

1 3. Duration of Permit. A. Permission to enter shall begin on the date of
2 recordation of the deed transferring the Property to the City and shall end a minimum of
3 thirty (30) months after that date or, if additional time is needed to receive a “no further
4 action” letter, then this Permit will end on receipt of a “no further action” letter or similar
5 document from the agency having jurisdiction over the Remediation.

6 B. Within fifteen (15) business days after expiration or revocation of this
7 Permit, LACMTA shall cease entry and shall cause all LACMTA Parties to cease entry
8 on the Property, shall remove all supplies, equipment, personal property, and structures
9 and improvements installed or constructed or erected on the Property pursuant to
10 Section 12 below, and shall leave the Property in a clean, neat and safe condition. Any
11 supplies, equipment, and personal property which LACMTA does not remove within the
12 15-day period shall become the property of the City without payment by or liability of
13 any kind on the part of the City.

14 4. Insurance. As a condition precedent to the effectiveness of this Permit,
15 LACMTA shall provide evidence of insurance equal to the following insurance coverage:

16 (a) Commercial general liability insurance (equivalent in scope to ISO form
17 CG 00 01 11 85 or CG 00 01 11 88) in an amount not less than \$1,000,000 per
18 occurrence or \$2,000,000 general aggregate. The coverage shall include but not be
19 limited to broad form contractual liability, cross liability, independent contractors liability,
20 and products and completed operations liability. The City, its officers, employees and
21 agents shall be named as additional insureds by endorsement (on the City’s
22 endorsement form or on an endorsement equivalent in scope to ISO form CG 200 10 11
23 85 or CG 20 26 11 85), and this insurance shall contain no special limitations on the
24 scope of protection given to the City, its officers, employees and agents.

25 (b) Workers’ compensation insurance as required by the California Labor
26 Code and employer’s liability insurance in an amount not less than \$1,000,000 per
27 accident.

28 (c) Commercial automobile liability insurance (equivalent in scope to ISO

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1 form CA 00 01 06 92), covering Auto Symbol 1 (Any Auto), in an amount not less than
2 \$500,000 combined single limit per accident.

3 (d) Pollution liability insurance covering bodily injury and property damage
4 to third parties and covering clean-up, on and off the Property, which City shall for the
5 benefit of LACMTA and City procure and maintain at LACMTA's expense. This
6 insurance shall have a limit of not less than \$10,000,000 per occurrence and in the
7 aggregate, with a deductible of not more than \$50,000. If this insurance is written on a
8 "claims made" basis, it shall have no retroactive date. This insurance shall be written
9 for a term of not less than ten (10) years and LACMTA shall pay the premium in
10 advance for the entire term. If a Phase I survey is required to obtain this insurance,
11 then the City on behalf of LACMTA shall order the Phase I survey and LACMTA shall
12 pay the cost of it. LACMTA shall reimburse the City promptly for the cost of the
13 insurance after receipt of the City's invoice.

14 Any self-insurance program, self-insured retention, or deductible must be
15 separately approved in writing by City's Risk Manager or designee and shall protect the
16 City, its officials, employees and agents in the same manner and to the same extent as
17 they would have been protected had the policy or policies not contained retention or
18 deductible provisions. Each insurance policy shall be endorsed to state that coverage
19 shall not be reduced, non-renewed, or canceled except after thirty (30) days prior
20 written notice to City, and shall be primary and not contributing to any other insurance or
21 self-insurance maintained by the City. LACMTA shall notify the City within five (5) days
22 after any insurance required in this Permit has been voided by the insurer or canceled
23 by LACMTA.

24 LACMTA shall require that all LACMTA Parties maintain insurance in
25 compliance with this Section unless otherwise agreed in writing by City's Risk Manager
26 or designee.

27 Prior to entry on the Property, LACMTA shall deliver to City certificates of
28 insurance or self-insurance and required endorsements, including any insurance

1 required by LACMTA Parties, for approval as to sufficiency and form. The certificates
2 and endorsements shall contain the original signature of a person authorized by that
3 insurer to bind coverage on its behalf. In addition, LACMTA shall at least thirty (30)
4 days prior to expiration of this insurance furnish to the City evidence of renewal of the
5 insurance. City reserves the right to require complete certified copies of all policies of
6 insurance at any time. LACMTA and LACMTA Parties shall make available to the City,
7 during normal business hours, all books, records and other information relating to the
8 insurance required in this Permit.

9 Any modification or waiver of these insurance requirements shall only be
10 made by the City's Risk Manager or designee, in writing. The procuring or existence of
11 insurance shall not be construed or deemed as a limitation on liability or as full
12 performance with the indemnification provisions of this Permit.

13 Notwithstanding any other provision of this Permit, if LACMTA or an
14 LACMTA Party fails to comply with this Section, the City may immediately revoke this
15 Permit and the permission granted by this Permit.

16 5. Indemnity. With respect to this Permit, LACMTA shall indemnify and
17 hold harmless the City, its Boards and Commissions, and their officials, employees and
18 agents (collectively in this Section "City") from and against any and all liability, claims,
19 demands, damage, loss, causes of action, proceedings, penalties, fines, assessments
20 related to Remediation, as defined in Exhibit "B" to the Purchase Agreement, costs and
21 expenses (including but not limited to attorney's fees, court costs, and expert and
22 witness fees)(collectively "Claims" or individually "Claim"), and interest. Claims include
23 allegations and include by way of example but are not limited to: Claims for property
24 damage, personal injury or death arising, in whole or in part, from the negligent act or
25 omission of LACMTA, its officers, employees, agents, invitees, contractors or anyone
26 under LACMTA's control on the Property (collectively "Indemnitor"); LACMTA's breach
27 of this Permit; misrepresentation; willful misconduct; and Claims by any employee of
28 Indemnitor relating in any way to worker's compensation. Independent of the duty to

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1 indemnify and as a free-standing duty on the part of LACMTA, LACMTA shall defend
2 the City and shall continue such defense until the Claim is resolved, whether by
3 settlement, judgment or otherwise. No finding or judgment of negligence, fault, breach,
4 or the like on the part of Indemnitor shall be required for the duty to defend to arise.
5 LACMTA shall give to the City notice of any Claim within ten (10) days and, on the
6 City's receipt of the Claim, the City shall assist LACMTA, as may be reasonably
7 requested, in such defense. For Claims that arise during the term of this Permit, this
8 indemnity shall survive the expiration or revocation of this Permit and shall not limit or
9 be deemed to limit the indemnity stated in the Purchase Agreement.

10 6. Non-responsibility of City. City, its officers and employees shall not be
11 and LACMTA agrees that they are not responsible or liable for loss or damage by theft,
12 fire, flood, burglary, vandalism or any other cause to the supplies, equipment or other
13 personal property of LACMTA Parties in or on the Property, except to the extent caused
14 by the negligence of the City, its officers or employees. By executing this Permit,
15 LACMTA waives all claims against the City, its officers or employees for such loss or
16 damage.

17 7. No Title. LACMTA and City acknowledge and agree that, by this
18 Permit, LACMTA does not acquire any right, title or interest of any kind in the Property,
19 including but not limited to any leasehold interest. LACMTA shall not allow the Property
20 to be used by anyone other than an LACMTA Party or for any other purpose than stated
21 in this Permit. Notwithstanding any language to the contrary in this Permit, if a court of
22 competent jurisdiction deems this Permit to be a lease, then LACMTA waives any right
23 of redemption under any existing or future law in the event of eviction from or
24 dispossession of the Property in a lawful manner. LACMTA agrees that, if the manner
25 or method used by the City in ending this Permit gives to LACMTA a cause of action
26 similar to or based on damages that would otherwise arise in connection with unlawful
27 detainer, then the total amount of damages to which LACMTA would be entitled in such
28 action shall be One Dollar. LACMTA agrees that this Section may be filed in such

1 action and that, when so filed, it shall be a stipulation by LACMTA fixing the total
2 damages to which LACMTA is entitled in such action.

3 8. No Assignment. LACMTA shall not assign this Permit or the
4 permission granted by this Permit without the prior written approval of the City Manager.
5 Neither this Permit nor any interest in it shall be subject to transfer by attachment,
6 execution, proceedings in insolvency or bankruptcy, or receivership. Any attempted
7 assignment or other transfer that is not approved by the City Manager shall be void and
8 confer no right of entry on the purported assignee or transferee.

9 9. Condition after Entry. After the entry by any LACMTA Party on the
10 Property, LACMTA shall return the Property in as good condition (or better condition
11 with respect to the Remediation) as the Property was in prior to such entry, reasonable
12 wear and tear excepted.

13 10. Notice. Any notice or approval given under this Permit shall be in
14 writing and personally delivered or deposited in the U.S. Postal Service, registered or
15 certified, return receipt, to the City at 333 West Ocean Boulevard, Long Beach, CA
16 90802 Attn: City Manager and to LACMTA at One Gateway Plaza, Mail Stop 99-13-8,
17 Los Angeles, CA 90012 Attn: Director of Real Estate. Notice shall be deemed given on
18 the date personal delivery is made or on the date shown on the return receipt,
19 whichever first occurs.

20 11. Consideration. Permit fees and the payment of Permit fees are
21 described in the Purchase Agreement.

22 12. Improvements. LACMTA Parties shall not install, construct, erect or
23 maintain any structure or improvements on the Property without the prior written
24 approval of the City Manager except to the extent reasonably required under the
25 Remediation Plan. Any structure or improvement installed, constructed or erected shall
26 be maintained in a good, safe condition and LACMTA shall remove all such structures
27 and improvements no later than fifteen (15) business days after the expiration or
28 revocation date of this Permit unless the City gives notice to LACMTA that the City

1 wishes to keep such structures or improvements, in which case LACMTA shall have the
2 option of granting ownership of such structure or improvement to the City at no charge.

3 13. No Limitations on City. The Permit shall not limit the City's right of
4 access to the Property or the right or power to construct, erect, build, demolish, move or
5 otherwise modify any structures, buildings, landscaping or any other type of
6 improvement on, over, in, or under the Property except that the City may not do so with
7 respect to structures or improvements installed or erected by an LACMTA Party.

8 14. No Release. The expiration or revocation of this Permit shall not
9 release either party from any liability or obligation which accrued prior to such expiration
10 or revocation.

11 15. Utilities and Security. Except as provided in the Purchase
12 Agreement, the City shall not have any obligation to LACMTA or an LACMTA Party to
13 provide utilities, clean-up, or security on the Property or with respect to the right of entry
14 granted by this Permit.

15 16. Nondiscrimination. In exercising its right of entry and use of the
16 Property, LACMTA shall not discriminate on the basis of race, color, religion, national
17 origin, sex, sexual orientation, age, HIV status, disability or handicap.

18 17. Compliance with Laws. A. LACMTA Parties shall comply with all
19 applicable laws, rules, regulations and ordinances with respect to their activities on the
20 Property, with respect to the use of the Property, the materials collected from the
21 Property, and the disposal of materials collected from the Property, regardless of when
22 they become or became effective, including, without limitation, those relating to
23 construction, signage, health, safety, noise, environmental protection, waste disposal,
24 and water and air quality, and furnish satisfactory evidence of such compliance on
25 request of the City.

26 B. Any barrels or other containers containing materials extracted from the
27 Property shall be removed from the Property within ten (10) working days after receiving
28 applicable analytical data for preparing waste manifests and scheduling with the waste

1 disposal contractors. With respect to any barrels or containers that are on or at the
2 Property, LACMTA shall indemnify the City for any penalties, fines, and the like relating
3 to the materials in the barrels and containers and the storage of the barrels and
4 containers on the Property and shall defend the City at LACMTA's sole cost in any
5 proceeding relating to the materials in the barrels and containers and the storage of the
6 barrels and containers on or at the Property. LACMTA shall store and dispose of the
7 barrels and containers in compliance with all applicable federal, state and local laws,
8 rules and regulations.

9 18. Work and No Liens. A. All work by LACMTA Parties on the Property
10 shall be performed, at its sole cost, in a good and workmanlike manner. LACMTA
11 Parties shall keep the Property free of all liens for any work done, labor performed, or
12 material furnished by or for LACMTA relating to the Property. LACMTA's indemnity in
13 Section 5 shall include liens. If a lien is imposed on the Property as a result of entry and
14 work done, labor performed or materials furnished by or for an LACMTA Party at the
15 Property, then LACMTA shall (i) record a valid release of lien; or (ii) deposit with the City
16 cash in an amount equal to 125% of the amount of the lien and authorize payment to
17 the extent of the deposit to any subsequent judgment holder that may arise as a matter
18 of public record from litigation with regard to lienholder's claim; or (iii) procure and
19 record a lien release bond in accordance with California Civil Code Section 3143 issued
20 by a surety authorized to do business in California.

21 19. Contracts. All contracts entered by or on behalf of an LACMTA Party
22 relating to the Property shall contain the following sentence: This contract shall in no
23 way bind the City of Long Beach, its Boards and Commissions, or their officials or
24 employees or obligate them in any way for any costs whatsoever under this contract.

25 20. Miscellaneous. A. This Permit shall be governed by and construed in
26 accordance with the laws of the State of California excepting those pertaining to
27 conflicts of laws.

28 B. If any part of this Permit shall be held by a court of competent

1 jurisdiction to be invalid, void or unenforceable, then the remainder of the Permit shall
2 remain in full force and effect and shall not be affected, impaired or invalidated.

3 C. This Permit may only be amended by a written agreement, signed by
4 the City and LACMTA after authorization by City's City Council.

5 D. This Permit and the Purchase Agreement including its Exhibits contain
6 the entire understanding of the City and LACMTA and supersedes all other agreements,
7 oral or written, with respect to the subject matter of this Permit.

8 E. On the expiration or revocation of this Permit, LACMTA agrees to and
9 shall execute such documents, in recordable form if so requested, as the City deems
10 reasonably necessary to end the Permit.

11 F. Subject to Section 8, this Permit shall be binding on and inure to the
12 benefit of the successors and assigns of the City and LACMTA.

13 G. In any action or proceeding to enforce or interpret or revoke this
14 Permit, the prevailing party shall be entitled to attorney's fees and costs.

15 H. The failure or delay of the City to insist on strict compliance with the
16 provisions of this Permit shall not be deemed a waiver of any right or remedy that City
17 may have and shall not be deemed a waiver of any subsequent or other failure to
18 comply with any provision of this Permit.

19 I. This Permit is not intended or entered for the purpose of creating any
20 benefit or right for any person or entity that is not a signatory or an LACMTA Party.

21 J. No provision or breach of this Permit shall be waived, except in writing
22 signed by the parties which expressly refers to this Permit. And, the waiver of any
23 noncompliance with this Permit shall not constitute a waiver of any other or subsequent
24 noncompliance.

25 K. The headings and numbers of this Permit are not a part of it and the
26 grouping of provisions into sections, paragraphs or clauses is for the convenience of the
27 parties only and shall not be used in the interpretation of this Permit.

28 L. This Permit shall not be recorded.

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M. This Permit shall not be construed against either party as the drafter.

Permission granted by
CITY OF LONG BEACH,
a municipal corporation

Terms of Permit accepted by
LOS ANGELES COUNTY METROPOLITAN
TRANSPORTATION AUTHORITY, a public
agency

By *[Signature]*
City Manager

By *[Signature]*
Director of Real Estate

"City"

"LACMTA"

APPROVED AS TO FORM

9/5, 20 06
ROBERT E. SHANNON, City Attorney

APPROVED AS TO FORM:
RAYMOND G. FORTNER, JR.
COUNTY COUNSEL

By *[Signature]*
SENIOR DEPUTY CITY ATTORNEY

By *[Signature]*
Deputy

Robert E. Shannon
City Attorney of Long Beach
333 West Ocean Boulevard
Long Beach, California 90802-4664
Telephone (562) 570-2200

EXHIBIT "A"
LEGAL DESCRIPTION

PARCEL 1:

THOSE PORTIONS OF LOTS 1 TO 14, INCLUSIVE, AND 15-FOOT ALLEY, ALL IN BLOCK 3, KNOLL PARK ADDITION, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 6 PAGE 142 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF LOS ANGELES, LYING WITHIN THE FOLLOWING DESCRIBED BOUNDARY LINE:

BEGINNING AT A POINT ON THE SOUTHWESTERLY LINE OF FAIRBANKS AVENUE, 60 FEET WIDE, AS SHOWN ON A MAP OF SAID KNOLL PARK ADDITION, BEING THE NORTHWESTERLY TERMINUS OF A CURVE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 1770.64 FEET; THENCE SOUTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 5° 10' 28", 159.91 FEET TO A POINT HAVING A RADIAL BEARING NORTH 33° 04' 05" EAST, SAID POINT BEING HEREIN REFERRED TO AS POINT E; THENCE NORTH 85° 00' 00" WEST, 141.80 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 489.90 FEET; THENCE NORTHWESTERLY ALONG SAID LAST CURVE 350.03 FEET TO THE BEGINNING OF A COMPOUND CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 140.00 FEET; THENCE NORTHWESTERLY ALONG SAID LAST CURVE 47.65 FEET TO THE BEGINNING OF A REVERSE CURVE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 357.26 FEET; THENCE NORTHWESTERLY ALONG SAID LAST CURVE 43.65 FEET; THENCE TANGENT, NORTH 31° 33' 44" WEST, 116.95 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE EASTERLY AND HAVING A RADIUS OF 60.00 FEET; THENCE NORTHERLY ALONG SAID CURVE 85.06 FEET; THENCE TANGENT NORTH 49° 39' 37" EAST, 16.32 FEET TO A POINT ON THE SOUTHWESTERLY LINE OF FAIRBANKS AVENUE, BEING A CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 1596.45 FEET, SAID POINT BEING ON THE SOUTHWESTERLY PROLONGATION OF THE SOUTHEASTERLY LINE OF CHESTER PLACE, 60 FEET WIDE AS SHOWN ON MAP OF SAID KNOLL PARK ADDITION, AND BEING HEREIN REFERRED TO AS POINT F; THENCE SOUTHEASTERLY ALONG SAID LAST MENTIONED CURVE 437.18 FEET; THENCE TANGENT, SOUTH 57° 06' 23" EAST, 87.82 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, AS RESERVED IN THE DEED RECORDED JANUARY 3, 1947, IN BOOK 24021 PAGE 437, OFFICIAL RECORDS OF SAID COUNTY.

ALSO EXCEPT FROM A PORTION OF LOTS 1 AND 2, BLOCK 3, ALL OIL, GAS AND OTHER HYDROCARBONS LYING BELOW A PLANE OF 100 FEET BELOW THE SURFACE OF THE LAND AS RESERVED IN THE DEED FROM EDWIN C. BECHLER AND JOSEPH BECHLER, TRUSTEES, RECORDED MARCH 5, 1957, AS INSTRUMENT NO. 883, IN BOOK 53823 PAGE 172, OFFICIAL RECORDS.

PARCEL 2:

THAT PORTION OF FAIRBANKS AVENUE, 60 FEET WIDE, AS SHOWN ON MAP OF KNOLL PARK ADDITION, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, RECORDED IN BOOK 6 PAGE 142 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF LOS ANGELES, BOUNDED NORTHWESTERLY BY THE SOUTHWESTERLY PROLONGATION OF THE SOUTHEASTERLY LINE OF CHESTER PLACE 60 FEET WIDE, AS SHOWN ON SAID MAP, AND BOUNDED SOUTHEASTERLY BY A LINE

LEGAL DESCRIPTION

(continued)

BEGINNING AT THE SOUTHEASTERLY CORNER OF LOT 2 IN BLOCK 1 OF SAID KNOLL PARK ADDITION; THENCE ALONG THE SOUTHWESTERLY PORTION OF THE EASTERLY LINE OF SAID LOT, SOUTH 19° 19' 49" WEST 36.67 FEET TO A POINT HEREIN REFERRED TO AS POINT D; THENCE NORTH 85° 00' 00" WEST, 45.95 FEET TO A POINT ON THE SOUTHWESTERLY LINE OF SAID FAIRBANKS AVENUE, BEING A CURVE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 1770.64 FEET, A RADIAL TO LAST-MENTIONED POINT BEARS NORTH 38° 04' 05" EAST, SAID POINT BEING HEREIN REFERRED TO AS POINT E.

EXCEPTING THEREFROM ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, AS RESERVED IN THE DEED RECORDED JANUARY 3, 1947 IN BOOK 24021 PAGE 437, OFFICIAL RECORDS OF SAID COUNTY.

RESERVING UNTO THE CITY OF LONG BEACH, ITS SUCCESSORS AND ASSIGNS, ALL ABUTTER'S RIGHTS, INCLUDING RIGHT OF ACCESS, APPURTENANT TO THE ABOVE-DESCRIBED REAL PROPERTY OVER AND ACROSS THE SOUTHERLY LINE THEREOF BETWEEN SAID POINTS D AND E.

PARCEL 3:

PORTION OF LOT 1, BLOCK C, KNOLL PARK, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 3 PAGE 89 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF LOS ANGELES, A PORTION OF LOT 1, BLOCK 1, KNOLL PARK ADDITION, AND A PORTION OF FAIRBANKS AVENUE, AS PER MAP RECORDED IN BOOK 6 PAGE 142 OF MAPS, IN THE OFFICE OF SAID COUNTY RECORDER, ALL WITHIN THE FOLLOWING DESCRIBED BOUNDARY LINE:

BEGINNING AT THE SOUTHWESTERLY CORNER OF LOT 1, SAID BLOCK 1; THENCE SOUTH 79° 07' 30" EAST 84.08 FEET TO THE NORTHWESTERLY CORNER OF LOT 1, SAID BLOCK C; THENCE ALONG THE NORTH LINE OF SAID LAST-MENTIONED LOT 1, NORTH 89° 54' 15" EAST, 150.00 FEET TO THE NORTHEAST CORNER OF SAID LOT; THENCE ALONG THE EAST LINE OF SAID LOT SOUTH 0° 04' 04" EAST 20.00 FEET TO A POINT HEREIN REFERRED TO AS POINT A; THENCE SOUTH 89° 54' 15" WEST 130.00 FEET TO A POINT HEREIN REFERRED TO AS POINT B; THENCE CONTINUING SOUTH 89° 54' 15" WEST 20.00 FEET TO THE WEST LINE OF SAID LOT 1, BLOCK C; THENCE NORTH 89° 14' 21" WEST 59.74 FEET TO A POINT IN SAID FAIRBANKS AVENUE HEREIN REFERRED TO AS POINT C; THENCE CONTINUING NORTH 89° 14' 21" WEST 35.00 FEET TO A POINT IN THE SOUTHERLY PROLONGATION OF THE WESTERLY LINE OF LOT 1, SAID BLOCK 1, SAID POINT BEING HEREIN REFERRED TO AS POINT D; THENCE NORTH 19° 19' 49" EAST ALONG SAID PROLONGATION, 36.67 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, AS RESERVED IN THE DEED RECORDED JANUARY 3, 1947, IN BOOK 24021 PAGE 437, OFFICIAL RECORDS OF SAID COUNTY.

ALSO EXCEPT FROM A PORTION OF LOT 1, BLOCK C, ALL OIL, GAS AND OTHER HYDROCARBONS LYING BELOW A PLANE OF 100 FEET BELOW THE SURFACE OF THE LAND AS RESERVED BY SAMUEL FREEMAN AND SARAH FREEMAN, WIFE, IN DEED RECORDED MARCH 29, 1957, AS INSTRUMENT NO. 696 IN BOOK 54066 PAGE 124, OFFICIAL RECORDS.

LEGAL DESCRIPTION

(continued)

ALSO EXCEPT FROM LOT 1, BLOCK C, ALL OIL, GAS AND OTHER HYDROCARBONS LYING BELOW A PLANE 100 FEET BELOW THE SURFACE OF THE LAND, AS RESERVED BY DR. MORRIS D. JOSEL, AS EXECUTOR OF THE ESTATE OF JENA S. JOSEL, DECEASED, IN DEED RECORDED JULY 19, 1957, AS INSTRUMENT NO. 1950 IN BOOK 55097 PAGE 125, OFFICIAL RECORDS.

RESERVING UNTO THE CITY OF LONG BEACH, ITS SUCCESSORS AND ASSIGNS, ALL ABUTTER'S RIGHTS, INCLUDING ALL RIGHT OF ACCESS, APPURTENANT TO THE ABOVE-DESCRIBED REAL PROPERTY OVER AND ACROSS THE SOUTHERLY LINE THEREOF BETWEEN SAID POINTS A AND B AND BETWEEN SAID POINTS C AND D.

ALSO RESERVING UNTO THE CITY OF LONG BEACH, ITS SUCCESSORS AND ASSIGNS, ALL ABUTTER'S RIGHTS, EXCEPT THE RIGHT OF INGRESS FROM THE SOUTH, APPURTENANT TO THE ABOVE DESCRIBED REAL PROPERTY OVER AND ACROSS THE SOUTHERLY LINE THEREOF BETWEEN SAID POINTS B AND C.

PARCEL 4:

LOTS 2 TO 15, INCLUSIVE, AND 15-FOOT ALLEY, ALL IN BLOCK 1 OF KNOLL PARK ADDITION, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 6 PAGE 142 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, AND THAT PORTION OF LOT 1 IN SAID BLOCK 1 LYING NORTHERLY OF A LINE DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWESTERLY CORNER OF SAID LOT 1; THENCE SOUTHEASTERLY IN A DIRECT LINE TO A POINT ON THE EAST LINE OF SAID LOT 1, SAID POINT BEING THE NORTHWEST CORNER OF LOT 1 IN BLOCK C OF KNOLL PARK, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 3 PAGE 89 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, TOGETHER WITH THAT PORTION OF FAIRBANKS AVENUE, 60 FEET WIDE, THAT WOULD PASS WITH THE CONVEYANCE OF SAID LOTS.

EXCEPT THEREFROM ALL OIL, GAS, AND OTHER HYDROCARBON SUBSTANCES, AS RESERVED IN THE DEED RECORDED JANUARY 3, 1947, IN BOOK 24021 PAGE 437, OFFICIAL RECORDS.

END OF LEGAL DESCRIPTION

ADDENDUM "A"

**AGREEMENT FOR PURCHASE OF REAL PROPERTY AND JOINT
ESCROW INSTRUCTIONS**

SELLER: LOS ANGELES COUNTY METROPOLITAN
TRANSPORTATION AUTHORITY

BUYER: CITY OF LONG BEACH

PROPERTY: APN 7271-023-900
(LACMTA Division 12)
970 West Chester Place, Long Beach, CA

ESCROW NO. 0929123-IB

This AGREEMENT FOR PURCHASE OF REAL PROPERTY AND JOINT
ESCROW INSTRUCTIONS ("Agreement") is made and entered as of
9/25/06, 2006 by and between the **LOS ANGELES COUNTY
METROPOLITAN TRANSPORTATION AUTHORITY**, a public agency existing under
the laws of the State of California ("LACMTA") and the **CITY OF LONG BEACH**, a
municipal corporation and charter city ("CITY").

RECITALS

A. LACMTA owns the Property defined in Section 1.

B. Subject to the terms and conditions of this Agreement, CITY desires to
purchase the Property and LACMTA desires to sell the Property.

In consideration of the mutual covenants contained herein and other valuable
consideration, the adequacy of which is hereby acknowledged, the LACMTA and
CITY agree as follows:

1. **Property Included in Sale.** LACMTA hereby agrees to sell
and convey to CITY and CITY hereby agrees to purchase from LACMTA, subject to
terms and conditions set forth herein, the following:

(a) that certain real property located at 970 West Chester Place in
the City of Long Beach, County of Los Angeles, State of California (APN 7271-023-
900), as more particularly described and shown on Exhibit "A" attached hereto
("Real Property"); and

(b) all rights, privileges and easements appurtenant to the Real
Property, including, without limitation, all of LACMTA's right, title and interest, if any,
in all minerals, oil, gas and other hydrocarbon substances on and under the Real
Property, as well as all development rights, air rights, water, water rights and water

stock relating to the Real Property and any other easements, rights of way or appurtenances used in connection with the beneficial use and enjoyment of the Property (all of which are collectively referred to as the "Appurtenances"); and

(c) all improvements, structures, and fixtures (if applicable) presently located on the Real Property, used in connection with the operation or occupancy of the Real Property, all of which are collectively referred to as the "Improvements".

All of the items referred to in subsections (a), (b), and (c) above are hereinafter collectively referred to as the "Property".

2. Purchase Price.

2.1. **Purchase Price.** The purchase price for the Property shall be Three Million Nine Hundred Fifty Thousand Dollars (\$3,950,000.00) ("Purchase Price").

2.2 **Payment of Purchase Price.** The Purchase Price shall be paid in three (3) installments as follows:

i. The First Installment, as described in Exhibit "B", and all interest accrued thereon while held by Escrow Holder, shall hereinafter be collectively referred to as the "Deposit". Escrow Holder shall place the Deposit in a general escrow account reasonably acceptable to LACMTA and CITY. LACMTA shall upon demand to Escrow be permitted to withdraw the First Installment for the purpose of conducting an expanded Phase II environmental assessment of the Real Property as more specifically provided in Exhibit "B".

ii. The Second Installment shall be Three Million Twenty Five Thousand Dollars (\$3,025,000) less the Deposit. The Second Installment shall be paid to LACMTA at the Close of Escrow.

iii. The Third Installment shall be an amount equal to Nine Hundred Twenty Five Thousand Dollars (\$925,000) less any amounts due and owing to CITY as Permit fees under a Permit (the "Permit") giving LACMTA permission to use the Property after the Closing for environmental Remediation and monitoring purposes, all as more particularly described in Exhibit "B". In no event shall the Third Installment be more than \$36,240. The Permit shall be in the form attached as Exhibit "C" to the Agreement. The Third Installment shall be held by CITY and paid to LACMTA within twelve (12) months after the date of the termination of the Permit. The Permit shall terminate once the Real Property is remediated to the condition described in the Remediation Plan and a closure letter, if applicable, is obtained from the appropriate public Agency having environmental jurisdiction over the Real Property. Permit Fees under the Permit shall be no more than \$925,000, for the entire Permit term, and no less than \$888,760, for the entire Permit term, (calculated at \$29,625 per month) regardless of the length of the

Permit term. LACMTA may terminate the Permit when the Remediation is complete provided, however, the Permit shall have a minimum term of 30 months.

3. Escrow.

3.1 Within 10 days after execution of this Agreement by the last of the parties to sign, City and LACMTA shall open an escrow ("Opening of Escrow") to consummate the sale of the Property in accordance with the terms of this Agreement. CITY shall choose an escrow company ("Escrow Holder"). CITY and LACMTA shall execute such instructions as Escrow Holder may request which are consistent with the provisions of this Agreement. Escrow shall be deemed open upon receipt by Escrow Holder of the signed Agreement by CITY and LACMTA. Said Escrow shall close on or before December 31, 2007 ("the Closing Date") unless otherwise agreed to by the parties.

3.2 Within thirty (30) days after LACMTA notifies the City of the amount of the First Installment, CITY shall deposit into Escrow the First Installment of the Purchase Price.

3.3 At least three (3) business days prior to the Close of Escrow, CITY shall deposit into escrow (i) the Second Installment; (ii) the amount necessary to pay its portion of Escrow Holder's estimate of the costs and fees associated with the transaction contemplated by this Agreement; (iii) the executed Permit; and (iv) an executed Certificate of Acceptance of the Grant Deed.

3.4 At least ten (10) business days prior to the Closing Date, LACMTA shall execute and deliver to Escrow Holder (i) an executed grant deed giving good and marketable title in fee simple absolute to CITY, (ii) the executed Permit; (iii) all other instruments necessary to convey the Property to the CITY; and (iv) the amount necessary to pay its portion of Escrow Holder's estimate of the costs and fees associated with the transaction contemplated by this Agreement.

3.5 If applicable, all real property taxes, any penalties and interest thereon, and any delinquent or non-delinquent assessments or bonds against the Property which are liens and unpaid as of the Closing Date shall be paid by LACMTA, except those to which title is taken subject to and in accordance with the terms of this Agreement.

3.6 Notwithstanding anything to the contrary in this Agreement, this Agreement may terminate as follows:

(a) If CITY fails to fully and timely pay all or any portion of the Purchase Price, as and when required hereunder, then LACMTA shall at any time thereafter have the right to terminate this Agreement by notice to CITY, whereupon this Agreement shall automatically terminate.

(b) If the Escrow has not closed by the Closing Date, then this Agreement shall automatically terminate unless the parties mutually agree to extend the Closing Date.

3.8. Upon termination of the Agreement, damages will be assessed as follows:

(a) If this Escrow fails to close (i) due to CITY's breach of this Agreement, and not due to LACMTA's breach thereof, (ii) due to failure of a closing condition other than the closing condition described in Section 5(d) and Section 5(f) below, or (iii) due to CITY's termination of this Agreement other than pursuant to Section 6.1(c) or Section 10, then the First Installment shall be retained by LACMTA as liquidated damages. The City agrees that, under the circumstances existing at the time this Agreement is entered into, if City breaches this Agreement, the First Installment is a reasonable estimate of the damages to LACMTA for City's failure to conclude the sale contemplated by this Agreement. It shall not be considered a breach by the City if LACMTA decides not to enter into a Remediation Contract.


City initial


LACMTA initial

(b) If Escrow fails to close due to failure of the closing condition described in Sections 5(d), 5(f), 6.1(c) or 10 below, or as a result of a breach of the Agreement by LACMTA, or this Agreement is terminated as specifically provided in Exhibit "B", then any amounts paid by City into Escrow as of such date (less one-half of all title and Escrow charges, except as otherwise provided herein) shall be returned to CITY.

4. Escrow Holder's Obligations

4.1. Escrow Holder is authorized and obligated to:

(a) Obtain from LACMTA documentation to place title in the condition necessary to enable conveyance pursuant to this Agreement.

(b) Pay and charge LACMTA and the CITY equally for any escrow charges, and costs incurred in this transaction;

(c) Pay and charge CITY for any CLTA title insurance costs incurred in this transaction if title insurance is requested by the CITY;

(d) Pay and charge CITY for any applicable recording fees, documentary transfer tax, and/or loan fees incurred in this transaction;

(e) Disburse the First Installment to LACMTA as provided in Exhibit "B" to pay for the expanded Phase II environmental assessment.

(f) Disburse any remaining balance of the Deposit and Second Installment and record documents of conveyance when conditions of the Escrow have been fulfilled by LACMTA and the CITY;

(g) Make all disbursements in readily available funds by check issued by Escrow Holder or wire transfer;

(h) Except as specifically instructed for the First Installment, deposit all other funds received in the Escrow with other escrow funds in a general escrow account(s) of Escrow Holder with a state or national bank or savings and loan doing business in the State of California and approved by the LACMTA and CITY;

(i) Make all adjustments, except for taxes and assessments, on the basis of a 30-day month.

(j) Record any instrument delivered through the Escrow, including any required quitclaim and grant deeds if such action is necessary to place record title in condition to comply with the terms of the Agreement;

(k) Deliver to the appropriate party the documents to which they are entitled hereunder, including, without limitation, delivery of the Permit to the City and LACMTA; and

(l) At least five (5) business days before the Closing Date, advise LACMTA and the CITY in writing of Escrow Holder's estimate of the total Escrow costs and fees associated with this transaction to be paid by each party. LACMTA and City shall each pay one-half of the Escrow Holder's fee and Documentary Transfer Taxes, if any. If this Agreement and the accompanying transaction are cancelled before the Closing Date without a default by either party, LACMTA and the City shall each pay one-half of any cancellation fees imposed by the Escrow Holder. If this Agreement and the accompanying transaction is cancelled as a result of default by either LACMTA or the CITY, then the defaulting party shall pay all cancellation fees imposed by the Escrow Holder.

Any amendments of, or supplements to, any Escrow instructions must be in writing and executed by the LACMTA and CITY.

5. Conditions to Closing. The following conditions are conditions precedent to CITY's obligation to purchase the Property:

(a) Approval of Preliminary Title Report. CITY has obtained a preliminary report prepared by Chicago Title Company dated November 5, 2004 (Order No. 43814696-M10) (hereinafter referred to as "Preliminary Report"). Chicago Title Company ("Chicago Title") is located at 16969 Von Karman, Suite 200, Irvine, CA 92606 and the Title Officer is John Kemper at (949) 263-4040. Prior to opening of Escrow, CITY shall notify LACMTA in writing of CITY's approval of any exceptions to the Preliminary Report.

(b) CITY has investigated the Property's zoning and other building matters affecting the Property, its condition, including, but not limited to, the presence of asbestos (if applicable), and has determined that it is suitable for City's intended use.

(c) The physical condition of the Property shall be substantially the same at the Closing as on the date of execution of this Agreement, reasonable wear and tear and loss by casualty excepted. The Property is being sold in its "As Is" condition.

(d) If any condition stated in this Agreement has not been eliminated or satisfied within the time limits and pursuant to the provisions of this Agreement, then the CITY, as its sole and exclusive remedy, shall have the right to either waive the condition in question and proceed with the purchase or, in the alternative, terminate this Agreement. If the CITY elects to terminate this Agreement pursuant to this Section, all documents and funds shall be returned to the party providing them, and neither party shall have any further rights or obligations under this Agreement, except Escrow and title cancellation fees.

(e) On or before the Closing Date as required in Section 3.5, LACMTA shall have delivered the grant deed, the Permit, and all other documents necessary to the Closing to the Escrow Holder, including but not limited to the executed FIRPTA Certificate, the form of which is attached as Exhibit "D", and the executed Preliminary Change of Ownership form.

(f) LACMTA understands the City requires the completion of the remediation of the Real Property pursuant to the requirements of the Environmental Remediation Process set forth in Exhibit "B" to CITY's satisfaction. If the parties reach agreement on the remediation process by agreeing to a Remediation Plan, as described in Exhibit "B", then the parties shall proceed to the Closing. However, if the parties cannot agree on a remediation process, either party may terminate this Agreement as provided in Exhibit "B". CITY and LACMTA shall enter into the Permit so that LACMTA can have use of the Property to complete the Remediation as agreed to by the parties.

6. Representations and Warranties.

6.1 LACMTA hereby represents and warrants to CITY that as of the date hereof the following are true and correct:

(a) LACMTA has not received nor is it aware of any notification from the Department of Planning and Building, Department of Health and Human Services, or other such City, County or State authority having jurisdiction, requiring any work to be done on or affecting the Property except as previously disclosed regarding the environmental condition of the Property.

(b) LACMTA has not received notice of any litigation, arbitrations, claims, violations from any agency, proceedings, or other actions, pending or threatened against LACMTA that arise out of the ownership or operation of the Property or indicating an intent to condemn the Property or any portion thereof unless as shown herein.

(c) LACMTA warrants that in the event any such notice or notices described in this Section 6.1 are received by LACMTA prior to the Closing Date and LACMTA is unable to or does not elect to perform the work required in said notice at LACMTA's sole cost and expense on or before the Closing Date, said notices shall be submitted to CITY for its examination and written approval. Within ten (10) days after receipt thereof, CITY must elect and notify Escrow Holder of its election to either (i) consummate the transaction or (ii) terminate this Agreement.

(d) LACMTA has the power, right and authority to enter this Agreement and the instruments referenced herein, and to take all actions necessary to consummate the transaction contemplated by this Agreement.

(e) The execution and delivery of this Agreement and the documents referenced herein, the incurrence of the obligation, the consummation of the transaction and the compliance with this Agreement and the documents referenced herein do not conflict with or result in the material breach of any term or condition of or constitute a default under any bond, note, or other evidence of indebtedness or any agreement, indenture, mortgage, deed of trust, loan, partnership agreement, lease or other agreement or instrument to which LACMTA is a part or affecting the Property;

(f) The person(s) executing this Agreement and the instruments referenced herein on behalf of the LACMTA have the power, right, and actual authority to bind the LACMTA to the terms and conditions of this Agreement;

(g) No attachments, executions proceedings, assignments for the benefit of creditors, insolvency, bankruptcy, reorganization or other similar proceedings are pending or threatened against the LACMTA or involving the Property.

(h) LACMTA is the fee simple owner of the Property and has good, marketable and insurable title to the Property, free and clear of all liens, encumbrances, claims, covenants, conditions, restrictions, easements, rights of way, options, judgments or other matters, except as disclosed by the Preliminary Report.

(i) LACMTA has not entered any other agreement for the sale or transfer of the Property, and there are no rights of first refusal or option to purchase the Property.

(j) Other than the Permit, there are no leases, subleases, occupancies or tenancies pertaining to the Property and LACMTA has no knowledge of any oral agreements with anyone with respect to the occupancy of the Property.

(k) There are no service or maintenance agreements (oral or written) which affect the Property.

(l) LACMTA has provided to CITY all environmental assessment reports in LACMTA's possession or otherwise reasonably available to LACMTA relating in any way to Contamination, Investigation and Remediation, as such terms are defined in Exhibit "B", including any reports that are in draft form as of the date of this Agreement and any raw data or other information that has not been compiled in a report.

6.2 CITY hereby represents and warrants to LACMTA that as of the date hereof the following are true and correct:

(a) CITY has the power, right and authority to enter this Agreement and the instruments referenced herein, and to take all actions necessary to consummate the transaction contemplated by this Agreement.

(b) The person(s) executing this Agreement and the instruments referenced herein on behalf of the CITY has the power, right, and actual authority to bind the CITY to the terms and conditions of this Agreement;

(c) The execution and delivery of this Agreement and the documents referenced herein, the incurrence of the obligation, the consummation of the transaction and the compliance with this Agreement and the documents referenced herein do not conflict with or result in the material breach of any term or condition of or constitute a default under any bond, note, or other evidence of indebtedness or any agreement, indenture, mortgage, deed of trust, loan, partnership agreement, lease or other agreement or instrument to which CITY is a part.

7. Proration of Taxes. Real property taxes if any, shall be prorated as of the date of recordation of the deed to CITY.

8. Assignment. Neither this Agreement nor any interest herein shall be assignable by CITY without LACMTA's prior written consent.

9. Entire Agreement. This Agreement, together with all Exhibits constitutes the entire agreement between CITY and LACMTA regarding the Property, and supersedes all prior discussions, negotiations and agreements between CITY and LACMTA, whether oral or written. Neither CITY nor LACMTA shall be bound by any understanding, agreement, promise, representation or stipulation concerning the Property, express or implied, not specified herein.

10. Loss by Fire or Other Casualty. In the event that, prior to the Closing Date, the Property, or any part thereof, is destroyed or damaged, LACMTA shall give notice to the City within five (5) days and the CITY shall have the right, exercisable by giving notice of such decision to LACMTA within fifteen (15) business days after receiving notice of such damage or destruction to terminate this Agreement. CITY shall have the right to elect to accept the Property in its then condition by notifying Escrow Holder of same within the above-referenced fifteen (15) day period with no reduction in the Purchase Price.

11. Time of the Essence. Time is of the essence with respect to all of the terms, conditions and obligations set forth herein, including Exhibit "B".

12. Notices. Any notice required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been delivered when hand delivered or deposited with a reputable overnight courier marked for "next day" delivery, or on the date shown on the return receipt after deposit in U. S. Mail, certified or registered, postage prepaid return receipt requested after it has been returned. All other general correspondence may be transmitted by regular U. S. Mail or by facsimile on the day transmitted. Notice shall be addressed as followed:

To LACMTA: Metropolitan Transportation Authority
Real Estate Department
One Gateway Plaza, Mail Stop 99-13-8
Los Angeles, CA 90012
Attn: Velma C. Marshall
Director of Real Estate
(213) 922-2415 (Telephone)
(213) 922-2440 (FAX)

To CITY: City of Long Beach
333 West Ocean Boulevard, 13th Floor
Long Beach, CA 90802
Attn: City Manager

13. Exhibit. Any exhibit attached hereto shall be a part hereof.

14. FIRPTA. The Foreign Investment in Real Property Tax Act (FIRPTA), IRC 1445, requires that every purchaser of U.S. real property must, unless an exemption applies, deduct and withhold from escrow proceeds ten percent (10%) of the gross sales price due the property seller. The primary exemptions which might be applicable are: (a) LACMTA provides CITY with an affidavit under penalty of perjury that LACMTA is not a "foreign person" as defined in FIRPTA, or (b) LACMTA provides CITY with a "qualifying statement," as defined in FIRPTA, issued by the Internal Revenue Service. LACMTA and CITY agree to execute and deliver as appropriate, any instrument, affidavit, statement, or the FIRPTA Certificate and to perform any acts reasonably necessary to carry out the provisions of FIRPTA and regulations promulgated there under.

15. Brokers. LACMTA and CITY each warrant that they have dealt with no real estate brokers in connection with this transaction.

16. Governing Laws. The parties hereto agree to comply with all applicable federal, state and local laws, regulations, codes, ordinances and administrative orders having jurisdiction over the parties, property or the subject matter of this Agreement, including, but not limited to, the 1964 Civil Rights Act and all amendments thereto, the Foreign Investment in Real Property Tax Act, and The Americans With Disabilities Act. The validity, interpretation, enforceability, and performance of this Agreement shall be governed by and construed in accordance with the laws of the State of California.

17. Possession. LACMTA shall deliver possession of the Property to the CITY on the Closing Date. Delivery of possession includes but is not limited to delivery of keys necessary to exercise all rights of entry and use of the Property. Notwithstanding the foregoing sentence, LACMTA shall have permission to use the Property pursuant to the terms of the Permit.

18. LACMTA Indemnification. LACMTA shall defend, indemnify and hold harmless the CITY from all loss, liability, demands, claims, proceedings, penalties, fines, causes of action, damage, costs and expenses, including attorney's fees and court costs, relating to the Property which arise from acts or occurrences that took place during LACMTA's ownership of the Property prior to the Closing Date, and from acts or occurrences which constitute a violation of one or more representations, warranties or covenants of LACMTA in this Agreement.

19. CITY Indemnification. CITY shall defend, indemnify and hold harmless the LACMTA from all loss, liability, demands, claims, proceedings, penalties, fines, causes of action, damage, costs and expenses, including attorney's fees and court costs, relating to the Property which arise from acts or occurrences that take place

after CITY's ownership of the Property after the Closing Date or from acts or occurrences which constitute a violation of one or more representations, warranties or covenants of CITY in this Agreement.

20. Required Actions. LACMTA and CITY agree to and shall execute all instruments and documents and take all actions necessary to consummate the transaction contemplated by this Agreement and use it best efforts to accomplish the Closing in accordance with this Agreement.

21. Covenants. LACMTA covenants and agrees as follows; (a) after the date of execution of this Agreement through the Closing Date, LACMTA shall comply with all laws, rules, regulations and ordinances relating in any way to the Property; and (b) LACMTA shall not subject the Property to any liens, encumbrances, covenants, conditions, restrictions, easements, rights of way or similar matters.

22. Intentionally Omitted

23. Property "As Is," "Where Is"; Environmental Indemnity

23.1. CITY understands and agrees that, except as expressly set forth in Sections 6.1, 18 and 23.2 herein and the remediation of the Property as described in Exhibit B, (i) the sale of the Property is without warranties, representations or guarantees made by LACMTA of any kind or nature, express or implied; and (ii) the Property is purchased by CITY on an "AS-IS," "WHERE IS," "WITH ALL FAULTS" basis with regard to all matters, including without limitation, the physical condition of the Property and improvements, the seismic condition of the Property, or any economic aspects of the Property (including without limitation its value, desirability, developability and/or economic incentive, if any).

23.2. LACMTA shall indemnify, defend and hold the CITY harmless from and against any and all claims, demands, liabilities, liens, costs, expenses, proceedings, fines, penalties, damages and losses (including, but not limited to, attorneys' and experts' fees and court costs) of every kind and nature with respect to the existence of Contamination in, on or under the Property, the existence of any underground or above ground storage tanks, and any violation of Environmental Laws, which (i) arise from acts or occurrences that took place on the Property during the period of LACMTA's ownership of the Property prior to the Closing Date; and (ii) was identified prior to the Closing Date as requiring Remediation. This indemnity shall terminate when the Property has been Remediated to the Remediation Standard, as defined in Exhibit "B".

24. Miscellaneous.

24.1 If any term, covenant or condition of this Agreement shall be held by a court of competent jurisdiction to be invalid or unenforceable, then the

remainder of this Agreement shall not be affected and each remaining term, covenant and condition shall be valid and enforceable to the fullest extent permitted by law unless any of the stated purposes of this Agreement would be defeated.

24.2 No waiver of any breach of any term, covenant or condition of this Agreement shall be deemed a waiver of any preceding or succeeding breach of that same of any other term, covenant or condition.

24.3 This Agreement shall be binding on and inure to the benefit of the successors and assigns of the parties.

24.4 Headings at the beginning of each Section are solely for the convenience of the parties and are not a part of this Agreement. Whenever the context requires, the singular shall include the plural and the masculine shall include the feminine, and vice versa.

24.5 To the extent not required to be performed before the Closing Date or other cancellation of this Agreement, the representations and warranties of LACMTA contained in Section 6 shall survive the Closing Date or other cancellation of this Agreement.

24.6 Nothing in this Agreement is intended to confer on any person or entity who is not a party to this Agreement any rights or remedies.

24.7 If there is any litigation between the parties to this Agreement, then the prevailing party shall be entitled to its attorney's fees and court costs.

24.8 Any term defined in an Exhibit and used in the Agreement shall have the meaning given to it in the Exhibit.

IN WITNESS WHEREOF, Agreement for Purchase of Real Property and Escrow Instructions has been duly executed as of the date first stated above.

SELLER:

LOS ANGELES COUNTY
METROPOLITAN TRANSPORTATION AUTHORITY

By: Velma C. Marshall
VELMA C. MARSHALL
Director of Real Estate

Date: 9/25/06

Approved as to Form
Raymond G. Fortner, Jr.
County Counsel

By: [Signature]
Deputy County Counsel

Date: 9/21/06

BUYER:
CITY OF LONG BEACH

BY: [Signature]
(Name) GERALD R. MILLER
(Title) CITY MANAGER

Date: Sept. 14, 2006

APPROVED AS TO FORM

9/5, 2006
ROBERT E. SHANNON, City Attorney

BY: [Signature]
SENIOR DEPUTY CITY ATTORNEY

EXHIBIT A

Property Legal Description

LEGAL DESCRIPTION

PARCEL 1:

THOSE PORTIONS OF LOTS 1 TO 14, INCLUSIVE, AND 15-FOOT ALLEY, ALL IN BLOCK 3, KNOLL PARK ADDITION, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 6 PAGE 142 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF LOS ANGELES, LYING WITHIN THE FOLLOWING DESCRIBED BOUNDARY LINE:

BEGINNING AT A POINT ON THE SOUTHWESTERLY LINE OF FAIRBANKS AVENUE, 60 FEET WIDE, AS SHOWN ON A MAP OF SAID KNOLL PARK ADDITION, BEING THE NORTHWESTERLY TERMINUS OF A CURVE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 1770.64 FEET; THENCE SOUTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 5° 10' 28", 159.91 FEET TO A POINT HAVING A RADIAL BEARING NORTH 33° 04' 05" EAST, SAID POINT BEING HEREIN REFERRED TO AS POINT E; THENCE NORTH 85° 00' 00" WEST, 141.80 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 489.90 FEET; THENCE NORTHWESTERLY ALONG SAID LAST CURVE 350.03 FEET TO THE BEGINNING OF A COMPOUND CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 140.00 FEET; THENCE NORTHWESTERLY ALONG SAID LAST CURVE 47.65 FEET TO THE BEGINNING OF A REVERSE CURVE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 357.26 FEET; THENCE NORTHWESTERLY ALONG SAID LAST CURVE 43.65 FEET; THENCE TANGENT, NORTH 31° 33' 44" WEST, 116.95 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE EASTERLY AND HAVING A RADIUS OF 60.00 FEET; THENCE NORTHERLY ALONG SAID CURVE 85.06 FEET; THENCE TANGENT NORTH 49° 39' 37" EAST, 16.32 FEET TO A POINT ON THE SOUTHWESTERLY LINE OF FAIRBANKS AVENUE, BEING A CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 1596.45 FEET, SAID POINT BEING ON THE SOUTHWESTERLY PROLONGATION OF THE SOUTHEASTERLY LINE OF CHESTER PLACE, 60 FEET WIDE AS SHOWN ON MAP OF SAID KNOLL PARK ADDITION, AND BEING HEREIN REFERRED TO AS POINT F; THENCE SOUTHEASTERLY ALONG SAID LAST MENTIONED CURVE 437.18 FEET; THENCE TANGENT, SOUTH 57° 06' 23" EAST, 87.82 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, AS RESERVED IN THE DEED RECORDED JANUARY 3, 1947, IN BOOK 24021 PAGE 437, OFFICIAL RECORDS OF SAID COUNTY.

ALSO EXCEPT FROM A PORTION OF LOTS 1 AND 2, BLOCK 3, ALL OIL, GAS AND OTHER HYDROCARBONS LYING BELOW A PLANE OF 100 FEET BELOW THE SURFACE OF THE LAND AS RESERVED IN THE DEED FROM EDWIN C. BECHLER AND JOSEPH BECHLER, TRUSTEES, RECORDED MARCH 5, 1957, AS INSTRUMENT NO. 883, IN BOOK 53823 PAGE 172, OFFICIAL RECORDS.

PARCEL 2:

THAT PORTION OF FAIRBANKS AVENUE, 60 FEET WIDE, AS SHOWN ON MAP OF KNOLL PARK ADDITION, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, RECORDED IN BOOK 6 PAGE 142 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF LOS ANGELES, BOUNDED NORTHWESTERLY BY THE SOUTHWESTERLY PROLONGATION OF THE SOUTHEASTERLY LINE OF CHESTER PLACE 60 FEET WIDE, AS SHOWN ON SAID MAP, AND BOUNDED SOUTHEASTERLY BY A LINE

LEGAL DESCRIPTION

(continued)

BEGINNING AT THE SOUTHEASTERLY CORNER OF LOT 2 IN BLOCK 1 OF SAID KNOLL PARK ADDITION; THENCE ALONG THE SOUTHWESTERLY PORTION OF THE EASTERLY LINE OF SAID LOT, SOUTH 19° 19' 49" WEST 36.67 FEET TO A POINT HEREIN REFERRED TO AS POINT D; THENCE NORTH 85° 00' 00" WEST, 45.95 FEET TO A POINT ON THE SOUTHWESTERLY LINE OF SAID FAIRBANKS AVENUE, BEING A CURVE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 1770.64 FEET, A RADIAL TO LAST-MENTIONED POINT BEARS NORTH 38° 04' 05" EAST, SAID POINT BEING HEREIN REFERRED TO AS POINT E.

EXCEPTING THEREFROM ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, AS RESERVED IN THE DEED RECORDED JANUARY 3, 1947 IN BOOK 24021 PAGE 437, OFFICIAL RECORDS OF SAID COUNTY.

RESERVING UNTO THE CITY OF LONG BEACH, ITS SUCCESSORS AND ASSIGNS, ALL ABUTTER'S RIGHTS, INCLUDING RIGHT OF ACCESS, APPURTENANT TO THE ABOVE-DESCRIBED REAL PROPERTY OVER AND ACROSS THE SOUTHERLY LINE THEREOF BETWEEN SAID POINTS D AND E.

PARCEL 3:

PORTION OF LOT 1, BLOCK C, KNOLL PARK, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 3 PAGE 89 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF LOS ANGELES, A PORTION OF LOT 1, BLOCK 1, KNOLL PARK ADDITION, AND A PORTION OF FAIRBANKS AVENUE, AS PER MAP RECORDED IN BOOK 6 PAGE 142 OF MAPS, IN THE OFFICE OF SAID COUNTY RECORDER, ALL WITHIN THE FOLLOWING DESCRIBED BOUNDARY LINE:

BEGINNING AT THE SOUTHWESTERLY CORNER OF LOT 1, SAID BLOCK 1; THENCE SOUTH 79° 07' 30" EAST 84.08 FEET TO THE NORTHWESTERLY CORNER OF LOT 1, SAID BLOCK C; THENCE ALONG THE NORTH LINE OF SAID LAST-MENTIONED LOT 1, NORTH 89° 54' 15" EAST, 150.00 FEET TO THE NORTHEAST CORNER OF SAID LOT; THENCE ALONG THE EAST LINE OF SAID LOT SOUTH 0° 04' 04" EAST 20.00 FEET TO A POINT HEREIN REFERRED TO AS POINT A; THENCE SOUTH 89° 54' 15" WEST 130.00 FEET TO A POINT HEREIN REFERRED TO AS POINT B; THENCE CONTINUING SOUTH 89° 54' 15" WEST 20.00 FEET TO THE WEST LINE OF SAID LOT 1, BLOCK C; THENCE NORTH 89° 14' 21" WEST 59.74 FEET TO A POINT IN SAID FAIRBANKS AVENUE HEREIN REFERRED TO AS POINT C; THENCE CONTINUING NORTH 89° 14' 21" WEST 35.00 FEET TO A POINT IN THE SOUTHERLY PROLONGATION OF THE WESTERLY LINE OF LOT 1, SAID BLOCK 1, SAID POINT BEING HEREIN REFERRED TO AS POINT D; THENCE NORTH 19° 19' 49" EAST ALONG SAID PROLONGATION, 36.67 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, AS RESERVED IN THE DEED RECORDED JANUARY 3, 1947, IN BOOK 24021 PAGE 437, OFFICIAL RECORDS OF SAID COUNTY.

ALSO EXCEPT FROM A PORTION OF LOT 1, BLOCK C, ALL OIL, GAS AND OTHER HYDROCARBONS LYING BELOW A PLANE OF 100 FEET BELOW THE SURFACE OF THE LAND AS RESERVED BY SAMUEL FREEMAN AND SARAH FREEMAN, WIFE, IN DEED RECORDED MARCH 29, 1957, AS INSTRUMENT NO. 696 IN BOOK 54066 PAGE 124, OFFICIAL RECORDS.

LEGAL DESCRIPTION

(continued)

ALSO EXCEPT FROM LOT 1, BLOCK C, ALL OIL, GAS AND OTHER HYDROCARBONS LYING BELOW A PLANE 100 FEET BELOW THE SURFACE OF THE LAND, AS RESERVED BY DR. MORRIS D. JOSEL, AS EXECUTOR OF THE ESTATE OF JENA S. JOSEL, DECEASED, IN DEED RECORDED JULY 19, 1957, AS INSTRUMENT NO. 1950 IN BOOK 55097 PAGE 125, OFFICIAL RECORDS.

RESERVING UNTO THE CITY OF LONG BEACH, ITS SUCCESSORS AND ASSIGNS, ALL ABUTTER'S RIGHTS, INCLUDING ALL RIGHT OF ACCESS, APPURTENANT TO THE ABOVE-DESCRIBED REAL PROPERTY OVER AND ACROSS THE SOUTHERLY LINE THEREOF BETWEEN SAID POINTS A AND B AND BETWEEN SAID POINTS C AND D.

ALSO RESERVING UNTO THE CITY OF LONG BEACH, ITS SUCCESSORS AND ASSIGNS, ALL ABUTTER'S RIGHTS, EXCEPT THE RIGHT OF INGRESS FROM THE SOUTH, APPURTENANT TO THE ABOVE DESCRIBED REAL PROPERTY OVER AND ACROSS THE SOUTHERLY LINE THEREOF BETWEEN SAID POINTS B AND C.

PARCEL 4:

LOTS 2 TO 15, INCLUSIVE, AND 15-FOOT ALLEY, ALL IN BLOCK 1 OF KNOLL PARK ADDITION, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 6 PAGE 142 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, AND THAT PORTION OF LOT 1 IN SAID BLOCK 1 LYING NORTHERLY OF A LINE DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWESTERLY CORNER OF SAID LOT 1; THENCE SOUTHEASTERLY IN A DIRECT LINE TO A POINT ON THE EAST LINE OF SAID LOT 1, SAID POINT BEING THE NORTHWEST CORNER OF LOT 1 IN BLOCK C OF KNOLL PARK, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 3 PAGE 89 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, TOGETHER WITH THAT PORTION OF FAIRBANKS AVENUE, 60 FEET WIDE, THAT WOULD PASS WITH THE CONVEYANCE OF SAID LOTS.

EXCEPT THEREFROM ALL OIL, GAS, AND OTHER HYDROCARBON SUBSTANCES, AS RESERVED IN THE DEED RECORDED JANUARY 3, 1947, IN BOOK 24021 PAGE 437, OFFICIAL RECORDS.

END OF LEGAL DESCRIPTION

EXHIBIT B

ENVIRONMENTAL REMEDIATION PROCESS

1. LACMTA has conducted a Phase I and a limited Phase II environmental assessment of the Property in an effort to ascertain the presence, location and nature of Hazardous Materials released to soil and groundwater on and under the Property. CITY has requested and LACMTA has agreed to investigate to more precisely delineate the nature, extent and source(s) of the soil and groundwater contamination before LACMTA commences Remediation. LACMTA acknowledges and agrees that the Investigation may disclose the existence of Hazardous Materials in addition to those previously described in the environmental assessments. LACMTA and CITY acknowledge and agree that the Investigation is not intended to replicate the Phase I and Phase II assessments already performed.

2. LACMTA shall promptly and fully Investigate and Remediate all Contamination on or affecting the Property in accordance with the process described in this Exhibit "B", applicable Environmental Laws and pursuant to the Remediation Plan defined below. LACMTA's obligation to remediate the Property shall be limited to remediating the Property to the standard, imposed by the Los Angeles Regional Water Quality Control Board ("Agency"), applicable to a property used as an industrial office park (the "Remediation Standard").

3. LACMTA shall advise CITY of the cost to obtain the expanded Phase II environmental assessment of the Property. Within thirty (30) days after LACMTA notifies CITY of this cost, CITY shall deposit the First Installment of the Purchase Price into Escrow in an amount no less than the cost provided by LACMTA. LACMTA shall then initiate the expanded Phase II environmental assessment for the Property. LACMTA shall be permitted to use the First Installment to pay for the expanded Phase II environmental assessment. Escrow Holder shall disburse funds from the First Installment as instructed by LACMTA, but only if those instructions direct payment related to the expanded Phase II environmental assessment.

4. In the event (a) the expanded Phase II environmental assessment indicates that the Property contains any Hazardous Material or (b) LACMTA is notified by an Agency that the Property contains Hazardous Material, CITY may elect to terminate this Agreement by delivering notice to the LACMTA and to Escrow Holder of such election to terminate within ten (10) calendar days after CITY's receipt of the expanded Phase II environmental assessment or notice from any Agency, and thereafter neither LACMTA or CITY shall have any further liability hereunder, except Escrow cancellation fees of Escrow Holder, and costs of Chicago Title, if applicable. If CITY elects to terminate this Agreement pursuant to this Section 4, LACMTA shall return to CITY the amount expended from the First Installment and Escrow Holder shall release the balance of the Deposit, if any, to the CITY. Alternately, CITY may elect to proceed with this Escrow and agree that the

corrective actions required based on the expanded Phase II environmental assessment will be performed by LACMTA. If the Remediation Estimate together with the First Installment exceeds \$3,025,000 or if LACMTA determines that the Remediation Estimate is prohibitively expensive, LACMTA shall have the right to terminate this Agreement by delivering notice to the City and to Escrow Holder of such election to terminate and thereafter neither LACMTA or CITY shall have any further liability hereunder, except Escrow cancellation fees of Escrow Holder and costs by Chicago Title, if applicable. If LACMTA elects to terminate this Agreement because of the cost of the Remediation Estimate, LACMTA shall return to the CITY the amount expended from the First Installment and Escrow Holder shall release the balance of the Deposit, if any, to the City.

5. If the parties decide to proceed with this transaction after reviewing the expanded Phase II environmental assessment, then under the guidance of the Agency and in cooperation with the CITY, LACMTA shall prepare a Remediation Plan, which has been approved by the Agency, for the Remediation of the Property which Remediation Plan shall include a closure or "no further action" letter from the Agency, if applicable. Upon completion of the Remediation Plan, LACMTA shall deliver a copy of the Remediation Plan to CITY. LACMTA shall provide to CITY and its representatives access to the Property for the purpose of conducting any additional testing and evaluation as CITY may desire at CITY's cost. CITY shall notify LACMTA of its approval or disapproval of the Remediation Plan within fifteen (15) days (the "Review Period") after receipt of the Remediation Plan. Within fifteen (15) days after the CITY's approval of the Remediation Plan, LACMTA shall prepare the Remediation Estimate. If the CITY disapproves the Remediation Plan, this Agreement shall terminate pursuant to Section 3.8(b) of the Agreement. If the City and LACMTA approve the Remediation Plan, the closing condition contained in Section 5 (f) of the Agreement shall be satisfied.

6. As part of the Closing, the parties shall execute and enter into the Permit. The Permit shall permit the LACMTA to enter the Property to perform its Remediation activities and monitoring activities, if necessary.

7. Within one hundred and twenty (120) days after receipt of CITY's approval of the Remediation Plan, LACMTA shall select a contractor to perform the Remediation required to be performed pursuant to the Remediation Plan, which contractor shall be approved by CITY and LACMTA.

8. LACMTA shall be responsible for and pay for all Remediation in conjunction with the Remediation Contract, unless otherwise agreed in writing by the parties.

9. CITY shall have the right to oversee and inspect all work done pursuant to the Remediation Contract at its cost.

10. If the Agency requires LACMTA to perform groundwater monitoring activities on the Property after the Agency has issued, or as part of a "no further action" or closure letter, then City will issue a permit to LACMTA to enter the Property to perform its monitoring activities.

11. For purposes of this Exhibit "B" and the Agreement, the following terms have the meanings stated below:

a. "Agency" or "Agencies" shall mean the California Environmental Protection Agency and its sub-entities including the Regional Water Quality Control Board-Los Angeles Region, the State Water Resources Control Board, and the Department of Toxic Substances Control, the Long Beach Department of Health and Human Services, the South Coast Air Quality Management District, the United States Environmental Protection Agency; and any other federal, state or local governmental agency or entity that has jurisdiction in connection with the presence of Hazardous Materials in, on, under or about the Property. All references to an Agency or Agencies shall mean and include any successor Agency.

b. "Contamination" or "Contaminated" means Hazardous Materials that are or were present on and under the Property on or before the Closing Date regardless of the source of such Hazardous Materials and are, in either case, present at any time in concentrations which require Remediation under applicable Environmental Laws. Contamination includes Hazardous Materials which is confirmed to have originated on the Property prior to the Closing Date and migrated offsite to other properties and otherwise meet this definition.

c. "Environmental Laws" mean any federal, state, and local laws, ordinances, regulations, requirements, orders, directives, guidelines, or permit conditions in existence as of the date of this Agreement or as later enacted, promulgated, issued or adopted regulating or relating to Hazardous Materials, including but not limited to those relating to industrial hygiene, health or environmental protection or the use, analysis, generation, manufacture, storage, discharge, release, disposal, transportation, Investigation or Remediation of Hazardous Materials.

d. "Hazardous Material" means any hazardous or toxic substances, material or waste, which is regulated by any local governmental authority, the State, or the United States. Hazardous Materials includes, without limitation, any material or substance which is defined as "hazardous waste," "extremely hazardous waste", or "restricted hazardous waste" under Section 25115, 25117, or 25122.7 or listed pursuant to Section 15140 of the California Health and Safety Code, Division 20, Chapter 6,5 (Hazardous Waste Control Law), or defined as a "hazardous substance" under Section 25316 of the California Health and Safety.

e. "Investigate" and "Investigation" means any actions including but not limited to any observation, inquiry, examination, sampling, monitoring, analysis, exploration, research, inspection, canvassing, questioning, and surveying of the Property or any other affected properties, including the air, soil, surface water and groundwater, and the surrounding population or properties, or any of them pursuant to this Agreement, to characterize or evaluate the nature and extent of any Contamination.

f. "Remediation Plan" means the plan (including the environmental Remediation steps, time schedule for completion of the environmental Remediation, and initial statement of estimated costs) and all modifications, amendments and revisions thereto as the same are affected from time to time pursuant to the Agreement and this Exhibit "B" and as approved by the CITY and Agency. LACMTA shall obtain and incorporate input from all federal, state and local governmental entities that have jurisdiction over the Property into the Remediation Plan.

g. "Remediate" or "Remediation" means any of those actions with respect to Contamination constituting a response or remedial action as defined under Section 101(25) of the Comprehensive Environmental Response, Compensation and Liability Act, as amended ("CERCLA") (42 U.S.C. § 9601 et seq.), and similar actions with respect to Contamination as defined under comparable state and local laws, and other cleanup, removal, containment, monitoring, treatment, closure, or other mitigation or Remediation of Contamination required pursuant to this Agreement, including but not limited to any such actions required or requested by any Agency.

h. "Remediation Estimate" means the good faith estimate of the cost of implementing and completing the Remediation Plan.

i. "Remediation Contract" means a contract which (1) is generally consistent with past LACMTA environmental services contracts, (2) provides for a scope of work sufficient to implement the Remediation Plan, as determined by LACMTA, in its reasonable discretion, which LACMTA shall exercise in its good faith, and (3) provides for a total contract price in an amount which is consistent with the Remediation Estimate.

12. To the extent permitted by law and unless CITY has obtained the prior written consent of LACMTA, CITY hereby covenants and agrees to: (i) keep all information concerning or arising from any site investigation confidential; and (ii) refrain from disclosing or divulging such information to third parties (except as may be required, by order of the Agency. Further, CITY shall ensure that, to the extent permitted by law, CITY's representatives shall: (y) keep all information concerning or arising from the site assessment confidential; and (z) refrain from disclosing or divulging such information to third parties (except as may be required by order of a governmental agency having jurisdiction over the Investigation).

Notwithstanding anything in this Exhibit "B" to the contrary, CITY may make disclosures (a) to CITY's consultants and attorneys or to any governmental agency whose review thereof is reasonably necessary to CITY's determination as to the feasibility of the Property for the City's uses, (b) to any person in response to lawful process or subpoena or other valid or enforceable order of a court of competent jurisdiction or as otherwise required to comply with laws or regulations applicable to CITY, such as the Public Records Act. Further, CITY shall have no obligation to keep confidential any such information that was in the public domain prior to the date of this Permit or subsequently came into the public domain through no fault of the CITY or that was otherwise lawfully received by CITY from a third party (provided such third party is not known to the CITY to be prohibited from disclosing such information by legal, contractual or fiduciary obligation to the CITY).

In the event that CITY believes that it, or its representatives, are legally compelled to disclose any of the information concerning or arising from the site assessment to any person or entity other than the LACMTA, including a governmental agency or other third party not authorized to receive such information, CITY shall immediately notify LACMTA in the manner set forth in Section 11 of the Agreement, prior to such disclosure.

Exhibit C

Form of Permit

Robert E. Shannon
City Attorney of Long Beach
333 West Ocean Boulevard
Long Beach, California 90802-4664
Telephone (562) 570-2200

1 3. Duration of Permit. A. Permission to enter shall begin on the date of
2 recordation of the deed transferring the Property to the City and shall end a minimum of
3 thirty (30) months after that date or, if additional time is needed to receive a "no further
4 action" letter, then this Permit will end on receipt of a "no further action" letter or similar
5 document from the agency having jurisdiction over the Remediation.

6 B. Within fifteen (15) business days after expiration or revocation of this
7 Permit, LACMTA shall cease entry and shall cause all LACMTA Parties to cease entry
8 on the Property, shall remove all supplies, equipment, personal property, and structures
9 and improvements installed or constructed or erected on the Property pursuant to
10 Section 12 below, and shall leave the Property in a clean, neat and safe condition. Any
11 supplies, equipment, and personal property which LACMTA does not remove within the
12 15-day period shall become the property of the City without payment by or liability of
13 any kind on the part of the City.

14 4. Insurance. As a condition precedent to the effectiveness of this Permit,
15 LACMTA shall provide evidence of insurance equal to the following insurance coverage:

16 (a) Commercial general liability insurance (equivalent in scope to ISO form
17 CG 00 01 11 85 or CG 00 01 11 88) in an amount not less than \$1,000,000 per
18 occurrence or \$2,000,000 general aggregate. The coverage shall include but not be
19 limited to broad form contractual liability, cross liability, independent contractors liability,
20 and products and completed operations liability. The City, its officers, employees and
21 agents shall be named as additional insureds by endorsement (on the City's
22 endorsement form or on an endorsement equivalent in scope to ISO form CG 200 10 11
23 85 or CG 20 26 11 85), and this insurance shall contain no special limitations on the
24 scope of protection given to the City, its officers, employees and agents.

25 (b) Workers' compensation insurance as required by the California Labor
26 Code and employer's liability insurance in an amount not less than \$1,000,000 per
27 accident.

28 (c) Commercial automobile liability insurance (equivalent in scope to ISO

1 form CA 00 01 06 92), covering Auto Symbol 1 (Any Auto), in an amount not less than
2 \$500,000 combined single limit per accident.

3 (d) Pollution liability insurance covering bodily injury and property damage
4 to third parties and covering clean-up, on and off the Property, which City shall for the
5 benefit of LACMTA and City procure and maintain at LACMTA's expense. This
6 insurance shall have a limit of not less than \$10,000,000 per occurrence and in the
7 aggregate, with a deductible of not more than \$50,000. If this insurance is written on a
8 "claims made" basis, it shall have no retroactive date. This insurance shall be written
9 for a term of not less than ten (10) years and LACMTA shall pay the premium in
10 advance for the entire term. If a Phase I survey is required to obtain this insurance,
11 then the City on behalf of LACMTA shall order the Phase I survey and LACMTA shall
12 pay the cost of it. LACMTA shall reimburse the City promptly for the cost of the
13 insurance after receipt of the City's invoice.

14 Any self-insurance program, self-insured retention, or deductible must be
15 separately approved in writing by City's Risk Manager or designee and shall protect the
16 City, its officials, employees and agents in the same manner and to the same extent as
17 they would have been protected had the policy or policies not contained retention or
18 deductible provisions. Each insurance policy shall be endorsed to state that coverage
19 shall not be reduced, non-renewed, or canceled except after thirty (30) days prior
20 written notice to City, and shall be primary and not contributing to any other insurance or
21 self-insurance maintained by the City. LACMTA shall notify the City within five (5) days
22 after any insurance required in this Permit has been voided by the insurer or canceled
23 by LACMTA.

24 LACMTA shall require that all LACMTA Parties maintain insurance in
25 compliance with this Section unless otherwise agreed in writing by City's Risk Manager
26 or designee.

27 Prior to entry on the Property, LACMTA shall deliver to City certificates of
28 insurance or self-insurance and required endorsements, including any insurance

1 required by LACMTA Parties, for approval as to sufficiency and form. The certificates
2 and endorsements shall contain the original signature of a person authorized by that
3 insurer to bind coverage on its behalf. In addition, LACMTA shall at least thirty (30)
4 days prior to expiration of this insurance furnish to the City evidence of renewal of the
5 insurance. City reserves the right to require complete certified copies of all policies of
6 insurance at any time. LACMTA and LACMTA Parties shall make available to the City,
7 during normal business hours, all books, records and other information relating to the
8 insurance required in this Permit.

9 Any modification or waiver of these insurance requirements shall only be
10 made by the City's Risk Manager or designee, in writing. The procuring or existence of
11 insurance shall not be construed or deemed as a limitation on liability or as full
12 performance with the indemnification provisions of this Permit.

13 Notwithstanding any other provision of this Permit, if LACMTA or an
14 LACMTA Party fails to comply with this Section, the City may immediately revoke this
15 Permit and the permission granted by this Permit.

16 5. Indemnity. With respect to this Permit, LACMTA shall indemnify and
17 hold harmless the City, its Boards and Commissions, and their officials, employees and
18 agents (collectively in this Section "City") from and against any and all liability, claims,
19 demands, damage, loss, causes of action, proceedings, penalties, fines, assessments
20 related to Remediation, as defined in Exhibit "B" to the Purchase Agreement, costs and
21 expenses (including but not limited to attorney's fees, court costs, and expert and
22 witness fees)(collectively "Claims" or individually "Claim"), and interest. Claims include
23 allegations and include by way of example but are not limited to: Claims for property
24 damage, personal injury or death arising, in whole or in part, from the negligent act or
25 omission of LACMTA, its officers, employees, agents, invitees, contractors or anyone
26 under LACMTA's control on the Property (collectively "Indemnitor"); LACMTA's breach
27 of this Permit; misrepresentation; willful misconduct; and Claims by any employee of
28 Indemnitor relating in any way to worker's compensation. Independent of the duty to

1 indemnify and as a free-standing duty on the part of LACMTA, LACMTA shall defend
2 the City and shall continue such defense until the Claim is resolved, whether by
3 settlement, judgment or otherwise. No finding or judgment of negligence, fault, breach,
4 or the like on the part of Indemnitor shall be required for the duty to defend to arise.
5 LACMTA shall give to the City notice of any Claim within ten (10) days and, on the
6 City's receipt of the Claim, the City shall assist LACMTA, as may be reasonably
7 requested, in such defense. For Claims that arise during the term of this Permit, this
8 indemnity shall survive the expiration or revocation of this Permit and shall not limit or
9 be deemed to limit the indemnity stated in the Purchase Agreement.

10 6. Non-responsibility of City. City, its officers and employees shall not be
11 and LACMTA agrees that they are not responsible or liable for loss or damage by theft,
12 fire, flood, burglary, vandalism or any other cause to the supplies, equipment or other
13 personal property of LACMTA Parties in or on the Property, except to the extent caused
14 by the negligence of the City, its officers or employees. By executing this Permit,
15 LACMTA waives all claims against the City, its officers or employees for such loss or
16 damage.

17 7. No Title. LACMTA and City acknowledge and agree that, by this
18 Permit, LACMTA does not acquire any right, title or interest of any kind in the Property,
19 including but not limited to any leasehold interest. LACMTA shall not allow the Property
20 to be used by anyone other than an LACMTA Party or for any other purpose than stated
21 in this Permit. Notwithstanding any language to the contrary in this Permit, if a court of
22 competent jurisdiction deems this Permit to be a lease, then LACMTA waives any right
23 of redemption under any existing or future law in the event of eviction from or
24 dispossession of the Property in a lawful manner. LACMTA agrees that, if the manner
25 or method used by the City in ending this Permit gives to LACMTA a cause of action
26 similar to or based on damages that would otherwise arise in connection with unlawful
27 detainer, then the total amount of damages to which LACMTA would be entitled in such
28 action shall be One Dollar. LACMTA agrees that this Section may be filed in such

1 action and that, when so filed, it shall be a stipulation by LACMTA fixing the total
2 damages to which LACMTA is entitled in such action.

3 8. No Assignment. LACMTA shall not assign this Permit or the
4 permission granted by this Permit without the prior written approval of the City Manager.
5 Neither this Permit nor any interest in it shall be subject to transfer by attachment,
6 execution, proceedings in insolvency or bankruptcy, or receivership. Any attempted
7 assignment or other transfer that is not approved by the City Manager shall be void and
8 confer no right of entry on the purported assignee or transferee.

9 9. Condition after Entry. After the entry by any LACMTA Party on the
10 Property, LACMTA shall return the Property in as good condition (or better condition
11 with respect to the Remediation) as the Property was in prior to such entry, reasonable
12 wear and tear excepted.

13 10. Notice. Any notice or approval given under this Permit shall be in
14 writing and personally delivered or deposited in the U.S. Postal Service, registered or
15 certified, return receipt, to the City at 333 West Ocean Boulevard, Long Beach, CA
16 90802 Attn: City Manager and to LACMTA at One Gateway Plaza, Mail Stop 99-13-8,
17 Los Angeles, CA 90012 Attn: Director of Real Estate. Notice shall be deemed given on
18 the date personal delivery is made or on the date shown on the return receipt,
19 whichever first occurs.

20 11. Consideration. Permit fees and the payment of Permit fees are
21 described in the Purchase Agreement.

22 12. Improvements. LACMTA Parties shall not install, construct, erect or
23 maintain any structure or improvements on the Property without the prior written
24 approval of the City Manager except to the extent reasonably required under the
25 Remediation Plan. Any structure or improvement installed, constructed or erected shall
26 be maintained in a good, safe condition and LACMTA shall remove all such structures
27 and improvements no later than fifteen (15) business days after the expiration or
28 revocation date of this Permit unless the City gives notice to LACMTA that the City

1 wishes to keep such structures or improvements, in which case LACMTA shall have the
2 option of granting ownership of such structure or improvement to the City at no charge.

3 13. No Limitations on City. The Permit shall not limit the City's right of
4 access to the Property or the right or power to construct, erect, build, demolish, move or
5 otherwise modify any structures, buildings, landscaping or any other type of
6 improvement on, over, in, or under the Property except that the City may not do so with
7 respect to structures or improvements installed or erected by an LACMTA Party.

8 14. No Release. The expiration or revocation of this Permit shall not
9 release either party from any liability or obligation which accrued prior to such expiration
10 or revocation.

11 15. Utilities and Security. Except as provided in the Purchase
12 Agreement, the City shall not have any obligation to LACMTA or an LACMTA Party to
13 provide utilities, clean-up, or security on the Property or with respect to the right of entry
14 granted by this Permit.

15 16. Nondiscrimination. In exercising its right of entry and use of the
16 Property, LACMTA shall not discriminate on the basis of race, color, religion, national
17 origin, sex, sexual orientation, age, HIV status, disability or handicap.

18 17. Compliance with Laws. A. LACMTA Parties shall comply with all
19 applicable laws, rules, regulations and ordinances with respect to their activities on the
20 Property, with respect to the use of the Property, the materials collected from the
21 Property, and the disposal of materials collected from the Property, regardless of when
22 they become or became effective, including, without limitation, those relating to
23 construction, signage, health, safety, noise, environmental protection, waste disposal,
24 and water and air quality, and furnish satisfactory evidence of such compliance on
25 request of the City.

26 B. Any barrels or other containers containing materials extracted from the
27 Property shall be removed from the Property within ten (10) working days after receiving
28 applicable analytical data for preparing waste manifests and scheduling with the waste

1 disposal contractors. With respect to any barrels or containers that are on or at the
2 Property, LACMTA shall indemnify the City for any penalties, fines, and the like relating
3 to the materials in the barrels and containers and the storage of the barrels and
4 containers on the Property and shall defend the City at LACMTA's sole cost in any
5 proceeding relating to the materials in the barrels and containers and the storage of the
6 barrels and containers on or at the Property. LACMTA shall store and dispose of the
7 barrels and containers in compliance with all applicable federal, state and local laws,
8 rules and regulations.

9 18. Work and No Liens. A. All work by LACMTA Parties on the Property
10 shall be performed, at its sole cost, in a good and workmanlike manner. LACMTA
11 Parties shall keep the Property free of all liens for any work done, labor performed, or
12 material furnished by or for LACMTA relating to the Property. LACMTA's indemnity in
13 Section 5 shall include liens. If a lien is imposed on the Property as a result of entry and
14 work done, labor performed or materials furnished by or for an LACMTA Party at the
15 Property, then LACMTA shall (i) record a valid release of lien; or (ii) deposit with the City
16 cash in an amount equal to 125% of the amount of the lien and authorize payment to
17 the extent of the deposit to any subsequent judgment holder that may arise as a matter
18 of public record from litigation with regard to lienholder's claim; or (iii) procure and
19 record a lien release bond in accordance with California Civil Code Section 3143 issued
20 by a surety authorized to do business in California.

21 19. Contracts. All contracts entered by or on behalf of an LACMTA Party
22 relating to the Property shall contain the following sentence: This contract shall in no
23 way bind the City of Long Beach, its Boards and Commissions, or their officials or
24 employees or obligate them in any way for any costs whatsoever under this contract.

25 20. Miscellaneous. A. This Permit shall be governed by and construed in
26 accordance with the laws of the State of California excepting those pertaining to
27 conflicts of laws.

28 B. If any part of this Permit shall be held by a court of competent

1 jurisdiction to be invalid, void or unenforceable, then the remainder of the Permit shall
2 remain in full force and effect and shall not be affected, impaired or invalidated.

3 C. This Permit may only be amended by a written agreement, signed by
4 the City and LACMTA after authorization by City's City Council.

5 D. This Permit and the Purchase Agreement including its Exhibits contain
6 the entire understanding of the City and LACMTA and supersedes all other agreements,
7 oral or written, with respect to the subject matter of this Permit.

8 E. On the expiration or revocation of this Permit, LACMTA agrees to and
9 shall execute such documents, in recordable form if so requested, as the City deems
10 reasonably necessary to end the Permit.

11 F. Subject to Section 8, this Permit shall be binding on and inure to the
12 benefit of the successors and assigns of the City and LACMTA.

13 G. In any action or proceeding to enforce or interpret or revoke this
14 Permit, the prevailing party shall be entitled to attorney's fees and costs.

15 H. The failure or delay of the City to insist on strict compliance with the
16 provisions of this Permit shall not be deemed a waiver of any right or remedy that City
17 may have and shall not be deemed a waiver of any subsequent or other failure to
18 comply with any provision of this Permit.

19 I. This Permit is not intended or entered for the purpose of creating any
20 benefit or right for any person or entity that is not a signatory or an LACMTA Party.

21 J. No provision or breach of this Permit shall be waived, except in writing
22 signed by the parties which expressly refers to this Permit. And, the waiver of any
23 noncompliance with this Permit shall not constitute a waiver of any other or subsequent
24 noncompliance.

25 K. The headings and numbers of this Permit are not a part of it and the
26 grouping of provisions into sections, paragraphs or clauses is for the convenience of the
27 parties only and shall not be used in the interpretation of this Permit.

28 L. This Permit shall not be recorded.

Robert E. Shannon
City Attorney of Long Beach
333 West Ocean Boulevard
Long Beach, California 90802-4664
Telephone (562) 570-2200

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M. This Permit shall not be construed against either party as the drafter.

Permission granted by

Terms of Permit accepted by

CITY OF LONG BEACH,
a municipal corporation

LOS ANGELES COUNTY METROPOLITAN
TRANSPORTATION AUTHORITY, a public
agency

By _____
City Manager

By _____
Director of Real Estate

"City"

"LACMTA"

Exhibit D

Form of FIRPTA Certificate

TRANSFEROR'S CERTIFICATION OF NON-FOREIGN STATUS

To inform CITY OF LONG BEACH, a municipal corporation ("Transferee"), that withholding of tax under Section 1445 of the Internal Revenue Code of 1986, as amended ("Code") will not be required upon the transfer of certain real property to the Transferee by LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY, a public agency existing under the laws of the State of California ("Transferor"), the undersigned hereby certifies the following on behalf of the Transferor:

1. The Transferor is not a foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Internal Revenue Code of 1986, as amended, and the Income Tax Regulations promulgated thereunder);
2. The Transferor's U.S. employer identification number is _____; and
3. The Transferor's address is _____.

The Transferor understands that this Certification may be disclosed to the Internal Revenue Service by the Transferee and that any false statement contained herein could be punished by fine, imprisonment, or both.

The Transferor understands that the Transferee is relying on this Certification in determining whether withholding is required upon said transfer.

Under penalty of perjury I declare that I have examined this Certification and to the best of my knowledge and believe it is true, correct and complete, and I further declare that I have authority to sign this document on behalf of the Transferor.

Date: _____

LOS ANGELES COUNTY METROPOLITAN
TRANSPORTATION AUTHORITY

By: _____

Title: _____

By: _____

Title: _____