

RECORDING REQUESTED BY:

City of Los Altos

WHEN RECORDED, MAIL TO:

City Clerk, City of Los Altos

1 North San Antonio Road

Los Altos, CA 94022

---

RECORD WITHOUT FEE UNDER  
§§ 27383 & 27388.1 GOVERNMENT CODE

Improvement Agreement No.

PROJECT TITLE

APN: 170-04-066

5150 ECR LLC, A California Limited Partnership

**IMPROVEMENT AGREEMENT  
5150 El Camino Real**

This Improvement Agreement (this “Agreement”) is made and entered into by and between the CITY OF Los Altos, a municipal corporation (hereinafter "City"), and 5150 ECR, LLC (hereinafter "Developer"). City and Developer may be collectively referred to herein as the “parties.”

**RECITALS**

- A. In accordance with the Subdivision Map Act (California Government Code Sections 66410, *et seq.*), and the Subdivision Ordinance (Los Altos Municipal Code, Title 13), and the Street Ordinance (Los Altos Municipal Code, Title 9), the Developer has submitted to the City a Tract Map (hereinafter “Tract Map”) for the project known as 5150 ECR (hereinafter “Project”).
- B. The Project is geographically located within the boundaries of the Tentative Subdivision Map known as 5150 ECR Tentative Map (hereinafter “Tentative Map”). The Tentative Map is on file with the City Engineer and is incorporated herein by reference. The area within the boundaries of the Tentative Map is described in **Exhibit A** hereto (the “Property”).
- C. The City’s approval of the Tentative Map was subject to specified conditions of approval (hereinafter “Conditions”). The Conditions are attached hereto as **Exhibit B** and incorporated herein by reference.
- D. As required by the Conditions, the Tentative and Tract Maps, and the other Project entitlements, Developer shall construct public improvements in connection with the Project along El Camino Real, including but not limited to the following: installation of approximately 580 linear feet of concrete vertical curb and gutter, 3500 square feet of concrete sidewalk, 700 square feet of valley gutter, 320 square feet of concrete driveway approach, one (1) square feet of median curb and landscape replacement, installation of 6 accessible ramp, 43 feet of sewer lateral, one (1) of sewer manhole, , two (2) of abandon existing sewer lateral in place (fill with slurry), two (2) of storm drain manhole, 24 linear feet of 12 inch storm drain pipe, 15 linear feet of 15 inch storm drain pipe, 250 linear feet of 18” storm Drain pipe, 560 linear feet of abandon existing storm drain pipe in place (fill with slurry), 32 linear feet of removing existing storm drain pipe, eight (8) street signs, 580 linear feet of striping, one (1) VTA Bus Shelter, 1,580 square feet of landscape along El Camino Real, and installation of all appurtenances associated with above listed improvements (collectively, the “Work”).

**NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS AND CONDITIONS IDENTIFIED HEREIN, THE PARTIES HEREBY AGREE AS FOLLOWS:**

- 1. **SCOPE OF WORK.** The Developer shall perform, or cause to be performed, the Work described in the Plans and Specifications and the Conditions (hereinafter “Work”), to the satisfaction of the City Engineer. The Work shall be performed, and all materials and labor shall be provided, at the Developer’s sole cost and expense. No change shall be made to the Scope of Work unless authorized in writing by the City Engineer.
- 2. **PERMITS, LICENSES, AND COMPLIANCE WITH LAW.** The Developer shall, at the Developer’s expense, obtain and maintain all necessary permits and licenses for the performance of the Work. The Developer shall comply with all local, state, and federal laws, whether or not said laws are expressly stated in this Agreement. *WITHOUT LIMITING THE GENERALITY OF*

**CITY OF LOS ALTOS – IMPROVEMENT AGREEMENT  
5150 ECR**

*THE FOREGOING, DEVELOPER HEREBY AGREES TO BE BOUND BY THE LABOR CODE PROVISIONS ATTACHED HERETO AT **EXHIBIT C**.*

3. **DEVELOPER’S AUTHORIZED REPRESENTATIVE**. At all times during the progress of the Work, Developer shall have a competent foreperson or superintendent (hereinafter “Authorized Representative”) on site with authority to act on behalf of the Developer. The Developer shall, at all times, keep the City Engineer informed in writing of the name and telephone number of the Authorized Representative. The Developer shall, at all times, keep the City Engineer informed in writing of the names and telephone numbers of all contractors and subcontractors performing the Work.
  
4. **IMPROVEMENT SECURITY**. The Developer shall furnish faithful performance and labor and material security concurrently with the execution of this Agreement by the Developer, and prior to the commencement of any Work. The Developer shall furnish warranty security prior to the City's acceptance of the Work. The form of the security shall be as authorized by the Subdivision Map Act (including Government Code Sections 66499, *et seq.*) and Section 13.20.210 the Los Altos Municipal Code, and as set forth below:
  - 4(a). **Faithful Performance** security in the amount of \$1,724,494.10 (which amount is equal to the estimated cost to construct the Work in accordance with the Plans and Specifications) to secure faithful performance of this Agreement (until the date on which the City Council accepts the Work as complete) pursuant to Government Code Sections 66499.1, 66499.4, and 66499.9.
  - 4(b). **Labor and Material** security in the amount of \$862,247.05 (which amount is equal to fifty (50) percent of the estimated cost to construct the Work in accordance with the Plans and Specifications) to secure payment by the Developer to laborers and materialmen pursuant to Government Code Sections 66499.2, 66499.3, and 66499.4.
  - 4(c). **Warranty** security in the amount of \$172,449.41 (which amount is equal to ten (10) percent of the estimated cost to construct the Work in accordance with the Plans and Specifications) to secure faithful performance of this Agreement (from the date on which the City accepts the Work as complete until one year thereafter) pursuant to Government Code Sections 66499.1, 66499.4, and 66499.9.
  
5. **BUSINESS TAX**. The Developer shall apply for and pay the business license tax for a business license, in accordance with Los Altos Municipal Code Chapter 4.04.
  
6. **INSURANCE**. Developer shall, throughout the duration of this Agreement, maintain insurance to cover Developer (including its agents, representatives, contractors, subcontractors, and employees) in connection with the performance of services under this Agreement. **Exhibit D** of this Agreement identifies the minimum insurance levels with which Developer shall comply; however, the minimum insurance levels shall not relieve Developer of any other performance responsibilities under this Agreement (including the indemnity requirements), and Developer may carry, at its own expense, any additional insurance it deems necessary or prudent. The general liability and automobile policies required under **Exhibit D** shall contain, or be endorsed to contain, provision for the City, its officers, officials, employees, agents and volunteers, to be covered as additional insureds as respects alleged liability arising out of activities performed by or on behalf of the Developer under this Agreement. Concurrently with the execution of this Agreement by the Developer, and prior to the commencement of any services, the Developer shall furnish written proof of insurance (certificates and endorsements), in a form acceptable to the City. Developer shall provide substitute written proof of insurance no later than 30 days prior to the expiration date of any insurance policy required by this Agreement.

**CITY OF LOS ALTOS – IMPROVEMENT AGREEMENT  
5150 ECR**

7. **REPORTING DAMAGES.** If any damage (including death, personal injury or property damage) occurs in connection with the performance of this Agreement, Developer shall immediately notify the City Risk Manager’s office by telephone at, and Developer shall promptly submit to the City’s Risk Manager and the City Manager or desingee, a written report (in a form acceptable to the City) with the following information: (a) a detailed description of the damage (including the name and address of the injured or deceased person(s), and a description of the damaged property), (b) name and address of witnesses, and (c) name and address of any potential insurance companies.
8. **INDEMNIFICATION.** Developer shall indemnify, hold harmless, and defend (with counsel reasonably acceptable to the City) the City and its elected officials, officers, agents and employees from and against any and all claims (including all litigation, demands, damages, liabilities, costs, and expenses, and including court costs and attorneys’ fees) resulting or arising from performance, or failure to perform, under this Agreement (with the exception of the gross negligence or willful misconduct of the City).
9. **TIME OF PERFORMANCE.** Time is of the essence in the performance of the Work, and the timing requirements set forth herein shall be strictly adhered to unless otherwise modified in writing in accordance with this Agreement. The Developer shall submit all requests for extensions of time to the City, in writing, no later than ten (10) days after the start of the condition which purportedly caused the delay, and not later than the date on which performance is due.
- 9(a). Commencement of Work.** No later than fifteen (15) days prior to the commencement of Work, the Developer shall provide written notice to the City Engineer of the date on which the Developer shall commence Work. The Developer shall not commence Work until after the notice required by this section is properly provided, and the Developer shall not commence Work prior to the date specified in the written notice.
- 9(b). Schedule of Work.** Concurrently with the written notice of commencement of Work, the Developer shall provide the City with a written schedule of Work, which shall be updated in writing as necessary to accurately reflect the Developer’s prosecution of the Work.
- 9(c). Completion of Work.** The Developer shall complete all Work by no later than three hundred sixty-five (365) days after the City’s execution of this Agreement.
10. **INSPECTION BY THE CITY.** In order to permit the City to inspect the Work, the Developer shall, at all times, provide to the City proper and safe access to the Project site, and all portions of the Work, and to all shops wherein portions of the Work are in preparation. Developer shall reimburse the City for the costs of the City Engineer’s inspections of the Work, as required by Los Altos Municipal Code Section 13.20.190.
11. **DEFAULT.** If either party (“demanding party”) has a good faith belief that the other party (“defaulting party”) is not complying with the terms of this Agreement, the demanding party shall give written notice of the default (with reasonable specificity) to the defaulting party, and demand the default to be cured within ten days of the notice. If: (a) the defaulting party fails to cure the default within ten (10) days of the notice, or, (b) if more than ten (10) days are reasonably required to cure the default and the defaulting party fails to give adequate written assurance of due performance within ten (10) days of the notice, then (c) the demanding party may terminate this Agreement upon written notice to the defaulting party.

**CITY OF LOS ALTOS – IMPROVEMENT AGREEMENT  
5150 ECR**

**11(a).** The Developer shall be in default of this Agreement if the City Engineer determines that any one of the following conditions exist:

**11(a)(1).** The Developer is insolvent, bankrupt, or makes a general assignment for the benefit of its creditors.

**11(a)(2).** The Developer abandons the Project site.

**11(a)(3).** The Developer fails to perform one or more requirements of this Agreement.

**11(a)(4).** The Developer fails to replace or repair any damage caused by Developer or its agents, representatives, contractors, subcontractors, or employees in connection with performance of the Work.

**11(a)(5).** The Developer violates any legal requirement related to the Work.

**11(b).** In the event that the Developer fails to cure the default, the City may, in the discretion of the City Engineer, take any or all of the following actions:

**11(b)(1).** Cure the default and charge the Developer for the costs therefore, including administrative costs and interest in an amount equal to seven percent (7%) per annum from the date of default.

**11(b)(2).** Demand the Developer to complete performance of the Work.

**11(b)(3).** Demand the Developer's surety (if any) to complete performance of the Work.

- 12. ACCEPTANCE OF WORK.** Prior to acceptance of the Work by the City Engineer, the Developer shall be solely responsible for maintaining the quality of the Work, and maintaining safety at the Project site. Neither the final certificate of payment, nor any provision in this Agreement, nor partial or entire use or occupancy of the improvements by the City shall constitute an acceptance of the Work not done in accordance with this Agreement or relieve Developer of liability pursuant to Section 13, below. The Developer's obligation to perform the Work shall not be satisfied until after the City Engineer has made a written determination that all obligations of the Agreement have been satisfied and all outstanding fees and charges have been paid, the City Engineer has accepted the Work as complete, and the City Council has authorized the release of the security for faithful performance as described in Government Code Section 66499.7.
- 13. WARRANTY PERIOD.** The Developer shall warrant the quality of the Work, in accordance with the terms of the Plans and Specifications, for a period of one year after acceptance of the Work by the City. In the event that (during the one year warranty period) any portion of the Work is determined by the City Engineer to be defective as a result of an obligation of the Developer under this Agreement, the Developer shall be in default.
- 14. RELATIONSHIP BETWEEN THE PARTIES.** Developer is, and at all times shall remain, an independent contractor solely responsible for all acts of its employees, agents, contractors, or subcontractors, including any negligent acts or omissions. Developer is not City's agent, and shall have no authority to act on behalf of the City, or to bind the City to any obligation whatsoever, unless the City provides prior written authorization to Developer.
- 15. CONFLICTS OF INTEREST PROHIBITED.** Developer (including its employees, agents, contractors, and subcontractors) shall not maintain or acquire any direct or indirect interest that conflicts with the performance of this Agreement. If Developer maintains or acquires a conflicting interest, any contract with the City (including this Agreement) involving Developer's conflicting interest may be terminated by the City.
- 16. NONDISCRIMINATION.** Developer shall comply with all applicable federal, state, and local laws regarding nondiscriminatory employment practices, whether or not said laws are expressly

**CITY OF LOS ALTOS – IMPROVEMENT AGREEMENT  
5150 ECR**

stated in this Agreement. Developer shall not discriminate against any employee or applicant because of race, color, ancestry, ethnicity, religious creed, national origin, physical disability, mental disability, medical condition, marital or family status, sexual orientation, gender or gender identification, age (over 40), veteran status, or sex.

17. **NOTICES.** All notices required or contemplated by this Agreement shall be in writing and shall be delivered to the respective party as set forth in this section. Communications shall be deemed to be effective upon the first to occur of: (a) actual receipt (or refusal) by a party, or (b) actual receipt (or refusal) at the address designated below, or (c) three (3) working days following deposit in the United States Mail of registered or certified mail sent to the address designated below. Either party may modify their respective contact information identified in this section by providing notice to the other party.

**TO: City**

**To: Developer**

Attn: City Clerk’s Office  
City of Los Altos  
1 N. San Antonio Road  
Los Altos, CA 94022

Attn: 5150 ECR LLC,  
A California Limited  
Liability Company  
1900 S. Norfolk Street, Suite 150  
San Mateo, CA 94403

18. **HEADINGS.** The heading titles for each paragraph of this Agreement are included only as a guide to the contents and are not to be considered as controlling, enlarging, or restricting the interpretation of the Agreement.
19. **SEVERABILITY.** If any term of this Agreement (including any phrase, provision, covenant, or condition) is held by a court of competent jurisdiction to be invalid or unenforceable, the Agreement shall be construed as not containing that term, and the remainder of this Agreement shall remain in full force and effect; provided, however, this paragraph shall not be applied to the extent that it would result in a frustration of the parties’ intent under this Agreement.
20. **GOVERNING LAW, JURISDICTION, AND VENUE.** The interpretation, validity, and enforcement of this Agreement shall be governed by and interpreted in accordance with the laws of the State of California. Any suit, claim, or legal proceeding of any kind related to this Agreement shall be filed and heard in a court of competent jurisdiction in the County of Santa Clara.
21. **ATTORNEYS’ FEES.** In the event any legal action is commenced to enforce this Agreement, the prevailing party is entitled to reasonable attorney’s fees, costs, and expenses incurred.
22. **ASSIGNMENT AND DELEGATION.** This Agreement, and any portion thereof, shall not be assigned or transferred, nor shall any of the Developer’s duties be delegated, without the written consent of the City. Any attempt to assign or delegate this Agreement without the written consent of the City shall be void and of no force or effect. A consent by the City to one assignment shall not be deemed to be a consent to any subsequent assignment.

**CITY OF LOS ALTOS – IMPROVEMENT AGREEMENT  
5150 ECR**

23. **MODIFICATIONS.** This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by both parties.
24. **WAIVERS.** Waiver of a breach or default under this Agreement shall not constitute a continuing waiver or a waiver of a subsequent breach of the same or any other provision of this Agreement.
25. **CONFLICTS.** If any conflicts arise between the terms and conditions of this Agreement and the terms and conditions of the attached exhibits or any documents expressly incorporated, the terms and conditions of this Agreement shall control.
26. **ENTIRE AGREEMENT.** This Agreement, including all documents incorporated herein by reference, comprises the entire integrated understanding between the parties concerning the Work described herein. This Agreement supersedes all prior negotiations, agreements, and understandings regarding this matter, whether written or oral. The documents incorporated by reference into this Agreement are complementary; what is called for in one is binding as if called for in all.
27. **COVENANT RUNNING WITH THE LAND.** This Agreement is entered into as a condition of the Tentative Map, is an instrument affecting the title or possession of the real property, and is intended to run with the land. All the terms, covenants and conditions herein imposed shall be binding upon and inure to the benefit of City, Developer, the successors in interest of Developer, their respective successors and permitted assigns, and all subsequent owners of a fee interest in the Property or of a beneficial interest substantially equivalent to a fee interest. The obligations of the Developer under this Agreement shall be the joint and several obligations of each and all of the parties comprising Developer, if Developer consists of more than one individual and/or entity. Upon the sale or division of the Property, the terms of this Agreement shall apply separately to each parcel and the fee owners of each parcel shall succeed to the obligations imposed on Developer by this Agreement.
28. **MISCELLANEOUS.** This Agreement may be executed in counterparts, each of which shall be deemed an original. There are no third-party intended beneficiaries of this Agreement. This Agreement represents the contributions of both parties, each of whom has had the opportunity to be represented by competent counsel, and the rule stated in Civil Code Section 1654 that ambiguities in a contract be construed against the drafter shall have no application hereto.
29. **SIGNATURES.** The individuals executing this Agreement represent and warrant that they have the right, power, legal capacity, and authority to enter into and to execute this Agreement on behalf of the respective legal entities of the Developer and the City. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

**IN WITNESS WHEREOF**, the City and Developer do hereby agree to the full performance of the terms set forth herein.

**CITY OF LOS ALTOS – IMPROVEMENT AGREEMENT  
5150 ECR**

**CITY OF LOS ALTOS**

**LIMITED LIABILITY COMPANY  
5150 ECR, LLC**

By: \_\_\_\_\_  
Gabe Engeland  
Title: City Manager  
Date: \_\_\_\_\_

By: \_\_\_\_\_  
Don Peterson  
Title: Vice President  
Date: \_\_\_\_\_

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Jolie Houston  
Title: City Attorney



**CITY OF LOS ALTOS – IMPROVEMENT AGREEMENT  
5150 ECR**

**EXHIBIT A**

**LEGAL DESCRIPTION OF PROPERTY**

The land referred to is situated in the County of Santa Clara, City of Los Altos, State of California, and is described as follows:

Lot 18 in Block 4, as shown on that certain Map entitled, “Map No. 1 of the Town of Los Altos”, which Map was filed for record in the Office of the Recorder of the County of Santa Clara, State of California, on October 25, 1907, in Book “L” of Maps, at Page(s) 99.

EXCEPTING THEREFROM: that portion granted to The City of Los Altos, a Municipal Corporation, recorded on November 19, 1970 in Book 9127 of Official Records, at Page 563, under Recorder’s Series Number 3907414.

APN: 167-38-061

**CITY OF LOS ALTOS – IMPROVEMENT AGREEMENT  
5150 ECR**

**EXHIBIT B  
CONDITIONS OF APPORVAL**

**EXHIBIT B  
CONDITIONS**

**GENERAL**

**1. Approved Plans**

The project approval is based upon the plans documentation received on May 20, 2022, except as modified by these conditions.

**2. Affordable Housing**

The project shall provide the City 29 below market rate units as follows:

- a. Fourteen (14) one-bedroom condominium units at the low-income level; and
- b. Fifteen (15) two-bedroom condominium units at the low-income level;

**3. Exterior Lighting**

- a. Any exterior lighting above the ground floor on the sides and rear of the condominium and townhouse buildings shall be shrouded and/or directed down to minimize glare.
- b. All ground level exterior lighting along pathways, in common areas and as part of the landscaping shall incorporate the lowest wattage necessary to comply with applicable Building and Energy Codes and shall be designed to face downward and away from shared property lines to minimize off-site glare.

**4. Rear Yard Landscape Buffer**

- a. The existing grade within five (5) feet of the rear property line within the 20-foot landscape buffer should be maintained to the greatest extent feasible.
- b. The existing Podocarpus trees along the rear property line shall be maintained to the greatest extent feasible.
- c. The existing fence along the rear property line shall be maintained, repaired and/or replaced based on consultations with the owner(s) of each adjacent property.
- d. Grading and trenching shall be minimized within the dripline of any tree that is directly adjacent to the property line. If grading or trenching within a tree dripline is required, it shall be done under supervision of a licensed arborist and the owner of the tree shall be notified in advance.

**5. Phased Parking**

Once construction is initiated by the developer, there shall be continuous progress without phasing of the development. The project shall provide the resident and guest parking spaces required for the rental and townhouse units

**6. Phase Development**

Once construction is initiated by the developer, there shall be continuous progress without phasing of the development.

**7. Tree Preservation**

# CITY OF LOS ALTOS – IMPROVEMENT AGREEMENT 5150 ECR

The applicant shall use best efforts, as reasonably determined by the Community Development Director, to preserve tree number six as identified in the arborist report dated May 8, 2018.

## 8. **Bicycle Parking**

The project shall be updated to include additional grade level Class I and II bicycle parking spaces.

## 9. **Transit Facility Enhancements**

The development project shall coordinate with the Santa Clara County Valley Transportation Authority (VTA) to preserve the existing bus stop along the southern project frontage both during and post construction. During construction the transit facility cannot be blocked or relocated without approval from the VTA. Upon completion of project construction, the transit stop must be accommodated within the project's frontage improvements and include a new illuminated shelter with a dynamic message board facility for use by the City and VTA for community outreach efforts. The shelter and dynamic message board will be selected with input from both the VTA and City of Los Altos and be maintained by the frontage including refuge pick-up. The transit facility shall include enhanced red transit stop roadway markings and signage to highlight the facility and restrict parking. Based upon VTA input, the transit facility may also include additional enhancements to accommodate ride share drop off and pick up of residents and micro-mobility facilities such as electric bike share and other regional systems.

## 10. **Parking Restrictions along El Camino Real**

The project frontage, including the portion of El Camino Real north of the project site to Distel Drive shall include parking restrictions to accommodate future enhanced bicycle facilities for southbound El Camino Real.

## 11. **Route to School Maps**

A Route to School map shall be developed and provided to residents identifying the suggested Routes to School. The map shall be maintained and regularly updated to ensure accurate and safe routes to school.

## 12. **Encroachment Permit**

An encroachment permit and/or an excavation permit shall be obtained prior to any work done within the public right-of-way and it shall be in accordance with plans to be approved by the City Engineer. *Note: Any work within El Camino Real will require applicant to obtain an encroachment permit with Caltrans prior to commencement of work.*

## 13. **Public Utilities**

The applicant shall contact electric, gas, communication and water utility companies regarding the installation of new utility services to the site.

## 14. **Americans with Disabilities Act**

All improvements shall comply with Americans with Disabilities Act (ADA).

## 15. **Stormwater Management Plan**

**CITY OF LOS ALTOS – IMPROVEMENT AGREEMENT  
5150 ECR**

The applicant shall submit a complete Stormwater Management Plan (SWMP) and a hydrology calculation showing that 100% of the site is being treated; is in compliance with the Municipal Regional Stormwater NPDES Permit (MRP). Applicant shall provide a hydrology and hydraulic study, and an infeasible/feasible comparison analysis to the City for review and approval for the purpose to verify that MRP requirements are met.

**16. Sewer Lateral**

Any proposed sewer lateral connection shall be approved by the City Engineer.

**17. Transportation Permit**

A Transportation Permit, per the requirements specified in California Vehicle Code Division 15, is required before any large equipment, materials or soil is transported or hauled to or from the construction site.

**18. Affordable Units**

The Project’s below market rate units shall be constructed concurrently with the market rate units.

**19. Indemnity and Hold Harmless**

The applicant/owner agrees to indemnify, defend, protect, and hold the City harmless from all costs and expenses, including attorney’s fees, incurred by the City or held to be the liability of the City in connection with the City’s defense of its actions in any proceedings brought in any State or Federal Court, challenging any of the City’s action with respect to the applicant’s project.

**PRIOR TO SUBMITTAL OF BUILDING PERMIT**

**20. Green Building Standards**

The applicant shall provide verification that the project will comply with the City’s Green Building Standards (Section 12.26 of the Municipal Code) from a qualified green building professional.

**21. Property Address**

The applicant shall provide an address signage plan as required by the Building Official.

**22. Screening Trees**

The project shall address privacy screening trees as follows:

- The landscape plan shall provide fast-growing evergreen screening trees along the side property lines (east and west) and rear property lines (south) as required by the Community Development Director.
- All evergreen screening trees within the rear yard adjacent to the rear property line shall be at the approximate heights at 2 years growth as represented on the project architect’s submittal dated November 20, 2019. The trees shall be planted as soon as practicable after building permit issuance to minimize views of the townhouses and condominium buildings.

**CITY OF LOS ALTOS – IMPROVEMENT AGREEMENT  
5150 ECR**

- Along rear property line, the evergreen screening trees shall be planted a distance of 5’ to 10’ from the rear property line in a staggered manner so that they are not lined up parallel to the rear property line.
- The applicant shall work with the City to preserve trees along El Camino Real.
- The applicant shall work with the neighbors whose rear yard backs up to the project site, and who are interested, to plant trees on the neighbor’s private property at the rear line of their fence to address privacy concerns.

**23. Fence**

The project plans shall be revised to incorporate fences along the side (east and west) property lines and south (rear) property line with a minimum height ten feet based on consultations with the owner(s) of each adjacent property for the purpose of attenuating noise and improving privacy.

**24. Common Open Space**

The project plans shall revise the common open space area to provide family- and children-oriented open space and amenities, including, but not limited to a playground for young children, dedicated area for dogs, outdoor cooking facilities, and other family-oriented amenities.

**25. Affordable Unit Term**

All below market residential units subject to this approval shall remain affordable for the maximum period provided by law.

**26. Parkland Dedication**

Unless not prohibited by or it is not economically infeasible due to reasons beyond the applicant’s control, the applicant and City shall enter into good faith negotiations toward executing a memorandum of understanding (MOU) or Exclusive Negotiating Agreement (ENA) prior to issuance of the project’s first building permit. The agreement would allow the city and applicant/developer to negotiate the terms of an agreement that will provide a public park at 745 Distel Drive. The agreement shall:

- a. Provide for a “turn key” park and detail the process by which the park design will be developed and approved.
- b. Provide for payment to the city of the difference between the total cost of the park and the in-lieu park fee amount that would otherwise be paid.
- c. Require the payment of the estimated difference between the total cost of the park and the otherwise required in-lieu fee at the time of issuance of the first building permit for the project.
- d. Include an “opt-out” clause.

In the event that an MOU or ENA is not executed by the parties prior to issuance of the project’s first building permit, the applicant shall instead pay the applicable in lieu park fee.

Park in-lieu fees would be for the acquisition of parklands, unless there is a separate action/motion to alter the use of the funds.

**CITY OF LOS ALTOS – IMPROVEMENT AGREEMENT  
5150 ECR**

**27. Water Efficient Landscape Plan**

Provide a landscape documentation package prepared by a licensed landscape professional showing how the project complies with the City's Water Efficient Landscape Regulations.

**28. Air Quality Filtration and Ventilation Requirements**

The project shall install air filtration at residential units exposed to annual PM<sub>2.5</sub> exposure above 0.3 µg/m<sup>3</sup>. To ensure adequate health protection to sensitive receptors, a ventilation system is proposed to meet the following minimal design standards:

- a. Install air filtration in residential buildings. Air filtration devices shall be rated MERV13 or higher for portions of the site that have annual PM<sub>2.5</sub> exposure above 0.3 µg/m<sup>3</sup>. The ventilation system, whether mechanical or passive, shall filter all fresh air circulated into the dwelling units.
- b. As part of implementing this measure, an ongoing maintenance plan for the buildings' heating, ventilation, and air condition (HVAC) air filtration system shall be required.
- c. Ensure that the use agreement and other property documents: (1) require cleaning, maintenance, and monitoring of the affected buildings for air flow leaks, (2) include assurance that new owners or tenants are provided information on the ventilation system, and (3) include provisions that fees associated with owning or leasing a unit(s) in the building include funds for cleaning, maintenance, monitoring, and replacements of the filters, as needed.

**29. Noise Level Requirements**

To ensure consistency with the General Plan and Noise Control Ordinance, the applicant shall incorporate the following requirements into the project design:

- a. When refining the project's site plan, locate outdoor use areas away from El Camino Real and continue to shield noise-sensitive outdoor spaces with buildings or noise barriers where feasible.
- b. Provide a suitable form of forced-air mechanical ventilation, as determined by the building official, for all residential buildings, so that windows can be kept closed to control noise.
- c. Provide sound-rated windows to northeast, northwest, and southeast facing condominium units to maintain interior noise levels at acceptable levels. Preliminary calculations show that sound-rated windows with minimum STC Rating of 33 to 34 would be satisfactory for units fronting El Camino Real and windows with minimum STC Rating of 28 to 29 would be satisfactory for northwest and southeast facing condominium units to achieve acceptable interior noise levels, assuming a wall construction with STC 46 or greater and 40 percent windows or less. The specific determination of what noise insulation treatments are necessary shall be conducted on a unit-by-unit basis during final design of the project once final building plans and elevations are available.

**30. Traffic Signal Modification at El Camino Real and Rengstorff Avenue**

The traffic signal facility at the intersection of El Camino Real & Rengstorff Avenue shall be revised to be consistent with the current State of California design standards. Traffic signal modification shall be coordinated with the California Department of Transportation – Caltrans and the City of Mountain View and modifications may include new pole standards replacement, curb ramp reconfiguration, accessible pedestrian signal upgrades for ADA accessibility, bulb-out improvements for mobility enhancements, streetlight upgrades, and other improvements necessary to comply with planned Caltrans and City of Mountain View

# CITY OF LOS ALTOS – IMPROVEMENT AGREEMENT 5150 ECR

Grand Boulevard design standard for El Camino Real. It shall be the responsibility of the developer and their contractor agents to obtain any necessary Encroachment Permits from both Caltrans and the City of Mountain View prior to the commencement of work and approval of off-site improvement plans by the City. The traffic signal modification plan shall include a photometric analysis of the intersection to help identify necessary lighting upgrades to maintain an average 4.0 foot-candle light distribution through the entire intersection.

### **31. Intersection Driveway Configuration**

The new driveway configuration for the 5150 El Camino Real project shall include a detached driveway at the El Camino Real & Rengstorff Avenue intersection, with both aligning with movements on the Rengstorff Avenue side of the intersection, and maintain clearly defined pedestrian access through the intersection across the driveway with traffic signal controls.

### **PRIOR TO FINAL MAP RECORDATION**

### **32. Covenants, Conditions and Restrictions**

The applicant shall include provisions in the Covenants, Conditions and Restrictions (CC&Rs) as follows:

- a. Along rear property line – trees shall be planted a distance of 5’ to 10’ from the rear property line in a staggered manner so that they are not lined up parallel to the rear property line.
- b. Storage on private patios and decks shall be restricted; and rules for other objects stored on private patios and decks shall be established with the goal of minimizing visual impacts.
- c. Long-term maintenance and upkeep of the landscaping and street trees, as approved by the City, shall be a duty and responsibility of the property owners. Specifically, the landscape buffer, including both trees and landscaping, along the rear property line shall be permanently maintained as required by the CT District per Municipal Code Section 14.50.110(C).
- d. Both parking spaces in a tandem space shall be owned by the same unit and cannot be owned or used by separate units.
- e. The parking spaces on the dead-end drive aisles should be reserved for residents and guest parking spaces should be located near the driveway ramp.
- f. The maintenance, upkeep, and replacement of any removed plant or tree as shown on the project landscape plan and on-going maintenance of street trees, as approved by the City, shall be a duty and responsibility of the property owners in perpetuity.

### **33. Pedestrian Access Easement**

The applicant shall dedicate to the public the public sidewalk along the El Camino Real frontage that is on the project site to the City of Los Altos for use as a pedestrian access easement, and a private access easement along the east and west side of the two-five-story buildings and along the townhouses for use as a private pedestrian access easement. Applicant shall submit documentation to the City for review and approval for the recordation of the public easement to the City of Los Altos and private easement in accordance with the CC&Rs for the project.

### **34. No Build Easement**

# CITY OF LOS ALTOS – IMPROVEMENT AGREEMENT 5150 ECR

The applicant shall record a seven-foot wide no build easement for along the south property line of Lot No. 1 above grade over which no buildings shall be constructed.

## **35. Emergency Vehicle Access Easement**

The applicant shall dedicate the roadway along the east and west side of the two-five-story buildings and along the townhouses to the City of Los Altos for use as an emergency vehicle access easement. Applicant shall submit documentation to the City for review and approval for the recordation of the public easement to the City of Los Altos.

## **36. Public Utility Dedication**

The applicant shall dedicate public utility easements as required by the utility companies to serve the site.

## **37. Payment of Fees**

The applicant shall pay all applicable fees, including but not limited to sanitary sewer impact fees, parkland dedication in-lieu fees, traffic impact fees as modified by Condition No. 26, affordable housing impact fees, public art impact fee and map check fee plus deposit as required by the City of Los Altos Municipal Code.

## **PRIOR TO ISSUANCE OF BUILDING PERMIT**

## **38. Final Map Recordation**

The applicant shall record the final map. Plats and legal descriptions of the final map shall be submitted for review by the City Land Surveyor. Applicant shall provide a sufficient fee retainer to cover the cost of the map review by the City.

## **39. Well Destruction**

Prior to a final on the grading permit, any on-site well(s) encountered shall be removed or mitigated to eliminate hazards associated with abandoned wells, subject to any required permits from the Department of Environmental Resources, Santa Clara Water District and in accordance with all laws and policies (Santa Clara County and California State Model Well Standards).

## **40. Electric Vehicle Charging and Electric Vehicle Ready Stalls**

The project plans shall show the electric vehicle charging (EVC) stalls and electric vehicle ready (EVR) stalls consistent with the project plans received on November 20, 2019 or the Los Altos Municipal Code, whichever results in the greater number of EVC or EVR stalls.

## **41. Photovoltaic Panels and System**

The project plans shall show the photovoltaic panels and system consistent with the project plans received on November 20, 2019 or the Los Altos Municipal Code, whichever results in the greater number of photovoltaic panels and system.

## **42. Affordable Housing Agreement**

The Applicant shall execute and record an Affordable Housing Agreement, in a form approved and signed by the Community Development Services Director and the City Attorney, which includes the use of the City's adopted housing priority policy as may be amended from time to



**CITY OF LOS ALTOS – IMPROVEMENT AGREEMENT  
5150 ECR**

time, that offers 298 below market rate rental units affordable to low-income households, for an indefinite period99 years, as defined in Condition No. 2. The below market rate units shall be constructed concurrently with the market rate units, shall be provided at the location on the approved plans, and shall not be significantly distinguishable with regard to design, construction or materials. Upon completion of the townhouses on Lot No. 2, five townhouses shall not be sold for five years from the date of occupancy and shall be held by an entity controlled by Prometheus Real Estate Group, Inc. If 172 rental units on Lot No. 1 have not commenced vertical construction within five years from completion of townhouses, the five unsold townhouse units shall be dedicated as affordable units. If the 172 rental units on Lot No. 1 have commenced vertical construction within five years from the completion of the townhouses, the condition for five unsold townhouse units be dedicated as affordable will terminate.

**43. Performance Bond**

The applicant shall submit a cost estimate for the improvements in the public right-of-way and shall submit a 100-percent performance bond and 50-percent labor and material bond (to be held six months after acceptance of improvements) for the public right-of-way work.

**44. Maintenance Bond**

A one-year, ten-percent maintenance bond shall be submitted upon acceptance of improvements in the public right-of-way.

**45. Stormwater Management Plan**

The applicant shall submit a complete Stormwater Management Plan (SWMP) and a hydrology calculation showing that 100% of the site is being treated; is in compliance with the Municipal Regional Stormwater NPDES Permit (MRP). Applicant shall provide a hydrology and hydraulic study, and an infeasible/feasible comparison analysis to the City for review and approval for the purpose to verify that MRP requirements are met.

**46. Storm Water Filtration Systems**

The applicant shall insure the design of all storm water filtration systems and devices are without standing water to avoid mosquito/insect infestation.

**47. Grading and Drainage Plan**

The applicant shall submit detailed plans for on-site and off-site grading and drainage plans that include drain swales, drain inlets, rough pad elevations, building envelopes, and grading elevations for review and approval by the City Engineer.

**48. Sewage Capacity Study**

The applicant shall show sewer connection to the City sewer main and submit calculations showing that the City's existing 8-inch sewer main will not exceed two-thirds full due to the additional sewage capacity from proposed project. For any segment that is calculated to exceed two-thirds full for average daily flow or for any segment that the flow is surcharged in the main due to peak flow, the applicant shall upgrade the sewer line or pay a fair share contribution for the sewer upgrade to be approved by the City Engineer.

**49. Construction Management Plan**

**CITY OF LOS ALTOS – IMPROVEMENT AGREEMENT  
5150 ECR**

The applicant shall submit a construction management plan on a monthly basis for review and approval by the Community Development Director and the City Engineer that includes the following:

- a. The construction management plan shall address any construction activities affecting the public right-of-way, including but not limited to excavation, traffic control, truck routing, staging area, pedestrian protection, material storage, earth retention and construction vehicle parking. The staging area shall remain in one location at the project site. All construction parking shall occur on-site or locations approved by the Community Development Director. No construction parking shall be permitted in residential neighborhoods.
- b. Applicant, Developer, or Contractor shall designate a “disturbance coordinator” who can address complaints/concerns/issues/questions related to construction or development during, including dust control and excessive vibration, all phases of the project and provide the City of Los Altos with the name and contact information of the person appointed to this position.
- c. Applicant, Developer, or Contractor shall post publicly visible sign(s) with the telephone number and name of “disturbance coordinator” and include copy on the sign indicating that this is the project contact who can address complaints/concerns/issues/questions related to construction or development during all phases of the project.
- d. Applicant/Developer/Contractor shall maintain and submit a copy to the City of Los Altos Community Development Department a log of all complaints/concerns/issues/questions related to construction or development during all phases of the project. The log shall provide a description of the complaint/concern/issue/question at hand and the efforts taken to address them. Every effort shall be made to respond to a submitted complaint/concern/issue/question within 24 hours.
- e. All vehicles involved with or related to the construction of this project shall be limited to parking on the project site or the property at 745 Distel Drive. There shall be no construction parking of any type in any of the neighboring residential areas and all involved in the construction and development of this project shall be notified verbally and in writing of these limitations and provided with maps of approved parking locations.
- f. A Transportation Permit, per the requirements in California Vehicle Code Division 15, is required before any large equipment, materials or soil is transported or hauled to or from the site. Applicant shall pay the applicable fees before the transportation permit can be issued by the Traffic Engineer.

**50. Solid Waste Ordinance Compliance**

The applicant shall be in compliance with the City’s adopted Solid Waste Collection, Remove, Disposal, Processing & Recycling Ordinance (LAMC Chapter 6.12) which includes a mandatory requirement that all commercial and multi-family dwellings provide for recycling and organics collection programs.

**51. Solid Waste and Recyclables Disposal Plan**

The applicant shall contact Mission Trail Waste Systems and submit a solid waste and recyclables disposal plan indicating the type, size and number of containers proposed, and the frequency of pick-up service subject to the approval of the Engineering Division. The applicant shall also submit evidence that Mission Trail Waste Systems has reviewed and approved the size and location of the proposed trash enclosure. The enclosure shall be designed to prevent

# CITY OF LOS ALTOS – IMPROVEMENT AGREEMENT 5150 ECR

rainwater from mixing with the enclosure's contents and shall be drained into the City's sanitary sewer system. The enclosure's pad shall be designed to not drain outward, and the grade surrounding the enclosure designed to not drain into the enclosure. In addition, applicant shall show on plans the proposed location of how the solid waste will be collected by the refusal company. Include the relevant garage clearance dimension and/or staging location with appropriate dimensioning on to plans.

## **52. Sidewalk Lights**

The applicant shall maintain the existing light fixture and/or install new light fixture(s) in the El Camino Real sidewalk as directed by the City Engineer.

## **PRIOR TO FINAL OCCUPANCY**

## **53. Condominium Map**

The applicant shall record the condominium map as required by the City Engineer.

## **54. Landscape and Irrigation Installation**

All on- and off-site landscaping and irrigation shall be installed and approved by the Community Development Director and the City Engineer. Provide a landscape Certificate of Completion, signed by the project's landscape professional and property owner, verifying that the trees, landscaping and irrigation were installed per the approved landscape documentation package.

## **55. Signage and Lighting Installation**

The applicant shall install all required signage and on-site lighting per the approved plan. Such signage shall include the disposition of guest parking, the turn-around/loading space in the front yard and accessible parking spaces.

## **56. Green Building Verification**

The applicant shall submit verification that the structure was built in compliance with the California Green Building Standards pursuant to Section 12.26 of the Municipal Code.

## **57. Acoustical Report**

The applicant shall submit a report from an acoustical engineer ensuring that the rooftop mechanical equipment meets the City's noise regulations.

## **58. Sidewalk in Public Right-of-Way**

The applicant shall install new sidewalk, vertical curb and gutter, and driveway approaches from property line to property line along the frontage of El Camino Real as shown on the approved plans and as required by the City Engineer.

## **59. Public Infrastructure Repairs**

The applicant shall repair any damaged right-of-way infrastructures and otherwise displaced curb, gutter and/or sidewalks and City's storm drain inlet shall be removed and replaced as directed by the City Engineer or his designee. The applicant is responsible to resurface (grind and overlay) half of the street along the frontage of El Camino Real and Jordan Ave. if determined to be damaged during construction, as directed by the City Engineer or his

## **EXHIBIT C**

### **LABOR CODE PROVISIONS**

1. This Agreement is subject to all applicable requirements of Chapter 1 of Part 7 of Division 2 of the Labor Code, including requirements pertaining to wages, working hours and workers' compensation insurance.
2. The Work is subject to the prevailing wage requirements applicable to the locality in which the Work is to be performed for each craft, classification or type of worker needed to perform the Work, including employer payments for health and welfare, pension, vacation, apprenticeship and similar purposes. Copies of these prevailing rates are available online at <http://www.dir.ca.gov/DLSR>.
3. Developer shall not enter into a contract with a contractor for the performance of the Work unless the contractor and its subcontractors are registered with the California Department of Industrial Relations to perform public work under Labor Code Section 1725.5, subject to limited legal exceptions.

## **EXHIBIT D**

### **INSURANCE REQUIREMENTS**

Developer's performance of Work under this agreement shall not commence until Developer shall have obtained all insurance required under this Exhibit and such insurance shall have been reviewed and approved by the Risk Manager. All requirements herein provided shall appear either in the body of the insurance policies or as endorsements and shall specifically bind the insurance carrier.

Developer shall procure and maintain for the duration of the contract all necessary insurance against claims now and in the future for alleged injuries to persons or damages to property which may arise from or in connection with the performance of the Work by the Developer, the Contractor it's agents, representatives, employees and contractors.

#### **INSURANCE COVERAGE AND LIMITS RESTRICTIONS**

1. It shall be a requirement under this agreement that any available insurance proceeds broader than or in excess of the specified minimum insurance coverage requirements and/or limits shall be available to the additional insured. Furthermore, the requirements for coverage and limits shall be (1) the minimum coverage and limits specified in this agreement; or (2) the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the named insured; whichever is greater.
2. The limits of insurance required in this agreement may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of the City before the City's own insurance or self-insurance shall be called upon to protect it as a named insured.

#### **A. MINIMUM SCOPE OF INSURANCE**

Coverage shall be at least as broad as:

1. Insurance Services Office Commercial General Liability coverage:
  - a. Blanket contractual liability
  - b. Broad form property coverage
  - c. Personal injury
2. Insurance Services Office form covering Automobile Liability, code 1 (any auto).
3. Workers' Compensation insurance as required by the State of California and Employer's Liability insurance.
4. Such other insurance coverages and limits as may be required by the City.

#### **B. MINIMUM LIMITS OF INSURANCE**

Developer shall maintain limits no less than:

1. General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage and a \$2,000,000 aggregate. If Commercial General Liability insurance or other form with a general aggregate liability is used, either the general aggregate limit shall apply separately to this agreement or the general aggregate limit shall be twice the required occurrence limit.
2. Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.
3. Employer's Liability:
  - Bodily Injury by Accident - \$1,000,000 each accident.
  - Bodily Injury by Disease - \$1,000,000 policy limit.
  - Bodily Injury by Disease - \$1,000,000 each employee.

**CITY OF LOS ALTOS – IMPROVEMENT AGREEMENT  
5150 ECR**

4. Such other insurance coverages and limits as may be required by the City of.

**C. DEDUCTIBLES AND SELF-INSURED RETENTIONS**

1. Any deductibles or self-insured retentions must be declared to and approved by the City of. At the option of the City, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City of **\*\*CITY\*\***, its officers, officials, employees, and volunteers; or the Developer shall procure a bond guaranteeing payment of losses and related investigations, claims administration and defense expenses.
2. Policies containing any self-insured retention (SIR) provision shall provide or be endorsed to provide that the SIR may be satisfied by either the named insured or the City.
3. The City reserves the right to obtain a full certified copy of any insurance policy and endorsement. Failure to exercise this right shall not constitute a waiver of the right to exercise later.

**D. ADDITIONAL INSURED REQUIREMENTS:**

The required general liability and automobile policies are to contain, or be endorsed to contain the following provisions:

- a. The City, its officers, officials, employees, agents, and volunteers are to be covered as additional insureds as respects alleged: liability arising out of activities performed by or on behalf of the Developer; products and completed operations of the Developer; premises owned, occupied or used by the Developer; or automobiles owned, leased, hired or borrowed by the Developer. The coverage shall contain no special limitations on the scope of protection afforded to the City, its officers, officials, employees, agents or volunteers.
- b. Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to the City, its officers, officials, employees, agents or volunteers.
- c. The Developer's insurance shall apply separately to each insured against whom a claim is made or suit is brought except, with respect to the limits of the insurer's liability.
- d. Developer shall furnish properly executed Certificates of Insurance from insurance companies acceptable to the City and signed copies of the specified endorsements for each policy prior to commencement of work under this agreement. Such documentation shall clearly evidence all coverages required above including specific evidence of separate endorsements naming the City and shall provide that such insurance shall not be materially changed, terminated or allowed to expire except after 30 days prior written notice by certified mail, return receipt requested, has been filed with the City Clerk.  
Such insurance shall be maintained from the time work first commences until completion of the work under this agreement. Developer shall replace such certificates for policies expiring prior to completion of work under this agreement.

**E. ACCEPTABILITY OF INSURERS**

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A: VII.

**F. COMPLETED OPERATIONS**

Developer shall maintain insurance as required by this contract to the fullest amount allowed by law and shall maintain insurance for a minimum of five years following the completion of this project. In the event the Developer fails to obtain or maintain completed operations coverage as required by this

## **CITY OF LOS ALTOS – IMPROVEMENT AGREEMENT 5150 ECR**

agreement, the City at its sole discretion may purchase the coverage required and the cost will be paid by the Developer.

### **G. CROSS-LIABILITY**

The Liability policy shall include a cross-liability or severability of interest endorsement.

### **H. FAILURE TO MAINTAIN INSURANCE COVERAGE**

If Developer, for any reason, fails to maintain insurance coverage, which is required pursuant to this Agreement, the same shall be deemed a material breach of contract. The City, at its sole option, may terminate this agreement and obtain damages from the Developer resulting from said breach.

Alternatively, the City may purchase such required insurance coverage, and Developer shall reimburse the City for any premium costs advanced by the City for such insurance.

### **I. PRIMARY AND NON-CONTRIBUTORY**

For any claims related to this project, the Developer's insurance coverage shall be primary insurance as respects the City, its officers, officials, employees, agents and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, agents or volunteers shall be in excess of the Developer's insurance and shall not contribute with it.

The additional insured coverage under the Developer's policy shall be primary and non-contributory" and will not seek contribution from the City's insurance or self-insurance and shall be at least as broad as CG 20 01 04 13.

### **J. SUBCONTRACTORS**

Developer shall require its contractors to maintain the same levels of insurance and provide the same indemnity that the Developer is required to provide under this Agreement. A contractor is anyone who is under contract with the Developer or any of its contractors to perform work contemplated by this Agreement. The Developer shall require all contractors to provide evidence of valid insurance and the required endorsements prior to the commencement of any work.

### **K. SUBROGATION WAIVER**

Developer agrees to waive subrogation rights against City regardless of the applicability of any insurance proceeds, and to require all Contractors, subcontractors or others involved in any way with the services to do likewise.

### **L. VERIFICATION OF COVERAGE**

Developer shall furnish the City with original endorsements effecting coverage required by this clause. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. All endorsements are to be received and approved by the City before the services commence.