

LC WA

LOS CERRITOS
WETLANDS
AUTHORITY

900 S. Fremont Avenue
Annex, 2nd Floor
Alhambra, CA 91802

Board Meeting Materials

November 7, 2007

Board Members

Gary DeLong, City of Long Beach, Chair
Larry B. McKenney, Rivers and Mountains Conservancy, Vice Chair
John Larson, City of Seal Beach
Sam Schuchat, State Coastal Conservancy

NOTICE OF PUBLIC MEETING
Los Cerritos Wetlands Authority (LCWA)
Wednesday, November 7, 2007, 1:00 p.m.
Long Beach Museum of Art
2300 East Ocean Boulevard
Long Beach, CA 90803

AGENDA

1. Roll Call
2. Public Comment
Individuals wishing to comment must fill out a comment card at the meeting for the official record and will be allowed three minutes to speak, and representatives of organizations/agencies will be allowed five minutes to speak. Speaker time may be reduced depending on the number of speakers.
3. Election of Vice-Chair
4. Approval of August 1, 2007 Minutes
5. Report and discussion on Workplan Implementation.
6. Status report on negotiations for acquisition of the "Hellman" property in the City of Seal Beach. Property Description: Assessor Parcel Nos.: 043-160-31, 043-160-32, 043-160-59 (Portion), 043-160-61 (Portion), 095-010-25 (Portion), 095-010-26 (Portion), 095-010-59 (Portion).
Property Owner: Hellman Properties LLC, A California Limited Liability Company;
Property Owner Negotiator: Jerry Tone.
LCWA Negotiators: Elena Eger, Mary Small, Bob Thiel, Pearl Bordas and Belinda V. Faustinos
Under Consideration: Price and terms (*This item may be heard in closed session*)
7. Consideration of resolution authorizing the execution and performance of an agreement with the Wildlife Conservation Board for acquisition of the "Hellman" property.
8. Consideration of resolution adopting fiscal year 07-08 budget.
9. Statements, responses, questions or directions to staff pursuant to Section 54954.2(a) of the Government Code.
10. Announcement of next meeting – February 6, 2008
11. Adjournment upon completion of business.

Public participation is welcome on any agenda item. During the meeting the Governing Board may hold a closed session on any item pursuant to Government Code sections 54956.8 and 54956.9. Members of the public wishing to address the Governing Body on any item should address the President of the Authority in advance of the meeting. Questions about the agenda items should be addressed to Belinda V. Faustinos at (626) 458-4315.

Note: In accordance with the Americans with Disabilities Act of 1990, if you require a disability-related modification or accommodation to attend or participate in the meeting, including auxiliary aids or services, please contact Belinda V. Faustinos at 458-4315 at least 3 days prior to the meeting.

**MINUTES
BOARD MEETING
LOS CERRITOS WETLANDS AUTHORITY (LCWA)
AUGUST 1, 2007**

1. CALL TO ORDER:

The meeting was called to order by Chair Gary DeLong at 1:04pm.

The meeting was held at the Long Beach Museum of Art located at 2300 East Ocean Blvd. in Long Beach, CA 90803.

MEMBERS PRESENT:

Chair Gary DeLong
Mr. John Larson
Mr. Sam Schuchat

MEMBERS ABSENT:

Mr. Daniel Sulzer

STAFF PRESENT:

Belinda Faustinos, Executive Officer
Valerie Thompson, Executive Secretary
Terry Fujimoto, Deputy Attorney General

2. PUBLIC COMMENT

Ms. Melinda Cotton, Belmont Shores resident, expressed concerns regarding a section on the most recent map of the Los Cerritos Wetlands being listed by the Southeast Area Development Improvement Plan Committee (SEADIP) as commercial detail and requested that the property be listed as "wetlands".

In response, the Executive Officer explained that the State Coastal Conservancy authorized a grant to the LCWA to conduct a feasibility study and that staff is in the process of developing a scope of work that will address the issue.

Mr. Dennis Gray informed the Board, that through his efforts, he found the Southern California Edison grant deed and all of the accompanying documents for the parcel located on the southeast corner of Studebaker and Second Street, and that it has many caveats as to its use. He suggested that while staff is conducting the feasibility study, that the uses for the property be carefully considered and be done in accordance with the conditions that are attached to the property.

In response, the Executive Officer explained that staff is aware of the restrictions and that it is an element of the conditions in the offer that was made by the State Coastal Conservancy.

Mr. C. J. Hentzen, resident of Long Beach, made comments regarding the Bixby Ranch Company "intentionally draining" the pond along Second Street, and the affect that it had on the pond and the animals food source.

3. APPROVAL OF MAY 2, 2006 MINUTES

No corrections were noted.

Mr. Larson motioned to approve the minutes; Mr. Sam Schuchat seconded the motion. Unanimously passed.

4. REPORT AND DISCUSSION ON WORKPLAN IMPLEMENTATION.

The Executive Officer reported that RMC Project Manager, Eric Zahn, has made a significant improvement to the Los Cerritos Workplan Implementation for the stewardship plan and that it would be considered later in the agenda and that he has been addressing other issues, such as, the Phase 1A Improvements. It was noted that staff is hopeful that signage would be placed at the site within the next couple of months.

The Executive Officer also gave a brief update on the Edison parcel which included communications with the real estate attorney for Edison regarding the pipe company whom has title to the property, and the "offer to dedicate" that was recorded and filed on behalf of the LCWA.

The Executive Officer presented copies of the letters that were sent to the attorneys representing the Bryant retained parcels (Kevin Brazil) and the Bixby property (Tim King), regarding the LCWA's continued interest in acquiring the land. A copy of the article that was presented by the Los Angeles Times on Sunday, July 29, 2007, was noted and the Executive Officer mentioned that based on that article, staff believes that there may be an acquisition pending on the Bixby surface; but there had not been any verification or confirmation communicated by the parties.

5. STATUS REPORT ON NEGOTIATIONS FOR ACQUISITION OF THE "HELLMAN" PROPERTY IN THE CITY OF SEAL BEACH. PROPERTY DESCRIPTION: ASSESSOR PARCEL NOS.: 043-160-31, 043-160-32, 043-160-59 (PORTION), 043-160-61 (PORTION), 095-010-25 (PORTION OF), 095-010-26 (PORTION), 095-010-59 (PORTION). PROPERTY OWNER: HELLMAN PROPERTIES LLC, A CALIFORNIA LIMITED LIABILITY COMPANY; PROPERTY OWNER NEGOTIATOR: JERRY TONE. LCWA NEGOTIATORS: ELENA EGER, MARY SMALL, BOB THIEL AND BELINDA V. FAUSTINOS. UNDER CONSIDERATION: PRICE AND TERMS.

Mary Small gave an in-depth status report detailing issues regarding remediation alternatives to dealing with contaminated soil, the meeting that was held between LCWA staff and the representatives of Hellman, LLC, the possibility of entering into a single purchase agreement between Hellman, LLC and the Authority, LCWA and the State Coastal Conservancy to draft an initial purchase offer, and the fact that the Hellman's remain willing sellers.

6. CONSIDERATION OF RESOLUTION ADOPTING AN INTERIM STEWARDSHIP AND MANAGEMENT PROGRAM FOR ALL PROPERTY OWNED BY THE LCWA.

The Executive Officer referred to the draft program in the Board report and explained that the main focus of the program is to provide clean up of the area, framework for establishing the goals and activities, eligible participants of the program, and it was noted that the program would apply to the marsh on the eastside of the parcel.

Mr. Schuchat pointed out a needed correction on page 22 and suggested adding a qualifications section on the application, and in response, the Executive Officer suggested adding it to Item 5. The Executive Officer made a request to incorporate the changes that had been submitted by the City of Seal Beach and the request was granted.

Mr. Schuchat moved to adopt the resolution as amended; Mr. Larson seconded the motion. Unanimously passed.

7. STATEMENTS, RESPONSES, QUESTIONS OR DIRECTIONS TO STAFF PURSUANT TO SECTION 54954.2(A) OF THE GOVERNMENT CODE.

No statements, responses, questions or directions to staff were forthcoming.

8. ANNOUNCEMENT OF NEXT MEETING

The next Board meeting will be held on November 7, 2007.

9. UPON COMPLETION OF BUSINESS

The meeting was adjourned by Chair Gary DeLong at 1:27pm.

Los Cerritos Wetlands Authority

Date: August 7, 2007
To: Governing Board Members
From: Belinda V. Faustinos, Executive Officer
Subject: Agenda Item 5: Status report on Workplan Implementation

Background

At the September 19, 2006 meeting the Board adopted the Workplan set forth below. An updated description of the status of each workplan item is detailed in the following table:

Name	Description	Status
Capital Projects		
Phase I Access Improvements	Work on this project will involve the planning and implementation of road access to the Phase I west parcel, fencing of the property boundary and preliminary signage.	Staff will be scheduling a site visit with the Coastal Commission and other agencies to review the proposed access road. Signal Hill Petroleum has negotiated an extension of its current easement.
Hellman Acquisition	This project will involve negotiations with the owner, regarding purchase price, terms and environmental clean up.	Negotiations are underway between the LCWA and Hellmans.
Edison Parcel	On February 2, 2007 the LCWA accepted this 5.11 acre parcel consistent with the offer made on May 30, 2001 by, Southern California Edison.	The offer has been recorded, however SCE has not transferred the deed to the LCWA. Staff continues to follow up with SCE regarding action on this item. The grant agreement between the Coastal Conservancy and the LCWA has been received.. Staff is expecting to issue a Request for Proposals to evaluate the feasibility of using the parcel for natural resource restoration purposes once the site becomes accessible.
State Lands Parcel	This property has been owned by the State Lands Commission for many years and may present opportunities for expansion of wetlands, providing access to both the Hellman and Phase I properties, recreational access and resource education.	State Lands is investigating building a small office at this site, but they are very open to cooperating with the restoration program. Staff will continue to coordinate with State Lands.

DWP Parcel (PCH)	This site poses significant opportunities for enhancing public access to the eastern side of the Los Cerritos Wetlands area adjoining the San Gabriel River.	Staff will work with the City of LA Department of Water and Power to identify access and improvement opportunities.
Bixby Parcels	This is the largest single private ownership in the Los Cerritos Wetlands Area comprised of ~ 186 acres both north and south of 2 nd Avenue.	Staff has been advised that this property is in escrow (reportedly it closed on Oct. 31) and there was a discussion of this item at the last meeting. No progress has been reported since.
Bryant Retained Parcels	This property is comprised of the 13.87 gross acres of Bryant retained property.	Staff has been advised that this property has been placed on the market for an asking price of \$18,000,000. Staff has met with both Mr. Kevin Brazil and their real estate agents where we expressed our ongoing interest in purchasing the retained parcel.
Wetlands Restoration	Restoration and enhancement of existing wetlands function is one of the primary objectives of the LCWA.	Staff will make specific recommendations for further action on this item at subsequent meetings
Wetlands Stewardship	Active stewardship of the existing wetlands on the Phase I parcels is critical.	An interim stewardship plan has been approved.
Public Access Improvements	Public access for wildlife viewing and enjoyment may involve site improvements.	Public access to the wetlands will be addressed as part of a comprehensive plan for the site.
Administrative/ Management Projects		
LCWA Logo Development	Agency identification via a logo has been and will be a necessary tool for public education about the LCWA and our work.	The public will be given an opportunity to submit designs for the logo. Administration of logo development will be handled by the new project manager.
Short & Long Term JPA Staffing Issues	Staff work is currently provided by each of the partner agencies however it is recognized that hiring/contracting for agency staff may be necessary in the future.	RMC has hired a project manager to focus on the Los Cerritos Workplan.
Short & Long Term Property Management Issues	Property management services for the Phase I parcels are expected to be minimal until further restoration of the site is initiated.	Long term property management issues need to be addressed by either transferring the land after the restoration is complete to a trustee agency or identifying some type of long term funding mechanism for on-going LCWA management. Short term management issues will be addressed by the project manager and JPA partner agencies.

Funding Opportunities	Identification of funding opportunities for new acquisitions, restoration, stewardship, education and interpretation projects are critical to the success of the LCWA.	Staff will evaluate the opportunities for obtaining funds including the settlement trust fund for LCWA purposes on an ongoing basis.
Public Records Act Policy	Each public agency must establish a public records act policy.	Staff will bring this to the Board at a future meeting.

Los Cerritos Wetlands Authority

Date: November 7, 2007

To: Governing Board Members

From: Belinda V. Faustinos, Executive Officer

Subject: Agenda Item 6: Status report on negotiations for acquisition of the "Hellman" property in the City of Seal Beach. Property Description: Assessor Parcel Nos.: 043-160-31, 043-160-32, 043-160-59 (Portion), 043-160-61 (Portion), 095-010-25 (Portion), 095-010-26 (Portion), 095-010-59 (Portion).

Staff will give an update on the status of negotiations in closed session.

Los Cerritos Wetlands Authority

Date: November 7, 2007

To: Governing Board Members

From: Belinda V. Faustinos, Executive Officer

Subject: Agenda Item 7: Consideration of resolution authorizing the execution and performance of an agreement with the Wildlife Conservation Board for acquisition of the "Hellman" property

Recommendation

That the LCWA authorize the execution and performance of an agreement with the Wildlife Conservation Board for acquisition of the "Hellman" property

Background

The Wildlife Conservation Board (WCB), a state agency, has been a partner in the Southern California Wetlands Recovery Project since its formation and has been an active grantor of funds for major acquisition projects. The Hellman property in particular has been a high priority for the Wetlands Recovery Project and WCB. Funds for the acquisition have been committed by the WCB and a grant agreement has been drafted for this project.

The WCB requires that the LCWA accept the terms of the grant prior to approval by the WCB at their next meeting in February. The amount of the grant is \$5,750,000 and the purposes are limited to: "acquisition of fee title to approximately 100 acres of land located in the City of Seal Beach, County of Orange, California." The grant agreement further stipulates that the property shall be held and used for the purposes of the protection, restoration and enhancement of this coastal wetland and adjacent upland area for fish and wildlife, to protect the existing intertidal and brackish wetlands from further disturbance, and to set the stage for providing trails and interpretive facilities, all as may be consistent with wildlife habitat preservation and protection of sensitive biological resources.

A full copy of the agreement is attached to this report for your review. Some of the agreement highlights in addition to the above specified purposes are as follows:

Conditions of Grant

- WCB shall review and approval all documents pertaining to the acquisition including preliminary title reports, appraisals, grant deeds, etc.
- Property must be acquired from a willing seller
- WCB will approve the Grantee resolution
- Grantee is obligated to deposit all funds in excess of the grant amount.

Disbursements

- Must be made in writing

- Deposited into escrow within 45 days

Grantees Covenants

- Escrow and title fees are not eligible for reimbursement (seller pays)
- Acknowledgement sign required
- WCB must approve and land transfers
- Cannot be used as security for any debt
- Must record a "Notice of Unrecorded Grant Agreement."
- Copies of deed & closing statement must be provided to the Grantor
- Grantor must have access to the property for at least three years.

Breach & Default

- WCB requires notice
- If breach is not cured then grantee is in default.
- Default occurs if any information leading to award of the grant was materially false or misleading.

Remedies

- Specific performance
- Conservation easement in favor of the Grantor may be required
- Grantor may pursue its remedies without waiting for the grace period.

Term

- Agreement is deemed executed and effective upon execution by the Grantee and upon receipt of the document by the Grantor
- It expires on December 31, 2008.
- Prior to close of escrow, 15 days written notice is required for termination.

Liability

- Must indemnify and hold harmless WCB & State of CA
- Agreement is not assignable
- Grantee is responsible for any legal fees when Grantor is prevailing party

Condemnation

- If this occurs after the acquisition then the Grantor and Grantee shall act jointly to recover the fully value of the property

Audit

- Grantee must maintain records for three year after final disbursement of payments.

Union Organizing

- No funds may be used for, or to deter, union organizing

Non-Discrimination

- Standard provisions prohibiting discrimination of any type by the Grantee

The funds used for this grant are scheduled from Proposition 50, Statutes of 2002 therefore it is critical to note that the grant termination of date must be met since these funds will sunset in 2008.

Staff recommends approval of the agreement as submitted.



ARNOLD SCHWARZENEGGER, Governor
STATE OF CALIFORNIA-THE RESOURCES AGENCY
DEPARTMENT OF FISH AND GAME
WILDLIFE CONSERVATION BOARD
1807 13th Street, Suite 103
Sacramento, California 95811-7137
www.wcb.ca.gov
(916) 445-8448
Fax (916) 323-0280

Belinda Faustinos, Executive Officer
Los Cerritos Wetlands Authority
900 South Fremont Avenue
Alhambra, California 91803

SEP 21 2007 **RECEIVED**

1107-54
SEP 24 2007

**LOS CERRITOS
WETLANDS AUTHORITY**

Dear Ms. Faustinos:

Los Cerritos Wetlands
Orange County
Project ID 2003222

Enclosed are five (5) copies of Grant Agreement No. WC-6020RN wherein the Wildlife Conservation Board (WCB) proposes to grant funds to the Los Cerritos Wetland Authority (LCWA) in the amount of \$5,750,000.00 for the purpose of facilitating its acquisition of the 100-acre Hellman property, located in Seal Beach, Orange County. Also enclosed is one copy of a Notice of Unrecorded Grant Agreement that is not marked "Exhibit D". Please be advised the proposed grant is subject to approval by the Wildlife Conservation Board at its meeting scheduled for November 15, 2007.

After your review, please return the following documents to the attention of Randall Nelson of this office at the above address:

1. Four (4) copies of the Grant Agreement signed on behalf of LCWA. This document does not have to be notarized.
2. One copy of the Notice of Unrecorded Grant Agreement, signed by the authorized party. This signature does require notarization.

Please retain the fifth copy of the Grant Agreement for your information. After our Board approves the Grant, we will return a fully executed copy to you for your files.

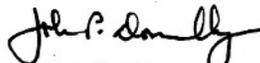
The grant agreement provides that before funds can be approved for payment, acquisition-related documents must be received and reviewed by the WCB's project manager. These documents should be submitted for review as soon as possible, but not later than 45 days before you anticipate closing escrow. At a minimum, these documents will include the following:

1. The signed purchase agreement.
2. The most current copy of the Preliminary Title Report
3. A certified copy of the Grant Deed/Conservation Easement
4. Signed escrow instructions from all parties.

Also enclosed is a sample of a request for disbursement letter. The information that must be in the letter is set out in the Grant Agreement.

If you have any questions relative to the agreement, please contact me at (916) 445-0137 or Mr. Nelson at (916) 323-8980.

Sincerely,


John P. Donnelly
Executive Director

Enclosures

CALIFORNIA WILDLIFE CONSERVATION BOARD
GRANT AGREEMENT FOR ACQUISITION OF FEE INTEREST

Grantee: **Los Cerritos Wetlands Authority**
900 South Fremont Avenue
Alhambra, CA 91803
Attn: Belinda Faustinos, Executive Officer

Phone: (626) 458-4318
Facsimile: (626) 979-5363

Federal Employer ID No: 22-3929125

Project Name: Los Cerritos Wetlands

Project Location: Pacific Coast Highway, Seal Beach

Grant Agreement Number: WC-6020RN

Notices to be addressed to:

For Grantee: Los Cerritos Wetland Authority
900 South Fremont Avenue
Alhambra, CA 91803
Attn: Executive Officer

For Grantor: Wildlife Conservation Board
1807 13th Street, Suite 103
Sacramento, CA 95811-7137
Attn: Executive Director

With a copy to: Department of Fish and Game
1416 Ninth Street, 12th Floor
Sacramento, CA 95814
Attn: Director

1. SCOPE OF AGREEMENT

Pursuant to Chapter 4 of Division 2 (commencing with Section 1300) of the California Fish and Game Code and the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002, the Wildlife Conservation Board ("Grantor") hereby grants to the Los Cerritos Wetlands Authority, a joint powers authority under Government Code §6500 with membership comprising the State Coastal Conservancy, the Rivers and Mountains Conservancy, the City of Long Beach, and the City of Seal Beach ("Grantee"), a sum not to exceed Five Million, Seven Hundred Fifty Thousand and ⁰⁰/₁₀₀ Dollars (\$5,750,000.00) ("Grant Funds"), upon and subject to the terms and conditions of this Grant Agreement for Acquisition of Fee Interest ("Agreement").

2. PURPOSES OF GRANT

Grantor is entering into this Agreement, and the Grant Funds shall be used, only for the purpose of the project (the "Project") described as: Grantee's acquisition of fee title to approximately 100 acres of land located in the City of Seal Beach, County of Orange, California (the "Property"). The Property is more particularly described in **Exhibit A** attached to this Agreement.

Grantee covenants and agrees that if Grantor deposits the Grant Funds into escrow and Grantee acquires the Property, the Property shall be held and used for the purposes of the protection, restoration, and enhancement of this coastal wetland and adjacent upland area for fish and wildlife, to protect the existing intertidal and brackish wetlands from further disturbance, and to set the stage for providing trails and interpretive facilities, all as may be consistent with wildlife habitat preservation and protection of sensitive biological resources (individually and collectively, the "Purposes of Grant"). It is understood that Grantee will facilitate the restoration of the Property and will do so in a manner that maximizes and enhances the Property's wildlife resources in accordance with the aforementioned purposes.

3. CONDITIONS OF GRANT

Grantor's obligation to disburse Grant Funds under this Agreement is conditioned upon and subject to the satisfaction of all of the following conditions precedent:

3.1. Grantor shall have reviewed and approved all documents pertaining to Grantee's acquisition of the Property, including, without limitation, appraisals, preliminary title reports and items referenced therein, options, agreements for purchase and sale, escrow instructions, and instruments of conveyance. Such review and approval by Grantor shall not be unreasonably withheld or delayed. Grantee shall have removed or caused to be removed, or otherwise addressed to the satisfaction of Grantor, any encumbrances or defects of title that Grantor determines are inconsistent, or could interfere, with the Purposes of Grant. Any outstanding security interests or monetary encumbrances affecting the Property shall have been terminated.

3.2. Grantee shall acquire the Property from a willing seller for a purchase price that does not exceed the fair market value of the Property, as established by an appraisal that is conducted by an appraiser who is licensed pursuant to Part 3 (commencing with Section 11300) of Division 4 of the Business and Professions Code. The appraisal shall be prepared pursuant to the Uniform Standards of Professional Appraisal Practice (USPAP) and approved by the Department of General Services. The appraisal shall become part of the project file maintained by Grantor and shall be retained for no less than three years from the date of value.

3.3. Grantor shall have reviewed and approved a certified resolution or other appropriate action of the governing board or governing body of Grantee, authorizing the execution and performance of this Agreement and the acquisition of the Property by Grantee. Upon approval by Grantor, the authorizing resolution or other action shall be attached to this Agreement as **Exhibit B**.

3.4. Grantee shall have deposited, or caused to be deposited, into escrow all funds beyond those granted under this Agreement that are needed for Grantee to complete the Project.

4. DISBURSEMENT PROCEDURE

Upon satisfaction of all of the above Conditions of Grant, and subject to approval of the Project by the Wildlife Conservation Board at a duly noticed public meeting, Grantor shall disburse the Grant Funds directly into an escrow account established for the Project, according to the following procedure:

4.1. Grantee shall request disbursement of the Grant Funds by sending a letter to the Grantor ("Disbursement Request"). The Disbursement Request shall be signed by an authorized representative of Grantee and shall contain all of the following:

- a. Name and address of Grantee;
- b. Project Name and Number of Grant Agreement;
- c. Dollar amount and purpose of disbursement;
- d. Name, address and telephone number of the title company or escrow holder, name of the escrow officer, and the escrow account number to which the Grant Funds will be disbursed; and
- e. A certification by Grantee that all funds (exclusive of the Grant Funds to be provided under this Agreement) needed to complete the Project have been secured and have been or will be deposited to escrow prior to or at the same time as the requested Grant Funds.

4.2. After receipt of the Disbursement Request, Grantor will promptly and timely

(estimated to be 45 working days from the date Grantor receives the Disbursement Request) disburse an amount not to exceed not to exceed Five Million, Seven Hundred Fifty Thousand and ⁰⁰/₁₀₀ Dollars (\$5,750,000.00) into the designated escrow account.

5. GRANTEE'S COVENANTS

In consideration of Grantor's disbursement of the Grant Funds, Grantee hereby covenants and agrees as follows:

- 5.1. The Grant Funds shall be used as purchase money only, which excludes escrow and title fees and any other fees and costs incurred to accomplish the transaction and the conveyance and acquisition of the Property.
- 5.2. The Property shall be held and used only in a manner that is consistent with this Agreement, including the "Purposes of Grant" set forth in Section 2.
- 5.3. Grantee shall recognize the cooperative nature of the Project and shall provide credit to the Grantor, the California Department of Fish and Game ("CDFG") and any other contributor on signs, demonstrations, promotional materials, advertisements, publications or exhibits prepared or approved by Grantee referencing the Project. Subject to the mutual agreement of Grantor and Grantee regarding text, design and location, Grantee shall post sign(s) on the Property to indicate the participation of Grantor and CDFG in Grantee's purchase of the Property; *provided however*, that the sign(s) shall display Grantor's logo, as shown on **Exhibit C**.
- 5.4. The Property (including any portion of it or any interest in it) shall not be sold, transferred, exchanged or otherwise conveyed without the written approval of the State of California, acting through the Executive Director of the Wildlife Conservation Board ("WCB"), or its successor. Such approval shall not be unreasonably withheld as long as the Property shall continue to be held and used only in a manner consistent with this Agreement, including the Purposes of Grant set forth in Section 2, and each successor-in-interest assumes and agrees in writing to be bound by the terms, covenants and conditions of this Agreement.
- 5.5. The Property (including any portion of it or interest in it) may not be used as security for any debt without the written approval of the State of California, acting through the Executive Director of WCB, or its successor.
- 5.6. Grantee shall record or cause to be recorded, concurrently with close of escrow for the purchase of the Property, a Notice of Unrecorded Grant Agreement (the "Notice"), incorporating by reference this Agreement and giving public notice that Grantee received funds under this Agreement in order to assist Grantee in acquiring the Property and that, in consideration for the receipt of the Grant Funds, Grantee has agreed to the terms of this Agreement. The Notice shall be in the form of **Exhibit D**.

5.7. Grantee shall provide to Grantor, promptly following the close of escrow, a conformed copy of the recorded deed(s) and Notice, with all recording information, as well as a copy of the final closing or settlement statement and the title insurance policy insuring Grantee as the owner of fee simple title to the Property. Grantee shall also provide copies of such other documents related to the closing of the above transaction as requested by Grantor. These documents shall become part of the project file maintained by Grantor.

5.8. At the request of Grantor, not less than once in any period of three calendar years, Grantee shall allow designated staff of Grantor to access the Property to assess compliance with the terms, covenants and conditions of this Agreement.

6. BREACH AND DEFAULT

6.1. In the event of a breach of any of the terms, covenants or conditions of this Agreement, Grantor shall give written notice to Grantee describing the breach. Notice shall be deemed given when personally delivered or deposited in the United States Mail, postage prepaid, or with a reliable over-night courier, addressed to Grantee at Grantee's address for notices set forth at the beginning of this Agreement.

6.2. If Grantee does not cure the breach within 90 days of the date a notice of breach is given or, if the breach is not curable within said 90-day period, Grantee does not commence the cure within the 90-day period and diligently pursue it to completion, then Grantee shall be in default ("Default") under this Agreement.

6.3. Grantee shall also be in Default under this Agreement upon the discovery that information given to Grantor by or on behalf of Grantee under or in connection with obtaining this Agreement was materially false or misleading. Notice of a Default under this Section 6.3 shall be given in accordance with Section 6.1.

7. REMEDIES

In the event of a Default under this Agreement, in addition to any and all remedies available at law or in equity, Grantor shall have the following remedies:

7.1. Grantor may seek specific performance of this Agreement. Grantee agrees that payment by Grantee to Grantor of an amount equal to the Grant Funds disbursed under this Agreement would be inadequate compensation to Grantor for any Default because the benefit to be derived by Grantor from full compliance by Grantee with the terms of this Agreement is wildlife habitat preservation, restoration and management, wildlife-oriented education and research, and compatible public or private uses, all as may be consistent with wildlife habitat preservation and protection of sensitive biological resources, and because such benefit exceeds to an immeasurable and unascertainable extent the amount of money furnished by Grantor by way of Grant Funds under this Agreement.

7.2. Grantor may require Grantee to convey a conservation easement over the Property in favor of Grantor or, at the election of Grantor, another entity or organization authorized by California law to acquire and hold conservation easements, and to pay a sum to Grantor which, when combined with the fair market value of the conservation easement, equals the sum granted to Grantee pursuant to this Agreement, together with interest compounded semi-annually starting from the date of this Agreement to and including the date of payment, at a rate equivalent to that which is being earned at the time of Default on deposits in the State of California's Pooled Money Investment Account. The conservation easement shall be for the purposes of wildlife habitat preservation, restoration and management, wildlife-oriented education and research, and for compatible public or private uses, all as may be consistent with wildlife habitat preservation and protection of sensitive biological resources. The value of the conservation easement shall be determined by a fair market value appraisal that is conducted by an appraiser who is licensed pursuant to Part 3 (commencing with Section 11300) of Division 4 of the Business and Professions Code and acceptable to Grantor. The appraisal shall be prepared pursuant to Uniform Standards of Professional Appraisal Practice and, at the discretion of Grantor, approved by the Department of General Services.

7.3. Despite the contrary provisions of Article 6 of this Agreement, if Grantor determines that circumstances require immediate action to prevent or mitigate interference with the Purposes of Grant arising from a breach of this Agreement, then Grantor may pursue its remedies without waiting for the period provided for cure to expire.

8. NONPROFIT ORGANIZATION GRANTEE

If Grantee is a nonprofit organization and the existence of Grantee is terminated for any reason, title to all interest in real property acquired with state funds shall immediately vest in the State of California. However, prior to that termination, upon approval of Grantor, another public agency or nonprofit organization may receive title to all or a portion of that interest in real property by recording its acceptance of title in writing. Any deed or other instrument of conveyance whereby real property is being acquired by a nonprofit organization pursuant to this Section 8 shall be recorded and shall set forth the executory interest or right of entry on the part of the State of California.

9. TERM

9.1. This Agreement shall be deemed executed and effective when signed by an authorized representative of each party and received in the respective offices of Grantee and Grantor, together with the resolution described in Section 3.3 (the "Effective Date"). Grantee and Grantor shall each sign four original Agreements. Grantee shall receive one completely executed original and Grantor shall receive three completely executed originals.

9.2. The term of this Agreement will commence on the date authorized by the Wildlife Conservation Board, as set forth in Section 16 and, unless previously terminated as provided in Section 9.3, will expire on December 31, 2008, if escrow has not closed by that date.

9.3. Prior to Grantee's close of escrow for acquisition of the Property, either party may terminate this Agreement for any reason or for no reason, by providing the other party with not less than 15 days' written notice of such termination. If this Agreement is terminated after Grantor's deposit of the Grant Funds into escrow but before close of escrow for Grantee's acquisition of the Property, Grantee shall cause the escrow holder to immediately return all Grant Funds to Grantor and Grantee shall bear all costs and expenses of such termination.

9.4. The provisions of this Agreement that are not fully performed as of the close of escrow, including but not limited to Section 2 (Purposes of Grant) and Section 5 (Grantee's Covenants), shall survive the close of escrow for Grantee's acquisition of the Property and remain in full force and effect.

10. LIABILITY; MODIFICATIONS; INTERPRETATION

10.1. Grantee shall indemnify, protect and hold harmless Grantor, CDFG, the State of California, and their respective members, directors, officers, agents, and employees (each an "Indemnified Party"), from and against any and all claims, demands, damages, liabilities, losses, costs (including attorneys' fees) and expenses (collectively, "Claims") arising out of, connected with, or incident to this Agreement or the acquisition, ownership, use, management, operation or maintenance of the Property, except that Grantee shall have no obligation to

indemnify or hold harmless an Indemnified Party for Claims caused by the negligent or wrongful act of that Indemnified Party.

10.2. This Agreement may be modified only by written amendment signed by Grantor and Grantee. No prior or contemporaneous oral understanding or agreement not incorporated in this Agreement shall be binding on either of the parties.

10.3. All references herein to "Grantee" are intended to refer to Grantee or its designee, successor or assignee as may be approved by Grantor.

10.4. If any provision of this Agreement or the application thereof to any person or circumstance is held to be invalid or unenforceable, that shall not affect any other provision of this Agreement or applications of the Agreement that can be given effect without the invalid provision or application and to this end the provisions of this Agreement are severable.

10.5. Grantee, its officers, directors, employees, agents and representatives, is each acting in an independent capacity in entering into and carrying out this Agreement, and not as a partner, member, director, officer, agent, employee or representative of Grantor.

10.6. This Agreement is not assignable or transferable by Grantee, either in whole or in part, except in connection with a transfer of the Property approved by Grantor under Section 5.4 of this Agreement.

10.7. Any costs incurred by Grantor, where Grantor is the prevailing party, in enforcing the terms of this Agreement against Grantee, including but not limited to costs of suit, attorneys' and experts' fees, at trial and on appeal, and costs of enforcing any judgment, shall be borne by Grantee.

10.8. Enforcement of the terms of this Agreement by Grantor shall be at the discretion of Grantor, and any forbearance by Grantor to exercise its rights under this Agreement shall not be deemed or construed to be a waiver of such term or of any subsequent breach of the same or any other term of this Agreement or any of the rights of Grantor under it.

10.9. Grantor will notify Grantee as promptly as possible following Grantor's receipt of any request for information related to the Project under the California Public Records Act (Government Code Section 6250 *et seq.*).

11. CONDEMNATION

If all or any part of the Property is taken by exercise of the power of eminent domain, or acquired by purchase in lieu of condemnation, Grantor and Grantee shall act jointly to recover from the condemning authority the full value of the Property so taken or purchased, and all direct or incidental damages resulting therefrom. Grantor shall be entitled to the share of the Award (as defined below) which equals the ratio of the Grant Funds provided by Grantor to the purchase price Grantee paid to acquire the Property (e.g., if Grantor provided \$50,000.00 of Grant Funds and the purchase price was \$75,000.00, then Grantor would be entitled to two-thirds of the Award). For purposes of this Agreement, the "Award" shall mean all compensation awarded, paid or received on account of the Property so taken or purchased, and all direct or incidental damages resulting from the taking or purchase, less all out-of-pocket expenses reasonably incurred by Grantee in connection with the taking or purchase.

12. AUDIT

Grantee shall maintain complete and accurate records of its actual Project costs, in accordance with generally accepted accounting principles and practices, and shall retain said records for at least three years after final disbursement by Grantor. During such time, Grantee shall make said records available (or cause them to be made available) to the State of California for inspection and audit purposes during normal business hours. Expenditures not documented, and expenditures not allowed under this Agreement or otherwise authorized in writing by Grantor shall be borne by Grantee. The audit shall be confined to those matters connected with this Agreement, including but not limited to administration and overhead costs.

13. UNION ORGANIZING

By signing this Agreement, Grantee hereby acknowledges the applicability of Government Code Sections 16645 through 16649 to this Agreement and certifies that:

13.1. No state funds disbursed by this grant will be used to assist, promote or deter union organizing;

13.2. Grantee shall account for state funds disbursed for a specific expenditure by this grant, to show those funds were allocated to that expenditure;

13.3. Grantee shall, where state funds are not designated as described in Section 13.2 above, allocate, on a pro-rata basis, all disbursements that support the grant program; and

13.4. If Grantee makes expenditures to assist, promote or deter union organizing, Grantee will maintain records sufficient to show that no state funds were used for those expenditures, and that Grantee shall provide those records to the Attorney General upon request.

14. NON-DISCRIMINATION

During the performance of this Agreement, Grantee shall not unlawfully discriminate against, harass, or allow harassment against any employee or applicant for employment because of race, religion, color, national origin, ancestry, physical disability (including HIV and AIDS), mental disability, medical condition, marital status, age (over 40), sex, sexual orientation, or use of family-care leave, medical-care leave, or pregnancy-disability leave. Grantee shall take affirmative action to ensure that the evaluation and treatment of its employees and applicants for employment are free of such discrimination and harassment. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Grantee shall comply with the provisions of the Fair Employment and Housing Act (Government Code Section 12900 (a – f) *et seq.*), and applicable regulations (California Code of Regulations, Title 2, Section 7285 *et seq.*). The regulations of the Fair Employment and Housing Commission regarding Contractor Nondiscrimination and Compliance (Chapter 5 of Division 4 of Title 2 of the California Code of Regulations) are incorporated by reference into this Agreement. Grantee shall give written notice of its obligations under this non-discrimination clause to labor organizations with which Grantee has a collective bargaining or other agreement, and shall post in conspicuous places available to employees and applicants for employment, notice setting forth the provisions of this section. Grantee shall also include the nondiscrimination and compliance provisions of this Agreement in all contracts related to the Project.

15. EXHIBITS

Each of the Exhibits referenced in this Agreement is incorporated by reference as though set forth in full herein. The following Exhibits are attached to this Agreement:

Exhibit A – Legal Description

Exhibit B – Certified Resolution or Other Action of Governing Body of Grantee

Exhibit C – Grantor's Logo

Exhibit D – Form of Notice of Unrecorded Grant Agreement

16. AUTHORIZATION

The signature of the Executive Director certifies that at the Wildlife Conservation Board meeting held on November 15, 2007, the Board authorized the award of an acquisition grant to Grantee as provided in this Agreement.

IN WITNESS WHEREOF, this Agreement is made and entered into this 15th day of November, 2007, in the State of California, by and between the Wildlife Conservation Board and the Los Cerritos Wetlands Authority, each of which hereby agrees to the terms and conditions referenced on pages 1 through 11, along with Exhibits A through D, of this Agreement.

STATE OF CALIFORNIA
WILDLIFE CONSERVATION BOARD

GRANTEE:
LOS CERRITOS WETLANDS AUTHORITY

By: _____
John P. Donnelly

By: _____
Belinda Faustinos

Title: Executive Director

Title: Executive Officer

Date: _____

Date: _____

Los Cerritos Wetlands
Orange County

CERTIFICATION:

I hereby certify that sufficient funds are available to award this Grant.

Roxanne Woodward
Fiscal Officer

9/20/07
Date

FUNDING CERTIFICATION

Grantee: Los Cerritos Wetlands Authority
900 South Fremont Avenue
Alhambra, CA 91803

Belinda Faustinos, Executive Officer
(626) 458-4318

WCB Grant Agreement #: WC-6020RN

Agreement Term: November 15, 2007 to December 31, 2008

WCB Grant Amount: \$5,750,000.00

Fund Source: Water Security, Clean Drinking Water, Coastal and
Beach Protection Act of 2002 (Prop 50), Section
79572(a)

Appropriation Item: Proposition 50, Statutes of 2002
Item 3640-801-6031

Expenditure Code: 07-1000-811-76010

EXHIBIT A

LEGAL DESCRIPTION

Real property in the City of Seal Beach, County of Orange, State of California, described as follows:

THAT CERTAIN PARCEL OF LAND BEING A PORTION OF SECTIONS 11 AND 12, TOWNSHIP 5 SOUTH, RANGE 12 WEST, IN THE RANCHO LOS ALAMITOS, AS PER MAP FILED IN DECREE OF PARTITION IN THE SUPERIOR COURT OF LOS ANGELES COUNTY, CALIFORNIA, CASE NO. 13527, A CERTIFIED COPY OF WHICH WAS RECORDED FEBRUARY 2, 1891 IN BOOK 14, PAGE 31 OF DEEDS, RECORDS OF SAID ORANGE COUNTY, DESCRIBED AS A WHOLE AS FOLLOWS:

BEGINNING AT THE WESTERLY TERMINUS OF THAT CERTAIN COURSE IN THE NORTHERLY LINE OF TRACT NO. 1817, AS SHOWN ON MAP FILED IN BOOK 82, PAGES 26 TO 31 INCLUSIVE OF MISCELLANEOUS MAPS, RECORDS OF SAID ORANGE COUNTY AS HAVING A BEARING AND DISTANCE OF "NORTH 89° 47' 55" WEST 729.00 FEET" (FOR THE PURPOSE OF THIS DESCRIPTION, SAID COURSE HAS A BEARING OF NORTH 88° 45' 31" WEST); THENCE NORTH 04° 00' 14" EAST, A DISTANCE OF 102.93 FEET; THENCE NORTH 45° 30' 16" EAST, A DISTANCE OF 93.51 FEET; THENCE NORTH 72° 30' 42" EAST, A DISTANCE OF 111.28 FEET; THENCE SOUTH 89° 01' 35" EAST, A DISTANCE 183.63 FEET; THENCE SOUTH 80° 02' 35" EAST, A DISTANCE OF 522.04 FEET; THENCE SOUTH 88° 31' 39" EAST, A DISTANCE OF 551.48 FEET; THENCE NORTH 66° 46' 37" EAST, A DISTANCE OF 260.47 FEET; THENCE NORTH 89° 59' 54" EAST, A DISTANCE OF 177.57 FEET; THENCE NORTH 55° 17' 18" EAST, A DISTANCE OF 97.72 FEET; THENCE NORTH 19° 26' 15" EAST, A DISTANCE OF 108.20 FEET; THENCE SOUTH 63° 15' 47" EAST, A DISTANCE OF 399.75 FEET; THENCE SOUTH 67° 33' 14" EAST, A DISTANCE OF 220.03 FEET TO A POINT, SAID POINT BEING DISTANT NORTH 38° 18' 28" WEST 188.40 FEET FROM THE EASTERLY TERMINUS OF THAT CERTAIN COURSE IN THE NORTHERLY LINE OF TRACT NO. 2590 AS SHOWN ON MAP FILED IN BOOK 82, PAGES 32 TO 38 INCLUSIVE OF MISCELLANEOUS MAPS, RECORDS OF SAID ORANGE COUNTY AS HAVING A BEARING AND DISTANCE OF "NORTH 89° 47' 55" WEST 1911.02 FEET" (FOR THE PURPOSE OF THIS DESCRIPTION SAID COURSE HAS A BEARING OF NORTH 88° 45' 31" WEST); THENCE NORTH 19° 18' 05" EAST, A DISTANCE OF 5.00 FEET TO A POINT, SAID POINT BEING THE BEGINNING OF A NON TANGENT CURVE CONCAVE TO THE NORTHEAST AND HAVING A RADIUS OF 95.00 FEET, A RADIAL LINE OF SAID CURVE FROM SAID POINT BEARS NORTH 19° 18' 05" EAST; THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 56° 00' 23" AN ARC DISTANCE OF 92.86 FEET; THENCE NORTH 65° 31' 42" EAST, A DISTANCE OF 62.44 FEET; THENCE NORTH 42° 47' 43" EAST, A DISTANCE OF 35.32 FEET; THENCE NORTH 24° 42' 31" EAST, A DISTANCE OF 42.55 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHEAST AND HAVING A RADIUS OF 169.00 FEET; THENCE NORTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 06° 55' 43" AN ARC DISTANCE OF 20.44 FEET; THENCE NORTH 31° 38' 14" EAST, A DISTANCE OF 93.66 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHEAST AND HAVING A RADIUS OF 235.00 FEET; THENCE NORTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 210 11' 57" AN ARC DISTANCE OF 86.95 FEET; THENCE NORTH 52° 50' 11" EAST, A DISTANCE OF 91.67 FEET; THENCE NORTH 250 30' 00" EAST, A DISTANCE OF 34.95 FEET; THENCE NORTH 44° 33' 18" WEST, A DISTANCE OF 35.94 FEET; THENCE NORTH 17° 46' 21" WEST, A DISTANCE OF 59.22 FEET; THENCE NORTH 07° 15' 38" EAST, A DISTANCE OF 153.57 FEET; THENCE NORTH 13° 46' 53" EAST, A DISTANCE OF 204.38 FEET; THENCE NORTH 200 51' 29" WEST, A DISTANCE OF 86.85 FEET; THENCE SOUTH 89° 51' 45" WEST, A DISTANCE OF 671.87 FEET; THENCE SOUTH 77° 49' 13" WEST, A DISTANCE OF 98.41 FEET; THENCE SOUTH 88° 31' 46" WEST, A DISTANCE OF 213.69 FEET; THENCE NORTH 67° 00' 51" WEST, A DISTANCE OF 221.02 FEET; THENCE SOUTH 62° 19' 40" WEST, A DISTANCE OF 140.60 FEET TO A POINT, SAID POINT BEING THE BEGINNING OF A NON TANGENT CURVE CONCAVE TO THE WEST AND HAVING A RADIUS OF 66.54 FEET, A RADIAL LINE OF SAID CURVE FROM SAID POINT BEARS NORTH 47° 58' 48" WEST; THENCE NORTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 78° 37' 31" AN ARC DISTANCE OF 91.31 FEET; THENCE NORTH 36° 36' 19" WEST, A

DISTANCE OF 176.71 FEET; THENCE SOUTH 54° 32' 19" WEST, A DISTANCE OF 85.34 FEET; THENCE SOUTH 71° 55' 17" WEST, A DISTANCE OF 175.92 FEET; THENCE NORTH 5° 49' 02" WEST, A DISTANCE OF 194.14 FEET; THENCE NORTH 45° 49' 05" EAST, A DISTANCE OF 132.49 FEET; THENCE NORTH 44° 10' 55" WEST, A DISTANCE OF 59.07 FEET; THENCE NORTH 86° 56' 11" WEST, A DISTANCE OF 30.16 FEET; THENCE SOUTH 45° 49' 05" WEST, A DISTANCE OF 58.29 FEET; THENCE SOUTH 86° 30' 28" WEST, A DISTANCE OF 63.67 FEET; THENCE NORTH 15° 12' 22" WEST, A DISTANCE OF 132.48 FEET TO A POINT, SAID POINT BEING THE BEGINNING OF A NON TANGENT CURVE CONCAVE TO THE SOUTH AND HAVING A RADIUS OF 216.37 FEET, A RADIAL LINE OF SAID CURVE FROM SAID POINT BEARS SOUTH 10° 29' 21" WEST; THENCE WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 40° 16' 19" AN ARC DISTANCE OF 152.08 FEET; THENCE SOUTH 7° 26' 55" WEST, A DISTANCE OF 198.90 FEET; THENCE SOUTH 69° 55' 46" WEST, A DISTANCE OF 205.85 FEET; THENCE NORTH 65° 04' 26" WEST, A DISTANCE OF 82.51 FEET; THENCE NORTH 3° 02' 33" WEST, A DISTANCE OF 124.07 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHWEST AND HAVING A RADIUS OF 112.00 FEET; THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 53° 06' 02" AN ARC DISTANCE OF 103.80 FEET TO A POINT, SAID POINT BEING THE BEGINNING OF A COMPOUND CURVE CONCAVE TO THE SOUTH AND HAVING A RADIUS OF 134.00 FEET, A RADIAL LINE OF SAID CURVE FROM SAID POINT BEARS SOUTH 33° 51' 25" WEST, THE WESTERLY TERMINUS OF SAID CURVE BEING TANGENT WITH THE NORTHWESTERLY LINE OF THE 100-FOOT WIDE STRIP OF LAND DESCRIBED IN PARCEL 2 OF THE DEED TO THE CITY OF LOS ANGELES RECORDED FEBRUARY 15, 1961 AS INSTRUMENT NUMBER 8456 IN BOOK 5629, PAGE 527 OF OFFICIAL RECORDS, RECORDS OF SAID ORANGE COUNTY; THENCE WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 68° 06' 19" AN ARC DISTANCE OF 159.28 FEET TO SAID NORTHWESTERLY LINE; THENCE ALONG SAID NORTHWESTERLY LINE, SOUTH 55° 45' 06" WEST, A DISTANCE OF 805.21 FEET; THENCE NORTH 34° 14' 54" WEST, A DISTANCE OF 58.64 FEET; THENCE NORTH 77° 35' 15" WEST, A DISTANCE OF 93.96 FEET; THENCE SOUTH 79° 23' 28" WEST, A DISTANCE OF 268.24 FEET TO THE SOUTHEASTERLY LINE OF THE 100-FOOT WIDE STRIP OF LAND DESCRIBED IN PARCEL 1 OF SAID DEED TO THE CITY OF LOS ANGELES; THENCE ALONG SAID SOUTHEASTERLY LINE, SOUTH 58° 08' 13" WEST, A DISTANCE OF 732.72 FEET TO THE "BOUNDARY LINE" DESCRIBED IN SEAL BEACH BOUNDARY AGREEMENT NO.2 RECORDED APRIL 8, 1968 AS INSTRUMENT NO. 4889 IN BOOK 8565, PAGE 1 OF OFFICIAL RECORDS, RECORDS OF SAID ORANGE COUNTY, SAID LINE BEING THE LINE BETWEEN STATIONS 50 AND 51 OF SAID RANCHO LOS ALAMITOS, SAID LINE ALSO BEING SHOWN ON RECORD OF SURVEY MAP FILED IN BOOK 90, PAGES 23 TO 30 INCLUSIVE OF RECORD OF SURVEYS, RECORDS OF SAID ORANGE COUNTY; THENCE ALONG SAID "BOUNDARY LINE", SOUTH 36° 43' 47" EAST, A DISTANCE OF 365.38 FEET; AND SOUTH 55° 45' 06" WEST, A DISTANCE OF 613.78 FEET TO THE NORTHWESTERLY CORNER OF SAID TRACT NO. 1817; THENCE ALONG THE GENERAL NORTHERLY LINE OF SAID TRACT NO. 1817 AS FOLLOWS: SOUTH 88° 45' 31" EAST, A DISTANCE OF 532.26 FEET; SOUTH 16° 39' 41" EAST, A DISTANCE OF 224.70 FEET; SOUTH 57° 11' 23" EAST, A DISTANCE OF 233.05 FEET; THENCE NORTH 84° 26' 06" EAST, A DISTANCE OF 483.24 FEET; AND NORTH 69° 00' 41" EAST, A DISTANCE OF 234.95 FEET TO THE MOST WESTERLY CORNER OF LOT 58 OF SAID TRACT NO. 1817; THENCE ALONG THE WESTERLY LINES OF LOTS 58 AND 59 OF SAID TRACT NO. 1817 TO AND ALONG THE WESTERLY AND NORTHWESTERLY LINES OF PARCEL 2 AS SHOWN ON LOT LINE ADJUSTMENT NO. LL 97-1 RECORDED APRIL 2, 1997 AS INSTRUMENT NO. 19970149485 OF OFFICIAL RECORDS, RECORDS OF SAID ORANGE COUNTY, NORTH 14° 33' 21" EAST, A DISTANCE OF 139.78 FEET; AND NORTH 64° 17' 47" EAST, A DISTANCE OF 118.40 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM, THAT PORTION OF LAND CONVEYED TO THE CITY OF SEAL BEACH FULLY DESCRIBED ON DEED RECORDED JUNE 15, 2005 AS INSTRUMENT NO. 2005000429264 OF OFFICIAL RECORDS.

APN: 043-160-31 and 043-160-32 and 043-160-61 and 095-010-25 and 095-010-26 and 95-010-59

EXHIBIT B

(Resolution)

EXHIBIT C

(WCB Logo)

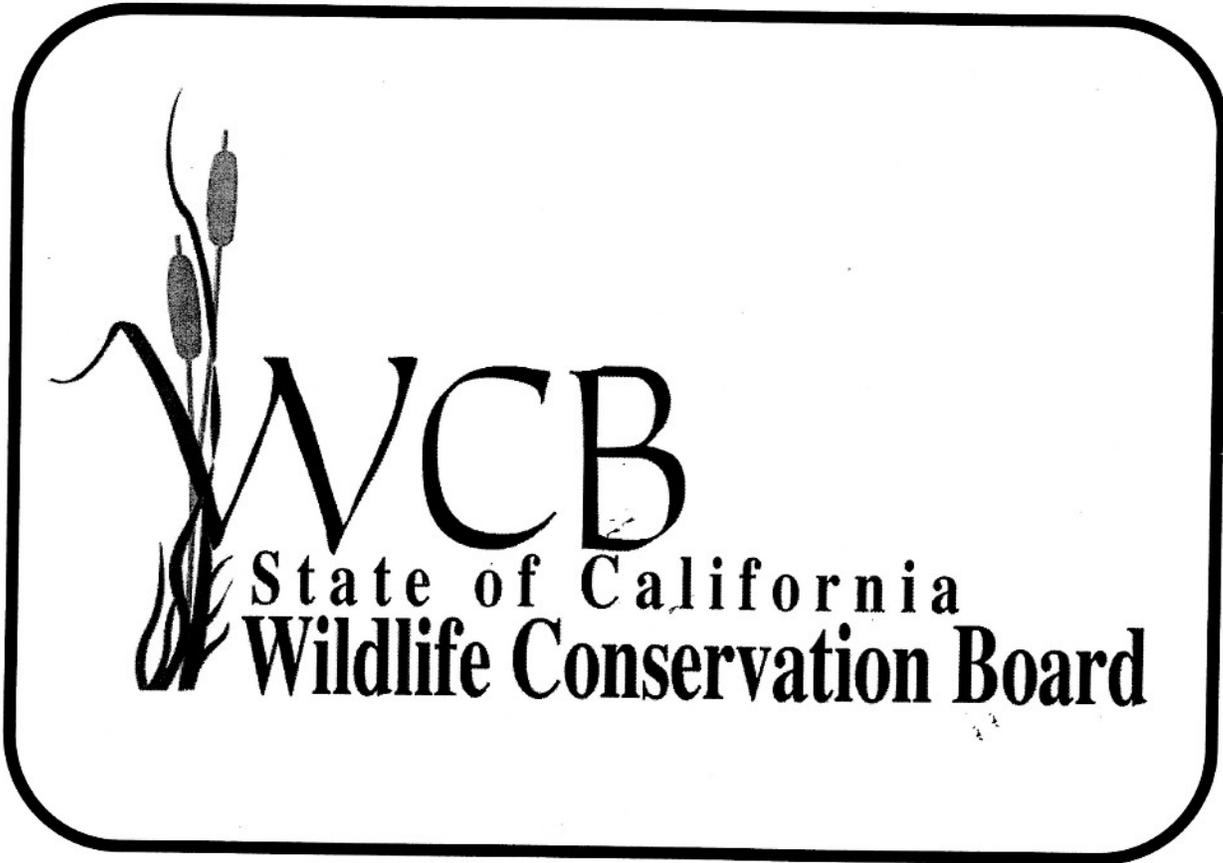


EXHIBIT D

Notice of Unrecorded Grant Agreement

RECORDING REQUESTED BY:

Los Cerritos Wetlands Authority)
Attn: Executive Officer)
900 South Fremont Avenue)
Alhambra, CA 91803)

WHEN RECORDED, RETURN TO:

State of California)
Wildlife Conservation Board)
Attn: Executive Director)
1807 13th Street, Suite 103)
Sacramento, CA 95811-7137)

Project Name: Los Cerritos Wetlands
County: Orange

Space above line for Recorder's use

**NOTICE OF UNRECORDED GRANT AGREEMENT
(WITH COVENANTS AFFECTING REAL PROPERTY)**

This Notice of Unrecorded Grant Agreement ("Notice"), dated as of _____, 200__, is made by the Los Cerritos Wetlands Authority ("Grantee") and recorded concurrently with the Deed described below, to provide notice of an agreement between Grantee and the Wildlife Conservation Board ("Grantor" or "WCB"), a subdivision of the State of California, affecting the real property described below.

1. WCB and Grantee have entered into the California Wildlife Conservation Board Grant Agreement for Acquisition of Fee Interest, Grant Agreement No. WC-6020RN ("Grant" or "Agreement"), pursuant to which WCB grants to Grantee certain funds for Grantee's acquisition of fee title to approximately 100 acres of real property located in the County of Orange, California (the "Property"), by Grant Deed (the "Deed") from Hellman Properties, LLC. The Property is legally described in **Exhibit A** attached to this Notice and incorporated in it by this reference. Initial-capitalized terms used in this Notice and not otherwise defined shall have the meaning set forth in the Grant.

2. Grantee agrees under the terms of the Grant to execute this Notice to give notice that Grantee received funds under the Agreement to assist Grantee in acquiring the Property and that, in consideration of the Grant Funds, Grantee has agreed to the terms of the Grant. The Grant is incorporated by reference into this Notice.

3. Grantee covenants and agrees in Section 5 of the Agreement as follows:

3.1. The Property shall be held and used only in a manner that is consistent with the Agreement, including the following "Purposes of Grant" set forth in Section 2 of the Agreement:

The Property shall be held and used for the purposes of wildlife habitat preservation, restoration and management, wildlife-oriented education and research, and for compatible public or private uses, all as may be consistent with wildlife habitat preservation and protection of sensitive biological resources (individually and collectively, the "Purposes of Grant").

3.2. The Property (including any portion of it or any interest in it) shall not be sold, transferred, exchanged or otherwise conveyed without the written approval of WCB or its successor.

3.3. The Property (including any portion of it or any interest in it) may not be used as security for any debt without the written approval of the State of California, acting through WCB or its successor.

3.4. At the request of Grantor, not less than once in any period of three calendar years, Grantee shall allow designated staff of Grantor to access the Property to assess compliance with the terms, covenants and conditions of this Agreement.

4. Pursuant to Section 7 of the Agreement, in the event of a Default under the Agreement, in addition to any and all remedies available at law or in equity, Grantor may seek specific performance of the Grant and may require Grantee to convey a conservation easement over the Property in favor of Grantor (or, at the election of Grantor, another entity or organization authorized by California law to acquire and hold conservation easements and which is willing and financially able to assume all of the obligations and responsibilities of Grantee), and to pay a sum to Grantor which, when combined with the fair market value of the conservation easement, equals the sum granted to Grantee pursuant to the Agreement, together with interest thereon as provided in the Agreement.

5. Pursuant to Section 8 of the Agreement, if Grantee is a nonprofit organization and the existence of Grantee is terminated for any reason, title to all interest in real property acquired with state funds shall immediately vest in the State of California. However, prior to that termination, upon approval of Grantor, another public agency or nonprofit organization may receive title to all or a portion of that interest in real property by recording its acceptance of title in writing. Any deed or other instrument of conveyance whereby real property is being acquired by a nonprofit organization pursuant to this section shall be recorded and shall set forth the executory interest and right of entry on the part of the State of California.

6. Pursuant to Section 9 of the Agreement, the Grant shall remain in full force and effect from and after the close of escrow for the acquisition of the Property.

7. Pursuant to Section 10 of the Agreement, the Grant shall be binding upon Grantee and all designees, successors and assigns of Grantee.

8. Pursuant to Section 11 of the Agreement, if all or any part of the Property is taken by exercise of the power of eminent domain, or acquired by purchase in lieu of condemnation, Grantor and Grantee shall act jointly to recover from the condemning authority the full value of the Property so taken or purchased, and all direct or incidental damages resulting therefrom. Grantor shall be entitled to the share of the Award, which equals the ratio of the Grant Funds provided by Grantor to the purchase price Grantee paid to acquire the Property.

9. This Notice is solely for the purpose of recording and in no way modifies the provisions of the Agreement. Grantee and WCB each has rights, duties and obligations under the Agreement, which are not set forth in this Notice. To the extent the terms of this Notice conflict with the Agreement, the terms of the Agreement shall govern and control.

10. For additional terms and conditions of the Agreement, reference should be made to the California Wildlife Conservation Board Grant Agreement for Acquisition of Fee Interest by and between WCB and Grantee entered into November 15, 2007, which is on file with the Wildlife Conservation Board, 1807 13th Street, Suite 103, Sacramento, California 95811-7137; *mailing address*: Wildlife Conservation Board, c/o Department of Fish and Game, P. O. Box 944209, Sacramento, CA 94244-2090.

GRANTEE:
LOS CERRITOS WETLANDS AUTHORITY

By: _____
Belinda Faustinos

Title: Executive Officer

ACKNOWLEDGMENT

State of California
County of _____

On _____ before me, _____
(Insert name and title of the Notary.)

personally appeared Belinda Faustinos
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.

(Seal)

WITNESS my hand and official seal.

Signature _____

RECORDING REQUESTED BY:

Los Cerritos Wetlands Authority)
Attn: Executive Officer)
900 South Fremont Avenue)
Alhambra, CA 91803)

WHEN RECORDED, RETURN TO:

State of California)
Wildlife Conservation Board)
Attn: Executive Director)
1807 13th Street, Suite 103)
Sacramento, CA 95811-7137)

Project Name: Los Cerritos Wetlands
County: Orange

Space above line for Recorder's use

**NOTICE OF UNRECORDED GRANT AGREEMENT
(WITH COVENANTS AFFECTING REAL PROPERTY)**

This Notice of Unrecorded Grant Agreement ("Notice"), dated as of _____, 200__, is made by the Los Cerritos Wetlands Authority ("Grantee") and recorded concurrently with the Deed described below, to provide notice of an agreement between Grantee and the Wildlife Conservation Board ("Grantor" or "WCB"), a subdivision of the State of California, affecting the real property described below.

1. WCB and Grantee have entered into the California Wildlife Conservation Board Grant Agreement for Acquisition of Fee Interest, Grant Agreement No. WC-6020RN ("Grant" or "Agreement"), pursuant to which WCB grants to Grantee certain funds for Grantee's acquisition of fee title to approximately 100 acres of real property located in the County of Orange, California (the "Property"), by Grant Deed (the "Deed") from Hellman Properties, LLC. The Property is legally described in **Exhibit A** attached to this Notice and incorporated in it by this reference. Initial-capitalized terms used in this Notice and not otherwise defined shall have the meaning set forth in the Grant.

2. Grantee agrees under the terms of the Grant to execute this Notice to give notice that Grantee received funds under the Agreement to assist Grantee in acquiring the Property and that, in consideration of the Grant Funds, Grantee has agreed to the terms of the Grant. The Grant is incorporated by reference into this Notice.

3. Grantee covenants and agrees in Section 5 of the Agreement as follows:

3.1. The Property shall be held and used only in a manner that is consistent with the Agreement, including the following "Purposes of Grant" set forth in Section 2 of the Agreement:

The Property shall be held and used for the purposes of wildlife habitat preservation, restoration and management, wildlife-oriented education and research, and for compatible public or private uses, all as may be consistent with wildlife habitat preservation and protection of sensitive biological resources (individually and collectively, the "Purposes of Grant").

3.2. The Property (including any portion of it or any interest in it) shall not be sold, transferred, exchanged or otherwise conveyed without the written approval of WCB or its successor.

3.3. The Property (including any portion of it or any interest in it) may not be used as security for any debt without the written approval of the State of California, acting through WCB or its successor.

3.4. At the request of Grantor, not less than once in any period of three calendar years, Grantee shall allow designated staff of Grantor to access the Property to assess compliance with the terms, covenants and conditions of this Agreement.

4. Pursuant to Section 7 of the Agreement, in the event of a Default under the Agreement, in addition to any and all remedies available at law or in equity, Grantor may seek specific performance of the Grant and may require Grantee to convey a conservation easement over the Property in favor of Grantor (or, at the election of Grantor, another entity or organization authorized by California law to acquire and hold conservation easements and which is willing and financially able to assume all of the obligations and responsibilities of Grantee), and to pay a sum to Grantor which, when combined with the fair market value of the conservation easement, equals the sum granted to Grantee pursuant to the Agreement, together with interest thereon as provided in the Agreement.

5. Pursuant to Section 8 of the Agreement, if Grantee is a nonprofit organization and the existence of Grantee is terminated for any reason, title to all interest in real property acquired with state funds shall immediately vest in the State of California. However, prior to that termination, upon approval of Grantor, another public agency or nonprofit organization may receive title to all or a portion of that interest in real property by recording its acceptance of title in writing. Any deed or other instrument of conveyance whereby real property is being acquired by a nonprofit organization pursuant to this section shall be recorded and shall set forth the executory interest and right of entry on the part of the State of California.

6. Pursuant to Section 9 of the Agreement, the Grant shall remain in full force and effect from and after the close of escrow for the acquisition of the Property.

7. Pursuant to Section 10 of the Agreement, the Grant shall be binding upon Grantee and all designees, successors and assigns of Grantee.

8. Pursuant to Section 11 of the Agreement, if all or any part of the Property is taken by exercise of the power of eminent domain, or acquired by purchase in lieu of condemnation, Grantor and Grantee shall act jointly to recover from the condemning authority the full value of the Property so taken or purchased, and all direct or incidental damages resulting therefrom. Grantor shall be entitled to the share of the Award, which equals the ratio of the Grant Funds provided by Grantor to the purchase price Grantee paid to acquire the Property.

9. This Notice is solely for the purpose of recording and in no way modifies the provisions of the Agreement. Grantee and WCB each has rights, duties and obligations under the Agreement, which are not set forth in this Notice. To the extent the terms of this Notice conflict with the Agreement, the terms of the Agreement shall govern and control.

10. For additional terms and conditions of the Agreement, reference should be made to the California Wildlife Conservation Board Grant Agreement for Acquisition of Fee Interest by and between WCB and Grantee entered into November 15, 2007, which is on file with the Wildlife Conservation Board, 1807 13th Street, Suite 103, Sacramento, California 95811-7137; *mailing address*: Wildlife Conservation Board, c/o Department of Fish and Game, P. O. Box 944209, Sacramento, CA 94244-2090.

GRANTEE:
LOS CERRITOS WETLANDS AUTHORITY

By: _____
Belinda Faustinos

Title: Executive Officer

ACKNOWLEDGMENT

State of California
County of _____

On _____ before me, _____
(Insert name and title of the Notary.)

personally appeared Belinda Faustinos
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.

(Seal)

Signature _____

**SAMPLE: Request for Disbursement of Grant Funds
(On Grantee's letterhead)**

John P. Donnelly, Executive Director
Wildlife Conservation Board
1807 13th Street, Suite 103
Sacramento, CA 95811-7137

Dear Mr. Donnelly:

PROJECT NAME
GRANT NUMBER

This is to serve as a request for the deposit of grant funds into the Grantee's escrow in connection with the subject acquisition project.

Name and Address of Grantee

Number of Grant Agreement

Dollar amount of disbursement

Name, address and telephone number of the title company of escrow holder, and the escrow account number to which the grant funds will be disbursed.

Statement by grantee that all funds needed for completion of acquisition of the real property have been secured and have been or will be deposited to escrow at or about the same date as the requested grant funds.

If you have any questions with respect to this request, please contact _____
at _____.

Very truly yours,

Grantee

November 7, 2007, Agenda Item 7

RESOLUTION 2007 - 5

RESOLUTION OF THE LOS CERRITOS WETLANDS AUTHORITY (LCWA)
AUTHORIZING THE EXECUTION AND PERFORMANCE OF AN AGREEMENT
WITH THE WILDLIFE CONSERVATION BOARD FOR ACQUISITION
OF THE "HELLMAN" PROPERTY.

WHEREAS, the Los Cerritos Wetlands Authority (Authority) has been established between the Coastal Conservancy, the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy, the City of Seal Beach and the City of Long Beach to facilitate the acquisition, protection, conservation, restoration, maintenance and operation an environmental enhancement of the Los Cerritos Wetlands; and

WHEREAS, the grant agreement with the Wildlife Conservation Board will provide funds for acquisition of a critical property in the Los Cerritos Wetlands; and

WHEREAS, this action is exempt from the environmental impact report requirements of the California Environmental Quality Act (CEQA); NOW

Therefore be it resolved, that the LCWA hereby:

1. FINDS that this action is consistent with the purposes and objectives of the LCWA.
2. FINDS that the actions contemplated by this resolution are exempt from the environmental impact report requirements of the California Environmental Quality Act.
3. ADOPTS staff report and budget dated November 7, 2007.
4. AUTHORIZES the execution and performance of an agreement with the Wildlife Conservation Board for acquisition of the "Hellman" property.
5. AUTHORIZES the Executive Officer to execute the agreement consistent with the conditions specified in WCB Grant Agreement # WC-6020RN.

~ End of Resolution ~

Passed and Adopted by the Board of the LOS CERRITOS WETLANDS AUTHORITY on
November 7, 2007.

Chair

Attest:

Terry

Fujimoto,

Deputy

Attorney

General

Los Cerritos Wetlands Authority

Date: November 7, 2007
To: Governing Board Members
From: Belinda V. Faustinos, Executive Officer
Subject: Agenda Item 7: Consideration of resolution adopting the FY 07/08 budget.

Recommended Action

Staff recommends adoption of the FY 07/08 Budget as submitted and detailed in the attached Exhibit A.

Background

The total projected budget for the LCWA is \$5,850,949. Of this total amount as shown in the attached Exhibit well over 98% of the budget is allocated for capital expenses for acquisition of the Hellman property and funds associated with the wetlands feasibility study on the SCE parcel.

The expenses detailed for general administrative costs are consistent with the prior year budget, the most significant line items being related to general liability and board member premiums. The property management expenses and revenues are associated with the Phase I acquisition of the Bryant parcels are shown as a total of \$56,849 and includes a discretionary set aside of \$20,620.

Although the Joint Powers Agreement provides for annual contributions to the LCWA of up to \$25,000 by each partner agency it is only recommended that the budgeted contribution be limited to \$2,500 from each of the City partners. It is not anticipated at this time that there will be a need for additional contributions due to the Signal Hill lease payment. If there should be some unexpected expense then the participating entities will be asked to make equal contributions for approved purposes.

LOS CERRITOS WETLANDS AUTHORITY

FY 2007/2008 BUDGET

October 1, 2007 - September 30, 2008

EXPENSE

Line Item	Description	Recurring Exp/Rev	Mo.	Annual
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General Administrative Expense

Web Page	Web page domain & e-mail	Yes	\$50	\$600
Liability Insurance	General & Umbrella Policy	Yes	N/A	\$6,000
Director's & Officers Policy	Board Members, \$1 million policy	Yes	N/A	\$4,500
Audit	FY 06/07	Yes	N/A	\$3,000
Minor Expenses not otherwise classified	Possible expenses related to filing fees and other misc. admin expenses	Yes	N/A	\$5,000
Administrative Sub Total				\$19,100

Property Management Expenses

Signage	Fabrication and installation of up to four signs on the Phase I parcels	No	N/A	\$6,229
Minor Stewardship Expenses Related to Phase I parcels	Includes possible expenses for dumpsters and minor items such as trash bags, dumping fees	Yes	N/A	\$30,000
Stewardship Reserve		N/A	N/A	\$20,620
Property Management Sub Total				\$56,849

Capital

Hellman Acquisition	Acquisition of this property will be thru a grant from the Wildlife Conservation Board	No	N/A	\$5,750,000
State Coastal Conservancy - SCE Parcel Wetlands Study				\$25,000
Capital Outlay Sub Total				\$5,775,000

Total Budgeted Expenses				\$5,850,949
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REVENUE

Signal Hill Petroleum Lease Payment Carryover	Carryover from prior year lease payments	Yes	N/A	\$39,720
Signal Hill Petroleum Lease Payment	Expected July 1, 2008 payment	Yes	N/A	\$25,000

Coastal Conservancy Grant- LCWA Phase 1	This is a reimburseable grant that will provide for purchase and installation of signs upon Board approval	No	N/A	\$6,229
Coastal Conservancy Grant- SCE Parcel Wetlands Study				\$25,000
City Cash Contributions	This allocation will provide for an contingency expenditures at \$2,500 for each City partner.	Yes	N/A	\$5,000
Wildlife Conservation Board	Grant to LCWA for acquisition of the site; estimated amount pending updated appraisal	No	N/A	\$5,750,000

Total Revenue				\$5,850,949
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November 7, 2007, Agenda Item 8

RESOLUTION 2007 - 6

RESOLUTION OF THE LOS CERRITOS WETLANDS AUTHORITY (LCWA)
ADOPTING THE FY 07/08 BUDGET

WHEREAS, the Los Cerritos Wetlands Authority (Authority) has been established between the Coastal Conservancy, the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy, the City of Seal Beach and the City of Long Beach to facilitate the acquisition, protection, conservation, restoration, maintenance and operation an environmental enhancement of the Los Cerritos Wetlands; and

WHEREAS, the joint powers agreement provides for the adoption of an annual budget; and

WHEREAS, this action is exempt from the environmental impact report requirements of the California Environmental Quality Act (CEQA); NOW

Therefore be it resolved, that the LCWA hereby:

1. FINDS that this action is consistent with the purposes and objectives of the LCWA.
2. FINDS that the actions contemplated by this resolution are exempt from the environmental impact report requirements of the California Environmental Quality Act.
3. ADOPTS staff report and budget dated November 7, 2007.
4. AUTHORIZES the Executive Officer to make budget adjustments of up to 10% between budget line items so long as the total amount authorized does not exceed the approved total budget expenses.

~ End of Resolution ~

Passed and Adopted by the Board of the LOS CERRITOS WETLANDS AUTHORITY on November 7, 2007.

Chair

Attest:

Terry Fujimoto, Deputy Attorney General