

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE CITY OF REDONDO BEACH
AND THE CITY OF TORRANCE
FOR THE SOUTH BAY REGIONAL INTERMODAL
TRANSIT CENTERS PROJECT**

This Memorandum of Understanding (hereinafter "MOU" or "Agreement") is entered into as of January 13, 2009 by and between the City of Redondo Beach ("REDONDO BEACH") and the City of Torrance ("TORRANCE").

RECITALS

WHEREAS, the South Bay Regional Intermodal Transit Centers Project ("PROJECT") brings together two very important regional transit hubs in the cities of REDONDO BEACH and TORRANCE;

WHEREAS, these two centers of the PROJECT are complementary and provide additional regional connectivity and promote the use of transit in the South Bay;

WHEREAS, the South Bay region is dependent on transportation for the movement of goods and people in an energy-efficient manner;

WHEREAS, the PROJECT provides regional benefits to the entire South Bay area by encouraging alternative modes of transportation thereby reducing congestion and air pollution;

WHEREAS, REDONDO BEACH is currently engaged in the process of designing and constructing a proposed new Regional Intermodal Transit Center facility (the "REDONDO BEACH TRANSIT CENTER") to replace the existing inadequate facility and has received initial Federal funding totaling \$2.24 million for such project;

WHEREAS, REDONDO BEACH is in immediate need of additional funding to complete construction of the proposed REDONDO BEACH TRANSIT CENTER;

WHEREAS, TORRANCE is also separately engaged in the process of acquiring property for its own construction of a proposed new Regional Intermodal Transit Center facility (the "TORRANCE TRANSIT CENTER") to replace its former Transit Center located at the Del Amo Fashion Center;

WHEREAS, the regional transit centers in REDONDO BEACH and TORRANCE are hubs for local and regional connectivity for all agencies in the South Bay and Los Angeles County;

WHEREAS, both REDONDO BEACH and TORRANCE have determined that the submission of joint Federal grant applications for the PROJECT, combining both the proposed REDONDO BEACH TRANSIT CENTER and the proposed TORRANCE

TRANSIT CENTER, is in the best interests of both cities and the South Bay Region of Los Angeles County;

WHEREAS, the funds requested in the joint applications will be combined with existing sources of funding separately available to each of the cities in order to complete the PROJECT;

WHEREAS, the PROJECT will provide the following benefits:

- a) The PROJECT will enhance the efficiency of public transportation thereby encouraging more people to make use of the transportation options available in the region resulting in decreased traffic congestion. The PROJECT will also provide parking for Rideshare Van/Carpool participants which will also help to reduce congestion.
- b) The PROJECT will provide access to regional rapid service and future light rail.
- c) The PROJECT will improve infrastructure to enhance functionality of existing regional transportation programs.
- d) The PROJECT will enhance transportation and pedestrian safety.
- e) The PROJECT will significantly improve the overall quality of life for local residents and the traveling public.
- f) Improvements in air quality can be expected in proportion to the reduction in congestion. Less idling in stopped/slowing traffic will result in fewer emissions. Increased use of alternative forms of public transportation will also contribute to improvements in air quality by reducing gasoline and fuel consumption.
- g) The PROJECT will reduce demands on employee parking, provide increased intermodal access to employment centers and decrease dependency on automobiles.
- h) The PROJECT will improve the circulation system which will result in proportional gains in the economy and enhanced access to jobs.
- i) The PROJECT will make properties adjacent to the centers more accessible and more marketable;

WHEREAS, on November 4, 2008, the TORRANCE City Council authorized the submittal of a joint federal grant application for the PROJECT; and

WHEREAS, on November 18, 2008, the REDONDO BEACH City Council authorized the submittal of a joint Federal grant application for the PROJECT conditioned upon Redondo Beach's ability to uncouple its proposed REDONDO BEACH TRANSIT CENTER project from the combined PROJECT in the event that Redondo Beach's eligibility for Federal Funding is adversely impacted due to the linkage with Torrance's proposed plans for the TORRANCE TRANSIT CENTER.

NOW THEREFORE, in consideration of the mutual terms and conditions contained in this MOU, REDONDO BEACH and TORRANCE agree as follows:

1. TERM

Unless otherwise terminated by REDONDO BEACH or TORRANCE in accordance with Section 2 below, this MOU will be in effect from January 13, 2009 until such time as all funds for the PROJECT are received and disbursed to each city. In the event that the joint application does not result in funding on or before September 30, 2016, then this Agreement shall expire on its own terms as of such date.

2. APPLICATION FOR FUNDING

A. REDONDO BEACH and TORRANCE agree to submit a joint application for Federal funding in the amount of \$14.2 million for the PROJECT through the 2009 SAFETEA-LU Reauthorization Bill or its equivalent. All information contained in the joint application, and any subsequent amendments thereto, shall be separately approved by both REDONDO BEACH and TORRANCE prior to submission. Further, it is agreed that if either party reasonably believes that its eligibility for Federal funding for their respective transit center projects will be reduced, delayed or otherwise adversely impacted due to the linkage with the other city, then this Agreement may be terminated at the sole and absolute discretion of the party adversely impacted upon written notice in accordance with Section 4 below.

B. REDONDO BEACH and TORRANCE agree to submit a joint application for Federal funding in the amount of \$1.5 million for the PROJECT through the FY 2010 Annual Federal Appropriations Request.

C. REDONDO BEACH and TORRANCE further agree that each city may independently pursue other non-Federal funding sources separately available to each city for completion of the PROJECT.

3. USE OF FUNDS

A. REDONDO BEACH and TORRANCE agree that REDONDO BEACH will receive the first \$3.2 million of funding received for the PROJECT from 2009 SAFETEA-LU Reauthorization Bill or its equivalent subject to Section 3.C below. Further, REDONDO BEACH and TORRANCE agree that TORRANCE will receive the next \$11 million of funding received from 2009 SAFETEA-LU Reauthorization Bill or its equivalent. In the case that additional funding is received from this funding source for the PROJECT, REDONDO BEACH and TORRANCE agree to negotiate in good faith regarding the distribution and use of any additional funds for the PROJECT beyond the initial \$14.2 million.

B. REDONDO BEACH and TORRANCE agree that REDONDO BEACH will receive the first \$1 million of funding received from the FY 2010 Annual Federal Appropriations Request. Further, REDONDO BEACH and TORRANCE agree that TORRANCE will receive \$0.5 million of funding received from the FY 2010 Annual Federal Appropriation Request. To the extent the funding received is less than \$1.5 million, the actual amount received will be allocated on a 2/3 to REDONDO BEACH and 1/3 to TORRANCE pro rata basis.

C. Any funds that REDONDO BEACH OR TORRANCE receive under Section 3.B will be deducted from the amounts that REDONDO BEACH OR TORRANCE are entitled to under Section 3.A.

4. NOTICE

- A. All notices, requests, demands, or other communications under this Agreement shall be in writing. Notice shall be sufficiently given for all purposes as follows:
1. Personal delivery. When personally delivered to the recipient, notice is effective on delivery.
 2. First Class mail. When mailed first class to the last address of the recipient known to the party giving notice, notice is effective three mail delivery days after deposit in a United States Postal Service office or mailbox.
 3. Certified mail. When mailed certified mail, return receipt requested, notice is effective on receipt, if delivery is confirmed by a return receipt.
 4. Overnight delivery. When delivered by an overnight delivery service, charges prepaid or charged to the sender's account, notice is effective on delivery, if delivery is confirmed by the delivery service.
 5. Facsimile transmission. When sent by fax to the last fax number of the recipient known to the party giving notice, notice is effective on receipt. Any notice given by fax will be deemed received on the next business day if it is received after 5:00 p.m. (recipient's time) or on a non-business day.
 6. Addresses for purpose of giving notice are as follows:

REDONDO BEACH:	City Clerk City of Redondo Beach 415 Diamond Street
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Redondo Beach, CA 90277-3780
 Fax: (310) 374-0220

TORRANCE:

City Clerk
 City of Torrance
 3031 Torrance Boulevard
 Torrance, CA 90509-2970
 Fax: (310) 618-2931

- B. Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified, will be deemed effective as of the first date the notice was refused, unclaimed or deemed undeliverable by the postal authorities, messenger or overnight delivery service.
- C. Either party may change its address or fax number by giving the other party notice of the change in any manner permitted by this Agreement.

5. INTEGRATION; AMENDMENT

This Agreement represents the entire understanding of REDONDO BEACH and TORRANCE as to those matters contained in it. No prior oral or written understanding will be of any force or effect with respect to the terms of this Agreement. The Agreement may not be modified or altered except in writing signed by both parties.

6. INTERPRETATION

The terms of this Agreement should be construed in accordance with the meaning of the language used and should not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction that might otherwise apply.

7. SEVERABILITY

If any part of this Agreement is found to be in conflict with applicable laws, that part will be inoperative, null and void insofar as it is in conflict with any applicable laws, but the remainder of the Agreement will remain in full force and effect.

8. GOVERNING LAW; JURISDICTION

This Agreement will be administered and interpreted under the laws of the State of California. Jurisdiction of any litigation arising from the Agreement will be in Los Angeles County, California.

[SIGNATURES FOLLOW ON NEXT PAGE]

IN WITNESS WHEREOF, the parties have executed this Agreement as of this _____ day of _____, 2009.

CITY OF REDONDO BEACH

CITY OF TORRANCE

Mike Gin, Mayor

Frank Scotto, Mayor

ATTEST:

ATTEST:

Eleanor Manzano, City Clerk

Sue Herbers, City Clerk

APPROVED AS TO FORM:

APPROVED AS TO FORM:

MICHAEL W. WEBB
City Attorney

JOHN L. FELLOWS III
City Attorney

By: _____

By: _____