

JOINT POWERS AGREEMENT
CREATING THE
SPRING STREET CORRIDOR JOINT POWERS AUTHORITY

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THIS JOINT POWERS AGREEMENT (Agreement") is made and entered into this 11th day of JANUARY, 1995, by and between the CITY OF SIGNAL HILL, a general law city and municipal corporation ("SH City"), and the CITY OF LONG BEACH, a charter city and municipal corporation ("LB City"), the SIGNAL HILL REDEVELOPMENT AGENCY, a public body corporate and politic ("SH CRA"), and the REDEVELOPMENT AGENCY OF THE CITY OF LONG BEACH, a public body corporate and politic ("LB CRA"). Both of said redevelopment agencies are established pursuant to the California Community Redevelopment Law (Health and Safety Code Sections 33000 et seq.). SH City, SH CRA, LB City, and LB CRA may hereinafter be referred to individually as the "Participating Agency" and collectively as the "Participating Agencies." All attachments and exhibits to this Agreement are incorporated herein by reference.

RECITALS

A. Government Code Section 6500 et seq. provides that two or more public agencies may, by agreement, jointly exercise any power common to the contracting parties.

B. SH City, LB City, SH CRA, and LB CRA are each a public agency as defined by Government Code Section 6500 et seq. and are authorized and empowered to contract for the joint exercise of powers common to each member of the joint powers authority created hereby.

C. The Participating Agencies now wish to jointly exercise their powers to provide for the development, including but not limited to the acquisition, disposition, construction, operation, and/or maintenance of certain facilities and improvements, in the Spring Street Corridor. It is intended that these facilities and improvements encompass an area of plus or minus two hundred (± 200) acres, and be of regional significance, to possibly provide recreational elements, drawing customers and users from within the metropolitan area, thereby creating a strong fiscal base to revitalize the surrounding area and the municipal economies generally, in a sensitive environmental manner. The Spring Street Corridor Area is shown on the "Map of Spring Street Corridor Area" attached hereto as Exhibit A. Portions of the Spring Street Corridor Area fall within the territorial boundaries of each Participating Agency, including of certain adopted redevelopment project areas of each jurisdiction, and is a contiguous area as to each Participating Agency.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals and of the mutual promises and covenants hereinafter contained, and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

ARTICLE 1.00 DEFINITIONS

The following terms shall have the meanings given unless expressly provided to the contrary:

1.01 The term "**Agreement**" means this Agreement between the Participating Agencies for the creation of the Spring Street Corridor Joint Powers Authority, and any amendments thereto.

1.02 The term "**Annual Meeting**" shall be the meeting at which the Authority's officers are elected and shall be held at 6:30 p.m. on the last Thursday in June in the Signal Hill Civic Center or such other time and place as the Board may prescribe by resolution. The first Annual Meeting shall be held in 1996.

1.03 The term "**Authority**" shall mean the Spring Street Corridor Joint Powers Authority created by this Agreement.

1.04 The term "**Board**" means the Board of Directors of the Authority, which is the governing body of the Authority.

1.05 The term "**Controller/Treasurer**" or "**Controller**" means either the City Manager of LB City or SH City, as the case may be, appointed pursuant to Section 4.07, who shall serve as the Chief Financial Officer of the Authority and shall be responsible to the Board for the Authority's finances and investments.

1.06 The term "**Spring Street Corridor Area**" or simply "**Corridor Area**" means that area shown on the "Map of Spring Street Corridor Area" attached hereto as Exhibit "A" and incorporated herein by this reference, as it may be amended from time to time by a Concurrent Majority Vote.

1.07 The term "**CRL**" means the Community Redevelopment Law of the State of California (Health & Safety Code §33000 et seq.).

1.08 The term "**Director**" means a person who is a member of the Board.

1.09 The term "**Executive Director**" means either the City Manager of LB City or SH City, as the case may be, appointed pursuant to Section 4.07, who shall serve as the executive officer of the Authority and who shall be responsible to the Board for the supervision, administration, and operation of the Authority.

1.10 The term "Fiscal Year" shall be from July 1 to and including the following June 30, except for the year of formation for which year the Fiscal Year shall be from date of formation to and including the following June 30.

1.11 The term "Long Beach" means LB City and LB CRA, collectively.

1.12 The terms "Member" or "Party" means a Participating Agency which is a Party to which Agreement and a Member of the Authority.

1.13 The term "Majority Vote" means a vote of the majority of the quorum of the Board.

1.14 The term "Participating Agency" means any state agency, county agency, city, district, joint powers agency/authority, or other public agency which has authority to enter into this Agreement and which is a Party to this Agreement.

1.15 The term "Redevelopment Agencies" means LB CRA and SH CRA collectively.

1.16 The term "Signal Hill" means SH City and SH CRA, collectively.

1.17 The term "Concurrent Majority Vote" means a majority of the Directors from Long Beach and in addition a majority of the Directors from Signal Hill.

ARTICLE 2.00 PURPOSE, PARTIES, EFFECTIVE DATE, AMENDMENT

2.01 **PURPOSE.** Each Party to this Agreement has the authority to plan, encourage, and facilitate the development of that portion of the Spring Street Corridor located within the territorial boundaries of such Party.

The Corridor Area is presently an extensively blighted area largely vacant or occupied by oil production or related activities. Portions of the area have been used historically as a dump site. Much of the land is contaminated by 70 years of oil production activity. The Participating Agencies have sought to encourage development of this area over the last 10 years, and numerous development proposals have failed due to the expense of land assemblage, need to eliminate encumbrances, including oil leases, and cost of remediation of contamination. Collectively, the Participating Agencies have the power to develop both short- and long-term plans for the development of land and to prescribe regulations for the use of land; to levy taxes, fees, and assessments for the development of land, and to fund their own operations; to acquire, including by eminent domain, sell, lease,

encumber, and hypothecate land, or interests in land, including easements, covenants, and other restrictions; to issue public debt; to enter into contracts; to sue and be sued; to construct, operate, and maintain streets, utilities, drainage, water, lighting, sanitation, parks, fields, and other public improvements and facilities; to employ personnel to do the foregoing; and undertake all other actions necessary to carry out the foregoing as otherwise prescribed by law.

It has become obvious to the Parties that undertaking separate plans and failing to coordinate their individual activities with respect to that portion of the Spring Street Corridor Area within each Party's territorial jurisdiction likely would result in less desirable development of the Spring Street Corridor Area than would a cooperative and coordinated approach.

The purpose of this Agreement, therefore, is to create a joint power authority under Government Code Section 6500 et seq. for the development and operation of public facilities and improvements in the "Spring Street Corridor Area," an area within the territorial boundaries of the Participating Agencies and contiguous with respect to each Participating Agency. This purpose shall be accomplished through the exercise of powers of the Participating Agencies jointly to enable a coordinated and comprehensive development plan for the area leading to new and rehabilitated recreational and other regionally-significant facilities.

2.02 AUTHORITY CREATED. Pursuant to Government Code Section 6500 et seq., there is hereby created a public entity separate and apart from the Parties hereto, to be known as the Spring Street Corridor Joint Powers Authority. Pursuant to Government Code Section 6508.1, the debts, liabilities, and obligations of the Authority shall not constitute debts, liabilities, and obligations of the Parties, or any Party, to this Agreement.

2.03 PARTIES TO AGREEMENT. Each Party to this Agreement certifies that it intends to, and does, contract with all other Parties who are signatories to this Agreement and, in addition, with such other Parties as may later be added as Parties to and signatories of this Agreement. Except as otherwise provided herein, each Party to this Agreement also certifies that the deletion of any Party from this Agreement shall not affect this Agreement or such Party's intent to contract as described above with the other Parties to the Agreement then remaining.

2.04 EFFECTIVE DATE. This Agreement shall become effective, and the Authority shall be formed after each Participating Agency has adopted a resolution authorizing entering into this Agreement, as of the date when this Agreement shall have been executed by the last public official authorized to execute and bind their Participating Agency, which date shall be inserted into the preamble of this Agreement, and shall remain in effect until terminated in accordance with the terms of this Agreement.

2.05 INITIAL NOTICE. Upon the Effective Date of this Agreement, the Authority shall timely file all required statements and documents with the County Clerk of the County of Los Angeles and with the Secretary of State of the State of California.

2.06 AMENDMENT. This Agreement may be amended or modified only by an agreement in writing initially proposed by Resolution approved by a Concurrent Vote and thereafter approved by each Party.

2.07 SUBSEQUENT NOTICES. The Authority shall timely file such notices with the County Clerk of the County of Los Angeles and the Secretary of State of the State of California as may be required due to any amendments to this Agreement.

ARTICLE 3.00 POWERS

The Authority shall have the powers common to the Participating Agencies and is hereby authorized to do, in the name of the Authority, all acts necessary for the exercise of said common powers, including but not limited to, any or all of the following:

1. to exercise the common powers of the Members in planning, encouraging, and facilitating the development of the Spring Street Corridor;
2. to make and enter into contracts;
3. to incur, debts, liabilities, or other obligations and issue bonds, notes, certificates of participation, and other forms and evidences of indebtedness, whether short-term or long-term;
4. to invest and manage funds;
5. to employ employees and adopt rules and regulations for the employment and management of such employees;
6. to engage agents, consultants, representatives, attorneys, and experts;
7. to acquire, hold, or dispose of real or personal property, including by the exercise of the power of eminent domain;
8. to apply for grants, loans, or other assistance from persons, firms, corporations, or governmental entities, and to receive same and donations of property, funds, services, and other forms of assistance from persons, firms, corporations, or governmental entities;

9. to acquire, construct, manage, maintain, or operate any building, facility, structure, work, or improvement;
10. to sue and be sued in its own name;
11. to prepare and support legislation related to the purposes of this Agreement;
12. to levy and collect payments and fees for services;
13. to impose taxes or assessments as authorized by law to the extent allowed by law, and in coordination with the underlying jurisdiction;
14. to purchase insurance or to self-insure, and to contract for risk management services;
15. to adopt rules and regulations for the purchasing of supplies, materials, equipment of services, or for the entering into contracts;
16. to provide related services as authorized by law;
17. to engage in all lawful activities as permitted by law; and
18. to adopt, rules, regulations, policies, by-laws, and procedures for the carrying out of the foregoing powers or necessary for the governing of the operations of the Authority.

ARTICLE 4.00 BOARD OF DIRECTORS

4.01 ESTABLISHMENT OF BOARD AND DESIGNATION OF DIRECTORS.

The Authority shall be governed by the Board of Directors which is hereby established and which shall have ten (10) directors composed as follows:

Signal Hill shall have five (5) members who shall be the five members of the Signal Hill City Council and the five (5) members of the Board of the SH CRA (who are the same).

Long Beach shall have five (5) members who shall be the four members of the Long Beach City Council representing the Fourth (4th), Fifth (5th), Sixth (6th), and Seventh (7th) Districts and the Chairman of the LB CRA.

4.02 TERM; VACANCY.

A Director's term shall run concurrently with that Director's term on the Public Agency of which they are a member. In the event of an actual vacancy in the office of any Director, the Participating Agency who the Director

represents may select an interim replacement Director by such method as the Participating Agency may select who shall serve until the vacant office on the Participating Agency has been filled, at which time the newly installed Participating Agency officer shall automatically replace the interim Director. The interim Director shall have all of the same rights, privileges, and obligations of the Director for whom they are serving.

4.03 DESIGNATION OF ALTERNATES FOR LONG BEACH. Each Long Beach Director shall have the authority to appoint an alternate to serve in the place of such Director. The alternate must be a member of the governing body of the Participating Agency. Such alternate shall be designated by written instrument signed by such Director and delivered to the Chairman of the Board. Such alternate shall have the authority to attend, participate in, and vote in any meeting of the Board when the Director for whom he or she is an alternate is absent from said meeting. Appointment of an alternate may be withdrawn by such Director by written instrument, signed by such Director, delivered to the Chairman of the Board. An alternate may be replaced by such Director by a appointment of a new alternate.

4.04 VOTE ALLOCATION. Each Director shall have one (1) vote which shall be cast personally by such Director or such Director's appointed alternate.

4.05 INITIAL MEETING. Within thirty (30) days following the Effective Date of this Agreement, the Directors shall hold the initial Board meeting and organize the Authority by electing and appointing officers as specified herein, and taking such other actions as may be required or appropriate.

4.06 COMPENSATION FOR BOARDMEMBERS. Compensation for members of the Board of Directors shall be as established from time to time by resolution of the Board of Directors.

4.07 ELECTED OFFICERS.

1. The Board shall elect from among the Board members the following officers:

a. Chairman. The Director elected by the Board to serve as chief officer of the Authority. The Chairman shall preside over the Board and conduct all meetings of the Board. The Chairman shall execute all contracts, deeds, warrants, and other official documents on behalf of the Authority as authorized by the Board. The Chairman shall initially be the Mayor of Signal Hill, Michael Noll.

b. Vice Chairman. The elected officer who in the absence or inability of the Chairman to act shall act in the Chairman's capacity. The Vice Chairman shall initially be Mr. Tom Clark.

2. At no time shall the Chairman and Vice-Chairman be from the same Participating Agency. The Chairmanship shall rotate annually between Directors representing SH City and LB City, with the Chairman first being from SH City, the next year from LB City, and so on.

3. The Chairman and Vice Chairman shall be elected by the Directors from either Long Beach or Signal Hill, depending on which entity is entitled to having a Director hold such office. For example, when the Chairman is to be from Signal Hill, the Signal Hill Directors shall elect such officer. Elections shall be conducted in accordance with Robert's Rules of Order but shall require a majority vote of the Directors from Signal Hill or Long Beach, as the case may be, and not simply a majority of those present and voting.

4. Those elected to the position of Chairman, and Vice Chairman, at the Initial Meeting referenced in Section 4.05 above, shall serve until the Annual Meeting. Subsequent terms for the Chairman and Vice Chairman shall run for one (1) year, with elections held at each Annual Meeting.

4.08 APPOINTED OFFICERS. The Board shall appoint the following officers:

a. Executive Director. The City Manager of LB City, Mr. James Hankla, shall initially serve as the Executive Director with the office being rotated between the City Managers of each city at the time of the Annual Meeting on every even-numbered year. The Executive Director shall exercise the duties described in Article 8.00.

b. Secretary. The Executive Director, or their designee shall serve as Secretary. The Secretary shall take and hold minutes of the meeting, attest to contracts and other documents, record documents as necessary, keep and maintain records, and perform such other and further administrative, documentation, and related functions.

c. Controller/Treasurer. The City Manager of LB City or SH City not appointed as Executive Director/Secretary, or their designee, shall serve as Controller and Treasurer and shall initially be Mr. Douglas La Belle.

d. Auditor. The person serving as Finance Director of the Participating Agency whose City Manager serves as Controller/Treasurer shall perform the functions of auditor as required by Government Code Section 6505.5 or 6505.6.

e. General Counsel. The member of the California State Bar appointed by the Board shall serve as the legal advisor to the Authority. Initially, the person serving in this capacity shall be the City Attorney of Signal Hill, David J. Aleshire of

Rutan and Tucker, but this appointment may be revoked at any time by the Board.

4.09 VACANCIES. In the event of a vacancy of a Director due to a vacancy on the membership of the Participating Agency, the vacancy on the Board shall be automatically filled by the person filling the vacancy on the affected Participating Agency. The affected Participating Agency may appoint an interim replacement Director until the new Director is seated. In the event of a vacancy due to absence as referenced in Section 6.04, the affected City Council shall appoint a permanent alternate to complete the term of the absent Director.

ARTICLE 5.00 POWERS OF THE BOARD OF DIRECTORS

5.01 APPROVAL OF OPERATING BUDGET. At the Initial Meeting and annually thereafter, no later than the Annual Meeting, the Board shall review and approve an Annual Operating Budget of the Authority, prepared by the Executive Director. The Board may, from time to time, modify the annual budget.

5.02 REVIEW FUND ACCOUNTINGS. The Board shall receive and review periodic accountings of all funds received and disbursed pursuant to this Agreement.

5.03 POWER TO CONDUCT MEETINGS. The Board shall have the power to conduct on behalf of the Authority all business of the Authority including that assigned to the Executive Director. The Board may review, modify, and override all decisions and acts of the Executive Director.

5.04 AUTHORITY PROCEDURES. The Board may cause to be developed, and thereafter adopt and from time to time amend, bylaws for the Authority. The Board may establish, and may thereafter from time to time amend, such other policies, rules, regulations, and procedures to govern its operations as it deems appropriate. The Board may adopt by reference the rules and regulations of any Participating Agency.

5.05 ANNUAL AUDIT. The Board shall arrange and provide for an annual audit of the accounts and records of the Authority by an Auditor. Copies of such audit shall be distributed to the Members within ninety (90) days following the close of the Fiscal Year.

5.06 ESTABLISHMENT OF COMMITTEES. The Board may establish standing and ad hoc committees to make recommendations to the Board. The committees shall conduct their meetings in the same manner as meetings of the Board and in accordance with applicable law and such other procedures as the Board may prescribe.

5.07 EMPLOYEES; CONTRACTORS. The Board shall have the power to authorize the employment of persons on a fulltime or parttime basis, and to establish the terms and conditions of employment, as necessary to carry out the purposes of the Authority. The Board shall also have the authority to contract for professional, legal, administrative, technical, and other services to be provided to the Authority.

5.08 RESIDUAL POWER. The Board shall have such other powers and functions as are provided for in this Agreement.

5.09 EXECUTION OF CONTRACTS, DEEDS AND OTHER DOCUMENTS. Upon approval by the Board, all contracts, deeds, warrants and other official documents on behalf of the Authority shall be executed by the Chairman or the Executive Director, and attested to by the Secretary and approved as to form by the General Counsel.

ARTICLE 6.00 MEETINGS OF THE BOARD OF DIRECTORS

6.01 MEETINGS. The Board shall meet quarterly, at 6:30 p.m., on the last Thursday of each quarter or more frequently as the Board may determine. All meetings shall be called, noticed, held, and conducted in accordance with the provisions of the Ralph M. Brown Act (Gov. Code §54950 et seq.). All meetings shall be held in the Signal Hill Civic Center or such other place as the Board may determine.

6.02 SPECIAL MEETINGS. A special meeting may be called by the Chairman or the vote of three (3) members of the Board. All such meetings shall be called, noticed, held and conducted in accordance with the Brown Act.

6.03 QUORUM. A quorum of the Board shall consist of six (6) of the Directors (or their alternates) (fifty percent (50%) plus one (1)). A vote by a majority of those present at a meeting shall be sufficient to constitute action by the Board, unless otherwise specified herein or in an applicable bylaw, rule, regulation, or procedure established by the Board.

6.04 MINUTES. The Secretary of the Board shall cause minutes of regular, adjourned regular, and special meetings to be kept and shall, as soon as possible after each meeting, cause a copy of the minutes to be forwarded to each Director.

6.05 MEETING AGENDA. An agenda of the meeting shall be prepared and posted pursuant to the Brown Act.

6.06 CONDUCT OF MEETINGS. The Chairman, or in the absence of the Chairman the Vice-Chairman, shall conduct the meetings. Meetings shall be conducted pursuant to the most current edition of "Robert's Rules of Order" unless otherwise provided by any rule, regulation or bylaw of the Board.

6.07 APPEAL OF DECISIONS AND ACTIONS. Any Director may appeal to the full Board any decision or action taken by the Executive Director, by making a written request to the Executive Director that the Board review the decision or action taken. The decision or action shall be suspended pending such Board review unless such suspension would impair any contractual obligations or liabilities.

6.08 VOTE REQUIRED.

1. Unless otherwise provided for in this Agreement or in bylaws, rules, regulations, or procedures adopted by the Board, a majority vote of the Directors present and voting shall be sufficient to approve Board actions.

2. Notwithstanding subsection 1 of this Section 6.08, the following decisions shall require a Concurrent Majority Vote:

- a. Adoption and thereafter any amendment of the budget.
- b. Authorizing any development agreement for the disposition, development, or improvement of any real property of 250,000 square feet or more in gross building floor area.
- c. Proposing an amendment to this Agreement.
- d. Approving any expenditure or contract in excess of \$50,000.
- e. Approving any change in the assessment formula.
- f. Any other matter which the Board determines by resolution should be included in this Section.

ARTICLE 7.00 ASSESSMENTS

7.01 ANNUAL BUDGET. The Executive Director shall direct the preparation of an Annual Operating Budget to be approved by the Board at the Annual Meeting. The approval of the Budget shall require a Concurrent Majority Vote.

7.02 AUTHORITY TO ASSESS MEMBERS. To pay its necessary and proper expenses, the Authority may levy an assessment against its members. The assessment shall be sufficient to pay all expenses of the Authority as set forth in the Budget, which will not be timely offset by other anticipated revenues of the Authority.

7.03 TIME FOR PAYMENT. The Assessment may be paid quarterly, or on such other frequency as the Board may determine.

7.04 FORMULA FOR ASSESSMENT. The allocation of the Assessment to the Participating Agencies shall be on the basis of their pro rata share of land area within the Spring Street Corridor Area. The allocation formula may be modified to some other basis, such as land value, revenue generated, or other, by a Resolution approved by a Concurrent Majority Vote.

ARTICLE 8.00 DUTIES OF ADMINISTRATIVE STAFF

8.01 GENERAL DUTIES. The Executive Director shall have general authority to administer the Authority under the direction and control of the Board. The Executive Director shall have the authority to hire, manage, discipline, and terminate all employees for such positions as may be authorized by the Board, and administer all consulting and other contracts when approved by the Board. The Executive Director shall recommend the budget and annual assessments to the Board. The general duties shall include such other duties as specified in any bylaws, rules, regulations, or procedures adopted by the Board. The duties of the Executive Director may be delegated by the Executive Director to subordinate employees or performed through contractual services.

ARTICLE 9.00 APPOINTMENT OF CONTROLLER/TREASURER: FINANCES; DUTIES

9.01 PURCHASING. The Controller shall recommend to the Board appropriate rules and regulations for the purchasing of supplies, services, and equipment, and shall thereafter undertake all such activity in accordance with the rules and regulations so adopted.

9.02 FUNDS AND ACCOUNTS. The Controller of the Authority shall establish and maintain such funds and accounts as may be required by good accounting practice or by the Board. The Controller shall have the custody of and disburse the Authority's funds, and shall have the authority to delegate the signatory function of the Controller to such persons as authorized by the Board. Any disbursement over Two Hundred Fifty Dollars (\$250.00) shall require at least two signatures.

9.03 BOND REQUIREMENT. A bond paid by the Authority, in the amount determined by the Board to be adequate, shall be required of all officers and personnel authorized to disburse funds of the Authority.

9.04 DUTIES OF CONTROLLER/TREASURER. The Controller of the Authority shall assume the duties described in Government Code Section 6505.5 as it may from time to time be amended, including:

1. Receive and receipt for all money of the Authority and place it in the treasury of the Treasurer to the credit of the Authority;
2. In accordance with law, manage the investment of all funds of the Authority, keeping sufficient liquidity to pay on time all obligations of the Authority;
3. Be responsible upon his or her official bond for the safekeeping and disbursement of all of Authority money so held by him or her;
4. Pay, when due, out of the money of the Authority so held by him or her, all sums payable on outstanding bonds and coupons of the Authority;
5. Pay any other sums due from the Authority from Authority money only upon warrants signed by the Authority officer of employee so authorized by this Agreement;
6. Recommend a budget to the Executive Director for submission to the Board for adoption as the Authority's budget.
7. Verify and report in writing on the first day of July, October, January, and April of each year to the Authority and to the Parties the amount of money he or she hold for the Authority, the amount of receipts since the last report, and the amount paid out since the last report.
8. To report in writing to the Authority and the Board, within one hundred twenty (120) days following the close of the Fiscal Year on all financial activities for the Fiscal Year just ended.

ARTICLE 10.00

CONTRACTING FOR REDEVELOPMENT AUTHORITY WITHIN PORTION OF SPRING STREET CORRIDOR AREA IN REDEVELOP- MENT PROJECT AREAS OF LONG BEACH AND SIGNAL HILL

10.01 RELATIONSHIP TO REDEVELOPMENT. The Parties acknowledge and agree as follows:

1. The use of redevelopment authority and power to effectuate the purposes of this Agreement with respect to the Spring Street Corridor may be necessary.

2. Each of the Parties has activated its redevelopment agency pursuant to Health and Safety Code Section 33100 et seq. to operate within their respective communities.

3. The redevelopment agency of one community may authorize the redevelopment agency of another community to exercise redevelopment authority in the first community in accordance with the requirements of Health and Safety Code Section 33213.

4. This Agreement does not make the Authority a redevelopment agency within the meaning of the CRL and the Redevelopment Agencies retain the legal responsibility to administer the CRL within their respective redevelopment project areas.

5. Through the mechanism of contract rather than their membership in the Authority, the Authority will attempt to encourage the Redevelopment Agencies to exercise their powers consistent with the objectives, purposes, policies, and plans of the Authority.

10.02 AUTHORITY TO CONTRACT WITH REDEVELOPMENT AGENCIES.

In order for the Authority to undertake redevelopment of the Spring Street Corridor Area, the Authority shall timely take such actions as may be necessary to contract with the Signal Hill Redevelopment Agency and the Long Beach Redevelopment Agency to perform redevelopment activities within the Spring Street Corridor Area consistent with the objectives, purposes, policies, and plans of the Authority and to the extent permitted by State law, including but not limited to the CRL. By entering into this Agreement, neither Redevelopment Agency is ceding any legal authority or obligation which it may have under the CRL to the Authority. Each Redevelopment Agency shall remain responsible for fulfilling all of its legal responsibilities and shall not surrender any legal authority hereby to do so. By becoming parties to this Agreement, the Redevelopment Agencies merely express an intent to conform their redevelopment activities within the Spring Street Corridor Area to the objectives, purposes, policies, and plans of the Authority to the extent consistent and not in conflict with fulfilling their obligations under the CRL.

10.03 LONG BEACH REDEVELOPMENT AGENCY MAY CONTRACT WITH SIGNAL HILL REDEVELOPMENT AGENCY.

Long Beach acknowledges and agrees that to effectively use redevelopment in the Spring Street Corridor Area, the redevelopment authority of the LB CRA in that portion of the Spring Street Corridor Area that is within the territorial jurisdiction of the City of Long Beach that is also within the boundaries of the Long Beach/405 Retail Center Redevelopment Project Area may need to be conferred on the SH CRA. LB CRA retains the authority to adopt an ordinance in accordance with Health and Safety Code Section 33213 authorizing the SH CRA to undertake redevelopment activities in the Long Beach/405 Retail Center Redevelopment Area.

ARTICLE 11.00

INDEMNIFICATION AND INSURANCE

11.01 INDEMNIFICATION.

1. Each Party to this Agreement shall hold harmless, be responsible for, and indemnify the other Party/ies to this Agreement for any loss, cost, or expense that may be imposed upon such other Party/ies as a result of the individual Party's failure to abide by the terms of this Agreement and the bylaws, rules, regulations, and policies established by the Board.

2. After the Effective Date of this Agreement, the Authority shall indemnify, defend, and hold harmless, jointly and severally, each of its Members and the Members' officers, officials, employees, agents, and representatives with respect to any loss, damage, injury, claim, litigation, or liability, including attorney's fees and costs, arising out of or in any way related to the creation, operation, functioning, decisions, or actions of the Authority or the Authority's officers, officials, employees, agents, or representatives.

3. The provision of indemnity set forth in this Article shall not be construed to obligate the Authority to pay any liability, including but not limited to punitive damages, which by law would be contrary to public policy or otherwise unlawful.

11.02 TORT LIABILITY. Government Code Section 895.2 imposes certain tort liability jointly upon public agencies solely by reason of such public agencies being parties to an agreement as defined in Government Code Section 895. Therefore, the Parties hereto, as between themselves, pursuant to the authorization contained in Government Code Section 895.4 and 895.6, each assume the full liability imposed upon it or any of its officers, agents, or employees by law for injury caused by a negligent or wrongful act or omission occurring in the performance of this Agreement, to the same extent that such liability would be imposed in the absence of Government Code Section 895.2. To achieve this purpose, each Party indemnifies and holds harmless the other Party for any loss, cost, or expense, including reasonable attorney's fees, that may be imposed upon or incurred by such other Party solely by virtue of Government Code Section 895.21.

11.03 INSURANCE.

1. The Authority shall obtain necessary bonding, fiduciary liability, officers and director's liability insurance, and other insurance coverage on a pooled basis as deemed necessary by the Board for all Directors, officers, and employees. Such coverage shall be an administrative expense.

2. The Authority shall procure and maintain, from the Effective date, comprehensive liability insurance in the minimum amount of Five Million Dollars (\$5,000,000) combined single limit

per occurrence and annual aggregate. Each of the Authority's Members shall be named as an additional insured on all Authority insurance policies. Alternatively, the Authority may self-insure. The Authority shall, if necessary or required, procure and maintain worker's compensation insurance as required by law.

11.04 PRIVILEGES AND IMMUNITIES. All of the privileges and immunities from liability, exemptions from laws, ordinances, and rules, all pension, relief, disability, worker's compensation, and other benefits which apply to the activity of officers, agents, or employees of any Member when performing their respective functions within the territorial limits of the Member, shall apply to them to the same degree and extent while engaged in the performance of any of their functions and duties extraterritorially hereunder.

ARTICLE 12.00 WITHDRAWAL; TERMINATION

12.01 WITHDRAWAL OF A MEMBER.

1. If any Member, other than SH City or LB City desires to withdraw as a Member, such Member shall notify the Board in writing and present a resolution of such Member's governing body withdrawing from the Authority. The withdrawal shall be effective at the time specified in such resolution, and shall not require any action by the Board. A withdrawal by such Member shall not terminate this Agreement. The withdrawing Member shall not be entitled to payment or return of any contribution, consideration, or property paid or donated to the Authority, or to any distribution of assets.

2. SH City and LB City may withdraw, but such withdrawal shall serve to terminate the Agreement under Section 12.02 below.

3. It is specifically contemplated that the Redevelopment Agencies may withdraw after completion of the development phase when the Participating Agencies enter the operating phase.

12.02 TERMINATION. This Agreement shall be terminated by either SH City or LB City withdrawal from the Agreement by adoption of a resolution by a majority of the Membership of said terminating Party, and service of a ninety (90) day written notice of said termination on the non-terminating Party. Each Party shall remain liable for its proportional share of any bonded indebtedness or other liability incurred prior to the effective date of the notice of termination and for any liability of the Authority after that date to which the terminating Party has consented to be obligated. No termination shall invalidate or impair any contract entered into by the Authority. Any terminating Party may negotiate with

the Authority for return or repurchase of any property provided to the Authority by the terminating Party.

12.03 DISSOLUTION. The Authority shall continue to exist, despite a termination, for the purpose of disposing of all claims, distribution of assets, performing any contractual obligations and other functions necessary to wind up the affairs of the Authority. The Board is vested with all powers of the Authority for the purpose of winding up and dissolving the business affairs of the Authority. These powers shall include the power to require the Members, including any terminating Party, to pay their share of any additional amount of contribution deemed necessary by the Board for final disposition of all claims or obligations covered by this Agreement.

ARTICLE 13.00 MISCELLANEOUS

13.01 CONFLICTS OF INTEREST. No Director, officers, official, or employee of the Authority shall have any financial interest, direct or indirect, in the Authority nor shall any such person participate in any decision relating to the Authority which affects his or her financial interests, in violation of any State law or regulation.

13.02 BOOKS AND RECORDS. All books, records, accounts, and documents of the Authority shall be available at any reasonable time to the Directors and, to the extent provided by the California Public Records Act (Gov. Code §6250 et seq.) shall be public records. This Section does not authorize the release of any confidential documents which are exempt from disclosure under the California Public Records Act or other applicable law or regulation.

13.03 NOTICES. All formal notices, demands, and communications between the Parties shall be given either by (i) personal service, (ii) delivery by reputable document delivery service such as Federal Express that provides a receipt showing date and time of delivery, or (iii) mailing in the United States mail, certified mail, postage prepaid, return receipt requested, addressed to:

If to Signal Hill: City of Signal Hill
 2175 Cherry Avenue
 Signal Hill, CA 90806
 Attn: City Manager

With copy to: Signal Hill City Attorney
 c/o Rutan & Tucker
 611 Anton Blvd., Suite 1400
 Costa Mesa, CA 92626
 Attn: David J. Aleshire, Esq.

If to Long Beach: City of Long Beach
333 W. Ocean Boulevard
Long Beach, CA 90802
Attn: City Manager

With copy to: Long Beach City Attorney
City of Long Beach
333 W. Ocean Boulevard
Long Beach, CA 90802

Notices personally delivered or delivered by document delivery service shall be deemed effective upon receipt. Notices mailed shall be deemed effective at Noon on the second business day following deposit in the United States mail. Such written notices, demands, and communications shall be sent to such other addresses as any Party may from time to time designate in a notice delivered in accordance with the requirements of this Section.

13.04 SEVERABILITY. Should any portion, term, condition, or provision of this Agreement be determined in a final judgment or order of a court of competent jurisdiction to be illegal, void, unenforceable, or in conflict with any law of the State of California, this Agreement shall remain in full force and effect and shall be interpreted insofar as possible to carry out its intent, and the remaining portions, terms, conditions, and provisions shall not be affected thereby.

13.05 SUCCESSORS. Should a Party to this Agreement reorganize in accordance with State law, the successor or successors in interest to such Party shall be substituted as a Party to this Agreement, and such substitution shall be come effective upon the filing with the Board of an assignment by such Party to its successor or successors in interest of all of said Party's rights and obligations hereunder, provided such assignment is fully executed by the Party to this Agreement and its successor or successors.

13.06 PRINCIPAL OFFICE. The principal office of the Authority shall be that of the office of the Executive Director or as from time to time designated by the Board.

13.07 WAIVERS. All waivers of any term or condition of this Agreement shall be in writing. No waiver of any term or condition shall be a waiver of any other term or condition or the same term or condition at a different time.

13.08 NONDISCRIMINATION. There shall be no discrimination by the Authority or any of its Members against any person on account of race, color, religion, sex, marital status, national origin, or ancestry in the performance of its obligations under this Agreement. The Authority shall comply with the provisions of the Americans With Disabilities Act (42 U.S.C. §12101 et seq.) to the extent applicable.

13.09 APPLICABLE LAW. This Agreement shall be governed by and construed under the laws of the State of California.

13.10 RIGHTS AND REMEDIES ARE CUMULATIVE. Except as may be otherwise expressly stated in this Agreement, the rights and remedies of the Parties are cumulative, and the exercise by any Party of one or more of its right or remedies shall not preclude the exercise by it, at the same time or at different times, or any other rights or remedies for the same default or any other default by another Party.

13.11 ENTIRE AGREEMENT. This Agreement represents the entire agreement of the Parties and supersedes all previous negotiations and agreements between the Parties, whether written or oral, with respect to the subject matter of this Agreement.

IN WITNESS WHEREOF the Parties hereto have executed this Agreement as of the date first above written.

End of Agreement - Signatures on Next Page)

"SH City"

CITY OF SIGNAL HILL

Dated: _____

By: *Michael J. Noel*
Mayor

ATTEST:

[Signature]
City Clerk

APPROVED AS TO FORM:

[Signature]
City Attorney

"SH CRA"

SIGNAL HILL REDEVELOPMENT AGENCY

Dated: _____

By: *[Signature]*
Chairperson

ATTEST:

[Signature]
Executive Director

APPROVED AS TO FORM:

[Signature]
Agency Counsel

[SIGNATURES CONTINUED ON NEXT PAGE]

CITY OF LONG BEACH, a
municipal corporation

4/20, 1995

ATTEST:

Shelba Powell

CITY CLERK

By Elaine M. Marsh
Assistant City Clerk

APRIL 7, 1995

By James C. Rankin
City Manager

LB CITY

REDEVELOPMENT AGENCY OF THE
CITY OF LONG BEACH, CALIFORNIA

By Sammy
Executive Director/Secretary

LB CRA

Approved as to form this 20th day of January,
1995.

JOHN R. CALHOUN, City Attorney

By John R. Calhoun
Principal Deputy

[END OF SIGNATURES]

EXHIBIT A

SITE MAP -- SPRING STREET CORRIDOR

[TO BE INSERTED]

LB - LONG BEACH
SH - SIGNAL HILL
LB 405 - LONG BEACH/405
RETAIL CENTER
REDEVELOPMENT PROJECT

