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By E-mail and Overnight Delivery

January 15, 2019

Planning Commission
City of Covina
Covina City Hall
125 E College Street
Covina, CA 91723
Email: planning@covinaca.gov

Brian K. Lee, AICP, Director of Community Development
City of Covina
125 East College Street
Covina, California 91723
626.384.5458
blee@covinaca.gov

Mary Lou Walczak, City Clerk
City of Covina
Covina City Hall
125 E College Street
Covina, CA 91723
cityclerk@covinaca.gov

Re: Oakmont Senior Living and Park View Hotel Project

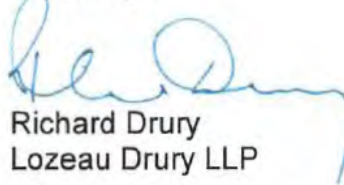
Dear Planning Commission, Mr. Lee, and Ms. Walczak:

This letter is submitted on behalf of **Laborers International Union of North America, Local Union 300**, and its members living in Los Angeles County and the City of Covina (collectively, "LIUNA" or "Commenters") regarding the Mitigated Negative Declaration ("MND") prepared for the Project known as Oakmont Senior Living/Memory Care Facility: southeast corner of East Holt Avenue and Park View Drive (Assessor Parcel Numbers 8848-019-044 and 8848-019-045) and the Park View Hotel Project: Park View Drive, near its termination at I-10 (Assessor Parcel Numbers 8448-019-052 and 8448-019-041) in the City of Covina ("Project").

Comments of LIUNA on Initial Study / Mitigated Negative Declaration
Oakmont Senior Living and Park View Hotel Project
January 15, 2019
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LIUNA is pleased that the developer has agreed to environmental improvements in the Project that will significantly reduce the Project's environmental impacts, such as the use of California Air Resources Board certified Tier 3 construction equipment to reduce nitrogen oxide and particulate matter emissions. In light of these agreements, LIUNA hereby withdraws its prior comment letter dated November 12, 2018 and all allegations therein. LIUNA supports the Project and urges the City to approve the Project.

Sincerely,



Richard Drury
Lozeau Drury LLP

ENVIRONMENTAL SETTLEMENT AGREEMENT
FOR THE OAKMONT SENIOR LIVING AND PARK VIEW HOTEL PROJECT
PROPOSED BY
COVINA PARK VIEW LLC
IN THE CITY OF COVINA

ENVIRONMENTAL SETTLEMENT AGREEMENT

This Environmental Settlement Agreement ("Agreement") is made effective as of this 19th day of December, 2018 (the "Effective Date") by and between Covina Park View LLC ("Applicant"), and Laborers' International Union of North America Local Union Number 300 ("LIUNA") on behalf of itself and its members. Applicant and LIUNA are collectively referred to herein as the "Parties."

RECITALS

WHEREAS, Applicant has submitted development applications to the City of Covina ("City") to authorize the development of the Project known as Oakmont Senior Living/Memory Care Facility: southeast corner of East Holt Avenue and Park View Drive (Assessor Parcel Numbers 8848-019-044 and 8848-019-045) and the Park View Hotel Project: Park View Drive, near its termination at I-10 (Assessor Parcel Numbers 8448-019-052 and 8448-019-041) ("Project");

WHEREAS, the approvals sought by Applicant include consideration and adoption of a Mitigated Negative Declaration ("MND"), Zoning Code Amendment (ZCA) 18-002, Planned Community Development Amendment (PCDA), an amendment to previously approved Planned Community Development (PCD 81-004), Conditional Use Permit 18-001, and Site Plan Review 18-001 ("Project Approvals"). City has the discretion to approve or deny the Project Approvals;

WHEREAS, LIUNA voiced concerns related to the MND, and on November 12, 2018, LIUNA submitted a comment letter regarding its concerns ("Allegations");

WHEREAS, on November 13, 2018 the City Planning Commission continued its consideration of the Project Approvals to January 22, 2019;

WHEREAS, Applicant disputes the Allegations;

WHEREAS, the Parties desire to resolve their disputes and any and all other potential issues regarding the City's possible issuance of the Project Approvals and all other discretionary or ministerial past, present, and future actions, approvals, permits or other entitlements necessary to construct and operate the Project, including but not limited to potential modifications to the Project Approvals, and including those from other agencies who may have discretionary approval authority over the Project (collectively, "Final Approvals"); and

WHEREAS, there may be one or more members of the public or groups of such members of the public who will challenge the Project ("Project Opponents").

NOW THEREFORE, in consideration of the mutual terms, covenants, conditions, and promises contained herein, and other valuable consideration, the adequacy of which is hereby acknowledged, the Parties hereto fully settle, compromise, and resolve all disputes and controversies between them related in any way to the Final Approvals. Following negotiations between the Parties, a settlement of all disputes between the Parties was agreed to, the terms of which are set forth below.

TERMS

I. ACTIONS BY APPLICANT

Applicant shall implement the following mitigation measure for the Project:

All construction equipment shall be equipped with best available control technology (BACT), which shall be defined as emission control devices intended to reduce diesel particulate matter and nitrogen oxide emissions which shall at a minimum meet Tier 3 standards as set by the California Air Resources Board (CARB), if such equipment is feasible and readily available.

II. ACTIONS BY LIUNA

A. LIUNA on its own behalf and/or through its participating members, unions, officers, employees, representatives, business managers, agents, proxies or attorneys shall not take any actions to challenge, oppose or contest the Final Approvals and shall not take any actions to challenge, oppose, contest, or seek administrative or judicial review of any City actions on the Final Approvals. Within three (3) days after execution of this Agreement, LIUNA submit a written statement to the City Planning Commission and City Clerk, with a copy to Applicant, that it is withdrawing the Allegations ("Withdrawal Notice"), and now supports the Project. The issuance of the Withdrawal Notice shall be a condition precedent to the effectiveness of this Agreement. If LIUNA fails to issue the Withdrawal Notice in a timely fashion pursuant to this Section IIA, then this Agreement shall be null and void.

B. Upon request from the Applicant, LIUNA shall notify other persons or entities identified by Applicant that LIUNA has resolved the environmental issues identified in the Allegations and now supports the Project. Upon request by the Applicant at least three (3) business days in advance, LIUNA shall have one or more representatives of LIUNA appear at all Project hearings to state its support of the Project for incorporation into the administrative record for the Project Approvals.

C. If Project Opponents appear at any City Council hearings on the Project or present written comments opposing the Project, Applicant may notify LIUNA of such actions by the Project Opponents, and may request LIUNA to contact such Project Opponents identified by the Applicant. If Applicant requests LIUNA to contact such

identified Project Opponents, LIUNA shall employ best efforts to attempt to persuade the specified Project Opponents to cease all activities opposing the Project ("Advocacy Efforts"). LIUNA shall use its best efforts to contact the specified Project Opponents identified by Applicant prior to all Project hearings which may be held. If the Project Approvals are ultimately issued by the City Council, LIUNA shall use best efforts to contact the specified Project Opponents again within fourteen (14) days of the City Council's issuance of the Project Approvals ("Advocacy Period") for the purpose of dissuading the Project Opponents from filing any judicial challenging the Project and/or the Project Approvals ("Litigation"). If requested by the Applicant, within five (5) days after the conclusion of the Advocacy Period, LIUNA shall provide written documentation to Applicant specifying all of LIUNA's Advocacy Efforts. This written documentation shall provide a list of whom LIUNA contacted, the date of such contact, the mode of such contact, and the result of the communication.

III. MUTUAL RELEASES

Except for the obligations provided herein, Applicant, and each of its representatives, agents, attorneys, employees, successors, and assigns hereby unconditionally release, acquit, and forever discharge LIUNA and each of its representatives, employees, proxies, participating unions, members, individuals, attorneys, agents, successors, and assigns from any and all claims, demands, injuries, actions, causes of action, either at law or in equity or of any kind, nature or description, known or unknown, which Applicant, has had in the past or has up through the Effective Date against LIUNA arising out of, based upon, or relating directly or indirectly to the Project and the Final Approvals.

Except for the obligations provided herein, LIUNA and each of its representatives, participating unions, employees, proxies, members, individuals, agents, attorneys, successors, and assigns hereby unconditionally release, acquit, and forever discharge Applicant, and each of its members, employees, representatives, attorneys, agents, successors, and assigns from any and all claims, demands, injuries, actions, causes of action, either at law or in equity or of any kind, nature or description, known or unknown, which LIUNA have had or had up through the Effective Date against Applicant, arising out of, based upon or relating directly or indirectly to the Project and the Final Approvals.

The Parties are aware that facts may be discovered later that are different from and/or in addition to those that the Parties now know or believe to be true. The Parties acknowledge that they have been informed by their attorneys regarding, and are familiar with, California Civil Code section 1542 which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her

must have materially affected his or her settlement with the debtor.

The Parties expressly waive all rights under Civil Code section 1542 and intend that the foregoing releases and discharges extend to all claims either Party has had or has up through the Effective Date regarding the Project, the Final Approvals.

IV. PROSPECTIVE CLAIMS

The releases in this Agreement are limited releases that apply only to claims relating directly or indirectly to the Project and the Final Approvals but shall be construed to apply to any claims, demands, obligations, responsibilities, suits, actions, or causes of action arising out of the failure of any Party to perform its obligations as set forth in this Agreement or relating to any other contractual arrangement between the Parties and/or their affiliates, including any contracts covering the provision of labor or services related to the Project.

V. NO PRIOR ASSIGNMENTS

The Parties hereto represent and warrant that they have not heretofore assigned or transferred, or purported to assign or transfer, to any other person, entity, firm, or corporation whatsoever, any claim, debt, liability, demand, obligation, expense, action, or causes of action herein released.

VI. BINDING ON SUCCESSORS

This Agreement and its terms shall inure to the benefit of and be binding upon each of the Parties hereto and each and all of their respective successors, assignees, buyers, grantees, vendees, or transferees, and their past or present, direct or indirect, affiliates, partners, joint venturers, subsidiaries, parents, receivers, trustees, officers, directors, employees, agents, and shareholders and each of them, as though they were Parties hereto, wherever located. Any agreement for sale or an agreement for a merger or acquisition, including ownership or control of Applicant, shall be subject to the obligations of this Agreement.

VII. SETTLEMENT OF DISPUTED CLAIMS

The Parties hereto understand and agree that this Agreement is a final, binding settlement to resolve all issues related to the Project and the Final Approvals, which the Parties dispute in whole or in part, and is not an admission of any wrongdoing or liability by Applicant or LIUNA.

VIII. TERMINATION OF THE PROJECT

This Agreement shall be null and void and shall no longer be in effect if (i) upon appeal to the City Council the City Council fails to issue the Final Approvals; or (ii) Applicant, in its sole and absolute discretion, determines not to develop the Project. This Agreement shall terminate upon completion of the Project. "Completion of the Project" means the issuance by the City of all necessary certificates of occupancy for the Project.

IX. LITIGATION FILED ATTACKING THE FINAL APPROVALS

In the event that Litigation is filed, including, but not limited to, a timely judicial action to challenge the Project is filed under CEQA or any other relevant law Project Approvals, the Applicant, in its sole discretion, may choose to terminate this Agreement.

X. FACTUAL INVESTIGATION

Each Party has conducted its own factual investigation and is not relying on any other Party.

XI. UNDERSTANDING OF TERMS

The Parties hereto each hereby affirm and acknowledge that they have read this Agreement, that they know and understand its terms, and have signed it voluntarily and on the advice of counsel. The Parties have had a full and unhindered opportunity to consult with their attorneys, accountants, financial advisors, and such other consultants as they may have desired prior to executing this Agreement.

XII. AGREEMENT MAY BE PLEADED AS A DEFENSE

This Agreement may be pleaded as a defense by the Parties hereto and may be used as the basis for an injunction against any action challenging the Project in violation of this Agreement.

XIII. ENFORCEMENT

This Agreement shall be interpreted under the laws of the State of California. The Parties agree that money damages would be an inadequate remedy for any breach (or threatened breach) of this Agreement, and agree that this Agreement may be enforced without the requirement of posting a bond by a preliminary or permanent, mandatory, or prohibitory injunction, by a decree of specific performance, or other such order or decree of a court of competent jurisdiction. The agreed remedies set forth herein shall not be construed to limit or derogate from any legal or equitable remedy authorized by applicable law. In any action to enforce the provisions of this Agreement, the prevailing party shall be entitled to recover its legal fees, costs, and expenses, including expert witness fees.

XIV. AUTHORITY TO EXECUTE AGREEMENT

Each person signing this Agreement warrants that he or she has authority to execute this Agreement and to thereby bind the Party on whose behalf he or she is signing to the terms of this Agreement.

XV. DOCUMENTS TO BE FILED OR EXECUTED

Pursuant to Section II above, within three (3) days after execution of this Agreement, LIUNA shall file with the City a letter withdrawing the Allegations. The Parties further agree to cooperate to execute any other documents reasonably required to effectuate the intent of this Agreement and, if a Party does not so cooperate, any Party to this Agreement may obtain judicial intervention to obtain judicial signature in lieu of Party signature, upon noticed motion supported by affidavit.

XVI. LEGAL FEES AND COSTS

Except as set forth herein, each Party shall bear its own legal fees and costs resulting from the preparation, negotiation, and execution of this Agreement.

XVII. MATERIALITY OF BREACH

Any breach of this Agreement, at the option of any Party, shall be treated as material and a complete failure of consideration, provided, however, that before any Party may treat any breach as a material breach, such Party must first inform the other Party in writing and give the other Party a reasonable opportunity to cure the breach.

XVIII. WAIVER

The waiver of any provision or term of this Agreement shall not be deemed as a waiver of any other provision or term of this Agreement. The mere passage of time, or failure to act upon a breach, shall not be deemed as a waiver of any provision or term of this Agreement.

XIX. AMENDMENTS

No provision of this Agreement may be modified, unless in writing and signed by the Party against whom the enforcement of such modification is sought.

XX. PARAGRAPH HEADINGS

Paragraph headings are provided herein for convenience only and shall not serve as a basis for interpretation or construction of this Agreement, nor as evidence of the intention of the Parties.

XXI. SEVERABILITY

If any portion of this Agreement as applied to either Party or to any circumstance shall be adjudged by a court to be void or unenforceable, the same shall in no way affect any other provision of this Agreement, the application of any such provision in another circumstance, or the validity or enforceability of this Agreement as a whole.

XXII. INTEGRATION

The undersigned, and each of them, acknowledge and represent that no promise or inducement not expressed in this Agreement has been made in connection with this Agreement. This Agreement contains the entire agreement and understanding between the Parties as to the subject matter of this Agreement and is intended to be and is a final integration thereof. There are no representations, warranties, agreements, arrangements, undertakings, oral or written, between or among the Parties hereto relating to the terms and conditions of this Agreement that are not fully expressed herein.

XXIII. TIME IS OF THE ESSENCE

Time is of the essence in this Agreement.

[This section intentionally left blank]

XXIV. COUNTERPARTS

This Agreement may be signed by the Parties in different counterparts and the signature pages combined to create a document binding on the Parties.

XXV. NOTICES

Any notice which shall or may be given pursuant to this Agreement shall be in writing and personally served or transmitted through first class United States mail, or by private delivery systems, postage prepaid, to the following address or such other address of which a party may give written notice:

Applicant: Covina Park View, LLC
c/o Matt Hamilton
360 East 1st Street
Suite 600
Tustin, CA 92780
matt@preface.com

LIUNA: LIUNA Local 300
c/o Richard Drury
Lozeau Drury LLP
410 12th Street, Suite 250
Oakland, CA 94607
Richard@LozeauDrury.com

Mailed notices will be deemed served as of the day of receipt.

IN WITNESS WHEREOF, the Parties have executed one or more copies of this Agreement as of the Effective Date.

LABORERS' INTERNATIONAL
UNION OF NORTH AMERICA
LOCAL UNION NUMBER 300

COVINA PARK VIEW LLC, A
CALIFORNIA LIMITED LIABILITY
COMPANY

By: *Sergio Rascon*
Name: Sergio Rascon
Title: BUSINESS MANAGER
Date: 1-14-19

By: *Matt Hamilton*
Name: Matt Hamilton
Title: Member
Date: 12-19-18