

**ADMINISTRATIVE REIMBURSEMENT AGREEMENT BETWEEN
THE CITY OF CARSON AND THE CARSON ENHANCED INFRASTRUCTURE
FINANCING DISTRICT**

THIS ADMINISTRATIVE REIMBURSEMENT AGREEMENT (“**Agreement**”) is executed this ____ day of June, 2023, by and between the CITY OF CARSON, a California municipal corporation (“**City**”), and CARSON ENHANCED INFRASTRUCTURE FINANCING DISTRICT, a California financing district (“**District**”) (collectively, the “**Parties**”).

R E C I T A L S:

WHEREAS, the California Legislature enacted Chapter 2.99 of Part 1 of Division 2 of Title 5 of the California Government Code (commencing with section 53398.50) (the “**EIFD Law**”) authorizing cities and counties to designate enhanced infrastructure financing districts (“**EIFD**”) and authorizing EIFDs to use specified property tax increment revenue generated within their boundaries to finance certain public facilities and projects of communitywide significance that provide significant benefits to the EIFDs or the surrounding community; and

WHEREAS, in enacting the EIFD Law, the California Legislature found and declared that with the dissolution of redevelopment agencies, public benefits will accrue, if local agencies finance certain public facilities and projects authorized under the EIFD Law; and

WHEREAS, the City of Carson (“**City**”), pursuant to Resolution No. 21-026 adopted on March 16, 2021 (“**Resolution of Intent**”), declared its intention to form the District and formed the Public Financing Authority of the Carson EIFD as the governing body of the District (the “**PFA**”); and

WHEREAS, the County of Los Angeles (the “**County**”) pursuant to a resolution adopted on November 24, 2020, declared its intent to participate as a taxing entity in the District and form the PFA; and

WHEREAS, the City Council of the City and the PFA previously directed the City Manager/Executive Director, other appropriate City staff, Kosmont & Associates Inc., the City’s authorized EIFD consultant and the County to prepare the Infrastructure Financing Plan (“**IFP**”) in accordance with Government Code Sections 53398.62 and 53398.63 of the EIFD Law and directed the PFA to provide all required notices and information, and conduct the public hearings regarding the IFP, all in accordance with the EIFD Law, and perform all other duties of the PFA under the EIFD Law, as necessary or desirable from time to time; and

WHEREAS, the PFA board is comprised of two members of the Council, one member of the County Board of Supervisors, or his/her designee, and two members of the public, one of each chosen by the City and the County; and

WHEREAS, following three public hearings and approval of the IFP by the City

and the County, the PFA properly adopted the IFP and formed the District in the form and manner required by law; and;

WHEREAS, the purpose of the District is to assist in the provision of public facilities of communitywide significance that provide significant benefits and promote economic development within the District and City of Carson. The District aims to support needed public infrastructure, low and moderate income and workforce housing, rehabilitation, and environmental mitigation and remediation of brownfields of properties as described by the IFP; and

WHEREAS, the District does not have any personnel, office equipment, or other facilities necessary to conduct its essential operations and to carry out its remediation and project development programs and has requested that City provide such assistance; and

WHEREAS, the City is best positioned to provide assistance to the District in the form of personnel and City services in order for the District to function efficiently and to fulfill the purposes for which it was formed; and

WHEREAS, the City Manager, and the Community Development Director's designated staff act as ex officio officers of the District, to wit, the Executive Director and Assistant Secretary; and

WHEREAS, the City began providing such services on or about July 1, 2020, in order to facilitate the formation of the District and to meet existing and ongoing obligations and other contractual commitments; and

WHEREAS, the Parties desire to memorialize this cooperative arrangement by entering into a written agreement pursuant to which the City shall provide certain administrative services to the District and the District shall reimburse the City for such services in accordance with the terms and conditions herein.

NOW, THEREFORE, for the purposes set forth herein, and for good and valuable consideration, the adequacy of which is hereby acknowledged, the Parties hereby agree as follows:

T E R M S:

Section A. General Provisions; Purpose

1. The Recitals set forth above are true and correct and are hereby incorporated by reference as though fully set forth herein.
2. The purpose of this Agreement is to establish a mechanism pursuant to which the District shall reimburse the City for costs incurred and funds advanced by the City to or for the benefit of the District.
3. City's authority:

- a. City has sole discretion to select and assign specific City employee or employees and contractors to work on District projects.
 - b. City has sole discretion to direct the work, hire and evaluate the performance of the employees and contractors assigned to work on District projects, and retains the right to terminate or replace at any time any such person.
 - c. City has sole discretion to determine the amount of compensation paid to employees or contractors assigned to work on District projects.
 - d. City, not District, shall pay employees and contractors assigned to work on the District projects from a City account.
4. The Executive Director and his or her designee, currently the Community Development Director, are hereby designated as the primary contacts for the District and all District projects and work shall be coordinated with the Executive Director and Community Development Director.
 5. The City will exercise good faith efforts to cause consultants and other professional services providers retained by City to act in a diligent and expeditious manner in performing work for the District. To the extent that consultants and professionals must work overtime at the premium rates to expedite the process, the District shall pay for such expedited rates. Similarly, if the District requests expedited performance from City, the District shall reimburse the City for any additional expenditures associated with such expedited services, including without limitation, costs of expedited services performed by third party consultants retained by the City for that purpose. To the extent the District hires a Consultant, the City is authorized to administer such agreement.

Section B. Reimbursable City Costs

The City may request reimbursement for, and the District shall reimburse the City, for the following costs (collectively, "**City Costs**"):

- (a) Any and all administrative costs incurred by the City in furtherance of the establishment, management and operation of the District, and any staff time and overhead costs associated with services provided to the District, including without limitation, planning and architectural review, accounting and financial management, processing of entitlements, and engineering services.
- (b) In addition to the costs outlined in subsection (a) above, to the extent permitted by law, the District shall reimburse the City for costs it has incurred in connection with third-party service providers retained or deployed at District's request, including but not limited to, the following:
 1. preparing, reviewing, negotiating, and approving any legal documents in connection with the District or carrying out of the purposes and obligations set

forth in the IFP;

2. providing legal services related to the District, including without limitation, litigation and defense services related to any claim filed against the District;
3. retaining consultants in connection with the District, including without limitation, financial advisors, environmental consultants, engineers, and planning specialists;
4. providing studies, reports, design services and other professional services and documents; and
5. any and all other expenses incurred by the City in connection with the District.

Section C. Invoicing and Payments; Accounting

1. Invoices

Each month, City shall furnish to District an original invoice for all City Costs incurred during the preceding month. The invoice shall detail City Costs by the following categories: labor (by sub-category), travel, materials, equipment, supplies, and subcontractor contracts. Except as to any charges disputed by the District, the District shall use its best efforts to cause City to be paid within 15 days of receipt of City invoice. In the event any charges or expenses are disputed by the District, the original invoice shall be returned to City for correction and resubmission. Review and payment by District of any invoice provided by the City shall not constitute a waiver of any rights or remedies provided herein or any applicable law.

2. Accounting; District's Right to Review City Records

City shall keep an accounting of the City Costs and all payments made by the District to the City. Upon written request, the City shall make available for District's review City records evidencing invoiced City Costs. Upon written request, which shall be reasonable and in accordance with all laws, the City shall make available for County's review City records evidencing invoiced City Costs.

Section D. Effective Date and Term

This Agreement shall be effective as of June 12, 2023 ("**Effective Date**"), and shall continue in full force and effect until the District has fully satisfied all outstanding reimbursement obligations pursuant to this Agreement, unless earlier terminated by one party providing the non-terminating party a 30-day written notice ("**Early Termination**"). An Early Termination does not operate as a waiver of the District's obligation to reimburse the City for any City Costs incurred and not yet invoiced as of the time the notice was provided.

Section E. Indemnification

District agrees to indemnify, protect, defend, and hold harmless the City and its

officials, officers, employees, agents, elected boards, commissions, departments, agencies, and instrumentalities thereof (collectively, "**City**"), from any and all actions, suits, claims, demands, writs of mandamus, liabilities, losses, damages, penalties, obligations, expenses, and any other actions or proceedings (whether legal, equitable, declaratory, administrative, or adjudicatory in nature), and alternative dispute resolution procedures (including, but not limited to, arbitrations, mediations, and other such procedures) asserted by third parties against the City that challenge, or seek to void, set aside, or otherwise modify or annul, the action of, or any approval by, the City for or concerning this Agreement (including, but not limited to, reasonable attorneys' fees and costs) (herein the "**Claims and Liabilities**") whether such Claims and Liabilities arise under federal, state, or local statute, law, ordinance, rule, regulation, or any decision of a competent jurisdiction. In the event any action for any Claims and Liabilities is brought against the City, upon City's notification to District of the pendency of a claim or suit, District shall make a minimum deposit sufficient to pay all of District's indemnification obligations for the following 90 days, which includes legal costs and fees anticipated to be incurred as reasonably determined by the City. District shall make deposits required under this section within 5 days of the City's written request. At no point during the pendency of such claim or suit, shall the minimum balance of the deposit fall below twenty-five thousand dollars (\$25,000). The obligations of District under this Section shall not apply to any claims, actions, or proceedings arising from the sole negligence or willful misconduct of the City. The obligations for indemnity under this Section E shall begin upon the Effective Date and shall survive termination or expiration of this Agreement.

Section F. Governing Law and Consent to Venue

This Agreement shall be governed exclusively by the provisions hereof and shall be construed and interpreted in accordance with the laws of the State of California. Any legal action or proceeding brought to interpret or enforce this Agreement, or which in any way arises out of the Parties' activities undertaken pursuant to this Agreement, shall be filed and prosecuted in the appropriate California State Court in the County of Los Angeles, California. All references to District include all personnel, employees, and agents of District, except as otherwise specified in this Agreement. All references to City include its elected officials, appointed boards and commissions, officers, employees, agents, and volunteers.

Section G. Notices

All notices, demands, invoices, and communications shall be in writing and delivered to the following addresses or such other addresses as the Parties may designate by written notice:

To District: Carson Enhanced Infrastructure Financing District
701 E. Carson St.
Carson, CA 90745
Telephone: 310-830-7600
email: droberts@carson.ca.us

Attn.: David Roberts, Executive Director

copy to: Aleshire & Wynder, LLP
18881 Von Karman Ave., Suite 1700
Irvine, CA 92612
Telephone: 949-223-1170
Fax: 949-223-1180
email: aluck@awattorneys.com
Attn.: Anita Luck, District Counsel

To City: City of Carson
701 E. Carson St.
Carson, CA 90745
Telephone: 310-830-7600
email: droberts@carson.ca.us
Attn.: David Roberts, City Manager

copy to: Aleshire & Wynder, LLP
18881 Von Karman Ave., Suite 1700
Irvine, CA 92612
Telephone: 949-223-1170
Fax: 949-223-1180
email: ssoltani@awattorneys.com
Attn.: Sunny Soltani, City Attorney

Section H. Section Headings

All section headings are for convenience of reference only and are not intended to define or limit the scope or intent of any provision of this Agreement.

Section I. Amendments, Changes and Modifications

No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

Section J. Severability

If any part of this Agreement is held to be illegal or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall be given full force and effect.

Section K. Time is of the Essence

Time is of the essence with respect to this Agreement.

Section L. Counterparts

This Agreement may be signed in counterparts, each of which shall constitute an

original and which collectively shall constitute one instrument.

Section M. Entire Agreement

This Agreement contains the entire agreement between City and District and supersedes any prior oral or written statements or agreements between City and District with respect to the subject matter of this Agreement.

IN WITNESS THEREOF, the Parties hereto have executed this Agreement as of the day and year written alongside the respective signature lines below.

[SIGNATURES ON FOLLOWING PAGE]

**“DISTRICT”
CARSON ENHANCED FINANCING
DISTRICT**

David Roberts, Executive Director

Executed on: _____

ATTEST:

District Secretary

**“CITY”
CITY OF CARSON**

Lula Davis Holmes, Mayor

Executed on: _____

ATTEST:

Dr. Khaleah Bradshaw, CMC
City Clerk

APPROVED AS TO FORM:

Sunny Soltani
City Attorney