDITIONS TO CLOSE OF ESCROW

The following are conditions precedent to Buyer's obligation to purchase the Property:

4.1. **Approval of Inspection Documents.** Seller's delivery into Escrow (at Opening of Escrow), to the extent in Seller's possession or under Seller's control, of the below-listed **Inspection Documents**, and Buyer's approval of those Inspection Documents will be provided to Seller by Buyer no later than expiration of the Inspection Period of Escrow (defined in Section 3.1 hereof).

4.1.1. **Agreements.** Copies of all written easements, covenants, restrictions, agreements, service contracts, and other documents that affect the Property, including without limitation any agreements relating to insurance, service, operation, repair, supply, advertising, promotion, sale, leasing, or management of the Property or the use of the common facilities with whom Buyer may be dealing after Close of Escrow..

4.1.2. **Licenses and Permits.** Copies of any licenses, permits, or certificates required by governmental authorities in connection with construction or

occupancy of the Improvements, including without limitation building permits, certificates of completion, certificates of occupancy, and environmental permits and licenses, and any correspondence related to the Improvements.

4.1.3. Tax Bills. Property tax bills for the current tax year.

4.1.4. Insurance Policies. Copies of all liability, fire, and casualty insurance policies carried by Seller, and copies of certificates evidencing all insurance that tenants of the Property are required to carry.

4.1.5. Property Condition Materials. Any environmental site assessments concerning hazardous substances on the Property, asbestos reports on the Improvements, complaints or notices-of-violation related to hazardous substances on the Property, geological surveys, soil tests, engineering reports, inspection results, complaints or notices-of-violation related to the safety of the Property. Seller's duty to provide such Documents does not include the duty to conduct and pay for new Environmental Site Assessments, which are Buyer's duties hereunder (see Section 4.2 below). Buyer acknowledges that it is in receipt of the following materials from the Seller:

(i). Phase I Environmental Site Assessment performed by Ramboll Environ dated June, 2017

(ii). ALTA/NSPS Land Title Survey by Atlas Geospatial dated 8/7/17

4.1.6. Litigation Materials. All materials related to pending or threatened litigation (during Seller's ownership of the Property) involving the Property or Seller on account of its ownership of the Property, including correspondence, complaints, court orders, settlements, and judgments.

4.1.7. Other Materials. All other data, correspondence, documents, agreements, waivers, notices, applications, and other records regarding the Property relating to transactions with taxing authorities, governmental agencies, utilities, vendors, tenants, neighbors, and others with whom Buyer may be dealing after Close of Escrow.

4.1.8. Excluded Records. The above-listed Inspection Documents shall not include any books, records, documents, or information on the corporate, financial, and accounting records of the operations of Seller as an entity (as opposed to records concerning the Property), regarding offers or inquiries made by third parties concerning the purchase of some or all of the Property or appraisals of the value of the Property that are attorney-client communications of Seller, that is Seller's attorney's work product, or that is not in the possession of Seller or persons under Seller's control.

Buyer's obligation to purchase the Property is expressly conditioned on its written approval, in its sole discretion, of the matters disclosed in the Inspection Documents. Buyer shall have the Inspection Period to review these Documents and to decide whether to approve the matters disclosed therein. Thus, no later than expiration of the Inspection Period, Buyer shall deliver written notice to Seller either: (a) accepting the matters disclosed in the Inspection Documents, or (b) terminating this Agreement. If Buyer fails to give such notice on or before said expiration date, Buyer shall be deemed

to have approved the Inspection Documents.

4.2. Approval of Site Assessments. Buyer's: Approval of the condition of the Property revealed in any new Phase I Environmental Site Assessment conducted and paid for by Buyer as part of this purchase and sale of the Property. Buyer's and Seller's Phase I Environmental Site Assessment does not recommend a Phase II.

4.3. Approval of Title. Buyer's approval of the condition of title of the Property (and Title Company's commitment to issue Title Policy) in accordance with following procedure:

4.3.1. Permitted Exceptions. The following exceptions shown on the Preliminary Report (**Permitted Exceptions**) are approved by Buyer: (a) exceptions for a lien for local real estate taxes and assessments not yet due or payable, including without limitation special taxes under Government Code §§53311-53368.3 or installment assessments under Street & H C §§8500-8887, (b) the standard preprinted exceptions and exclusions of the Title Company (defined below), and (c) any other exception shown on the Preliminary Report, other than exceptions for monetary liens, which Buyer does not object to by written notice to Seller within the Inspection Period described in Section 3.2 hereof (**Buyer's Title Notice**). The parties hereto acknowledge and agree that Seller provided a Preliminary Report to Seller prior to Effective Date of this Agreement. All exceptions on the Preliminary Report other than the Permitted Exceptions will be Title Objections. If Buyer fails to deliver its Buyer's Title Notice within the Inspection Period, Buyer shall be deemed to have objected to each title exception shown in the Preliminary Report that is not otherwise a Permitted Exception. Additionally, the parties hereto acknowledge and agree that the Title Company for this Agreement shall be Chicago Title Insurance Company located at 725 South Figueroa Street, Suite 200, Los Angeles CA 90017 (**Title Company**).

4.3.2. Title Objections. With respect to any Title Objection arising during the Inspection Period, Seller shall have ten (10) days after delivery of Buyer's Title Notice to remove or cure such Title Objection. If Seller does not wish to remove or cure the Title Objection within said 10 day period, Seller shall deliver written notice of same to Buyer (**Seller's Title Notice**).

4.3.3. Non-Cure of Title Objections. If Seller elects not to cure or remove a Title Objection by delivering a Seller's Title Notice (or is deemed to have so elected), then Buyer shall have ten (10) days after delivery of said Notice to deliver a written notice to Seller (**Buyer's Election Notice**) of Buyer's election either to (a) proceed to purchase the Property, waive such Title Objection, and accept the exception shown in the Preliminary Report as a Permitted Exception, or (b) terminate this Agreement. If Buyer fails to deliver Buyer's Election Notice within the time specified in this Section 4.3.3, Buyer shall be deemed to have elected to terminate this Agreement.

4.3.4. Nonmonetary Cure of Title Objections. If Seller elects to cure or remove a Title Objection, but the method specified for removing or curing that Objection is other than payment of a specific sum of money, then Buyer shall have ten (10) days after delivery of the Seller's Title Notice to deliver Buyer's Election Notice specifying whether it elects to (a) proceed to purchase the Property, subject to Seller's removal of

the Title Objection, or (b) terminate this Agreement.

4.3.5. **Additional Encumbrances.** If any encumbrance or other exception to title arises or is discovered after delivery of the Title Report (**Additional Encumbrances**), the party discovering such Encumbrances shall promptly give written notice to the other. No later than five (5) days after delivery of the notice of such Additional Encumbrance, Buyer shall deliver a new Buyer's Title Notice to Seller specifying whether the subject Additional Encumbrance is a Title Objection or a Permitted Exception. If Buyer objects to the Additional Encumbrance, the parties shall proceed in the same manner set forth above for Title Objections arising from the Title Report. If Buyer fails to deliver Buyer's Election Notice within the time specified in this Section 4.3.5, Buyer shall be deemed to have elected to terminate this Agreement. The parties hereto acknowledge and agree that the Closing Date shall be extended to the extent necessary to provide the necessary time within which to comply with the requirements of this Section 4.3.5 for Title Objections.

4.3.6 **Commitment to Issue Title Policy.** Upon completion of above-described procedure, Title Company shall be unconditionally and irrevocably committed to issue to Buyer a standard ALTA Owner's Title Policy in the full amount of the Purchase Price (**Title Policy**) insuring fee simple title to the Property in Buyer.

4.4. **Compliance by Seller.** Seller will have complied with each and every condition and material covenant of this Agreement to be kept or complied with by Seller, and all of the representations and warranties made by Seller under this Agreement shall be accurate as of the Closing Date.

4.5. **Right of Entry onto Property.** On the Effective Date of this Agreement, Buyer shall have the right to enter the Property to investigate it, including the right to conduct inspections, tests, and studies of the physical and environmental condition of the Property. Such tests and studies may include a Phase I Site Assessment of the Land. Such inspections may include asbestos inspections of the Improvements. Buyer and its consultants, agents, engineers, inspectors, contractors, and employees (**Buyer's Representatives**) shall be given reasonable access to the Property during regular business hours for the purpose of performing such due diligence work. Buyer shall undertake the due diligence at its sole cost and expense. Buyer shall indemnify, defend with counsel reasonably acceptable to Seller, and hold Seller harmless from all claims (including claims of lien for work or labor performed or materials or supplies furnished), demands, liabilities, losses, damages, costs, fees, and expenses, including Seller's reasonable attorney fees, costs, and expenses, arising from the acts or activities of Buyer or Buyer's Representatives in, on, or about the Property during or arising in connection with Buyer's due diligence work.

4.6. **Failure of a Condition to Close.** If a Buyer Condition to Close is not approved or waived prior to the Closing Date, Buyer may terminate this Agreement. If this Agreement is so terminated: (a) the parties shall have no further obligations or liabilities under this Agreement, except as required by law, and (b) Escrow Holder must refund Deposit (and its accumulated interest) to Buyer, without offset for any charges or claims. Any cancellation fee or other costs of Escrow Holder or Title Company resulting from this termination for failure of a Buyer Condition to Close, shall be borne equally by Seller and Buyer.

ARTICLE 5

SELLER'S CONDITIONS TO CLOSE OF ESCROW

The following are conditions precedent to Seller's obligation to sell the Property:

5.1 Purchase Price. Buyer will have delivered the Purchase Price into Escrow in the manner and at the times specified in Section 2.2 hereof.

5.2 Buyer's Proof of Authority. Buyer will have obtained the approval of its Recreation and Park Commissioners to this Agreement and the authority to purchase the Property.

5.3. Compliance by Buyer. Buyer will have complied with each and every condition and material covenant of this Agreement to be kept or complied with by Buyer, and all of the representations and warranties made by Buyer under this Agreement shall be accurate as of the Closing Date.

5.4 Failure of a Condition to Close. If a Seller Condition to Close is not approved or waived prior to the Closing Date, Seller may terminate this Agreement. If this Agreement is so terminated, (a) the parties shall have no further obligations or liabilities under this Agreement, except as required by law, and (b) Escrow Holder will release the Deposit (and all accumulated interest) to Seller as its liquidated damages for such failure of a Condition to Close (see Section 2.2 hereof).

ARTICLE 6

SELLER'S AS IS SALE; RELEASE AND INDEMNITY

6.1 As Is Sale. The parties acknowledge and agree that Buyer and Buyer Representatives are being afforded the opportunity to enter and inspect the Property, review the environmental, safety and other physical conditions of the Property, and determine the status of compliance with governmental laws and regulations to which the Property is subject. Buyer will accept (or reject) the Property for purchase on the basis of such inspection, review and determination. Also, Buyer acknowledges and agrees that if it accepts the Property for purchase, the Property will be sold and conveyed to Buyer in an "as is" condition with all faults, including environmental, safety, and other physical faults. Seller makes no representation or warranty (express or implied) with respect to the Property, including without limitation: (a) its use, condition, safety, risks, title, occupation or management, (b) its compliance with applicable governmental laws and regulations relating to zoning, planning, building safety, leasing, fire, safety, health or environmental matters, and (c) its compliance with covenants, conditions and restrictions, whether or not of record (collectively, **Condition of the Property**).

6.2 Parties' Reciprocal Releases.

6.2.1 Buyer's Release. Effective on the Close of Escrow, Buyer (for itself, its

successors and assigns) hereby releases, waives and discharges Seller, its employees, agents, or any person acting on its behalf (collectively, **Seller Parties**) from all personal injury and property damage liability (including, without limitation, lawsuits, claims, causes of action, administrative proceedings, fines, damages, losses, and costs such as reasonable attorneys' fees and court costs) arising out of or related to the Condition of the Property after Close of Escrow. Further, Buyer hereby: (a) agrees that the matters released herein are not limited to matters which are known, disclosed or foreseeable, and (b) waives any and all rights it now has, or in the future may have, conferred on it by California Civil Code Section 1542 which provides:

1542. Certain Claims Not Affected by General Release. A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

Buyer hereby evidences its agreement to the terms of this Release by placing its initials or signature below.

Buyer's Initials

6.2.2 Seller's Release. Effective on the Close of Escrow, Seller (for itself, its successors and assigns) hereby releases, waives and discharges Buyer, its officials, employees, agents or any person acting on its behalf (collectively, **Buyer Parties**) from all personal injury and property damage liability (including, without limitation, lawsuits, claims, causes of action, administrative proceedings, fines, damages, losses, and costs such as reasonable attorneys' fees and court costs) arising out of or related to the Condition of the Property before Close of Escrow. Further, Seller hereby: (a) agrees that the matters released herein are not limited to matters which are known, disclosed or foreseeable, and (b) waives any and all rights it now has, or in the future may have, conferred on it by California Civil Code Section 1542 which provides:

1542. Certain Claims Not Affected by General Release. A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

Seller hereby evidences its agreement to the terms of this Release by placing its initials or signature below.

Seller's Initials

6.3 Parties' Reciprocal Indemnities.

6.3.1 Buyer's Indemnity. Effective on the Close of Escrow, Buyer shall indemnify, protect, defend (with counsel reasonably acceptable to Seller) and hold harmless the Seller Parties against any and all personal injury and property damage liability (including without limitation, liability of lawsuits, claims, causes of action, administrative proceedings, fines, damages, losses, and costs such as reasonable attorneys' fees and court costs) arising out of or related to Buyer's ownership of the Property after the Close of Escrow.

6.3.2 Seller's Indemnity. Effective on the Close of Escrow, Seller shall indemnify, protect, defend (with counsel reasonably acceptable to Buyer) and hold harmless the Buyer Parties against any and all personal injury and property damage liability (including without limitation, liability of lawsuits, claims, causes of action, administrative proceedings, fines, damages, losses, and costs such as reasonable attorneys' fees and court costs) arising out of or related to Seller's ownership of the Property before the Close of Escrow.

ARTICLE 7

SELLER'S PRECLOSING COVENANTS

7.1. No Amendments or New Agreements. On or after the Effective Date, Seller shall not: (a) amend or waive any right under any Inspection Document, or (b) enter into any lease, license, right-of-entry, or other agreement of any type affecting the Property that would survive the Closing Date, without Buyer's prior written consent. Except for proposed new leases, Buyer may not unreasonably withhold its consent under this Section 7.1.

7.2. Insurance. Through the Closing Date, Seller must maintain or cause to be maintained in full force and effect comprehensive general liability casualty and other insurance on the Property in an amount equal to the full replacement cost of the Improvements.

7.3. Maintenance and Operation. Seller, at its sole cost and expense, must operate the Property in substantially the same manner as it has operated the Property prior to the Effective Date and must maintain and keep the Property such that on the Closing Date the Property is in at least as good condition and repair as on the Effective Date, reasonable wear and tear excepted. Seller may not make any material alterations to the Property without Buyer's prior written consent.

7.4. Mechanics' Liens. Except for materials, supplies, or work provided or ordered for the Property at the request of or for the account of Buyer, on or before the Closing Date, Seller must: (a) pay for all materials, supplies, and work provided or ordered for the Property for which a labor, materialman's, or mechanics' lien may be claimed under applicable law, and (b) if required by Title Company, provide it with such indemnifications or security as it may require to insure title to the Property at the Closing without exception for any unrecorded labor, materialman's, or mechanics' claim of lien.

7.5. No Marketing. Seller agrees not to market, show, or list the Property to any other prospective buyer during the term of this Agreement.

7.6. Existing Financing. Seller shall not permit any default, or any event that could give rise to a default with lapse of time or notice, to occur under any existing loan secured by the Property or other financing encumbering the Property.

7.7. Licenses and Permits. Seller shall use due diligence and its best efforts to keep in full force and effect, and shall renew, when necessary, all licenses and permits for the Property.

7.8. Access to Property. Buyer and Buyer's Representatives shall have the right at all reasonable times until Closing to enter the Property as provided in detail in Section 4.5 hereof.

7.9. Notification. Seller shall promptly notify Buyer of any material change in any condition with respect to the Property or of any material event or circumstance that makes any representation or warranty of Seller under this Agreement untrue or misleading.

ARTICLE 8

PARTIES' REPRESENTATIONS AND WARRANTIES

8.1. Seller's Representations and Warranties. Seller hereby represents and warrants, to the best of its knowledge, that each of the following is true from the Effective Date to the Closing Date:

8.1.1. Delivered Documents. All Inspection Documents delivered to Buyer under Section 3.1 hereof (and any other documents delivered to Buyer by or on behalf of Seller) are true, correct, and complete copies of what they purport to be. The documents delivered by Seller to Buyer are all the material documents concerning the Property in Seller's possession or under its control.

8.1.2. Leases. There are no written leases, licenses, or rights-of-entry between Seller and third parties on the Property. Seller has agreed to deliver Property vacant to Buyer.

8.1.3. Litigation Proceedings. There is no pending or threatened private or governmental litigation against Seller relating to the Property. .

8.1.4. Other Proceedings. There are no attachments, execution proceedings, assignments for the benefit of creditors, insolvency, bankruptcy, reorganization, or other proceedings pending or threatened against Seller or Seller's interest in the Property (nor are any such proceedings contemplated by Seller).

8.1.5. Governmental Actions. Seller has no knowledge of, nor has Seller received written notice of, any plan, study, or effort by any agency or party that in any

way would materially affect the use of the Property or any portion of it for its current use or of any intended public improvements that would result in any charge being levied against, or any lien assessed on, the Property. Seller has no knowledge of any existing, proposed, or contemplated plan to widen, modify, or realign any street or highway contiguous to the Property.

8.1.6. Condemnation Actions. Seller has received no notice of any presently pending or contemplated special assessments or proceedings to condemn or demolish the Property or any part of it or any proceedings to declare the Property or any part of it a nuisance.

8.1.7. Utilities. All water, sewer, gas, electric, telephone, drainage facilities, and all other utilities required by law or by the normal operation of the Property are adequate to service the Property in its present use.

8.1.8. Development Rights. Neither Seller nor any previous owner of the Property has, except by operation of law, sold, transferred, conveyed, or entered into any agreement regarding "air rights," "excess floor area ratio," or other development rights or restrictions relating to the Property, except as otherwise expressly set forth in the Preliminary Report.

8.1.9. Due Authorizations. This Agreement and the performance of Seller's obligations under it and all documents executed by Seller that are to be delivered to Buyer by the Closing Date shall be, duly authorized, executed, and delivered by Seller and are, or at the Closing Date shall be, legal, valid, and binding obligations of Seller, and do not, and on the Closing Date shall not, violate any provision of any agreement or judicial order to which Seller is a party or to which Seller or the Property is subject. No consent of any partner, shareholder, creditor, investor, judicial or administrative body, government agency, or other party is required for Seller to enter into and/or to perform Seller's obligations under this Agreement, except as has already been obtained. Seller is a limited liability Company organized, validly existing, and in good standing under the laws of the State of California and is qualified to do business in the State of California.

8.1.10. Title to the Property. Seller has good and marketable title to the Property. Seller has no actual knowledge of any unrecorded or undisclosed legal or equitable interest in the Property owned or claimed by anyone other than Seller. Seller has no knowledge that anyone will, at the Closing Date, have any right to possession of the Property, except as disclosed by this Agreement, the Preliminary Report, or otherwise in writing to Buyer. There are no unsatisfied mechanics' or materialmen's lien rights on the Property. No assessment lien or bond encumbers the Property.

8.1.11. Personal Property. Seller has no knowledge that anyone will, at the Closing, have any right to possession of any personal property included in the Purchase Price nor knowledge of any liens or encumbrances affecting such personal property, except as disclosed by this Agreement, the Inspection Documents, or otherwise in writing to Buyer.

8.1.12. Natural Hazard Disclosure. Seller shall pay for and prepare a

natural hazard disclosure statement in the form required by California Civil Code Section 1103 (**Natural Hazard Disclosure**). Buyer acknowledges that this transaction is not subject to that Civil Code Section, but that nevertheless the Natural Hazard Disclosure serves or shall serve to satisfy all other statutory disclosure requirements of the California Government Code and Public Resources Code. Seller does not warrant or represent either the accuracy or completeness of the information in the Natural Hazard Disclosure, and Purchaser shall use same merely as part of its Inspection Documents and due diligence of the Property.

8.1.13. Foreign Person. Seller is not a foreign person and is a “United States Person” as such term is defined in §7701(a)(30) of the Internal Revenue Code of 1986, as amended.

8.2. Buyer’s Representations and Warranties. Buyer hereby represents and warrants that each of the following is true as of the Effective Date and the Closing Date.

8.2.1 Due Authorizations. This Agreement and the performance of Buyer’s obligations under it and all the documents executed by Buyer that are to be delivered to Seller by the Closing Date shall be duly authorized, executed, and delivered by Buyer and are, or at the Closing Date shall be, legal, valid, and binding obligations of Buyer, and do not, and on the Closing Date shall not, violate any provisions of any agreement or judicial order to which Buyer is a party or to which Buyer or the Property is subject. Buyer has obtained all internal approvals and consents required for Buyer to enter into or to perform Buyer’s obligations under this Agreement.

8.3. Effect of Representations and Warranties. Each representation and warranty in this Article 8: (a) is material and being relied on by the party to which the representation and warranty is made; (b) is true in all respects as of the Effective Date; or (c) shall be true in all respects on the Closing Date; and (d) shall survive the Closing, except as otherwise provided in this Agreement.

8.4 Brokers. Seller represents and warrants that a real estate brokerage commission is not payable to anyone in connection with the transaction contemplated hereby, and agrees to and does hereby indemnify and hold Buyer harmless against the payment of any commission to any person or organization claiming by, through or under Buyer. This indemnification shall extend to any and all claims, liabilities, costs and expenses (including reasonable attorneys’ fees and litigation costs) arising as a result of such claims and shall survive the Closing. This Section shall expressly survive any Closing or any termination of this Agreement.

Seller’s Initials: _____

Buyer’s Initials: _____

ARTICLE 9

RISK OF LOSS

9.1. Condemnation. If before the Closing Date any action or proceeding is commenced for the condemnation or exercise of the rights of eminent domain of the Property or any portion of it, or if Seller is notified by the duly authorized officer of a duly empowered condemning authority of the intent to commence such action or proceeding (Condemnation) and if such Condemnation would materially and adversely affect the use or operation of the Property, have the effect of decreasing the square footage of the Improvements, or reduce or eliminate access to the Property, then Buyer may either: (a) terminate this Agreement, or (b) proceed with the Closing without modifying the terms of this Agreement and without reducing the Purchase Price, on the condition that Seller must assign and turn over, and Buyer shall be entitled to keep, all awards for the Condemnation that accrue to Seller. Seller may not negotiate, resist, or stipulate to any Condemnation without Buyer's written consent. Seller must notify Buyer of any notice of Condemnation of all or any portion of the Property within five (5) days after the receipt of this notice, and Buyer must exercise its option(s) as provided in this Section 9.1 within fifteen (15) days after receipt of such notice. If necessary, the Closing Date shall be extended to give Buyer the full fifteen (15) day period to make such election.

ARTICLE 10

REMEDIES FOR DEFAULT

10.1. Buyer's Default. Buyer shall be deemed to be in default under this Agreement if Buyer fails, for any reason other than Seller's default under this Agreement or the failure of a Condition Precedent to Buyer's obligation to perform under this Agreement, to meet, comply with, or perform any covenant, agreement, or obligation required on its part within the time limits and in the manner required in this Agreement, or a material breach shall have occurred of any representation or warranty (made by Buyer) by reason of Buyer's actual fraud or intentional misrepresentation; provided, however, that no such default shall be deemed to have occurred unless and until Seller has given Buyer written notice of the default, describing the nature of the default, and Buyer has failed to cure such default within ten (10) days after receipt of such notice. The Closing Date shall be extended to the extent necessary to provide Buyer with the necessary ten (10) days to cure such default.

10.2. Remedies for Buyer's Default. If Buyer defaults in its obligations under this Agreement to purchase the Property on the Closing Date through no fault of Seller, then Seller shall have all rights provided by California law, including the right to recover its general and specific damages. However, no such default shall be deemed to have occurred unless and until Seller has given Buyer written notice of the default, describing its nature, and Buyer fails to cure such default within ten (10) days after receipt of such notice. The Closing Date shall be extended if necessary to provide Buyer with said 10 days to cure such default. .

10.3. Seller's Default. Seller shall be in default under this Agreement if Seller fails, for any reason other than Buyer's default under this Agreement or the failure of a Condition Precedent to Seller's obligation to perform under this Agreement, to meet, comply with, or perform any covenant, agreement, or obligation required on its part

within the time limits and in the manner required in this Agreement, or a material breach shall have occurred of any Seller representation or warranty because of Seller's actual fraud or intentional misrepresentation. However, no such default shall be deemed to have occurred unless and until Buyer has given Seller written notice of the default, describing its nature, and Seller has failed to cure such default within ten (10) days after receipt of such notice. The Closing Date shall be extended if necessary to provide Buyer with said 10 days to cure the default.

10.4. Remedies for Seller's Default. If Seller defaults in its obligations under this Agreement to sell the Property to Buyer on the Closing Date through no fault of Buyer, then Buyer at its option may have the right to specific performance of this Agreement or the right to recover the Deposit and all of its general and specific damages. If, after the Closing Date, Buyer determines that Seller has breached any representation or warranty set forth in Article 5 then Buyer shall have the right to bring an action for general and specific damages to Buyer. If this Agreement is terminated before the Closing Date for Seller's default, then, in addition to any remedy Buyer has under this Agreement, Seller shall reimburse Buyer for the costs incurred by Buyer in conducting its Due Diligence including payments made by Buyer to independent third parties and Buyer's own internal costs for photocopying, supplies, and Employee Costs. Employee Costs shall include all staff salaries and indirect staff costs for fringe benefits and compensatory time off related to this transaction. Indirect staff costs will be calculated based on the Cost Allocation Plan (CAP) published annually by the Los Angeles City Controller. Seller's representations and warranties, as updated through the Closing Date, shall survive Closing Date for a period of six months (6) months after the Closing Date, and Buyer shall have no right to bring any action thereon after the expiration of such six (6) month period. In addition, Buyer may not make any claim against Seller unless the breach of representations and warranties results in a claim of at least \$10,000, and Seller's liability for any breach of representations and warranties in the aggregate cannot exceed \$100,000.

10.5. Resolution of Disputes. Controversies or claims between Seller and Buyer that arise from: (a) this Agreement (including any modifications to this agreement), (b) any document, agreement, or procedure related to or delivered in connection with this Agreement or the Property, (c) any violation of this Agreement, or (d) any claims for damages resulting from any business conducted between Seller and Buyer, including claims for injury to persons, property, or business interests (torts) (collectively **Arbitrable Disputes**) shall be resolved under this Section 10.5, which shall survive termination of this Agreement. Wherever this Agreement refers to arbitration as the means of resolving disputes between the parties, the parties agree to follow the procedure described immediately below before commencing arbitration procedures. The filing of a judicial action during the term of this Agreement to enforce the other party's performance under this Agreement(e.g., for an order of attachment, injunction, or other remedy, shall not constitute a waiver to the filing party's right or breach of the filing party's obligation to arbitrate) provided, however, that in no circumstances following the termination of this Agreement shall Buyer be entitled to record a notice of pending action (lis pendens) or take other action or seek other remedies that would have the effect of clouding Seller's title or restricting Seller's ability to convey or encumber the Property, free of any claim by Buyer to the Property.

10.5.1. Arbitration of Disputes.

(a) General. Any controversies or claims between Seller and Buyer that arise from Arbitrable Disputes shall be settled by arbitration in the City of Los Angeles, California, in accordance with the Commercial Arbitration Rules (Rules of the American Arbitration Association (AAA)) if not inconsistent with other provisions of this Agreement, and judgment on the award rendered by the arbitrators may be entered in any court having jurisdiction. The parties submit to the jurisdiction of the Superior Court of the State of California, County of Los Angeles, for purposes of confirming in any such award and entering judgment. The parties further agree that, despite anything to the contrary that may now or hereafter be contained in the Rules of the AAA, this Section 10.5.1 shall control.

(b) Appointment. Within thirty (30) days after receipt of a notice of arbitration (Demand) from the other party, each party shall appoint one person to hear and decide the dispute. The two persons so chosen shall, within ten (10) days after their appointment, appoint a third impartial arbitrator (who shall be an attorney at law licensed to practice in California), and the final majority decision of the three arbitrators shall be final and conclusive on the parties to this Agreement. Each appointment of an arbitrator shall be deemed complete on delivery by the appointing party of written notice of appointment of that arbitrator to the Los Angeles Regional Office of the AAA. If either Seller or Buyer fails to designate its arbitrator within the specified period after receipt of the Demand, then the arbitrator designated by the other party shall sit as the sole arbitrator and shall be deemed to be the single, mutually approved arbitrator to resolve the Arbitrable Dispute. If the party-appointed arbitrators are unable to appoint an impartial arbitrator, the impartial arbitrator shall be appointed under the Rules of the AAA. If the parties cannot agree on a rate of compensation for the arbitrators, they shall be compensated for their services at a rate to be determined by the AAA.

(c) Costs. Except as provided in this Section 10.5.1, each party shall bear its own costs and expenses of arbitration, including, but not limited to, filing fees, attorney fees, the fees of the arbitrator appointed by the party, and costs of transcripts, and each party agrees to pay half of the compensation to be paid to the neutral arbitrator in the arbitration. The arbitrators shall not have the power or competence to allocate between the parties in their award any costs, expenses, fees, or share of arbitrators' compensation.

(d) Written Opinion. The arbitrators shall, on the request of either Seller or Buyer, issue a written opinion of their findings of fact and conclusions of law. On receipt by the requesting party of this written opinion, the party shall have the right to file with the arbitrators a motion to reconsider, and the arbitrators shall then reconsider the issues raised by this motion and either confirm or change their majority decision, which shall then be final and conclusive on the parties.

(e) Applicability of Code of Civil Procedure. It is specifically contemplated and agreed by the parties that California Code of Civil Procedure §1283.05, as it may be amended from time to time, shall be incorporated into, made a part of, and made applicable to the arbitration agreement in this Section 10.5.1.

(f) Power of Arbitrators. The arbitrators shall have the authority to issue any judgment or order, including punitive damages and equitable relief; provided, however, that the arbitrators' power to provide equitable relief or specific performance shall be limited to disputes in connection with the administration of this agreement and shall not preclude or restrict implementation of the termination provisions of this Agreement

(g) Statute of Limitations. For purposes of the statute of limitations, the filing of an arbitration under this Section 10.5.1 is the equivalent of the filing of a lawsuit, and any claim or controversy that may be arbitrated under this Section 10.5.1 is subject to any applicable statute of limitations. The arbitrators shall have the authority to decide whether any such claim or controversy is barred by the statute of limitations, and, if so, to dismiss the arbitration on that basis.

(h) Disagreement on Arbitrability. If the parties disagree on whether a dispute is an Arbitrable Dispute, the issue of arbitrability shall be resolved by litigation unless both parties in their sole discretion agree to make the issue of arbitrability an issue to be decided by the arbitrators under this Section 10.5.1.

10.5.2. Statutory Notice. NOTICE: BY INITIALING IN THE SPACE BELOW, YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW, YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY.

THE UNDERSIGNED HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION TO NEUTRAL ARBITRATION.

Seller's Initials: _____

Buyer's Initials: _____

ARTICLE 11

GENERAL PROVISIONS

11.1. Notices. Any notices relating to this Agreement shall be given in writing and shall be deemed sufficiently given and served for all purposes when delivered personally, by generally recognized overnight courier service, by facsimile (provided that sender retains a printed confirmation of delivery to the facsimile number provided

below), or three (3) days after deposit in the United States mail certified or registered, return receipt requested, with postage prepaid, addressed as follows:

BUYER: City of Los Angeles
Board of Recreation and Park Commissioners

Address: 221 N. Figueroa St, St 1510
Los Angeles, CA 90012

Tel.: (213) 202-2640

Facsimile No: (213) 202-2610

with a copy to
Address: Office of the City Attorney
200 North Main Street, 7th Floor
Los Angeles, CA 90012

Attn: Real Property/Environment Division

Telephone No.: (213) 978-8120

Facsimile No: (213) 978-8090

SELLER: Allegheny Ventures, LLC
213 N. Orange St. Ste. A
Glendale, CA 91203

Attn: Paul Karapetian

Phone: (818) 246-1212

ESCROW HOLDER: Chicago Title Company

Address: 725 S. Figueroa St., Suite 200
Los Angeles, CA 90017

Attn.: Joan Hawkins

Telephone No: (213) 612-4161

Facsimile No: (213) 488-4384

Either party may change its address by written notice to the other given in the

manner set forth above.

11.2. Entire Agreement. The terms of this Agreement are intended by the parties as a final expression of their agreement with respect to such terms as are included in this Agreement and may not be contradicted by evidence of any prior or contemporaneous agreement. This Agreement specifically supersedes any prior written or oral agreements between the parties. The language in all parts of this Agreement shall be construed as a whole in accordance with its fair meaning and without regard to California Civil Code §1654 or similar statutes.

11.3. Amendments and Waivers. No addition to or modification of this Agreement shall be effective unless it is made in writing and signed by the party against whom the addition or modification is sought to be enforced. The party benefited by any condition or obligation may waive the same, but such waiver shall not be enforceable by another party unless it is made in writing and signed by the waiving party.

11.4. No Merger. This Agreement, each provision of it, and all warranties and representations in this Agreement shall survive the Closing and shall not merge in any instrument conveying title to Buyer. All representations, warranties, agreements, and obligations of the parties shall, despite any investigation made by any party to this Agreement, survive Closing, and the same shall inure to the benefit of and be binding on the parties' respective successors and assigns.

11.5. References. Unless otherwise indicated, (a) all article and section references are to the articles and sections of this Agreement, and (b) except where otherwise stated, all references to days are to calendar days. Whenever under the terms of this Agreement the time for performance of a covenant or condition falls on a Saturday, Sunday, or California state holiday, such time for performance shall be extended to the next calendar day. The headings used in this Agreement are provided for convenience only and this Agreement shall be interpreted without reference to any headings. The date of this Agreement is for reference purposes only and is not necessarily the date on which it was entered into.

11.6. Governing Law. This Agreement shall be governed by the laws of the State of California applicable to contracts made by residents of the State of California and to be performed in California.

11.7. Time of the Essence. Time is of the essence in the performance of the parties' respective obligations under this Agreement.

11.8. Assignment. This Agreement shall inure to the benefit of and be binding on the parties to this Agreement and their respective successors and assigns. Buyer shall have the right to assign all or any portion of its interest in this Agreement, provided that Buyer gives written notice of such assignment to Seller before the Closing Date.

11.9. No Third Party Beneficiaries. Nothing in this Agreement, express or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any person other than the parties to it and their respective permitted successors and

assigns, nor is anything in this Agreement intended to relieve or discharge any obligation of any third person to any party to this Agreement or give any third person any right of subrogation or action over against any party to this Agreement.

11.10. Remedies Cumulative. The remedies set forth in this Agreement are cumulative and not exclusive to any other legal or equitable remedy available to a party.

11.11. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The parties hereto agree that a photocopy or facsimile shall also be deemed an original of this Agreement. Additionally, the signatures of any party hereto which is executed by that party and thereafter transmitted to any other party (by facsimile or email) shall be deemed an original signature binding on the signatory to the same extent as would an original signature. Further, any party hereto sending this Agreement by facsimile or email, covenants and agrees that upon request of any other party, to provide the requesting party a manually signed original version of this Agreement.

11.12. Tax-Deferred Exchange. Seller may use the proceeds from the sale of the Property to affect one or more tax deferred exchange under Internal Revenue Code §1031. Buyer agrees to accommodate Seller in effecting such tax-deferred exchange. Seller shall have the right, expressly reserved here, to elect such tax-deferred exchange at any time before the Closing Date. Seller and Buyer agree, however, that consummation of the purchase and sale of Property under this Agreement is not conditioned on such exchange. If Seller elects to make a tax-deferred exchange, Buyer agrees to execute such additional escrow instructions, deeds, documents, agreements, or instruments to effect this exchange, provided that Buyer shall incur no additional costs, expenses, or liabilities in this transaction as a result of or in connection with this exchange. Seller agrees to hold Buyer harmless of any liability, damages, or costs, including reasonable attorney fees that may arise from Buyer's participation in such exchange.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

BUYER: CITY OF LOS ANGELES, a municipal corporation,
acting by and through its Board of Recreation and
Park Commissioners

By: _____
President

By: _____
Secretary

Date: _____, 2019

APPROVED AS TO FORM :
Mike N. Feuer, City Attorney

By: _____
Deputy City Attorney

Date: _____, 2019

SELLER: ALLEGHENY VENTURES, LLC

By: _____
Manager

Date: _____, 2019

ATTEST:
HOLLY L. WOLCOTT, City Clerk

By _____
Deputy

CONSENT OF ESCROW HOLDER

Chicago Title Company (Escrow Holder) accepts the foregoing Purchase and Sale Agreement and Joint Escrow Instructions as escrow instructions, agrees to act as escrow holder and agrees to be bound by their provisions applicable to it as Escrow Holder.

Date: _____

Chicago Title Company

By: _____

Name: _____

Its: _____

EXHIBIT A

LEGAL DESCRIPTION

Real property in the City of Los Angeles, County of Los Angeles, State of California, described as follows:

PARCEL 1:

THAT PORTION OF LOT 1 OF TRACT NO. 1292, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN [BOOK 18 PAGE 24](#) OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE NORTHWESTERLY LINE OF ALLEGHANY STREET (FORMALLY ALDER AVENUE) 30 FEET WIDE, AS SHOWN ON THE MAP OF TRACT NO. 6127, RECORDED IN [BOOK 65 PAGE 89](#) OF MAPS, DISTANT NORTH 48° 32' EAST THEREON 31.52 FEET FROM THE SOUTHWESTERLY LINE OF SAID LOT 1; THENCE ALONG SAID NORTHWESTERLY LINE NORTH 48° 32' EAST 177.93 FEET; THENCE NORTH 41° 21' 05" WEST 256.17 FEET, MORE OR LESS, TO THE SOUTHEASTERLY LINE OF THE PARCEL OF LAND DESCRIBED IN DEED TO PHILLIP M. RUTHFIELD, RECORDED IN [BOOK 18429 PAGE 208](#) OF OFFICIAL RECORDS; THENCE ALONG THE SAID SOUTHEASTERLY LINE SOUTH 48° 33' 20" WEST 177.88 FEET, MORE OR LESS, TO A LINE PARALLEL WITH THE SOUTHWESTERLY LINE OF SAID LOT 1, WHICH PASSES THROUGH THE POINT OF BEGINNING; THENCE SOUTH 41° 20' 10" EAST ALONG SAID PARALLEL LINE 256.22 FEET TO THE POINT OF BEGINNING.

EXCEPT THEREFROM THE SOUTHWESTERLY 78.5 FEET MEASURED ALONG THE NORTHWESTERLY AND SOUTHEASTERLY LINES OF SAID LAND.

PARCEL 2:

THAT PORTION OF LOT 1 OF TRACT NO. 1292, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN [BOOK 18 PAGE 24](#) OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

THE SOUTHWESTERLY 78.5 FEET MEASURED PERPENDICULAR TO THE SOUTHWESTERLY LINE OF THE FOLLOWING DESCRIBED PROPERTY:

BEGINNING AT A POINT IN THE NORTHWESTERLY LINE OF ALLEGHENY STREET (FORMALLY ALDER AVENUE) 30 FEET WIDE, AS SHOWN ON THE MAP OF TRACT NO. 6127, RECORDED IN [BOOK 65 PAGE 89](#) OF MAPS, DISTANT NORTH 48° 32' EAST THEREON 31.52 FEET FROM THE SOUTHWESTERLY LINE OF SAID LOT 1; THENCE ALONG SAID NORTHWESTERLY LINE NORTH 48° 32' EAST 177.93 FEET; THENCE NORTH 41° 21' 05" WEST 256.17 FEET, MORE OR LESS, TO THE SOUTHEASTERLY LINE OF THE PARCEL OF LAND DESCRIBED IN DEED TO PHILLIP M. RUTHFIELD, RECORDED IN [BOOK 18429 PAGE 208](#) OF OFFICIAL RECORDS; THENCE ALONG THE SAID SOUTHEASTERLY LINE SOUTH 48° 33' 20" WEST 177.88 FEET, MORE OR LESS, TO A LINE PARALLEL WITH THE SOUTHWESTERLY LINE OF SAID LOT 1, WHICH PASSES THROUGH THE POINT OF BEGINNING; THENCE SOUTH 41° 20' 10" EAST ALONG SAID PARALLEL LINE 256.22 FEET TO THE POINT OF BEGINNING.

APN: 2631-001-017 and 2631-001-018

EXHIBIT B

Free recording in accordance with California Government Code Section 6103

RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO:

City of Los Angeles
Board of Recreation and Park Commissioners
221 N. Figueroa Street, Suite 400
Los Angeles, California 90012

APN: 2631-001-017, & 2631-001-018

(Space Above This Line For Recorder’s Use Only)

The City of Los Angeles is acquiring title pursuant to this Grant Deed. Pursuant to California Revenue and Taxation Code Section 11922, this conveyance is exempt for the Documentary Transfer Tax.

GRANT DEED

FOR VALUE RECEIVED, Allegheny Ventures, LLC, a California limited liability company hereby grants to the City of Los Angeles, a municipal corporation (“City”), acting by and through its Board of Recreation and Park Commissioners that certain property (“Property”) situated in the City of Los Angeles, County of Los Angeles, State of California, described on Exhibit A attached hereto and by this reference incorporated herein. This conveyance is subject to all matters of record or that would be revealed by a reasonably diligent inspection. The City accepts this grant with the express intention that any of City’s existing interest, including without limitation existing easement or right of way interests, in the Property shall not merge into City’s fee interest in the Property upon City’s acquisition of the fee interest in the Property.

IN WITNESS WHEREOF, the undersigned has executed this Grant Deed dated as of _____, 2019.

Allegheny Ventures, LLC, a California limited liability company

By: _____
Name: _____
Its: _____

EXHIBIT A

LEGAL DESCRIPTION

PARCEL 1:

THAT PORTION OF LOT 1 OF TRACT NO 1292, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 18 PAGES 24 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

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EXCEPT THEREFROM THE SOUTHWESTERLY 78.5 FEET MEASURED ALONG THE NORTHWESTERLY AND SOUTHEASTERLY LINES OF SAID LAND

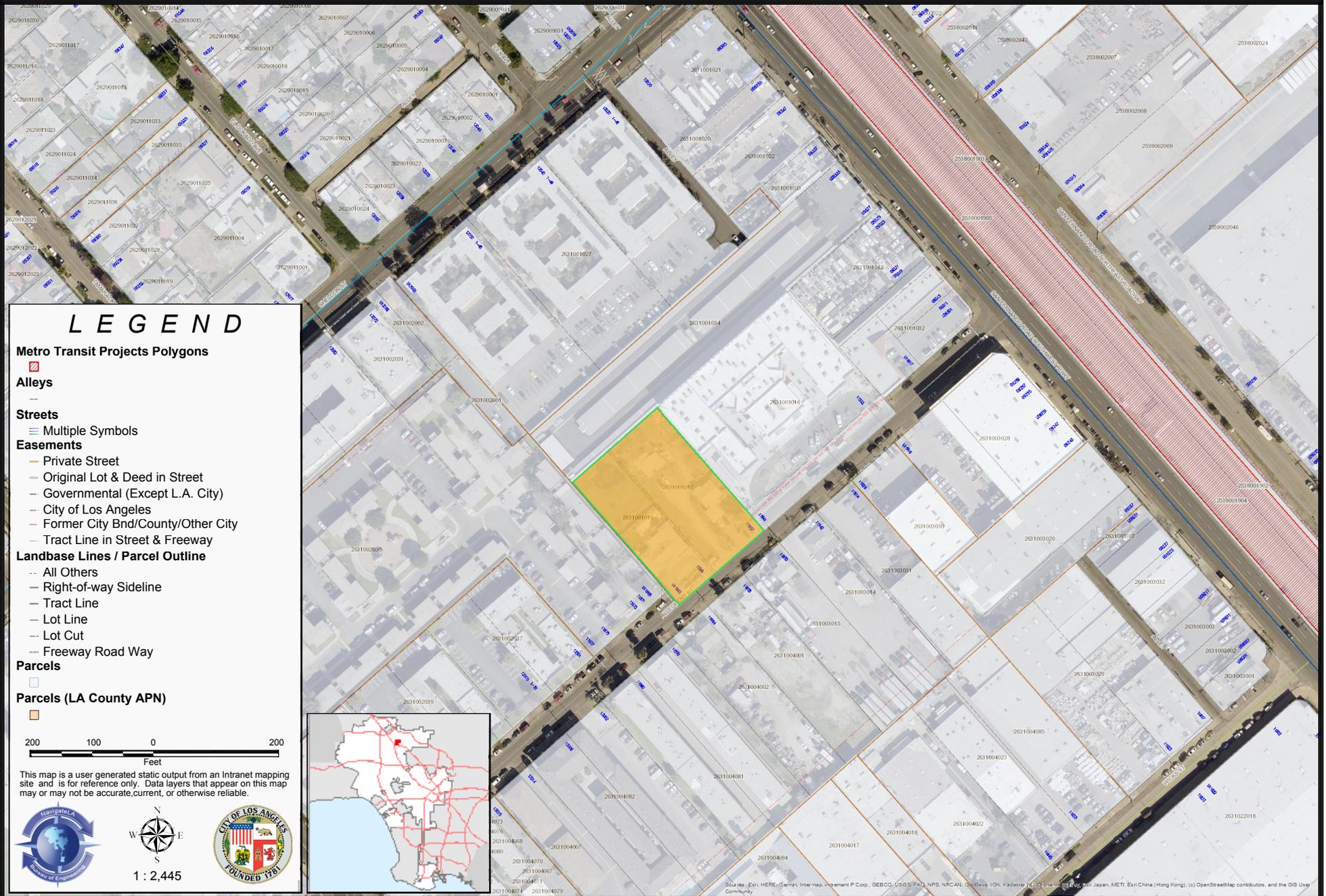
PARCEL 2:

THAT PORTION OF LOT 1 OF TRACT NO 1292, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 18 PAGES 24 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

THE SOUTHWESTERLY 78.5 FEET MEASURED PERPENDICULAR TO THE SOUTHWESTERLY LINE OF THE FOLLOWING DESCRIBED PROPERTY

BEGINNING AT A POINT IN THE NORTHWESTERLY LINE OF ALLEGHENY STREET (FORMERLY ALDER AVENUE) 30 FEET WIDE, AS SHOWN ON THE MAP OF TRACT NO. 6127, RECORDED IN BOOK 65 PAGE 89 OF MAPS, DISTANT NORTH 48° 32' EAST THEREON 31.52 FEET FROM THE SOUTHWESTERLY LINE OF SAID LOT 1; THENCE ALONG SAID NORTHWESTERLY LINE NORTH 48° 32' EAST 177.93 FEET; THENCE NORTH 41° 21' 05" WEST 256.17 FEET, MORE OR LESS, TO THE SOUTHWESTERLY LINE OF THE PARCEL OF LAND DESCRIBED IN DEED TO PHILLIP M. RUTHFIELD, RECORDED IN BOOK 18429 PAGE 208 OF OFFICIAL RECORDS; THENCE ALONG THE SAID SOUTHEASTERLY LINE SOUTH 48° 33' 20" WEST 177.88 FEET MORE OR LESS, TO A LINE PARALLEL WITH THE SOUTHWESTERLY LINE OF SAID LOT 1, WHICH PASSES THROUGH THE POINT OF BEGINNING; THENCE SOUTH 41° 20' 10" EAST ALONG SAID PARALLEL LINE 256.22 FEET TO THE POINT OF BEGINNING.

Allegheny St - APN: 2631-001-018,017



LEGEND

Metro Transit Projects Polygons

Alleys

Streets

Multiple Symbols

Easements

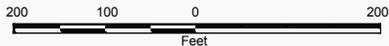
- Private Street
- Original Lot & Deed in Street
- Governmental (Except L.A. City)
- City of Los Angeles
- Former City Bnd/County/Other City
- Tract Line in Street & Freeway

Landbase Lines / Parcel Outline

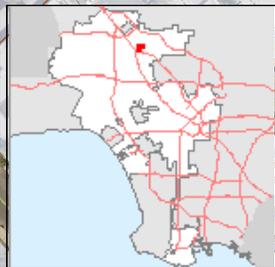
- All Others
- Right-of-way Sideline
- Tract Line
- Lot Line
- Lot Cut
- Freeway Road Way

Parcels

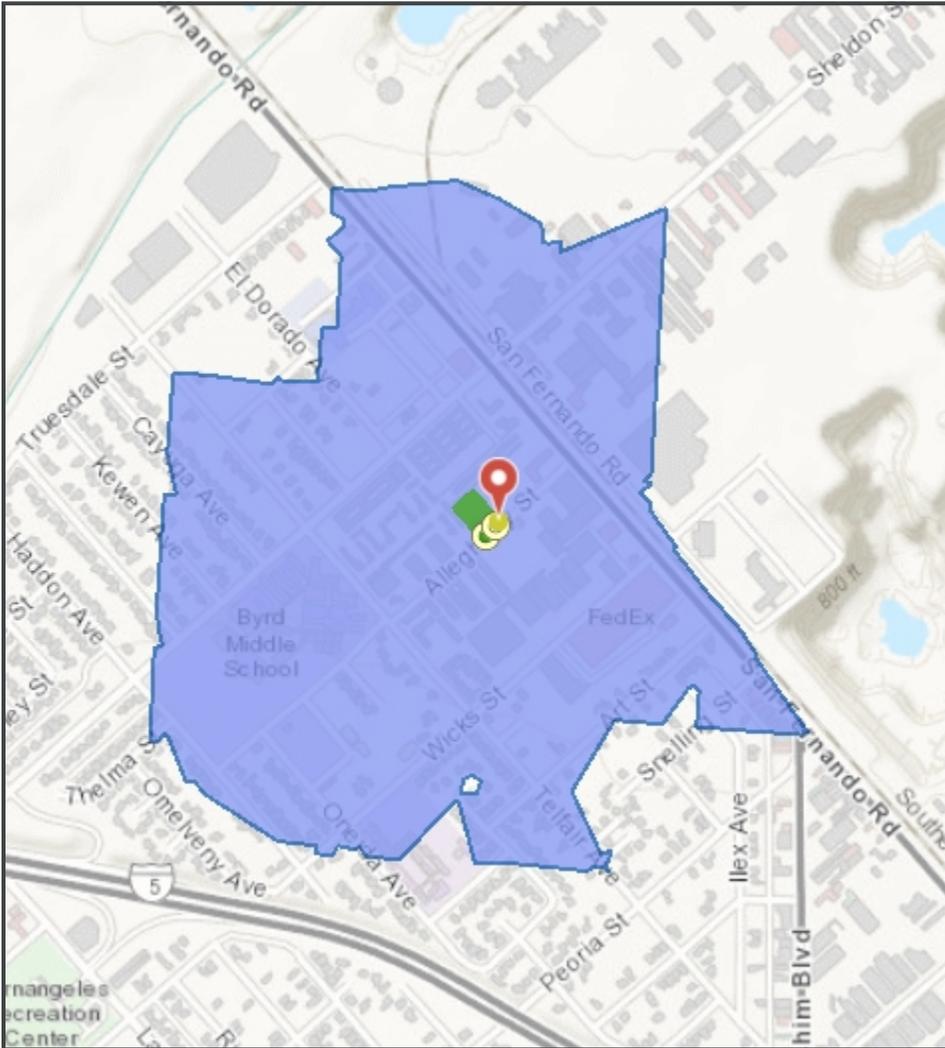
Parcels (LA County APN)



This map is a user generated static output from an Intranet mapping site and is for reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable.



Source: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, Esri, IGN, Kadaster NL, Ordnance Survey, Esri, DeLorme, Swire, Japan, METI, Esri China (Hong Kong), (c) OpenStreetMap contributors, and the GIS User Community



Scenario Information

Scenario Name:
APN 2631-001-018/017

Description:

Scenario Type:
New Park

Park Class:
Neighborhood

Baseline Dataset*:
All Parks (RAP and Non-RAP)

*The baseline dataset is the existing parks dataset whose service areas are used to calculate the currently non-served metrics given below in blue. These residents and households, which would be served by the proposed park, are not currently served by any existing park in the baseline dataset.

Population and Age Breakdown

Household and Income Breakdown

	Total Residents Served:	Currently Non-Served Residents Served:
Residents Served:	3,753	3,753

	Total Households Served:	Currently Non-Served Households Served:
Households Served:	813	813

Residents Served by Age

Age Group	Total Residents Served	Currently Non-Served Residents Served
Under Age 5:	382	382
Age 5 to 9:	366	366
Age 10 to 14:	375	375
Age 15 to 17:	227	227
Age 18 to 64:	2,236	2,236
Age 65 and Over:	167	167

Households Served by Annual Income

Income Group	Total Households Served	Currently Non-Served Households Served
Under \$25,000:	313	313
\$25,000 to \$34,999:	122	122
\$35,000 to \$49,999:	174	174
\$50,000 to \$74,999:	101	101
\$75,000 and Over:	103	103

Source: Census/ACS 2010