
**CITY COUNCIL
REGULAR
MEETING**



**MARCH 08, 2011
7:00 PM**

AGENDA

L. Allan Songstad, Jr., Mayor

**Melody Carruth, Mayor Pro Tempore
Randal Bressette, Council Member**

**Barbara Kogerman, Council Member
Joel Lautenschleger, Council Member**

Location: City Council Chamber, 24035 El Toro Road, Laguna Hills, California 92653

CALL TO ORDER

Resolution No. 96-04-09-1 established rules of decorum for public meetings held by the City of Laguna Hills. Resolution No. 96-04-09-1 is available on the table at the back of the City Council Chamber.

PLEDGE OF ALLEGIANCE: Mayor Pro Tempore Carruth

ROLL CALL OF CITY COUNCIL MEMBERS

- 1. PRESENTATIONS AND PROCLAMATIONS**
- 2. PUBLIC COMMENTS**

This is the appropriate time for members of the public to make comments regarding items listed on the Consent Calendar and issues not listed on the Agenda. Any person wishing to address the City Council on any matter, whether or not it appears on this Agenda, is asked to complete a "Request to Speak" form available on the table at the back of the Chamber. The completed form is to be submitted to the City Clerk prior to an individual being heard by the City Council. No action will be taken on any items not on the Agenda unless the City Council makes a determination that an emergency exists or that the need to take action on the item arose subsequent to posting of the Agenda.

There will be a time limitation of three minutes per person, an overall time limit of ten minutes for any one subject, and a time limit of thirty minutes for the Public Comments portion of the Agenda.

2.1 LAGUNA HILLS HIGH SCHOOL STUDENT LIAISON (0930-40)

RECOMMENDATION: That the City Council receive on oral report from Laguna Hills High School Student Liaison Lyndsey Kaan.

3. MINUTES

3.1 REGULAR MEETING, FEBRUARY 22, 2011 (0410-50)

RECOMMENDATION: That the City Council approve the minutes of the February 22, 2011, regular meeting.

4. CONSENT CALENDAR

All matters listed under "CONSENT CALENDAR" are considered to be routine and will be enacted by one motion approving the recommendation listed on the Agenda. There will be no separate discussion unless Members of the City Council or Staff request specific items be removed from the Consent Calendar.

4.1 MOTION TO APPROVE THE READING BY TITLE OF ALL ORDINANCES AND RESOLUTIONS, SAID TITLES, WHICH APPEAR ON THE PUBLIC AGENDA, SHALL BE DETERMINED TO HAVE BEEN READ BY TITLE AND FURTHER READING WAIVED

RECOMMENDATION: That the City Council waive reading of Ordinances and Resolutions.

4.2 APPROVAL OF WARRANT REGISTER FOR PERIOD ENDED MARCH 8, 2011 (0300-30)

RECOMMENDATION: That the City Council approve the Warrant Register in the amount of \$174,992.31.

4.3 VOLUNTEER CONNECTION DAY 2011 (0950-25)

RECOMMENDATION: That the City Council approve staff's proposed projects for Volunteer Connection Day.

4.4 COOPERATIVE AGREEMENT BETWEEN THE CITY OF LAGUNA HILLS AND THE CITY OF LAKE FOREST FOR COST SHARING OF MONTHLY ELECTRICAL CHARGES AND OCCASIONAL MAINTENANCE COSTS FOR UNDER DECK LIGHTING OF THE I-5 OVERCROSSING OF EL TORO ROAD (0400-10)

RECOMMENDATION: That the City Council approve the Cooperative Agreement between the City of Laguna Hills and the City of Lake Forest for cost sharing of monthly electrical charges and occasional maintenance costs for under deck lighting of the I-5 overcrossing of El Toro Road, authorize the City Manager to execute the Agreement and the City Clerk to attest thereto.

4.5 2010 GENERAL PLAN ANNUAL REPORT (0630-05)

RECOMMENDATION: That the City Council receive the report and direct staff to forward the 2010 General Plan Annual Report to the State of California.

ITEMS REMOVED FROM THE CONSENT CALENDAR

5. PLANNING AGENCY

5.1 ROLL CALL OF PLANNING AGENCY MEMBERS

5.2 PUBLIC COMMENTS

This is the appropriate time for members of the public to make comments regarding issues not listed on the Agenda. Any person wishing to address the Planning Agency on any matter, whether or not it appears on this Agenda, is asked to complete a "Request to Speak" form available on the table at the back of the Chamber. The completed form is to be submitted to the City Clerk prior to an individual being heard by the Planning Agency.

5.3 PLANNING AGENCY MINUTES

MINUTES OF THE REGULAR MEETING OF FEBRUARY 22, 2011
(0120-10)

RECOMMENDATION: That the Planning Agency approve the minutes of the February 22, 2011, regular meeting.

5.4 PLANNING AGENCY PUBLIC HEARINGS

PLANNING AGENCY ADJOURNMENT

6. CITY COUNCIL PUBLIC HEARINGS

7. ADMINISTRATIVE REPORTS

7.1 City Manager

7.2 Public Services Director/City Engineer

- 7.2.1. ADOPTION OF A MITIGATED NEGATIVE DECLARATION AND MITIGATION MONITORING AND REPORTING PROGRAM AND APPROVAL OF THE AGREEMENT FOR ACQUISITION OF INTERESTS IN REAL PROPERTY FOR RIGHT-OF-WAY ACQUISITION FOR THE AVENIDA DE LA CARLOTA WIDENING IMPROVEMENT PROJECT, CIP NO. 164 (0820-15)

RECOMMENDATION: That the City Council:

1. Adopt a Resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, ADOPTING A MITIGATED NEGATIVE DECLARATION AND MITIGATION MONITORING AND REPORTING PROGRAM FOR THE AVENIDA DE LA CARLOTA WIDENING IMPROVEMENT PROJECT, CIP NO. 164; and

2. Authorize the Mayor to sign and the City Clerk to attest to the Agreement for acquisition of interests in real property for right-of-way acquisition from 23991 El Toro Inc., for the Avenida de la Carlota Widening Improvement Project, CIP No. 164, subject to minor technical corrections to the Agreement as implemented by the City Attorney.

7.3 Deputy City Manager/Community Services

- 7.3.1. 2011 LAGUNA HILLS MARATHON AND 5K EVENT UPDATE (0400-10) (0950-20)

RECOMMENDATION: That the City Council receive and file the report.

8. OTHER BUSINESS**9. MATTERS PRESENTED BY MAYOR AND COUNCIL MEMBERS****10. CLOSED SESSION**

The City Council shall convene in Closed Session, in the City Hall Conference Room, to consider the following matters:

10.1 PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Pursuant to Government Code Section 54957(b)(1)

Public Employee Title: City Manager – Performance Evaluation

10.2 CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Initiation of litigation pursuant to subdivision (c) of Government Code Section 54956.9 - 1 potential case.

Reconvene in regular session in the City Council Chamber

Report on whether any reportable action was taken on matters considered during Closed Session.

ADJOURNMENT

To Saturday, March 12, 2011, at 9:00 AM, in the City Council Chamber, located at 24035 El Toro Road, Laguna Hills, California, for the purpose of conducting a Workshop regarding the City's mission, vision, values, policies, practices, and procedures; and to discuss the FY 2011-2013 Budget. The next Regular Meeting of the City Council will be March 22, 2011, at 7:00 PM, in the City Council Chamber, located at 24035 El Toro Road, Laguna Hills, California.

CERTIFICATION

I, PEGGY J. JOHNS, City Clerk of the City of Laguna Hills, do hereby certify that a copy of the foregoing Agenda was posted at Laguna Hills City Hall, Laguna Hills Community Center, and La Paz Center by Friday, March 4, 2011, at 5:00PM.



PEGGY J. JOHNS, CITY CLERK

March 4, 2011

DATE

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, you should contact the office of the City Clerk at (949) 707-2635. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to assure accessibility to this meeting.

Materials related to an item on this Agenda submitted to the City Council after distribution of the agenda packet are available for public inspection in the City Clerk's Office at 24035 El Toro Road, Laguna Hills, California, during normal business hours.

**CITY OF LAGUNA HILLS, CALIFORNIA
CITY COUNCIL REGULAR MEETING
MINUTES
FEBRUARY 22, 2011**

CALL TO ORDER

Mayor Songstad called the Regular Meeting of the City Council of the City of Laguna Hills, California, to order at 7:00 p.m. in the Laguna Hills City Council Chamber, 24035 El Toro Road, Laguna Hills.

PLEDGE OF ALLEGIANCE

Council Member Kogerman led the Pledge of Allegiance.

ROLL CALL

Present: L. Allan Songstad, Jr., Mayor
 Melody Carruth, Mayor Pro Tempore
 Randal Bressette, Council Member
 Barbara Kogerman, Council Member
 Joel Lautenschleger, Council Member

STAFF PRESENT: Bruce Channing, City Manager; Donald White, Assistant City Manager; Peggy Johns, City Clerk; Greg Simonian, City Attorney; Ken Rosenfield, Public Services Director/City Engineer; Vern Jones, Community Development Director; Steve Doan, Chief of Police Services; David Reynolds, Deputy City Manager; Roger James, Battalion Chief, Orange County Fire Authority; Melissa Au-Yeung, Senior Management Analyst; Dan Meehan, Community Services Superintendent; and Sandi Mogan, Deputy City Clerk.

1. PRESENTATIONS AND PROCLAMATIONS

There were no Presentations and Proclamations.

2. PUBLIC COMMENTS

2.1 LAGUNA HILLS HIGH SCHOOL STUDENT LIAISON (0930-40)

The City Council received an oral report from Laguna Hills High School Student Liaison Lyndsey Kaan.

3. MINUTES

3.1 REGULAR MEETING, FEBRUARY 8, 2011 (0410-50)

IT WAS MOVED BY COUNCIL MEMBER BRESSETTE, SECONDED BY MAYOR PRO TEMPORE CARRUTH, TO APPROVE THE MINUTES OF THE FEBRUARY 8, 2011, REGULAR MEETING, AS PRESENTED.

The motion carried by the following vote:

AYES: Council Members Bressette, Kogerman, Lautenschleger,
Mayor Pro Tempore Carruth, and Mayor Songstad
NOES: None
ABSENT: None

4. CONSENT CALENDAR

Mayor Songstad removed Item No. 4.7 and Council Member Kogerman removed Item No. 4.5.

IT WAS MOVED BY MAYOR PRO TEMPORE CARRUTH, SECONDED BY COUNCIL MEMBER LAUTENSCHLEGER, THAT THE RECOMMENDATIONS BE ACCEPTED FOR THE FOLLOWING ITEMS LISTED ON THE CONSENT CALENDAR WITH THE EXCEPTION OF ITEM NO. 4.5 AND ITEM NO. 4.7.

The motion carried by the following vote:

AYES: Council Members Bressette, Kogerman, Lautenschleger,
Mayor Pro Tempore Carruth, and Mayor Songstad
NOES: None
ABSENT: None

4.1 MOTION TO APPROVE THE READING BY TITLE OF ALL ORDINANCES AND RESOLUTIONS, SAID TITLES, WHICH APPEAR ON THE PUBLIC AGENDA, SHALL BE DETERMINED TO HAVE BEEN READ BY TITLE AND FURTHER READING WAIVED

WAIVED READING OF ORDINANCES AND RESOLUTIONS.

4.2 APPROVAL OF WARRANT REGISTER FOR PERIOD ENDED FEBRUARY 22, 2011 (0300-30)

Written report from the Administrative Services Department indicated that, in accordance with Government Code Section 37202, the Assistant City

Manager certified to the accuracy of the Warrant Register and to the availability of funds for payment thereof.

APPROVED THE WARRANT REGISTER IN THE AMOUNT
OF \$2,078.905.69.

4.3 AMENDED AND RESTATED PURCHASING ORDINANCE (0480-20)

Written report from the City Clerk's Department indicated in the 2009-2011 Biennial Budget was a work program to revise and update the City's purchasing policies and procedures. At the November 23, 2010, City Council meeting, the City Council directed staff to take the Purchasing Ordinance update to the Audit Committee for review and comment. On January 18, 2011, the Audit Committee reviewed the draft Ordinance. This draft Ordinance was then brought forward to the City Council meeting of February 8, 2011, for introduction and first reading. At that meeting, the City Council modified the language to add the words "installation charges" to Sections 3-08.070, 3-08.080, and 3-08.090 and to the "Estimated Value" definition in Section 3-08.030; and amended Section 3-08.130 to read: "Any vehicle(s) with an estimated value greater than twenty thousand dollars (\$20,000) to be purchased by the City should be approved in advance by the City Council prior to commencement of the procurement process."

ADOPTED ORDINANCE NO. 2011-1, AN ORDINANCE OF
THE CITY OF LAGUNA HILLS, CALIFORNIA, AMENDING
AND RESTATING IN ITS ENTIRETY CHAPTER 3-08 OF THE
LAGUNA HILLS MUNICIPAL CODE REGARDING THE
PURCHASING OF GOODS AND SUPPLIES, EQUIPMENT,
MATERIALS, AND SERVICES.

4.4 SECOND QUARTER FINANCIAL AND TREASURER'S REPORT
(FY2010-2011) (0300-40)

Written report from the Administrative Services Department indicated that staff submitted to the City Council the Quarterly Financial Highlights for the Second Quarter of Fiscal Year 2010/11. The financial statements showed a surplus of funding sources over funding uses of \$773,827. The City's total fund balance as of December 31, 2010, was \$12,424,328.

RECEIVED AND FILED THE SECOND QUARTER FINANCIAL
AND TREASURER'S REPORT FOR FY2010-2011.

4.6 AUTHORIZATION TO ADVERTISE FOR BIDS FOR THE ENERGY EFFICIENCY PROJECTS (0370-38)(0400-10)

Written report from the Public Services Department indicated that the City was a recipient of a California Energy Commission Grant under the "Direct Purchase Program" for the installation of energy saving devices at various locations. The plans and specifications for this project had been prepared by staff and the project was now ready to be advertised for bids. The total amount of the grant funds provided by the California Energy Commission under the American Recovery and Reinvestment Act was \$174,071 for this project. The California Energy Commission had granted the City \$174,071 for energy efficiency projects. It was anticipated that the total project cost would be less than the grant funds. However, a contribution from the Civic Center budget towards the project might be necessary as there was a cap on the grant dollars that could be spent on the replacement of air conditioning units. At the time of the award of contract, staff would review the total budget of the project and recommend the addition of the project to the current Capital Improvement Program.

APPROVED THE PLANS AND SPECIFICATIONS AND
AUTHORIZED THE ADVERTISEMENT FOR BIDS FOR THE
ENERGY EFFICIENCY PROJECTS.

4.8 PROGRESS PAYMENT NO. 2 FOR CITYWIDE PAVEMENT REHABILITATION PROJECT, CIP NO. 101-G (0400-10)

Written report from the Public Services Department indicated that work on the Citywide Pavement Rehabilitation Project, CIP No. 101-G, began on December 6, 2010, and was being performed by Excel Paving Company. Work performed in January included clearing and grubbing, asphalt concrete overlay, cold planing, utility adjustments, sidewalk replacement, driveway replacement, cross-gutter replacement, curb and gutter replacement, and access ramps. The project was now substantially complete. The contractor had submitted the second progress payment request for approval. The progress payment was within the Capital Improvement Program Budget for the Citywide Pavement Rehabilitation Project, CIP No. 101-G.

APPROVED PROGRESS PAYMENT NO. 2, IN THE NET
AMOUNT OF \$1,116,430.82, TO EXCEL PAVING COMPANY,
FOR CITYWIDE PAVEMENT REHABILITATION PROJECT,
CIP NO. 101-G.

ITEMS REMOVED FROM THE CONSENT CALENDAR

4.7 APPOINTMENT OF A MEMBER TO THE SOUTH ORANGE COUNTY WATERSHED MANAGEMENT AREA EXECUTIVE COMMITTEE (0400-10)

Mayor Songstad indicated this item was removed from the Consent Calendar as it required a separate action. Public Services Director Rosenfield indicated this item required the City Council to identify a Council Member to join the Executive Committee of the South Orange County Watershed Management Area. The Executive Committee of elected officials would meet approximately twice per year, the first meeting taking place on April 7, 2011. There had been a time change from the staff report; it was now set for 2:30 p.m. for approximately 2 hours. The purpose of this Executive Committee was to guide the decision-making process on prioritizing watershed related projects when funding became available. There would be funds available through statewide propositions that had previously been passed known as Propositions 50 and 84; and the South Orange County Watershed Management Agency which was guided by the County of Orange, as staff for the group, had been successful in seeking those grant funds. The purpose of the group was to collectively benefit South Orange County with watershed improvements, and staff was requesting a City Council Member be assigned to the group.

Written report from the Public Services Department indicated that the Cooperative Agreement of the South Orange County Watershed Management Area (SOCWMA) was approved by the County, South Orange County Cities, and Water and Wastewater Agencies to foster regional planning for water related projects. The City Council approved the Agreement on July 13, 2010. The Agreement established an Executive Committee which was comprised of an elected or executive level official from each participating organization whose agency approved the Agreement.

IT WAS MOVED BY MAYOR SONGSTAD, SECONDED BY COUNCIL MEMBER BRESSETTE, TO APPOINT MAYOR PRO TEMPORE CARRUTH TO SERVE ON THE EXECUTIVE COMMITTEE OF THE SOUTH ORANGE COUNTY WATERSHED MANAGEMENT AREA.

The motion carried by the following vote:

AYES:	Council Members Bressette, Kogerman, Lautenschleger, Mayor Pro Tempore Carruth, and Mayor Songstad
NOES:	None
ABSENT:	None

4.5 2010 COMMUNITY SERVICES YEAR END REPORT (0110-40)

Council Member Kogerman indicated she removed this item from the Consent Calendar to ask staff questions regarding three specific recreation programs which appeared to have experienced a fairly drastic decrease in participation. Council Member Kogerman wondered if there was any reason for the drop off in attendance, and if there were any measures that needed to be taken. Council Member Kogerman reported the three events were: Mr. Bunny and Friends, Mother's Day Tea, and the Children's Spring Concert.

Community Services Superintendent Meehan indicated that staff was looking to revamp, add to, or change the date of some of these events. Mr. Meehan indicated the Mother's Day Tea would be changed to a Mother's Day Picnic for 2011 offered on a Saturday, rather than a Friday, as working parents could have a challenge attending a Friday event. Mr. Meehan reported that for Mr. Bunny and Friends, staff had noted a significant drop and would be reviewing the schedule of events and activities planned and adding entertainment to bring attendance up. Mr. Meehan reported that the Children's Spring Concert was a free event held at Stockport Park which was advertised and included in City Views. Mr. Meehan reported that there was a significant spike in attendance in 2008, but the 150-175 participant range was more typical for this event.

Mayor Pro Tempore Carruth reported that she appreciated the report as it gave her the opportunity to see the balanced programs offered to the public, and in particular programs promoting health, wellness, fitness, family connectivity, and in general the pursuit of knowledge. Mayor Pro Tempore Carruth was also impressed with the high level of programs for seniors in the community.

Written report from the Community Services Department indicated that staff had completed a Year End Report for calendar year 2010. The purpose of the report was to highlight the major accomplishments of the past year, along with providing information on facility reservations, program registration, and costs associated with the maintenance of the Community Center building. The report was presented to the Parks and Recreation Commission at its February 2, 2011, meeting.

IT WAS MOVED BY MAYOR PRO TEMPORE CARRUTH,
SECONDED BY COUNCIL MEMBER LAUTENSCHLEGER, TO
RECEIVE AND FILE THE REPORT.

The motion carried by the following vote:

AYES: Council Members Bressette, Kogerman, Lautenschleger,
Mayor Pro Tempore Carruth, and Mayor Songstad
NOES: None
ABSENT: None

PLANNING AGENCY

Mayor Songstad recessed the City Council meeting to the Planning Agency meeting at 7:12 p.m. and reconvened the City Council meeting at 7:27 p.m. All Council Members were present.

6. ADMINISTRATIVE REPORTS

6.1 City Manager

A. CITY COUNCIL WORKSHOP FACILITATOR (0410-47)

City Manager Channing indicated at the City Council meeting of February 8, 2011, the City Council set the date of March 12, 2011, to hold a City Council workshop to revisit the City's mission, vision and values, policies, practices, and procedures. At the time it had been recommended that a facilitator be hired for that workshop. Mr. Channing had sent out a request to firms who performed this type of work and he received two proposals. City Manager Channing gave a brief synopsis of the proposals from the firms and individuals who were recommended to facilitate the workshop. Mr. Channing asked for feedback from the City Council on which individual they preferred to facilitate the workshop.

6.2 Assistant City Manager

A. EI TORO REDEVELOPMENT PROJECT AREA – OPPORTUNITIES (0400-10)

Assistant City Manager White indicated it was staff's desire to bring a report to the City Council that was responsive to a major plan that City Council had approved in the current biennial budget, which was to conduct a study regarding the reactivation of the Redevelopment Agency, and if activated, develop and implement the necessary organizational structures, policies, procedures, and processes. Mr. White indicated that staff undertook an evaluation of the redevelopment area within the City to determine if there were any advantages to activating and administering the City's Redevelopment Agency, plus any opportunities to expand the existing project area.

Mr. White indicated that over the years questions had surfaced regarding activating the Redevelopment Agency, such as would redevelopment help the mall, or would redevelopment help the Via Lomas Opportunity area. Mr. White indicated that the report answered those questions and provided a baseline for the future, and provided the history and the status of the project area within the City of Laguna Hills' limits.

Mr. White gave a PowerPoint presentation highlighting the Project Area Map, the history of the El Toro Redevelopment Project Area, tax increment receipts and uses, redevelopment area activation, project area amendment, and additional opportunities.

Mr. White indicated that the amount of tax increment revenues generated from the Project Area did not justify the additional administrative and legal burden of complying with the Redevelopment Law, and since the Laguna Hills' portion of the Project Area was built out, it was unlikely that the tax increment from the area would justify the additional administrative and legal burdens triggered by activation.

Mr. White discussed the legal hurdles and blight findings in the Project Area and indicated that although the existence of the Project Area afforded the City an opportunity to pursue establishing a Redevelopment Agency, staff did not consider it advisable to activate the Agency or add any areas through a plan amendment or adoption process at this time. The existence of the Project Area and its relationship to the larger redevelopment area in Lake Forest did present a unique opportunity for the City of Laguna Hills to potentially access additional tax increment revenues in a magnitude significant enough to help implement the General Plan strategy for the Via Lomas Opportunity Area over the long-term. Staff recommended that the City of Laguna Hills pursue a course of action that would give the Lake Forest Redevelopment Agency the discretion to transfer excess surplus in its Housing fund to Laguna Hills over the remaining life of the Project Area.

IT WAS MOVED BY COUNCIL MEMBER LAUTENSCHLEGER, SECONDED BY MAYOR PRO TEMPORE CARRUTH, TO DIRECT STAFF TO WORK WITH THE LAKE FOREST REDEVELOPMENT AGENCY TO RECOMMEND AMENDMENTS TO THE COOPERATION AGREEMENT AND DEVELOP A LEGISLATIVE STRATEGY TO AMEND STATE LAW TO GIVE THE LAKE FOREST REDEVELOPMENT AGENCY THE DISCRETION TO TRANSFER EXCESS HOUSING FUNDS TO LAGUNA HILLS.

The motion carried by the following vote:

AYES: Council Members Bressette, Kogerman, Lautenschleger,
Mayor Pro Tempore Carruth, and Mayor Songstad
NOES: None
ABSENT: None

B. AWARD OF CONTRACT FOR COMPREHENSIVE COMPENSATION
STUDY (0400-10)

Senior Management Analyst Au-Yeung indicated at the January 11, 2011, City Council meeting, the City Council directed staff to issue a Request for Proposal (RFP) for a comprehensive compensation study. A Request for Proposal (RFP) was issued and the City received proposals from eight firms, of which two firms, Koff & Associates and Ralph Andersen & Associates, were invited to interview with a panel comprised of the City Manager, the Assistant City Manager, the Community Development Director, and the Senior Management Analyst. Ms. Au-Yeung indicated that based on an evaluation of the proposals, the results of the interviews, and reference checks, staff recommended the City Council authorize the City Manager to execute a Consulting Services Agreement with Ralph Andersen & Associates for the comprehensive compensation study. Ms. Au-Yeung indicated that the Consultant would be making a presentation to the City Council sometime in March with a list of recommended comparator agencies for City Council approval.

IT WAS MOVED BY COUNCIL MEMBER BRESSETTE, SECONDED BY MAYOR SONGSTAD, TO AUTHORIZE THE CITY MANAGER TO EXECUTE A CONSULTING SERVICES AGREEMENT WITH RALPH ANDERSEN & ASSOCIATES TO CONDUCT THE COMPREHENSIVE COMPENSATION STUDY, AND TO AMEND PARAGRAPH 7.4 OF THE AGREEMENT TO READ AS FOLLOWS: "ALL DRAWINGS, SPECIFICATIONS, REPORTS, RECORDS, DOCUMENTS AND OTHER MATERIALS PREPARED BY CONSULTANT IN THE PERFORMANCES OF THE SERVICES UNDER THIS AGREEMENT SHALL NOT BE RELEASED BY THE CONSULTANT WITHOUT THE PRIOR WRITTEN APPROVAL OF THE CONTRACT OFFICER."

The motion carried by the following vote:

AYES: Council Members Bressette, Lautenschleger, Mayor Pro
Tempore Carruth, and Mayor Songstad
NOES: Council Member Kogerman
ABSENT: None

6.3 Community Development Director

A. REPORT CONCERNING REQUEST TO ALLOW STRAWBERRY STANDS AND/OR SEASONAL AGRICULTURAL PRODUCE SALES, SUBJECT TO A TEMPORARY USE PERMIT (0610-60)

Community Development Director Jones indicated that at the City Council meeting of February 8, 2011, during Public Comments, Will Derentz stated that he would like to open a strawberry stand within the City of Laguna Hills but was precluded from doing so because the City's Development Code did not allow that type of temporary use for any timeframe exceeding ten days. Mr. Jones indicated that the report did not include an Ordinance, but staff was asking for direction from the City Council as to whether or not City Council would like staff to proceed with an Ordinance that would allow strawberry stands and/or seasonal agriculture produce stands or sales subject to a temporary use permit. Mr. Jones indicated that most cities use generic seasonal agriculture produce sales to describe the use. Mr. Jones indicated that with City Council direction staff would return with an Ordinance that would include criteria that would apply to temporary strawberry stands including timeframes, and other relevant limitations such as the type of products that could be sold, signage, etc. Mr. Jones indicated that the cities that staff researched typically provided 90 to 120 days and some cities allowed extensions.

IT WAS MOVED BY MAYOR PRO TEMPORE CARRUTH, SECONDED BY COUNCIL MEMBER LAUTENSCHLEGER, TO DIRECT STAFF TO RETURN WITH AN ORDINANCE AMENDING THE DEVELOPMENT CODE TO ALLOW A SEASONAL AGRICULTURAL PRODUCE STAND AS A TEMPORARY USE FOR AN EXTENDED PERIOD OF TIME.

The motion carried by the following vote:

AYES: Council Members Bressette, Kogerman, Lautenschleger,
Mayor Pro Tempore Carruth, and Mayor Songstad
NOES: None
ABSENT: None

6.4 Public Services Director

- A. ADOPTION OF MITIGATED NEGATIVE DECLARATION AND MITIGATION AND MONITORING REPORTING PROGRAM AND APPROVAL OF THE AGREEMENT FOR ACQUISITION OF INTERESTS IN REAL PROPERTY FOR RIGHT-OF-WAY ACQUISITION FOR THE AVENIDA DE LA CARLOTA WIDENING IMPROVEMENT PROJECT, CIP NO. 164 (0820-15)

Public Services Director Rosenfield indicated that the item before City Council was consideration of the Mitigated Negative Declaration for the Avenida de la Carlota Widening Improvement Project and the action to approve the Agreement for Acquisition of Interest in Real Property for the right-of-way acquisition, from what would be referred to as the Chevron Gas Station, to accommodate the ultimate widening of the project. Mr. Rosenfield stated the project was currently out to bid and the bid opening was scheduled for March 10, 2011, with an ultimate widening, which required the right-of-way acquisition, and an option of an interim widening, if the right-of-way acquisition was not successful. Mr. Rosenfield stated that the right-of-way acquisition would be completely cooperative amongst the parties, which were the owners and the tenants of the site. Mr. Rosenfield indicated that subject to minor technical corrections, the City was recommending the Mayor be authorized to sign the Agreement and if there were substantial changes to the Agreement, staff would return to the City Council with explanation of the changes. Mr. Rosenfield indicated that between the time of writing the report and tonight the tenant and owner had commented on the Agreement and had raised some issues. Staff was working through the issues but consequently was not prepared to ask the City Council to approve the Agreement as written, or the environmental document, because the document needed to be tied to another action. The environmental document had been circulated for 30 days as a public review and that public review period ended at 5:00 pm, February 22, 2011. Mr. Rosenfield stated there had been no written or oral comments received by any party on the environmental document. Mr. Rosenfield indicated it was recommended that the City Council offer the public the opportunity to address the City Council at tonight's meeting, and continue the item to the March 8, 2011, City Council meeting.

Mayor Songstad opened the Public Hearing, and upon seeing no one rise, closed the Public Hearing.

IT WAS MOVED BY COUNCIL MEMBER BRESSETTE, SECONDED BY MAYOR PRO TEMPORE CARRUTH, TO CONTINUE THIS ITEM TO THE MARCH 8, 2011, CITY COUNCIL MEETING.

The motion carried by the following vote:

AYES: Council Members Bressette, Kogerman, Lautenschleger,
Mayor Pro Tempore Carruth, and Mayor Songstad
NOES: None
ABSENT: None

7. OTHER BUSINESS

There was no Other Business.

8. MATTERS PRESENTED BY MAYOR AND COUNCIL MEMBERS

8.1 Council Member Lautenschleger

A. REGIONAL HOUSING NEEDS ASSESSMENT (RHNA) PRIMER (0150-55)

Council Member Lautenschleger reported that he had distributed to the City Council a primer on RHNA calculations, the SCAG subcommittee Task Force, and what the City would be facing regarding low cost housing, where it would be located, and how many units the City was required to have. He believed this was important information for the City Council.

9. CLOSED SESSION

Mayor Songstad recessed the meeting into Closed Session at 8:38 p.m.

9.1 PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Pursuant to Government Code Section 54957(b)(1)
Public Employee Title: City Manager – Performance Evaluation

Mayor Songstad reconvened the meeting at 10:28 p.m. All Council Members were present.

City Attorney Simonian indicated that no reportable action was taken.

ADJOURNMENT

There being no further business before the City Council at this session, Mayor Songstad declared the meeting adjourned at 10:30 p.m.

PEGGY J. JOHNS, CITY CLERK

ATTEST:

L. ALLAN SONGSTAD, JR., MAYOR

APPROVED AT MEETING OF _____.

CITY OF LAGUNA HILLS
AGENDA REPORT
ADMINISTRATIVE SERVICES DEPARTMENT

ISSUE: APPROVAL OF WARRANT REGISTER FOR PERIOD ENDED
MARCH 08, 2011.

SUMMARY:

In accordance with Government Code Section 37202, the Finance Manager prepares the attached warrant register, which reflects the disbursements of the City of Laguna Hills for the period reported thereon. The Assistant City Manager certifies that funds are available for the payment thereof. These warrants are hereby submitted to the City Council for approval of payment.

Prepared by:

JANICE MATEO REYES
Finance Manager

Certified:


DONALD J. WHITE
Assistant City Manager

3-1-11
DATE

FISCAL IMPACT:

The warrant register total is \$ 174,992.31

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE THE WARRANT REGISTER
IN THE AMOUNT OF \$ 174,992.31.

ATTACHMENTS:

1. **Warrant Register**

**CITY OF LAGUNA HILLS
WARRANT REGISTER
March 8, 2011**

3/8/2011 ITEM NO. 4.2

VENDOR		DESCRIPTION	CHECK NO.	AMOUNT
PREPAID WARRANTS:				
AT&T		Communication Expense, Administrative Services Fax Line, Feb '11	8800844	\$ 83.59
BRIDGE TEEN RECOVERY, LLC		Refund, SDPA Fees, CR# 41933	8800846	650.00
CITY OF LAGUNA HILLS - 5K EVENT		Marathon Booth Fees, 3rd Battalion 5th Marines Support Committee	8800850	200.00
CITY OF TUSTIN		Membership, CalPACS, 2011	8800851	275.00
ECHAVARRIA, LUCY		Mileage Reimbursement, Community Services, Nov '10 - Jan '11	8800832	90.44
EVERBANK COMMERCIAL FINANCE		Lease - Copier, City Hall, Feb '11	8800857	223.09
IRVINE RANCH WATER DISTRICT		Water Usage, Parks, Jan '11	8800833	107.26
MOBILE MINI, INC.		Storage Rental Fee, Community Services, Mar '11	8800866	83.74
NEXTEL COMMUNICATION		Communication Expense, Community Services, Jan '11	8800869	157.15
PETERSON CONSTRUCTION		Refund, C&D Deposit, CR# 41536	8800877	3,587.50
RALPHS GROCERY COMPANY		Program Supplies, Community Services, Jan '11	8800834	10.48
REFUND, FACILITY RENTAL DEPOSIT		New Vista School, V# 2001928.002	8800835	250.00
REFUND, FACILITY RENTAL DEPOSIT		A. Tellez, V# 2001904.002	8800836	500.00
REFUND, FACILITY RENTAL DEPOSIT		G. Sarmiento, V# 2001898.002	8800878	500.00
REYES, JANICE MATEO		Mileage Reimbursement, Administrative Services, Jan - Feb '11	8800879	66.81
SAN DIEGO GAS & ELECTRIC		Electric Usage, Community Center, Parks and Street Lights, Jan '11	8800837	21,308.62
SAN DIEGO GAS & ELECTRIC		Electric Usage, Traffic Control and Parks, Jan '11	8800882	1,209.12
SOUTHERN CALIFORNIA EDISON		Electric Usage, Street Lights, Jan '11	8800838	9,257.17
SOUTHERN CALIFORNIA EDISON		Electric Usage, Traffic Control, Jan '11	8800883	605.83
THE GAS COMPANY		Gas Usage, Community Center, Jan '11	8800889	337.26
U.S. POSTAL SERVICE		Postage, 1/2 Marathon and 5K Event, Community Services, Feb '11	8800839	1,458.29
Total Prepaid Warrants:				\$ 40,961.35
REGULAR WARRANTS:				
A. C. LANDSCAPE, INC.		Water Management Services, Miscellaneous Repairs, Feb '11	8800840	\$ 136.00

**CITY OF LAGUNA HILLS
WARRANT REGISTER
March 8, 2011**

VENDOR	DESCRIPTION	CHECK NO.	AMOUNT
AIM	Professional Fees, GIS Implementation Plan, Jun - Dec '10	8800841	1,200.00
ALL AROUND LIGHTING, INC.	Facility Maintenance, Lighting Supplies, Community Center, Feb '11	8800842	456.10
ARAMARK	Operating Supplies, Community Services, Jan '11	8800843	82.15
BEE MAN, THE	Bee Removal, Parks, Feb '11	8800845	130.00
BUREAU VERITAS NORTH AMERICA	Professional Fees, La Paz Signal Synchronization CIP # 174, Annual Street Maintenance CIP # 101, On Call Inspections, Jan '11	8800847	30,282.25
C&D ELECTRIC, INC.	Lighting Repairs and Inspections, Parks, Feb '11	8800848	487.82
C2 REPROGRAPHICS	Printing Expense Engineering and El Toro Rd @ Carlota Street Improvements CIP # 164, Feb '11	8800849	540.05
COMPETITOR SC	Event Promotional Services, 1/2 Marathon and 5K Event, Community Services, May '11	8800852	880.00
DELL COMPUTER CORPORATION	Computer Hardware/Software, Agenda Management and Audio Web Access, Feb '11	8800853	5,999.72
DISCOUNT WAREHOUSE	Office Supplies, Community Services, Feb '11	8800854	53.27
DUNBAR ARMORED, INC.	Courier Fee, Armored Transport, Feb '11	8800855	290.65
ELKINS, CHRISTINA	Contract Instructor Fee, Dancing Winter Session, Community Services	8800856	274.40
GREENSPAN, FRANCES	Contract Instructor Fee, How to Sell on eBay Winter Session, Community Services	8800858	41.30
HANSEN, MARIA	Contract Instructor Fee, Zumba Winter Session, Community Services	8800859	649.60
HARTZOG & CRABILL, INC.	Professional Fees, Traffic Engineering Services, El Toro Rd @ Carlota Street Improvements CIP # 164, Jan '11	8800860	6,446.18
HOGLE-IRELAND, INC.	Professional Fees, General Planning Services, Dec '10	8800861	4,292.50
IRON MOUNTAIN OFFSITE	Off Site Data Storage, Jan '11	8800862	198.34
JAMEY CLARK, INC.	Miscellaneous Park Repairs and Graffiti Removal, Feb '11	8800863	1,120.89
LINDY OFFICE PRODUCTS	Operating Supplies, Feb '11	8800864	37.03
LUCY, STEVEN	Program Expense, Community Services, Jan '11	8800865	650.00
MONOGRAM MAGIC	Operating Supplies, Police Services, Feb '11	8800867	378.33
NATIONAL RECREATION AND PARK	Membership, Community Services, 2011	8800868	145.00
NIEVES LANDSCAPE, INC.	Other Assorted Landscape Services, Feb '11	8800870	1,979.60
NIMMO, DAVID	Contract Instructor Fee, Clog Dancing Winter Session, Community Services	8800871	84.00

**CITY OF LAGUNA HILLS
WARRANT REGISTER
March 8, 2011**

3/8/2011 ITEM NO. 4.2

VENDOR	DESCRIPTION	CHECK NO.	AMOUNT
OFFICE SOLUTIONS	Computer, Office and Operating Supplies, Feb '11	8800873	787.44
ORKIN PEST CONTROL	Facility Maintenance, Pest Control, Community Center, Feb '11	8800874	275.42
PACK, DWAYNE	Event Promotional Services, 1/2 Marathon and 5K Event, Community Services, Oct '10 - Feb '11	8800875	550.00
PAPER RECYCLING SPECIALISTS	Professional Fees, Recycling Program, Feb '11	8800876	85.00
RICHARD FISHER ASSOCIATES	Professional Fees, Sports Complex Renovations CIP # 514, Moulton Widening / Santa Maria CIP # 137, Renovation Costeau and Stockport Park CIP # 239 and On Call Landscaping, Feb '11	8800880	10,759.15
RPW SERVICES, INC.	Rodent Control, Parks, Jan '11	8800881	1,560.00
SPORTS EQUIPMENT INSTALLATIONS	Facility Maintenance, Gymnasium, Community Center, Feb '11	8800884	1,840.00
STATE DEPARTMENT OF JUSTICE	Pre-employment Fingerprinting, Jan '11	8800885	160.00
STUDIO TWO BLACK DIAMOND	Printing Expense, Feb '11	8800886	220.97
TAB PRODUCTS COMPANY	Office Supplies, City Clerk, Feb '11	8800887	543.30
TECH WASH SERVICES, INC.	Graffiti Removal, Dec '10	8800888	1,925.00
THE RITZ COMPANIES	Janitorial and Day Porter Services, Community Center, Feb '11	8800890	5,833.00
TURANSICK, TIM	Lighting, Community Center, Dec '10	8800891	539.55
WEST COAST ARBORISTS, INC.	Tree Trimming, Jan '11	8800892	352.00
WILLDAN	Professional Fees, Plan Checking and Building & Safety Services, Jan '11	8800893	7,385.42
WOODRUFF, SPRADLIN & SMART	Professional Fees, Legal Services, Jan '11	8800894	43,889.52
XEROX CORPORATION	Lease - Copier, City Hall, Feb '11	8800895	490.01
		\$	134,030.96
**WARRANT REGISTER TOTAL **			\$ 174,992.31

CITY OF LAGUNA HILLS
CITY COUNCIL
AGENDA REPORT
COMMUNITY SERVICES DEPARTMENT

ISSUE: VOLUNTEER CONNECTION DAY 2011

SUMMARY:

Each year, the City of Laguna Hills conducts a Volunteer Connection Day in April. This year, Volunteer Connection Day will take place on April 16, 2011. The day's events have traditionally focused on bringing residents together to clean and beautify the City. The Parks and Recreation Commission discussed potential projects for this year at its February 2, 2011, meeting, and determined that trail clean-ups, tree planting, and the continuation of a painting project will be productive projects for volunteers. Likewise, staff is also recommending that trail/wetland area clean-up projects, tree planting in recognition of Arbor Day, and a painting project in north Laguna Hills be selected for the 2011 event. Staff is recommending that trees be planted on Aliso Hills Parkway between Alicia Parkway and Medocino Court this year.

BACKGROUND:

The City of Laguna Hills hosts an annual Volunteer Connection Day, which takes place on the third Saturday of April each year. Past projects have included multiple trail clean-up projects, a disaster preparedness day, painting utility boxes throughout the City, and cleaning bus stops within the City.

The 2010 event included trail clean-up projects and a painting project in north Laguna Hills. The event also included a tree planting project in recognition of Arbor Day, which took place at La Paz Road and Alameda Avenue. In 2007, the City Council adopted Resolution No. 2007-03-27-1 in which the City Council declared that Arbor Day is established as the third Saturday of April each year to coincide with Volunteer Connection Day. Approximately ninety-nine (99) volunteers participated in the 2010 event and assisted in the collection of approximately 1,500 pounds of trash and recyclables, 51.2% of which was diverted from local landfills. The table on the next page provides a project participation comparison for 2009 and 2010.

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE STAFF'S PROPOSED PROJECTS FOR VOLUNTEER CONNECTION DAY.

Project - Annual Comparison	2009	2010
Juan Avila Trail	31	7
Veeh Ranch Trail	6	13
Aliso Creek Trail (Via Lomas)	22	28
Edison Easement Trail	19	14
Oso Parkway	0	13
**Paint Project (Santa Maria)	0	7
Tree Planting Project	19	17
Total Number of Volunteers	97	99

** Back-up Project

The Parks and Recreation Commission discussed potential projects for the April 16, 2011, event at its February 2, 2011, meeting. After discussion, the Commission determined that the trail clean-up projects are the most productive projects for volunteerism, followed by tree planting. The Commission also determined that the painting project that helped to beautify a wall that runs along Santa Maria Avenue in north Laguna Hills should be continued. The Commission again recommended that this project be handled by a selected group of individuals.

Currently staff is proposing that the following projects be part of the 2011 Volunteer Connection Day event:

Proposed Projects

1. Plant 10-20 trees on Aliso Hills Parkway between Alicia Parkway and Mendocino Court.
2. Veeh Ranch Trail Clean-Up
3. Juan Avila Trail Clean-Up
4. Aliso Creek Trail (Via Lomas) Clean-Up
5. Oso Parkway Clean-Up
6. Edison Easement Trail Clean-Up
7. Santa Maria painting project.

Public relations efforts have begun and staff is recommending that the draft PR letter attached to this staff report be sent out by the Mayor to local organizations. Event promotion will consist of:

- Registering the event as part of the Great California Clean-up
- Contacting all schools and booster groups
- Contacting local non-profit entities such as the Boy Scouts and Girl Scouts
- Contacting all local church groups
- Email blast through the Active.net software application
- Listing the event in the spring "City Views" publication
- Contacting O.C. Register to advertise the event
- Installing banners throughout the City to promote the event
- Contacting surrounding HOA's.

FISCAL IMPACT:

The estimated expense for this year's event is \$1,000 and is within budget.

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE STAFF'S PROPOSED PROJECTS FOR VOLUNTEER CONNECTION DAY.

ATTACHMENTS:

- Draft Volunteer Connection Day PR Letter

(Example)

Attn: (insert organization)

The City of Laguna Hills is holding its annual Volunteer Connection Day on Saturday, April 16, at 9 a.m. at the Laguna Hills Community Center and Sports Complex. The Community Services Department is contacting local organizations, such as yours, in the hopes that you would be interested in participating in this rewarding event.

Volunteer Connection Day consists of trail clean-up and tree planting projects. Throughout the year, the local trails collect a large amount of trash, debris, and shopping carts, which take away from the beauty of our trail systems and natural areas. For example, during last year's event, volunteers collected over 768 pounds of recyclables and 732 pounds of trash. Concluding the event, a complimentary lunch at the Community Center is provided to all volunteers

Volunteer Connection Day is a wonderful opportunity for residents to get involved in their City and to give something back to the community. The trail clean-up project is ideal for families and residents of all ages and abilities. This is also an opportunity for students to earn their community service hours while spending some time outdoors with family and friends. By partnering with local organizations such as yours, it is our hope to increase the number of volunteers participating in the event, and thus, have a greater impact on the community we share.

If you feel that this is an opportunity that your organization would like to participate in, please contact Todd Smyser, Community Services Senior Leader, at (949) 707-2690, and he would be happy to discuss the event in greater detail. I look forward to having the opportunity to work with you and your members at the event.

Very truly yours,

L. Allan Songstad, Jr.
Mayor

CITY OF LAGUNA HILLS

AGENDA REPORT PUBLIC SERVICES DEPARTMENT

ISSUE: COOPERATIVE AGREEMENT BETWEEN THE CITY OF LAGUNA HILLS AND THE CITY OF LAKE FOREST FOR COST SHARING OF MONTHLY ELECTRICAL CHARGES AND OCCASIONAL MAINTENANCE COSTS FOR UNDER DECK LIGHTING OF THE I-5 OVERCROSSING OF EL TORO ROAD

SUMMARY:

The street lighting of El Toro Road beneath the I-5 overcrossing is provided by the State but the maintenance and electrical costs of the lighting are required to be paid by the City. A part of the lighting system at this location illuminates the street segment of El Toro Road within the City of Lake Forest. At our request, the City of Lake Forest has agreed to split the electrical energy and maintenance costs for this street lighting. Approval of the attached Agreement to share these costs is recommended.

BACKGROUND:

Last year, the State Department of Transportation (Caltrans) completed an upgrade to the El Toro Road/I-5 bridge under deck lighting to provide effective street lighting for pedestrians and vehicles underneath the bridge. The bridge and lighting spans the City boundary between the City of Laguna Hills and the City of Lake Forest. The electrical energy charges and maintenance costs of the lighting is the responsibility of the local agency in that the State will not maintain the lighting for purposes of direct benefit to a local street, in this case El Toro Road. The electrical meter for the energy charges is in the name of the City of Laguna Hills.

City of Laguna Hills staff contacted City of Lake Forest staff and requested that the City of

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE THE COOPERATIVE AGREEMENT BETWEEN THE CITY OF LAGUNA HILLS AND THE CITY OF LAKE FOREST FOR COST SHARING OF MONTHLY ELECTRICAL CHARGES AND OCCASIONAL MAINTENANCE COSTS FOR UNDER DECK LIGHTING OF THE I-5 OVERCROSSING OF EL TORO ROAD, AUTHORIZE THE CITY MANAGER TO EXECUTE THE AGREEMENT AND THE CITY CLERK TO ATTEST THERETO.

Lake Forest agree to share in the costs of the electrical energy and maintenance costs of the under deck lighting which equally illuminates portions of El Toro Road in both cities. City of Lake Forest staff is supportive of the cost sharing on an equal basis. The City Attorney's office has prepared the attached Cooperative Agreement which will implement the cost sharing.

FISCAL IMPACT:

The annual cost for electrical energy and maintenance of the street lighting attached to the under deck of the I-5 at El Toro Road bridge is anticipated to be \$2,000. The Cooperative Agreement for cost sharing equally splits this cost between the City of Laguna Hills and the City of Lake Forest. There is a maximum annual cost contribution of \$5,000 to account for the potential for additional maintenance services, other than what would routinely be expected at any given time.

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE THE COOPERATIVE AGREEMENT BETWEEN THE CITY OF LAGUNA HILLS AND THE CITY OF LAKE FOREST FOR COST SHARING OF MONTHLY ELECTRICAL CHARGES AND OCCASIONAL MAINTENANCE COSTS FOR UNDER DECK LIGHTING OF THE I-5 OVERCROSSING OF EL TORO ROAD, AUTHORIZE THE CITY MANAGER TO EXECUTE THE AGREEMENT AND THE CITY CLERK TO ATTEST THERETO.

ATTACHMENTS:

- Agreement

COOPERATIVE AGREEMENT BETWEEN

THE CITY OF LAGUNA HILLS

AND

THE CITY OF LAKE FOREST

**FOR COST SHARING OF MONTHLY ELECTRICAL CHARGES AND OCCASIONAL
MAINTENANCE COSTS FOR UNDER DECK LIGHTING OF THE I-5
OVERCROSSING OF EL TORO ROAD**

This **COOPERATIVE AGREEMENT** ("Agreement") is made and entered into this ____
day of _____, 2011

BY AND BETWEEN

City of Laguna Hills, a municipal corporation
organized and existing under the laws of the
State of California, hereinafter referred to as
"**Laguna Hills**".

AND

City of Lake Forest, a municipal corporation
organized and existing under the laws of the
State of California, hereinafter referred to as
"**Lake Forest**". Laguna Hills and Lake
Forest may be referred to herein individually as
"Party" and collectively as "Parties"

RECITALS

WHEREAS, the I-5 overcrossing of El Toro Road is located in or near the
jurisdictions of both Laguna Hills and Lake Forest; and

WHEREAS, CALTRANS has undertaken restoration of the under deck lighting of
the I-5 overcrossing at El Toro Road; and

WHEREAS, pursuant to an agreement entered into between Laguna Hills and
CALTRANS dated June 23, 1992, the costs of electrical energy to operate the under
deck lighting is to be borne by the local agency; and

WHEREAS, the under deck lighting will be of mutual benefit to residents and
visitors of both Laguna Hills and Lake Forest; and

WHEREAS, Laguna Hills and Lake Forest have agreed to share the costs of the electrical energy to operate the under deck lighting and any occasional maintenance required; and

WHEREAS, Lake Forest agrees on a monthly basis to reimburse Laguna Hills for fifty percent (50%) of the above-referenced costs.

NOW THEREFORE, in consideration of these recitals and the mutual covenants contained herein, Laguna Hills and Lake Forest agree as follows:

1. **RESPONSIBILITIES OF LAGUNA HILLS**

A. As the responsible local agency, Laguna Hills agrees to make the payments to the utility for the electrical energy required to operate the under deck lighting and any occasional maintenance required, subject to reimbursement of fifty percent (50%) of those costs by Lake Forest.

B. Laguna Hills agrees to invoice Lake Forest on a monthly basis for the above referenced costs at the address listed in Article 3 below. The invoices shall include sufficient back up documentation to justify costs.

2. **RESPONSIBILITIES OF LAKE FOREST**

A. Lake Forest shall reimburse Laguna Hills fifty percent (50%) of all costs and expenses incurred by Laguna Hills in the services described in Section 1A, but in no event shall Lake Forest's reimbursement exceed a total cost of Five Thousand Dollars (\$5,000.00) per year. Upon receipt of an invoice from Laguna Hills for the costs of the electrical energy to operate the under deck lighting and any occasional maintenance required, Lake Forest agrees to pay said invoice within thirty (30) days of receipt.

3. **NOTICES**

A. Communication and details concerning this Agreement shall be directed to the following representatives:

Laguna Hills

City of Laguna Hills
Director of Public Services
25035 El Toro Road
Laguna Hills, California 92653
Attn: Kenneth H. Rosenfield, P.E.

Lake Forest

City of Lake Forest
Department of Public Works
25550 Commercentre Drive, Suite 100
Lake Forest, California 92630
Attn: Robert L. Woodings, P.E.

B. Any notice required under this Agreement shall be sent by certified mail, postage prepaid, and shall be deemed complete on the third business days following deposit with the United States Postal Service.

4. AMENDMENTS

This Agreement may only be amended in writing and such amendment shall be executed by both parties.

5. TERM

This Agreement shall become effective upon full execution by both parties and shall remain in full force and effect until amended or terminated as provided for herein.

6. TERMINATION

This Agreement may be terminated at any time upon mutual consent of the parties thereto. This Agreement may also be terminated by either party upon ninety (90) days written notice as provided in Article 3 above.

7. LEGAL AUTHORITY

The signatories below warrant that they are duly authorized to execute this Agreement on behalf of the parties and that by so executing this Agreement, the parties hereto are formally bound by the provisions of the Agreement.

8. SEVERABILITY

If any term, provision, covenant or condition of this Agreement is held to be invalid, void or otherwise unenforceable, to any extent, by any court of competent jurisdiction, the remainder of this Agreement shall not be affected thereby, and each term, provision, covenant or condition of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

9. COUNTERPARTS

This Agreement may be executed and delivered in any number of counterparts, each of which, when executed and delivered shall be deemed an original and all of

which together shall constitute the same agreement. Facsimile signatures will be permitted.

10. GOVERNING LAW

The laws of the State of California and applicable local and federal laws, regulations and guidelines shall govern this Agreement. Venue shall be in Orange County.

11. RELATIONSHIP OF PARTIES

Except as otherwise provided herein, the duties, obligations, and liabilities of the Parties are intended to be several and not joint or collective, and nothing contained herein shall ever be construed to create an association, trust or partnership or impose a trust or partnership duty, obligation or liability on or with regard to any of the Parties. Each Party shall be individually responsible for its own obligations as herein provided.

12. INDEMNIFICATION

Laguna Hills agrees that it shall defend, indemnify and hold harmless Lake Forest and its elected officials, officers, employees, agents, contractors, consultants and authorized volunteers against any and all claims, actions, damages, liabilities and expenses (including attorney's fees and reasonable expenses for litigation or settlement) for any loss or damages, bodily injuries, including death, damage to or loss of property, caused by the negligent acts, omissions, or willful misconduct by Laguna Hills, its elected officials, officers, employees, agents, contractors, consultants and authorized volunteers in connection with or arising out of the performance of this Agreement that are asserted or claimed against Lake Forest, its elected officials, officers, employees, agents, contractors, consultants and authorized volunteers.

Lake Forest agrees that it shall defend, indemnify and hold harmless Laguna Hills and its elected officials, officers, employees, agents, contractors, consultants and authorized volunteers against any and all claims, actions, damages, liabilities and expenses (including attorney's fees and reasonable expenses for litigation or settlement) for any loss or damages, bodily injuries, including death, damage to or loss of property, caused by the negligent acts, omissions, or willful misconduct by Lake Forest, its elected officials, officers, employees, agents, contractors, consultants and authorized volunteers in connection with or arising out of the performance of this Agreement that are asserted or claimed against Laguna Hills, its elected officials, officers, employees, agents, contractors, consultants and authorized volunteers.

13. ATTORNEYS' FEES

In the event that any action or proceeding, including arbitration, is commenced by either Lake Forest or Laguna Hills against the other to establish the validity of this Agreement or to enforce any one or more of its terms, the prevailing Party in any such

action or proceeding shall be entitled to recover from the other, in addition to all other legal and equitable remedies available to it, its actual attorneys' fees and costs of litigation, including, without limitation, filing fees, service fees, deposition costs, arbitration costs and expert witness fees, including actual costs and attorneys' fees on appeal.

IN WITNESS WHEREOF, the parties has caused this Agreement to be executed by their respective City Managers and attested by their respective City Clerks, all having been duly authorized.

EXECUTED:

CITY OF LAGUNA HILLS

CITY OF LAKE FOREST

By: _____
Bruce E. Channing, City Manager
Dated: _____

By: _____
Robert C. Dunek, City Manager
Dated: _____

ATTEST:

By: _____
Peggy J. Johns, City Clerk

By: _____
Stephanie D. Smith, City Clerk

APPROVED AS TO FORM:

By: _____
Gregory E. Simonian, City Attorney
Dated: _____

By: _____
Scott C. Smith, City Attorney
Dated: _____

CITY OF LAGUNA HILLS

AGENDA REPORT COMMUNITY DEVELOPMENT DEPARTMENT

ISSUE: 2010 GENERAL PLAN ANNUAL REPORT

SUMMARY:

Government Code Section 65400 requires that all cities and counties submit to their legislative bodies an Annual Report on the status of the General Plan and progress of its implementation (see attached). The recently enacted Senate Bill No. 375 requires that the General Plan Annual Report ("Annual Report") include a section describing the actions taken by the local government to complete the programs and meet the deadlines specified in the Housing Element. SB 375 builds on the existing framework of regional planning to tie together the regional allocation of housing needs and regional transportation planning in an effort to reduce greenhouse gas (GHG) emissions from motor vehicles. Previously, there were no consequences if a local government failed to prepare an Annual Report. However, with the enactment of SB 375, failure to comply with the reporting and hearing requirements can now lead to a court injunction and sanctions. The Annual Report must be forwarded to the State Department of Housing and Community Development and the Governor's office of Planning and Research by April 1st of each year.

As the City Council is aware, the City's Updated comprehensive General Plan was adopted on July 14, 2009, the City adopted the Housing Element on December 8, 2009, and the State Housing and Community Development Department ("HCD") subsequently certified the Housing Element (in a letter dated February 2, 2010) as being in full compliance with State law.

Attached is the City's 2010 Annual Report, which provides the status of the City's General Plan implementation efforts, the purpose of each General Plan Element (i.e. Land Use, Circulation, Housing, Conservation, Open Space, Noise, Safety, Fiscal Management, and Municipal Facilities), and some of the accomplishments in 2010.

BACKGROUND:

The City's initial General Plan was adopted in 1994. The Housing Element (planning period 2000-2005) was subsequently updated in 2001. In 2007, the City initiated a new comprehensive General Plan Update. The impetus for the new General Plan was

RECOMMENDATION: THAT THE CITY COUNCIL RECEIVE THE REPORT AND DIRECT STAFF TO FORWARD THE 2010 GENERAL PLAN ANNUAL REPORT TO THE STATE OF CALIFORNIA.

largely driven by the fact that the City had successfully completed most of the goals, objectives, and programs set forth in the 1994 General Plan. On July 14, 2009, the City completed the process of updating the entire General Plan, including the Housing Element (for the planning period 2008-2014). The City subsequently re-adopted the Housing Element on December 8, 2009, to address minor revisions requested by State HCD. As the City Council may recall, the City of Laguna Hills has been assigned a Regional Housing Need Allocation (RHNA) number of eight (8) units for the 2008-2014 planning period. The Updated General Plan was provided to the State of California (along with the Draft Environmental Impact Report) on February 3, 2009, and, in February 2010, the updated Housing Element received official approval by the State Department of Housing and Community Development. This is the first time in the City's history that the Housing Element has received State certification.

The State of California has created a standardized format (forms and definitions) that each city is expected to use in preparing an Annual Report on the status of the Housing Element and the City's progress in implementing its goals and programs. The forms were adopted by the State in March 2010, and are included in the City's General Plan Annual report.

Following City Council's review and receipt of the 2010 General Plan Annual Report, staff will forward the Annual Report to the State of California.

CEQA FINDINGS:

A General Plan Annual Report is not considered a "project" subject to the California Environmental Quality Act (CEQA).

RECOMMENDATION: THAT THE CITY COUNCIL RECEIVE THE REPORT AND DIRECT STAFF TO FORWARD THE 2010 GENERAL PLAN ANNUAL REPORT TO THE STATE OF CALIFORNIA.

ATTACHMENTS:

1. Government Code Section 65400
2. 2010 General Plan Annual Report and Annual Element Progress Report-Housing Element Implementation

GOVERNMENT CODE SECTION 65400

65400. (a) After the legislative body has adopted all or part of a general plan, the planning agency shall do both of the following:

(1) Investigate and make recommendations to the legislative body regarding reasonable and practical means for implementing the general plan or element of the general plan, so that it will serve as an effective guide for orderly growth and development, preservation and conservation of open-space land and natural resources, and the efficient expenditure of public funds relating to the subjects addressed in the general plan.

(2) Provide by April 1 of each year an annual report to the legislative body, the Office of Planning and Research, and the Department of Housing and Community Development that includes all of the following:

(A) The status of the plan and progress in its implementation.

(B) The progress in meeting its share of regional housing needs determined pursuant to Section 65584 and local efforts to remove governmental constraints to the maintenance, improvement, and development of housing pursuant to paragraph (3) of subdivision (c) of Section 65583.

The housing element portion of the annual report, as required by this paragraph, shall be prepared through the use of forms and definitions adopted by the Department of Housing and Community Development pursuant to the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2). Prior to and after adoption of the forms, the housing element portion of the annual report shall include a section that describes the actions taken by the local government towards completion of the programs and status of the local government's compliance with the deadlines in its housing element. That report shall be considered at an annual public meeting before the legislative body where members of the public shall be allowed to provide oral testimony and written comments.

(C) The degree to which its approved general plan complies with the guidelines developed and adopted pursuant to Section 65040.2 and the date of the last revision to the general plan.

(b) If a court finds, upon a motion to that effect, that a city, county, or city and county failed to submit, within 60 days of the deadline established in this section, the housing element portion of the report required pursuant to subparagraph (B) of paragraph (2) of subdivision (a) that substantially complies with the requirements of this section, the court shall issue an order or judgment compelling compliance with this section within 60 days. If the city, county, or city and county fails to comply with the court's order within 60 days, the plaintiff or petitioner may move for sanctions, and the court may, upon that motion, grant appropriate sanctions. The court shall retain jurisdiction to ensure that its order or judgment is carried out. If the court determines that its order or judgment is not carried out within 60 days, the court may issue further orders as provided by law to ensure that the purposes and policies of this section are fulfilled. This subdivision applies to proceedings initiated on or after the first day of October following the adoption of forms and definitions by the Department of Housing and Community Development pursuant to paragraph (2) of subdivision (a), but no sooner than six months following that adoption.

CITY OF LAGUNA HILLS
General Plan Annual Report
Calendar Year 2010

Background

Government Code Section 65400(b) mandates that all cities and counties submit to their legislative bodies an annual report on the status of the General Plan and progress in its implementation; otherwise referred to as the “Annual Report.” The Annual Report is intended as a tool for informing local legislative bodies of the jurisdiction’s effectiveness in implementing its General Plan. A copy of the Annual Report must also be sent to the Governor’s Office of Planning and Research (OPR) and the Department of Housing and Community Development (HCD).

The purpose and intent of this statute is to ensure that the General Plan directs all land use decisions and remains an effective guide for the long-term physical development of a community. The Annual Report is a tool for doing this. The Annual Report provides a correlation between land use decisions that have been made during the 12-month reporting period and the goals, policies and implementation programs of the adopted General Plan.

Providing a copy of the Annual Report to OPR provides information that allows OPR to monitor local planning activities and to identify trends in land use planning and decision-making throughout the State of California. The information is necessary for OPR to serve in its capacity as the statewide planning agency. It can also provide the State with information to identify necessary modifications and improvements to its *General Plan Guidelines*, while serving to apprise state government of local planning activities and facilitating the legislative process as it pertains to land use and local planning issues.

Providing a copy of this report to HCD fulfills a statutory requirement to report certain housing information, including the local agency’s progress in meeting its share of regional housing needs and local efforts to remove governmental constraints to the development of housing (as defined in Government Code Sections 65584 and 65583(c)(3)).

The focus of the Annual Report should be on implementation of the General Plan’s goals, policies and implementation measures. It can provide information to identify necessary “course adjustments” or modifications to the General Plan and means to improve local implementation. Since there is no specific form provided by OPR, the Annual Report can vary in format and approach from jurisdiction to jurisdiction.

City of Laguna Hills General Plan Implementation

After an extensive two year process, the City adopted a Comprehensive Update to the General Plan in July 2009. This was the first comprehensive revision of the General Plan since the City's first general Plan was adopted in 1994. The General Plan is based on extensive research and analysis of existing conditions, changing local and regional conditions, evolving trends in urban planning and a collaborative partnership with community members through an extensive public participation process.

The Laguna Hills General Plan is organized into 10 sections. The sections include an introduction, seven General Plan elements, a general Plan Implementation Program, description of related plans and programs, and a glossary of terms used throughout the General Plan.

The seven General Plan elements encompass all of the elements required by California General Plan law. The Laguna Hills General Plan combines the mandatory Open Space and Conservation Elements required by State law, and includes a separate, optional element on Community Services and Facilities. The seven General Plan elements in the Laguna Hills General Plan include: Land Use, Mobility, Conservation and Open Space, Community Services and Facilities, Safety, Noise, and Housing.

The seven elements are generally organized in a similar format. Each element contains an Introduction, Background, and Plan section. The "Introduction" indicates the purpose of each element and how it will help Laguna Hills achieve its vision for the community as articulated through the eight Guiding Themes. The "Background" provides the reader with the existing conditions and/or the environmental setting particular to that element topic. The "Plan" section is composed of three sections: issues, goals and policies, and approach. The issues section describes issues and concerns expressed by the community, City staff, and the City Council. The goals and policies section sets both broad and specific direction for the future of the City based on the identified issues and concerns. The approach section provides a general description and summary of the City's course of action to achieve the goals and policies.

The Laguna Hills General Plan also contains the following appendices, which are integral parts of the General Plan: 1) Implementation Program - The Implementation Program follows the elements and identifies the specific actions that will achieve the goals, policies, and plans identified in each element; 2) Related Plans and Programs - This section identifies plans and programs related to the General Plan and applicable to future activities and land use decisions within Laguna Hills; 3) Glossary - This section provides definitions for technical terms used throughout the General Plan.

Land Use Element

The Land Use Element is the foundation of the General Plan and serves as a compass that guides citizens, planners, and decision makers on the desired pattern of growth, development, and change in Laguna Hills. This Element describes both existing and future land use activities and unifies the other elements of the General Plan by providing an overall policy context. The Land Use Element deals with the central issues of development and growth, and the quality of the community, and helps define the desired balance among the social, environmental, and economic costs and benefits associated with growth.

The Land Use Element identifies the distribution, location, and intensity of all land use types throughout the City. Text, maps, and diagrams establish the direction for land uses within the City and describe how these uses are integrated with other General Plan Elements and policies.

As a built-out community with no remaining residential or commercial vacant land, new development opportunities are focused on larger existing developed parcels that are considered underutilized and/or can be reasonably intensified by incorporating parking structures within parking lot areas. The Laguna Hills Mall and the Oakbrook Village Shopping Center are both examples of these new development opportunities and are zoned for a range of mixed land uses, including residential uses. The General Plan focuses on those sites within the community that have redevelopment potential.

The City's Land Use Element was adopted in July 2009 with the City's comprehensive update of the General Plan. Previously, the City had amended the 1994 adopted Land Use Element twice: In July of 2000, with the West-side annexation, and in June of 2001, with the Saddleback Valley Unified School District Surplus Property Land Use Designation Change.

The following Land Use goals and programs were implemented in 2010:

- Urban Village Plan

The City continues to proactively encourage the Simon Property Group (Laguna Hills Mall), Fritz Duda Company (Oakbrook Village), and other property owners in the area of redevelopment and new infill development, with the belief that major capital investments in the redevelopment of these two centers will serve as catalyst for the entire Urban Village area.

Circuit City closed its doors in April of 2009. In January 2010, Ashley Furniture purchased the property and the City is working very closely with the new owners to ensure a desirable re-use and remodel of the existing building and property. Additionally, the City encouraged the new owners to build out the site with additional retail/restaurant uses. Consequently, the new owners are now planning to submit a development plan within the

next month or two that incorporates new additional space and a new restaurant pad.

The owner of Oakbrook Village (Fritz Duda Company) continues to work with staff on a redevelopment plan that will create a mixed-use development concept with new retail and 215 residential units. The City has partnered with the owner to market the development at an Urban Land Institute (ULI) conference as well as the International Council of Shopping Centers (ICSC) Western Division Deal Making Convention. Residential interest in this site remains strong.

Lastly, this past year, the City also solicited and successfully competed for a ULI-sponsored Technical Advisory Panel (TAP) to conduct a focused assessment of the Urban Village Specific Plan Area, and to develop ideas and recommendations for how to encourage the desired development of the area; to take advantage of both existing and potential transportation systems; and to stimulate both redevelopment and new development in this location.

- The Courtyard at La Paz

One of the oldest shopping centers in Laguna Hills underwent a dramatic renovation. Originally constructed with wood facades and marketed as the Wild West Center, the current owners of the Center have invested more than \$2,500,000 in creating a new modern look for the Center using a combination of stucco, tile, lights, and complementary colors. In early 2010, a new 3,300 square foot addition was added to the pedestrian courtyard area. Demolition of the two corner buildings (and related landscape and parking improvements) is scheduled for completion in 2011.

- Moulton and La Paz

This 11.3 acre area located on the north side of La Paz Road between Moulton Parkway to the west and Alameda to the east was identified as an Opportunity Area in the City's General Plan. Following the rezoning of this parcel from open space to commercial retail, the City filed a tentative parcel map with the County, essentially creating a 3.055 acre lot with a 50-foot wide open space/trail easement along La Paz Road. The City is proceeding with a Quiet Title action to address any title/ownership claims. Ultimately, the property should provide 20,000-30,000 square feet of additional commercial uses at this location.

- Implementation of the General Plan

Following last year's approval of the City's first major General Plan Update since 1994, staff has been working diligently to address many of the implementation plans identified in the General Plan. Specifically, an amendment to the Urban Village Specific Plan is currently underway that recognizes new development authorized by the updated General Plan. It is anticipated that the amendment to the Urban Village Specific Plan will be completed in 2011. Additionally, the updated Housing Element incorporated in the General Plan received official approval by the State Department of Housing and Community Development in February 2010. This is the first time in the City's history that the Housing Element has received State certification.

Mobility Element

The Mobility Element describes existing and future transportation conditions and systems. The Element establishes goals and policies that will guide the City's mobility system, including streets, transit facilities and services, bicycle and pedestrian facilities, and the recreational trail system. The text, maps, and diagrams are a basis for the development of the City's approach to maintaining and improving the mobility network.

The City's Mobility Element was adopted in July 2009 with the Comprehensive General Plan Update. The City had not adopted any amendments to the previous element, which was adopted in 1994 with the original General Plan.

During 2010, the following projects were substantially completed:

- Capital Projects Completed

Moulton Parkway Pavement Rehabilitation from Via Lomas to Glenwood Drive, which included repair of curbs and sidewalks, new access ramps, removal and replacement of deteriorated pavement, placement of a paving fabric and a new asphalt concrete overlay (\$995,542).

The Laguna Hills Drive Pavement Rehabilitation from Moulton Parkway to Paseo de Valencia, which included repair of curbs and sidewalks, median curb construction, sleeves for future irrigation, new access ramps, placement of a paving fabric and a new asphalt concrete overlay (\$682,519).

The completion of the signal coordination along both Alicia Parkway and La Paz Road constructed physical connections between the existing isolated traffic signals and installed coordination equipment to create a signal system that would allow each roadway to be synchronized for traffic flow improvements (\$635,182).

- La Paz Widening at Interstate 5

The La Paz Widening at Interstate 5 project was approved by the City Council in May 2010. Caltrans recently approved the project with a slight modification in the plans and the City Council gave its final approval to the modified plans in September 2010. This \$7.6 million project includes a number of safety and traffic flow improvements, such as the widening and addition of off- and on- ramp lanes modifying traffic signals, and landscape improvements. The City has successfully acquired \$4.7 million in Federal funding for the project, in addition to \$1.15 million of Measure M funds. The project was put out to bid at the November 23, 2010, City Council meeting. Construction on the project is expected to begin in March 2011.

- Senior Transportation

Utilizing funds provided by OCTA's Senior Mobility Program, a Dial-A-Taxi program for seniors was implemented on August 1, 2010. This represented a joint venture with the City of Mission Viejo and established a service area of both Mission Viejo and Laguna Hills with several satellite locations including the Laguna Niguel and Irvine Metrolink stations.

Housing Element

Every California city and county is required to include a housing element in its general plan which establishes housing goals, policies, and programs that respond to community housing conditions and needs. The purpose of the Laguna Hills Housing Element is to identify housing opportunities and solutions specific to the housing issues of the City.

The 2008-2014 Housing Element was adopted in December 2009. The City received State Certification for its 2008-2014 Housing Element in February 2010.

The following Housing goals and programs were implemented in 2010:

- Affordable Housing Initiatives

In 2010, the City of Laguna Hills was awarded \$200,000 in Community Development Block Grant (CDBG) funds, which are being used to renovate 10 homes in the 248-unit Aliso Meadows Condominium Association. Over the past seven (7) years, the City has been awarded CDBG funds totaling over \$1,900,000, which has resulted in the rehabilitation of more than 130 affordable housing units for very low, low, and moderate income households in the City.

- Regional Housing Needs Assessment

The City was assigned an “eight” RHNA number for planning period 2008-2014. The RHNA for the 2008-2014 Housing Element period in the SCAG region used January 1, 2006, as the baseline for projecting housing needs. As such, housing units that have been constructed, issued building permits, or approved since January 1, 2006, can be credited toward the RHNA. During this time period, one (1) new affordable unit has been created.

Note: In addition to the information provided above, the status of the housing element and progress in its implementation are described in an attachment to this Annual Report – Annual Element Progress Report - Housing Element Implementation.

Conservation and Open Space Element

The purpose of the Conservation and Open Space Element is to identify natural, cultural, and open space resources, ensuring a high-quality living environment for residents of Laguna Hills. This Element provides goals, policies, and programs related to open space and conservation as well as a wide range of other topics that together comprise the natural setting of Laguna Hills, including biological, scenic, cultural, and historical resources. The goals and policies contained in this element also address global climate change and sustainable practices related to water conservation, energy conservation, air quality, and water quality.

The City’s Conservation Element and Open Space Element were adopted in July 2009 with the Comprehensive General Plan Update. The following Conservation and Open Space goals and programs were implemented in 2010:

- Food Waste

A regional one-year pilot food waste program, funded by an orange County Waste and recycling grant, began in March 2010. This is the second year of the City’s pilot food waste program and the following restaurants have participated in the program: Claim Jumper, King’s Fish House, Firestone, Ruby’s, and the Laguna Hills Mall food court. The current food waste program is processing and average 11 tons of food waste per month.

- Landfill Diversion

The 2009 annual disposal report using the per capita disposal figures was submitted to the State Department of Resource Recycling and Recovery (CalRecycle) on August 2, 2010. The City achieved a per capita disposal rate (pounds/person/day) of 3.8 which is well below the per capita disposal target of 5.8 pounds per day. Because the City has met its diversion goals and is actively engaged in supporting diversion programs, the City is

currently under the less onerous four-year State review period. The next State review of the City's diversion efforts will occur in 2012.

- Energy Efficiency Improvements

The City successfully acquired \$174,071 from the state to implement energy efficiency improvements at the Civic Center and Community center. These improvements primarily involve the replacement of large, old and inefficient air conditioning units at the Civic Center and the Community Center. This project is scheduled to go to bid next calendar year.

- Water Quality

The City reviewed, developed comments, attended public hearings, and provided testimony on the NPDES permit renewals to be issued by both the Santa Ana regional Water Quality Board and San Diego Regional Water Quality Control Board.

The City participated in the 14th Annual Inner Coastal Watershed Cleanup Day on September 25, 2010. This was the seventh time the City has participated in this event where volunteers worked together and cleaned parts of the Aliso Hills Channel. The event was a great success as 33 volunteers collected 330 pounds of trash and 110 pounds of recyclable material.

The City has participated in coordination meetings with the Moulton Niguel Water District and El Toro Water District to discuss strategies for water conservation and runoff reduction. The City discussed with the Moulton Niguel Water District and El Toro Water District plans to expand the use of recycled water to the remaining city landscape. Consequently, El Toro Water District informed the City it just received a grant to install new recycled water lines. This, in addition to new recycled water lines added by Moulton Niguel Water District in La Paz Road from Cabot Road to Paseo de Valencia, will increase the use of recycled water throughout the City. The City also carried articles in City Views Promoting water conservation.

- Volunteer Connection Day

The City held the annual Volunteer Connection Day and Arbor Day celebration on April 17, 2010. Some 99 volunteers performed trail and open space clean ups collecting over 1,500 pounds of debris and recyclables. The day included the planting trees along La Paz Road. As part of this event, the City re-qualified for its designation as a Tree City USA by the national Arbor Day Foundation.

Noise Element

The purpose of the Noise Element is to identify and assess existing noise sources in the community, and to discuss the City's role in ensuring comfortable and safe noise levels in the future. As a part of the General Plan process, citizens and City officials identified goals for the future relating to balancing land uses in the City, in part to minimize incompatibilities and exposure to excessive noise while providing the range of uses needed to maintain a high quality of life. The goals, policies, and programs will assist in achieving noise compatibility between land uses.

The City's Noise Element was adopted in July 2009 with the Comprehensive General Plan Update. The City had not adopted any amendments to the previous element, which was adopted in 1994 with the original General Plan.

The following goals and programs were implemented in 2010:

- Noise Standards and Acoustical Studies

The City reviewed development proposals to ensure that the noise standards and compatibility criteria set forth in the Noise Element were met.

Safety Element

The Safety Element establishes policies and programs to protect the community from risks associated with seismic, geologic, flood, and wildfire hazards.

The City's Safety Element was adopted in July 2009 with the Comprehensive General Plan Update. The City had not adopted any amendments to the previous element, which was adopted in 1994 with the original General Plan.

The following safety goals and programs were implemented in 2010:

- Decrease in Part I Crimes

The Part I crime rate for the first three quarters of 2010 decreased noticeably with a total of 472 crimes, versus 525 from 2009, representing a 10% decrease. This is impressive considering it follows a year wherein the City continued to achieve a decrease in crime. The largest reduction appears to have occurred in the theft and auto theft categories. This is significant given the current economic conditions, where we typically see crime rates rise, as well as the fact that we're operating with two fewer deputy sheriffs than years past. To address this decrease, the City made changes in the Police Services deployment model to provide for more

efficient coverage throughout the City in order to minimize the impact to the budget cuts.

- Response Times Improve

Response times continue to remain within the expected parameters for all four levels of priority calls. The average response time for the first three quarters of 2009 were 4:49 for Priority 1 calls, 8:38 for Priority 2 calls, 12:28 for Priority 3 calls, and 18:00 for Priority 4 calls. It remains the goal of Laguna Hills Police Services to respond to all Priority 1 calls within 5 minutes from the time of dispatch to arrival, twelve minutes for Priority 2 calls, and twenty minutes for Priority 3 calls.

- School Resource Officer

For the third year, Police Services allocated personnel to provide for a full-time School Resource Officer (SRO) to the schools of Laguna Hills. The objectives of the SRO program is to create a greater respect for law and order and an understanding of law enforcement by bringing together Police Services personnel, school personnel, and students together in a favorable atmosphere. Additionally, the program strives for a reduction in juvenile crime and the promotion of responsible behavior. The presence of a deputy sheriff on campus reduces the opportunity to commit crimes on or near school property. The SRO continues to work towards developing new community education programs for students and parents alike.

- Neighborhood Watch

The City's Neighborhood Watch Program continued to flourish in 2010 with the addition of four new groups. In addition, Police Services participated in community events such as school safety events, PTA functions, local festivals, service group events, and child safety seat inspections.

Community Services and Facilities Element

The purpose of the Community Services and Facilities Element is to assess the current status of community services as well as evaluate their long-term provision to ensure that adequate services and facilities are both planned and provided proportionate with the projected growth, as well as development and redevelopment, as it occurs within the City. The Community Services and Facilities Element also establishes the City's plan to provide and maintain infrastructure and public services for future growth, without diminishing services to existing development. Community services collectively refer to law enforcement, fire protection, water, sewer, solid waste, electricity and natural

gas, communication, and animal care services. Community facilities collectively refer to schools, libraries, parks, and recreational facilities.

The City's Community Services and Facilities Element was adopted in July 2009 with the Comprehensive General Plan Update. The City had not adopted any amendments to the previous element, which was adopted in 1994 with the original General Plan.

The following goals and programs were implemented in 2010:

- Special Events

The City successfully hosted our two signature events. The 2010 Memorial Day Half Marathon and 5K Event was held on May 31, 2010, with 2,600 runners participating. It is estimated that 11,000 people attended the City of Laguna Hills 2010 Fourth of July event.

- Senior Center Facility Grant

For the third year in a row, the City submitted an application to the County for Community Development Block Grant Funding for Public Facilities and Improvement monies for use at the Florence Sylvester Senior Center. The application requested \$75,000 to be utilized in the next fiscal year. Last year, the City was awarded a \$52,000 grant for Public Facilities and Improvements. In September 2010, the City entered into a contract with South County Senior Services that allowed them to utilize this funding. Construction is expected to be completed in March 2011.

- Animal Services

This past year, the City began its Dog License Campaign, which included a public education/outreach component and a one year license canvassing program. The public education/outreach component included several articles in City Views, a pet clinic, and a license amnesty period from April 1 – May 15. As a result, the number of licensed dogs in the City increased 7.08%.

- Civic Center Public Art Program

This past year, the three City Council chamber murals were completed and installed. The City held a very successful mural dedication ceremony featuring muralist Robert Evans. The Civic Center Public Art program online exhibit and local school curriculum guide were recently completed and posted on the City's website. The school curriculum is geared toward teachers of grades 3, 4, and 5, and contains activities and opportunities to foster students' understanding of the early exploration, settlement and use

of land in Orange County and, specifically, the Saddleback Valley. Also, this past summer, the City introduced the “Our Cultural History” speaker’s series classes as part of the City’s Community Services program offerings. The speaker series was held in the City Council chambers and four of the classes included off-site visits. A total of eighty-two people participated in the speaker series. The classes will once again be offered in the spring and summer quarter in 2011.

- City Website Updates

The City contracted with a new website vendor that provided the City with new website tools which enabled staff to update all webpage content on the City’s website. Also, the City began posting staff reports to the City’s website in January 2010, as a method for easy public access of City Council meeting information.

Conclusion

This Annual report documents the City’s recent progress in updating and implementing the General Plan. The information contained herein will be forwarded to the Governor’s Office of Planning and Research and the Department of Housing and Community Development to serve as the City of Laguna Hills’ General Plan Annual Report for calendar year 2010.

Jurisdiction	Reporting Period
City of Laguna Hills	1/1/2010 - 12/31/2010

Table A

Annual Building Activity Report Summary - New Construction Very Low-, Low-, and Mixed-Income Multifamily Projects

Housing Development Information										Housing with Financial Assistance and/or Deed Restrictions			Housing without Financial Assistance or Deed Restrictions
1	2	3	4				5	5a	6	7	8		
Project Identifier (may be APN No., project name or address)	Unit Category	Tenure R=Renter O=Owner	Affordability by Household Incomes				Total Units per Project	Est. # Infill Units*	Assistance Programs for Each Development	Deed Restricted Units	Note below the number of units determined to be affordable without financial or deed restrictions and attach an explanation how the jurisdiction determined the units were affordable. Refer to instructions.		
			Very Low-Income	Low-Income	Moderate-Income	Above Moderate-Income							
n/a													
(9) Total of Moderate and Above Moderate from Table A3										0	0		
(10) Total by income Table A/A3										0	0	0	
(11) Total Extremely Low-Income Units*										0			

* Note: These fields are voluntary

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

(CCR Title 25 §6202)

Jurisdiction	City of Laguna Hills
Reporting Period	1/1/2010 - 12/31/2010

Table A2
Annual Building Activity Report Summary - Units Rehabilitated, Preserved and Acquired pursuant to GC Section 65583.1(c)(1)

Please note: Units may only be credited to the table below when a jurisdiction has included a program it its housing element to rehabilitate, preserve or acquire units to accommodate a portion of its RHNA which meet the specific criteria as outlined in GC Section 65583.1(c)(1)

Activity Type	Affordability by Household Incomes				(4) The Description should adequately document how each unit complies with subsection (c)(7) of Government Code Section 65583.1
	Extremely Low-Income*	Very Low-Income	Low-Income	TOTAL UNITS	
(1) Rehabilitation Activity	18	6	2	26	Use of City and CDBG funds to make the necessary site improvements to existing substandard housing to preserve affordable housing, including conducting termite repair.
(2) Preservation of Units At-Risk	0	0	0	0	replacing damaged duct-work, painting, replacing damaged fences, fumigation, and bringing water heater closets up to Code.
(3) Acquisition of Units	0	0	0	0	
(5) Total Units by Income	18	6	2	26	

* Note: This field is voluntary

Table A3
Annual building Activity Report Summary for Above Moderate-Income Units (not including those units reported on Table A)

	1. Single Family	2. 2 - 4 Units	3. 5+ Units	4. Second Unit	5. Mobile Homes	6. Total	7. Number of infill units*
No. of Units Permitted for Moderate	0	0	0	0	0	0	0
No. of Units Permitted for Above Moderate	0	0	0	0	0	0	0

* Note: This field is voluntary

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

(CCR Title 25 §6202)

Jurisdiction City of Laguna Hills
Reporting Period 1/1/2010 - 12/31/2010

Table B

Regional Housing Needs Allocation Progress

Permitted Units Issued by Affordability

Enter Calendar Year starting with the first year of the RHNA allocation period. See Example.		2006	2007	2008	2009	2010	Year 6	Year 7	Year 8	Year 9	Total Units to Date (all years)	Total Remaining RHNA by Income Level
Income Level	RHNA Allocation by Income Level	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9		
Very Low	Deed	0	0	0	0	0						2
	Restricted Non-deed restricted											
Low	Deed	0	0	0	0	0						1
	Restricted Non-deed restricted											
Moderate	Deed	0	0	0	0	0						2
	Restricted Non-deed restricted											
Above Moderate		0	0	0	0	1					1	2
Total RHNA by COG. Enter allocation number:		0	0	0	0	1					1	7
Total Units												
Remaining Need for RHNA Period												

Note: units serving extremely low-income households are included in the very low-income permitted units totals.

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

(CCR Title 25 §6202)

Jurisdiction	City of Laguna Hills
Reporting Period	1/1/2010 - 12/31/2010

Table C
Program Implementation Status

Program Description (By Housing Element Program Names)	Name of Program	Objective	Timeframe in H.E.	Status of Program Implementation
Housing Programs Progress Report - Government Code Section 65583. Describe progress of all programs including local efforts to remove governmental constraints to the maintenance, improvement, and development of housing as identified in the housing element.				
Housing Rehabilitation		preserve affordable housing	Ongoing	City awarded \$200,000 in CDBG funds to renovate 10 homes
At-Risk Units		pursue extension of affordability controls	Ongoing	Prepared a Risk Assessment report provided by the California Housing Partnership Corporation (CHPC)
Section 8 Rental Assistance		Cooperate with OCHA	Ongoing	City continues to cooperate with OCHA
Code Enforcement Program		Preserve community housing stock	Ongoing	Code Enforcement continues to assist in preserving the community's housing stock
Urban Village Specific Plan Area for Housing Opportunities		Provide housing opportunities	Ongoing	City Continues to inform existing property owners and prospective developers that housing opportunities are available in the Urban Village Specific Plan area
Alicia Gateway for Housing Opportunities		Provide housing opportunities	Ongoing	City continues to inform prospective developers that housing opportunities are available in the Alicia Gateway area
Fair Housing Program		Further fair housing practices	Ongoing	City continues to advertise the Fair Housing Council's services
Reasonable Accommodation Procedures		Establish procedures for reasonable accommodation requests	2010-2010	Staff drafted a Zoning Ordinance Amendment to take to the City Council in 2011
Zoning Ordinance Update		Remove constraints for the development of housing affordable to low and moderate income households with special needs	2010-2010	Staff prepared an amendment to the Urban Village Specific Plan that is currently being reviewed by other agencies and should be taken to the City Council in April 2011
Second Units		Provide housing opportunities	Ongoing	City continues to implement the Second Unit provisions of the Zoning Ordinance consistent with State law - City permits second units by right in all residential zones of the City, requiring only ministerial approval
Continuum of Care Funding and Consolidation Plan Participation		Affordable housing and related social services for special needs	Ongoing	City continues to participate in the OC Consolidated Plan Programs and in the OC Continuum of Care local housing process to facilitate obtaining funds for affordable housing and related social services for special needs populations
Universal Design Features in Housing		Equal Housing Opportunity	2010-2010	Staff drafted a Zoning Ordinance Amendment to take to the City Council in 2011
Annual Progress reports		Plan for and monitor the long-term affordability of sound, quality housing	Annual	City Council reviewed the 2009 General Plan Annual Report (including the Housing Element) in March 2010 and forwarded it to the State in March 2010

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

(CCR Title 25 §6202)

Jurisdiction	City of Laguna Hills	
	Reporting Period	1/1/2010 - 12/31/2010
Housing Issues Monitoring	Plan for and monitor the long-term affordability of sound, quality housing	City continues to monitor existing affordable housing developments in the City and monitors legislation, trends, and policy issues related to the development and maintenance of affordable housing
Local Housing Efforts Coordination	Plan for and monitor the long-term affordability of sound, quality housing	City coordinated local housing efforts with federal, state, regional, & local government agencies & cooperated in implementation of intergovernmental housing programs to ensure maximum effectiveness in solving local & regional housing problems

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation
(CCR Title 25 §6202)

Jurisdiction	City of Laguna Hills	
Reporting Period	1/1/2010 -	12/31/2010

**CITY OF LAGUNA HILLS, CALIFORNIA
PLANNING AGENCY REGULAR MEETING
MINUTES
FEBRUARY 22, 2011**

CALL TO ORDER

Chair Songstad called the Regular Meeting of the Planning Agency of the City of Laguna Hills, California, to order at 7:12 p.m. in the Laguna Hills City Council Chamber, 24035 El Toro Road, Laguna Hills.

ROLL CALL

Present: L. Allan Songstad, Jr., Chair
Melody Carruth, Vice Chair
Randal Bressette, Agency Member
Barbara Kogerman, Agency Member
Joel Lautenschleger, Agency Member

STAFF PRESENT: Bruce Channing, City Manager; Donald White, Assistant City Manager; Peggy Johns, City Clerk; Greg Simonian, City Attorney; Ken Rosenfield, Public Services Director/City Engineer; Vern Jones, Community Development Director; Steve Doan, Chief of Police Services; David Reynolds, Deputy City Manager; Roger James, Battalion Chief, Orange County Fire Authority; Melissa Au-Yeung, Senior Management Analyst; Dan Meehan, Community Services Superintendent; and Sandi Mogan, Deputy City Clerk.

PUBLIC COMMENTS

There were no Public Comments.

MINUTES

MINUTES OF THE REGULAR MEETING OF FEBRUARY 8, 2011 (0120-20)

IT WAS MOVED BY VICE CHAIR CARRUTH, SECONDED BY
AGENCY MEMBER BRESSETTE, TO APPROVE THE
MINUTES OF THE FEBRUARY 8, 2011, REGULAR MEETING,
AS PRESENTED.

The motion carried by the following vote:

AYES:	Agency Members Bressette, Kogerman, Lautenschleger, Vice Chair Carruth, and Chair Songstad
NOES:	None
ABSENT:	None

PLANNING AGENCY PUBLIC HEARINGS

SITE DEVELOPMENT PERMIT/MASTER SIGN PROGRAM NO. 11-10-1816, A REQUEST TO UPDATE THE MASTER SIGN PROGRAM FOR AN EXISTING OFFICE BUILDING AT 24221 CALLE DE LA LOUISA IN THE VILLAGE COMMERCIAL (VC) ZONING DISTRICT (0600-30)

Community Development Director Jones gave a PowerPoint presentation and indicated that this was a request by Saddleback Medical Group to establish a Master Sign Program for an existing office building located at 24221 Calle de la Louisa. Mr. Jones stated the site was developed with a four-story office building, a parking garage, and associated surface parking. Mr. Jones indicated that there were three existing monument signs to be re-used, four high-rise wall signs, three existing, one new, and two businesses, Citibank and Saddleback Medical Group. Mr. Jones indicated that there were entrance signs for each tenant and directional and regulatory signs. Mr. Jones stated that the Laguna Hills Municipal Code required a Master Sign Program for any high-rise building, new or existing, that proposed sign revisions. Mr. Jones reviewed the existing monument signs along with the proposed monument signs. Mr. Jones indicated that Citibank's current sign on the east elevation did not conform to the proposed sign program. City staff had contacted a representative at Citibank to inform them of the need to obtain permits for the sign and redesign the sign to be in conformance with the sign program. Condition No. 10 had been added to ensure the issue was addressed. Staff felt that the Master Sign Program was an improvement and recommended approving the request subject to the ten Conditions of Approval.

Chair Songstad opened the Public Hearing.

Todd Travis, representing the Doctors group informed the Planning Agency that there was a maintenance contract for the signs and indicated he had read and agreed to all Conditions of Approval for the project.

Chair Songstad closed the Public Hearing.

IT WAS MOVED BY AGENCY MEMBER LAUTENSCHLEGER, SECONDED BY AGENCY MEMBER KOGERMAN, TO ADOPT RESOLUTION NO. PA2011-02-22-1, A RESOLUTION OF THE PLANNING AGENCY OF THE CITY OF LAGUNA HILLS, CALIFORNIA, APPROVING SITE DEVELOPMENT PERMIT/MASTER SIGN PROGRAM NO. 11-10-1816, ESTABLISHING A NEW MASTER SIGN PROGRAM FOR AN EXISTING OFFICE BUILDING AT 24221 CALLE DE LA LOUISA.

The motion carried by the following vote:

AYES: Agency Members Bressette, Kogerman, Lautenschleger,
Vice Chair Carruth, and Chair Songstad
NOES: None
ABSENT: None

ADJOURNMENT

There being no further business before the Planning Agency at this session, Chair Songstad declared the meeting adjourned at 7:27 p.m.

PEGGY J. JOHNS, CITY CLERK

ATTEST:

L. ALLAN SONGSTAD, JR., CHAIR

APPROVED AT MEETING OF _____.

CITY OF LAGUNA HILLS

AGENDA REPORT PUBLIC SERVICES DEPARTMENT

ISSUE: ADOPTION OF A MITIGATED NEGATIVE DECLARATION AND MITIGATION MONITORING AND REPORTING PROGRAM AND APPROVAL OF THE AGREEMENT FOR ACQUISITION OF INTERESTS IN REAL PROPERTY FOR RIGHT-OF-WAY ACQUISITION FOR THE AVENIDA DE LA CARLOTA WIDENING IMPROVEMENT PROJECT, CIP NO. 164

SUMMARY:

The Avenida de la Carlota Widening Improvement Project, CIP No. 164, will improve the traffic carrying capacity of the arterial highway to include adding one additional left turn lane for southerly bound Avenida de la Carlota, creating a triple left-turn movement at El Toro Road. The project plans were previously approved by the City Council and the project is currently out to bid including a Base Bid for the ultimate widening and an Alternate Bid. On January 21, 2011, the City issued, for a thirty-day public comment period, the Initial Study and Draft Mitigated Negative Declaration for the project. Responses to comments received have been prepared. The ultimate widening of Avenida de la Carlota requires the acquisition of public right-of-way. A "Purchase and Sale Agreement" for a cooperative acquisition from the property owner is proposed. It is recommended that the City Council adopt a Resolution adopting the Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program and authorize the Mayor to sign the Agreement for Acquisition of Interests in Real Property, subject to minor technical revisions as approved by the City Attorney, for the Avenida de la Carlota Widening Improvement Project, CIP No. 164.

RECOMMENDATION: THAT THE CITY COUNCIL: (1) ADOPT A RESOLUTION ENTITLED: "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, ADOPTING A MITIGATED NEGATIVE DECLARATION AND MITIGATION MONITORING AND REPORTING PROGRAM FOR THE AVENIDA DE LA CARLOTA WIDENING IMPROVEMENT PROJECT, CIP NO. 164"; AND (2) AUTHORIZE THE MAYOR TO SIGN AND THE CITY CLERK TO ATTEST TO THE AGREEMENT FOR ACQUISITION OF INTERESTS IN REAL PROPERTY FOR RIGHT-OF-WAY ACQUISITION FROM 23991 EL TORO INC., FOR THE AVENIDA DE LA CARLOTA WIDENING IMPROVEMENT PROJECT, CIP NO. 164, SUBJECT TO MINOR TECHNICAL CORRECTIONS TO THE AGREEMENT AS IMPLEMENTED BY THE CITY ATTORNEY.

BACKGROUND:

The Avenida de la Carlota Widening Improvement Project, CIP No. 164, will add an additional lane on the westerly side of Avenida de la Carlota between Paseo de Valencia and El Toro Road. This project creates triple left turn movements from existing lanes at the Interstate 5/El Toro Road southbound off-ramp onto Avenida de la Carlota and adds the third left turn lane from southerly bound Avenida de la Carlota onto easterly bound El Toro Road. The project has been developed to accommodate an existing congested traffic corridor. By previous City Council action, the project is currently out to bid with both Alternate Bid and Base Bid improvement project scenarios.

The Avenida de la Carlota Widening Improvement Project Base Bid requires the acquisition of road right-of-way for the construction of the ultimate improvements. Staff engaged the owners of the property on which the right-of-way acquisition is necessary, known as 23991 El Toro Inc., also known as the Chevron Gas Station at the northwest corner of Avenida de la Carlota and El Toro Road, in discussions of a cooperative acquisition process. The property owner and the operator of the Chevron Gas Station have willingly participated with the City towards the objective of approving the right-of-way acquisition for a purchase price based on fair market value, which amount shall be supported by an updated appraisal. Attached to the staff report is the proposed "Purchase and Sale Agreement" to consummate the acquisition of the right-of-way for the project. The Agreement is under review by all parties, may undergo minor technical corrections before it is ready for execution, and is proposed to be signed by the property owner and tenant before this City Council meeting. It is recommended that City Council review the Agreement for Acquisition of Interests in Real Property and authorize the Mayor to execute the Agreement, subject to minor technical corrections that the City Attorney may find necessary. Should more than just minor technical corrections result from the review of the Agreement by all parties, staff will advise the City Council.

FISCAL IMPACT:

The Avenida de la Carlota Widening Improvement Project, CIP No. 164, is included in the current Fiscal Year Capital Improvement Program Budget in the amount of \$2,071,000. The acquisition of the roadway right-of-way and construction of the project is anticipated to be completed within the budget. The funding consists entirely of grant funds.

CEQA:

Pursuant to the California Environmental Quality Act (CEQA), Public Resources Code Section 21000 *et seq.*, and CEQA's implementing guidelines, California Code of Regulations, Title 14, Section 15000 *et seq.*, an Initial Study was prepared by Hogle

Ireland, Inc. The Initial Study analyzed both the Alternate Bid and Base Bid construction alternatives. Based on the Initial Study and supporting analyses, it was determined that all of the project's potentially adverse environmental impacts can be mitigated to a less than significant level. On this basis, an Initial Study and Mitigated Negative Declaration (IS/MND) and Mitigation Monitoring and Reporting Program (MMRP) have been prepared for City Council's consideration. Copies of the IS/MND, including the MMRP with recommended mitigation measures, are attached hereto.

The 30-day public comment period on the Mitigated Negative Declaration occurred from January 21, 2011, to February 22, 2011. Just after the closure of the 30-day public comment period, the City received comments from two State agencies, Caltrans and the Department of Toxics Control. Responses to the comments received were prepared and are attached.

It is recommended that the City Council accept public comment, consider the public comment, and any written comments received to date, close the public comment period, and consider adoption of the attached Resolution adopting the Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program.

RECOMMENDATION: THAT THE CITY COUNCIL: (1) ADOPT A RESOLUTION ENTITLED: "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, ADOPTING A MITIGATED NEGATIVE DECLARATION AND MITIGATION MONITORING AND REPORTING PROGRAM FOR THE AVENIDA DE LA CARLOTA WIDENING IMPROVEMENT PROJECT, CIP NO. 164"; AND (2) AUTHORIZE THE MAYOR TO SIGN AND THE CITY CLERK TO ATTEST TO THE AGREEMENT FOR ACQUISITION OF INTERESTS IN REAL PROPERTY FOR RIGHT-OF-WAY ACQUISITION FROM 23991 EL TORO INC., FOR THE AVENIDA DE LA CARLOTA WIDENING IMPROVEMENT PROJECT, CIP NO. 164, SUBJECT TO MINOR TECHNICAL CORRECTIONS TO THE AGREEMENT AS IMPLEMENTED BY THE CITY ATTORNEY.

ATTACHMENTS:

- Resolution
- Agreement for Acquisition of Interests in Real Property
- IS/MND
- MMRP
- Response to comments

RESOLUTION NO. 2011-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, ADOPTING A MITIGATED NEGATIVE DECLARATION AND MITIGATION MONITORING AND REPORTING PROGRAM FOR THE AVENIDA DE LA CARLOTA WIDENING IMPROVEMENT PROJECT, CIP NO. 164.

The City Council of the City of Laguna Hills, California, hereby finds, determines, declares, and resolves as follows:

WHEREAS, the City of Laguna Hills is considering the approval of road improvements on Avenida de la Carlota, between the Paseo de Valencia/I-5 Freeway off-ramp to the north and El Toro Road to the south, that will convert the southbound through-lane on the I-5 Freeway off-ramp at Avenida de la Carlota to a shared through/left-turn lane to provide for triple left-turn movements from the I-5 Freeway off-ramp onto Avenida de la Carlota and that will widen Avenida de la Carlota between Paseo de Valencia and El Toro Road to accommodate an additional left-turn lane to provide dedicated triple left-turn movements onto eastbound El Toro Road (the "Project").

WHEREAS, pursuant to the California Environmental Quality Act, California Public Resources Code Section 21000 *et seq.* ("CEQA") and CEQA's implementing guidelines, California Code of Regulations, Title 14, Section 15000 *et seq.*, an initial study was prepared and it has been determined that the proposed Project qualifies for a Mitigated Negative Declaration because the proposed Project with the proposed mitigation measures cannot, or will not, as mitigated, have a significant effect on the environment; and

WHEREAS, a Mitigation Monitoring and Reporting Program has been prepared and is attached to the Mitigated Negative Declaration listing the mitigation measures to be monitored during project implementation; and

WHEREAS, the Mitigated Negative Declaration was prepared and circulated in accordance with CEQA and CEQA's implementing guidelines; and

WHEREAS, a duly noticed meeting was held by the City Council on February 22, 2011, and all interested persons were given an opportunity to be heard and the matter was continued to March 8, 2011; and

WHEREAS, all comments received were reviewed and addressed in the Response to Comments; and

WHEREAS, the City Council gave due and careful consideration to the matter during its meeting of March 8, 2011.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, DOES HEREBY RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

SECTION 1. The foregoing recitals are true and correct.

SECTION 2. The City Council of the City of Laguna Hills has considered the proposed Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program together with comments received during the public review process.

SECTION 3. The City Council of the City of Laguna Hills finds on the basis of the whole record before it, including the initial study and comments received, that there is no substantial evidence that the Project, as mitigated, will have a significant effect on the environment.

SECTION 4. The City Council further finds that the adoption of the Mitigated Negative Declaration reflects the City Council's independent judgment and analysis.

SECTION 5. Therefore, the City Council of the City of Laguna Hills, in regular session assembled on March 8, 2011, does hereby adopt the Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program for the Project.

SECTION 6. The record of proceedings on which the City Council of the City of Laguna Hills' decision is based is located at the City of Laguna Hills, 24035 El Toro Road, Laguna Hills, California. The custodian of record of proceedings is the Public Services Director for the City of Laguna Hills.

PASSED, APPROVED, AND ADOPTED this 8th day of March 2011.

L. ALLAN SONGSTAD, JR., MAYOR

ATTEST:

PEGGY J. JOHNS, CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF LAGUNA HILLS)

I, Peggy J. Johns, City Clerk of the City of Laguna Hills, California, DO
HEREBY CERTIFY that the foregoing is a true and correct copy of Resolution
No. 2011- adopted by the City Council of the City of Laguna Hills, California, at a
Regular Meeting thereof held on the 8th day of March 2011, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(SEAL)

PEGGY J. JOHNS, CITY CLERK

File No.:

Project:
Parcel No:
Title Company:
Date of Preliminary Title Report:

Grantor: 23991 El Toro, Inc.

Grantee: City of Laguna Hills, a California Municipal Corporation

Tenant: George A. Pearson, dba G & M Oil Company, and G & M Oil Co., LLC, a California Limited Liability Company

**AGREEMENT FOR ACQUISITION
OF INTERESTS IN REAL PROPERTY**

This AGREEMENT FOR ACQUISITION OF INTERESTS IN REAL PROPERTY ("Agreement") is made as of March 8, 2011 (the "Effective Date"), by and between 23991 El Toro, Inc., a California limited liability company ("Grantor"), the City of Laguna Hills, a California municipal corporation ("Laguna Hills and/or Grantee") and George A. Pearson, dba G & M Oil Company and G & M Oil Co., LLC, a California limited liability company (collectively referred to herein as "Tenant"). Grantor, Laguna Hills and Tenant are sometimes hereinafter collectively referred to as the "Parties".

WHEREAS, the Grantor owns that certain real property located at 23991 El Toro Road in the City of Laguna Hills, County of Orange, State of California (the "Property"); and

WHEREAS, George A. Pearson, dba G & M Oil Company, and G & M Oil Co., LLC, a California limited liability company are sub-lessors of Grantor, under a sublease dated January 1, 2002, and are presently operating a gas station at the Property; and

WHEREAS, Grantor intends to convey to Laguna Hills and Laguna Hills intends to acquire from Grantor a Roadway Easement and a Temporary Construction Easement on the Property for the purpose of facilitating improvements on Avenida de la Carlotta, between the Paseo de Valencia/I-5 Freeway off ramp to the north and El Toro Road to the south, to relieve congestion at the intersection of Avenida de la Carlotta and El Toro Road (the "Project"), pursuant to the terms and conditions set forth herein. The Roadway Easement is more particularly described in Exhibit "A" and depicted on the plat map identified as Exhibit "B" hereto; and the Temporary Construction Easement is more particularly described as Exhibit "C" and depicted on the plat map identified as Exhibit "D" hereto (sometimes collectively referred to hereinafter as the "Acquired Property").

NOW, THEREFORE, in consideration of the promises and mutual obligations, covenants, and conditions contained herein, and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Execution and Delivery to Escrow

Within five (5) business days of the execution of this Agreement, Laguna Hills shall open an escrow (the "Escrow") with First American Title Insurance Company located at 2 First American

Way, Santa Ana, California 92707 (the "Escrow Holder"), Attention: Robert C. Benavente (714) 250-4721 ("Escrow Officer"), by delivering a fully executed copy of the Agreement to the Escrow Holder. Escrow shall be deemed open upon the day of delivery of the Agreement to the Escrow Holder. The Parties agree to be bound by the standard escrow General Provisions attached hereto as Exhibit "E" and incorporated herein by this reference. In the event of any discrepancy between this Agreement and such General Provisions, the provisions of this Agreement shall prevail.

A. Close of Escrow

Unless extended by the mutual agreement of the Parties, the escrow shall close within twenty (20) calendar days after Purchase Price set forth in Section 2A below are deposited into escrow and shall be the date the fully executed and notarized Roadway Easement and Temporary Construction Easement are recorded in the Recorder's Office for Orange County ("Close of Escrow").

The escrow shall not close prior to a partial reconveyance by the lender of any deed of trust on the Acquired Property unless Laguna Hills shall waive this as a condition precedent to the Close of Escrow. If, through no fault of their own, the Parties are unable to close escrow because of a lender's refusal to execute a reconveyance of a deed of trust as provided in Section 2B below, then the escrow shall be extended 30 days or shall close if Laguna Hills decides to waive any outstanding condition precedent.

The Escrow Holder may expend any or all monies payable under this Agreement and deposited into escrow to discharge any obligations which are liens upon the Roadway Easement and Temporary Construction Easement, except any Title Exceptions and liens not implicated by the acquisition of the Roadway Easement and Temporary Construction Easement, including, but not limited to, those arising from judgments, assessments, delinquent taxes for other than the fiscal year in which the escrow closes, or debts secured by deeds of trust or mortgages, and/or to defray any other incidental costs. The Escrow Holder shall release payment to Grantor and Tenant, return any credited amounts to Laguna Hills, and record the Roadway Easement and Temporary Construction Easement in the Recorder's Office for Orange County upon the Close of Escrow. Title to the Roadway Easement and Temporary Construction Easement shall pass to Laguna Hills immediately upon the Close of Escrow.

This Agreement may serve in whole or in part as escrow instructions. The Parties agree to execute such additional documents as may be reasonably necessary to consummate the purchase and sale herein contemplated.

B. Documents at Closing

Grantor shall deliver (or cause to be delivered through Escrow) to Laguna Hills the following: (i) an executed and recordable Roadway Easement in the form attached hereto and incorporated herein as Exhibit "F" (the "Roadway Easement") sufficient to convey good title to Laguna Hills subject only to the exceptions described in the next following subsection; (ii) an executed and recordable Temporary Construction Easement in the form attached hereto and incorporated herein as Exhibit "G" (the "Temporary Construction Easement") sufficient to convey good title to Laguna Hills subject only to the exceptions described in the next following subsection; and (iii) an executed FIRPTA certificate in the form attached hereto and incorporated herein as Exhibit "H" (the "FIRPTA Certificate"). Laguna Hills shall deliver (or caused to be delivered through Escrow) a Certificate of Acceptance for the Roadway Easement in the form attached hereto and

incorporated herein as Exhibit "I". Laguna Hills shall deliver (or caused to be delivered through Escrow) a Certificate of Acceptance for the Temporary Construction Easement in the form attached hereto and incorporated herein as Exhibit "J". When all required funds and instruments have been deposited into Escrow and when all other conditions required for the Close of Escrow have been fulfilled, the Escrow Holder shall cause the Roadway Easement, Temporary Construction Easement and corresponding Certificates of Acceptance to be recorded.

C. Title

As a condition to the close of escrow for Laguna Hills' benefit, First American Title Company shall be prepared or committed to deliver to Laguna Hills an ALTA Standard Coverage Owner's Policy of Title Insurance dated as of the close of escrow (the "Title Policy"). If Laguna Hills requires an extended coverage ALTA Owner's Policy of Title Insurance or endorsements, Laguna Hills shall notify the Escrow Holder of such requirement and deliver to the Escrow Holder, at Laguna Hills' sole cost and expense and in a timely manner so as to not delay the close of escrow, an ALTA survey adequate for the issuance of such ALTA extended coverage policy. The Title Policy shall insure Laguna Hills in an amount equal to the Purchase Price set forth in Section 2A below, and show title vested in Laguna Hills subject only to:

- (i) All exceptions set forth on the Roadway Easement;
- (ii) All exceptions set forth on the Temporary Construction Easement;
- (iii) The usual printed Title Company exceptions;
- (iv) All exceptions shown on the Preliminary Title Report and any Additional Exceptions other than those exceptions, if any, which Grantor has agreed to cause to be removed on prior to the close of escrow pursuant to Section 2B below; and
- (v) All other exceptions approved in writing by Laguna Hills.

2. Payment

A. Purchase Price.

- (1) The Parties have agreed upon the following method in order to establish the fair market value of the Acquired Property. The Laguna Hills City Attorney shall retain, at Laguna Hills' sole expense, Hopkins Appraisal Services in order to conduct a current appraisal of the Acquired Property and of the loss of value to the remaining property owned by Grantor and leased to Tenant ("severance damages"). A complete copy of the appraisal report shall be provided to the Parties as soon as it is available. The date of valuation for the appraisal shall be January 28, 2011. Laguna Hills agrees to pay the fair market value of the Acquired Property and any severance damages up to a maximum of One Million One Hundred Thousand Dollars (\$1,100,000) (the "Purchase Price") for the acquisition of the property interests, and for payment of any and all impacts to the operation of the gas station, and any and all claims that could be brought by the Grantor, the Tenant or any other entity or party related to the acquisition of the Acquired Property for the Project, including, but not limited to, attorney's fees, costs and statutory interest.

- (2) The Parties have agreed that if the amount of the appraisal comes in at less than \$1,100,000, Laguna Hills can only agree to pay the appraised fair market value of the Acquired Property. Grantor and Tenant expressly agree to accept the appraised fair market value of the Acquired Property up to a cap of \$1,100,000.
- (3) If the fair market value of the appraisal exceeds \$1,100,000, the Parties agree that the Purchase Price shall be capped at the amount of \$1,100,000. Grantor and Tenant agree to accept the sum of \$1,100,000 as full payment for all interests in the Acquired Property and all claims that either Grantor or Tenant may have against Laguna Hills as a result of the acquisition of the Acquired Property for the Project.
- (4) Laguna Hills shall tender payment to the Escrow Holder in the amount of the appraisal, up to a maximum of One Million One Hundred Thousand Dollars (\$1,100,000) within twenty (20) days after receipt of the appraisal, which is specifically agreed by the Parties to be the full amount of compensation due and owing to Grantor for conveyance of the Roadway Easement and Temporary Construction Easement to Laguna Hills, subject to subsection (2) above. If the Purchase Price equals \$1,100,000, the Purchase Price shall be allocated \$100,000 to Grantor and \$1,000,000 to Tenant. If the Purchase Price is less than \$1,100,000, the Purchase Price shall be allocated according to written instructions to the Escrow Holder from Grantor and Tenant.

B. Property Encumbrances.

Grantor represents and warrants that the Acquired Property interests shall be conveyed to Laguna Hills free and clear of all rights, restrictions, easements, impediments, encumbrances, liens, assessments or other security interests of any kind (collectively, "Encumbrances"), other than these Encumbrances, approved by Laguna Hills in writing, including those approved in this Agreement, and that Grantor, at Grantor's expense, shall take all actions necessary to remove any and all Encumbrances prior to, and as an express condition precedent to, the Close of Escrow. If Grantor chooses not to remove an Encumbrance, Laguna Hills shall have the right to terminate this Agreement within fifteen (15) days of receiving written notice of Grantor's failure or refusal to remove such Encumbrance.

Grantor shall not be required to remove: (i) easements or rights-of-way for public roads or public utilities, if any; and (ii) items specifically identified on "Title Exceptions" identified as Exhibit "K", attached hereto.

Grantor shall obtain a partial reconveyance by the lender of any deed of trust on the Acquired Property prior to the close of escrow.

C. Taxes

Taxes for the fiscal year in which the escrow closes shall be cleared and paid for in the manner required by Section 5086 of the Revenue and Taxation Code. As a deduction from the amount shown in Section 2A, above, Laguna Hills shall be authorized to pay any delinquent taxes due in any fiscal year, except the fiscal year in which this escrow closes, together with penalties and interest thereon.

3. Special Provisions

A. Construction Fees

The Parties agree that the gas station on the Property shall be reconfigured so as to accommodate the loss of additional surface area as a result of the acquisition of the Acquired Property for the Project (the "Gas Station Reconstruction Project"). Tenant agrees to pay all typical City imposed construction fees, traffic impact fees and processing fees associated with the approval of and permitting of the Gas Station Reconstruction Project. As express inducement for entering into this Agreement, Laguna Hills agrees to recommend to the Planning Agency and City Council the approval of a reimbursement waiver for City-related fees described above that are incurred for the Gas Station Reconstruction Project in addition to the Purchase Price identified in Section 2A above.

B. Plans for the Gas Station Reconstruction Project

- (1) Laguna Hills is generally supportive of the concept of the Gas Station Reconstruction Project that has been discussed among the Parties to date. The Parties understand that actual approval of the specific plans for the Gas Station Reconstruction Project shall be subject to the submission of a complete application by the Grantor and/or Tenant and approval by the Laguna Hills' Planning Agency. The process of granting approval of the plans for the Gas Station Reconstruction Project rests solely in the legislative discretion of the Laguna Hills' Planning Agency, and is not limited in any way by this Agreement, provided, however, Laguna Hills' staff agrees to support Tenant's plans for the Gas Station Reconstruction Project at the hearing(s) before the Laguna Hills Planning Agency.
- (2) The Grantor and Tenant agree that the proposed Gas Station Reconstruction Project is a material part of the consideration for an inducement to entering into this Agreement. Tenant agrees to move promptly to submit a completed application for the Gas Station Reconfiguration Project to the Laguna Hills' Planning Agency. Tenant agrees to use reasonable efforts to complete the construction of the Gas Station Reconstruction Project within six (6) months of approval of the plans for the Gas Station Reconstruction Project by the Laguna Hills' Planning Agency and receipt for all permits to build from the City and County. Applications for permits will be promptly made and tenant shall pay all construction costs related to the Gas Station Reconstruction Project. Laguna Hills shall have no financial obligation to contribute to the Gas Station Reconstruction Project other than making the payment called for pursuant to Section 2A of this Agreement. If the construction of the Gas Station Reconstruction Project is not completed within twelve (12) months of approval of the plans and receipt of permits by the Laguna Hills Planning Agency, then Tenant shall immediately make a \$900,000 payment to Laguna Hills. If for any reason the Gas Station Reconstruction Project is not completed within 2 years from the effective date of this Agreement, then Tenant shall immediately make a \$900,000 payment to Laguna Hills.

C. Timing of Project

The Parties agree to work in a cooperative fashion in order to coordinate the street widening Project with the anticipated Gas Station Reconstruction Project thereby minimizing disruption to all involved. However, the start of the construction of the Project cannot be reasonably delayed beyond June 1, 2011. Therefore, Tenant agrees to expeditiously process its plans and to use its reasonable efforts to place itself in a position so that the Gas Station Reconstruction Project can begin by June 1, 2011. Laguna Hills makes no promise whatsoever to coordinate the timing of Project construction beyond the date of June 1, 2011.

D. Driveway Access Between Gas Station and Adjacent Commercial Site

Laguna Hills' staff agrees to support and encourage the future development of a driveway for ingress and egress between the gas station and the adjacent commercial site. The ultimate installation of such a driveway would be left to the mutual agreement of the two property owners, and would not include any financial assistance from Laguna Hills whatsoever.

E. Soil Contamination and Hazardous Waste

As a material part of entering into this Agreement, Tenant hereby expressly agrees to accept responsibility for any and all soil contamination or hazardous waste that has occurred on the Property specifically including the Acquired Property, and as set forth in greater detail below, the Tenant agrees to indemnify and defend Laguna Hills to the fullest extent permitted by law against any and all claims by third parties or any clean up orders issued by any other governmental agencies related to the existence of a Hazardous Substance in the Acquired Property.

F. Insurance

Tenant shall procure and maintain, at its sole cost and expense, and submit concurrently with its execution of this Agreement, in a form and content satisfactory to City, environmental insurance against all clean up orders issued by another governmental agency and or all claims for injuries against persons or damages to property resulting from the existence of any hazardous substance on the property to be acquired. Such insurance shall be kept in full force and effect for a period of a term of five (5) years beginning on the commencement date of this Agreement. Certificates of insurance evidencing the foregoing and designating the City, its elected officials, officers, employees, agents, and volunteers as additional insureds by original endorsement shall be delivered to and approved by the City. The procuring of such insurance and the delivery of policies, certificates, and endorsements evidencing the same shall not be construed as a limitation of Tenant's obligation to indemnify City, its elected officials, officers, agents, employees, and volunteers.

- (1) Minimum Scope of Insurance. The minimum amount of insurance required hereunder shall be as follows:

A. Environmental insurance with limits of at least two million dollars (\$2,000,000.00) per occurrence.

(2) Sufficiency of Insurers. Insurance required herein shall be issued by a licensed company authorized to transact business in the state by the Department of Insurance for the State of California with a current rating of A-:VII or better (if an admitted carrier), or a current rating of A:X or better (if offered by a non-admitted insurer listed on the State of California List of Eligible Surplus Lines Insurers (LESLI), by the latest edition of A.M. Best's Key Rating Guide, except that the City will accept workers' compensation insurance from the State Compensation Fund.

4. Just Compensation; Waiver and Release

A. Grantor and Tenant agree that payment by Laguna Hills of the amount set forth in Section 2A above, shall constitute full and fair compensation and consideration for any and all claims that Grantor and Tenant, and their successors and assigns, may have against Laguna Hills by reason of the acquisition, improvement, possession, use and/or occupancy of the Roadway Easement and Temporary Construction Easement, and Grantor and Tenant, on behalf of themselves and their successors and assigns, hereby knowingly and voluntarily waive, and expressly release and discharge Laguna Hills, and any and all of Laguna Hills' employees, agents, officers, servants, representatives, contractors, attorneys and assigns, from liability in regard to, any and all such claims, including claims for severance or damages to the remainder, not taken in the acquisition of the Roadway Easement and Temporary Construction Easement or the location, establishment, construction and/or operation of the above-named Project, including but not limited to any claims for attorney's fees, costs or interest. This waiver and release shall survive the Close of Escrow.

B. The foregoing waiver and release shall include the waiver and release of any and all rights or claims that Grantor and/or Tenant has, may have or may in the future have under Article 1, Section 19 of the California Constitution, the Eminent Domain Law, or any other law or regulation; except as provided herein, related to the acquisition of the Roadway Easement and Temporary Construction Easement for the Project. Grantor and Tenant, on behalf of themselves and their respective successors and assigns, further knowingly and voluntarily waive and expressly release and discharge Laguna Hills, and any and all of Laguna Hills' employees, agents, officers, servants, representatives, contractors, attorneys and assigns, from liability in regard to any claims for the following: relocation assistance or benefits, if any, to which Grantor or Tenant may be entitled pursuant to applicable sections in Chapter 16 of Division 7 of Title 1 of the California Government Code (Gov. Code sec. 7260, et seq.) ("California Relocation Assistance Law"), regulations adopted by the State of California to implement or pursuant to the California Relocation Assistance Law, and/or the Federal Uniform Relocation Assistance Act (42 U.S.C. sec. 4601, et seq.), regulations adopted by the Federal Government to implement 42 U.S.C. sec. 4601, et seq., precondemnation damages, precondemnation publicity damages, lost business goodwill, lost profits, damage to or loss of improvements pertaining to the realty, machinery, fixtures, inventory, equipment and/or personal property, interest, any right to repurchase, leaseback from Laguna Hills, or receive any financial gain from, Laguna Hills' sale of any portion of the Roadway Easement and Temporary Construction Easement, any right to challenge Laguna Hills' adoption of a resolution of necessity, pursuant to Code of Civil Procedure sections 1245.245, any right to receive any notices pursuant to Code of Civil Procedure

section 1245.245, any right to enforce any other obligation placed upon Laguna Hills pursuant to Code of Civil Procedure sections 1245.245 and 1263.615, any other rights conferred upon Grantor pursuant to Code of Civil Procedure sections 1245.245 and 1263.615 and 1263.025, and claims litigation expenses, attorney's fees and/or costs for the Project. This waiver and release shall survive the Close of Escrow.

5. Waiver Under Section 1542

The Parties intend that this Agreement shall result in a full, complete, and final resolution and settlement of any and all claims, causes of action or disputes which exist, or may exist, between them as to the acquisition, possession and/or use of the Acquired Property by Laguna Hills. It is therefore understood and agreed that the waiver, under this Agreement, of any rights, damages, compensation or benefits to which a party is, or may be, entitled is intended to be full and complete. Accordingly, it is understood and agreed that:

- A. Grantor and Tenant hereby waive any and all rights or benefits arising from and/or related to Laguna Hills' acquisition, possession and/or use of the Acquired Property that they may have under section 1542 of the Civil Code of the State of California which provides:

“a general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his settlement with the debtor.”

- B. The Grantor and Tenant represent and warrant that they understand the effect of this waiver of section 1542 and have had the opportunity to discuss the effect of this waiver with counsel of their choice.

6. Fees

Laguna Hills shall pay all escrow, recording, and title insurance fees incurred in this transaction.

7. Possession and Use of the Acquired Property Pending Close of Escrow

Upon execution of this Agreement, Laguna Hills shall have the immediate right of possession and use of the Roadway Easement and Temporary Construction Easement including the right to remove and dispose of improvements and construct the above-named Project. Presently, it is anticipated that actual construction would commence on or after June 1, 2011. However, Laguna Hills makes no representation that the Project shall be constructed, and no liability or obligation whatsoever shall be incurred by Laguna Hills by reason of any failure to construct the Project for any reason.

8. Eminent Domain

The Parties understand and acknowledge that this is an arm's length deal. The City of Laguna Hills is not purchasing the Acquired Property under threat of eminent domain. Laguna Hills presently has no intention of proceeding with eminent domain to acquire the Acquired Property. If either the price or the terms are unacceptable to the Grantor and/or Tenant, then the acquisition will not go forward.

9. Amendment

This Agreement may be modified, changed, or rescinded only by an instrument in writing executed by the Parties hereto.

10. No Leases

Grantor represents and warrants that there are no leases, except Grantor's lease of the Property to Tenant and except as disclosed on Exhibit "L" attached hereto, on all or any portion of the Roadway Easement or Temporary Construction Easement. Grantor agrees not to assign, transfer or sell to any third party any right, title or interest Grantor has in the Roadway Easement and Temporary Construction Easement except for an assignment, transfer or sale that is subject to, and fully consistent with, Laguna Hills' rights under this Agreement and under the Roadway Easement and the Temporary Construction Easement.

11. Tenant's Representations and Warranties

A. Tenant makes the following representations and warranties:

- (1) Tenant represents and warrants that it is the only party entitled to claim any interest as a result of any lease or sublease on the Property and it is the operator of the gas station on the Property.
- (2) Tenant represents and warrants that to the best of Tenant's knowledge, there is no suit, action, arbitration, legal, administrative or other proceeding or inquiry pending or threatened against the Property, including the Acquired Property, or any portion thereof, or pending or threatened against Tenant which could impact Tenant's operation of the gas station on the Property.

12. Grantor's Representations and Warranties

A. Grantor makes the following representations and warranties:

- (1) Grantor represents and warrants that, except as otherwise set forth in this Agreement, it owns full legal title to the Property, and has full power and authority to convey all property rights in the Acquired Property to Laguna Hills.
- (2) Grantor represents and warrants that this Agreement constitutes a legal, valid, and binding obligation of Grantor enforceable in accordance with its terms.
- (3) Grantor represents and warrants that to the best of Grantor's knowledge, Grantor has not received written notice of any suit, action, arbitration, legal, administrative or other proceeding or inquiry pending or threatened against the Property, including the Acquired Property, or any portion thereof, or pending or threatened against Grantor or Tenant which could (i) affect Grantor's title to the Property, including the Acquired Property, or any portion thereof, (ii) affect the value of the Property, including the Acquired Property, or any portion thereof, or (iii) subject Grantor to liability with respect to the Acquired Property or any portion thereof.

- (4) Grantor represents and warrants that Grantor has not received written notice of any uncured notices, which have been served upon Grantor from any governmental agency notifying Grantor of any violations of law, ordinance, rule or regulation, which would adversely affect the Acquired Property or any portion thereof.
- (5) Grantor represents and warrants that to the best of Grantor's knowledge, Grantor has received no written notices stating that uncured conditions exist on the Property, including the Acquired Property, which could subject Grantor to potential liabilities under any federal, state or local law, statute, ordinance, regulation, rule, order, decree or other governmental requirement that pertains to the regulation of Hazardous Substances and/or the protection of public health and safety and/or the environment, including, but not limited to, the Ambient air, soil, soil vapor, groundwater, surface water or land use.
- (6) Grantor represents and warrants that to the best of Grantor's knowledge, there is no license, permit, option, right of first refusal or other agreement which would adversely affect the Roadway Easement and the Temporary Construction Easement or any portion thereof.
- (7) Grantor represents and warrants that to the best of Grantor's knowledge, conveyance of the Acquired Property to Laguna Hills will not constitute a breach or default under any agreement to which Grantor is bound and/or to which the Acquired Property is subject.

13. Tenant Representations and Warranties

A. Tenant makes the following representations and warranties:

- (1) Tenant represents and warrants that to the best of Tenant's knowledge, there are no uncured notices, which have been served upon Tenant from any governmental agency notifying Tenant of any violations of law, ordinance, rule, or regulation, which would affect the Property, including the Acquired Property, or any portion thereof.
- (2) The Parties acknowledge that there is a gas station that has been operated on the Property for many years. There are storage tanks underneath the Property that shall be relocated as part of the Gas Station Reconstruction Project. Tenant hereby assumes all risk and liability associated with the release of any substance into the soil as a result of the storage of substances and/or operation of the gas station. Tenant also assumes all liability and agrees to indemnify and defend Laguna Hills from any third party claims or clean up orders issued by any other governmental agencies related to the operation of the gas station, the storage of Hazardous Materials, the removal of the underground storage tanks and/or the Gas Station Reconstruction Project.
- (3) Tenant represents and warrants that to the best of Tenant's knowledge, Tenant and the Property, including the Acquired Property, are not in violation of any federal, state, or local law, ordinance, regulation, order, decree, or judgment relating to Hazardous Substances and/or environmental conditions in, on, under, or about the Property, including the Acquired Property.

- (4) Tenant represents and warrants that to the best of Tenant's knowledge, there are no notices or other information giving Tenant reason to believe that any conditions existing on the Property, including the Acquired Property, which could subject Tenant to potential liabilities under any federal, state or local law, statute, ordinance, regulation, rule, order, decree, or other governmental requirement that pertains to the regulation of Hazardous Substances and/or the protection of public health and safety and/or the environment, including, but not limited to, the ambient air, soil, soil vapor, groundwater, surface water or land use.
- (5) Tenant represents and warrants that to the best of Tenant's knowledge, there are no violations of any federal, state or local law, statute, ordinance, regulation, rule, order, decree, or other governmental requirement that pertains to the regulation of Hazardous Substances and/or the protection of public health and safety or the environment, including, but not limited to, the ambient air, soil, soil vapor, groundwater, surface water or land use, nor of any legal, administrative or other action or proceeding, pending or threatened, affecting the Acquired Property and relating to Hazardous Substances and/or environmental compliance.
- (6) Tenant represents and warrants that to the best of Tenant's knowledge, there is no license, permit, option, right of first refusal, or other agreement, written or oral, which adversely affects the Roadway Easement and Temporary Construction Easement or any portion thereof.
- (7) Tenant represents and warrants that to the best of Tenant's knowledge, conveyance of the property rights described herein will not constitute a breach or default under any agreement to which Grantor or Tenant are bound and/or to which the Acquired Property is subject.

B. Each of the above warranties and representations is material and is relied upon by Laguna Hills separately and collectively. Each of the above representations shall be deemed to have been made as of the date that the Roadway Easement Deed and the Temporary Construction Easement Deed are recorded, and shall survive the recording of the Roadway Easement Deed and the Temporary Construction Easement Deed. If, before the recording of the Roadway Easement Deed and the Temporary Construction Easement Deed, Grantor or Tenant discover any information or facts that would materially change any of these warranties and representations, Grantor and/or Tenant shall immediately give notice in writing to Laguna Hills of such facts and information. If any of the foregoing warranties and representations cease to be true before the recording of the Roadway Easement Deed and the Temporary Construction Easement Deed, Laguna Hills may, at its sole and absolute discretion, either cancel and terminate this Agreement or give the Grantor and/or Tenant the option to remedy the problem before the recording of the Roadway Easement Deed and the Temporary Construction Easement Deed. In the event of a termination (i) all title and escrow cancellation charges shall be charged to the Party making the warranty or representation that ceased to be true, and (ii) each Party shall be fully and completely excused and released from any further obligations hereunder or liability of any nature or amount whatsoever, and each Party shall be responsible for its own fees and costs related to this transaction.

14. Grantee's Representations and Warranties

A. Laguna Hills hereby makes the following representations and warranties:

- (1) Laguna Hills is a municipal corporation, duly organized, validly existing and in good standing under the laws of the State of California. Neither the execution and delivery of this Agreement nor the performance or consummation of the transactions contemplated by this Agreement will result in any breach of or constitute a default under or conflict with any agreement, covenant or obligation binding upon Laguna Hills. Laguna Hills has the requisite right, legal capacity and authority to enter into this Agreement, to perform its obligations hereunder and to consummate the transactions contemplated hereby. No approvals, authorizations or consents of any public body or of any person are necessary in connection herewith. This Agreement and all other agreements, documents and instruments to be executed in connection herewith have been effectively authorized by all necessary action, which authorizations remain in full force and effect, have been duly executed and delivered by Laguna Hills, and no other proceedings on the part of Laguna Hills are required to authorize this Agreement and the transactions contemplated hereby. This Agreement constitutes the legal, valid and binding obligation of Laguna Hills and is enforceable in accordance with its terms against Laguna Hills subject only to applicable bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles affecting or limiting the rights of contracting parties generally.

15. Hazardous Substances

A. Liability for Hazardous Substance

The Parties expressly acknowledge, understand, and agree that any liability associated with the presence of any Hazardous Substances, as defined below, on any portion of the Property shall be governed by the provisions of Section 16 below, regardless of whether any inspection, examination, sampling, testing, assessment, or other investigation is conducted by Laguna Hills.

"Hazardous Substance(s)" as used in this Agreement includes, but is not limited to, any hazardous or toxic substance, material or waste, or any solid waste, pollutant, or contaminant that is:

- (i) Regulated by any local governmental agency, the State of California or the United States Government; (ii) defined as such in any federal, State, or local statute, ordinance, rule, or regulation applicable to the property, including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (Title 42 United States Code sections 9601-9675), the Resource Conservation and Recovery Act (Title 42 United States Code sections 6901-6992k), the Carpenter-Presley-Tanner Hazardous Substance Account Act (California Health and Safety Code sections 25330-25395), and the Hazardous Waste Control Law (California Health and Safety Code sections 25100-25250.25); (iii) listed in the United States Department of Transportation Table (49 CFR § 172.101) or by the Environmental Protection Agency, or listed as hazardous substances by any equivalent State of California or local governmental agency, or any successor agency (40 CFR Part 302); (iv) asbestos or asbestos containing material; (v) radon gas; (vi.) petroleum or petroleum fractions; (vii)

any explosive substances (viii) polychlorinated biphenyl; (ix) a radioactive material, and (x) per chlorate.

16. Indemnification

- A. Tenant agrees and covenants to indemnify and defend (with counsel reasonably acceptable to Laguna Hills) Laguna Hills and hold Laguna Hills, and its officers, employees and agents, harmless from and against any and all liabilities, penalties, losses, damages, costs, expenses (including reasonable attorneys' fees, whether for outside counsel or Laguna Hills' City Attorney's office), causes of action, claims, or judgments that are made by third parties, including any clean up orders made by other governmental agencies, and that arise by reason of any death, bodily injury, personal injury, property or economic damage, or violation of any law or regulation, or damage to the environment, including ambient air, soil, soil vapor, groundwater, or surface water, and resulting from or in any way connected with:
- (i) any acts or omissions of Tenant related to the performance of this Agreement; (ii) any breach of this Agreement by Tenant, or; (iii.) the occupancy or use of the Property, including the Acquired Property (including, but not limited to, the use, storage, treatment, transportation, release, or disposal of Hazardous Substances on or about any portion of the Property), by Tenant or, its officers, employees, agents, engineers, contractors or subcontractors, lessees or sublessees, predecessors in interest or any other person or entity employed by or acting on its behalf.
- B. The parties agree that with respect to a third party claim relating to liability for Hazardous Substances, the parties will allow a single law firm, chosen by the Tenant and reasonably acceptable to Laguna Hills, to represent all parties in defense of the action. If a conflict arises which requires separate counsel, then Tenant may select the counsel to represent Laguna Hills, as long as that counsel is reasonably acceptable to Laguna Hills.
- C. Grantor agrees and covenants to indemnify and defend (with counsel reasonably acceptable to Laguna Hills) Laguna Hills and hold Laguna Hills, and its officers, employees and agents, harmless from and against any and all liabilities, penalties, losses, damages, costs, expenses (including reasonable attorneys' fees, whether for outside counsel or Laguna Hills' City Attorney's office) causes of action, claims, or judgments that are made by third parties that arise by reason of any death, bodily injury, personal injury, property or economic damage, or violation of any law or regulation, and resulting from or in any way connected with (i) any acts or omissions of Grantor related to the performance of this Agreement; or (ii) any breach of this Agreement by Grantor.
- D. Laguna Hills agrees and covenants to indemnify and defend (with counsel reasonably acceptable to Grantor and Tenant) Grantor and Tenant and hold Grantor and Tenant and their respective officers, employees and agents, harmless from and against any and all liabilities, penalties, losses, damages, costs, expenses (including reasonable attorneys' fees) causes of action, claims or judgments that are made by third parties that arise by reason of any death, bodily injury, personal injury, property or economic damage or violation of any law or regulation and

resulting from in any way connected with (i) any acts or omissions of Laguna Hills related to the performance of this Agreement; or (ii) any breach of this Agreement by Laguna Hills.

17. General Plan Consistency Determination

Government Code Section 65402 provides that no real property may be acquired by Laguna Hills for street, square, park, or other public purposes until Laguna Hills' Planning Agency renders a report as to the conformity of such actions with the Laguna Hills' General Plan. The parties understand and agree that prior to the Close of Escrow, Laguna Hills' Planning Agency must make the required General Plan consistency determination concerning the proposed acquisition of the Roadway Easement and Temporary Construction Easement under this Agreement. In the event that the Planning Agency does not find that the proposed acquisition of the Roadway Easement and Temporary Construction Easement under this Agreement are consistent with the Laguna Hills General Plan, then Laguna Hills may terminate this Agreement by providing written notice to Grantor, Tenant and Escrow Holder. In the event of such termination, (i) all title and Escrow cancellation charges shall be charged to Laguna Hills, and (ii) each party shall be fully and completely excused and released from any further obligations hereunder or liability of any nature or amount whatsoever and each Party shall be responsible for its own fees and costs related to this transaction.

18. Attorney's Fees

Any party may bring a suit or proceeding to enforce or require performance of the terms of this Agreement, and the prevailing party in such suit or proceeding shall be entitled to recover from any other party reasonable costs and expenses, including attorney's fees.

19. Notices

Any notice that any party may or is required to give to the other parties shall be in writing, and shall be either personally delivered or sent by regular U.S. Mail, to the following addresses:

To Laguna Hills:
City of Laguna Hills
Attention: City Manager
24035 El Toro Road
Laguna Hills, CA 92653

To Grantor:
23991 El Toro, Inc.
Attention: Heide Cortese, President
28 Marigold
Corona del Mar, CA 92625

To Tenant:
George A. Pearson, dba G & M
Oil Company, and G & M Oil Co.,
LLC, a California limited liability
company
16565 A Street
Huntington Beach, CA

20. Recording

Any party may record this Agreement in the Recorder's Office for Orange County.

21. Binding on Successors

This Agreement shall be binding on and shall inure to the benefit of Laguna Hills and Grantor and Tenant, and their respective successors, assigns, and transferees, and their past, present and future officers, employees and agents; provided that this Agreement may only be assigned with

the written consent of all Parties, and any attempt to assign this Agreement without such consent shall be void.

22. Brokers

Grantor and Tenant and Laguna Hills each represents and warrants to the others that no person or entity can properly claim a right to a commission, finder's fee, or other compensation with respect to the transaction contemplated by this Agreement. If any broker or finder makes any claim for a commission or finder's fee, the party through which the broker or finder makes such claim shall indemnify, defend and hold the other party harmless from all liabilities, expenses, losses, damages or claims (including the indemnified party's reasonable attorneys' fees) arising out of such broker's or finder's claims.

23. Time Is of the Essence

Time is of the essence for each condition, term, and provision in this Agreement.

24. Waivers

No waiver of any breach of any covenant or provision in this Agreement shall be deemed a waiver of any other covenant or provision in this Agreement and no waiver shall be valid unless in writing and executed by the waiving party.

25. Severability

If any term or provision of this Agreement shall, to any extent, be held invalid or unenforceable, the remainder of this Agreement shall not be affected, so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner adverse to either party. Upon such determination that any term or provision is illegal or incapable of being enforced, the Parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner to the end that transactions contemplated hereby are fulfilled to the greatest extent possible.

26. Construction

- A. Section headings are solely for the convenience of the Parties and are not a part of and shall not be used to interpret this Agreement. The singular form shall include the plural and vice versa.
- B. The Parties acknowledge that each party and its counsel have reviewed and approved this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any amendments or exhibits hereto. The parties hereto waive expressly each and all provisions of California Civil Code Section 1654, which provides:

"IN CASES OF UNCERTAINTY NOT REMOVED BY THE PRECEDING RULES, THE LANGUAGE OF A CONTRACT SHOULD BE INTERPRETED MOST STRONGLY AGAINST THE PARTY WHO CAUSED THE UNCERTAINTY TO EXIST."

27. Governing Law

This Agreement shall be construed in accordance with and governed by the laws of the State of California. Any legal action arising under or related to this Agreement shall be brought and prosecuted in the Orange County Superior Court.

28. Entire Agreement

The Parties have herein set forth the whole of their Agreement. All prior oral discussions, representations, and/or agreements, if any, are specifically superseded by this Agreement, which is intended by the parties to contain all of the terms and conditions agreed to by them with regard to acquisition of the Roadway Easement and Temporary Construction Easement by Laguna Hills.

29. Authority

Each individual executing this Agreement on behalf of an entity represents and warrants that he or she has been authorized to do so by the entity on whose behalf he or she executes this Agreement and that said entity shall thereby be obligated to perform the terms of this Agreement.

30. California Environmental Quality Act

The purchase of the Acquired Property is for the construction of the Project. Pursuant to the California Environmental Quality Act (Public Resources Code Sections 21000 *et seq.*) and its implementing guidelines (California Code of Regulations, Title 14, Sections 15000 *et seq.*), Laguna Hills prepared an Initial Study. The Initial Study concluded that the Project will not have a significant effect on the environment with the imposition of specified mitigation measures, and, a Draft Mitigated Negative Declaration was prepared. On January 21, 2011, Laguna Hills published a Notice of Intent to Adopt a Mitigated Negative Declaration which initiated a public comment period that began on January 21, 2011 and ended on February 22, 2011. On February 22, 2011, the Laguna Hills' City Council held a public hearing and considered the proposed Mitigated Negative Declaration, and concomitant Mitigation Monitoring and Reporting Program, together with comments received during the public comment period. The Laguna Hills' City Council found on the basis of the whole record before it, including the initial study and comments received, that there was no substantial evidence that the Project would have a significant effect on the environment. On that basis, the Laguna Hills' City Council adopted the Mitigated Negative Declaration and the Mitigation Monitoring and Reporting Program for the Project.

IN WITNESS WHEREOF, the parties have executed this Agreement on the dates set forth below.

GRANTEE:

CITY OF LAGUNA HILLS

By: _____
L. Allan Songstad, Jr., Mayor

Dated: _____

GRANTOR:

23991 EL TORO INC.

By: _____

Print Name: _____

Title: _____

Dated: _____

ATTEST:

By: _____
Peggy J. Johns, City Clerk

TENANT:
George A. Pearson, dba G & M Oil Company

By _____

Print Name: _____

Title: _____

Dated: _____

TENANT:
**G & M Oil Co., LLC, a California limited
Liability Company**

By _____

Print Name: _____

Title: _____

Dated: _____

APPROVED AS TO FORM:

By: _____
Gregory E. Simonian, City Attorney

EXHIBIT "A"

Legal Description of Roadway Easement

EXHIBIT "A"
LEGAL DESCRIPTION
PARCEL 'A'
CITY OF LAGUNA HILLS, COUNTY OF ORANGE
STATE OF CALIFORNIA

The land described herein is situated in the City of Laguna Hills, Orange County, State of California, being a portion of parcel 2 as shown on map filed in book 161, pages 8 and 9 of parcel maps, records of said county, more specifically described as follows:

BEGINNING at the North corner of said parcel 2, said point being on the southerly right of way of Avenida De La Carlota, having a half width of 50 feet;

The next three courses are along the boundary of said Parcel 2;

THENCE South 49°18'57" East along said southerly right of way, a distance of 124.01 feet to the northeasterly corner of said Parcel 2;

THENCE South 03°34'39" West, a distance of 31.93 feet to an angle point of parcel 2, said point also being on the westerly right of way line of El Toro Road, having a half width of 60.00 feet;

THENCE Southerly along said westerly right of way line of El Toro Road South 46°42'31" West, a distance of 20.62 feet;

THENCE departing from said westerly right of way line and said Parcel line North 00°59'00" West a distance of 36.07 feet;

THENCE North 48°40'05" West a distance of 125.65 feet, to an angle point on the southerly right of way line of said Avenida De La Carlota, said point also being on the westerly line of said Parcel 2;

THENCE northeasterly along said southerly right of way line and westerly parcel line North 66°30'06" East a distance of 19.55 feet, more or less, to the **POINT OF BEGINNING**.

The property described in this Legal Description consists of 2,836.63 square feet (0.06 acres) more or less.

SEE EXHIBIT "B" ATTACHED HERETO AND MADE A PART THEREOF.

THIS DESCRIPTION WAS PREPARED BY ME OR UNDER MY DIRECTION



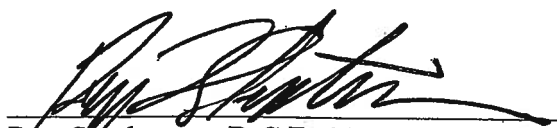

Roy Stephenson R.C.E. 20354
Expiration Date: 09-30-2011

EXHIBIT "B"

Plat Map Depicting Roadway Easement

EXHIBIT "B"

C/L AVENIDA DE LA CARLOTA

N49°18'57"W

PARCEL "A"
2,836.63 SQ. FT.
0.06 ACRES

EXISTING R/W

S40°41'03"W
69.02' (TIE)

50.00'

P.O.B.
PARCEL "A"

P.O.B.
PARCEL "B"

N48°40'05"W

5' TEMPORARY CONSTRUCTION
EASEMENT PER INSTRUMENT
19960460279
DATED: 09/10/1996

PROPOSED TEMPORARY
CONSTRUCTION EASEMENT

PARCEL "B"
1,343.10 SQ. FT.
0.03 ACRES

PARCEL 2
MB 161 / 8-9
APN 616-031-18

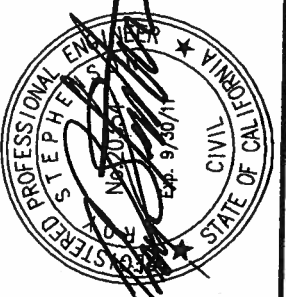
PARCEL LINE TABLE	
#	BEARING
L1	124.01' S49° 18' 57"E
L2	31.93' S03° 34' 39"W
L3	20.62' S46° 42' 31"W
L4	36.07' N00° 59' 00"W
L5	125.65' N48° 40' 05"W
L6	19.55' N66° 30' 06"E
L7	8.94' N66° 30' 06"E
L8	5.54' S53° 50' 25"W
L9	60.85' S48° 40' 08"E
L10	9.73' N70° 23' 09"E
L11	62.87' S48° 40' 05"E
L12	38.41' S00° 59' 00"E
L13	6.76' N46° 42' 31"E

GRAPHIC SCALE



P.O.B. = POINT OF BEGINNING

C/L EL TORO ROAD
S46°42'31"W
60.00'



Bureau Veritas North America
1181 California Ave, Suite 202
Corona, CA 92881
Tel: (951) 493-1060
Fax: (951) 493-1061
www.us.bureauveritas.com

**CITY OF LAGUNA HILLS
AVENIDA DE LA CARLOTA**

SCALES: VERT: N/A HORIZ: 1"=30'
DRAWN BY: RS JOB No. 16981
DATE: 01/20/11 SHEET 1 OF 1

EXHIBIT "C"

Legal Description of Temporary Construction Easement

EXHIBIT "A"
LEGAL DESCRIPTION
PARCEL "B"
CITY OF LAGUNA HILLS, COUNTY OF ORANGE
STATE OF CALIFORNIA

The land described herein is situated in the City of Laguna Hills, Orange County, State of California, being a portion of parcel 2 as shown on map filed in book 161, pages 8 and 9 of parcel maps, records of said county, more specifically described as follows:

COMMENCING at the North corner of said parcel 2, said point being on the southerly right of way of Avenida De La Carlota, having a half width of 50 feet;

THENCE along the westerly line of said parcel 2, South 66°30'06" West a distance of 19.55 feet, to the **POINT OF BEGINNING**.

THENCE South 48°50'05" East, a distance of 125.65 feet;

THENCE South 00°59'00" East, a distance of 36.07 feet, to a point on the easterly line of said parcel 2, said point also being on the westerly right of way line of El Toro Road, having a half width of 60.00 feet;

THENCE Southerly along said easterly line of said parcel 2 and said westerly right of way line of El Toro Road South 46°42'31" West, a distance of 6.76 feet;

THENCE departing from said easterly parcel line and said westerly right of way line North 00°59'00" West a distance of 38.41 feet;

THENCE North 48°40'05" West a distance of 62.87 feet;

THENCE South 70°23'09" West a distance of 9.73 feet;

THENCE North 48°40'08" West a distance of 60.85 feet, to a point on the westerly line of said parcel 2;

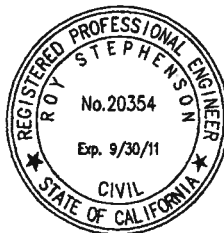
THENCE northeasterly along said westerly parcel line North 53°50'25" West a distance of 5.54 feet, to an angle point on said westerly parcel line;

THENCE continuing along said westerly parcel line North 66°30'06" East a distance of 8.94 feet, more or less, to the **POINT OF BEGINNING**.

The property described in this Legal Description consists of 1,343.10 square feet (0.03 acres) more or less.

SEE EXHIBIT "B" ATTACHED HERETO AND MADE A PART THEREOF.

THIS DESCRIPTION WAS PREPARED BY ME OR UNDER MY DIRECTION





Roy Stephenson R.C.E. 20354
Expiration Date: 09-30-2011

EXHIBIT "D"

Plat Map Depicting Temporary Construction Easement

EXHIBIT "B"

C/L AVENIDA DE LA CARLOTA

N49°18'57"W

PARCEL "A"
2,836.63 SQ. FT.
0.06 ACRES

EXISTING R/W

EXISTING R/W PER
INSTRUMENT # 19960460279
DATED: 09/10/1996

S40°41'03"W
69.02' (TIE)

50.00'

P.O.B.

PARCEL "A"

P.O.B.

PARCEL "B"

PROPOSED R/W

L1

L5

L2

L4

L3

L13

L12

L11

L10

L9

L8

L7

5' TEMPORARY CONSTRUCTION
EASEMENT PER INSTRUMENT
19960460279
DATED: 09/10/1996

PARCEL "B"
1,343.10 SQ. FT.
0.03 ACRES

PARCEL 2
MB 161 / 8-9
APN 616-031-18

PARCEL LINE TABLE		
#	LENGTH	BEARING
L1	124.01'	S49° 18' 57"E
L2	31.93'	S03° 34' 39"W
L3	20.62'	S46° 42' 31"W
L4	36.07'	N00° 59' 00"W
L5	125.65'	N48° 40' 05"W
L6	19.55'	N66° 30' 06"E
L7	8.94'	N66° 30' 06"E
L8	5.54'	S53° 50' 25"W
L9	60.85'	S48° 40' 08"E
L10	9.73'	N70° 23' 09"E
L11	62.87'	S48° 40' 05"E
L12	38.41'	S00° 59' 00"E
L13	6.76'	N46° 42' 31"E

PROPOSED TEMPORARY
CONSTRUCTION EASEMENT

60.00'

C/L EL TORO ROAD
S46°42'31"W

P.O.B. = POINT OF BEGINNING

GRAPHIC SCALE



Bureau Veritas North America
1181 California Ave, Suite 202
Corona, CA 92881
Tel: (951) 493-1060
Fax: (951) 493-1061
www.us.bureauveritas.com

CITY OF LAGUNA HILLS
AVENIDA DE LA CARLOTA

SCALES: VERT: N/A HORIZ: 1"=30'
DRAWN BY: RS JOB No. 16981
DATE: 01/20/11 SHEET 1 OF 1

EXHIBIT “E”

Standard Escrow General Provisions

Escrow General Provisions

The parties understand and acknowledge:

1. SPECIAL DISCLOSURES:

A. DEPOSIT OF FUNDS & DISBURSEMENTS

Unless directed in writing to establish a separate, interest-bearing account together with all necessary taxpayer reporting information, all funds shall be deposited in general escrow accounts in a federally insured financial institution including those affiliated with Escrow Holder ("depositories"). All disbursements shall be made by Escrow Holder's check or by wire transfer unless otherwise instructed in writing. The Good Funds Law (California Insurance Code 12413.1) mandates that Escrow Holder may not disburse funds until the funds are, in fact, available in Escrow Holder's account. Wire transfers are immediately disburseable upon confirmation of receipt. Funds deposited by a cashier's or certified check are generally available on the next banking day following deposit. Funds deposited by a personal check and other types of instruments may not be available until confirmation from Escrow Holder's bank which can vary from 2 to 10 days.

B. DISCLOSURE OF POSSIBLE BENEFITS TO ESCROW HOLDER

As a result of Escrow Holder maintaining its general escrow accounts with the depositories, Escrow Holder may receive certain financial benefits such as an array of bank services, accommodations, loans or other business transactions from the depositories ("collateral benefits"). All collateral benefits shall accrue to the sole benefit of Escrow Holder and Escrow Holder shall have no obligation to account to the parties to this escrow for the value of any such collateral benefits.

C. MISCELLANEOUS FEES

Escrow Holder may incur certain additional costs on behalf of the parties for services performed, or fees charged, by third parties. The fees charged by Escrow Holder for services including, but not limited to, wire transfers, overnight delivery/courier services, recording fees, notary fees, etc. may include a mark up over the direct cost of such services to reflect the averaging of direct, administrative and overhead charges of Escrow Holder for such services which shall, in no event, exceed \$10 for each markup.

D. METHOD TO DELIVER PAYOFF TO LENDERS/LIENHOLDERS

To minimize the amount of interest due on any existing loan or lien, Escrow Holder will deliver the payoff funds to the lender/lienholder in an expeditious manner as demanded by the lender/lienholder using (a) personal delivery, (b) wire transfer, or (c) overnight delivery service, unless otherwise directed in writing by the affected party.

2. PRORATIONS & ADJUSTMENTS

The term "close of escrow" means the date on which documents are recorded. All prorations and/or adjustments shall be made to the close of escrow based on the number of actual days, unless otherwise instructed in writing.

3. CONTINGENCY PERIODS

Escrow Holder shall not be responsible for monitoring contingency time periods between the parties. The parties shall execute such documents as may be requested by Escrow Holder to confirm the status of any such periods.

4. REPORTS

- a. Preliminary Report
Escrow Holder has no responsibility nor liability for any title search that may be performed in connection with the issuance of a preliminary report.
- b. Other Reports
As an accommodation, Escrow Holder may agree to transmit orders for inspection, termite, disclosure and other reports if requested, in writing or orally, by the parties or their agents. Escrow Holder shall deliver copies of any such reports as directed. Escrow Holder is not responsible for reviewing such reports or advising the parties of the content of same.

5. INFORMATION FROM AFFILIATED COMPANIES

~~Escrow Holder may provide the parties' information to and from its affiliates in connection with the offering of products and services from these affiliates.~~

6. RECORDATION OF DOCUMENTS

Escrow Holder is authorized to record documents delivered through escrow which are necessary or proper for the issuance of the requested title.

THIS COMPANY CONDUCTS ESCROW BUSINESS UNDER CERTIFICATE OF AUTHORITY
ISSUED BY THE STATE OF CALIFORNIA DEPARTMENT OF INSURANCE.

insurance policy(ies). Buyer will provide a completed Preliminary Change of Ownership Report form ("PCOR"). If Buyer fails to provide the PCOR, Escrow Holder shall close escrow and charge Buyer any additional fee incurred for recording the documents without the PCOR. Escrow Holder is released from any liability in connection with same.

7. PERSONAL PROPERTY TAXES

No examination, UCC search, insurance as to personal property and/or the payment of personal property taxes is required unless otherwise instructed in writing.

8. REAL PROPERTY TAXES

Real property taxes are prorated based on the most current available tax statement from the tax collector's office. Supplemental taxes may be assessed as a result of a change in ownership or completion of construction. Adjustments due either party based on the actual new tax bill issued after close of escrow or a supplemental tax bill will be made by the parties outside of escrow and Escrow Holder is released of any liability in connection with such adjustments. The first installment of California real property taxes is due November 1st (delinquent December 10th) and the second installment is due February 1st (delinquent April 10th). If a tax bill is not received from the County at least 30 days prior to the due date, buyer should contact the County Tax Collector's office and request one. Escrow Holder is not responsible for same.

9. CANCELLATION OF ESCROW

(a) Any party desiring to cancel this escrow shall deliver written notice of cancellation to Escrow Holder. Within a reasonable time after receipt of such notice, Escrow Holder shall send by regular mail to the address on the escrow instructions, one copy of said notice to the other party(ies). Unless written objection to cancellation is delivered to Escrow Holder by a party within 10 days after date of mailing, Escrow Holder is authorized, at its option, to comply with the notice and terminate the escrow. If a written objection is received by Escrow Holder, Escrow Holder is authorized, at its option, to hold all funds and documents in escrow (subject to the funds held fee) and to take no other action until otherwise directed by either the parties' mutual written instructions or a final order of a court of competent jurisdiction. If no action is taken on this escrow within 6 months after the closing date specified in the escrow instructions, Escrow Holder's obligations shall, at its option, terminate. Upon termination of this escrow, the parties shall pay all fees, charges and reimbursements due to Escrow Holder and all documents and remaining funds held in escrow shall be returned to the parties depositing same.

(b) Notwithstanding the foregoing, upon receipt of notice of cancellation by a seller in a transaction subject to the Home Equity Sales Contract law (CC §1695 et seq.), Escrow Holder shall have the right to unilaterally cancel the escrow and may return all documents and funds without consent by or notice to the buyer.

10. CONFLICTING INSTRUCTIONS & DISPUTES

If Escrow Holder becomes aware of any conflicting demands or claims concerning this escrow, Escrow Holder shall have the right to discontinue all further acts on Escrow Holder's part until the conflict is resolved to Escrow Holder's satisfaction. Escrow Holder has the right at its option to file an action in interpleader requiring the parties to litigate their claims/rights. If such an action is filed, the parties jointly and severally agree (a) to pay Escrow Holder's cancellation charges, costs (including the funds held fees) and reasonable attorneys' fees, and (b) that Escrow Holder is fully released and discharged from all further obligations under the escrow. If an action is brought involving this escrow and/or Escrow Holder, the party(ies) involved in the action agree to indemnify and hold the Escrow Holder harmless against liabilities, damages and costs incurred by Escrow Holder (including reasonable attorneys' fees and costs) except to the extent that such liabilities, damages and costs were caused by the negligence or willful misconduct of Escrow Holder.

Escrow General Provisions

11. USURY

Escrow Holder is not to be concerned with usury as to any loans or encumbrances in this escrow and is hereby released of any responsibility and/or liability therefore.

12. AMENDMENTS TO ESCROW INSTRUCTIONS

Any amendment to the escrow instructions must be in writing, executed by all parties and accepted by Escrow Holder. Escrow Holder may, at its sole option, elect to accept and act upon oral instructions from the parties. If requested by Escrow Holder the parties agree to confirm said instructions in writing as soon as practicable. The escrow instructions as amended shall constitute the entire escrow agreement between the Escrow Holder and the parties hereto with respect to the subject matter of the escrow.

13. INSURANCE POLICIES

In all matters relating to insurance, Escrow Holder may assume that each policy is in force and that the necessary premium has been paid. Escrow Holder is not responsible for obtaining fire, hazard or liability insurance, unless Escrow Holder has received specific written instructions to obtain such insurance prior to close of escrow from the parties or their respective lenders.

14. COPIES OF DOCUMENTS; AUTHORIZATION TO RELEASE

Escrow Holder is authorized to rely upon copies of documents, which include facsimile, electronic, NCR, or photocopies as if they were an originally executed document. If requested by Escrow Holder, the originals of such documents shall be delivered to Escrow Holder. Escrow Holder may withhold documents and/or funds due to the party until such originals are delivered. Documents to be recorded **MUST** contain original signatures. Escrow Holder may furnish copies of any and all documents to the lender(s), real estate broker(s), attorney(s) and/or accountant(s) involved in this transaction upon their request. Delivery of documents by escrow to a real estate broker or agent who is so designated in the purchase agreement shall be deemed delivery to the principal.

15. EXECUTION IN COUNTERPART

The escrow instructions and any amendments may be executed in one or more counterparts, each of which shall be deemed an original, and all of which taken together shall constitute the same instruction.

16. TAX REPORTING, WITHHOLDING & DISCLOSURE

The parties are advised to seek independent advice concerning the tax consequences of this transaction, including but not limited to, their withholding, reporting and disclosure obligations. Escrow Holder does not provide tax or legal advice and the parties agree to hold Escrow Holder harmless from any loss or damage that the parties may incur as a result of their failure to comply with federal and/or state tax laws.

WITHHOLDING OBLIGATIONS ARE THE EXCLUSIVE OBLIGATIONS OF THE PARTIES. ESCROW HOLDER IS NOT RESPONSIBLE TO PERFORM THESE OBLIGATIONS UNLESS ESCROW HOLDER AGREES IN WRITING.

A. TAXPAYER IDENTIFICATION NUMBER REPORTING

Federal law requires Escrow Holder to report seller's social security number or tax identification number (both numbers are hereafter referred to as the "TIN"), forwarding address, and the gross sales price to the Internal Revenue Service ("IRS"). To comply with the USA PATRIOT Act, certain taxpayer identification information (including, but not limited to, the TIN) may be required by Escrow Holder from certain persons or entities involved (directly or indirectly) in the transaction prior to closing.

Escrow cannot be closed nor any documents recorded until the information is provided and certified as to its accuracy to Escrow Holder. The parties agree to promptly obtain and provide such information as requested by Escrow Holder.

B. State Withholding & Reporting

Under California law (Rev & Tax Code §18662), a buyer may be required to withhold and deliver to the Franchise Tax Board (FTB) an amount equal to 3.33% of the sales price ("Basic Withholding") in the case of disposition of California real property interest ("Real Property") by either: 1) a seller who is an individual, trust or estate or when the disbursement instructions authorize the proceeds to be sent to a financial intermediary of seller; OR 2) a corporate seller that has no permanent place of business in California immediately after the transfer of title to the Real Property. Buyer may be subject to a penalty (equal to the greater of 10% of the amount required to be withheld or \$500) for failing to withhold and transmit the funds to FTB in the time required by law. Buyer is not required to withhold any amount and will not be subject to penalty for failure to withhold if: a) the sales price of the Real Property does not exceed \$100,000; b) the seller executes a written certificate under penalty of perjury certifying that the seller is a corporation with a permanent place of business in California; OR c) the seller, who is an individual, trust, estate or a corporation without a permanent place of business in California, executes a written certificate under penalty of perjury certifying one of the following: (i) the Real Property was the seller's or decedent's principal residence (as defined in IRC §121); (ii) Real Property being conveyed was last used by the seller as seller's principal residence within the meaning of IRC §121 (even if the seller did not meet the two out of the last five years requirement or one of the special circumstances in IRC §121); (iii) the Real Property is or will be exchanged for property of like-kind (as defined in IRC §1031) and that the seller intends to acquire property similar or related in service or use so as to be eligible for nonrecognition of gain for California income tax purposes under IRC §1031; (iv) the Real Property has been compulsorily or involuntarily converted (as defined in IRC §1033) and the seller intends to acquire property similar or related in service or use so as to be eligible for nonrecognition of gain for California income tax purposes under IRC §1033; or (v) the Real Property sale will result in a loss (or net gain not required to be recognized) for California income tax purposes. Seller is subject to penalties for knowingly filing a fraudulent certificate for the purpose of avoiding the withholding laws.

FOR CLOSINGS AFTER JANUARY 1, 2007:

Seller may elect an alternative to Basic Withholding by certifying the amount to withhold which must be equal to the applicable maximum tax rate on the actual gain of the transferred property ("Alternative Withholding"). The written certification must be made under penalty of perjury and false certifications may result in criminal and civil penalties.

Contact FTB: For additional information regarding California withholding or for the Alternative Withholding, contact the Franchise Tax Board at (toll free) 888-792-4900, by e-mail WCS.GEN@ftb.ca.gov; or visit their website at www.ftb.ca.gov.

C. FEDERAL WITHHOLDING & REPORTING

Certain federal reporting and withholding requirements exist for real estate transactions where the seller (transferor) is a non-resident alien, a non-domestic corporation, partnership, or limited liability company; or a domestic corporation, partnership or limited liability company controlled by non-residents; or non-resident corporations, partnerships or limited liability companies.

D. TAXPAYER IDENTIFICATION DISCLOSURE

Federal and state laws require that certain forms include a party's TIN and that such forms or copies of the forms be provided to the other party and to the applicable governmental authorities. Parties to a real estate transaction involving seller-provided financing are required to furnish, disclose, and include the other party's TIN in their tax returns. Escrow Holder is authorized to release a party's TINs and copies of statutory forms to the other party and to the applicable governmental authorities in the foregoing circumstances. The parties agree to hold Escrow Holder harmless against any fees, costs, or judgments incurred and/or awarded because of the release of their TIN as authorized herein.

**THIS COMPANY CONDUCTS ESCROW BUSINESS UNDER CERTIFICATE OF AUTHORITY
ISSUED BY THE STATE OF CALIFORNIA DEPARTMENT OF INSURANCE.**

EXHIBIT "F"
ROADWAY EASEMENT DEED

**CITY CLERK
CITY OF LAGUNA HILLS
24035 El Toro Road
Laguna Hills, California 92653**

Signature of Declarant or Agent determining tax – Firm Name

3/8/2011 ITEM NO. 7.2.1

EXHIBIT “A”

EXHIBIT "A"
LEGAL DESCRIPTION
PARCEL 'A'
CITY OF LAGUNA HILLS, COUNTY OF ORANGE
STATE OF CALIFORNIA

The land described herein is situated in the City of Laguna Hills, Orange County, State of California, being a portion of parcel 2 as shown on map filed in book 161, pages 8 and 9 of parcel maps, records of said county, more specifically described as follows:

BEGINNING at the North corner of said parcel 2, said point being on the southerly right of way of Avenida De La Carlota, having a half width of 50 feet;

The next three courses are along the boundary of said Parcel 2;

THENCE South 49°18'57" East along said southerly right of way, a distance of 124.01 feet to the northeasterly corner of said Parcel 2;

THENCE South 03°34'39" West, a distance of 31.93 feet to an angle point of parcel 2, said point also being on the westerly right of way line of El Toro Road, having a half width of 60.00 feet;

THENCE Southerly along said westerly right of way line of El Toro Road South 46°42'31" West, a distance of 20.62 feet;

THENCE departing from said westerly right of way line and said Parcel line North 00°59'00" West a distance of 36.07 feet;

THENCE North 48°40'05" West a distance of 125.65 feet, to an angle point on the southerly right of way line of said Avenida De La Carlota, said point also being on the westerly line of said Parcel 2;

THENCE northeasterly along said southerly right of way line and westerly parcel line North 66°30'06" East a distance of 19.55 feet, more or less, to the **POINT OF BEGINNING**.

The property described in this Legal Description consists of 2,836.63 square feet (0.06 acres) more or less.

SEE EXHIBIT "B" ATTACHED HERETO AND MADE A PART THEREOF.

THIS DESCRIPTION WAS PREPARED BY ME OR UNDER MY DIRECTION




Roy Stephenson R.C.E. 20354
Expiration Date: 09-30-2011

EXHIBIT “B”

EXHIBIT "B"

C/L AVENIDA DE LA CARLOTA

N49°18'57"W

PARCEL "A"
 2,836.63 SQ. FT.
 0.06 ACRES

EXISTING R/W PER
 INSTRUMENT # 19960460279
 DATED: 09/10/1996

EXISTING R/W

S40°41'03"W
 69.02' (TIE)

50.00'

P.O.B.

PARCEL "A"

P.O.B.

PARCEL "B"

N48°40'05"W

5' TEMPORARY CONSTRUCTION
 EASEMENT PER INSTRUMENT
 # 19960460279
 DATED: 09/10/1996

PARCEL "B"
 1,343.10 SQ. FT.
 0.03 ACRES

PARCEL 2
MB 161 / 8-9
APN 616-031-18

PARCEL LINE TABLE		
#	LENGTH	BEARING
L1	124.01'	S49° 18' 57"E
L2	31.93'	S03° 34' 39"W
L3	20.62'	S46° 42' 31"W
L4	36.07'	N00° 59' 00"W
L5	125.65'	N48° 40' 05"W
L6	19.55'	N66° 30' 06"E
L7	8.94'	N66° 30' 06"E
L8	5.54'	S53° 50' 25"W
L9	60.85'	S48° 40' 08"E
L10	9.73'	N70° 23' 09"E
L11	62.87'	S48° 40' 05"E
L12	38.41'	S00° 59' 00"E
L13	6.76'	N46° 42' 31"E

PROPOSED TEMPORARY
 CONSTRUCTION EASEMENT

60.00'

C/L EL TORO ROAD
 S46°42'31"W

P.O.B. = POINT OF BEGINNING

GRAPHIC SCALE



Bureau Veritas North America
 1181 California Ave, Suite 202
 Corona, CA 92881
 Tel: (951) 493-1060
 Fax: (951) 493-1061
 www.us.bureauveritas.com

**BUREAU
 VERITAS**

**CITY OF LAGUNA HILLS
 AVENIDA DE LA CARLOTA**

SCALES: VERT: N/A HORIZ: 1"=30'
 DRAWN BY: RS JOB No. 16981
 DATE: 01/20/11 SHEET 1 OF 1

EXHIBIT "G"
TEMPORARY CONSTRUCTION EASEMENT DEED

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

CITY CLERK
CITY OF LAGUNA HILLS
24035 El Toro Road
Laguna Hills, California 92653

SPACE ABOVE THIS LINE FOR RECORDER'S USE

DOCUMENTARY TRANSFER TAX \$ PUBLIC AGENCY
 Computed on the consideration or value of property conveyed; OR
 Computed on the consideration or value less liens or
encumbrances remaining at time of sale.

EXEMPTION FROM RECORDING FEE REQUESTED
PURSUANT TO GOVERNMENT CODE §6103

Signature of Declarant or Agent determining tax – Firm Name

A.P.N. 616-031-18

The undersigned declares that this document is recorded at the request of and for the benefit of the City of Laguna Hills and is therefore exempt from the payment of the recording fee pursuant to Government Code Section 6103 and from the payment of the documentary transfer tax pursuant to Revenue and Taxation Code Section 11922.

TEMPORARY CONSTRUCTION EASEMENT

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

23991 El Toro, Inc., a California corporation

hereby GRANT(S) to

the City of Laguna Hills, a California municipal corporation,

for a term of one (1) year commencing on June 1, 2011, all that real property situated in the City of Laguna Hills,
County of Orange, State of California,

as described and depicted in Exhibit "A" and Exhibit "B," respectively, both of which are attached hereto and are incorporated herein by reference, commonly referred to as the area located along the south side of the property commonly known as 23991 El Toro Road containing approximately 1,343.10 square feet (0.03 acres), for street widening and road right-of-way improvement purposes.

Dated: _____

23991 El Toro, Inc., a California corporation

STATE OF CALIFORNIA)
) ss
COUNTY OF ORANGE)

On _____, _____ before me, the undersigned, a Notary Public in and for said State, personally appeared _____, ☐ personally known to me OR ☐ 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.

WITNESS my hand and official seal.

Signature of Notary

(This area for official notarial seal)

**MAIL TAX STATEMENTS TO:
SAME AS ABOVE**

EXHIBIT “A”

EXHIBIT "A"
LEGAL DESCRIPTION
PARCEL "B"
CITY OF LAGUNA HILLS, COUNTY OF ORANGE
STATE OF CALIFORNIA

The land described herein is situated in the City of Laguna Hills, Orange County, State of California, being a portion of parcel 2 as shown on map filed in book 161, pages 8 and 9 of parcel maps, records of said county, more specifically described as follows:

COMMENCING at the North corner of said parcel 2, said point being on the southerly right of way of Avenida De La Carlota, having a half width of 50 feet;

THENCE along the westerly line of said parcel 2, South 66°30'06" West a distance of 19.55 feet, to the **POINT OF BEGINNING**.

THENCE South 48°50'05" East, a distance of 125.65 feet;

THENCE South 00°59'00" East, a distance of 36.07 feet, to a point on the easterly line of said parcel 2, said point also being on the westerly right of way line of El Toro Road, having a half width of 60.00 feet;

THENCE Southerly along said easterly line of said parcel 2 and said westerly right of way line of El Toro Road South 46°42'31" West, a distance of 6.76 feet;

THENCE departing from said easterly parcel line and said westerly right of way line North 00°59'00" West a distance of 38.41 feet;

THENCE North 48°40'05" West a distance of 62.87 feet;

THENCE South 70°23'09" West a distance of 9.73 feet;

THENCE North 48°40'08" West a distance of 60.85 feet, to a point on the westerly line of said parcel 2;

THENCE northeasterly along said westerly parcel line North 53°50'25" West a distance of 5.54 feet, to an angle point on said westerly parcel line;

THENCE continuing along said westerly parcel line North 66°30'06" East a distance of 8.94 feet, more or less, to the **POINT OF BEGINNING**.

The property described in this Legal Description consists of 1,343.10 square feet (0.03 acres) more or less.

SEE EXHIBIT "B" ATTACHED HERETO AND MADE A PART THEREOF.

THIS DESCRIPTION WAS PREPARED BY ME OR UNDER MY DIRECTION



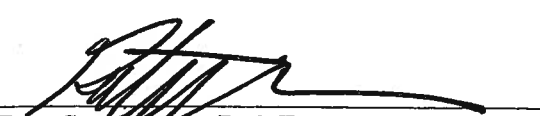

Roy Stephenson R.C.E. 20354
Expiration Date: 09-30-2011

EXHIBIT “B”

EXHIBIT "B"

C/L AVENIDA DE LA CARLOTA

N49°18'57"W

PARCEL "A"
 2,836.63 SQ. FT.
 0.06 ACRES

EXISTING R/W PER
 INSTRUMENT # 19960460279
 DATED: 09/10/1996

S40°41'03"W
 69.02' (TIE)

50.00'

EXISTING R/W

P.O.B.
 PARCEL "A"

PROPOSED R/W

P.O.B.
 PARCEL "B"

N48°40'05"W

5' TEMPORARY CONSTRUCTION
 EASEMENT PER INSTRUMENT
 # 19960460279
 DATED: 09/10/1996

PARCEL "B"
 1,343.10 SQ. FT.
 0.03 ACRES

PARCEL 2
 MB 161 / 8-9
 APN 616-031-18

PARCEL LINE TABLE		
#	LENGTH	BEARING
L1	124.01'	S49° 18' 57"E
L2	31.93'	S03° 34' 39"W
L3	20.62'	S46° 42' 31"W
L4	36.07'	N00° 59' 00"W
L5	125.65'	N48° 40' 05"W
L6	19.55'	N66° 30' 06"E
L7	8.94'	N66° 30' 06"E
L8	5.54'	S53° 50' 25"W
L9	60.85'	S48° 40' 08"E
L10	9.73'	N70° 23' 09"E
L11	62.87'	S48° 40' 05"E
L12	38.41'	S00° 59' 00"E
L13	6.76'	N46° 42' 31"E

PROPOSED TEMPORARY
 CONSTRUCTION EASEMENT

60.00'

C/L EL TORO ROAD

S46°42'31"W

P.O.B. = POINT OF BEGINNING

GRAPHIC SCALE



Bureau Veritas North America
 1181 California Ave, Suite 202
 Corona, CA 92881
 Tel: (951) 493-1060
 Fax: (951) 493-1061
 www.us.bureauveritas.com

CITY OF LAGUNA HILLS
AVENIDA DE LA CARLOTA

SCALES: VERT: N/A HORIZ: 1"=30'
 DRAWN BY: RS JOB No. 16981
 DATE: 01/20/11 SHEET 1 OF 1

EXHIBIT "H"

Form of FIRPTA Certificate

CERTIFICATE REGARDING FOREIGN INVESTMENT
IN REAL PROPERTY TAX ACT

Section 1445 of the Internal Revenue Code provides that the transferee of a United States property interest must withhold tax if the transferor is a foreign person. To inform the CITY OF LAGUNA HILLS, a California municipal corporation ("Grantee"), that withholding of tax is not required upon the disposition of a United States real property interest by 23991 El Toro, Inc., a California limited liability company ("Grantor"), and with the knowledge that the Grantee will rely upon the following statements, Grantor hereby certifies the following facts to Grantee:

1. Grantor is not a foreign corporation, foreign partnership, foreign trust, foreign estate or foreign person (as those terms are defined in the Internal Revenue Code and Income Tax Regulations).
2. Grantor's United States Employer Identification Number/Social Security Number is: _____.
3. Grantor's office/home address is _____.

Grantor understands that this certification may be disclosed to the Internal Revenue Service by Grantee and that any false statement contained herein could be punished by fine, imprisonment, or both.

Under penalty of perjury, the undersigned declare that I/we have examined this Certificate and, to the best of my/our knowledge and belief, it is true, correct and complete, and I/we further declare that I/we have authority to sign this document on behalf of Seller.

Dated as of _____, 2011

GRANTOR:

23991 EL TORO, INC.
a California limited liability company

By: _____

Its: _____

EXHIBIT "I"

CERTIFICATE OF ACCEPTANCE FOR ROADWAY EASEMENT

CERTIFICATE OF ACCEPTANCE OF DEED

This is to certify that the interest in real property conveyed by the Easement Deed dated _____, from 23991 El Toro, Inc., to the CITY OF LAGUNA HILLS, a governmental agency, is hereby accepted by the undersigned officer on behalf of the CITY OF LAGUNA HILLS pursuant to authority conferred by Resolution No. 96-05-28-1 of the City of Laguna Hills adopted on May 28, 1996, and the grantee consents to recordation thereof by its duly authorized officer.

Dated: _____

By: _____
Bruce E. Channing
City Manager

EXHIBIT "J"

CERTIFICATE OF ACCEPTANCE FOR TEMPORARY CONSTRUCTION EASEMENT

CERTIFICATE OF ACCEPTANCE OF DEED

This is to certify that the interest in real property conveyed by the Temporary Construction Easement Deed dated _____, from 23991 El Toro, Inc., to the CITY OF LAGUNA HILLS, a governmental agency, is hereby accepted by the undersigned officer on behalf of the CITY OF LAGUNA HILLS pursuant to authority conferred by Resolution No. 96-05-28-1 of the City of Laguna Hills adopted on May 28, 1996, and the grantee consents to recordation thereof by its duly authorized officer.

Dated: _____

By: _____
Bruce E. Channing
City Manager

EXHIBIT "K"

**Title exceptions that will not be removed, as noted in preliminary title report dated August 17, 2010
– File # 325641 – Schedule B:**

Item #s 1 through 10, inclusive.

EXHIBIT "L"

Leases

None within the Acquisition Area

MITIGATION MONITORING AND REPORTING PROGRAM

Impacts	Mitigation Measures	When Required	Monitoring Responsibility
Aesthetics			
The proposed project will involve construction activities during nighttime hours. Construction activities could involve light intrusion and potential glare impacts to nearby single family residences located outside of the project limits (northwest beyond the intersection of Avenida de la Carlota and Paseo de Valencia.)	Mitigation Measure A-1: All construction-related nighttime lighting shall be directed downward toward the work area, located and oriented away from adjacent uses, and consist of the minimal wattage necessary to provide safety at the construction site. This provision shall be included in the project specifications and enforced by the City Engineer.	During nighttime construction	City of Laguna Hills City Engineer
Hazards and Hazardous Waste			
Soil contaminated with petroleum hydrocarbons could be encountered as part of project construction, and if so, would require special handling and disposal to avoid harmful effects.	Mitigation Measure H-1: Prior to issuance of grading permits, the Soil Management Plan shall be reviewed and approved by the City Engineer. The City Engineer, or his designee, shall complete site visits to the construction site at milestones during project construction to verify use and compliance with the Soil Management Plan.	Prior to issuance of grading permits and at milestones during construction	City of Laguna Hills City Engineer
Noise			
The proposed project will involve construction activities during nighttime hours. Construction-related activities and equipment could result in temporary and/or periodic increases in ambient noise that could cause noise disturbances to nearby sensitive receptors (single-family residences located northwest of the project limits).	Mitigation Measure N-1: Construction activities involving saw-cutting or other similar or more intensive noise sources that occur within 200 linear feet of the center of the intersection of Avenida de la Carlota and Paseo de Valencia shall be limited to "normal construction hours" as defined in City's Noise Control Ordinance and construction hours that avoid peak traffic hours as defined by the construction program. As such, these activities shall only occur between the hours of 10 a.m. and 3 p.m. or 6 p.m. and 8 p.m. on weekdays Monday through Friday, or between the hours of 9 a.m. and 6 p.m. on Saturday. This provision shall be included in the project specifications and enforced by City Engineer.	During nighttime construction	City of Laguna Hills City Engineer

COMMENTS ON DRAFT IS/MND AND RESPONSES THERETO

Public Review Period

A Notice of Availability/Notice of Intent to Adopt a Mitigated Negative Declaration was published on January 21, 2011, initiating a 30-day public review and comment period concerning the contents and findings of the Draft Initial Study/Mitigated Negative Declaration. The review period ended on February 22, 2011. Copies of the Draft IS/MND were transmitted to the State Clearinghouse, for review and comment by state agencies. No state agencies submitted comments to the Clearinghouse before their deadline; however, two letters were submitted to the City after the deadline, as follows:

1. California Department of Transportation, letter dated February 22, 2011, received by the City of Laguna Hills, via facsimile, the evening of February 22, 2011.
2. California Department of Toxic Substances Control, letter dated February 24, 2011, received by the City of Laguna Hills on February 28, 2011.

Copies of each letter and responses to the comments therein are presented in the following pages.

DEPARTMENT OF TRANSPORTATION

3347 MICHELSON DRIVE, SUITE 100
 IRVINE, CA 92612-8894
 PHONE: (949) 724-2007
 FAX: (949) 724-2019
 TTY: (949) 756-7813

RECEIVED

MAR 03 2011

CITY OF LAGUNA HILLS



*Flex your power!
 Be energy efficient!*

FAX & MAIL

February 22, 2011

Mr. Kenneth Rosenfield
 City Engineer
 City of Laguna Hills
 24035 El Toro Road
 Laguna Hills California, 92653

File: IGR/CEQA
 SCH#: 2011011036
 Log #: 2651-2651A
 I-5

Subject: Avenida de la Carlota Street Widening and Intersection Improvements

Dear Mr. Rosenfield:

Thank you for the opportunity to review and comment on the Draft Initial Study/Mitigated Negative Declaration for Avenida de La Carlota Street widening and Intersection Improvements. The purpose of this project is to relieve existing and forecasted traffic congestion at the southbound I-5 ramp to El Toro Road and at El Toro road/Avenida de la Carlota intersection by providing further capacity to better accommodate the heavy southbound left-turning traffic exiting the I-5 freeway as it maneuvers through El Toro Road. The project implements the above improvements identified in the Foothill Circulation Phasing Plan (FCCP) established in 1992.

The Department of Transportation (Department) is a responsible agency on this project and has the following comments:

1. It is critical to ensure that there is no backup from off-ramps onto the I-5 mainlines since the project is reducing the number of lanes for the right turn movement to Avenida De La Carlota by a ½ lane. Submit a queue analysis for I-5 SB off-ramp intersection with Avenida De La Carlota to the Department for review and comments.
2. Both alternatives propose additional turning movement capacity onto El Toro Road EB. One from Avenida De La Carlota SB, and another one from Avenida De La Carlota NB direction. This can exacerbate the existing traffic congestion between the two on ramps on El Toro Road in the EB direction. Mitigation measures may be required to minimize any potential impacts.

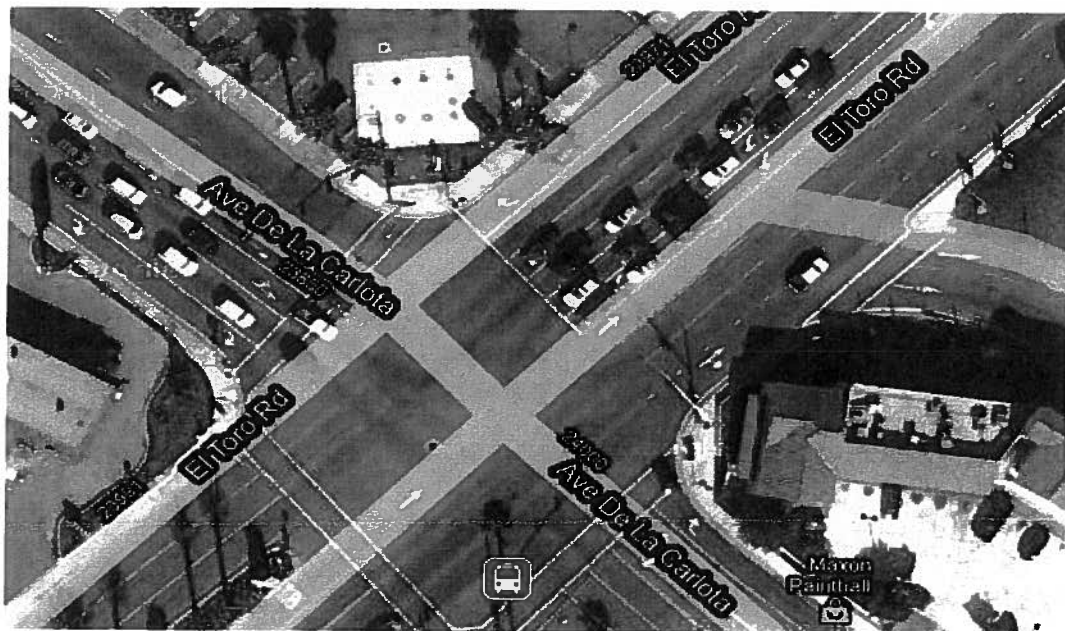
Photos changed & corrected order

Post-it® Fax Note	7671	Date	2/28/11	# of pages	5
To	Ken Rosenfield	From	m. molari		
Co./Dept	Laguna Hills	Co.	Caltrans	D-12	
Phone #	949-707-2600	Phone #	949-724-2267		
Fax #	707-2633	Fax #			

Please replace with earlier letter.



3. The project is proposing 3 left turn lane movements from Avenida De La Carlota SB onto El Toro Road EB. Additional signage must be provided including an overhead sign, and center line extension through the intersection to ensure that all motorists entering from the I-5 SB on-ramp only take the number 3 lane, otherwise all 3 left turn travelers may have difficulty accessing the SB on-ramp within a very short distance.



4. a) The project is proposing to change the lane designations on Avenida De La Carlota NB, from the existing one right-turn, one left-turn, and one through lanes to two right turns and one through/left turn lane. Please confirm if the existing traffic volume can support the ½ lane reduction (each) from the through and left turn movements. The geometry of the opposite side of the intersection must match this new configuration as illustrated below, this movement will be challenging (especially in Alternative 2)



b) The proposed new geometry requires new striping/realignments of Avenida De La Carlota SB and NB lanes (south of El Toro Road) otherwise directing a through movement via a left turn pocket will be confusing to the motorists. See illustration below.



5. Exhibit 2b does not include the proposed lane alignments for the NB Ave De La Carlota at El Toro intersection, please modify.

6. Both alternatives propose 5 lanes at the Avenida De La Carlota SB at El Toro intersection. Alternative 1 offers three 10 foot lanes, a 12 foot lane, and a 14 foot lane (for the total of 56 feet). Alternative 2 proposes four 11 foot lanes, and a 13 foot lane (for the total of 57 feet). Please explain the purpose of changing the lane widths. Additionally, in Alternative 2 the project is squeezing an additional lane without attaining any additional right of way. Provide justification for reducing the lane widths by 1 foot.
7. The Draft Initial Study/Mitigated Negative Declaration, Section 3.16, Transportation and Traffic, page 66 part "e", indicates that "Short Term Construction Impacts" will result in "Less than Significant Impact". The Department believes that there will be significant impacts associated with the 65 day construction period for this project. Mitigation measures and traffic management plans are required to eliminate potential impacts and possible back up from the off-ramp on to I-5 freeway mainline.
8. Appendix "C" Analysis, page 5, El Toro Road intersection with Bridger Road, indicates that the proposed project improves the AM peak LOS, and makes no changes to PM peak LOS. This seems unrealistic, because the project is distributing 2 more lanes of traffic onto El Toro Road EB from Avenida De La Carlota SB and NB. The additional lanes would be directing additional traffic onto El Toro Road EB which would ultimately affect the LOS at the Bridger Road intersection. To mitigate impacts associated with the additional congestion, consideration should be given to widen El Toro Road in the EB direction.
9. The Analysis should include a discussion of and address the bike and pedestrian traffic.
10. All signage shall be in conformance with the Department's standards, California MUTCD 2010 edition.
11. Any project work proposed in the vicinity of the State right of way would require an encroachment permit and all environmental concerns must be adequately addressed. If the environmental documentation for the project does not meet the Department's requirements, additional documentation would be required before approval of the encroachment permit. Please coordinate with Caltrans to meet requirements for any work within or near State right of way. All entities other than the Department working within State right of way must obtain an Encroachment Permit prior to commencement of work. A fee may apply. If the cost of work within the State right of way is below one Million Dollars, the Encroachment Permit process will be handled by our Permits Branch; otherwise the permit should be authorized through the Department's Project Development. Allow 2 to 4 weeks for a complete submittal to be reviewed and for a permit to be issued. When applying for Encroachment Permit, please incorporate Environmental Documentation, SWPPP/ WPCP, Hydraulic Calculations, Traffic Control Plans, Geotechnical Analysis, R/W certification and all relevant design details including design exception approvals. For specific details Encroachment Permits procedure, please refer to the Department's Encroachment Permits Manual. The latest edition of the Manual is available on the web site:
<http://www.dot.ca.gov/hq/traffops/developserv/permits/>

Mr. Kenneth Rosenfield
February 22, 2011
Page 5

Please continue to keep us informed of this project and any future developments, which could potentially, impact State Transportation Facilities. If you have any questions or need to contact us, please do not hesitate to call Maryam Molavi at (949) 724-2267.

Sincerely,

A handwritten signature in black ink, appearing to read "Christopher Herre". The signature is fluid and cursive, with a large initial "C" and a stylized "H".

CHRISTOPHER HERRE, Branch Chief
Local Development/Intergovernmental Review

C: Terry Roberts, Office of Planning and Research
Enclosure

Responses to Letter from Caltrans

Response to Comment 1

We understand the critical level of concern for not backing up traffic on the I-5 Fwy off-ramp signal(s) onto the freeway mainline. Upon careful review of Existing and Proposed conditions using the Synchro analysis program, the proposed lane re-striping at the I-5 Fwy off-ramp at Avenida de La Carlota/Paseo de Valencia is expected to keep the existing traffic volumes at acceptable queue lengths or even improve existing queuing conditions, especially for the worst left-turn queues occurring during the PM peak hour. It is noted, the storage lengths for the four(4) existing striped off-ramp lanes is approximately 375' from limit line, with at least two (2) striped lanes from there back to the mainline at approximately 575', for a total off-ramp length of 950'. Below is a summary of the average (50th percentile) and worst (95th percentile) queue distances calculated by Synchro for the I-5 Fwy SB off-ramp at Avenida de La Carlota/Paseo de Valencia, in the "after Project" condition.

Queue Type	Existing Conditions		Alternative 1		Alternative 2		Storage Length
	Queue Length		(Acquire R-O-W) Queue Length		(Without New R-O-W) Queue Length		
AM Peak Hour							
	Left	Thru/Right	Left	Thru/Right	Left	Thru/Right	
Average	153'	181'	185'	213'	233'	268'	375'
Worst	278'	336'	275'	396'	319'	461'	375' + 575'
PM Peak Hour							
	Left	Thru/Right	Left	Thru/Right	Left	Thru/Right	
Average	371'	185'	281'	250'	281'	250'	375'
Worst	477'	256'	366'	412'	366'	412'	375' + 575'

As shown above, the queue lengths in either alternative remain at acceptable levels with respect to the total off-ramp capacity. In terms of the worst Existing Conditions off-ramp queues that occur during the PM peak hour, the proposed striping actually improves the overall backup distances.

Response to Comment 2

Upon careful review of Proposed conditions, the lane re-striping of Avenida de La Carlota at its intersection with El Toro Road, along with new signal coordination timing parameters, will improve existing EB queuing conditions on El Toro Road, especially in the PM peak hour. Below is a summary of the average (50th percentile) and worse (95th percentile) queue distances calculated by Synchro for the eastbound El Toro Road approach to Bridger Road/I-5 Fwy ramps intersection:

Queue Type	<u>Existing Conditions</u> Queue Length			<u>Alternative 1</u> (Acquire R-O-W) Queue Length			<u>Alternative 2</u> (Without New R-O-W) Queue Length		
	AM Peak Hour								
	Left	Through	Right	Left	Through	Right	Left	Through	Right
Average	49'	257'	0'	47'	145'	50'	47'	145'	50'
Worst	94'	399'	126'	76'	205'	75'	75'	205'	75'
PM Peak Hour									
	Left	Through	Right	Left	Through	Right	Left	Through	Right
Average	96'	696'	516'	79'	394'	134'	0'	375'	134'
Worst	155'	869'	959'	102'	465'	210'	104'	452'	218'

As can be seen above, existing eastbound El Toro Road traffic congestion is not exacerbated, but actually improved significantly in terms of signal operations and queuing distances, and there are no mitigation measures necessary.

Response to Comment 3

The signal and striping plans have been updated to include additional signage and intersection centerline extension at/near the intersection of Avenida de La Carlota/El Toro Road. Please note that the proposed triple left-turns will be received by (3) eastbound through lanes and (1) curb lane, in which vehicles that are in the #3 left-turn lane from Avenida de La Carlota will be able to proceed eastbound on El Toro Road through Bridger Road or able to merge right into the curb lane for freeway access. These updates will be shown on plans submitted as part of the Caltrans Encroachment Permit process.

Response to Comment 4a

It is confirmed that the proposed striping change for the NB Avenida de La Carlota approach to El Toro Road will support the existing traffic volumes and also improve existing queuing conditions, especially the worst right-turning traffic queues occurring during the PM peak hour. Below is a summary of the average (50th percentile) and worst (95th percentile) queue distances calculated by Synchro for the northbound Avenida de La Carlota approach to El Toro Road:

Queue Type	<u>Existing Conditions</u> Queue Length			<u>Alternative 1</u> (Acquire R-O-W) Queue Length		<u>Alternative 2</u> (Without New R-O-W) Queue Length	
	AM Peak Hour						
	Left	Through	Right	Left/Through	Right	Left/Through	Right
Average	15'	100'	136'	116'	63'	116'	64'
Worst	37'	156'	167'	174'	75'	175'	76'
PM Peak Hour							
	Left	Through	Right	Left	Right	Left	Right
Average	31'	83'	442'	120'	106'	117'	106'
Worst	66'	141'	694'	249'	177'	212'	142'

Response to Comment 4b

On Avenida de La Carlota, the opposite sides of the intersection at El Toro Road have been realigned in order to direct the NB through movement properly across the intersection. This is shown on the attached exhibit of this intersection, which will also be included with the application for a Caltrans Encroachment Permit.

Response to Comment 5

Proposed lane alignments for Design Option 1 are provided in the attached Striping and Signing Plan exhibit. This exhibit will also be provided with the application for a Caltrans Encroachment Permit.

Response to Comment 6

Both alternatives provide 11' wide left-turn lanes (not 10'). The plans referred to may have been an earlier draft version and have been revised. Under the Alternative 1 Full Widening Plan Set, the signing and striping plan sheet for Avenida de La Carlota shows three (3) 11' left-turn lanes, two (2) 12' through-lanes, and one (1) 12' right-turn lane for the southbound approach at El Toro Road (for a total of 69'). Under the Alternative 2 Interim Plan Set, the signing and striping plan sheet for Avenida de La Carlota shows three (3) 11' left-turn lanes, one (1) 11' through-lane, and one (1) 13' through-right turn lane for the southbound approach at El Toro Road (for a total of 57'). The difference in curb lane widths is that Alternative 1 has a dedicated right-turn curb lane (slower approaching traffic), while Alternative 2 has a through-right curb lane (possibly faster approaching traffic) in which a slightly wider lane against the curb is preferred.

Response to Comment 7

As discussed with Caltrans District 12 staff on February 24, 2011, the project construction specifications will include the following language restricting all work to night hours to avoid traffic impacts during the busier day time hours:

The Contractor's construction activities shall be confined to the hours between 8:00 p.m. and 5:00 a.m., Sunday through Friday, excluding holidays. Work shall be prohibited any time on Saturday, Sunday or Federal Holidays except as otherwise authorized herein. Deviation from these hours will not be permitted without the prior consent of the Engineer, except in emergencies involving immediate hazard to persons or property. No work shall be performed from December 1, 2011, through January 1, 2012.

Temporary ramp closures and detours will be identified for periods of construction affecting the freeway ramps, as part of the Encroachment Permit process with Caltrans. With these restrictions specified as part of the project descriptions and in the construction specifications, temporary impacts on traffic flow during construction activities will be less than significant.

Mitigation measures are identified in the Draft IS/MND (Measures A-1 and N-1, page 75) to minimize temporary lighting and noise impacts during night construction; these will avoid significant impacts.

Response to Comment 8

As mentioned under Response #2 above, upon careful review of Existing and Proposed conditions, the proposed lane re-striping of Avenida de La Carlota at its intersection with El Toro Road intersection, along with new signal coordination timing parameters, will actually improve existing EB queuing conditions for both AM and PM peak-hours (not just for AM). Therefore, existing EB traffic congestion will not be exacerbated by the new traffic distribution, but improved significantly especially in the PM peak hour, and there are no mitigation measures necessary.

Response to Comment 9

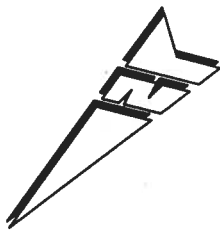
In regards to bicycle and pedestrian traffic, this project is enhancing the existing pedestrian access along the west side of Avenida de La Carlota with new wider sidewalk and disabled access ramp improvements. There are no existing bike lane facilities on Avenida de La Carlota, and the existing marked crosswalks at the signalized intersections are remaining or will be adjusted slightly to accommodate the new striping improvements.

Response to Comment 10

This routine requirement will be included in the construction specifications.

Response to Comment 11

These routine Encroachment Permit requirements are noted and will be fully complied with.



SCALE: 1" = 40'



EL TORO

PASSENGER VEHICLE

FRONT TIRES

REAR TIRES

1' VEHICLE BODY CLEARANCE

W74(CA) 3
R26(S)(EB)

±12'
12'
11'
11'
11'
12'
12'
R3-7 2

STRIPING PROJECTION

DETAIL 9

ROAD



JERRY BROWN
GOVERNOR

STATE OF CALIFORNIA
GOVERNOR'S OFFICE of PLANNING AND RESEARCH
STATE CLEARINGHOUSE AND PLANNING UNIT



RECEIVED

FEB 28 2011

CITY OF LAGUNA HILLS

February 24, 2011

Ken Rosenfield
City of Laguna Hills
24035 El Toro Road
Laguna Hills, CA 92653

Subject: Road Improvements on Avenida de la Carlota between the Paseo de Valencia/I-5 Freeway
Offramp & El Toro
SCH#: 2011011068

Dear Ken Rosenfield:

The enclosed comment (s) on your Mitigated Negative Declaration was (were) received by the State Clearinghouse after the end of the state review period, which closed on February 22, 2011. We are forwarding these comments to you because they provide information or raise issues that should be addressed in your final environmental document.

The California Environmental Quality Act does not require Lead Agencies to respond to late comments. However, we encourage you to incorporate these additional comments into your final environmental document and to consider them prior to taking final action on the proposed project.

Please contact the State Clearinghouse at (916) 445-0613 if you have any questions concerning the environmental review process. If you have a question regarding the above-named project, please refer to the ten-digit State Clearinghouse number (2011011068) when contacting this office.

Sincerely,

Scott Morgan
Director, State Clearinghouse

Enclosures

cc: Resources Agency



Linda S. Adams
Acting Secretary for
Environmental Protection



Department of Toxic Substances Control

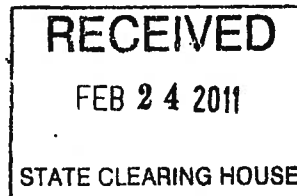
Leonard E. Robinson
Acting Director
5796 Corporate Avenue
Cypress, California 90630



Edmund G. Brown Jr.
Governor

February 22, 2011

Mr. Kenneth H. Rosenfield, P.E.
Director of Public Services
City of Laguna Hills
24035 El Toro Road
Laguna Hills, CA 92653



Clear
2/22/11
late e

DRAFT MITIGATED NEGATIVE DECLARATION (ND) FOR ROAD IMPROVEMENTS ON AVENIDA DE LA CARLOTA STREET WIDENING AND INTERSECTION IMPROVEMENTS (SCH# 2011011068)

Dear Mr. Rosenfield:

The Department of Toxic Substances Control (DTSC) has received your submitted document for the above-mentioned project. As stated in your document: "The City of Laguna Hills requested a traffic study for determining levels-of-service for existing and proposed left-turn lane conditions as part of their review/approval process for a widening and striping improvement project along Avenida de La Carlota between Paseo de Valencia and El Toro Road. The primary objective of this project is to provide further capacity to better accommodate the heavy southbound left-turning traffic exiting the I-5 Freeway as it maneuvers through El Toro Road."

Based on the review of the submitted document DTSC has the following comments:

- 1) The document states that the ND would identify any known or potentially contaminated sites within the proposed project area.
- 2) The ND should identify the mechanism to initiate any required investigation and/or remediation for any site that may be contaminated, and the government agency to provide appropriate regulatory oversight. If hazardous materials or wastes were stored at the site, an environmental assessment should be conducted to determine if a release has occurred. If so, further studies should be carried out to delineate the nature and extent of the contamination, and the potential threat to public health and/or the environment should be evaluated. It

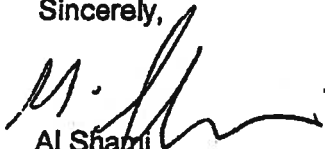
may be necessary to determine if an expedited response action is required to reduce existing or potential threats to public health or the environment. If no immediate threat exists, the final remedy should be implemented in compliance with state laws, regulations and policies

- 3) The project construction may require soil excavation and soil filling in certain areas. Appropriate sampling is required prior to disposal of the excavated soil. If the soil is contaminated, properly dispose of it rather than placing it in another location. Land Disposal Restrictions (LDRs) may be applicable to these soils. Also, if the project proposes to import soil to backfill the areas excavated, proper sampling should be conducted to make sure that the imported soil is free of contamination.
- 4) Human health and the environment of sensitive receptors should be protected during the construction or demolition activities. A study of the site overseen by the appropriate government agency might have to be conducted to determine if there are, have been, or will be, any releases of hazardous materials that may pose a risk to human health or the environment.
- 5) If during construction/demolition of the project, soil and/or groundwater contamination is suspected, construction/demolition in the area should cease and appropriate health and safety procedures should be implemented. If it is determined that contaminated soil and/or groundwater exist, the ND should identify how any required investigation and/or remediation will be conducted, and the appropriate government agency to provide regulatory oversight.
- 6) If weed abatement occurred, onsite soils may contain herbicide residue. If so, proper investigation and remedial actions, if necessary, should be conducted at the site prior to construction of the project.
- 7) DTSC can provide guidance for cleanup oversight through an Environmental Oversight Agreement (EOA) for government agencies that are not responsible parties, or a Voluntary Cleanup Agreement (VCA) for private parties. For additional information on the EOA or VCA, please see www.dtsc.ca.gov/SiteCleanup/Brownfields, or contact Ms. Maryam Tasnif-Abbasi, DTSC's Voluntary Cleanup Coordinator, at (714) 484-5489.

Mr. Kenneth H. Rosenfield
February 22, 2011
Page 3

If you have any questions regarding this letter, please contact me at ashami@dtsc.ca.gov, or by phone at (714) 484-5472.

Sincerely,



Al Shami
Project Manager
Brownfields and Environmental Restoration Program

cc: Governor's Office of Planning and Research
State Clearinghouse
P.O. Box 3044
Sacramento, California 95812-3044
state.clearinghouse@opr.ca.gov

CEQA Tracking Center
Department of Toxic Substances Control
Office of Environmental Planning and Analysis
P.O. Box 806
Sacramento, California 95812
ADelacr1@dtsc.ca.gov

CEQA # 3134

Response to Letter from State Department of Toxic Substances Control

Response to All Comments

Potential soil contamination identification and disposal issues are discussed in the Draft Initial Study, in the responses to Checklist items 3.8 a-b. As stated therein, soils testing has already occurred within the construction limits and a potential for petroleum-based contamination has been identified. A Soil Management Plan has been developed, to be implemented during the construction phases, to ensure proper identification, treatment and disposal of any contaminated materials that might be encountered during grading activities. Mitigation measure H-1 will ensure that this is noted in the construction specifications and properly implemented under the City's oversight.

CITY OF LAGUNA HILLS
CITY COUNCIL
AGENDA REPORT
COMMUNITY SERVICES DEPARTMENT

ISSUE: 2011 LAGUNA HILLS HALF MARATHON AND 5K EVENT UPDATE

SUMMARY:

The City of Laguna Hills Half Marathon and 5K is scheduled for Monday, May 30, 2011. Registration for the event is open, with more than two hundred (200) participants registered at this time. Staff is again proposing to start both the 5K and the half marathon at 7 a.m. This allows the streets impacted by the event to re-open earlier. Staff has added a custom question to both the online registration and the hardcopy registration form which will allow race participants to donate \$5.00 to the 3rd Battalion, 5th Marine Regiment, of the 1st Marine Division. Staff is once again collaborating with South County Outreach for the 2011 event, to conduct a food drive to benefit low income families and those in need. This information was presented in an event update report to the Parks and Recreation Commission at its February 2, 2011, meeting.

BACKGROUND:

The City of Laguna Hills Memorial Day Half Marathon and 5K is scheduled for Monday, May 30, 2011, and currently has more than two hundred (200) participants registered. Staff is planning to start both the 5K and the half marathon races at 7a.m., which allows the streets impacted by the event to re-open earlier. Staff from Laguna Woods Village and OCSD personnel have no concerns with starting both races at 7 a.m.

At the request of the recently formed 3/5 Support Committee and direction by the City Council, staff has added a custom question to both the online registration and the hardcopy registration form which will allow race participants to donate \$5.00 to the 3rd Battalion, 5th Marine Regiment, of the 1st Marine Division, adopted by the City of Laguna Hills in 2007. The 3/5 Battalion is seeking assistance from the 3/5 Support Committee in raising funds for the Marines and their families. Proceeds from the donations will be provided to the 3/5 Support Committee at the conclusion of the event.

Staff intends to move pre-race packet pick-up to Road Runner Sports, located within the Oak Brook Village center, because Road Runner Sports expressed an interest in hosting the pre-race packet pick-up and contributing \$2,500 in event sponsorship. Road

RECOMMENDATION: THAT THE CITY COUNCIL RECEIVE AND FILE THE REPORT.

Agenda Report
2011 Half Marathon and 5K Update
Page 2

Runner's sponsorship is contingent upon packet pick-up being held at the store. Packet pick-up for 2011 will take place on Saturday, May 28, and Sunday, May 29, from 12:00p.m. to 4:00 p.m. The Laguna Hills Mall has hosted the packet pick-up in years past, and has no concerns with it moving to Road Runner Sports for 2011.

The City of Laguna Hills and South County Outreach will once again be partnering in a Food Drive over the Memorial Day Weekend. Race participants and spectators will be encouraged to bring canned goods and non-perishable food items which will benefit those served by South County Outreach. Collection stations will be available at the race start line and the Community Expo on Monday, May 30. Proceeds from the beer garden will also be donated to South County Outreach at the conclusion of the event. A total of \$750 in beer garden proceeds was donated in 2010. South County Outreach is a non-profit organization dedicated to helping low-income families, seniors, and individuals in need. Information regarding the food drive will be posted on the event website, along with fliers and other promotional materials for the event. Staff will provide the City Council with a synopsis of the success of the food drive when the post event report is brought to the City Council in August 2011.

Total sponsor and expo income at this time is \$18,275. Total event revenues and expenditures to date are outlined in the table below and include an event sponsorship donation of \$15,000 from the Saddleback Memorial Medical Center.

2011 City of Laguna Hills Half Marathon and 5K			
Revenue		Expenditures	
Race Registration	\$10,800	Renegade Racing	\$30,000
Sponsors	\$17,500	Advertising	\$4,753
Expo Vendors	\$775	Graphics	\$1,215
		Miscellaneous	\$1,112
Total	\$29,075	Total	\$37,080

All appropriate permits associated with the event, including permits with the Saddleback Valley Unified School District, Moulton Niguel Water District, the Golden Rain Foundation, PCM and Laguna Woods Village, OCFA, and the cities of Aliso Viejo and Laguna Niguel are currently being prepared. Renegade Racing staff will once again work with OCSD personnel from Laguna Hills, Aliso Viejo, and Laguna Niguel to coordinate street closures. Staff plans to contact the Toll Roads to again request that fees be waived in exchange for booth space. The tolls were waived between the hours of 7 a.m. and 9 a.m. in past years events to minimize the inconvenience for Aliso Viejo residents due to the road closures at Alicia Parkway and Moulton Parkway.

FISCAL IMPACT:

Staff is projecting \$140,000 in expenditures for 2011, and \$142,000 in event revenue, for a General Fund benefit of \$2,000.

RECOMMENDATION: THAT THE CITY COUNCIL RECEIVE AND FILE THE REPORT.

ATTACHMENTS:

- Attachment 1 - 5K Course Map
- Attachment 2 - Half Marathon Course Map

5K Course Map

