

**PLACENTIA CITY COUNCIL
PLACENTIA CITY COUNCIL ACTING AS SUCCESSOR AGENCY TO THE
PLACENTIA REDEVELOPMENT AGENCY
PLACENTIA INDUSTRIAL COMMERCIAL DEVELOPMENT AUTHORITY
PLACENTIA PUBLIC FINANCING AUTHORITY
MINUTES
REGULAR MEETING
May 21, 2024
5:30 p.m. – City Council Chambers
401 E. Chapman Avenue, Placentia, CA**

CALL TO ORDER: Mayor Yamaguchi called the meeting to order at 5:35 p.m.

ROLL CALL:

PRESENT: Councilmember/Board Member Shader, Smith, Yamaguchi
ABSENT: Kirwin, Wanke (both excused absences)

ORAL COMMUNICATIONS:

Mayor Yamaguchi opened Oral Communications for the Closed Session. City Clerk McKinnell stated that the City Clerk's Office had received no public comment for the Closed Session. Mr. McKinnell announced the Closed Session case and matter.

The City Council and Boards of Directors recessed to the City Council Caucus Room for the purpose of conducting their Closed Session proceedings on the following:

1. Pursuant to Government Code Section 54956.9(d)(1)
CONFERENCE WITH LEGAL COUNSEL – Existing Litigation
John Gomez vs. City of Placentia; Workers Comp Claim No.20-151881.
2. Pursuant to Government Code Section 54956.8
CONFERENCE WITH REAL PROPERTY NEGOTIATOR
Property: 450 S. Placentia Avenue (APN 339-442-04)
Agency Negotiator: Damien R. Arrula, City Administrator
Negotiating Party: CY Hospitality LLC
Under Negotiations: Price and Terms of Payment

RECESS: The City Council and Boards of Directors recessed to their 7:00 p.m. Regular Meeting.

CALL TO ORDER: Mayor Yamaguchi called the meeting to order at 7:00 p.m.

ROLL CALL:

PRESENT: Councilmember/Board Member Shader, Smith, Yamaguchi
ABSENT: Kirwin, Wanke (both excused absences)

STAFF PRESENT:

City Attorney/Authority Counsel Christian Bettenhausen; City Administrator Damien Arrula; Deputy City Administrator Rosanna Ramirez; Police Chief Brad Butts; Fire Chief Jason Dobine; Director of Finance Jennifer Lampman; Director of Human Resources Alice Burnett; Director of Community Services Karen Crocker; Acting Director of Public Works Chris Tanio, City Treasurer Kevin Larson; City Clerk Robert McKinnell; Deputy City Clerk Carole M. Wayman

INVOCATION: Chaplain Kenneth Milhander

PLEDGE OF ALLEGIANCE: Mayor Yamaguchi

PRESENTATIONS:

a. Proclamation of May 19 – 25, 2024 as National Public Works Week

Presenter: Mayor Yamaguchi
Recipient: Acting Public Works Director Chris Tanio

Mayor Yamaguchi presented a Proclamation designating May 19-25, 2024 as National Public Works Week to Acting Director of Public Works Chris Tanio and members of the Public Works Department. Mr. Tanio expressed thanks to Mayor Yamaguchi and the City Council and introduced a short video highlighting the Public Works Department.

b. Proclamation of May 24, 2024 as Poppy Day

Presenter: Mayor Yamaguchi
Recipient: Pat Alvarez, Member of American Legion Auxiliary Unit 277

Mayor Yamaguchi presented a Proclamation designating May 24, 2024 as Poppy Day to Pat Alvarez, American Legion Auxiliary Unit 277 member.

c. Recognition of Citizens Academy Graduates

Presenter: Mayor Yamaguchi
Recipients: Citizens Academy Graduates

Mayor Yamaguchi presented City Plaques recognizing the graduates of the Citizens Academy. Communications and Marketing Manager Nicolette Drulias introduced a short video highlighting the Citizens Academy and thanked the Mayor and Council for their support.

CLOSED SESSION REPORT:

City Attorney/Authority Counsel Bettenhausen stated that there were two (2) items on the Closed Session agenda, the City Council discussed each of those items, and direction was provided. He noted that there was nothing further to report. He also requested that Agenda Item 1.d. on the consent calendar be pulled and continued to the Council meeting of June 4, 2024.

CITY ADMINISTRATOR REPORT:

City Administrator Arrula welcomed and introduced three (3) new City of Placentia employees.

Police Officer Asad Khan graduated from Canyon High in Anaheim and then attended Irvine Valley College majoring in Criminal Justice. Throughout high school and college, Asad was a California Highway Patrol Explorer in the Santa Ana field office. In 2015, he was hired by the CHP and attended their academy in West Sacramento. He graduated from the CHP academy and began working in Santa Ana and then transferred to Baldwin Park. Asad worked for the CHP for almost 6 years and then became a Police Officer with the City of Arvin in Kern County.

Public Safety Dispatcher Rosanely Ruano attended Cal Poly Pomona and graduated with a bachelor's degree in criminology in 2022. Rosanely previously worked various jobs in customer service.

Public Safety Dispatcher Kyle Hamilton attended Cal State University Fullerton and previously worked in account management and sales.

ORAL COMMUNICATIONS:

Julie Suchard, Placentia resident expressed concerns about the use of electrical vehicle chargers at City Hall, meals purchased on City credit cards, and invoices for electric car charging repairs. She also expressed concerns about per diem allowances and expenses for Councilmember Shader and electricity charges for City Administrator Arrula's vehicle.

Jeff Suchard, Placentia resident expressed concerns about financial decisions made by the City and a claim that the non-profit organization that his wife, Julie Suchard, volunteers with owes \$5,000 to the City.

CITY COUNCIL/BOARD MEMBER COMMENTS:

Councilmember Shader expressed appreciation to the recent Citizen's Academy graduates and commended them for their commitment. She also acknowledged the Public Works Department for their hard work.

She reported her attendance at the following:

- Association of Orange County Cities Leadership Summit where the City of Placentia was awarded an Innovation Award for the TOD expansion project
- Orange County Human Relations meeting
- Congresswoman Steel’s AAPI recognition event in which Placentia Library Director Jeanette Contreas was honored.
- Santa Angelina Ribbon Cutting Event
- Dog Park meeting
- Visit to the Navigation Center
- St. Jude Medical Community Health Committee meeting
- Yorba Linda Prayer breakfast
- HIS OC Fundraiser
- International Conference of Shopping Centers

Councilmember Smith reported his attendance at the following:

- Santa Angelina Ribbon Cutting Event
- Navigation Center multi-agency panel for new provider
- Yorba Linda Prayer breakfast

He promoted the National Night Out Event on August 6, 2024 from 5-8 p.m. and encouraged all to attend and announced that the City is looking for vendors for the event.

Mayor Yamaguchi announced the completion of eight (8) third grade tours at the Civic Center. He expressed appreciation to the recent Citizens Academy graduates thanking them for their investment of time and commitment to the program. He also thanked Staff for their time and assistance with the program. He promoted the Summer 2024 schedule of classes and encouraged those interested to visit the City’s website or view the classes in the Palm Quarterly. He inquired about a prior request to agendize a review of credit card, P-Card, travel and reimbursement policies.

1. CONSENT CALENDAR (Items 1.a. through 1.k.):

Motion by Smith, seconded by Shader, and carried a (3-0-2, Kirwin, Wanke absent) vote to continue Item 1.d. to the June 4, 2024 Council meeting and approve the balance of the Consent Calendar items, as recommended.

1.a. Consideration to Waive Reading in Full of all Ordinances and Resolutions

Fiscal Impact: None

Recommended Action: Approve

(Approved 3-0-2, as recommended, Kirwin and Wanke absent)

1.b. Minutes

City Council/Successor/ICDA/PPFA Regular Meetings of: October 3, 2023 and October 17, 2023

Recommended Action: Approve

(Approved 3-0-2, as recommended, Kirwin and Wanke absent)

1.c. City Fiscal Year 2023-24 Registers for May 21, 2024

Check Register

Fiscal Impact: \$4,028,627.32

Electronic Disbursement Register

Fiscal Impact: \$1,995,655.86

Recommended Action: It is recommended that the City Council:

1) Receive and file.

(Received and Filed, as recommended)

1.d. Renewal of Professional Services Agreement with Placeworks, Inc. to complete the Chapman Corridor Plan

Fiscal Impact:

Total Cost of Original Agreement:	\$198,138
Amount Previously Paid to Consultant:	\$ -93,477
Amount Needed for Renewed Agreement:	\$104,661

Amount Needed for Renewed Agreement:	\$104,661
Staff Recommended Contingency:	<u>\$+20,000</u>
Total Cost of Proposed Agreement:	\$124,661
General Plan Update Fee Funds (749104-6017)	\$124,661

Recommended Action: It is recommended that the City Council:

- 1) Approve a Professional Services Agreement with Placeworks, Inc. to provide professional services related to the Chapman Corridor Planning and supporting environmental documentation for an amount not to exceed \$124,661; and
- 2) Approve Resolution No. R-2024-26, A Resolution of the City Council of the City of Placentia, California authorizing a budget amendment in Fiscal Year 2023-24 in compliance with City Charter of the City of Placentia §§ 1206 and 1209 pertaining to appropriations for actual expenditures; and
- 3) Authorize the City Administrator to execute the necessary documents, in a form approved by the City Attorney.

(Continued to June 4, 2024 City Council meeting)

1.e. **Amendment No. 2 to Agreement with Houston and Harris PCS, Inc. for Sewer Maintenance Services**

Fiscal Impact:

Expense:	\$217,091.22	Annual Contract Amount
Budget:	Fiscal Years 2023-26 (Contract Term)	
	\$226,000.00	FY 23-24 Sewer Maintenance Fund (484356-6120)
	\$226,000.00	FY 24-25 Sewer Maintenance Fund (484356-6120)

Recommended Action: It is recommended that the City Council:

- 1) Approve Amendment No. 2 to the Maintenance Services Agreement with Houston and Harris for sewer maintenance services to extend the contract term by one year and increase the cumulative contract not-to-exceed amount by \$217,091.22 or a revised cumulative contract amount of \$809,158.17 for the entire contract term; and
- 2) Authorize the City Administrator and/or his designee to execute all necessary documents, in a form approved by the City Attorney.

(Approved 3-0-2, as recommended, Kirwin and Wanke absent)

1.f. **Acceptance of Construction Work and Notice of Completion for the Parque Del Arroyo Verde Renovation Project, City Project No. 7902**

Fiscal Impact:

Expense:	\$ 2,286,378.76	Original Construction Contract
	\$ (4,103.50)	Change Order Nos. 1-2
	\$ 339,841.00	Pacific Play Systems (Equipment)
	<u>\$ 184,840.00</u>	<u>CM/Inspection Services</u>
	\$ 2,806,956.26	Total Construction Cost
Budgeted:	\$3,017,577.04	FY 2022-23 & 2023-24 CIP Project Budget

Recommended Action: It is recommended that the City Council:

- 1) Accept the work performed by Legion Contractors, Inc. for construction of the Parque Del Arroyo Verde Renovation Project, City Project No. 7902 for a grand total amount of \$2,282,275.26; and
- 2) Authorize the City Administrator to file a Notice of Completion with the Orange County Clerk-Recorder's Office for the Project; and
- 3) Authorize the City Administrator to release retention funds in accordance with the terms of the contract.

(Approved 3-0-2, as recommended, Kirwin and Wanke absent)

1.g. **Resolution Relating to Fiscal Year 2024-25 Levy of Assessments to the City of Placentia Landscape Maintenance District No. 92-1 and Setting a Public Hearing for June 18, 2024 at 7:00 P.M.**

Fiscal Impact:

Revenue: \$ 457,992 (Recouped Through Assessments)
Expenditures: \$ 440,867 (Proposed FY 2024-25 Budget LMD 92-1 Fund)

Recommended Action: It is recommended that the City Council:

- 1) Adopt Resolution R-2024-29, a Resolution of the City Council of the City of Placentia, California, directing preparation of the Engineer's Report for Fiscal Year 2024-25 for the continuation of the annual assessments for Landscape Maintenance District No. 92-1; and
- 2) Adopt Resolution R-2024-30, a Resolution of the City Council of the City of Placentia, California, declaring its intention to provide for the annual levy and collection of assessments for certain maintenance within an existing district, pursuant to the provisions of Division 15, Part 2, of the California Streets and Highways Code and setting a time and place for public hearing thereon.

(Approved 3-0-2, as recommended, Kirwin and Wanke absent)

1.h. **Resolution Relating to Fiscal Year 2024-25 Levy of Assessments to the City of Placentia Street Lighting District No. 81-1 and Setting a Public Hearing for June 18, 2024 at 7:00 P.M.**

Fiscal Impact:

Revenue: \$136,244 (SLD-81-1 Assessments)
\$143,756 (Proposed Transfer In From General Fund)
Expenditures: \$280,000 (Proposed FY 2024-25 Budget SLD 81-1 Fund)

Recommended Action: It is recommended that the City Council:

- 1) Adopt Resolution R-2024-27 a Resolution of the City Council of the City of Placentia, California, directing preparation of the Engineer's Report for Fiscal Year 2024-25 for the continuation of the annual assessments for Street Lighting District No. 81-1; and
- 2) Adopt Resolution R-2024-28, a Resolution of the City Council of the City of Placentia, California, declaring its intention to provide for an annual levy and collection of assessments for certain maintenance within an existing district, pursuant to the provisions of Division 15, Part 2, of the California Streets and Highways Code and setting a time and place for public hearing thereon.

(Approved 3-0-2, as recommended, Kirwin and Wanke absent)

1.i. **Agreement with All City Management Services, Inc. for Crossing Guard Services**

Fiscal Impact:

Expense: \$100,116 For Fiscal Year 2024-2025 Budget
\$105,494 For Fiscal Year 2025-2026 Budget
\$112,169 For Fiscal Year 2026-2027 Budget
Budgeted: \$100,116 (103047-6290) For Fiscal Year 2024-2025 Budget

Recommended Action: It is recommended that the City Council:

- 1) Approve the Agreement with All City Management Services, Inc. for a three (3)-year term ending June 30, 2027, with two (2) additional one-year optional extensions, for amounts not to exceed \$100,116 (FY 2024-2025), \$105,494 (FY 2025-2026) and \$112,169 (FY 2026-2027); and
- 2) Authorize the City Administrator to execute the necessary documents, in a form approved by the City Attorney.

(Approved 3-0-2, as recommended, Kirwin and Wanke absent)

1.j. **Agreement with City of La Habra for Court Liaison Services**

Fiscal Impact:

Expense: \$44,561 For Fiscal Year 2024-2025 Budget
\$46,789 For Fiscal Year 2025-2026 Budget
\$49,129 For Fiscal Year 2026-2027 Budget
Budgeted: \$44,561 For Fiscal Year 2024-2025 Budget (103043-6290)

Recommended Action: It is recommended that the City Council:

- 1) Approve the Agreement with the City of La Habra for a three-year term ending June 30, 2027, for amounts not to exceed \$44,561 (FY 2024-2025), \$46,789 (FY 2025-2026) and \$49,129 (FY 2026-2027); and
- 2) Authorize the City Administrator to execute the necessary documents, in a form approved by the City Attorney.

(Approved 3-0-2, as recommended, Kirwin and Wanke absent)

1.k. **Amendment No. 2 to Professional Services Agreement with Halo Confidential Investigations**

Fiscal Impact:

Expense: Not-to-Exceed \$90,000 per fiscal year

Recommended Action: It is recommended that the City Council:

- 1) Approve Amendment No. 2 to Professional Services Agreement with Halo Confidential Investigations for a not-to-exceed amount of \$90,000 per fiscal year; and
- 2) Authorize the City Administrator to execute the necessary documents, in a form approved by the City Attorney.

(Approved 3-0-2, as recommended, Kirwin and Wanke absent)

2. PUBLIC HEARINGS: None

3. REGULAR AGENDA:

3.a. **Presentation of the Proposed Fiscal Year 2024-25 Operating Budget and Capital Improvement Program (CIP)**

Fiscal Impact:

FY 2024-25	Expenditures:	\$ 99,225,368
	Revenue:	\$ 95,329,478

Recommended Action: It is recommended that the City Council:

- 1) Review and discuss the Proposed Fiscal Year 2024-25 Annual Operating Budget and Capital Improvement Program (CIP) and provide input and direction for final budget adoption; and
- 2) Set the date of the public hearing for budget adoption as June 4, 2024, at 7:00 p.m.

(Approved 3-0-2, as recommended, Kirwin and Wanke absent)

City Administrator Arrula introduced Finance Director Lampman who gave a brief presentation on the Proposed Fiscal Year 2024-25 Operating Budget; she was joined by Senior Financial Analyst Houn who assisted with the presentation. Director Lampman introduced Acting Public Works Director Chris Tanio who gave a brief presentation on the Capital Improvement plan (CIP).

There was a brief recess from 8:27 p.m. to 8:34 p.m.

Mayor Yamaguchi inquired about the first-year priorities for the IT Master Plan and the City facilities assessment plans.

City Administrator Arrula explained the process that Staff and the Consultants took to identify which priorities to advance. He noted that the Tynes Gym roof is one of the largest projects and Staff is exploring options for breaking up the City Hall Modernization project into several smaller projects.

Director Lampman noted that the IT Consultants recommended an investment of 4 million in IT infrastructure over five (5) years. Cybersecurity and the Finance ERP was ranked high on the IT priority list.

Mayor Yamaguchi inquired about the \$100,000 amount for the removal and replacement of the gasoline tanks.

City Administrator Arrula responded that Staff is exploring other options and the \$100,000 will be used to analyze and design the plan for the removal and replacement. He added that there is time to evaluate and explore the most cost effective solution since the work does not need to be completed until December 2025.

Mayor Yamaguchi inquired if the recommendations in the Communications Study were funded for the next fiscal year.

City Administrator Arrula responded that a follow up meeting has been scheduled with Staff and a status update will be provided soon.

Councilmember Smith inquired about the need to dip into the reserve funds and asked if there were plans or ideas to avert the need to draw down on those funds in the coming years.

Director Lampman responded that Staff is looking at long-term strategies and all opportunities to capture costs, update fees and analyze expenses. She briefly discussed approaches being taken by other agencies.

Councilmember Shader inquired about the 115 Trust noting that this will be the first time that the City is drawing from the trust.

Director Lampman explained that the goal remains to leave as much money in the trust to earn interest. There was discussion about the OPEB liability going down substantially every year.

There was discussion about Department budget cuts.

Councilmember Shader asked about CIP funding and projects using dedicated funding. She requested a map of the streets that are scheduled to be paved and a deeper discussion on cashflow and expenditures from the 115 Trust.

Director Lampson responded that the seven (7) year CIP will be brought to Council at the next meeting noting that the facilities needs assessment has been planned into the CIP. She further explained that Measure U and Gas Tax funds will also be used and a matrix will be provided showing new projects and funding sources.

City Administrator Arrula stated that five (5) million is budgeted for streets and roads.

3.b. **Resolution Authorizing the Temporary Suspension of Regulatory Ordinance Pertaining to the Operation of the California Celtic Festival Fundraiser Event on Saturday, June 15, 2024 and Sunday, June 16, 2024 at Kraemer Memorial Park**

Fiscal Impact: \$2,379 (Staff Costs)

Recommended Action: It is recommended that the City Council:

- 1) Approve a facility rental/use agreement with the California Celtic Festival to host the annual "Lovers of Celtic Culture" fundraiser event at Kraemer Memorial Park and authorize the City Administrator or designee to execute all applicable documents; and
- 2) Adopt Resolution No. R-2024-31, A Resolution of the City Council of the City of Placentia Authorizing the Temporary Suspension of Regulatory Sections 10.28.010 and 23.76.050 of the Placentia Municipal Code for the operation of the "Lovers of Celtic Culture" fundraiser event on June 15, 2024 from 12:00 p.m. to 8:00 p.m. and on June 16, 2024 from 12:00 p.m. to 7:00 p.m. at Kraemer Memorial Park located at 201 N. Bradford Ave.; and
- 3) Consider approving the request from the California Celtic Festival to waive staff fees and facility use/rental fees for the use of Kraemer Memorial Park for the operation of the event. **(Continued to June 4, 2024 Council meeting)**

Mayor Yamaguchi noted that because of the absences of two (2) members of the Council, this item cannot be considered tonight and would be continued to the June 4, 2024 Council meeting.

CITY COUNCIL/BOARD MEMBERS REQUESTS: None.

ADJOURNMENT:

The City Council/Successor Agency/ICDA/PPFA Board of Directors adjourned at 8:52 p.m. to a regular City Council meeting on Tuesday, June 4, 2024 at 5:30 p.m.

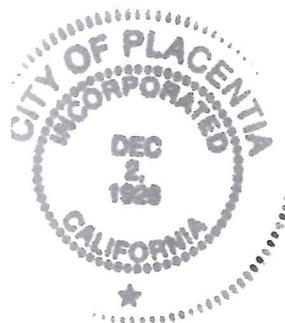


Jeremy Yamaguchi, Mayor/Agency Chair

ATTEST:



Robert S. McKinnell, City Clerk/
Agency Secretary



INDEMNIFICATION AGREEMENT
777 W. ORANGETHORPE, PLACENTIA
ORANGETHORPE INVESTMENT PARTNERS, LLC

THIS INDEMNIFICATION AGREEMENT (“Agreement”) is made this ___ day of October 2024, by Orangethorpe Investment Partners, LLC, a California limited liability company (“Applicant”), in favor of the City of Placentia, a California charter city and municipal corporation (“City”).

RECITALS

A. The Applicant is the owner or developer of that certain real property located at 777 W. Orangethorpe Avenue in the City of Placentia, County of Orange, California (“Property”).

B. The Applicant applied to the City for certain development approvals for the Property under General Plan Amendment No. GPA 2022-01, Specific Plan Amendment No. SPA 2022-01, and Development Plan Review No. DPR 2022-02 (Project”).

C. As a condition of approval for the Project, Condition No. 3 to Resolution No. R-2024-60, the Applicant is required to defend, indemnify, including reimbursement, and hold harmless the City, its agents, officers and employees from any claim, action, or proceeding against the City, its agents, officers or employees, to attack, void or annul an approval by the City Council, City Planning Commission or other City decision-making body or City staff concerning the Project.

D. The City and the Applicant have been named in a lawsuit entitled Supports Alliance for Environmental Responsibility v. City of Placentia, Orange County Superior Court Case No. 30-2024-01430927 CU-WM-CXC (“Lawsuit”). This Agreement will memorialize the Applicants obligations under the Conditions of Approval for the Project.

NOW, THEREFORE, in accordance with the recitals set forth above and as consideration for the approval of development entitlements stated herein, the City and Applicant agree as follows:

1. Incorporation of Recitals. The parties agree that the Recitals constitute the factual basis upon which the City and the Applicant have entered into this Agreement. The City and the Applicant each acknowledge the accuracy of the Recitals and agree that the Recitals are incorporated into this Agreement as though fully set forth at length.

2. Indemnification. The Applicant hereby agrees to indemnify and hold harmless the City, its agents, officers, council members, employees, boards, commissions and their members against the Lawsuit, as well as any subsequent action the City may be required to undertake in connection with the Project. This indemnification shall include, but is not limited to, all damages, costs, expenses, attorney fees or expert witness fees that may be awarded to the prevailing party, and costs of suit, attorneys’ fees, and other costs, liabilities and expenses arising out of or in

connection with the approval of the application or related decision, whether or not there is concurrent, passive or active negligence of the part of the City, its agents, officers, council members, employees, boards, commissions and their members and the City Council.

3. Administrative Record. The Applicant has requested that the City elect to prepare the Administrative Record. The City only agrees to make that election upon the execution of this Agreement by the Applicant, and the Applicant's acknowledgment, agreement, and commitment to undertake the preparation of the same at its sole cost and expense. Should the Applicant fail to timely execute this Agreement, then this provision shall not apply and the Petitioner in the Lawsuit shall prepare the Administrative Record.

4. Assignability Limitations. This Agreement may be assigned by the Applicant to any successor in interest for the Project, only after Applicant has first notified the Director of Development Services for the City and has provided to the City a signed acceptance of the assignment by the assignee, which assignment shall be approved by the Director of Development Services for the City.

5. Nonwaiver of Rights or Remedies. The failure of the City to exercise any right or remedies available to it pursuant to this Agreement shall not constitute a waiver of the City's right to enforce that right or to seek that remedy in the future. No course of conduct or act of forbearance on any one or more occasions by the City to this Agreement shall preclude the City from asserting any right or remedy available to it in the future. No course of conduct or act of forbearance on any one or more occasions shall be deemed to be an implied modification of the terms of this Agreement.

6. No Oral Modifications. This Agreement represents the entire understanding of the City and the Applicant and supersedes all other prior or contemporaneous written or oral agreements pertaining to the subject matter of this Agreement. This Agreement may be modified, but only by a writing signed by both the City and the Applicant. All modifications to this Agreement must be approved by the City Council of the City of Placentia.

7. Severability. If for any reason, any portion of this Agreement is found to be invalid or unenforceable by a court of competent jurisdiction, the remainder of the Agreement shall remain in full force and effect.

8. Binding Upon Successors. This Agreement and each of its terms shall be binding upon the City, the Applicant and their respective officers, elected officials, employees, agents, contractors, and permitted successors and assigns.

9. Headings. The headings of each Section of the Agreement are for the purposes of convenience only and shall not be construed to either expand or limit the express terms and language of each Section.

10. Representations of Authority. Each party signing this Agreement on behalf of a party which is not a natural person hereby represents and warrants that all necessary legal

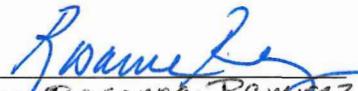
prerequisites to that party's execution of this Agreement have been satisfied and that he or she has been authorized to sign this Agreement and bind the party on whose behalf he or she signs.

IN WITNESS WHEREOF, the Applicant has caused this Indemnification Agreement to be executed the date first written above.

APPLICANT:
ORANGETHORPE INVESTMENT PARTNERS, LLC

By: 
Name: GILAD GANISH
Title: AUTHORIZED SIGNER

CITY OF PLACENTIA

By: 
Name: Rosanna Ramirez
Title: Acting City Administrator

Attested to:

By: 
City Clerk

Approved as to form:

By: 
City Attorney