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[HTTP://WWW.LAFD.ORG](http://www.lafd.org)

March 6, 2015

The Honorable Members of the City Council
c/o City Clerk
City Hall, Room 395
Los Angeles, CA 90012

Honorable Members:

City Acquisition of Frank Hotchkin Memorial Training Center (C.F. 14-0938)

On July 2, 2014, a Motion (Cedillo-O'Farrell) was introduced instructing the Los Angeles Fire Department (LAFD) to provide a status report on completion of the City's acquisition of the Frank Hotchkin Memorial Training Center (FHMTTC) from the United States Navy (Navy). The FHMTTC is located on 10.79 acres of land currently owned by the Navy and used by LAFD for training under a 1994 license agreement with the Navy. It has a two-story administration building with 133,484 square feet of usable space, which includes a 50,000 square foot drill deck/gymnasium at the rear of the building, a full basement, a 3,200 square foot vehicle maintenance shop, and a 3,840 square foot multi-purpose storage shed. The administration building is constructed of reinforced concrete and protected with an automatic sprinkler system. The FHMTTC has a parking lot which can accommodate approximately 400 vehicles. The administration building and two flagpoles were determined to be historic resources in 1997.

Background of Acquisition

The subject facility in Elysian Park was named in honor of the firefighter killed in the line of duty in 1980 while fighting a fire there. It was built as a Works Progress Administration (WPA) Project from 1938 to 1940, and used by the federal government as a Naval and Marine Reserve Center. In September 1994, City Council authorized negotiations with the Navy for a no-cost license agreement to allow LAFD to use the vacated facility as a training center (C.F.94-1643). The agreement was executed in October 1994. LAFD relocated about 85 employees to this facility from City-owned and leased sites. The annual cost of the vacated leases was nearly \$200,000.

In 1997, City Council approved a City Administrative Officer (CAO) recommendation for the Bureau of Engineering (BOE) to conduct a structural and environmental assessment in anticipation of City acquisition of the facility. The CAO reported that continued occupation of the facility provided cost and operational benefits, and recommended that the City request transfer of ownership from the federal government. In 1999, City Council adopted a Motion (Hernandez-Miscikowski; C.F. 99-1616) instructing various

actions regarding the 10.79 acre land with the described facility at 1700 Elysian Way (Property), including:

- Authorizing LAFD to submit a final application to the federal government to acquire the Property;
- Instructing BOE to assure that appropriate remediation efforts are underway for any hazardous substances remaining on the Property;
- Declaring that City acquisition of the Property is for the purpose of continuing its use as a firefighter training center, as permitted under the license agreement, and therefore, that this acquisition is exempt from the California Environmental Quality Act (CEQA). See CEQA Review of City Project section below; and
- Designating the Property as the Frank Hotchkin Memorial Training Center.

In the intervening years, LAFD continued to occupy the Property as a training center through the license agreement with the Navy. However, the necessary steps to complete City acquisition of the Property lay dormant until February 2012 when LAFD, with assistance of the Office of the City Attorney, actively resumed discussions with the affected federal and state agencies.

In 2014, the Department of General Services' (DGS) contract appraiser appraised the Property at \$41M. Negotiation of the transfer documents has been completed. Thus, Council approval of the following transfer documents (collectively "Transactional Documents") will set in motion conveyance of the Property to City for a cost of \$1:

1. Quitclaim Deed to transfer the Property from federal government to City (with Environmental Covenant and Historic Covenant attached as exhibits) – Attachment 1 hereto,
2. Memorandum of Agreement for Preservation of Historic Building (between federal government and City) – Attachment 2 hereto, and
3. Escrow Instructions of City of Los Angeles to Fire American Title Company – Attachment 3 hereto

In 2014, BOE conducted two structural reviews of the facility and recommended an approximately \$5.3 million program of deferred maintenance and ADA retrofit work (BOE Reports). [These BOE Reports are Attachment 4 hereto.] The repair and retrofit work would be performed in phases over five fiscal years following City acquisition of the Property (see section of this Report titled Acquisition Follows Structural Assessment of Building). The proposed City acquisition of the Property (through the Transactional Documents) coupled with the repair and retrofit work constitutes the "City Project." Staff recommends City Council approval of the City Project following its approval of a CEQA Notice of Exemption (NOE) for this Project based on CEQA's general exemption (see section of this Report titled CEQA Review of City Project). The NOE is Attachment 5 hereto.

Acquisition Subject to Environmental Covenant

In 2001, the California Regional Water Quality Control Board (Water Board) inspected the Property and requested that the Navy conduct groundwater/subsurface contamination testing in the areas used to store and distribute petroleum products. These areas were in the vicinity of LAFD's present day vehicle maintenance site. The groundwater contamination in the subsurface has been determined to be at safe levels. Also, soil sample collections were taken and total petroleum hydrocarbons (TPH) contamination was not detected at any reportable or risk-creating levels.

The Navy has continued to perform testing on a quarterly basis, the results of which are forwarded to LAFD. Following City acquisition of the Property, the Water Board will continue to look to the Navy to perform the cleanup of existing contamination and to pay for any associated costs. However, the Water Board will hold City responsible for any new contamination that impacts the groundwater. Therefore, the Water Board has required that City execute a Covenant and Environmental Restriction on the Property (Environmental Covenant), which is an exhibit to Attachment 1 to this Report. Under this Covenant, the City would be responsible to avoid and clean up new contamination that impacts water resources, such as that from LAFD's vehicle servicing area.

Most asbestos has been professionally removed from the facility, and all traces of lead paint have been mitigated. Remaining traces of asbestos (e.g., in drill deck windows) will be removed once City becomes owner of the Property.

Acquisition Subject to Historic Building Covenant

In 1997, the Navy completed an historic survey of the Property which concluded that the administration building and two flagpoles were eligible for listing on the National Register of Historic Places, and therefore, was determined to be historic resources under federal law (Historic Resources).

In 1998, the federal government's General Services Administration (GSA) determined the Property as surplus and proposed to transfer it to a new owner who would: (i) ensure compatible uses to the prior naval training uses there, and (ii) take the Property subject to a covenant to preserve and maintain the described Historic Resources there. Subsequently, GSA convened a "consultation" on the content and implementation of such covenant with the State Historic Preservation Office (SHPO) and the City and its Cultural Heritage Commission (Commission). Based on that consultation, GSA, SHPO and the City agreed to prepare and execute two documents to preserve the Historic Resources: (i) a Memorandum of Agreement for Preservation of Historic Building (MOA) effective for the period between Council approval of this Report and recordation of the Quitclaim Deed; and (ii) a historic covenant to take effect and replace the MOA, upon recordation of said Deed (Historic Covenant).

The MOA – The federal government enters memoranda of agreement (MOAs) for their historic public buildings as part of their negotiations to sell or transfer ownership of such buildings to interested parties. This is because the federal government desires future owners of such buildings to, prior to becoming owners, familiarize themselves with the historic features of such buildings, and know the disciplined approach required by law to

preserve and maintain them. As such, negotiations for transfer of ownership of the subject Property (with its Historic Resources) to the City have occurred, the federal government and City negotiated the above-described Frank Hodgkin MOA. This MOA was executed by GSA in 2014 and now awaits City execution. Thus, promptly after Council approval of the Transactional Documents, City will execute the MOA and commence its "Phase 1" duty which is preparation of a Historic Structures Report (HSR) and a City Cultural Monument application for the Frank Hodgkin facility. The City must complete the HSR and Monument application within 120 days of the MOA's execution. The HSR will: (i) document the location and condition of the facility's Historic Resources, (ii) be a planning guide for future City decision-making on repair, maintenance and preservation of these Resources, and (iii) serve as a basis for the design and budgeting of such work on these Resources. Also, the HSR will equip City staff to properly undertake the Priority Maintenance and ADA Retrofit work called for in the BOE Reports. The City's "Phase 2" duties under the MOA are not triggered until major renovations affecting the Historic Resources on the Property are proposed. The Frank Hodgkin MOA will expire on the earlier of City completion of its duties under the MOA, or recordation of the Historic Covenant. In short, the Frank Hodgkin MOA will promptly set in motion City duties to prepare the HSR and Monument application, and then turn those duties (and others) over to the Historic Covenant upon Close of Escrow when that Covenant is recorded and City becomes the Property owner.

The Historic Covenant – Under this Covenant, the City will complete the above-described HSR and comply with several Property owner duties including:

1. Substantial Alterations – prior to performing substantial alterations to the Historic Resources, the City must submit to the Commission alteration plans and the HSR for review and decision. If approved by Commission, City shall perform the alterations in compliance with the U.S. Secretary of Interior standards and the California Historic Building Code rules.
2. Ground Disturbing Activities - prior to starting ground disturbing activities on the Property, the City must have qualified seismic and archaeologic personnel prepare seismic and sensitivity analyses. The City shall provide copies of such analyses to the Commission and SHPO, and consider their recommendations.
3. Maintenance Duties - the City must maintain the Historic Resources in a manner that preserves the attributes that contribute to their historic character. Specifically, the City must: (a) secure the Historic Resources from vandalism, arson and the elements, (b) prevent the Resources from deteriorating, and (c) refrain from use changes of the building.
4. Restoration and Repair Duties - the City must restore or repair all damaged portions of the Historic Resources (resulting from casualty events) in compliance with Secretary of the Interior standards unless commercially, physically, or legally infeasible. If such infeasibility exists, the City must consult with the Commission on redevelopment options and modifications to the Historic Property which adhere to Secretary of Interior standards.

Acquisition Follows Structural Assessment of Building

Prior to LAFD occupying the Property in 1994, BOE Structural Engineering Division conducted a visual inspection of the administration (or main) building and a cursory review of the plans to determine its general structural condition for occupancy. In a memo dated October 5, 1994, the City Engineer indicated that no signs of structural damage were observed. The memo stated, in pertinent part,

“The vertical load carrying system was constructed of reinforced concrete beams and columns with concrete floor slabs and wood/steel roof framing. The lateral load resistance system was constructed of concrete shear walls. This type of system normally performs quite well in the event of an earthquake.”

In July 2014, BOE and the Department of Building and Safety (LADBS) conducted a structural inspection of all buildings on the Property. A BOE report dated July 16, 2014 stated the following:

1. Inspection of the main building did not reveal any obvious signs of walls or roof distress, nor structural damage in the visible structural elements of the building.
2. The fire truck maintenance and canopy building appears to be structurally sound.
3. The gymnasium [drill deck] appears intact with no signs of distress or settlement.
4. The main building has sustained many earthquakes over the years without any apparent significant damage.
5. Some remedial measures are required to prevent further deterioration of the main building:
 - (a) Waterproofing the front entrance to prevent damage to the retaining wall below.
 - (b) Repairing visible cracks throughout the main building.
 - (c) Filling in the pool or devising a more stable alternative to its current temporary wood cover (collectively “Priority Maintenance”).

In October 2014, BOE and LADBS did a second inspection of buildings on the Property aimed at costing out the Priority Maintenance work as well as ADA retrofit work aimed at building, upper floor, and restroom accessibility. The BOE cost estimates for such work is approximately \$5.3 million with expenditures made over five fiscal years. As this work may impact the Historic Resources, it will be done in compliance with U.S. Secretary of the Interior Standards for Rehabilitation of Historic Structures, and the Historic Preservation Covenant.

In a recent meeting with LAFD, BOE staff advised that the Priority Maintenance work and ADA compliance measures do not diminish its assessment that all buildings on the Property are currently sound. The remedial measures consist of typical repairs that should be performed in the next several years to ensure any building is properly maintained and ADA compliant. Also, BOE indicated that the recommended remediation could be completed in phases over five fiscal years, given the fiscal impact.

CEQA Review of City Project

In consultation with the City Attorney's Office, LAFD reviewed the proposed City Project (i.e., City acquisition of the Property and subsequent repair and retrofit work) for compliance with CEQA. Following this consultation, BOE's Environmental Management Group (EMG) determined the City Project meets the requirements of CEQA's general exemption in: (i) State CEQA Guidelines Section 15061(b)(3), and (ii) City CEQA Guidelines at Article II, Section I. As an exempt City Project, no further CEQA review is required. Accordingly, EMG prepared the described NOE for the City Project and will file it following City Council approval.

Beneficial Use of Property

Finalizing conveyance of the Property to the City will enable the City to acquire from the Navy for \$1, a structurally sound, fully sprinklered facility totaling 134,000 square feet, and appraised at \$41M. The City has had substantial beneficial use of the Property over the past 20 years of its occupancy. In addition to providing office space for LAFD administrative staff performing various functions, the facility was used as a drill tower between 2004 and 2005 before Drill Tower 81 was completed. The facility has been consistently used for in-service training by not only LAFD, but also regional fire agencies and the Los Angeles Police Department.

Currently, staffs of the following LAFD sections are located at FHMTTC:

- Recruit Services (including candidate recruitment, candidate physical abilities preparation and mentoring programs)
- In-Service Training
- Tactical Training
- Regional Training Coordination
- Arson
- Community Emergency Response Teams (CERT)
- Quality Assurance
- Field Maintenance

Additionally, if the City fails to complete acquisition of the Property, the GSA will seek other parties interested in its acquisition given that it has been declared surplus property. If LAFD is required to vacate the facility, it is likely that leased space, at substantial cost, would be required to relocate the employees and provide in-service training space. It must be noted that over the years, local public agencies, such as the Los Angeles Unified School District, have expressed interest in acquiring the Property.

Recommendations

Given the substantial benefit of transferring ownership of the Property from the Navy to the City, it is recommended that the City Council, subject to approval of the Mayor:

1. Approve the CEQA Notice of Exemption for the City Project and its filing with the County Clerk of Los Angeles County;

2. Approve the Transactional Documents to convey ownership of the Property to the City and authorize the General Manager - Department of General Services (and the Director of Planning - City Planning Department), as appropriate, to execute those Documents:
 - (a) Quitclaim Deed,
 - (b) MOA for Preservation of Historic Building, and
 - (c) City Escrow Instructions
3. Authorize the General Manager, Department of General Services, to execute all ancillary documents necessary to effective conveyance of the Property to City;
4. Authorize the General Manager, Department of General Services, to open escrow with First American Title Company, deposit all executed Transactional Documents into that escrow (except the MOA), and close escrow and record the Quitclaim Deed (with appended Environmental Covenant and Historic Building Covenant) upon compliance with all closing conditions; and
5. Designate the Property as the Frank Hotchkin Memorial Training Center.

Sincerely,



RALPH M. TERRAZAS

Fire Chief

Attachments

Attachment 1

**RECORDED AT THE REQUEST OF
AND WHEN RECORDED MAIL TO:**

City of Los Angeles
Department of General Services
111 East First Street, Room 201
Los Angeles, CA 90012
Attention: David L. Roberts

Assessors Parcel No. 5415-014-900

**QUITCLAIM DEED WITH
ENVIRONMENTAL RESTRICTION AND HISTORIC PRESERVATION COVENANT**

**DOCUMENT ENTITLED TO FREE RECORDATION PURSUANT TO GOVERNMENT
CODE SECTIONS 6103 AND 27383. TRANSFER EXEMPT PURSUANT TO REV AND
TAX CODE SECTION 11922.**

THIS QUITCLAIM DEED is made as of this ____ day of ____, 2015 by the **UNITED STATES OF AMERICA**, ("Grantor") acting by and through the General Services Administration, under and pursuant to the powers and authority contained in the provisions of 40 U.S.C. § 553, as amended, and rules, orders and regulations issued pursuant thereto and the **CITY OF LOS ANGELES**, a municipality created, operating, and existing under and by virtue of the laws of the State of California ("GRANTEE").

NOW, THEREFORE, Grantor, for and in consideration of the sum of one dollar (\$1), the receipt and sufficiency of which is hereby acknowledged, Grantor hereby remises, releases, and quitclaims unto Grantee, and to its successors and assigns, all of Grantor's right, title, and interest in that certain real property situated in the County of Los Angeles, State of California, together with all the improvements and fixtures located thereon and more particularly described in attached Exhibit A hereto (the "Property").

This conveyance is made subject to the following:

A. CONDITION OF PROPERTY. The Property is conveyed "As Is" and "Where Is" without representation, warranty, or guaranty of any kind (except as expressly stated in Paragraph C, Hazardous Substance Activity, hereinbelow), as to any matter related to the conveyance including, but not limited to, the quantity, quality, character, condition (including patent and latent defects), size, habitability, or kind of the Property or that the same is in a condition or fit to be used for the purpose for which intended by Grantee. Grantee covenants that it has inspected, is aware of, and accepts the condition and state of repair of the Property.

B. COVENANTS AND OTHER RIGHTS. This conveyance is made subject to all existing covenants, reservations, easements, restrictions, and rights, recorded or unrecorded, for public roads, highways, streets, railroads, power lines, telephone lines and equipment, pipelines, drainage, sewer and water mains and lines, public utilities, and other rights-of-way, and to the easements, reservations, rights and covenants reserved by Grantor herein, and to any facts which a physical inspection or accurate survey of the Property may disclose.

C. NOTICE REGARDING HAZARDOUS SUBSTANCE ACTIVITY

Pursuant to 40 CFR 373.2 and Section 120(h)(3)(A)(i) of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended ("CERCLA")(42 U.S.C. §9620(h)(3)(A)(i)), and based upon a complete search of agency files, the Grantor gives notice that the attached Exhibit "D" provides a table with (to the extent such information is available) the type and quantity of hazardous substances that were known to have been stored for one year or more on the Property.

1. Grantor warrants that all remedial action necessary to protect human health and the environment has been taken before the date of this conveyance. Grantor warrants that it shall take any additional response action found to be necessary after the date of this conveyance regarding hazardous substances located on the Property on the date of this conveyance. This covenant shall not apply:
 - (a) In any case in which Grantee, its successor(s) or assign(s), or any successor in interest to the Property or part thereof is a Potentially Responsible Party (PRP) with respect to the Property immediately prior to the date of this conveyance; or
 - (b) To the extent that such additional response action or part thereof found to be necessary is the result of an act or failure to act of the Grantee, its successor(s) or assign(s), or any party in possession after the date of this conveyance that either:
 - (i) Results in a release or threatened release of a hazardous substance that was not located on the Property on the date of this conveyance; or
 - (ii) Causes or exacerbates the release or threatened release of a hazardous substance the existence and location of which was known and identified to the applicable regulatory authority as of the date of this conveyance.
2. In the event Grantee, its successor(s) or assign(s), seeks to have Grantor conduct any additional response action, and, as a condition precedent to Grantor incurring any additional cleanup obligation or related expenses, the Grantee, its successor(s)

or assign(s), shall provide Grantor at least 45 days written notice of such a claim. In order for the 45 day period to commence, such notice shall provide credible evidence that:

(a) The associated contamination existed prior to the date of this conveyance; and

(b) The need to conduct any additional response action or part thereof was not the result of any act or failure to act by the Grantee, its successor(s) or assign(s), or any party in possession.

(c) Grantor reserves a right of access to all portions of the Property for environmental investigation, remediation or other corrective action. This reservation includes the right of access to and use of available utilities at reasonable cost to Grantor. These rights shall be exercisable in any case in which a remedial action, response access action or corrective action is found to be necessary after the date of this conveyance, or in which access is necessary to carry out a remedial action, response action, or corrective action on adjoining property. Pursuant to this reservation, the United States of America, and its respective officers, agents, employees, contractors and subcontractors shall have the right (upon reasonable advance written notice to the record title owner) to enter upon the Property and conduct investigations and surveys, to include drilling, test-pitting, borings, data and records compilation and other activities related to environmental investigation, and to carry out remedial or removal actions as required or necessary, including but not limited to the installation and operation of monitoring wells, pumping wells, and treatment facilities. Any such entry, including such activities, responses or remedial actions, shall be coordinated with record title owner and shall be performed in a manner that minimizes interruption with activities of authorized occupants.

(d) Grantor and Grantee acknowledge that since 2001, the California Regional Water Quality Control Board ("Water Board") has required Grantor to perform periodic testing for hazardous substance contamination of the groundwater beneath the Property. Following conveyance of ownership of the Property to Grantee, the Water Board will continue to look to Grantor to perform such testing, but hold Grantee responsible to remediate any new contamination that impacts the groundwater. Specifically, the Water Board has required that Grantee execute a Covenant and Environmental Restriction on Property ("Environmental Covenant") which requires Grantee to use the Property in a manner that avoids future hazardous substance contamination and to cleanup promptly any future releases of such substances. Accordingly, Grantor and Grantee acknowledge that the Property is conveyed subject to the Environmental Covenant attached to this Deed as Exhibit B and incorporated herein. Grantee agrees to comply with all its obligations in the Environmental Covenant.

D. EMERGENCY MANAGEMENT COVENANT

1. Grantee understands that the Property is being transferred pursuant to 40 U.S.C. § 553, as amended, and rules, orders and, regulations issued pursuant thereto for emergency management response use and agrees that the Property will be used and maintained as an emergency management response facility in perpetuity.
2. The Property shall not be sold, leased, assigned or otherwise disposed of except to another eligible governmental agency that the General Services Administration approves in writing. Any such disposition shall assure the continued use and maintenance of the Property for emergency management response use subject to the same terms and conditions in the original instrument of conveyance. Any mortgage, lien, or any other encumbrance not wholly subordinate to the reverter interest of the Grantor shall constitute an impermissible disposal. However, this provision shall not preclude Grantee from leasing and then subleasing back the Property to finance improvements thereto (including those needed to comply with the Historic Preservation Covenant attached as Exhibit C hereto), provided that such lease and sublease (with their remedies for breach) shall not materially affect Grantee's: (a) ownership interests in the Property, or (b) use of the Property as required herein.
3. The Grantee, its heirs, successors and assigns, shall indemnify, defend, protect, save and hold harmless the Grantor, its employees, officers, attorneys, agents, and representatives from and against any and all debts, duties, obligations, liabilities, law suits, claims, demands, causes of action, damages, losses, costs, and expenses (including without limitation reasonable attorneys' fees and expenses, consultant fees and expenses, expert fees and expenses, and court costs) arising out of any claim for personal injury or property damage (including death, illness, or loss of or damage to real or personal property or economic loss) that relates to the Grantee's failure to comply with the terms of this Deed or from the use or occupancy of the Property by the Grantee, its heirs, successors, assigns, transferees, or agents.
4. In the event that there is a breach by the Grantee, its heirs, successors or assigns, of any of the covenants, conditions or restrictions set forth herein, whether caused by the legal or other inability of the Grantee, its heirs, successors or assigns, to perform said covenants, conditions or restrictions, the Grantor will give written notice, with a reasonable time stated therein, for the elimination, rectification or cure of said breach. Upon failure to eliminate, rectify or cure said breach within the time set forth in the notice, all right, title, and interest in and to the Property shall, at the Grantor's option, revert to and become the Property of the Grantor. In addition to all other remedies for such breach, the Grantee, its heirs, successors and assigns, at the Grantor's option, shall forfeit all right, title, and interest in any and all of the tenements, hereditaments, and

appurtenances thereunto belonging.

5. The failure of the Grantor to require in any one or more instances complete performance of any of the conditions or covenants shall not be construed as a waiver or relinquishment of such future performance, but obligation of the Grantee, its heirs, successors and assigns, with respect to such future performance shall continue in full force and effect.
6. The General Services Administration and any representative it may so delegate shall have the right of entry upon the Property at all reasonable times to conduct inspections for the purposes of evaluating the Grantee's compliance with the terms and conditions of the conveyance.
7. The Grantee, by its acceptance of this Deed, covenants and agrees for itself, its heirs, successors and assigns, that in the event the Grantor exercises its option to revert all right, title, and interest in the Property to the Grantor, or the Grantee voluntarily returns title to the Property in lieu of a reverter, then the Grantee shall provide protection to and maintenance of the Property at all times until such time as the title is actually reverted or returned to and accepted by the Grantor, including the period of any notice of intent to revert. Such protection and maintenance shall, at a minimum, conform to the standards prescribed by the General Services Administration in its regulations 41 CFR 102-75.690 as such may be amended.

E. NOTICE REGARDING ASBESTOS-CONTAINING MATERIALS

1. **Notice.** Grantee, its successors and assigns, are warned that the Property may contain asbestos-containing materials. No warranties, either express or implied, are given with regard to the quantity, location, or condition of the asbestos-containing material. Grantee, its successors and assigns, shall be deemed to have relied solely on their own judgment in assessing the overall condition of all or any portion of the Property, including any asbestos hazards or concerns. Grantee acknowledges that Grantee was given every opportunity to inspect the Property to assess the risk, if any, from asbestos-containing materials.

2. **No Liability.** Grantor assumes no liability for damages for personal injury, illness, disability, or death to Grantee or to Grantee's successors, assigns, employees, invitees, or any other person subject to Grantee's control or direction, or to any other person, including members of the general public, arising from or incident to the purchase, transportation, removal, handling, use, disposition, or other activity causing or leading to contact of any kind whatsoever with asbestos-containing materials on the Property, whether Grantee, or its successors and assigns, has or have properly warned or failed to properly warn the individual(s) injured. Grantee, its successors and assigns, further agree, that in its use and occupancy of the Property, it will comply with all federal, state, and local laws relating to asbestos-containing materials. Grantee agrees to defend, protect,

indemnify and hold Grantor harmless from any and all liabilities, damages, losses, expenses, or judgments arising out of or related to the remediation, monitoring, removal, transport, and disposal of any asbestos-containing materials located on the Property.

F. LEAD BASED PAINT WARNING AND DISCLOSURE. Grantee is hereby informed and acknowledges that the structure on the Property was constructed prior to 1978 and, as with all such property, a lead-based paint hazard may be present. Grantee shall not permit the use of the structure for residential habitation unless and until Grantee shall have eliminated the hazards of lead-based paint by treating any defective lead-based paint surface in accordance with all applicable laws and regulations. According to the Consumer Product Safety Commission and the President's Council on Environmental Quality, lead is a special hazard to small children. Grantor has not tested and does not intend to test for lead-based paint. The Property is being sold "as is" and Grantee agrees to defend, protect, indemnify and hold Grantor harmless from any and all liabilities, damages, losses, expenses, or judgments arising out of or related to health problems which may result from lead-based paint.

G. HISTORIC PRESERVATION COVENANT. The Property is conveyed subject to the covenants and restrictions set forth in Exhibit C attached to this Deed and incorporated herein.

H. COVENANTS RUNNING WITH THE LAND. Grantee covenants, for itself and its successors and assigns, that all covenants described in this Quitclaim Deed shall run with the land and bind Grantee and any successors and assigns of Grantee to the restrictions, agreements, and promises made in such covenants and restrictions in perpetuity. Grantee further covenants for itself and its successors and assigns, to be bound by these covenants. Grantor shall be deemed to be a beneficiary of all covenants and warranties without regard to whether it remains the owner of any land or interest therein in the locality of the Property, and shall have the right to enforce these covenants and warranties in any court of competent jurisdiction.

IN WITNESS WHEREOF, Grantor has caused this indenture to be executed as of the day and year first written above.

UNITED STATES OF AMERICA

Acting by and through the
General Services Administration

BY: _____

CLARK VAN EPPS
Contracting Officer
General Services Administration
Office of Real Property Utilization &
Disposal Division, 9PZ
San Francisco, California

STATE OF CALIFORNIA

)

)ss:

COUNTY OF SAN FRANCISCO

)

On this ___ day of _____, 2015, before me Thuy Ta, a Notary Public in and for said County and State, personally appeared Clark Van Epps, proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed in the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Notary Public

CERTIFICATE OF ACCEPTANCE

This instrument certifies that the interest in real property conveyed by Quitclaim Deed from the UNITED STATES OF AMERICA, acting by and through the Administrator of General Services, is hereby accepted by the undersigned officer on behalf of the CITY OF LOS ANGELES, and said Grantee consents to recordation thereof by its duly authorized officer.

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

APN: 5415-014-900

ADDRESS: 1700 E. STADIUM WAY & 800 LILAC TERRACE, LOS ANGELES, 90012

PARCEL 1:

ALL THAT CERTAIN LAND BEING A PART OF THE SUBDIVISION OF THE ABILA TRACT AND ADJOINING LANDS, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 3, PAGE 476, MISCELLANEOUS RECORDS OF SAID COUNTY, DESCRIBED AS FOLLOWS:

COMMENCE AT A POINT WHERE THE SOUTH LINE OF LILAC TERRACE INTERSECTS THE WESTERLY LINE OF LOOKOUT DRIVE; THENCE S. $29^{\circ}29'25''$ W. 484.50 FEET TO A POINT, BEING THE MOST SOUTHERLY CORNER OF THE PREVIOUSLY ACQUIRED PROPERTY RECORDED ON NOVEMBER 6, 1941 IN BOOK 18849, PAGE 383, OFFICIAL RECORDS OF SAID COUNTY, AND THE TRUE POINT OF BEGINNING; THENCE S. $31^{\circ}12'30''$ W. 138.30 FEET TO A POINT WHERE THE NORTH LINE OF CHAVEZ RAVINE ROAD AND THE NORTH LINE OF THE CORONEL STREET INTERSECTS; THENCE N. $86^{\circ}21'25''$ W. 103.18 FEET TO A POINT; THENCE ON A CURVE TO THE RIGHT HAVING A RADIUS OF 1475 FEET A DISTANCE OF 281.71 FEET TO A POINT; THENCE N. $40^{\circ}47'25''$ W. 431.06 FEET ALONG THE NORTH LINE OF CHAVEZ RAVINE ROAD TO A POINT; THENCE N. $35^{\circ}35'05''$ E. 87.14 FEET TO A POINT IN THE SOUTHWEST CORNER OF THE ABOVE MENTIONED NAVAL AND MARINE CORPS RESERVE ARMORY SITE; THENCE FOLLOWING THE SOUTH BOUNDARY OF SAID SITE S. $40^{\circ}05'25''$ E. 102 FEET TO A POINT; THENCE S. $70^{\circ}48'25''$ E. 206 FEET TO A POINT; THENCE S $46^{\circ}12'10''$ E. 482.86 FEET TO THE POINT OF BEGINNING.

CONTAINING 3.039 ACRES.

PARCEL 2:

ALL THAT CERTAIN LAND BEING A PART OF THE SUBDIVISION OF THE ABILA TRACT AND ADJOINING LANDS, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 3, PAGE 476, MISCELLANEOUS RECORDS OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTH LINE OF LILAC TERRACE, WHICH POINT IS N. $60^{\circ}47'10''$ W. 727.45 FEET FROM THE POINT OF INTERSECTION OF THE SOUTH LINE OF LILAC TERRACE WITH THE WESTERLY LINE OF LOOKOUT DRIVE, SAID POINT BEING ALSO THE MOST NORTHERLY CORNER OF LANDS

HERETOFORE ACQUIRED BY THE UNITED STATES AND RECORDED NOVEMBER 6, 1941 IN BOOK 18849, PAGE 383, OFFICIAL RECORDS OF SAID COUNTY; THENCE S. 35° 35' 05" W. 364.93 FEET ALONG THE NORTHWESTERLY BOUNDARY OF THE AFOREMENTIONED PROPERTY TO A POINT; THENCE CONTINUING S. 35° 35' 05" W. 87.14 FEET TO A POINT ON THE NORTH LINE OF CHAVEZ RAVINE ROAD; THENCE N. 40° 47' 25" W. 51.97 FEET TO A POINT; THENCE N. 29° 12' 50" E. 431.51 FEET TO A POINT ON THE SOUTH LINE OF LILAC TERRACE; THENCE S. 60° 47' 10" E. AND ALONG SAID SOUTH LINE OF LILAC TERRACE 99.0 FEET TO THE POINT OF BEGINNING.

CONTAINING 0.752 ACRES, MORE, OR LESS.

PARCEL 3:

ALL THAT CERTAIN LAND BEING A PART OF THE SUBDIVISION OF THE ABILA TRACT AND ADJOINING LANDS, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 3, PAGE 476, MISCELLANEOUS RECORDS OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT WHERE THE SOUTH LINE OF LILAC TERRACE INTERSECTS THE WESTERLY LINE OF LOOKOUT DRIVE; RUN THENCE S. 29° 29' 25" W. 305.96 FEET TO A POINT ON THE PROPERTY LINE OF PROPERTY HERETOFORE ACQUIRED AND RECORDED ON NOVEMBER 6, 1941 IN BOOK 18849, PAGE 383, OFFICIAL RECORDS OF SAID COUNTY; THENCE ALONG SAID BOUNDARY LINE N. 46° 12' 10" W. 438.88 FEET TO A POINT; THENCE ALONG THE BOUNDARY LINE OF LAND PREVIOUSLY ACQUIRED N. 43° 45' 05" E. 201.92 FEET TO THE SOUTH LINE OF LILAC TERRACE; THENCE ALONG SAID SOUTH LINE S. 60° 47' 10" E. 375.53 FEET TO THE POINT OF BEGINNING.

CONTAINING 2.336 ACRES, MORE OR LESS.

PARCEL 4:

THAT CERTAIN TRACT OF LAND MARKED "PEST HOUSE" ON MAP OF THE SUBDIVISION OF THE ABILA TRACT AND ADJOINING LANDS, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, RECORDED IN BOOK 3, PAGE 476, MISCELLANEOUS RECORDS OF LOS ANGELES COUNTY, MORE PARTICULARLY BOUNDED AS FOLLOWS:

BEGINNING AT THE MOST NORTHERLY CORNER OF SAID TRACT OF LAND, BEING A POINT IN THE SOUTHWESTERLY LINE OF LILAC TERRACE, FORMERLY RESERVOIR STREET; THENCE SOUTH 35° 35' 05" WEST ALONG THE NORTHWESTERLY LINE OF THE SAID TRACT OF LAND THREE HUNDRED SIXTY-FOUR AND NINETY-FOUR HUNDREDTHS (364.94) FEET TO THE MOST WESTERLY CORNER THEREOF; THENCE SOUTH 40° 05' 25" EAST ALONG THE

SOUTHWESTERLY LINE OF THE SAID TRACT OF THE LAND ONE HUNDRED TWO (102) FEET TO AN ANGLE POINT THEREIN; THENCE SOUTH 70° 48' 25" EAST CONTINUING ALONG THE BOUNDARY OF SAID TRACT OF LAND TWO HUNDRED SIX (206) FEET TO THE COMMON CORNER OF THE SAID TRACT OF LAND AND THE PARCEL OF LAND MARKED "HEBREW CEMETERY" ON SAID MAP OF THE SUBDIVISION OF THE ABILA TRACT; THENCE NORTH 43° 45' 05" EAST ALONG THE SOUTHEASTERLY LINE OF SAID FIRST MENTIONED TRACT OF LAND THREE HUNDRED SEVENTY-FOUR AND NINETY-TWO HUNDREDTHS (374.92) FEET IN THE MOST EASTERLY CORNER OF SAID LAND, SAID LAST MENTIONED CORNER BEING A POINT IN SAID SOUTHWESTERLY LINE OF LILAC TERRACE; THENCE NORTH 60° 47' 10" WEST ALONG SAID LAST MENTIONED SOUTHWESTERLY LINE THREE HUNDRED FIFTY-ONE AND NINETY-TWO HUNDREDTHS (351.92) FEET TO THE POINT OF BEGINNING.

PARCEL 5:

THAT PORTION OF THAT CERTAIN TRACT OF LAND MARKED "HEBREW CEMETERY" ON MAP OF THE SUBDIVISION OF THE ABILA TRACT AND ADJOINING LANDS, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 3, PAGE 476, MISCELLANEOUS RECORDS OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST SOUTHERLY CORNER OF SAID TRACT OF LAND; THENCE NORTH 46° 12' 10" WEST ALONG THE SOUTHWESTERLY LINE OF SAID TRACT OF LAND FOUR HUNDRED EIGHTY-TWO AND NINETY-ONE HUNDREDTH (482.91) FEET TO THE MOST WESTERLY CORNER THEREOF; THENCE NORTH 43° 45' 05" EAST ALONG THE NORTHWESTERLY LINE OF SAID TRACT OF LAND ONE HUNDRED AND SEVENTY-THREE (173) FEET; THENCE SOUTH 46° 12' 10" EAST FOUR HUNDRED AND THIRTY-EIGHT AND EIGHTY-EIGHT HUNDREDTHS (438.88) FEET TO THE SOUTHEASTERLY LINE OF SAID TRACT OF LAND; THENCE SOUTH 29° 29' 25" WEST ALONG SAID SOUTHEASTERLY LINE ONE HUNDRED SEVENTY-EIGHT AND SIXTY-TWO HUNDREDTHS (178.62) FEET TO THE POINT OF BEGINNING.

EXHIBIT B
ENVIRONMENTAL COVENANT

Recording Requested By:

City of Los Angeles

When Recorded, Mail To:

Sam Unger, Executive Officer
California Regional Water Quality Control Board
Los Angeles Region
320 W. 4th Street, Suite 200
Los Angeles, California 90013

COVENANT AND ENVIRONMENTAL RESTRICTION
ON PROPERTY

FRANK HOTCHKIN MEMORIAL TRAINING CENTER
1700 STADIUM WAY, LOS ANGELES, CA 90012
APN: 5415-14-900
LARWQCB SLIC CASE # 1033

This Covenant and Environmental Restriction on Property ("Covenant") is made as of the _____ day of _____, 20____ by City of Los Angeles, acting by and through its Department of General Services ("Covenantor") who is the Owner of record of that certain property situated at 1700 Stadium Way in the City of Los Angeles, County of Los Angeles, State of California, which is more particularly described in Attachments 1 and 2 attached hereto and incorporated herein by this reference (hereinafter referred to as the "Burdened Property"), for the benefit of the California Regional Water Quality Control Board, Los Angeles Region ("Board"), with reference to the following facts:

Acting by and through the General Services Administration, the United States is transferring the Property to the City of Los Angeles pursuant to Section 120(h)(3)(A) of the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA," 42 U.S.C. 9601 et seq.). The Deed of Conveyance for this transfer is to be executed contemporaneously with this Covenant and Environmental Restriction on Property. The Board has determined that this Covenant is reasonably necessary to protect present or future human health or safety or the environment as a result of potential risk related to the presence of hazardous materials on the property. For these reasons, the Covenantor has chosen to enter into this Covenant with the Board.

A. Nature of Covenant. This Covenant is an environmental covenant provided for by Civil Code section 1471 and required by the Board pursuant to Water Code section 13307.1 because the Burdened Property is contaminated by hazardous materials as defined in section 25260 of the Health and Safety Code.

B. Contamination of the Burdened Property. The soil, soil vapor, and groundwater at the Burdened Property are contaminated by petroleum compounds from the former gasoline service

station area and the vehicle lube rack, designated as Installation Restoration (IR) Site 1. The known contamination originally consisted of hydrocarbon chemicals including benzene, ethylbenzene, toluene, xylenes and 1,2 Dichloroethane (1,2-DCA) which constitute hazardous materials. By means of natural attenuation the known groundwater contamination in the area of the former gasoline station has been reduced to 17 micrograms/liter (µg/L) of 1,2-DCA, and 1.2 µg/L of benzene (July, 2010).

C. Exposure Pathways. The contaminants addressed in this Covenant are present in the soil and groundwater at the Burdened Property. Without the mitigation measures which have been performed on the Burdened Property, exposure to these contaminants could take place via in-place contact resulting in dermal contact, inhalation or ingestion by humans. The risk of public exposure to the contaminants has been substantially lessened by the remediation and controls described herein.

D. Land Uses and Population Potentially Affected. The Burdened Property is used for building and administrative services, critical incident planning and training, recruit and cadet volunteer training and as a command post. The property also includes storage and vehicle maintenance buildings located immediately southeast of the main building. The Burdened Property is adjacent to the Los Angeles Dodgers baseball stadium, Elysian Park and to residential housing.

E. Disclosure and Sampling. Disclosure of the presence of hazardous materials on the Burdened Property has been made to the Board and extensive sampling of the Burdened Property has been conducted.

F. Use of Burdened Property. Covenantor desires and intends that in order to benefit the Board, and to protect the present and future public health and safety, the Burdened Property shall be used in such a manner as to avoid potential harm to persons or property that might result from any hazardous materials that might remain deposited on portions of the Burdened Property.

ARTICLE I GENERAL PROVISIONS

1.1 Provisions to Run with the Land. This Covenant sets forth protective provisions, covenants, conditions and restrictions (collectively referred to as "Restrictions") upon and subject to which the Burdened Property and every portion thereof shall be improved, held, used, occupied, leased, sold, hypothecated, encumbered, and/or conveyed. These Restrictions are reasonably necessary to protect present and future human health and safety or the environment as a result of the presence on the land of hazardous materials. Each and all of the Restrictions shall run with the land and pass with each and every portion of the Burdened Property, and shall apply to, inure to the benefit of, and bind the respective successors, assigns, and lessees thereof for the benefit of the Board and all Owners and Occupants. Each and all of the Restrictions: (a) are imposed upon the entire Burdened Property, unless expressly stated as applicable to a specific portion of the Burdened Property; (b) run with the land pursuant to section 1471 of the Civil Code; and (c) are enforceable by the Board.

1.2 Concurrence of Owners and Lessees Presumed. All purchasers, lessees, and possessors of all or any portion of the Burdened Property shall become Owners or Occupants as defined herein and shall be deemed by their purchase, leasing, or possession of the Burdened Property to be bound by the Restrictions and to agree for and among themselves, their heirs, successors, and assignees, and the agents, employees, and lessees of such owners, heirs, successors, and assignees, that the Restrictions herein established must be adhered to for the benefit of the Board and all Owners and Occupants, and that the interest of all Owners and Occupants of the Burdened Property shall be subject to the Restrictions.

1.3 Incorporation into Deeds and Leases. Covenantor desires and covenants that the Restrictions shall be incorporated in and attached to each and all deeds and leases of all or any portion of the Burdened Property. Recordation of this Covenant shall be deemed binding on all successors, assigns, and lessees, regardless of whether a copy of this Covenant has been attached to or incorporated into any given deed or lease.

1.4 Purpose. It is the purpose of this instrument to convey to the Board real property rights, which will run with the land, to facilitate the remediation of past environmental contamination and to protect human health and the environment by reducing the risk of exposure to residual hazardous materials.

ARTICLE II DEFINITIONS

2.1 Board. "Board" shall mean the California Regional Water Quality Control Board, Los Angeles Region and shall include its successor agencies, if any.

2.2 Improvements. "Improvements" shall mean all buildings, structures, roads, driveways, gradings, re-gradings, and paved areas, constructed or placed upon any portion of the Burdened Property.

2.3 Occupant or Occupants. "Occupant" or "Occupants" shall mean Owners and those persons entitled by ownership, leasehold, or other legal relationship to the right to use and/or occupy all or any portion of the Burdened Property.

2.4 Owner or Owners. "Owner" or "Owners" shall mean the Covenantor and Covenantor's successors in interest who hold title to all or any portion of the Burdened Property.

ARTICLE III DEVELOPMENT, USE AND CONVEYANCE OF THE BURDENED PROPERTY

3.1 Restrictions on Development and Use. Covenantor promises to restrict the use of the Burdened Property as follows:

- a. Development and use of the Burdened Property shall be restricted to industrial, commercial, and/or office space;
- b. No residence for human habitation shall be permitted on the Burdened Property;
- c. No hospitals shall be permitted on the Burdened Property;
- d. No public or private schools for persons under 18 years of age, excluding the occasional maintenance and training tasks assigned to cadet volunteers, shall be permitted on the Burdened Property;
- e. No care or community centers for children or senior citizens, or other uses that would involve the regular congregation of children or senior citizens, shall be authorized on the Burdened Property;
- f. No Owner or Occupant shall conduct or permit any excavation work that disturbs the existing cap on the Burdened Property, unless expressly permitted in writing by the Board. Any contaminated soils brought to the surface by grading, excavation, trenching, or backfilling shall be managed by the Owner, Owner's agent, Occupant or Occupant's agent in accordance with all applicable provisions of local, state and federal law;
- g. Any excavation conducted on the Burdened Property shall be performed pursuant to an appropriate and fully implemented Health and Safety Plan as required by CCR, Title 8, Section 5192 (b);
- h. All uses and development of the Burdened Property shall be consistent with any applicable Board Order. Any uses or development of the Burdened Property which include disturbing the cap shall require the creation of a Soil Management Plan by Owner or Owner's agent or Occupant or Occupant's agent. Any use or development of the Burdened Property shall thereafter be consistent with such Soil Management Plan (which may be amended in the future). All uses and development shall preserve the integrity of any cap, any remedial measures taken or remedial equipment installed, and any groundwater monitoring system installed on the Burdened Property pursuant to the requirements of the Board, unless otherwise expressly permitted in writing by the Board;
- i. No Owner or Occupant shall drill, bore, otherwise construct, or use a well for the purpose of extracting water for any use, including but not limited to, domestic, potable, or industrial uses, unless expressly permitted in writing by the Board; nor shall the Owner or Occupant permit or engage any third party to do such acts;
- j. The Owner and Occupant shall notify the Board of each of the following: (1) the type, cause, location and date of any disturbance to any cap, any remedial measures taken or remedial equipment installed, and of the groundwater monitoring system installed on the Burdened Property pursuant to the requirements of the Board, which could affect the ability of such cap or remedial measures, remedial equipment, or monitoring system to perform their respective

functions and (2) the type and date of repair of such disturbance. Notifications to the Board shall be made by registered mail within ten (10) working days of both the date of discovery of such disturbance and the date of completion of repairs;

k. The Covenantor agrees that the Board, and any persons acting pursuant to Board orders, shall have reasonable access to the Burdened Property for the purposes of inspection, surveillance, maintenance, or monitoring as provided in Division 7 of the Water Code; and

l. Owner or Occupant shall clean up any spills within the Burdened Property as expeditiously as possible and shall preserve the integrity of any capped areas.

3.2 Enforcement. Failure of an Owner or Occupant to comply with any of the Restrictions set forth in Paragraph 3.1 shall be grounds for the Board, by the authority of this Covenant, to require that the Owner or Occupant modify or remove, or cause to be modified or removed, any Improvements constructed in violation of that Paragraph. Violation of this Covenant shall also be grounds for the Board to file civil actions against the Owner or Occupant as provided by law. Nothing in this Covenant shall limit the Water Board's authority under Division 7 (commencing with section 13000) of the Water Code or other applicable laws.

3.3 Notice in Agreements. After the date of recordation hereof, all Owners and Occupants shall execute a written instrument which shall accompany all purchase agreements or leases relating to all or any portion of the Burdened Property. Any such instrument shall contain the following statement:

The land described herein contains hazardous materials in soils and in the groundwater under the property, and is subject to a Covenant and Environmental Restriction dated as of _____, 20____, and recorded on _____, 20____, in the Official Records of _____ County, California, as Document No. _____, which Covenant and Environmental Restriction imposes certain covenants, conditions, and restrictions on usage of the property described herein. This statement is not a declaration that a hazard exists.

ARTICLE IV VARIANCE AND TERMINATION

4.1 Variance. Any Owner or, with the Owner's written consent, any Occupant may apply to the Board for a written variance from the provisions of this Covenant.

4.2 Termination. Any Owner or, with the Owner's written consent, any Occupant may apply to the Board for a termination of the Restrictions as they apply to all or any portion of the Burdened Property.

4.3 Term. Unless terminated in accordance with Paragraph 4.2 above, by law or otherwise, this Covenant shall continue in effect in perpetuity.

ARTICLE V
MISCELLANEOUS

5.1 No Dedication Intended. Nothing set forth herein shall be construed to be a gift or dedication, or offer of a gift or dedication, of the Burdened Property or any portion thereof to the general public.

5.2 Notices. Whenever any person gives or serves any notice, demand, or other communication with respect to this Covenant, each such notice, demand, or other communication shall be in writing and shall be deemed effective (a) when delivered, if personally delivered to the person being served or an official of a government agency being served, or (b) three (3) business days after deposit in the mail if mailed by United States mail, postage paid certified, return receipt requested, addressed:

If To: "Covenantor"
City of Los Angeles
c/o Department of General Services
c/o Real Estate Services Division
Suite 201, City Hall South
111 East First Street
Los Angeles, California 90012

With a copy to:
Los Angeles Fire Department
Fire Facilities Commander C/O FHMTTC2900 Stadium Way
Los Angeles, California 90012

With a copy to:
Office of the City Attorney
Real Property/Environment Division
700 City Hall East, 200 North Main Street
Los Angeles, California 90012

If To: "Board"
Regional Water Quality Control Board
Los Angeles Region
Attention: Executive Officer
320 W. 4th Street, Suite 200
Los Angeles, California 90013

5.3 Partial Invalidity. If any portion of the Restrictions or terms set forth herein is determined by a court having jurisdiction to be invalid for any reason, the remaining portion shall remain in full force and effect as if such portion had not been included herein.

5.4 Recordation. This instrument shall be executed by the Covenantor and by the Executive

Officer of the Board. This instrument shall be recorded by the Covenantor in the County of Los Angeles within ten (10) days of the date of execution.

5.5 References. All references to Code sections include successor provisions.

5.6 Construction. Any general rule of construction to the contrary notwithstanding, this instrument shall be liberally construed in favor of the Covenant to preserve and implement the purpose of this instrument and the policies and purposes of the Water Code. If any provision of this instrument is found to be ambiguous, an interpretation consistent with the purpose of this instrument that would render the provision valid shall be favored over any interpretation that would render it invalid.

IN WITNESS WHEREOF, the parties execute this Covenant as of the date set forth above.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK;
SIGNATURES ON FOLLOWING PAGES]**

Covenantor: _____
Print Name: _____
Signature: _____
Title: _____
Date: _____

CERTIFICATE OF ACKNOWLEDGMENT

State of California

County of _____

On _____, 20__ before me, _____, Notary Public,
personally appeared _____,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same
in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument
the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature of Notary Public

(Notary Seal)

California Regional Water Quality Control Board, Los Angeles Region

Print Name: Samuel Unger

Signature: _____

Title: Executive Officer

Date: _____

CERTIFICATE OF ACKNOWLEDGMENT

State of California

County of Los Angeles

On _____, 20__ before me, _____, Notary Public,
personally appeared _____,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same
in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument
the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature of Notary Public

(Notary Seal)

ATTACHMENT 1

LEGAL DESCRIPTION OF BURDENED PROPERTY

PORTION OF 5415-014-900

THAT PORTION OF THAT CERTAIN TRACT OF LAND MARKED "HEBREW CEMETERY" ON MAP OF THE SUBDIVISION OF THE ABILA TRACT AND ADJOINING LANDS, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 3, PAGE 476, MISCELLANEOUS RECORDS OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST SOUTHERLY CORNER OF SAID TRACT OF LAND; THENCE NORTH 46° 12' 10" WEST ALONG THE SOUTHWESTERLY LINE OF SAID TRACT OF LAND FOUR HUNDRED EIGHTY-TWO AND NINETY-ONE HUNDREDTH (482.91) FEET TO THE MOST WESTERLY CORNER THEREOF; THENCE NORTH 43° 45' 05" EAST ALONG THE NORTHWESTERLY LINE OF SAID TRACT OF LAND ONE HUNDRED AND SEVENTY-THREE (173) FEET; THENCE SOUTH 46° 12' 10" EAST FOUR HUNDRED AND THIRTY-EIGHT AND EIGHTY-EIGHT HUNDREDTHS (438.88) FEET TO THE SOUTHEASTERLY LINE OF SAID TRACT OF LAND; THENCE SOUTH 29° 29' 25" WEST ALONG SAID SOUTHEASTERLY LINE ONE HUNDRED SEVENTY-EIGHT AND SIXTY-TWO HUNDREDTHS (178.62) FEET TO THE POINT OF BEGINNING.

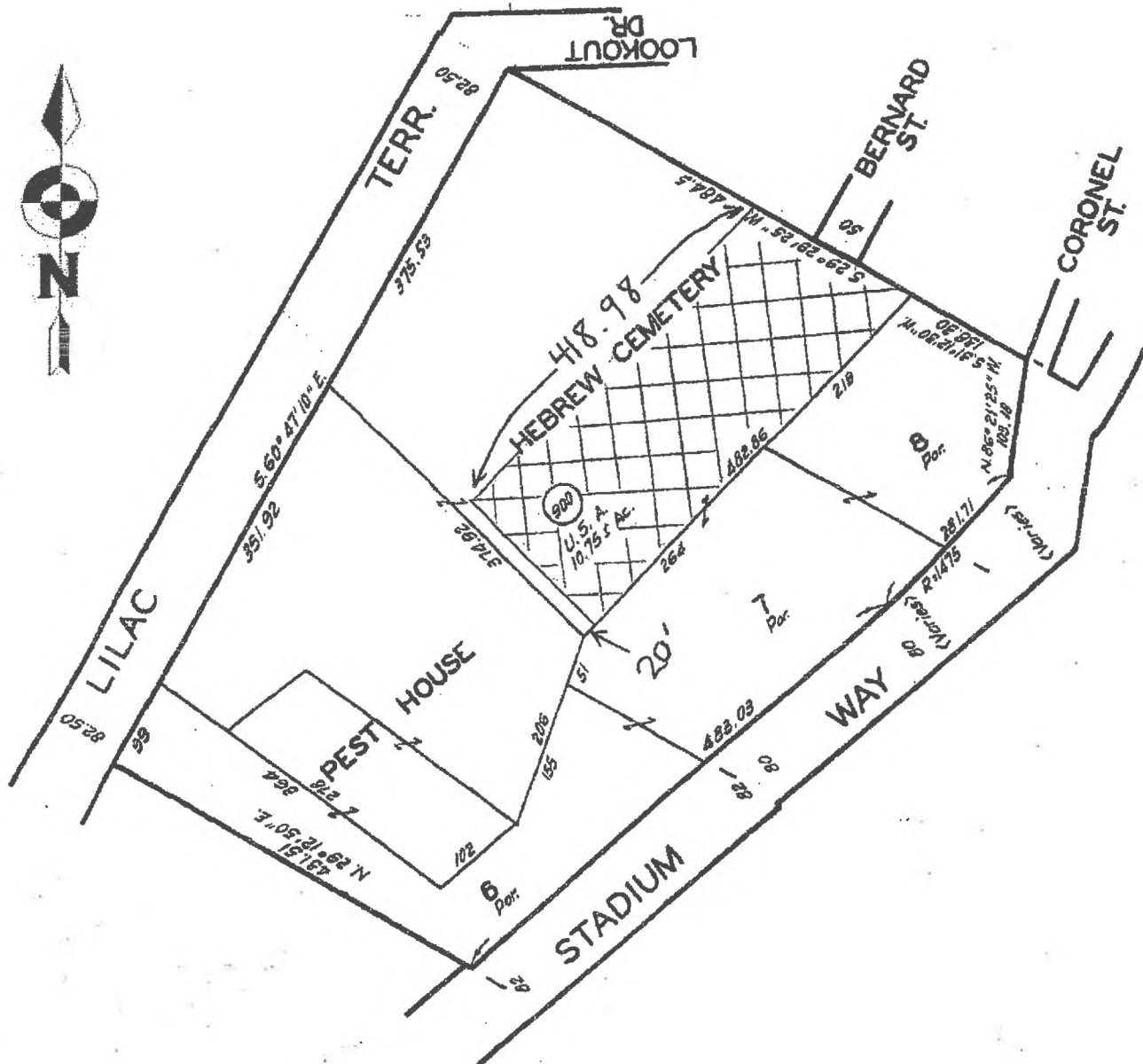
EXCEPT THEREFROM THE NORTHWESTERLY 20 FEET OF SAID LAND.

THE ABOVE MENTIONED LEGAL DESCRIPTION IS A PORTION OF PARCEL 2 OF THE DEED THAT RECORDED NOVEMBER 6, 1941 AS INSTRUMENT NO. 1515 IN BOOK 18849 PAGE 383 OF OFFICIAL RECORDS.

ATTACHMENT 2

MAP OF THE BURDENED PROPERTY

THE CROSS-HATCHED AREA DENOTES THE BURDENED PROPERTY WHICH IS PART OF PARCEL 2 OF THE DEED THAT RECORDED ON NOVEMBER 6, 1941 IN BOOK 18849 PAGE 383 OF OFFICIAL RECORDS. ASSESSOR'S PARCEL NUMBER 5415-014-900



SUBDIVISION OF THE ABILA TRACT AND ADJOINING LANDS

M. R. 3-476

Exhibit C
HISTORIC PRESERVATION COVENANT

Grantee covenants and agrees for itself, its successors and assigns and every successor-in-interest to the Property (as described below), or any portion thereof, to be bound by the terms, conditions and restrictions of this preservation covenant. Unless otherwise noted, this covenant utilizes the definitions in 36 CFR part 800 (2004), and particularly 36 CFR §800.16 (2004).

1. Historic Property Description. Grantee covenants, acknowledges, and agrees to preserve the Historic Property and setting in accordance with the terms and conditions of this covenant. The "Historic Property" consists of that portion of the Property depicted in Attachment 1 to this Exhibit B attached hereto and any improvements thereon, including without limitation, Building 1 and its two associated flagpoles. The Historic Property and its setting are described in detail in the Historic Resources Eligibility Survey ("HRES") prepared by KEA Environmental and JRP Historical Consulting, 1997. A copy of the HRES is attached to the *Memorandum of Agreement by and among the United States of America, acting by and through the General Services Administration, the California State Historic Preservation Office and the City of Los Angeles Regarding the Conveyance and Preservation of Building One and its associated Flagpoles located within the Naval and Marine Corps Reserve Center*, dated _____, 2015("MOA") and filed with the Advisory Council on Historic Places ("ACHP"). It noted, among other items, the following facts:

- a. The Historic Property is eligible for the National Register of Historic Places ("NRHP") based on its significance on a local level to the City of Los Angeles under NRHP Criterion A within the context of military history, and under Criterion C for its architecture. Under Criterion A, Building 1 is significant as a key reserve training facility in Los Angeles during World War II and because it appears to be one of the earliest permanent Naval and Marine Corps Reserve Centers to be built in the United States. Architecturally, Building 1 is significant in three aspects: as an important example of the work of Stiles O. Clements, a master designer; as a distinguished example of "Starved Classicism," favored for Federal construction during the 1930s; and as a spectacular example of a clear-span building using the patented Lamella roof, a barrel vault built around wooden trusses.
- b. Building 1 is the Training Building, a large and complex structure with a footprint of about 300' x 225' and a usable area of 133,484 sq. feet. The Training Building, built into the hillside, is comprised of two separate structures, a three-story office wing at the front and a tall drill deck at the rear. The building as a whole has thick reinforced concrete walls. The drill deck has a resilient floating wood floor and 50 foot tall barrel vaulted roof. There are two flagpoles, centered on entries at the front and back of Building 1, which were erected in 1940 along with Building 1, and are part of the

Historic Property. All other structures on the Property were determined non-contributing elements either in the HRES or in subsequent federal agency consultation.

- c. Building 1, constructed in 1940, was designed by Stiles O. Clements, a Los Angeles architect, formerly with the partnership of Morgan, Walls, and Clements, who had recently formed his own firm. The building is designed in an architectural style unique to federal architecture during the 1930s, variously called "Stripped Classicism," "Starved Classicism," or "WPA Moderne." The style represents an attempt to retain identifiable neo-classical elements, long associated with federal construction, while introducing the sleek and smooth surfaces characteristic of Art Deco and Streamlined Moderne, the "modern" architecture of the time.
- d. Character defining features ("Character Defining Elements" or "CDE(s)") of the Historic Property include: Grand central staircase to entry plaza with integral concrete planter boxes; three-part stacked steel awning-type sash windows; recessed cast stone features in the form of a bundled rod "fasces" motif; cut-stone concrete surfacing; central three-door entry, framed by four large fluted pilasters; three figurative panels in cast concrete; a Marine Corps panel; an American flag panel; and a Navy panel; tall concrete "radio" tower with hipped roof; cornice with concrete dentil course with wide frieze below and the name "Naval and Marine Corps Reserve Center" spelled out in tall brass letters on the frieze. Interior features include: large interior drill deck with its "Lamella" truss roof and "floating floor;" training elements consisting of 40 mm gun, five-inch gun, torpedo sight, and simulated ship's bridge; basement swimming pool and rifle range; curving lobby walls; and brass lighting standards. Other features of the Historic Property include two original metal flagpoles.
- e. Most changes to the Historic Property occurred following a fire and subsequent restoration in the 1980's. The restoration work was designed by Clements & Clements of Los Angeles, son and grandsons of the original architect.

2. Alterations or Use Changes. Grantee hereby covenants and agrees to comply with the following terms and conditions regarding any alterations to the Historic Property.

- a. Standards: Grantee covenants and agrees to perform alterations to the Historic Property in compliance with the Secretary of the Interior's Standards for Rehabilitation ("Secretary's Standards") and prevailing applicable codes including the California Historical Building Code, California Code of Regulations ("C.C.R.") Title 24, Part 8 ("CHBC").
- b. Historic Structure Report: Grantee covenants and agrees to prepare a Historic Structure Report ("HSR"), as described in the *National Park Service*

Preservation Brief 43 - The Preparation and Use of Historic Structure Reports (attached hereto as Attachment 2 to Exhibit B), if a substantial alteration or change of use is proposed for the Historic Property. Grantee shall provide the California State Historic Preservation Office ("SHPO") and the City of Los Angeles Cultural Heritage Commission ("Commission") with the HSR prior to such alteration or change of use occurring. SHPO and Commission shall have fifteen (15) calendar days of receipt of the HSR to respond. The HSR will specify what aspects of the Historic Property are considered historic and fall under the authority of this covenant.

- c. Plan Review: Grantee covenants and agrees to submit to Commission, for review and approval, all plans and applications for alteration of the Historic Property as required by Paragraphs 2, 3, 4, 5, and 6 of this covenant. Commission will review the plans in accordance with Los Angeles Municipal Code, Article 1, Sec. 22.171.14, (attached hereto as Attachment 3 to this Exhibit B, the Secretary's Standards, and prevailing applicable codes including the CHBC.
 - d. Prohibition of Alterations to Historic Property: Grantee covenants and agrees to not perform any alteration (e.g. removal of significant and original historic materials, addition of material which may affect historic materials, or new construction), or permit any inaction that would materially affect the Historic Property without the prior written approval of Commission, in accordance with Paragraph 2c hereof. Written approval of the Commission shall be required prior to installing any signage, undertaking any work which requires a permit, or altering paint colors on original materials or within CDEs of the Historic Property. If the Commission's approval is not provided, such activities may not occur.
3. **Ground Disturbing Activities.** Grantee covenants and agrees to not perform material disturbance of any ground surface not already excavated as part of previous construction of the existing facility without first having a qualified archaeologist obtain a site records check from the California Historical Resources Information System ("CHRIS"), which includes the statewide Historical Resources Inventory database and the records maintained and managed, under contract, by eleven (11) independent regional Information Centers, and perform a sensitivity analysis. The sensitivity analysis shall be provided to SHPO prior to performing any ground disturbance.
4. **Professional Qualifications Standards.** Grantee hereby covenants and agrees that all historical, archaeological, architectural history, architectural, and historic architectural work carried out pursuant to this covenant shall be conducted by or under the direct supervision of an individual or individuals who meets, at a minimum, the applicable Secretary of the Interior's Professional Qualifications Standards for conducting the appropriate work (48 FR 44738-9, September 29, 1983).

5. Maintenance Program. Grantee hereby covenants and agrees that:

- a. Grantee shall preserve and maintain the Historic Property in a manner that preserves and maintains its attributes that contribute to the eligibility of the Historic Property for inclusion in the National Register of Historic Places. Grantee agrees at all times to maintain the Historic Property in good repair and in a clean and safe condition and in a manner that will not exacerbate the normal aging of the Historic Property or accelerate its deterioration, all in accordance with the recommended approaches set forth in the Secretary's Standards and as described in the HSR.
- b. Commencing upon the effective date of this covenant, Grantee shall promptly take commercially reasonable actions to secure the Historic Property from the elements, vandalism and arson, and shall carefully undertake any stabilization that is necessary to prevent deterioration, using the Secretary's Standards.
- c. Grantee covenants and agrees to make every effort to maintain reasonable public access to the Historic Property, while providing appropriate security for Property tenants. Should major changes in Historic Property use become necessary, Grantee will consider those alternatives that continue to meet the public access and stewardship goals of this covenant as well as invite and consider comments from the Commission on those alternatives. Grantee further covenants and agrees to give first preference to those uses that meet the public access and stewardship goals of this covenant.
- d. Grantee shall conduct seismic analyses of the Historic Property, if necessary, prior to any ground disturbing activity that may affect the structural integrity of the Historic Property, and as warranted thereafter. Grantee shall take into consideration the results of seismic analyses, so that the structural integrity of the Historic Property is not adversely affected by such activities, and shall provide the results of seismic analyses to the Commission prior to said activity.

6. Casualty Damage to the Property. Grantee hereby covenants and agrees that:

- a. Immediate rescue and salvage operations are not subject to this Paragraph, but rather are subject to Paragraph 7.d below. Subject to Paragraph 6.b below, if there is damage to the Historic Property resulting from casualty loss, Grantee shall repair or restore, as appropriate, the Historic Property in compliance with the Secretary's Standards unless it is not feasible to do so because of commercial or physical infeasibility, legal requirements or other circumstances. If it is not feasible because of commercial or physical infeasibility, legal requirements or other circumstances to repair or restore the Historic Property in compliance with the Secretary's Standards, Grantee shall consult with the Commission on other redevelopment alternatives and modifications of the Historic Property, which must adhere to the Secretary's

Standards. All cost and expense of the design and construction of any such redevelopment alternative or modifications shall be borne by Grantee.

- b. In the event of damage to the Historic Property, whether covered by Paragraph 6.a above or by any other provision of this covenant, Grantee shall, in addition to all other obligations of this covenant, promptly take all steps necessary to render any undamaged portions or remains of the Historic Property in a reasonably safe condition and promptly take all commercially reasonable efforts to render same in a secure and watertight condition and to minimize additional damage to the Historic Property.

7. Discoveries, Unanticipated Adverse Effects, Situations, and Emergencies. Grantee hereby covenants and agrees that:

- a. In accordance with 14 C.C.R. § 15064.5(f), Grantee will provide for the protection, evaluation and treatment of any additional historic property discovered prior to or during future construction on the Historic Property. Should a discovery occur, Grantee will notify the Commission and the SHPO within two (2) business days (not including a federal or state holiday) to develop and implement an appropriate treatment plan prior to resuming construction operations in the vicinity of the discovery.
- b. All materials and records resulting from the data recovery shall be curated by an institution or organization selected by Grantee in consultation with the Commission. Any reports generated shall be prepared according to the U.S. Department of the Interior's Format Standards for Final Reports of Data Recovery Programs (42 FR 537-79) and shall be provided to the institution or organization and to SHPO.
- c. If unanticipated adverse effects occur to the Historic Property, Grantee shall notify the Commission and the SHPO of the unanticipated adverse effect within two (2) business days (not including a federal or state holiday) of learning of such unanticipated adverse effect, and for any efforts in response to these unanticipated adverse effects, Grantee shall comply with relevant Stipulations of this covenant.
- d. Grantee shall ensure that any immediate rescue and salvage operations it undertakes on the Historic Property are reviewed in accordance with Los Angeles Municipal Code, Article 1, Sec. 22.171.14.

8. Inspection. Grantee hereby covenants and agrees that the Commission, SHPO, or Grantor may, subject to reasonable prior notice in writing to Grantee, periodically perform reasonable visits to the Historic Property to ascertain whether Grantee is complying with the conditions of this covenant. The Commission, SHPO, or Grantor and Grantee shall cooperate in scheduling such visits.

- 9. Dispute Resolution.** Grantee hereby covenants and agrees that if a dispute arises out of or relates to this covenant, or the breach thereof, and the dispute cannot be settled through negotiation, Grantee or any other party seeking to enforce the protections afforded by this covenant hereby agree first to attempt in good faith to settle the dispute by mediation, before resorting to litigation. Grantee's responsibilities to carry out all other actions subject to the terms of this covenant that are not the subject of the dispute remain unchanged.
- 10. Communications.** Grantee hereby covenants and agrees that any notice or other communication required or permitted to be given under this covenant shall be sufficiently given or delivered if provided in writing and transmitted by personal messenger, certified mail, return receipt requested, or overnight delivery service with receipt confirmation, and addressed as follows:
- a. In the case of a notice or communication to GSA:
U.S. General Services Administration
50 United Nations Plaza
San Francisco, CA 94102-4912
Attn: Regional Historic Preservation Officer (9PH)
 - b. With courtesy copy to:

U.S. General Services Administration	U.S. General Services Administration
50 United Nations Plaza	1800 F Street, NW
San Francisco, CA 94102-4912	Washington, DC 20405
Attn: Regional Counsel (9L)	Attn: Federal Preservation Officer (PCAB)
 - c. In the case of a notice or communication to the SHPO:
State of California
State Historic Preservation Officer
Office of Historic Preservation
1725 23rd Street, Suite 100
Sacramento, CA 95816
 - d. In the case of a notice or communication to the Commission:
Office of Historic Resources, Department of City Planning
City of Los Angeles
200 North Spring Street, Room 620
Los Angeles, CA 90012
Attn: Cultural Heritage Commissioners
 - e. In the case of a notice or communication to the City of Los Angeles, CA:

City of Los Angeles	City of Los Angeles
Department of General Services	Office of the City Attorney
Asset Management Division	Real Property/Environment Division
Suite 201, City Hall South	700 City Hall East
111 East First Street	200 North Main Street
Los Angeles, CA 90012	Los Angeles, CA 90012

- f. With courtesy copy to:
Los Angeles Fire Department
Training and Support Bureau
Fire Facilities Commander
1700 Stadium Way,
Los Angeles, CA 90012

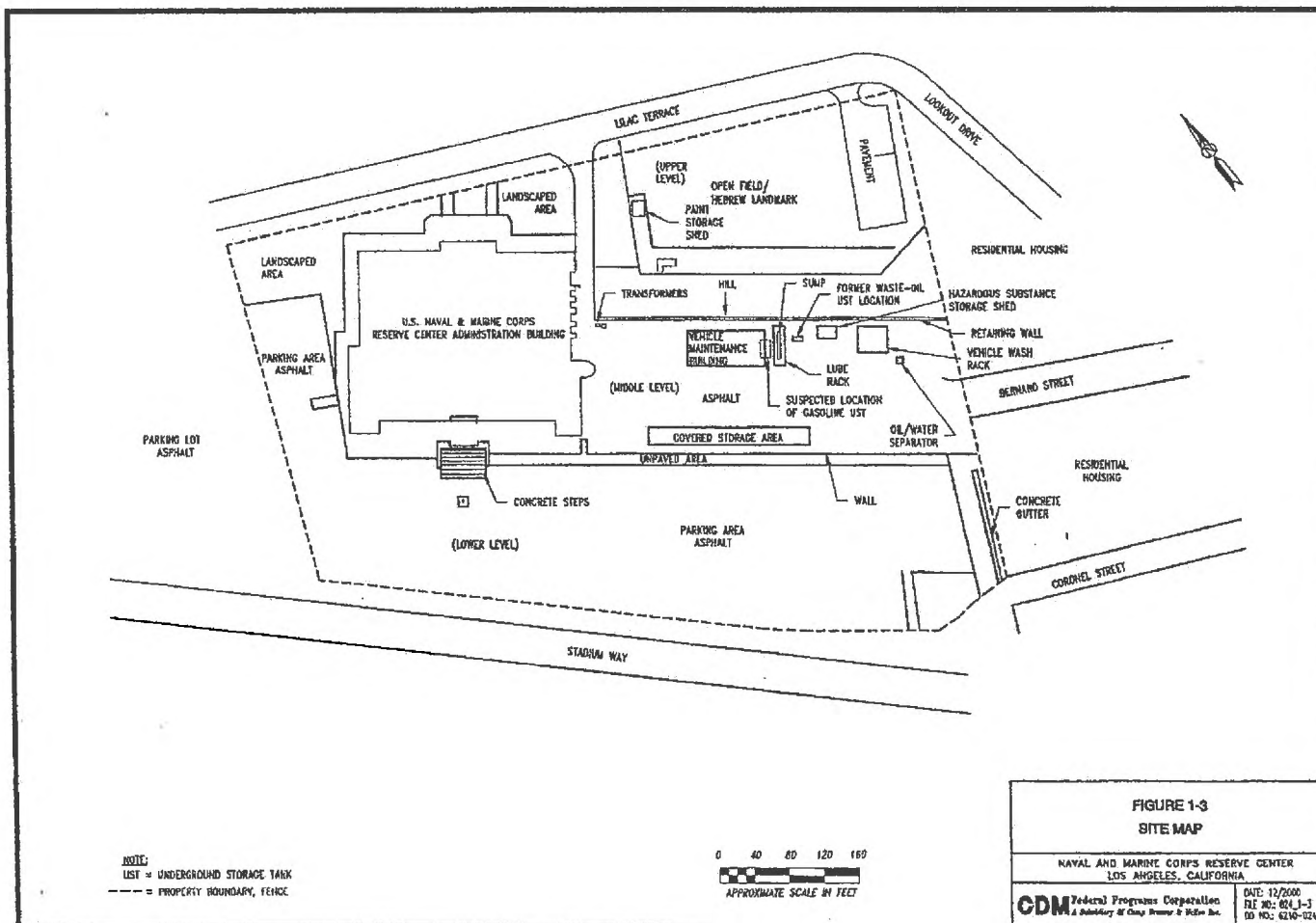
or to such other address as any party from time to time shall designate by written notice to the others.

Exhibit D
HAZARDOUS SUBSTANCES NOTIFICATION

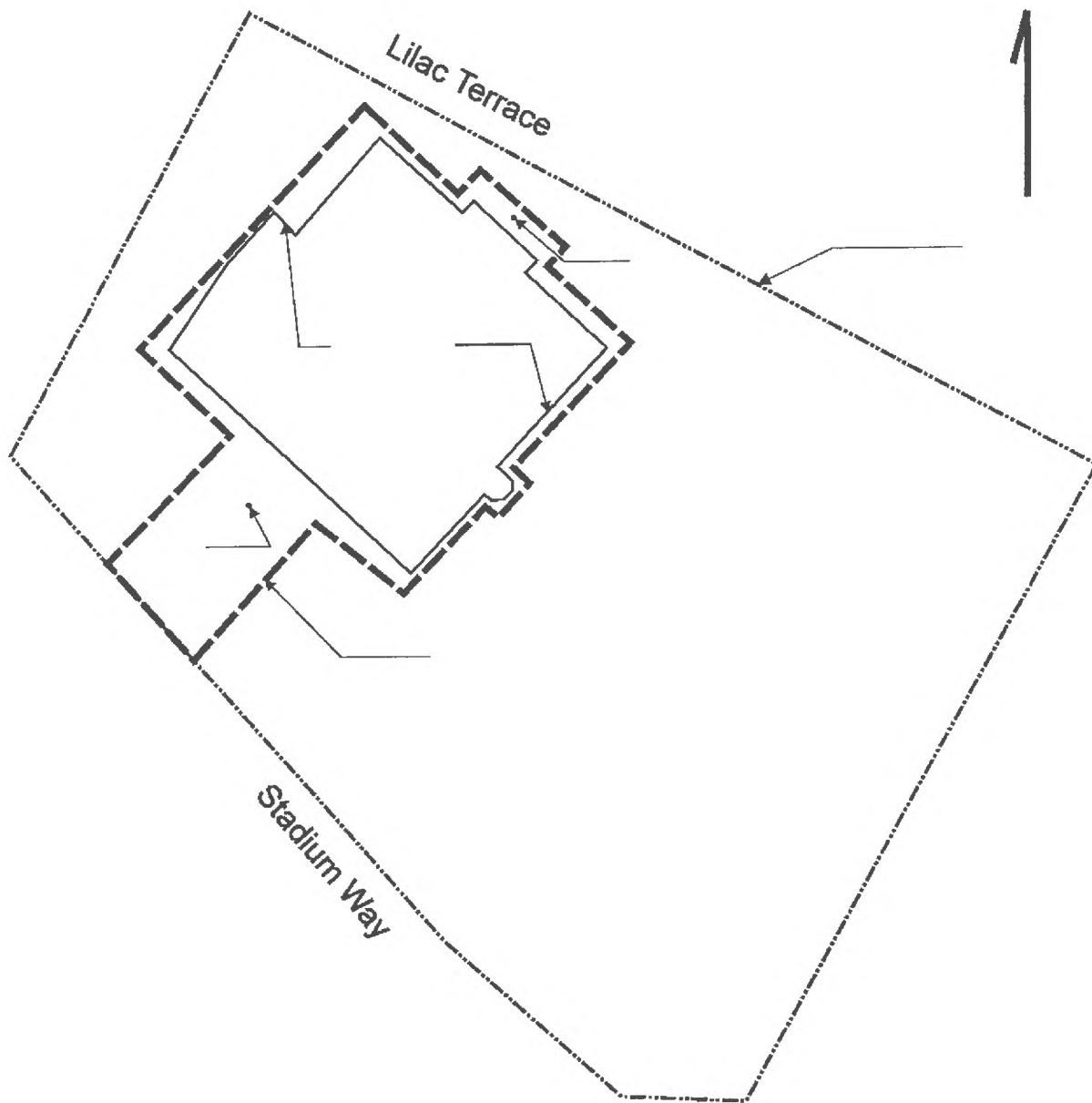
A portion of the property, known as the Luberack Area, stored drums of hazardous materials for over a year. A list of the known chemicals stored is below as is a map:

Hazardous Material	Type of Container
Antifreeze	55-gallon steel drums
Dry Sweep	55-gallon steel drums
Cleaning Solvent	55-gallon steel drums
Artillery Grease	25-pound steel cans
Diesel Fuel	55-gallon steel drums
Gasoline	5-gallon steel can
Brake Fluid Silicone	5-gallon steel can
Hydraulic Fluids	5-gallon steel can
Paint	5-gallon steel can
Paint Stripper	5-gallon steel can
Paint Thinner	5-gallon steel can
Batteries with Barium, Lithium, Magnesium, Carbon Zinc, and Mercury	Cardboard Boxes

Hazardous Waste Description	Hazardous Waste Classification
Petroleum Waste Oil	Non-RCRA ¹ Hazardous Waste Liquid, California Regulated Waste
Petroleum Waste Grease	Non-RCRA Hazardous Waste Liquid, California Regulated Waste
Waste Antifreeze	Non-RCRA Hazardous Waste Liquid, California Regulated Waste
Absorbent with Petroleum Products	Non-RCRA Hazardous Waste Solid, California Regulated Waste
Waste Batteries with Barium, Lithium, Magnesium, Carbon Zinc, and Mercury	Waste Environmentally Hazardous Substance Solid N.O.S. ² , California Regulated Waste
Filters with Petroleum Products	Non-RCRA Hazardous Waste Solid, California Regulated Waste
Waste Latex Paint with Ethylene Glycol	Non-RCRA Hazardous Waste Liquid, California Regulated Waste
Waste Floor Wax	Non-RCRA Hazardous Waste Liquid, California Regulated Waste
Waste Corrosion Preventative Aerosol with Barium	Waste Aerosols, Non-RCRA Hazardous Waste, California Regulated Waste
Waste Corrosive Liquids	Waste Corrosive Liquids, Non-RCRA Hazardous Waste Liquid, California Regulated Waste



Attachment 1 to Exhibit B



Attachment 2

**MEMORANDUM OF AGREEMENT BY AND AMONG THE UNITED STATES OF
AMERICA ACTING BY AND THROUGH ITS GENERAL SERVICES
ADMINISTRATION, THE CALIFORNIA STATE HISTORIC PRESERVATION
OFFICE, AND THE CITY OF LOS ANGELES REGARDING THE CONVEYANCE,
AND PRESERVATION OF BUILDING ONE AND ITS ASSOCIATED FLAGPOLES
LOCATED WITHIN THE NAVAL AND MARINE CORPS RESERVE CENTER**

WHEREAS, this Memorandum of Agreement ("MOA"), inclusive of all attachments, is made as of this _____ day of _____, 2014, by the U.S. General Services Administration ("GSA" or "Grantor") and the California State Historic Preservation Office ("SHPO"), (all referred to collectively herein as the "Signatories" or "Parties" or individually as a "Signatory" or "Party"), pursuant to Sections 106 and 110 of the National Historic Preservation Act ("NHPA") 16 U.S.C. §§ 470f and 470h-2, and its Section 106 implementing regulations at 36 CFR Part 800; and

WHEREAS, the Department of the Navy ("Navy"), is the federal agency that has custody and accountability, on behalf of the United States, of the Naval and Marine Corps Reserve Center, the real property located at 1700 Stadium Way, Los Angeles, CA commonly known as the Naval Reserve Center ("Property"); and

WHEREAS, the Navy completed an Historic Resources Eligibility Study and Archaeological Resources Inventory Survey ("HRES"), prepared by KEA Environmental, Inc, San Diego, CA and JRP Historical Consulting, Davis, CA, in 1997 (Attachment 1 hereto), which determined Building 1 on the Property ("Building 1") and its two flagpoles ("Flagpoles") eligible for listing in the National Register of Historic Places ("NRHP") (collectively "Historic Property", Attachment 2 hereto); and

WHEREAS, the Navy determined that the Property was excess to its needs and reported the Property excess to GSA in September, 1998; and

WHEREAS, in 1998, GSA determined that the Property was surplus to the federal government's needs and, in accordance with the procedures outlined in Title 40 of the U.S. Code, Section 101, et seq., sought to transfer the Property to a reliable steward committed to ensuring compatible use or uses and continuing responsible long-term stewardship of the Property; and

WHEREAS, the United States of America, through GSA, is proposing to convey the Property to the City of Los Angeles, CA ("City" or "Grantee") pursuant to Public Benefit Conveyance authority set forth in 40 U.S.C. 553, for use as a Los Angeles Fire Department ("LAFD") Training Facility subject to the Historic Covenant excerpted herein ("Historic Preservation Covenant") ("Undertaking"), which references the U.S. Secretary of the Interior's Standards for Rehabilitation ("Secretary's Standards") and the prevailing applicable codes including the

California Historical Building Code, California Code of Regulations ("C.C.R.") Title 24, Part 8 ("CHBC"); and

WHEREAS, in consultation, GSA determined that the Area of Potential Effect ("APE") of the Undertaking is the boundaries of the Property to be transferred, referred to as Assessor's Parcel Number 5415-14-900, Los Angeles, Los Angeles County, CA (Attachment 2 hereto); and

WHEREAS, the Property is also home to a 9/11 Twin Towers Memorial, owned and maintained by LAFD, a structure that does not contribute to the NRHP significance of the Historic Property, and therefore is not subject to the terms of this MOA; and

WHEREAS, GSA determined that the Undertaking constitutes an adverse effect to the Historic Property pursuant to 36 CFR §800.5 and, in accordance with §800.6(a) (1), has consulted with the SHPO and has notified the Advisory Council on Historic Preservation ("ACHP") of its adverse effect determination with specified documentation and the ACHP has chosen not to participate in the consultation pursuant to 36 CFR §800.6(a) (1) (iii); and

WHEREAS, the City and its Cultural Heritage Commission ("Commission") participated in consultation and are invited signatories ("Invited Signatories" or "Invited Signatory") to this MOA (36 CFR §800.6(c)(2)); and

WHEREAS, Navy and the Los Angeles Conservancy ("Conservancy") have participated in consultation pursuant to 36 CFR §800.3(f), as Consulting Parties ("Consulting Parties"); and

NOW THEREFORE, the Signatories agree that the Undertaking shall be implemented in accordance with the following Stipulations to take into account the effects of this Undertaking on the Historic Property.

GSA shall ensure that the following Stipulations are carried out:

STIPULATIONS

I. HISTORIC PRESERVATION COVENANT. Grantor shall include a Historic Covenant substantially in the form set forth below in any conveyance instrument:

Historic Preservation Covenant. Grantee covenants and agrees for itself, its successors and assigns and every successor-in-interest to the Property (as described below), or any portion thereof, to be bound by the terms, conditions and restrictions of this preservation covenant. Unless otherwise noted, this covenant utilizes the definitions in 36 CFR part 800 (2004), and particularly 36 CFR §800.16 (2004).

- 1. Historic Property Description.** Grantee covenants, acknowledges, and agrees to preserve the Historic Property and setting in accordance with the terms and conditions of this covenant. The "Historic Property" consists of that portion of the Property depicted in Attachment 2] attached hereto and any improvements thereon, including without limitation Building 1 and its two associated flagpoles. The Historic Property and its

setting are described in detail in the Historic Resources Eligibility Survey ("HRES") prepared by KEA Environmental and JRP Historical Consulting, 1997. A copy of the HRES is attached to the *Memorandum of Agreement By and Among the United States of America, Acting By and Through the General Services Administration, the California State Historic Preservation Office and the City of Los Angeles Regarding the Conveyance and Preservation of Building One and its Associated Flagpoles Located within the Naval and Marine Corps Reserve Center* ("MOA"), dated _____ day of _____, 2014, and filed with the Advisory Council on Historic Preservation ("ACHP"). It noted, among other items, the following facts:

- a. The Historic Property is eligible for the National Register of Historic Places ("NRHP") based on its significance on a local level to the City of Los Angeles under NRHP Criterion A within the context of military history, and under Criterion C for its architecture. Under Criterion A, Building 1 is significant as a key reserve training facility in Los Angeles during World War II and because it appears to be one of the earliest permanent Naval and Marine Corps Reserve Centers to be built in the United States. Architecturally, Building 1 is significant in three aspects: as an important example of the work of Stiles O. Clements, a master designer; as a distinguished example of "Starved Classicism," favored for Federal construction during the 1930s; and as a spectacular example of a clear-span building using the patented Lamella roof, a barrel vault built around wooden trusses.
- b. Building 1 is the Training Building, a large and complex structure with a footprint of about 300' x 225' and a usable area of 133,484 sq. feet. The Training Building, built into the hillside, is comprised of two separate structures, a three-story office wing at the front and a tall drill deck at the rear. The building as a whole has thick reinforced concrete walls. The drill deck has a resilient floating wood floor and 50 foot tall barrel vaulted roof. There are two flagpoles, centered on entries at the front and back of Building 1, which were erected in 1940 along with Building 1, and are part of the Historic Property. All other structures on the Property were determined non-contributing elements either in the HRES or in subsequent federal agency consultation.
- c. Building 1, constructed in 1940, was designed by Stiles O. Clements, a Los Angeles architect, formerly with the partnership of Morgan, Walls, and Clements, who had recently formed his own firm. The building is designed in an architectural style unique to federal architecture during the 1930s, variously called "Stripped Classicism," "Starved Classicism," or "WPA Moderne." The style represents an attempt to retain identifiable neo-classical elements, long associated with federal construction, while introducing the sleek and smooth surfaces characteristic of Art Deco and Streamlined Moderne, the "modern" architecture of the time.
- d. Character defining features ("Character Defining Elements" or "CDE(s)") of the Historic Property include: Grand central staircase to entry plaza with integral concrete planter boxes; three-part stacked steel awning-type sash windows; recessed

cast stone features in the form of a bundled rod "fasces" motif; cut-stone concrete surfacing; central, three-door entry, framed by four large fluted pilasters; three figurative panels in cast concrete; a Marine Corps panel; an American flag panel; and a Navy panel; tall concrete "radio" tower with hipped roof; cornice with concrete dentil course with wide frieze below and the name "Naval and Marine Corps Reserve Center" spelled out in tall brass letters on the frieze. Interior features include: large interior drill deck with its "Lamella" truss roof and "floating floor;" training elements consisting of 40 mm gun, five-inch gun, torpedo sight, and simulated ship's bridge; basement swimming pool and rifle range; curving lobby walls; and brass lighting standards. Other features of the Historic Property include two original metal flagpoles.

- e. Most changes to the Historic Property occurred following a fire and subsequent restoration in the 1980's. The restoration work was designed by Clements & Clements of Los Angeles, son and grandsons of the original architect.

2. Alterations or Use Changes. Grantee hereby covenants and agrees to comply with the following terms and conditions regarding any alterations to the Historic Property.

- a. Standards: Grantee covenants and agrees to perform alterations to the Historic Property in compliance with the Secretary of the Interior's Standards for Rehabilitation ("Secretary's Standards") and prevailing applicable codes including the California Historical Building Code, California Code of Regulations ("C.C.R.") Title 24, Part 8 ("CHBC").
- b. Historic Structure Report: Grantee covenants and agrees to prepare a Historic Structure Report ("HSR"), as described in the *National Park Service Preservation Brief 43 - The Preparation and Use of Historic Structure Reports* (attached hereto as Attachment 3) if a substantial alteration or change of use is proposed for the Historic Property. Grantee shall provide the California State Historic Preservation Office ("SHPO") and the City of Los Angeles Cultural Heritage Commission ("Commission") with HSR prior to such alteration or change of use occurring. SHPO and Commission shall have fifteen (15) calendar days of receipt of HSR to respond. The HSR will specify what aspects of the Historic Property are considered historic and fall under the authority of this covenant.
- c. Plan Review: Grantee covenants and agrees to submit to Commission, for review and approval, all plans and applications for alteration of the Historic Property as required by Paragraphs 2, 3, 4, 5, and 6 of this covenant. Commission will review the plans in accordance with Los Angeles Municipal Code, Article 1, Sec. 22.171.14, (attached hereto as Attachment 4), the Secretary's Standards, and prevailing applicable codes including the CHBC.
- d. Prohibition of Alterations to the Historic Property: Grantee covenants and agrees to not perform any alteration (e.g. removal of significant and original historic materials, addition of material which may affect historic materials, or new construction), or

permit any inaction that would materially affect the Historic Property without the prior written approval of Commission, in accordance with Paragraph 2c hereof. Written approval of the Commission shall be required prior to installing any signage, undertaking any work which requires a permit, or altering paint colors on original materials or within CDEs of the Historic Property. If the Commission's approval is not provided, such activities may not occur.

3. **Ground Disturbing Activities.** Grantee covenants and agrees to not perform material disturbance of any ground surface not already excavated as part of previous construction of the existing facility without first having a qualified archaeologist obtain a site records check from the California Historical Resources Information System ("CHRIS"), which includes the statewide Historical Resources Inventory database and the records maintained and managed, under contract, by eleven (11) independent regional Information Centers, and perform a sensitivity analysis. The sensitivity analysis shall be provided to SHPO prior to performing any the ground disturbance.
4. **Professional Qualifications Standards.** Grantee hereby covenants and agrees that all historical, archaeological, architectural history, architectural, and historic architectural work carried out pursuant to this covenant shall be conducted by or under the direct supervision of an individual or individuals who meets, at a minimum, the applicable Secretary of the Interior's Professional Qualifications Standards for conducting the appropriate work (48 FR 44738-9, September 29, 1983).
5. **Maintenance Program.** Grantee hereby covenants and agrees that:
 - a. Grantee shall preserve and maintain the Historic Property in a manner that preserves and maintains its attributes that contribute to the eligibility of the Historic Property for inclusion in the National Register of Historic Places. Grantee agrees at all times to maintain the Historic Property in good repair and in a clean and safe condition and in a manner that will not exacerbate the normal aging of the Historic Property or accelerate its deterioration, all in accordance with the recommended approaches set forth in the Secretary's Standards and as described in the HSR.
 - b. Commencing upon the effective date of this covenant, Grantee shall promptly take commercially reasonable actions to secure the Historic Property from the elements, vandalism and arson, and shall carefully undertake any stabilization that is necessary to prevent deterioration, using the Secretary's Standards.
 - c. Grantee covenants and agrees to make every effort to maintain reasonable public access to the Historic Property, while providing appropriate security for Property tenants. Should major changes in Historic Property use become necessary, Grantee will consider those alternatives that continue to meet the public access and stewardship goals of this covenant as well as invite and consider comments from the Commission on those alternatives. Grantee further covenants and agrees to give first preference to those uses that meet the public access and stewardship goals of this covenant.

- d. Grantee shall conduct seismic analyses of the Historic Property, if necessary, prior to any ground disturbing activity that may affect the structural integrity of the Historic Property, and as warranted thereafter. Grantee shall take into consideration the results of seismic analyses, so that the structural integrity of the Historic Property is not adversely affected by such activities, and shall provide the results of seismic analyses to the Commission prior to said activity.

6. Casualty Damage to the Property. Grantee hereby covenants and agrees that:

- a. Immediate rescue and salvage operations are not subject to this Paragraph, but rather are subject to Paragraph 7.d below. Subject to Paragraph 6.b below, if there is damage to the Historic Property resulting from casualty loss, Grantee shall repair or restore, as appropriate, the Historic Property in compliance with the Secretary's Standards unless it is not feasible to do so because of commercial or physical infeasibility, legal requirements or other circumstances. If it is not feasible because of commercial or physical infeasibility, legal requirements or other circumstances to repair or restore the Historic Property in compliance with the Secretary's Standards, Grantee shall consult with the Commission on other redevelopment alternatives and modifications of the Historic Property, which must adhere to the Secretary's Standards. All cost and expense of the design and construction of any such redevelopment alternative or modifications shall be borne by Grantee.
- b. In the event of damage to the Historic Property, whether covered by Paragraph 6.a above or by any other provision of this covenant, Grantee shall, in addition to all other obligations of this covenant, promptly take all steps necessary to render any undamaged portions or remains of the Historic Property in a reasonably safe condition and promptly take all commercially reasonable efforts to render same in a secure and watertight condition and to minimize additional damage to the Historic Property.

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- c. If unanticipated adverse effects occur to the Historic Property, Grantee shall notify the Commission and the SHPO of the unanticipated adverse effect within two (2) business days (not including a federal or state holiday) of learning of such unanticipated adverse effect, and for any efforts in response to these unanticipated adverse effects, Grantee shall comply with relevant Stipulations of this covenant.
 - d. Grantee shall ensure that any immediate rescue and salvage operations it undertakes on the Historic Property are reviewed in accordance with Los Angeles Municipal Code, Article 1, Sec. 22.171.14.
8. **Inspection.** Grantee hereby covenants and agrees that the Commission, SHPO, or Grantor may, subject to reasonable prior notice in writing to Grantee, periodically perform reasonable visits to the Historic Property to ascertain whether Grantee is complying with the conditions of this covenant. The Commission, SHPO, or Grantor and Grantee shall cooperate in scheduling such visits.
9. **Dispute Resolution.** Grantee hereby covenants and agrees that if a dispute arises out of or relates to this covenant, or the breach thereof, and the dispute cannot be settled through negotiation, Grantee or any other party seeking to enforce the protections afforded by this covenant hereby agree first to attempt in good faith to settle the dispute by mediation, before resorting to litigation. Grantee's responsibilities to carry out all other actions subject to the terms of this covenant that are not the subject of the dispute remain unchanged.
10. **Communications.** Grantee hereby covenants and agrees that any notice or other communication required or permitted to be given under this covenant shall be sufficiently given or delivered if provided in writing and transmitted by personal messenger, certified mail, return receipt requested, or overnight delivery service with receipt confirmation, and addressed as follows:
- a. In the case of a notice or communication to GSA:
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50 United Nations Plaza
San Francisco, CA 94102-4912
Attn: Regional Historic Preservation Officer (9PH)
 - b. With courtesy copy to:

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San Francisco, CA 94102-4912	Washington, DC 20405
Attn: Regional Counsel (9L)	Attn: Federal Preservation Officer (PCAB)
 - c. In the case of a notice or communication to the SHPO:
State of California
State Historic Preservation Officer

Office of Historic Preservation
1725 23rd Street, Suite 100
Sacramento, CA 95816

- d. In the case of a notice or communication to the Commission:

Office of Historic Resources, Department of City Planning
200 North Spring Street, Room 620
Los Angeles, CA 90012
Attn: Cultural Heritage Commissioners

- e. In the case of a notice or communication to the City of Los Angeles, CA:

City of Los Angeles
Department of General Services
Asset Management Division
Suite 201, City Hall South
111 East First Street
Los Angeles, CA 90012

City of Los Angeles
Office of the City Attorney
Real Property/Environment Division
700 City Hall East
200 North Main Street
Los Angeles, CA 90012

- f. With courtesy copy to:

Los Angeles Fire Department
Training and Support Bureau
Fire Facilities Commander
1700 Stadium Way,
Los Angeles, CA 90012

or to such other address as any party from time to time shall designate by written notice to the others.

II. FEDERAL AND CITY ACTIONS

A. Historic Covenant. GSA shall record the Historic Covenant, referenced in Stipulation I above, as part of the conveyance documents in the permanent real estate records of Los Angeles County, California, as described herein. Upon notice of the recordation of the deed containing the Historic Covenant in Los Angeles County, CA, as described herein, and of the Property's transfer from GSA to Grantee, GSA will send the SHPO and the Commission an official copy of the transfer document (e.g. complete copy of recorded deed) and any other documents deemed necessary by GSA.

B. Historic Structure Report. City shall cause a two-phase HSR for the Historic Property to be prepared. Phase One of the HSR will consist of a Physical Description and Evaluation of Significance ("HSR Phase One"), as described in the *National Park Service Preservation Brief 43 - The Preparation and Use of Historic Structure Reports* (Attachment 3 hereto), identifying significant historic spaces and features and will be prepared no later than 120 days after date MOA takes effect. Phase Two of the HSR shall be prepared in accordance

with Stipulation I.2.b above, if a substantial alteration or change in use is proposed for the Historic Property. City shall provide SHPO with HSR Phase One upon completion. SHPO shall have fifteen (15) calendar days of receipt of the HSR Phase One to respond.

C. Designation of Historic Property as Local Historic Resource. By no later than 120 days after the date the MOA takes effect, City will submit an application for initial consideration to the Commission for designation of the Historic Property as a Historic-Cultural Monument in accordance with Los Angeles Municipal Code, Article 1, Sec. 22.171.10 (Attachment 4 hereto). City shall provide SHPO with a courtesy copy of the Historic-Cultural Monument nomination.

D. Professional Qualifications Standards. Prior to conveyance, GSA shall ensure that all historical, archaeological, architectural history, architectural, and historic architectural work carried out pursuant to this MOA shall be conducted by or under the direct supervision of an individual or individuals who meets, at a minimum, the applicable Secretary of the Interior's Professional Qualifications Standards for conducting the appropriate work (48 FR 44738-9, September 29, 1983), as it may be amended.

E. Maintenance Program. Prior to conveyance, City shall preserve and maintain the Historic Property in a manner that preserves and maintains its attributes that contribute to the eligibility of the Historic Property for inclusion in the NRHP. The City shall maintain the Property in good repair and in a clean and safe condition and in a manner that will not exacerbate the normal aging of the Historic Property or accelerate its deterioration, all in accordance with the recommended approaches set forth in the Secretary's Standards and as described in the HSR.

F. Inspection. Subject to reasonable prior notice in writing to City, the Parties may periodically perform reasonable visits to the Historic Property.

G. Communications. Any notice or other communication required or permitted to be given under this MOA shall be sufficiently given or delivered if provided in writing and transmitted by personal messenger, certified mail, return receipt requested, or overnight delivery service with receipt confirmation, and addressed as follows:

1. In the case of a notice or communication to GSA:

U.S. General Services Administration
50 United Nations Plaza
San Francisco, CA 94102-4912
Attn: Regional Historic Preservation Officer (9PH)

2. With courtesy copy to:

U.S. General Services Administration
50 United Nations Plaza
San Francisco, CA 94102-4912
Attn: Regional Counsel (9L)

U.S. General Services Administration
1800 F Street, NW
Washington, DC 20405
Attn: Federal Preservation Officer (PCAB)

3. In the case of a notice or communication to the SHPO:

State of California
State Historic Preservation Officer
Office of Historic Preservation
1725 23rd St, Suite 100
Sacramento, CA 95816

4. In the case of a notice or communication to ACHP:

Advisory Council on Historic Preservation
The Old Post Office Building
1100 Pennsylvania Avenue, NW
Washington, D.C. 20004-2501
Attn: Executive Director

5. In the case of a notice or communication to the Commission:

Office of Historic Resources, Department of City Planning
200 North Spring Street, Room 620
Los Angeles, CA 90012
Attn: Cultural Heritage Commissioners

6. In the case of a notice or communication to the City of Los Angeles, California:

City of Los Angeles
Department of General Services
Asset Management Division
Suite 201, City Hall South
111 East First Street
Los Angeles, CA 90012

City of Los Angeles
Office of the City Attorney
Real Property/Environment Division
700 City Hall East
200 North Main Street
Los Angeles, CA 90012

7. With courtesy copy to:

Los Angeles Fire Department
Training and Support Bureau
Fire Facilities Commander
1700 Stadium Way,
Los Angeles, CA 90012

or to such other address as any party from time to time shall designate by written notice to the others.

H. Dispute Resolution. If, prior to conveyance, any Signatory or Invited Signatory objects to any actions proposed, or the manner in which the terms of this MOA are implemented, over the duration of this MOA, GSA shall consult with them to resolve the objection. If GSA determines that such objection cannot be resolved, GSA shall:

1. Forward all documentation relevant to the dispute, including GSA's proposed resolution, to ACHP. ACHP shall provide GSA with its advice on the resolution of the objection within thirty (30) calendar days of receiving adequate documentation. Prior to reaching a

final decision on the dispute, GSA shall prepare a written response that takes into account any timely advice or comments regarding the dispute from the ACHP, the Signatories, the Invited Signatories, and the Consulting Parties, and provide them with a copy of this written response. GSA will then proceed according to its final decision.

2. If ACHP does not provide its advice regarding the dispute within the thirty (30) day time period, GSA may make a final decision on the dispute and proceed accordingly. Prior to reaching such a final decision, GSA shall prepare a written response that takes into account any timely comments regarding the dispute from the Signatories, Invited Signatories, and Consulting Parties to the MOA, and provide them and the ACHP with a copy of such written response. GSA's responsibilities to carry out all other actions subject to the terms of this MOA that are not the subject of the dispute remain unchanged.

I. Duration. This MOA will expire on the date that the terms and conditions of the MOA are either complete or recorded in the deed of transfer of the Property. This MOA shall expire if its terms are not carried out within two (2) years from the date of its execution. Prior to such time, GSA may consult with the other Signatories and Invited Signatories to reconsider the terms of the MOA and amend it in accordance with Stipulation J. below.

J. Amendments. This MOA may be amended when such an amendment is agreed to in writing by all Signatories and Invited Signatories that signed this MOA. The amendment will be effective on the date a copy signed by all of the Signatories and those Invited Signatories that signed this MOA, and the amendment, is filed with ACHP.

K. Termination. If any Signatory or Invited Signatory that signed this MOA determines that the MOA's terms will not or cannot be carried out, that party shall immediately consult with the other Signatories, and the Invited Signatories that have signed the MOA, to attempt to develop an amendment per Stipulation I., above. If within thirty (30) calendar days (or another time period agreed to by all Signatories and Invited Signatories that signed the MOA) an amendment cannot be reached, any Signatory or Invited Signatory that signed the MOA may terminate the MOA, upon written notification to the others.

Once this MOA is terminated, and prior to work continuing on the Undertaking, GSA must either (a) execute a subsequent MOA pursuant to 36 CFR § 800.6; or (b) request, take into account, and respond to the comments of the ACHP under 36 CFR § 800.7. GSA shall notify the Signatories, Invited Signatories, and Consulting Party of the course of action it will pursue.

L. Effective Date. This MOA shall become effective immediately upon signature of all Signatories, and a copy filed with ACHP. GSA shall provide all Signatories, the Invited Signatories, and the Consulting Parties with a complete copy of this MOA, including original signature pages, within fourteen (14) days of execution.

EXECUTION of the MOA and implementation of its terms evidences that GSA has afforded ACHP a reasonable opportunity to comment on the Undertaking and its effects on historic

properties and that GSA has taken into account the effects of the Undertaking on the Historic Property which is the subject of this MOA.

SIGNATURES APPEAR ON FOLLOWING PAGE

The parties hereto execute this MOA on the dates hereinafter identified.

U.S. GENERAL SERVICES ADMINISTRATION

By: 
Norman Dong, Commissioner
Public Buildings Service

Date: 5/28/14

By: 
Beth L. Savage, Federal Preservation Officer

Date: 3/24/14

CALIFORNIA STATE HISTORIC PRESERVATION OFFICER

By: _____
Carol Roland-Nawi, Ph.D

Date: _____

Invited Signatories:

CITY OF LOS ANGELES, CALIFORNIA

By: _____
Tony M. Royster, General Manager
Department of General Services

Date: _____

By: _____
Michael J. LoGrande, Director of Planning
Department of City Planning

Date: _____

MOA ATTACHMENTS:

1. Historic Resources Eligibility Survey (HRES)
KEA Environmental and JRP Historical Consulting, 1997
2. Sketch of Historic Property and APE
3. National Park Service Preservation Brief 43 - The Preparation and Use of Historic
Structure Reports
4. City of Los Angeles Cultural Heritage Ordinance
Chapter 9 Department of City Planning – Article 1 Cultural Heritage Commission

Attachment 3

TONY M. ROYSTER
GENERAL MANAGER
AND
CITY PURCHASING AGENT

CITY OF LOS ANGELES
CALIFORNIA



ERIC GARCETTI
MAYOR

DEPARTMENT OF
GENERAL SERVICES
ROOM 701
CITY HALL SOUTH
111 EAST FIRST STREET
LOS ANGELES, CA 90012
(213) 028-0555
FAX NO. (213) 028-0515

March _____, 2015

First American Title Insurance Co
777 South Figueroa Street, Suite 400
Los Angeles, CA 90017
Attention: Sharon Yarber

1700 STADIUM WAY, LOS ANGELES, CA 90012
ESCROW # NCS-637104-LA2
GRANTEE'S CLOSING INSTRUCTIONS

This letter constitutes a: (i) cancellation of the close of escrow instructions of the City of Los Angeles, a municipal corporation ("Grantee") mailed to you on October 22, 2014, and (ii) substitution of new close of escrow instructions of Grantee for a land transfer of the above-referenced Property from United States of America ("Grantor") to Grantee. Reference is made to a Quitclaim Deed with attached Environmental Restriction and Historic Covenant ("Quitclaim Deed"), to be executed at a later date, which will effect that transfer. Pursuant to the Quitclaim Deed, Grantor shall remise, release and quitclaim all its rights, title and interest in the Property to Grantee. The cancellation of our earlier close of escrow instructions is necessitated by Grantor's recent changes to the Closing Items and Closing Conditions of this land transfer (parts II and III of our October 22, 2014 letter to you).

I. Closing Funds

Funds from Grantee in the nominal amount of one dollar (\$1) equal to the Conveyance Amount, plus Grantee's payment of all escrow fees and other closing costs in accordance with a closing statement approved by Grantee in writing ("Grantee's Closing Statement") will be delivered to you on or before the Closing.

II. Closing Items

To facilitate closing the conveyance described above, you have received or will receive the following items before the Closing (collectively, "Closing Items") executed by the parties as set forth below:

1. one Quitclaim Deed executed by Grantor,
2. one Certificate of Acceptance for that Deed executed by Grantee,

3. a Covenant and Environmental Restriction on Property ("Environmental Covenant") which is Exhibit B to the Quitclaim Deed, executed by Grantee and State Regional Water Quality Control Board,
4. a City Certification regarding Los Angeles County Reverter Interest in Property, executed by Grantee,
5. Grantee's Closing Statement executed by Grantee,
6. Grantor's Closing Statement executed by Grantor, and
7. any auxiliary documents as required.

III. Closing Conditions

You are authorized and instructed to close the escrow only if the following conditions are satisfied:

1. you have received the Conveyance Amount of one dollar (\$1) from Grantee,
2. you have received the Closing Items executed by all parties thereto,
3. you have received authorization by email to close the escrow from the undersigned or his representative ("Grantee's Representative"),
4. you have signed these Closing Instructions in the space provided below, delivered a copy of the fully executed Instructions to undersigned by email or FAX, and deposited a copy of the fully executed Instructions in the US mail addressed to the undersigned at - City of Los Angeles, Department of General Services, Real Estate Services Division, Suite 201, City Hall South, 111 East First Street, Los Angeles CA 90012, Attention: David Roberts,
5. you have unconditionally committed to issue to Grantee, effective as of date on which the Quitclaim Deed is recorded, an ALTA Owner's Policy, with liability in the amount of \$41,100,000, in the form approved by Grantee ("Owner's Policy"), and
6. all the conditions to closing contained in these instructions have been satisfied.

IV. Closing Procedures

Upon satisfaction of all conditions in Section III (above) of these instructions, you shall take the following actions in the following order:

1. assemble all documents delivered to you in counterparts,
2. date all undated documents as of the date of the Closing,
3. record the Quitclaim Deed, the Certificate of Acceptance, and the Environmental Covenant (collectively, "Recordable Documents") in the Official Records of Los Angeles County, California,
4. issue the Owner's Policy with an effective date as of the date the Quitclaim Deed is recorded, and
5. deliver or wire the purchase, escrow and title costs due to the persons specified on the Grantee's Closing Statement. The Grantee will cover the total escrow and title costs.

V. Post - Closing Deliveries

As soon as possible after close of escrow, you shall:

1. deliver to the undersigned Grantee: (a) one original of each of the Closing Items, except the Recordable Documents and Grantor's Closing Statement, (b) a conformed copy of each of the Recordable Documents; and (c) one copy of the Owner's Policy,
2. deliver to Grantor a conformed copy of each of the Recordable Documents, and
3. deliver to Grantor a copy of each of the Closing Items, except Grantee's Closing Statement.

VI. Miscellaneous

These escrow instructions may only be amended by a written instrument signed by Grantee's Representative. You are authorized to rely on an email or FAX copy of these escrow instructions as if it were a signed original.

Thank you for your assistance in connection with this conveyance of the Property to the City of Los Angeles. If these escrow instructions cannot be complied with for any reason, please contact me immediately at (213) 922-8546.

David Roberts, Assistant Director
General Services Department
Real Estate Services Division

Attachment 4



SUMMARY OF FIELD INVESTIGATION

Subject: Structural Observation Report
Location: Los Angeles Fire Department Frank Hotchkin Memorial Training Center
1700 Stadium Way
Los Angeles, CA 90012

Requested by Office of the Chief Legislative Analyst

Date of Investigation: July 7, 2014, Monday, Time: 10:00 am
In Attendance: Mahmood Karimzadeh, Reza Bagherzadeh, Robert Lomelin, BOE-Arch; Sako Agbazariana, LADBS

Report Date: July 16, 2014
Report by: Mahmood Karimzadeh, Principal Architect
213-485-4282

This facility is located on a hillside, which comprises of a 2-story main building with a basement and a single story high volume Gymnasium Building. In addition, there is a Fire Truck Maintenance Building and a covered Fire Truck Canopy, with a large employee parking area. A swimming pool is located in the Basement Level of the Main Building.

A structural observation of the buildings was conducted by the Bureau of Engineering and the Department of Building and Safety on July 7, 2014, in order to assess the structural integrity of the buildings. The main building is a 2-story Type I concrete structure with reinforced concrete bearing and shear walls, columns, beams and slabs. The gymnasium is a dome-shape Type III wood roof structure with concrete walls. The visual inspection of the building did not reveal any obvious signs of walls or roof distress, nor structural damage in the visible structural elements of the building. There are no signs of visible foundation settlement around the building. Some of the structural elements of the building are covered with partitions, ceiling, and other building finish materials. Therefore, not all structural elements were visible for visual inspection. The fire truck maintenance and canopy building was visually inspected and appears to be structurally sound.

The following are the areas of concern that require maintenance or remedial measures in order to maintain the structural integrity of the main building:

1. The front entrance of the main building is a terrace above the basement level. It requires waterproofing, in order to prevent damages to the retaining wall below (#1). Some areas of the retaining wall below the entrance in the basement have visible cracks and water damage and require repointing and grouting (1A). There are other similar miscellaneous cracks throughout the basement walls that require to be repaired.
2. The exterior walls of the building have visible cracks that require repointing & grouting (Picture #2, #3, #4, #5, #6, & #7). There are other similar miscellaneous cracks throughout the building that require to be repaired.
3. A fire in the front portion of the building in the 1980's caused damages to the front exterior walls which were later repaired (Picture #8).
4. The wood dome-shape gymnasium with concrete walls was visually observed and the building appears to be intact with no signs of distress or settlement (Picture #9 & #10).



5. The pool in the basement has a temporary wood cover, which is being supported by wood shoring. The wood shoring over time, will rot and the temporary wood deck will become unstable. It is recommended that the pool be filled.

The buildings were constructed in the 1930's, which has sustained many earthquakes without any apparent damages. The buildings will require continuous maintenance in order to preserve its structural integrity. It is also recommended that roof gutters be added to the front of the main building in order to convey the roof water away from the front entrance deck level and to avoid water intrusion into the basement.

Any questions regarding this investigation report should be directed to Reza Bagherzadeh, at 213-485-4773.

Attachments:

- Photographs



City of Los Angeles
Department of Public Works
Bureau of Engineering

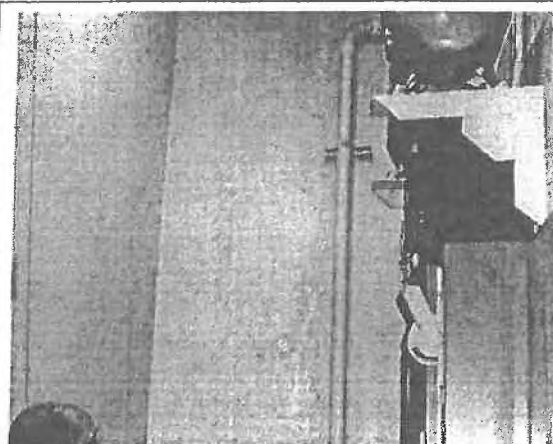
1149 S. Broadway St., Ste. 830, Mail Stop 507
Los Angeles, CA 90015
Tel: 213-485-4000

Architectural Division

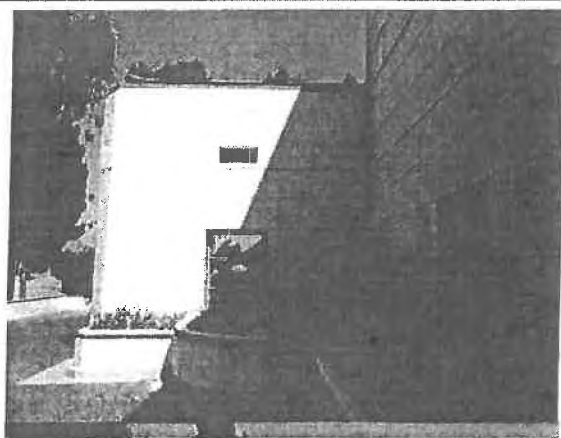
LAFD Hotchkin Memorial Training Center
Date: 7/07/14



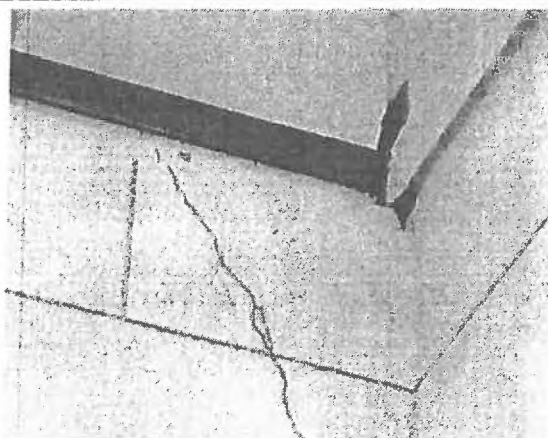
#1 Front Deck



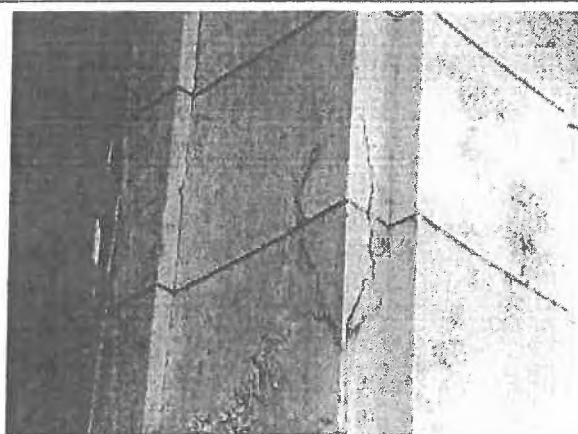
#1a Basement Wall Under Front Exterior Deck



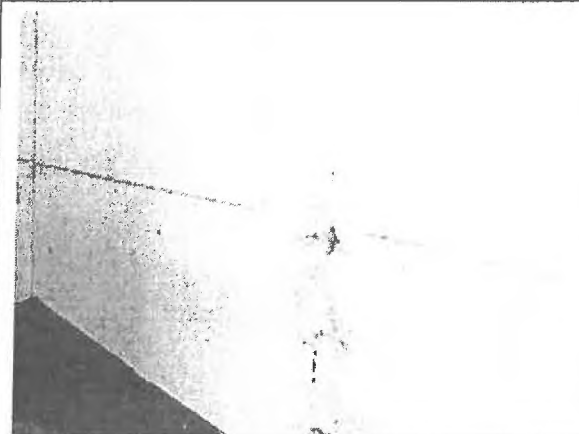
#2 Front Exterior Wall



#3



#4



#5

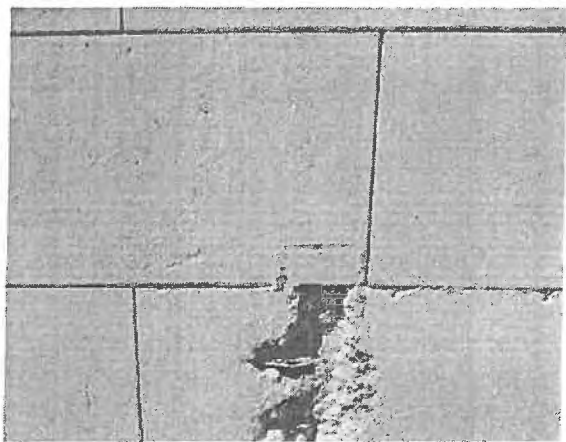


City of Los Angeles
Department of Public Works
Bureau of Engineering

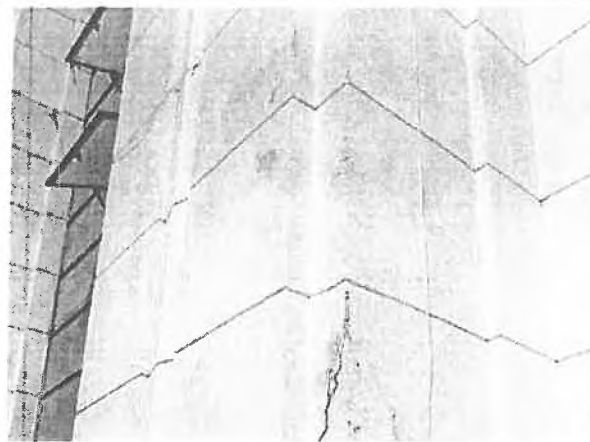
1149 S. Broadway St., Ste. 830, Mail Stop 507
Los Angeles, CA 90015
Tel: 213-485-1000

Architectural Division

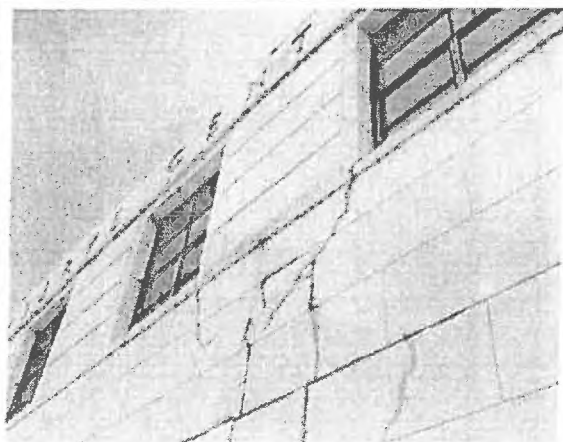
LAFD Hotchkiss Memorial Training Center
Date: 7/07/14



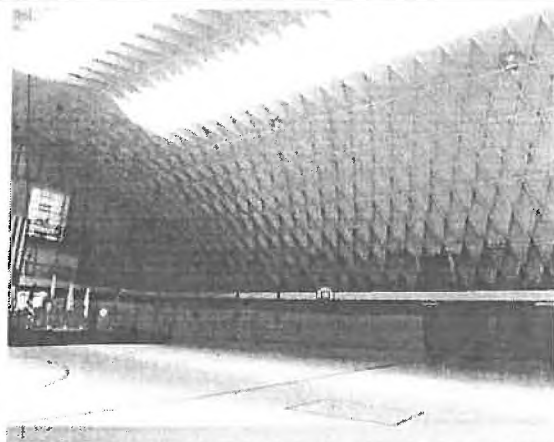
#6



#7



#8 Front Wall



#9



#10

CITY OF LOS ANGELES
INTERDEPARTMENTAL CORRESPONDENCE

Date: November 25, 2014

To: June W. Gibson, Fire Administrator
Los Angeles Fire Department
200 N. Spring Street, 16th Floor
Los Angeles, CA 90012

From: Mahmood Karimzadeh, AIA, Principal Architect
Bureau of Engineering, Architectural Division
1149 S. Broadway, Suite 800, Mail Stop 507
Los Angeles, CA 90015

Subject: **LOS ANGELES FIRE DEPARTMENT (LAFD) FRANK HOTCHKIN
MEMORIAL TRAINING FACILITY - 1700 STADIUM WAY – SITE
INVESTIGATION AND ESTIMATED COST OF REPAIRS**

Pursuant to your request, the Bureau of Engineering (BOE) has completed a preliminary site investigation and evaluation for the subject site. The Site Investigation included two (2) site visits on July 7, 2014 and October 30, 2014. The visits were attended by BOE, LADBS, GSD, City Attorney and Cultural Heritage staff. In addition, a vendor from GSD's On-Call Contractor List attended to provide input as to the potential cost for various conditions observed at the property.

Background:

The facility is of historic significance and was used by the U.S. military during World War II and thereafter. The main structures were built in the 1930's on a hillside and have endured several climatic and seismic events. The property has a 2-story Main building with a basement; a single story, high volume dome roofed gymnasium structure; a Fire Truck Maintenance Building; a Fire Truck Canopy; and, a large parking lot.

Summary:

As a result of our visual observation of the property BOE found no obvious structural defects in the buildings as was reported previously (see attached Field Investigation Report, dated 7-16-2014). Our observation was only visual, and there are many hidden structural components in the building and it is impossible to inspect the hidden areas without destructive tests.

Due to the age of the building and the effects of various climatic, seismic events and deferred maintenance, the property needs repair work. Many of the damaged areas are the result of improper drainage that has persisted over time and exacerbated by failing waterproofing membranes and compounds. Other repair areas are potentially the result of seismic events, which have caused many cracks. The cracks appear minor; however, the cracks have provided avenues for water into the various areas of the buildings and caused further damages.

The original building exterior paint in its early life contained lead; therefore, hazmat abatement is required for repair activities. Following the wall crack repair, a new paint will be applied.

There are ADA compliance issues that need to be addressed for building access and bathroom facilities, as a result of the Department of Building and Safety's requirements for securing permits for structural repair. Since the building is a national monument, components provided to mitigate this aspect can be located in a manner that does not destroy areas of historic interests. Therefore, an elevator is proposed that would be strategically located for the required disabled access and result in a minimal impact to the historic character and fabric of the facility. Further, ADA compliant site access will also be required. An architect specializing in historical architecture will be utilized to ensure compliance with the Secretary of the Interiors Standard guidelines for this historic monument due to various potential alterations.

The temporary wood covering at the existing pool will be removed and replaced with new steel decking, support elements and ventilation. The task will be engineered to conform to the latest Los Angeles Building Code and a building permit will be required.

The mechanical, electrical and plumbing systems were also visually observed by BOE engineers and GSD maintenance team. Currently, all systems appear to be in fair working condition. Never the less, these systems are old and will require periodic repair and replacement. This cost is not included in this report.

As a result of the inspection and findings, the following estimates of probable costs were developed by the team:

1. GSD Work for Gutter and Pool Ventilation	\$ 115,000
2. Demolition of the existing wood shoring and re-installation of steel	\$ 166,000
3. Removal of lead based paint prior to crack repair	\$ 32,500
4. Spalled Concrete @ wall repair for 500 square feet	\$ 175,000
5. Epoxy crack repair for 500 lineal feet	\$ 37,500
6. Remove and re-install joint sealant – 500 lineal feet	\$ 140,000
7. Paint	\$ 100,000
8. ADA Accessibility	\$ 500,000
9. ADA Restroom Compliance	\$ 500,000
10. Elevator to serve three floors & structural retrofit	\$1,500,000
11. Drainage system/ Site Curb & Gutter in east portion (rear of the bldg.)	\$ 85,000
12. Construction Contingency	\$ 335,000
13. Design, Permits, Inspection, and Management Services	\$ 753,000
14. Escalation (5 years at 5% per year)	\$ 859,750
Total Project Cost	\$5,298,750

Note, that the estimates are based on site observation and there are no design documents available for estimating at this time. The escalation was added since work would not start at the present time. The escalation rate of 5% per year is the industry standard established in the Engineering News Record.

In conclusion, the recommendations above are not urgent and the repairs for the building will be phased over three years beginning with the 2016-17 Fiscal Year and then completed in the 2018-19 Fiscal Year. The distribution of the tasks and cost would be as follows:

Expenditure Plan:

It is recommended to start preparation of the as-built plans, new construction drawings and documents, securing all required permits in Fiscal Year (FY) 16-17. This task is estimated at \$753,000 and will take about 12 to 16 months. The FY17-18 and FY18-19 will require expenditures of \$2.80 million and \$1.75 million respectively.

Any questions regarding this report should be directed to Reza Bagherzadeh, Senior Engineer at (213) 485-4773.

MK/RB/PY:ab

Q:\Admin\Typed Document\2014\Frank Hotchkins LAFD Estimate 11-25-14

cc: Los Angeles Fire Department – Chief Curt Klafta
City Attorney – Curt Holguin
Cultural Heritage – Lambert Giessinger
General Services Division - Nick Pendorf, Thomas Bylard
Bureau of Engineering – Reza Bagherzadeh, Robert Lomelin, Bill Lee, Paul Young
Central File

Attachment 5

COUNTY CLERK'S USE

CITY OF LOS ANGELES
OFFICE OF THE CITY CLERK
ROOM 395, CITY HALL
LOS ANGELES, CALIFORNIA 90012
CALIFORNIA ENVIRONMENTAL QUALITY ACT
NOTICE OF EXEMPTION
(Articles II and III – City CEQA Guidelines)

CITY CLERK'S USE

Submission of this form is optional. The form shall be filed with the County Clerk, 12400 E. Imperial Highway, Norwalk, California, 90650, pursuant to Public Resources Code Section 21152(b). Pursuant to Public Resources Code Section 21167(d), the filing of this notice starts a 35-day statute of limitations on court challenges to the approval of the project.

LEAD CITY AGENCY AND ADDRESS: Environmental Management Group Los Angeles City Engineer 1149 S. Broadway, MS 939 Los Angeles, CA 90015	COUNCIL DISTRICT 1
---	------------------------------

PROJECT TITLE: LAFD Frank Hotchkin Memorial Training Center W.O. EXX11160	LOG REFERENCE Council File 14-0938
---	--

PROJECT LOCATION: 1700 Stadium Way Los Angeles, CA 90012	T.G. 634-G1
--	-------------

DESCRIPTION OF NATURE, PURPOSE, AND BENEFICIARIES OF PROJECT: The project will transfer ownership of the land and improvements at 1700 Stadium Way from the United States government to the City of Los Angeles. Subsequently, minor interior and exterior repairs and Americans with Disabilities Act (ADA) compliance work will be conducted on the administration building. All such work will be conducted in compliance with the U.S. Secretary of the Interior's Standards for Rehabilitation for historic properties. No change in use of the facility is proposed. Thus, the site will continue to be used by the City of Los Angeles Fire Department as a training and education facility.

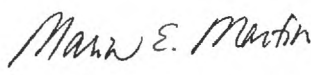
CONTACT PERSON Maria Martin	TELEPHONE NUMBER (213) 485-5753
------------------------------------	--

EXEMPT STATUS: (Check One)	CITY CEQA GUIDELINES	STATE CEQA GUIDELINES
<input type="checkbox"/> MINISTERIAL	Art. II, Sec. 2.b	Sec. 15268
<input type="checkbox"/> DECLARED EMERGENCY	Art. II, Sec. 2.a(1)	Sec. 15269(a)
<input type="checkbox"/> EMERGENCY PROJECT	Art. II, Sec. 2.a(2)(3)	Sec. 15269(b)(c)
<input checked="" type="checkbox"/> GENERAL EXEMPTION	Art. II, Sec. 1	Sec. 15061(b)(3)
<input type="checkbox"/> CATEGORICAL EXEMPTION*	Art. III, Sec. 1 Class 1 Cat. 3	Sec. 15301(c)
<input type="checkbox"/> STATUTORY*	Art. _____	Sec. _____

* See Public Resources Code Sec. 21080 and set forth state and city guidelines provisions.

JUSTIFICATION FOR PROJECT EXEMPTION: General Exemption Article II, Section 1, of the City CEQA Guidelines states that "where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not covered by CEQA and these Guidelines do not apply." The project consists of ownership transfer and minor repairs and ADA compliance work. No significant effects on the environment were identified. (See attached narrative.)

IF FILED BY APPLICANT, ATTACH CERTIFIED DOCUMENT OF EXEMPTION FINDING

SIGNATURE:  Maria Martin	TITLE: Manager Environmental Management Group	DATE: 2-6-15
FEE: \$75.00 _____	RECEIPT NO. _____	REC'D BY _____
DATE _____		DATE _____

DISTRIBUTION: (1) County Clerk (2) City Clerk (3) Agency Record

GENERAL EXEMPTION NARRATIVE

I. PROJECT HISTORY

The proposed project is located at 1700 Stadium Way in the City of Los Angeles, Los Angeles County, California (project site). The project site is developed with a two-story administration building, a vehicle maintenance shop, a multi-purpose storage shed, and a surface parking lot.

The United States government developed the project site from 1938 to 1940 and used the facility as a reserve center, providing administrative, training and logistics support for the Department of the Navy (Navy) and United States Marine Corps (Marine Corps). In September 1994, the Navy and City of Los Angeles Fire Department (LAFD) entered a license agreement (License) to use the vacated project site as a training facility. Under the License, the project site is used by LAFD for administrative services, critical incident planning and training, recruitment and recruit training, and as a command post.

In 1998, the United States government designated the land and improvements (property) as surplus. The proposed project will transfer ownership of the property at 1700 Stadium Way from the United States government to the City of Los Angeles (City), followed by City repairs (minor) and Americans with Disabilities Act (ADA) compliance work.

II. ENVIRONMENTAL REVIEW

General Rule and General Exemption, Article II, Section 1, of the City CEQA Guidelines states that can be applied as follows: "where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not covered by CEQA and these Guidelines do not apply." (See also Section 15061(b)(3) of the State CEQA Guidelines.) This exemption applies to the proposed project for the following reasons:

1. The proposed project involves ownership transfer and minor upgrades to an existing facility. The project will be conducted in accordance with the U.S. Secretary of the Interior's Standards for Rehabilitation for historic properties. There will be no expansion of use.
2. The project site is void of natural habitats and thus no impacts to any listed species or sensitive habitats would occur.
3. As of February 3, 2015, the State Department of Toxic Substances Control includes a listing of a Cleanup case within the project area (Envirostor at www.envirostor.dtsc.ca.gov). Envirostor indicates a service station was built on the project site in 1943 and was used for fueling vehicles on-site. Adjacent to the service station, the vehicle lube rack was used for vehicle maintenance and drained directly to a waste oil underground storage tank (UST). The service station and associated equipment have been removed. During removal of the UST in 1994, soil with detected levels of total recoverable petroleum hydrocarbons was excavated

and disposed of off-site. In 2001, the California Regional Water Quality Control Board (CRWQCB) requested that the Navy conduct groundwater/subsurface contamination testing in the areas used to store and distribute petroleum products. These areas are within the vicinity of present day vehicle maintenance shop. The type of contaminants identified in soil and groundwater consisted primarily of petroleum hydrocarbons in gasoline and diesel ranges. Analytical results from site investigations identified subsurface soils in the 15 to 25 feet below ground surface (bgs) depths as the soil strata of greatest contamination. Depth to water is approximately 30 feet bgs. The risk to human health from exposure to such soil and groundwater contaminants is below the level of concern. Currently, there are no drinking water wells on the property or within a 1-mile radius of the area. The nearest well is located about 3 miles north of the site, which is up-gradient to the source area. As of April 2007, groundwater data collected from the site shows steadily decreasing trends and the plume has been contained on-site.

Envirostor also lists an inactive federally used reserve site needing evaluation as of 2005. Explosives (UXO, MEC) are listed as the potential contamination of concern. Based on a 2005 Environmental Baseline Survey for the Navy and Marine Corps Reserve Center, there are no un-exploded ordinance (UXO) issues and no munitions and explosives of concern (MECs) at the facility.

While the site is on the Hazardous Waste and Substances Sites List under Government Code Section 65962.5, the purpose of the proposed project is to transfer ownership from the United States government to the City and to conduct minor upgrades to the administration building. No excavation would occur within the vicinity of the maintenance shop as part of the proposed project. Responsible parties for the ongoing site assessment and cleanup case have been identified. Following transfer of ownership, the CRWQCB will look to the Navy to perform the monitoring and applicable cleanup of existing contamination. The CRWQCB will continue to monitor this case.

The proposed transfer of ownership and subsequent minor interior and exterior repairs of the administration building will not impact existing cleanup activities, including remediation and monitoring.

4. In 1987, the Navy and Marine Corps Reserve Center was registered as a State Historical Landmark. In 1997, the Navy completed a historic resources survey of the project site which concluded that the administration building and two flagpoles were eligible for listing on the National Register of Historic Places. A historic covenant will be placed on the property to guide City preservation of the administration building and associated flagpoles. In conformance with this covenant, the proposed project will be conducted in accordance with the U.S. Secretary of the Interior's Standards for Rehabilitation for historic properties. As such, no adverse impacts to the historic building or flagpoles will occur.