

RESOLUTION NO. 7516

**CITY OF SOUTH GATE
LOS ANGELES COUNTY, CALIFORNIA**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH GATE
AUTHORIZING THE VICE MAYOR TO EXECUTE AND DELIVER ALL
CLOSING DOCUMENTS, INSTRUMENTS, CERTIFICATES AND
AGREEMENTS UNDER THE INFRASTRUCTURE FINANCING AND FEE
WAIVER AGREEMENT AND JOINT ESCROW INSTRUCTIONS WITH
THE DEVELOPER PRIMESTOR DEVELOPMENT, INC. THROUGH
ATLANTIC-FIRESTONE, LLC FOR THE COMMERCIAL DEVELOPMENT
KNOWN AS AZALEA REGIONAL SHOPPING CENTER AT THE CORNER
OF FIRESTONE BOULEVARD AND ATLANTIC AVENUE**

WHEREAS, the City of South Gate and the Developer Atlantic-Firestone, LLC (an affiliate of Primestor Development, Inc.) are parties to an agreement titled Infrastructure Financing and Fee Waiver Agreement and Joint Escrow Instructions dated May 29, 2012 (IFFWA) which provides generally for (1) the City's conveyance and transfer of surplus property along Firestone Boulevard and Atlantic Avenue to the Developer to be incorporated into the commercial center known as azalea Regional Shopping Center, (2) the Developer's commitment to develop and build approximately 380,000 square feet of retail space at the azalea project together with certain public amenities consisting of City Hall Annex/police substation, a public plaza and amphitheater, pedestrian walkways, lighting and landscaping, (3) the City's agreement to waive the water impact fees and the road mitigation fees for the azalea project, and (4) the City's obligation to design, develop and build certain public infrastructure improvements in the vicinity of the azalea project; and

WHEREAS, Amendment No. 1 to Infrastructure Financing and Fee Waiver Agreement and Joint Escrow Instructions dated July 19, 2012 requires the closing date for the azalea project to occur not later than September 14, 2012; and

WHEREAS, the Developer and its lenders and other parties have scheduled the closing date for the azalea project on September 12, 2012 and for recording all recordable documents on September 13, 2012; and

WHEREAS, since the City Council approval of the IFFWA on May 29, 2012, a series of closing documents, instruments, certificates and agreements in furtherance of and consistent with the IFFWA and reasonably requested and/or required by the Developer and its lenders and other parties in connection with the closing of the IFFWA on September 12, 2012, will require execution by the Vice Mayor in connection; and

WHEREAS, the City Council is requested to authorize the Vice Mayor to execute and deliver all such related closing documents, instruments, certificates and agreements in form acceptable to the City Attorney.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SOUTH GATE DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The City Council finds and determines that the foregoing recitals are true and correct.

SECTION 2. The City Council hereby authorizes the Vice Mayor to execute and deliver, in connection with the closing of the Infrastructure Financing and Fee Waiver Agreement and Joint Escrow Instructions dated May 29, 2012, as amended by Amendment No. 1 to the Infrastructure Financing and Fee Waiver Agreement and Joint Escrow Instructions dated July 19, 2012, for the azalea Regional Shopping Center, the following documents, instruments, certificates and agreements, in form acceptable to the City Attorney:

(a) Each of the exhibits to be dated as of September 12, 2012 in substantially the same form as attached to the Infrastructure Financing and Fee Waiver Agreement and Joint Escrow Instructions dated May 29, 2012 that are contemplated to be executed and delivered by the City of South Gate at the closing thereof for the azalea project;

(b) Subordination Agreement dated as of September 12, 2012 providing for the subordination in priority of the City Deed of Trust to the Declaration of Covenants, Conditions, Restrictions and Reciprocal Easements dated as of September 12, 2012 for the azalea project;

(c) Partial Release of IFFWA dated as of September 12, 2012 providing for the release of the provisions of the Infrastructure Financing and Fee Waiver Agreement and Joint Escrow Instructions dated May 29, 2012, as amended, applicable to the Major A Parcel of the azalea project;

(d) Assignment, Assumption and Consent dated as of September 12, 2012 providing for the assignment of the Infrastructure Financing and Fee Waiver Agreement and Joint Escrow Instructions dated May 29, 2012, as amended, by the Developer Atlantic-Firestone, LLC to a Developer Related Entity Azalea Joint Venture, LLC, as required by the Financing Plan submitted by the Developer and approved by the City pursuant to the IFFWA;

(e) Subordination Agreement dated as of September 12, 2012 providing for the subordination in priority of the City Deed of Trust to the superior liens or security interests of the deed of trust benefiting Wells Fargo Bank, National Association, as senior lender, and the deeds of trust benefiting Genesis LA/GLA Sub-CDE XIII, LLC, as junior lender, encumbering the azalea project;

(f) Estoppel Certificate dated as of September 12, 2012 for the benefit of Community Development Retail Fund, LLC providing for the City's certification that, among other things, to the best of its knowledge, no default exists under the Infrastructure Financing and Fee Waiver Agreement and Joint Escrow Instructions dated May 29, 2012, as amended;

(g) Estoppel Certificate dated as of September 12, 2012 for the benefit of Wells Fargo Bank, National Association and Genesis LA/GLA Sub-CDE XIII, LLC providing for the City's certification that, among other things, to the best of its knowledge, no default exists under the Infrastructure Financing and Fee Waiver Agreement and Joint Escrow Instructions dated May 29, 2012, as amended;

(h) Estoppel Certificate dated as of September 12, 2012 for the benefit of Wal-Mart Real Estate Business Trust providing for the City's certification that, among other things, to the best of its knowledge, no default exists under the Infrastructure Financing and Fee Waiver Agreement and Joint Escrow Instructions dated May 29, 2012, as amended.

SECTION 3. The City Council hereby authorizes the Vice Mayor to execute and deliver any and all such other documents, instruments, certificates and agreements reasonably required or requested by the Developer, the Developer's lenders, the escrow and/or title company, and such other parties in connection with the closing of the Infrastructure Financing and Fee Waiver Agreement and Joint Escrow Instructions dated May 29, 2012, as amended, in a form acceptable to the City Attorney.

SECTION 4. The City Council hereby declares that if any provisions, sentence, clause, section or part of this Resolution is found to be unconstitutional, illegal or invalid, such finding shall affect only such provision, sentence, clause, section or part, and shall not affect or impair any of the remaining parts.

SECTION 5. The City Clerk shall certify to the adoption of this Resolution which shall be effective upon its adoption.

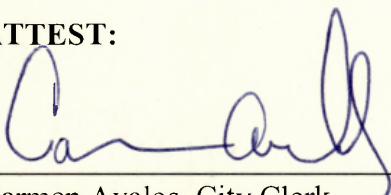
PASSED, APPROVED and ADOPTED on this 10th day of **September, 2012.**

CITY OF SOUTH GATE:



Gil Hurtado, Vice Mayor

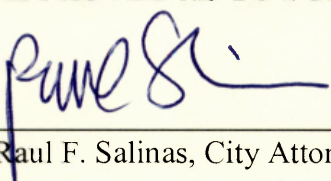
ATTEST:



Carmen Avalos, City Clerk

(SEAL)

APPROVED AS TO FORM:



Raul F. Salinas, City Attorney

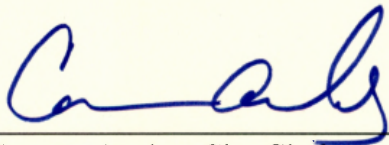
RESOLUTION CERTIFICATION PAGE

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS
CITY OF SOUTH GATE)

I, Carmen Avalos, City Clerk of the City of South Gate, California, hereby certify that the whole number of Members of the City Council of said City is five; that Resolution No. 7516 was adopted by the City Council at their Special Meeting held on September 10, 2012, by the following vote:

Ayes: Council Members: Hurtado, Morales and Davila
Noes: Council Members: Gonzalez
Absent: Council Members: De Witt
Abstain: Council Members: None

Witness my hand and the seal of said City on September 11, 2012.



Carmen Avalos, City Clerk
City of South Gate, California