



**CITY OF SOUTH PASADENA  
CITY COUNCIL REGULAR MEETING AGENDA**

**Council Chamber  
1424 Mission Street, South Pasadena, CA 91030  
November 4, 2020, at 7:30 p.m.**

**South Pasadena City Council Statement of Civility**

*As your elected governing board, we will treat each other, members of the public, and city employees with patience, civility and courtesy as a model of the same behavior we wish to reflect in South Pasadena for the conduct of all city business and community participation. The decisions made tonight will be for the benefit of the South Pasadena community and not for personal gain.*

**NOTICE ON PUBLIC PARTICIPATION & ACCESSIBILITY**

Pursuant to Section 3 of Executive Order N-29-20, issued by Governor Newsom on March 17, 2020, the regular meeting of the City Council for November 4, 2020 will be conducted remotely and held by video conference.

The Meeting will be broadcast live on the City's website ([http://www.spectrumstream.com/streaming/south\\_pasadena/live.cfm](http://www.spectrumstream.com/streaming/south_pasadena/live.cfm)).

Please be advised that pursuant to the Executive Order, and to ensure the health and safety of the public by limiting human contact that could spread the COVID-19 virus, the Council Chambers will not be open for the meeting. Council Members will be participating remotely and will not be physically present in the Council Chambers.

If you would like to comment on an agenda item, members of the public may submit their comments for City Council consideration, by one of the following options:

**Option 1:**

1. Dial (626) 322-2344 and leave a recording of your public comment. Please state your name; if you are providing public comment for open or closed session; and, the agenda item number. If no agenda item number is provided, your public comment will automatically be played under the general public comment portion of the open session meeting. The cutoff time for public comment to be submitted via phone recording is 4 p.m. the day of the Council Meeting.

**Option 2:**

2. Email your public comments to [ccpubliccomment@southpasadenaca.gov](mailto:ccpubliccomment@southpasadenaca.gov). Public Comments received in writing will not be read aloud at the meeting. Written public comments will be announced at the meeting and become part of the meeting record. Written public comments will be uploaded online for public viewing under Additional Documents. There is no word limit on

emailed Public Comment. Please make sure to indicate: 1) your name, and 2) what agenda item you are submitting public comment on.

**CALL TO ORDER:** Mayor Robert S. Joe

**ROLL CALL:** Councilmembers Michael A. Cacciotti; Stephen E. Rossi; and Richard D. Schneider, M.D.; Mayor Pro Tem Diana Mahmud; and Mayor Robert S. Joe

**PLEDGE OF ALLEGIANCE:** Mayor Robert S. Joe

### **PUBLIC COMMENT AND SUGGESTIONS**

The City Council welcomes public input. If you would like to comment on an agenda item, members of the public may submit their comments for City Council consideration by one of the following options:

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Pursuant to state law, the City Council may not discuss or take action on issues not on the meeting agenda, except that members of the City Council or staff may briefly respond to statements made or questions posed by persons exercising public testimony rights (Government Code Section 54954.2). Staff may be asked to follow up on such items.

## **1. Public Comment – General**

### **COMMUNICATIONS**

#### **2. Councilmembers Communications**

Time allotted per Councilmember is three minutes. Additional time will be allotted at the end of the City Council Meeting agenda, if necessary.

#### **3. City Manager Communications**

#### **4. Reordering of and Additions to the Agenda**

**OPPORTUNITY TO COMMENT ON CONSENT CALENDAR**

Items listed under the consent calendar are -considered by the City Manager to be routine in nature and will be enacted by one motion unless a public comment has been received or Councilmember requests otherwise, in which case the item will be removed for separate consideration. Any motion relating to an ordinance or a resolution shall also waive the reading of the ordinance or resolution and include its introduction or adoption as appropriate.

**CONSENT CALENDAR**

5. **Approval of Prepaid Warrants in the Amount of \$91,276.83; General City Warrants in the Amount of \$369,165.35; Payroll in the Amount of \$573,019.90; Supplemental ACH Payments in the Amount of \$191,887.53**

Recommendation

It is recommended that the City Council approve the Warrants as presented.

6. **Adoption of a Resolution Approving the City of South Pasadena Investment Policy for Fiscal Year 2020-21**

Recommendation

It is recommended that the City Council adopt a resolution approving the Fiscal Year (FY) 2020-21 Investment Policy.

7. **Approval of a Mills Act Contract for Property Located at 335 Monterey Road (Assessor's Parcel Number 5311-012-010), Project No. 2348-MIL**

Recommendation

It is recommended that the City Council enter into a Mills Act contract with the property owners of 335 Monterey Road, which is designated as a City landmark, Landmark No. 47 - Burwood House.

8. **Approval of a Mills Act Contract for Property Located at 704 Meridian Avenue (Assessor's Parcel Number 5313-013-041), Project No. 2346-MIL**

Recommendation

It is recommended that the City Council enter into a Mills Act contract with the property owners of 704 Meridian Avenue, which is a contributor to the designated North of Mission Street District.

9. **Approval of a Mills Act Contract for Property Located at 1506 Rollin Street (Assessor's Parcel Number 5319-004-013), Project No. 2305-MIL**

Recommendation

It is recommended that the City Council enter into a Mills Act contract with the property owners of 1506 Rollin Street, which is a contributor to the Rollin Craftsman Cluster District.

**10. Approval of a Mills Act Contract for Property Located at 1545 Ramona Avenue (Assessor’s Parcel Number 5319-025-032), Project No. 2306-MIL**

Recommendation

It is recommended that the City Council enter into a Mills Act contract with the property owners of 1545 Ramona Avenue, which is a contributor to the designated Ramona Craftsman District.

**11. Approval of Contract with Bob Murray & Associates for City Manager Executive Search Services**

Recommendation

It is recommended that the City Council authorize a contract with Bob Murray & Associates to immediately begin an executive search for the position of City Manager.

**12. Adoption of a Resolution Supporting Governor Newsom’s Executive Order N-79-20 Requiring Sales of All New Passenger Vehicles to be Zero-Emission by 2035 and Additional Measures to Eliminate Harmful Emissions from the Transportation Sector**

Recommendation

It is recommended that the City Council adopt a resolution in support of Governor Newsom’s Executive Order N-79-20, requiring sales of all new passenger vehicles to be zero-emission by 2035 and additional measures to eliminate harmful emissions from the transportation sector.

**PUBLIC HEARING**

**13. Adoption of an Urgency Ordinance Establishing a 45-day Moratorium on Evictions for Substantial Remodels and discussion of Tenant Relocation Fees**

Recommendation

It is recommended that the City Council:

1. Adopt an Urgency Ordinance to establish a 45-day moratorium on evictions for substantial remodels;
2. Direct staff to study the issue and develop an ordinance to be adopted prior to the expiration of the moratorium; and
3. Provide direction regarding tenant relocation fees.

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**ACTION/DISCUSSION ITEMS****14. Receive and File a Presentation by the Chamber of Commerce and Approve Discretionary Fund Requests from Councilmember Cacciotti (\$2,000), Mayor Joe (\$3,000), and Councilmember Rossi (\$3,870) for Business District Holiday Lighting and Decorations**Recommendation

It is recommended that the City Council:

1. Receive and file a presentation by the South Pasadena Chamber of Commerce (Chamber) on its plan for holiday lighting and decorations in the business district encouraging people to *Eat, Shop, and Enjoy South Pasadena*.
2. Approve discretionary fund requests by Councilmember Cacciotti, in the amount of (up to) \$2,000; Mayor Joe in the amount of \$3,000; and Councilmember Rossi, in the amount of \$3,870.

**15. Finance Department Temporary Staffing Request**Recommendation

It is recommended that the City Council:

1. Receive an update regarding the status of Finance Department projects; and
2. Allocate \$74,150 from General Fund Reserves to provide temporary, additional staffing assistance to complete the FY 2020 CAFR and FY 2020/2021 Budget; and
3. Authorize the Interim City Manager to sign employment agreements with the two (2) CALPERS annuitants, for a combined total salary amount not to exceed \$74,150.

**16. Planning Backlog of Projects and Request for Enhancement and Backfill Resources**Recommendation

It is recommended that the City Council:

1. Receive an update regarding the backlog of planning applications; and
2. Allocate \$186,400 from General Fund Reserves to provide temporary, additional staffing assistance to process the backlog of planning applications for approximately six months; and to provide temporary staffing to backfill the position of the Long Range Planning and Economic Development Division Manager during an extended absence of approximately four months; and
3. Approve a Professional Services Agreement (PSA) with [firm to be determined] in an amount not to exceed \$120,000 for up to six months for enhancement services to address the planning application backlog; and
4. Delegate to the Interim City Manager the approval of an Employment Agreement with CalPERS annuitant Elizabeth Bar-El in an amount not to exceed \$57,950 to provide backfill temporary planning services for four months during the leave of the Planning Manager.

## **17. Formation of an Ad Hoc Committee to Review and Make Recommendations on the Responsibilities and Duties of City Boards and Commissions**

### Recommendation

It is recommended that the City Council:

1. Establish an Ad Hoc Committee from among current and former Commissioners to work with staff to review and make recommendations concerning responsibilities and duties of City boards and commissions;
2. Select one councilmember to serve on the Committee; and
3. Solicit applications for appointment to the committee; and return at the next regular meeting to appoint members.

## **INFORMATION REPORTS**

## **18. South Pasadena Homelessness Plan**

## **ADJOURNMENT**

### **FUTURE CITY COUNCIL MEETINGS (OPEN SESSION)**

November 18, 2020	Regular City Council Meeting	Council Chamber	7:30 p.m.
December 2, 2020	Regular City Council Meeting	Council Chamber	7:30 p.m.
December 16, 2020	Regular City Council Meeting	Council Chamber	7:30 p.m.

### **PUBLIC ACCESS TO AGENDA DOCUMENTS AND BROADCASTING OF MEETINGS**

City Council Meeting agenda packets and any agenda related documents are available online for public inspection on the City website: <https://www.southpasadenaca.gov/government/city-council-meetings/2019-council-meetings-copy>. Additional Documents, when presented to City Council, will also be uploaded and available on the City's website.

Currently, regular meetings are streamed live via the internet at:

[http://www.spectrumstream.com/streaming/south\\_pasadena/live.cfm](http://www.spectrumstream.com/streaming/south_pasadena/live.cfm)

### **AGENDA NOTIFICATION SUBSCRIPTION**

Individuals can be placed on an email notification list to receive forthcoming agendas by emailing [CityClerk@southpasadenaca.gov](mailto:CityClerk@southpasadenaca.gov) or calling the City Clerk's Division at (626) 403-7230.

## **ACCOMMODATIONS**



The City of South Pasadena wishes to make all of its public meetings accessible to the public. If special assistance is needed to participate in this meeting, please contact the City Clerk's Division at (626) 403-7230 or [CityClerk@southpasadenaca.gov](mailto:CityClerk@southpasadenaca.gov). Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities. Notification at least 48 hours prior to the

meeting will assist staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting (28 CFR 35.102-35.104 ADA Title II).

*I declare under penalty of perjury that I posted this notice of agenda on the bulletin board in the courtyard of City Hall at 1414 Mission Street, South Pasadena, CA 91030, and on the City's website as required by law.*

10/29/2020

/s/

Date

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Maria E. Ayala  
Chief City Clerk



# City Council Agenda Report

ITEM NO. 5

**DATE:** November 04, 2020

**FROM:** Sean Joyce, Interim City Manager

**PREPARED BY:** Elaine Aguilar, Interim Assistant City Manager

**SUBJECT:** **Approval of Prepaid Warrants in the Amount of \$91,276.83; General City Warrants in the Amount of \$369,165.35; Payroll in the Amount of \$573,019.90; Supplemental ACH Payments in the Amount of \$191,887.53.**

### Recommendation Action

It is recommended that the City Council approve the Warrants as presented.

### Fiscal Impact

Prepaid Warrants:

Warrant # 311538-311553	\$	24,298.04
ACH	\$	66,978.79
Voids	\$	0

General City Warrants:

Warrant # 311554-311606	\$	310,000.72
ACH	\$	59,164.63
Voids	\$	0

Payroll Period Ending 10/25/2020

Wire Transfers (LAIF)	\$	0
Wire Transfers (RSA)	\$	0
Wire Transfers (Acct # 2413)	\$	0
Wire Transfers (Acct # 1936)	\$	0
Supplemental ACH Payment	\$	191,887.53

RSA:

Prepaid Warrants	\$	0
General City Warrants	\$	0

Total	\$	<u>1,225,349.61</u>
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### Commission Review and Recommendation

This matter was not reviewed by a Commission.

Approval of Warrants

November 04, 2020

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**Legal Review**

The City Attorney has not reviewed this item.

**Public Notification of Agenda Item**

The public was made aware that this item was to be considered this evening by virtue of its

inclusion on the legally publicly noticed agenda, posting of the same agenda and reports on the City's website.

Attachments:

1. Warrant Summary
2. Prepaid Warrant List
3. General City Warrant List
4. Supplemental ACH Payments
5. Payroll

**ATTACHMENT 1**  
**Warrant Summary**

**City of South Pasadena  
Demand/Warrant Register  
Recap by fund**

Date 11.04.2020

Fund No.	Amounts	
	Prepaid	Written
General Fund 101	37,668.81	143,334.49
Insurance Fund 103	1,036.80	-
Street Improvement Program 104	-	-
Facilities & Equip.Cap. Fund 105	-	-
Local Transit Return "A" 205	-	-
Local Transit Return "C" 207	100.01	468.38
TEA/Metro 208	-	-
Sewer Fund 210	-	12,057.05
CTC Traffic Improvement 211	-	-
Street Lighting Fund 215	27.56	683.21
Public,Education & Govt Fund 217	-	-
Clean Air Act Fund 218	-	-
Business Improvement Tax 220	-	-
Gold Line Mitigation Fund 223	-	-
Mission Meridian Public Garage 226	-	-
Housing Authority Fund 228	-	-
State Gas Tax 230	-	1,093.36
County Park Bond Fund 232	-	538.16
Measure R 233	-	-
Measure M 236	-	-
Road Maint & Rehab (SB1) 237	-	-
MSRC Grant Fund 238	-	-
Measure W 239	-	-
Measure H 241	-	-
Prop C Exchange Fund 242	-	-
Bike & Pedestrian Paths 245	-	-
BTA Grants 248	-	-
Golden Street Grant 249	-	-
Capital Growth Fund 255	-	-
CDBG 260	-	-
Asset Forfeiture 270	-	-
Police Grants - State 272	-	-
Homeland Security Grant 274	-	-
Park Impact Fees 275	-	-
HSIP Grant 277	-	-
Arroyo Seco Golf Course 295	-	-
Sewer Capital Projects Fund 310	-	-
Water Fund 500	50,763.18	210,990.70
Water Efficiency Fund 503	1,680.47	-
2016 Water Revenue Bonds Fund 505	-	-
Water & Sewer Impact Fee 510	-	-
Public Financing Authority 550	-	-
Payroll Clearing Fund 700	-	-
<b>Column Totals:</b>	<b>91,276.83</b>	<b>369,165.35</b>

Fund No.	Amounts	
	Prepaid	Written
RSA 227	-	-
<b>RSA Report Totals:</b>	<b>-</b>	<b>-</b>
<b>City Report Totals:</b>		<b>460,442.18</b>

Payroll Period Ending 10/25/2020	573,019.90
Wire Transfer - LAIF	-
Wire Transfer - RSA	-
Wire Transfer - Acct # 2413	-
Wire Transfer - Acct # 1936	-
Supplemental ACH Payments	191,887.53
Voids - Prepaid	-
Voids - General Warrant	-
<b>Grand Report Total:</b>	<b>1,225,349.61</b>

Robert Joe, Mayor

Elaine Aguilar, Interim Assistant City Manager

**ATTACHMENT 2**  
**Prepaid Warrant List**



# Accounts Payable

## Checks by Date - Detail by Check Date

User: ealvarez  
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Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
ACH	ACTM3010 56475928 56534188	Accountemps (Robert Half International) Full Time Accountant for Backlog W/E 10/09/20 Full Time Accountant for Backlog W/E 10/16/20	10/22/2020	2,649.38 1,890.00
Total for this ACH Check for Vendor ACTM3010:				4,539.38
ACH	COBR7131 1162513 124547	The Advantage Group HRA Account November Reimb. & October Ad HRA Account November Reimb. & October Ad	10/22/2020	13,524.98 300.00
Total for this ACH Check for Vendor COBR7131:				13,824.98
ACH	CRDA1021 RS4632998	Corodata Records Management Records Management Storage: 09/01-09/30/2020	10/22/2020	457.38
Total for this ACH Check for Vendor CRDA1021:				457.38
ACH	CWNC2501 2004542-2004559	Carl Warren & Company Liability Claims Administration Fee 09/2020	10/22/2020	1,036.80
Total for this ACH Check for Vendor CWNC2501:				1,036.80
ACH	DIG0800 39760	Digital Telecommunications Corp IT Phones November 2020	10/22/2020	927.00
Total for this ACH Check for Vendor DIG0800:				927.00
ACH	JHMS8020 117186/1 117187/1 117204/1 117205/1 221049/1 225986/1 K21049/1	JHM Supply Irrigation Supplies & Irrigation Repairs for City Irrigation Supplies & Irrigation Repairs for City Irrigation Supplies & Irrigation Repairs for City Irrigation Supplies & Irrigation Repairs for City Irrigation Supplies & Irrigation Repairs for City Irrigation Supplies & Irrigation Repairs for City Irrigation Supplies & Irrigation Repairs for City	10/22/2020	72.92 72.92 201.27 27.56 272.33 267.65 48.81
Total for this ACH Check for Vendor JHMS8020:				963.46
ACH	MNBL8170 11447 11447 11500	Munibilling Absorb Charge Water Billing Services Postage	10/22/2020	7,930.23 31,695.15 5,488.81
Total for this ACH Check for Vendor MNBL8170:				45,114.19
ACH	NEOF8011 790004408068204	Quadient Finance USA, Inc. Library Postage Account # 7900 0440 8068 204	10/22/2020	115.60
Total for this ACH Check for Vendor NEOF8011:				115.60
311538	AT&T5011	AT&T	10/22/2020	

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
	248 134-6100	Account 248-134-6100 210 5 (10/01-10/31/2020)		9.29
	331 841-0756	Account 331 841-0756 343 2 (10/08-11/06/2020)		0.18
	331 841-0802	Account 331 841-0802 343 6 (10/07-11/06/2020)		0.29
			Total for Check Number 311538:	9.76
311539	ATCN9011	AT&T	10/22/2020	
	000015374139	Account # CLAPDSOPAS (08/27-09/26/2020)		322.32
	000015375792	Account # 9391036942 (08/27-09/26/2020)		393.99
	000015375793	Account # 9391036943 (08/27-09/26/2020)		394.06
			Total for Check Number 311539:	1,110.37
311540	CIN4011	AT&T Mobility	10/22/2020	
	287269956155x10	Account # 287269956155 (October 2020)		668.02
	287299554301x09	Account # 287299554301 (Septemeber 2020)		293.19
			Total for Check Number 311540:	961.21
311541	ATLRR816 604999	Atkinson, Andelson, Loya, Rudd & Romo Personnel Matters - 09/2020	10/22/2020	
				5,969.25
			Total for Check Number 311541:	5,969.25
311542	CRSR2010 DN 1285546	Corodata Shredding Inc. Citywide Shredding Services	10/22/2020	
				91.11
			Total for Check Number 311542:	91.11
311543	DMLT2032 242-1848	Domain Listings Annual Website Domain Listing (11/01/20-10/31)	10/22/2020	
				228.00
			Total for Check Number 311543:	228.00
311544	DGSI6010 A75762	Duthie Power Services Critical Generator Maintenance for Westside Pu	10/22/2020	
				781.81
			Total for Check Number 311544:	781.81
311545	POWA6711 0157430 CMC157430	Ferguson Enterprises LLC # 3325 Pump for Weside Water Division Station Pump for Weside Water Division Station	10/22/2020	
				490.06
				-374.44
			Total for Check Number 311545:	115.62
311546	LAC3010	L.A.C.Tax Collector	10/22/2020	
	5323 019 270	Property Taxes 07/01/2020-06/31/2021		1,833.23
	5363 002 270	Property Taxes 07/01/2020-06/31/2021		1,644.86
	5363 010 270	Property Taxes 07/01/2020-06/31/2021		319.74
	5716 021 270	Property Taxes 07/01/2020-06/31/2021		35.15
	5716 021 271	Property Taxes 07/01/2020-06/31/2021		798.45
	8920 851 390	Property Taxes 07/01/2020-06/31/2021		593.73
			Total for Check Number 311546:	5,225.16
311547	OLNP8010 70653	Outlook Newspaper 20 Column-inch Display Ad 10/27/2020	10/22/2020	
				250.00
			Total for Check Number 311547:	250.00
311548	PBGF8031 3104248490	Pitney Bowes Global Fin. Svc LLC Postage Machine Lease Payment Acct # 001010t	10/22/2020	
				62.00

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
	3104248490	Postage Machine Lease Payment Acct # 0010100		62.00
	3104248490	Postage Machine Lease Payment Acct # 0010100		64.42
	3104248490	Postage Machine Lease Payment Acct # 0010100		64.42
Total for Check Number 311548:				252.84
311549	SOU5132 501113	South Coast A.Q.M.D Civic Center Boiler / Hotwater Heater Permit to	10/22/2020	631.53
Total for Check Number 311549:				631.53
311550	TIM4011	Time Warner Cable	10/22/2020	
	0029763092720	Account # 8448 20 899 0029763 (09/16-10/15/20		264.01
	0224964100820	Account # 8448 30 008 0224964 (10/08-11/07/20		385.96
	0311688101120	Account # 8448 30 008 0311688 (10/11-11/10/20		2.09
	0311704101120	Account # 8448 30 008 0311704 (10/11-11/10/20		1,225.09
	0311712101120	Account # 8448 30 008 0311712 (10/11-11/10/20		1,190.00
	0345504092120	Account # 8448 30 008 0345504 (09/21-10/20/20		360.00
Total for Check Number 311550:				3,427.15
311551	UPP7789 SoPas-100720	Upper S.G.Mun. Water Dist. Water Conservation Rebate Program Reimburse	10/22/2020	1,680.47
Total for Check Number 311551:				1,680.47
311552	VEBU3010 71593860	MCI Comm Service Verizon Business Svcs Account # SV193519 Conferencing Line	10/22/2020	374.87
Total for Check Number 311552:				374.87
311553	VERW6711	Verizon Wireless	10/22/2020	
	9863048482	Account 842311063-00001 (08/18-09/17/2020)		592.72
	9863493097	Account 571839627-00001 (08/24-09/23/2020)		16.03
	9863675936	Account 270619951-00002 (08/27-09/26/2020)		1,032.41
	9863675936	Account 270619951-00002 (08/27-09/26/2020)		38.01
	9863675937	Account 270619951-00004 (08/27-09/26/2020)		1,509.72
Total for Check Number 311553:				3,188.89
Total for 10/22/2020:				91,276.83
Report Total (24 checks):				91,276.83

**ATTACHMENT 3**  
**General City Warrant List**

# Accounts Payable

## Checks by Date - Detail by Check Date

User: ealvarez  
 Printed: 10/29/2020 2:13 PM



Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
ACH	BAK0366	Baker & Taylor Entertainment	11/04/2020	
	H44767900	Libary Purchase of DVDs/ CDs		32.81
	H44899110	Libary Purchase of DVDs/ CDs		8.14
	H48896150	Libary Purchase of DVDs/ CDs		179.86
	H49056840	Libary Purchase of DVDs/ CDs		55.47
	H49268990	Libary Purchase of DVDs/ CDs		101.61
	H49286080	Libary Purchase of DVDs/ CDs		15.49
	H49301070	Libary Purchase of DVDs/ CDs		24.78
	H49327440	Libary Purchase of DVDs/ CDs		33.07
	H49365190	Libary Purchase of DVDs/ CDs		16.50
	H49420150	Libary Purchase of DVDs/ CDs		11.41
	H49588340	Libary Purchase of DVDs/ CDs		162.78
	H49806140	Libary Purchase of DVDs/ CDs		8.26
	H49897800	Libary Purchase of DVDs/ CDs		180.96
	H50115370	Libary Purchase of DVDs/ CDs		5.71
	H50121830	Libary Purchase of DVDs/ CDs		165.14
	H50314360	Libary Purchase of DVDs/ CDs		166.12
	H50384210	Libary Purchase of DVDs/ CDs		14.68
	H50686690	Libary Purchase of DVDs/ CDs		9.78
	H50757580	Libary Purchase of DVDs/ CDs		33.04
	H50798560	Libary Purchase of DVDs/ CDs		311.88
	H50798580	Libary Purchase of DVDs/ CDs		24.76
	H50807900	Libary Purchase of DVDs/ CDs		11.41
	H50867100	Libary Purchase of DVDs/ CDs		11.41
	T23982390	Libary Purchase of DVDs/ CDs		90.92
		Total for this ACH Check for Vendor BAK0366:		1,675.99
ACH	BFWB4011 36783-1	Badge Frame, Inc.	11/04/2020	186.66
		Total for this ACH Check for Vendor BFWB4011:		186.66
ACH	BLSP8010 1181003	Blackstone Publishing Books / DVDs/ CDs	11/04/2020	34.94
		Total for this ACH Check for Vendor BLSP8010:		34.94
ACH	CHWP2010 44248 44248 44249 44250 44251 44252 44253 44254	Colantuono,Highsmith & Whatley,PC General Services COVID-19 Case # 2 Labor & Employment Misc. Litigation Special Projects Gardena v. RWQCB Water & Utilities	11/04/2020	9,919.88 112.50 8,062.55 4,081.00 2,495.00 11,993.00 205.50 73.50
		Total for this ACH Check for Vendor CHWP2010:		36,942.93

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
ACH	DDL8010	Dr. Detail Ph.D	11/04/2020	
	2202	Pressure Wash to disinfect Library facilities		295.00
	2225	Fleet Cleaning and Sanitizing for Dial-a-Ride Vel		390.00
Total for this ACH Check for Vendor DDL8010:				685.00
ACH	OFF4011	Office Solutions	11/04/2020	
	I-01794463	Police Department Office Supplies		49.31
	I-01798296	Police Department Office Supplies		98.23
Total for this ACH Check for Vendor OFF4011:				147.54
ACH	OVDR8011	OverDrive Inc.	11/04/2020	
	01148CO20291016	eBooks / Audiobooks		27.50
	01148CO20291257	eBooks/ Audiobooks		1,998.90
	01148CO20292903	eBooks/ Audiobooks		680.44
	01148CO20292929	eBooks/ Audiobooks		565.05
	01148CO20294379	eBooks/ Audiobooks		416.22
	01148CO20299495	eBooks/ Audiobooks		934.72
	01148CO20306430	eBooks/ Audiobooks		395.90
	01148CO20307859	eBooks/ Audiobooks		452.50
	01148CO20310895	eBooks/ Audiobooks		282.39
Total for this ACH Check for Vendor OVDR8011:				5,753.62
ACH	PEDS6010	Prime Electric Distributors	11/04/2020	
	S1414641.001	Concrete Electrical Pull Box		55.09
	S1431092.002	Concrete Electrical Pull Box		110.18
Total for this ACH Check for Vendor PEDS6010:				165.27
ACH	POS5265	Post Alarm Systems	11/04/2020	
	1313218	Monthly Post Alarm System for Orange Grove R		51.74
	1313218	Monthly Post Alarm System for WMB.		51.74
Total for this ACH Check for Vendor POS5265:				103.48
ACH	POSU8132	Prudential Overall Supply	11/04/2020	
	52371607	Public Works Scrapper Mats FY20-21		3.87
	52371607	Public Works Scrapper Mats FY20-21		3.87
	52371607	Public Works Scrapper Mats FY20-21		3.87
	52371607	Public Works Scrapper Mats FY20-21		3.87
	52371607	Public Works Scrapper Mats FY20-21		3.87
	52382798	Public Works Uniform Cleaning Services FY20-		27.43
	52382798	Public Works Uniform Cleaning Services FY20-		40.30
	52382799	Public Works Scrapper Mats FY20-21		6.23
	52382799	Public Works Scrapper Mats FY20-21		6.24
	52382800	Public Works Scrapper Mats FY20-21		3.87
	52382800	Public Works Scrapper Mats FY20-21		3.87
	52382800	Public Works Scrapper Mats FY20-21		3.87
	52382800	Public Works Scrapper Mats FY20-21		3.87
	52382800	Public Works Scrapper Mats FY20-21		3.87
	52382801	Public Works Uniform Cleaning Services FY20-		14.38
	52382801	Public Works Uniform Cleaning Services FY20-		11.45
	52382801	Public Works Uniform Cleaning Services FY20-		9.65
	52382801	Public Works Uniform Cleaning Services FY20-		28.57
	52382801	Public Works Uniform Cleaning Services FY20-		9.65
	52385033	Public Works Uniform Cleaning Services FY20-		40.30
	52385033	Public Works Uniform Cleaning Services FY20-		27.43
	52385034	Public Works Scrapper Mats FY20-21		6.23
	52385034	Public Works Scrapper Mats FY20-21		6.24

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
	52385035	Public Works Scrapper Mats FY20-21		3.87
	52385035	Public Works Scrapper Mats FY20-21		3.87
	52385035	Public Works Scrapper Mats FY20-21		3.87
	52385035	Public Works Scrapper Mats FY20-21		3.87
	52385035	Public Works Scrapper Mats FY20-21		3.87
	52385036	Public Works Uniform Cleaning Services FY20-		11.45
	52385036	Public Works Uniform Cleaning Services FY20-		9.65
	52385036	Public Works Uniform Cleaning Services FY20-		28.57
	52385036	Public Works Uniform Cleaning Services FY20-		9.65
	52385036	Public Works Uniform Cleaning Services FY20-		14.38
	52387254	Public Works Uniform Cleaning Services FY20-		40.30
	52387254	Public Works Uniform Cleaning Services FY20-		27.43
	52387255	Public Works Scrapper Mats FY20-21		6.24
	52387255	Public Works Scrapper Mats FY20-21		6.23
	52387256	Public Works Scrapper Mats FY20-21		3.87
	52387256	Public Works Scrapper Mats FY20-21		3.87
	52387256	Public Works Scrapper Mats FY20-21		3.87
	52387256	Public Works Scrapper Mats FY20-21		3.87
	52387256	Public Works Scrapper Mats FY20-21		3.87
	52387256	Public Works Scrapper Mats FY20-21		3.87
	52387257	Public Works Uniform Cleaning Services FY20-		9.65
	52387257	Public Works Uniform Cleaning Services FY20-		14.38
	52387257	Public Works Uniform Cleaning Services FY20-		9.65
	52387257	Public Works Uniform Cleaning Services FY20-		11.45
	52387257	Public Works Uniform Cleaning Services FY20-		28.57
	52389460	Public Works Uniform Cleaning Services FY20-		27.43
	52389460	Public Works Uniform Cleaning Services FY20-		40.30
	52389461	Public Works Scrapper Mats FY20-21		6.23
	52389461	Public Works Scrapper Mats FY20-21		6.24
	52389462	Public Works Scrapper Mats FY20-21		3.87
	52389462	Public Works Scrapper Mats FY20-21		3.87
	52389462	Public Works Scrapper Mats FY20-21		3.87
	52389462	Public Works Scrapper Mats FY20-21		3.87
	52389462	Public Works Scrapper Mats FY20-21		3.87
	52389463	Public Works Uniform Cleaning Services FY20-		28.57
	52389463	Public Works Uniform Cleaning Services FY20-		9.65
	52389463	Public Works Uniform Cleaning Services FY20-		14.38
	52389463	Public Works Uniform Cleaning Services FY20-		11.45
	52389463	Public Works Uniform Cleaning Services FY20-		9.65
	52391648	Public Works Uniform Cleaning Services FY20-		40.30
	52391648	Public Works Uniform Cleaning Services FY20-		27.43
	52391649	Public Works Scrapper Mats FY20-21		6.24
	52391649	Public Works Scrapper Mats FY20-21		6.23
	52391650	Public Works Scrapper Mats FY20-21		3.87
	52391650	Public Works Scrapper Mats FY20-21		3.87
	52391650	Public Works Scrapper Mats FY20-21		3.87
	52391650	Public Works Scrapper Mats FY20-21		3.87
	52391650	Public Works Scrapper Mats FY20-21		3.87
	52391651	Public Works Uniform Cleaning Services FY20-		28.57
	52391651	Public Works Uniform Cleaning Services FY20-		9.65
	52391651	Public Works Uniform Cleaning Services FY20-		9.65
	52391651	Public Works Uniform Cleaning Services FY20-		11.45
	52391651	Public Works Uniform Cleaning Services FY20-		14.38
	52393816	Public Works Uniform Cleaning Services FY20-		34.69
	52393816	Public Works Uniform Cleaning Services FY20-		26.55
	52393817	Public Works Scrapper Mats FY20-21		6.24
	52393817	Public Works Scrapper Mats FY20-21		6.23
	52393818	Public Works Scrapper Mats FY20-21		3.87
	52393818	Public Works Scrapper Mats FY20-21		3.87
	52393818	Public Works Scrapper Mats FY20-21		3.87

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
	52393818	Public Works Scrapper Mats FY20-21		3.87
	52393818	Public Works Scrapper Mats FY20-21		3.87
	52396034	Public Works Uniform Cleaning Services FY20-		82.89
	52396034	Public Works Uniform Cleaning Services FY20-		26.55
	52396035	Public Works Scrapper Mats FY20-21		6.24
	52396035	Public Works Scrapper Mats FY20-21		6.23
	52396036	Public Works Scrapper Mats FY20-21		3.87
	52396036	Public Works Scrapper Mats FY20-21		3.87
	52396036	Public Works Scrapper Mats FY20-21		3.87
	52396036	Public Works Scrapper Mats FY20-21		3.87
	52396036	Public Works Scrapper Mats FY20-21		3.87
	52396037	Public Works Uniform Cleaning Services FY20-		28.57
	52396037	Public Works Uniform Cleaning Services FY20-		9.65
	52396037	Public Works Uniform Cleaning Services FY20-		11.45
	52396037	Public Works Uniform Cleaning Services FY20-		9.65
	52396037	Public Works Uniform Cleaning Services FY20-		14.38
	52398187	Public Works Uniform Cleaning Services FY20-		34.69
	52398187	Public Works Uniform Cleaning Services FY20-		26.55
	52398188	Public Works Scrapper Mats FY20-21		6.24
	52398188	Public Works Scrapper Mats FY20-21		6.23
	52398189	Public Works Scrapper Mats FY20-21		3.87
	52398189	Public Works Scrapper Mats FY20-21		3.87
	52398189	Public Works Scrapper Mats FY20-21		3.87
	52398189	Public Works Scrapper Mats FY20-21		3.87
	52398189	Public Works Scrapper Mats FY20-21		3.87
	52398190	Public Works Uniform Cleaning Services FY20-		9.65
	52398190	Public Works Uniform Cleaning Services FY20-		11.45
	52398190	Public Works Uniform Cleaning Services FY20-		14.38
	52398190	Public Works Uniform Cleaning Services FY20-		9.65
	52398190	Public Works Uniform Cleaning Services FY20-		28.57
	52400357	Public Works Uniform Cleaning Services FY20-		26.55
	52400357	Public Works Uniform Cleaning Services FY20-		34.69
	52400358	Public Works Scrapper Mats FY20-21		6.24
	52400358	Public Works Scrapper Mats FY20-21		6.23
	52400359	Public Works Scrapper Mats FY20-21		3.87
	52400359	Public Works Scrapper Mats FY20-21		3.87
	52400359	Public Works Scrapper Mats FY20-21		3.87
	52400359	Public Works Scrapper Mats FY20-21		3.87
	52400359	Public Works Scrapper Mats FY20-21		3.87
	52400360	Public Works Uniform Cleaning Services FY20-		9.65
	52400360	Public Works Uniform Cleaning Services FY20-		9.65
	52400360	Public Works Uniform Cleaning Services FY20-		28.57
	52400360	Public Works Uniform Cleaning Services FY20-		14.38
	52400360	Public Works Uniform Cleaning Services FY20-		11.45
	52400360	Public Works Uniform Cleaning Services FY20-		9.65
	52400360	Public Works Uniform Cleaning Services FY20-		28.57
	52400360	Public Works Uniform Cleaning Services FY20-		14.38
	52400360	Public Works Uniform Cleaning Services FY20-		11.45
	52400360	Public Works Uniform Cleaning Services FY20-		9.65
	52402537	Public Works Uniform Cleaning Services FY20-		34.69
	52402537	Public Works Uniform Cleaning Services FY20-		26.55
	52402538	Public Works Scrapper Mats FY20-21		6.24
	52402538	Public Works Scrapper Mats FY20-21		6.23
	52402539	Public Works Scrapper Mats FY20-21		3.87
	52402539	Public Works Scrapper Mats FY20-21		3.87
	52402539	Public Works Scrapper Mats FY20-21		3.87
	52402539	Public Works Scrapper Mats FY20-21		3.87
	52402539	Public Works Scrapper Mats FY20-21		3.87
	52402539	Public Works Scrapper Mats FY20-21		3.87
	52402540	Public Works Uniform Cleaning Services FY20-		11.45



Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
	52402540	Public Works Uniform Cleaning Services FY20-		9.65
	52402540	Public Works Uniform Cleaning Services FY20-		28.57
	52402540	Public Works Uniform Cleaning Services FY20-		9.65
	52402540	Public Works Uniform Cleaning Services FY20-		14.38
	52404672	Public Works Uniform Cleaning Services FY20-		26.55
	52404672	Public Works Uniform Cleaning Services FY20-		34.69
	52404673	Public Works Scrapper Mats FY20-21		6.23
	52404673	Public Works Scrapper Mats FY20-21		6.24
	52404674	Public Works Scrapper Mats FY20-21		3.87
	52404674	Public Works Scrapper Mats FY20-21		3.87
	52404674	Public Works Scrapper Mats FY20-21		3.87
	52404674	Public Works Scrapper Mats FY20-21		3.87
	52404674	Public Works Scrapper Mats FY20-21		3.87
	52404675	Public Works Uniform Cleaning Services FY20-		9.65
	52404675	Public Works Uniform Cleaning Services FY20-		28.57
	52404675	Public Works Uniform Cleaning Services FY20-		14.38
	52404675	Public Works Uniform Cleaning Services FY20-		11.45
	52404675	Public Works Uniform Cleaning Services FY20-		9.65
	52406810	Public Works Uniform Cleaning Services FY20-		25.67
	52406810	Public Works Uniform Cleaning Services FY20-		29.08
	52406811	Public Works Scrapper Mats FY20-21		6.23
	52406811	Public Works Scrapper Mats FY20-21		6.24
	52406812	Public Works Scrapper Mats FY20-21		3.87
	52406812	Public Works Scrapper Mats FY20-21		3.87
	52406812	Public Works Scrapper Mats FY20-21		3.87
	52406812	Public Works Scrapper Mats FY20-21		3.87
	52406812	Public Works Scrapper Mats FY20-21		3.87
	52406813	Public Works Uniform Cleaning Services FY20-		9.65
	52406813	Public Works Uniform Cleaning Services FY20-		9.65
	52406813	Public Works Uniform Cleaning Services FY20-		14.38
	52406813	Public Works Uniform Cleaning Services FY20-		11.45
	52406813	Public Works Uniform Cleaning Services FY20-		28.57
	52408929	Public Works Uniform Cleaning Services FY20-		25.67
	52408929	Public Works Uniform Cleaning Services FY20-		29.08
	52408930	Public Works Scrapper Mats FY20-21		6.24
	52408930	Public Works Scrapper Mats FY20-21		6.23
	52408931	Public Works Scrapper Mats FY20-21		3.87
	52408931	Public Works Scrapper Mats FY20-21		3.87
	52408931	Public Works Scrapper Mats FY20-21		3.87
	52408931	Public Works Scrapper Mats FY20-21		3.87
	52408931	Public Works Scrapper Mats FY20-21		3.87
	52408932	Public Works Uniform Cleaning Services FY20-		11.45
	52408932	Public Works Uniform Cleaning Services FY20-		14.38
	52408932	Public Works Uniform Cleaning Services FY20-		9.65
	52408932	Public Works Uniform Cleaning Services FY20-		28.57
	52408932	Public Works Uniform Cleaning Services FY20-		9.65
		Total for this ACH Check for Vendor POSU8132:		2,254.90
ACH	SHO7777 317854	Showcases Cases for Blue-Ray DVDs and CD Adhesive Clc	11/04/2020	116.10
		Total for this ACH Check for Vendor SHO7777:		116.10
ACH	STA5219 3452119132 3454023682 3456309359 3457149187 3457149188	Staples Business Advantage Library Office Supplies Library Office Supplies Library Office Supplies Library Office Supplies Library Office Supplies	11/04/2020	44.75 126.34 311.14 53.84 327.18

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
	7315694274	Community Services Office & Cleaning Supplie:		45.99
	7315694274	Community Services Office & Cleaning Supplie:		32.39
	7315694274	Community Services Office & Cleaning Supplie:		92.38
Total for this ACH Check for Vendor STA5219:				1,034.01
ACH	STSM1020	Studio Spectrum	11/04/2020	
	191657	July 2020 Zoom Audio / Video Conferencing for		1,593.23
	191690	August Streaming Services for COVID-19		6,600.00
	191691	Agust Zoom Audio/ Video Conferencing COVII		1,870.96
Total for this ACH Check for Vendor STSM1020:				10,064.19
311554	ADA0143 INV322089	Adamson Police Products 800 Lumen LED Weapon Light	11/04/2020	138.66
Total for Check Number 311554:				138.66
311555	AIRT5150	Air Tro	11/04/2020	
	396637	Emergency Servicing A/C Units at Civic Center.		1,361.44
	399446	Emergency Servicing A/C Units at Civic Center.		528.00
	400006	Emergency Servicing A/C Units at Civic Center.		704.33
	400231	Emergency Servicing A/C Units at Civic Center.		5,000.00
	400231	Emergency Servicing A/C Units at Civic Center.		2,629.89
Total for Check Number 311555:				10,223.66
311556	ALH0179 August 2020	Alhambra Car Wash Police Car Washes August 2020	11/04/2020	445.00
Total for Check Number 311556:				445.00
311557	AMBB9289 24	American Business Bank Graves Reservoir Project Escrow Account for Pr	11/04/2020	8,397.70
Total for Check Number 311557:				8,397.70
311558	ARAMSCO S4302923.001	AramSCO Station / Household Cleaning Supplies	11/04/2020	411.50
Total for Check Number 311558:				411.50
311559	BLWT4011 3693	Black & White Emergency Vehicles Repair to Unit # 1201: Gunlock Wired to Secure	11/04/2020	80.00
Total for Check Number 311559:				80.00
311560	WDFD6116 608094	Bob Wondries Ford Repairs to Unit # 1933: Oil Change, Inspection &	11/04/2020	52.22
Total for Check Number 311560:				52.22
311561	BSBR6410 43012	Boston Brick & Stone Restore Damage to Historical Brick Wall @ Edd	11/04/2020	2,025.00
Total for Check Number 311561:				2,025.00
311562	HTBR5320 16454	Heather Brough Deposit Refund for Closed Acct	11/04/2020	74.09
Total for Check Number 311562:				74.09
311563	CAL6695	CA American Water Co.	11/04/2020	

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
	101521002151102	Account # 1015-210021511021 Jun - Aug. Wate		22.61
			Total for Check Number 311563:	22.61
311564	CALA8010 300009157 300009158	CA Library Association CLA Individual & Individual Voting CLA Individual & Individual Voting	11/04/2020	140.00 140.00
			Total for Check Number 311564:	280.00
311565	CAL5236 1811656 1813254	CA Linen Services Linen Services for Fire Dept. Linen Services for Fire Dept.	11/04/2020	99.95 104.05
			Total for Check Number 311565:	204.00
311566	CAL8012 3917	Califa Group Library Subscription to NovelList Plus	11/04/2020	2,498.78
			Total for Check Number 311566:	2,498.78
311567	CAN0607 10000	Cantu Graphics Printing & Duplication of Business Cards for Oli	11/04/2020	49.56
			Total for Check Number 311567:	49.56
311568	CHAG8032 6295/6328	Emily Chang Class Instructor for Kindermusik & Group Piano	11/04/2020	287.20
			Total for Check Number 311568:	287.20
311569	COGL8180 20-0115	City of Glendale DNA Processing	11/04/2020	1,750.00
			Total for Check Number 311569:	1,750.00
311570	SPMN3010 14044	City of South Pasadena Utility Billing Dog Park	11/04/2020	538.16
			Total for Check Number 311570:	538.16
311571	CVTC6710 43040	Civiltech Engineering Inc. City Drinking Water System Permit Prep	11/04/2020	13,105.00
			Total for Check Number 311571:	13,105.00
311572	CESS6416 7511	Community Economic Solutions Special Tax Administrative Services for SP Libra	11/04/2020	2,625.00
			Total for Check Number 311572:	2,625.00
311573	CON9152 20-068	Control Automation Design Inc Maint. of City's Supervisory Control Data Aquis	11/04/2020	3,613.58
			Total for Check Number 311573:	3,613.58
311574	COR7788 6287/6288/6268	Darren Cornforth Class Instructor Payment for Fall Session Tennis	11/04/2020	936.00
			Total for Check Number 311574:	936.00
311575	DSP0755 8824	D & S Printing Rubber Stamps for Police Dept.	11/04/2020	132.30

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
			Total for Check Number 311575:	132.30
311576	DEM0777 6840835	Demco 12 Rolls of Demco Premium Book Tape	11/04/2020	149.20
			Total for Check Number 311576:	149.20
311577	EISN5270 111889	Jonathan Eisenberg Refund Summer Camp due to Patron Cancellatio	11/04/2020	154.50
			Total for Check Number 311577:	154.50
311578	ELL1017 74844	Ellen's Silkscreening Saftey Committee Uniform Shirts Water Divisio	11/04/2020	82.69
			Total for Check Number 311578:	82.69
311579	JDFT5270 112165	Judy Felton Refund Reservation Cancellation of Garfield Par	11/04/2020	160.00
			Total for Check Number 311579:	160.00
311580	GRA6601 9612016247 9616315868	Grainger Belts for Cooling Tower-City Hall Vacuum Breaker-Order for Toilets	11/04/2020	76.83 32.64
			Total for Check Number 311580:	109.47
311581	HCWG4011 0272289-IN	H&C Weighing Systems Ohaus AX4201/E Precision Balance Scale for Ni	11/04/2020	917.28
			Total for Check Number 311581:	917.28
311582	HAC6711 12038504	Hach Company Chloring Analyzer Solution Reagent Purchase F'	11/04/2020	1,671.67
			Total for Check Number 311582:	1,671.67
311583	HIW6710 105770	Hi-Way Safety Inc Purchase of Traffic Signs, Traffic Control Produ	11/04/2020	41.52
			Total for Check Number 311583:	41.52
311584	KEY2011 34541	Keyser Marston Associates Inc 625 Fair Oaks Density Bonus 04/01-04/30/2020	11/04/2020	840.00
			Total for Check Number 311584:	840.00
311585	LIFE822 1039249	Life-Assist Inc. 3M 1860 Respirator N95 Masks	11/04/2020	178.61
			Total for Check Number 311585:	178.61
311586	LBBM4010 207759	Long Beach BMW Motorcycles ProLaser 3 Lidar Gun Holsters	11/04/2020	353.90
			Total for Check Number 311586:	353.90
311587	MBFEC106 S22089	Marx Bros. Fire Extinguisher Co. Semi-annual Inspection of Fire Suppression Syst	11/04/2020	90.00

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
			Total for Check Number 311587:	90.00
311588	NTFL1021 6789	NetFile Inc. Annual Subscription for Agency Services (SEI)	11/04/2020	3,200.00
			Total for Check Number 311588:	3,200.00
311589	NXPX2920 INV31187	Nexus Plex Advertising Fall 2020 Reading Program	11/04/2020	600.00
			Total for Check Number 311589:	600.00
311590	OCL8011 1000050127	OCLC Inc. Subscription Renewal Cataloguing & Metadata S	11/04/2020	20,802.79
			Total for Check Number 311590:	20,802.79
311591	PHCP9255 24	Pacific Hydrotech Corp. Graves Reservoir Replacement Project	11/04/2020	159,556.25
			Total for Check Number 311591:	159,556.25
311592	PRKA8267 6362/6348/6370	Parker-Anderson Class Instructor Online (4 Classes)	11/04/2020	360.00
			Total for Check Number 311592:	360.00
311593	PLWK7011 73296	Placeworks Update to the City's Housing Element	11/04/2020	29,064.91
			Total for Check Number 311593:	29,064.91
311594	PDI417 PD-46317 PD-46444	Plumbers Depot Inc. Street / Sewer Division Maint. for Hydronetting Street / Sewer Division Maint. for Hydronetting	11/04/2020	10,356.46 1,520.96
			Total for Check Number 311594:	11,877.42
311595	RIPU8540 15960	Roadline Products Inc. USA Maint. on Stencil Truck	11/04/2020	380.36
			Total for Check Number 311595:	380.36
311596	SGB3223 0004568-IN	San Gabriel Basin Water Quality Authority FY20-21 (1st) Water Quality Assessment Fee fo	11/04/2020	21,406.20
			Total for Check Number 311596:	21,406.20
311597	SAN4958 16565 16600 16602	San Marino Security System Elevated Tank Monitoring Service Fee 07/01-09. Wilson Reservoir Fire Alarm Monitoring Fee 07. Garfield Operation Facility Fire Monitoring Fee	11/04/2020	228.00 207.00 267.00
			Total for Check Number 311597:	702.00
311598	SCAT6710 15249 15253 15260 15262 15377 15380	Scott's Automotive Preventative Vehicle Maint. for PW Vehicles Preventative Vehicle Maint. for Unit # 30 Preventative Vehicle Maint. for Unit # 612 Preventative Vehicle Maint. for Unit # 314 Preventative Vehicle Maint. for Unit 350 Repairs to Unit # 1703	11/04/2020	135.28 55.28 85.28 91.98 153.91 85.00

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
	15383	Repairs to Unit # 1201		85.00
	15390	Repairs to Unit # 0213		250.49
	15393	Repairs to Unit # 1703		360.60
	15438	Repairs to Unit # 1706		89.78
Total for Check Number 311598:				1,392.60
311599	SSSS8267 6314/6316-20	Super Soccer Stars Class Instructor Super Soccer Stars (4 Classes)	11/04/2020	1,248.00
Total for Check Number 311599:				1,248.00
311600	NYT8011 894600386	The New York Times Subscription Renewal to The New York Times 0	11/04/2020	1,129.93
Total for Check Number 311600:				1,129.93
311601	TPREN803 900073808	The Press Enterprises 52 Week Subscription for Pasadena Star News	11/04/2020	562.97
Total for Check Number 311601:				562.97
311602	TAEV9224 59303 59303	Total Access Elevator Inc. City Wide Elevator Service & Preventative Mair City Wide Elevator Service & Preventative Mair	11/04/2020	385.00 630.75
Total for Check Number 311602:				1,015.75
311603	UND6710 620200704 820200715 dsb20194966 dsb20195599	Underground Service Alert Underground Service Alert (DigAlert) Service fc Underground Service Alert (DigAlert) Service fc Underground Service Alert (DigAlert) Service fc Underground Service Alert (DigAlert) Service fc	11/04/2020	176.65 168.40 63.34 63.34
Total for Check Number 311603:				471.73
311604	POR4707 114-10790936 114-10910884	United Site Services, Inc. Building Maint. for Portable Sink & Toilet Building Maint. for Portable Sink & Toilet	11/04/2020	1,300.00 1,300.00
Total for Check Number 311604:				2,600.00
311605	WEWW6710 579707-00	Western Water Works 1.5 inch pipe for installation of Water Service at	11/04/2020	476.28
Total for Check Number 311605:				476.28
311606	YTI1023 0014701 0015294	Y Tire Complete Auto Repair Tire Replacement Unit # 30 Tire Mount & Balance Unit # 1706	11/04/2020	285.65 229.02
Total for Check Number 311606:				514.67
Total for 11/4/2020:				369,165.35
Report Total (66 checks):				369,165.35

**ATTACHMENT 4**  
**Supplemental ACH**  
**Payments**



**ACH Payment Log**

<b>Date</b>	<b>Vendor</b>	<b>Amount</b>	<b>Description</b>
10/19/2020	Amazon Business	\$5,021.66	June 2020 - July 2020 Amazon Business Supply Purchases.
10/19/2020	So Cal Gas	\$361.42	Online Payment for City's So Cal Gas Accounts.
10/23/2020	UMPQUA Bank	\$6,512.39	Online Payment of City Credit Card Expenses for September 2020.
10/26/2020	So Cal Edison	\$179,992.06	Online Payment for City's So Cal Edison Accounts.

**Total:**

**\$191,887.53**



**August 2020 Credit Card Summary**

<b>Date</b>	<b>Vendor Name</b>	<b>Description</b>	<b>Amount</b>
9/1/2020	GOTPRINT.COM	Printing of Vinyl Banner for City	\$27.92
9/5/2020	Discover Books	2 Large Print Books for Library Collection	\$31.76
9/9/2020	GOTPRINT.COM	Postcard Printing	\$215.03
9/9/2020	Target.com	1 Large Book Print for Library Collection	\$30.23
9/28/2020	Crowdcast	Monthly Subscription to Crowdcast	\$39.20
9/22/2020	Valvoline Oil	Oil Change for Fire Dept. Vehicle	\$136.80
9/22/2020	Westcoast Tire and Service	Tire Change for Fire Dept. Vehicle	\$795.33
9/10/2020	Wordpress.com	Woodpress for Commission Pages & e-Neighbors	\$114.00
9/17/2020	CALTRANS	Reimb. Caltrans Project # 0700020191	\$3,210.88
9/1/2020	Exxon Mobile	Fuel for Motor Officer Vehicle	\$15.84
9/3/2020	Chevron	Fuel for Motor Officer Vehicle	\$23.70
9/8/2020	Chevron	Fuel for Motor Officer Vehicle	\$14.40
9/11/2020	Exxon Mobile	Fuel for Motor Officer Vehicle	\$17.16
9/15/2020	Chevron	Fuel for Motor Officer Vehicle	\$11.69
9/17/2020	Chevron	Fuel for Motor Officer Vehicle	\$18.96
9/22/2020	Exxon Mobile	Fuel for Motor Officer Vehicle	\$14.56
9/24/2020	Exxon Mobile	Fuel for Motor Officer Vehicle	\$14.98
9/15/2020	Ace Hardware	Supplies for Senior Center	\$62.31
9/15/2020	Restaurant Depot	Supplies for Senior Meal Program	\$107.17
9/2/2020	League of CA Cities	Annual Conference for Lucy D. & Sean Joyce	\$100.00
9/2/2020	League of CA Cities	Annual Conference for Diana Mahmud	\$50.00
9/5/2020	Pitney Bowes	Sealer for Postage Machine	\$142.42
9/3/2020	Duo.com	Refund from Duo.com	(\$1,440.00)
9/11/2020	SPL*California Preservation	League Conference for Councilmember Rossi	\$380.00
9/14/2020	CA Cities.org	Conference for Diana Mahmud	\$50.00
9/24/2020	Zoom	Zoom for Planning & Building Dept.	\$214.79
9/1/2020	Chevron	Fire Strike Team Expenses	\$117.13
9/6/2020	76 Gas	Fire Strike Team Expenses	\$94.94
9/8/2020	Vons	Fire Strike Team Expenses	\$6.45
9/10/2020	Panda Express	Fire Strike Team Expenses	\$35.17
9/13/2020	Tacos Bahia Fish	Fire Strike Team Expenses	\$34.72
9/11/2020	Mulberry Life Inn	Fire Strike Team Expenses	\$94.92
9/11/2020	Mulberry Life Inn	Fire Strike Team Expenses	\$94.92
9/11/2020	Mulberry Life Inn	Fire Strike Team Expenses	\$94.92
9/14/2020	Embassy Suites	Fire Strike Team Expenses	\$109.09
9/14/2020	Embassy Suites	Fire Strike Team Expenses	\$109.09
9/14/2020	Embassy Suites	Fire Strike Team Expenses	\$109.09
9/15/2020	Chipotle	Fire Strike Team Expenses	\$42.57
9/16/2020	Embassy Suites	Fire Strike Team Expenses	\$104.69
9/16/2020	Embassy Suites	Fire Strike Team Expenses	\$104.69
9/17/2020	Chipotle	Fire Strike Team Expenses	\$39.29
9/18/2020	Embassy Suites	Fire Strike Team Expenses	\$109.09
9/18/2020	Embassy Suites	Fire Strike Team Expenses	\$109.09
9/18/2020	Embassy Suites	Fire Strike Team Expenses	\$109.09
9/20/2020	Double Tree	Fire Strike Team Expenses	\$133.52
9/20/2020	Double Tree	Fire Strike Team Expenses	\$133.52
9/22/2020	Embassy Suites	Fire Strike Team Expenses	\$109.09
9/22/2020	Embassy Suites	Fire Strike Team Expenses	\$109.09
9/22/2020	Embassy Suites	Fire Strike Team Expenses	\$109.09

**Total:**

**\$6,512.39**

**ATTACHMENT 5**  
**Payroll Summary**

*Period Ending:*  
*10/25/2020*

Liability	Taxes Debited				
	Federal Income Tax			74,667.41	
	Earned Income Credit Advances			.00	
	Social Security - EE			1,216.33	
	Social Security - ER			1,216.33	
	Social Security Adj - EE			.00	
	Medicare - EE			9,081.88	
	Medicare - ER			9,081.87	
	Medicare Adj - EE			.00	
	Medicare Surtax - EE			12.38	
	Medicare Surtax Adj - EE			.00	
	COBRA Premium Assistance Payments			.00	
	Federal Unemployment Tax			.00	
	Families First FMLA-PSL Payments Credit			.00	
	Families First ER Medicare Credit			.00	
	Families First FMLA-PSL Health Care Premium Credit			.00	
	CARES Retention Qualified Payments Credit			.00	
	CARES Retention Qualified Health Care Credit			.00	
	State Income Tax			30,473.06	
	State Unemployment Insurance - EE			.00	
	State Unemployment/Disability Ins - ER			.00	
	State Unemployment Insurance Adj - EE			.00	
	State Disability Insurance - EE			.00	
	State Disability Insurance Adj - EE			.00	
	State Family Leave Insurance - EE			.00	
	State Family Leave Insurance - ER			.00	
	State Medical Leave Insurance - EE			.00	
	State Medical Leave Insurance - ER			.00	
	Workers' Benefit Fund Assessment - EE			.00	
	Workers' Benefit Fund Assessment - ER			.00	
	Transit Tax - EE			.00	
	Local Income Tax			.00	
	School District Tax			.00	
	<b>Total Taxes Debited</b>	Acct. No. XXXXX3688	Tran/ABA XXXXXXXXXX	<b>125,749.26</b>	
<b>Other Transfers</b>	ADP Direct Deposit	Acct. No. XXXXX3688	Tran/ABA XXXXXXXXXX	443,911.85	
	ADP Check	Acct. No. XXXXX3688	Tran/ABA XXXXXXXXXX	934.21	
	Wage Garnishments	Acct. No. XXXXX3688	Tran/ABA XXXXXXXXXX	2,424.58	
	<b>Total Amount Debited From Your Accounts</b>			<b>573,019.90</b>	
<b>Bank Debits and Other Liability</b>	Adjustments/Prepay/Voids			.00	
<b>Taxes - Your Responsibility</b>	None This Payroll				

Note: If you have chosen to defer your Employer Social Security taxes under the CARES Act, then this report will not display deferral information. Actual amounts being deferred will display on your Tax Invoices with Reason Code CV in ADP SmartCompliance.

<b>Total Liability</b>	<b>573,019.90</b>
	573,019.90
	<b>573,019.90</b>

<b>Net Pay</b>	Checks	934.21	
	Direct Deposits	443,911.85	
	<b>Subtotal Net Pay</b>		<b>444,846.06</b>
	Adjustments	.00	
	<b>Total Net Pay Liability (Net Cash)</b>		<b>444,846.06</b>

Taxes	Agency	Rate	You are responsible for Depositing these amounts		Amount debited from your account	
			EE withheld	ER contrib.	EE withheld	ER contrib.
Federal	Federal Income Tax				74,667.41	
	Earned Income Credit Advances					
	Social Security				1,216.33	1,216.33
	Medicare				9,081.88	9,081.87
	Medicare Surtax				12.38	
	Federal Unemployment Tax					
	<b>Subtotal Federal</b>				<b>84,978.00</b>	<b>10,298.20</b>
	Families First FMLA-PSL Payments Credit					
	Families First ER Medicare Credit					
	Families First Health Care Premium Credit					
	CARES Retention Qualified Payments Credit					
	CARES Retention Qualified Health Care Cre					
	Cobra Premium Assistance Payments					
	<b>Total Federal</b>				<b>84,978.00</b>	<b>10,298.20</b>
State	CA State Income Tax				30,473.06	
	CA State Unemployment/Disability Ins-ER					
	CA State Disability Insurance-EE					
	<b>Subtotal CA</b>				<b>30,473.06</b>	<b>30,473.06</b>
	<b>Total Taxes</b>		<b>.00</b>	<b>.00</b>	<b>115,451.06</b>	<b>10,298.20</b>

Amount ADP Debited From Account XXXXX3688 Tran/ABA XXXXXXXXXX 125,749.26

Excludes Taxes That Are Your Responsibility

<b>Other</b>	ADP Direct Deposit	443,911.85	
<b>Transfers</b>	ADP Check	934.21	
	Wage Garnishments	2,424.58	
	<b>Amount ADP Debited From Account XXXXX3688</b>		<b>447,270.64</b>

229 Employee Transactions

**Total Amount ADP Debited From Your Accounts 573,019.90**



# City Council Agenda Report

ITEM NO. 6

**DATE:** November 4, 2020

**FROM:** Sean Joyce, Interim City Manager

**PREPARED BY:** Elaine Aguilar, Interim Assistant City Manager  
Albert Trinh, Finance Manager

**SUBJECT:** **Adoption of a Resolution Approving the City of South Pasadena Investment Policy for Fiscal Year 2020-21**

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## **Recommendation Action**

It is recommended that the City Council adopt a resolution approving the Fiscal Year (FY) 2020-21 Investment Policy.

## **Commission Review and Recommendation**

This matter was reviewed by the Finance Commission and recommends that the City Council adopt a resolution approving the FY 2020-21 Investment Policy.

## **Executive Summary**

The proposed Investment Policy for FY 2020-21 is identical to the FY 2019-20 Policy with the exception of minor technical corrections made by the State Legislature relating primarily to permissible portfolio allocations, and minor language edits in the Table of Notes.

## **Discussion/Analysis**

Funds held in the City's brokerage account represent amounts that are above and beyond what is needed to maintain a stable cash flow and meet the City's ongoing operational, as well as emergency needs. For those purposes, the City continues to maintain strong balances in our demand accounts with the Local Agency Investment Fund (LAIF) and Bank of the West.

## **Background**

Each year, the City Council is required to review its Investment Policy and approve any changes. The types of investment vehicles that cities are permitted to use are specified in the California Government Code (Government Code), which also explicitly requires that investment decisions be based first on the safety of the investment, followed by its liquidity, and only when these conditions are satisfied can yield be considered.

Two major changes to the Investment Policy were incorporated: the first was in the area of permitted investments, which now mirrors the Government Code, and the second related to the maturity of an investment, which in the earlier policy was limited to three and one-half years, but was extended to the maximum permitted length of five years.

Adoption of a Resolution Approving the City of South Pasadena Investment Policy for Fiscal Year 2020-21

November 4, 2020

Page 2 of 2

**Legal Review**

The City Attorney has reviewed this item.

**Fiscal Impact**

None.

**Public Notification of Agenda Item**

The public was made aware that this item was to be considered this evening by virtue of its inclusion on the legally publicly noticed agenda, posting of the same agenda and reports on the City's website and/or notice in the *South Pasadena Review* and/or the *Pasadena Star-News*.

Attachments:

1. Resolution Adopting the FY 2020-21 Investment Policy
2. Exhibit A City of South Pasadena Investment Policy FY 2020-21 (redlined)

**ATTACHMENT 1**

**Resolution Adopting FY 2020-21 Investment Policy**

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL  
OF THE CITY OF SOUTH PASADENA, CALIFORNIA,  
ADOPTING AN INVESTMENT POLICY FOR  
FISCAL YEAR 2020-21**

**WHEREAS**, the City Council of South Pasadena recognizes the need for prudent investment management; and

**WHEREAS**, investment management strategies are normally outlined in a document defined as an “Investment Policy”; and

**WHEREAS**, California Government Code Section 53646 requires an annual submission of an investment policy to the legislative body.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:**

**SECTION 1.** The Investment Policy attached hereto and incorporated herein as “Exhibit A” is hereby adopted as the Investment Policy of the City of South Pasadena for Fiscal Year 2020-21.

**SECTION 2.** This resolution shall become effective immediately upon adoption.

**SECTION 3.** The City Clerk of the City of South Pasadena shall certify to the passage and adoption of this resolution and its approval by the City Council and shall cause the same to be listed in the records of the City.



**PASSED, APPROVED AND ADOPTED ON** this 4<sup>th</sup> day of November, 2020.

\_\_\_\_\_  
Robert Joe, Mayor

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Evelyn G. Zneimer, City Clerk  
(seal)

\_\_\_\_\_  
Teresa L. Highsmith, City Attorney

**I HEREBY CERTIFY** the foregoing resolution was duly adopted by the City Council of the City of South Pasadena, California, at a regular meeting held on the 4<sup>th</sup> day of November 2020, by the following vote:

**AYES:**

**NOES:**           None

**ABSENT:**       None

**ABSTAINED:** None

\_\_\_\_\_  
Evelyn G. Zneimer, City Clerk  
(seal)

**ATTACHMENT 2**  
Exhibit A City of South Pasadena Investment Policy  
FY 2020-21 (redlined)

**“EXHIBIT A”  
CITY OF SOUTH PASADENA  
INVESTMENT POLICY**

**FY  
2019/2020/2**

**1**

1. Introduction

The purpose of this document is to define the City’s policy for investment and cash management. In accordance with California law and the public trust, it is the City’s policy to invest public funds in a manner that will provide the highest investment return with the maximum security while meeting the daily cash flow demands.

2. Scope

This policy covers all financial assets and investment activities under the direct control of the City of South Pasadena.

3. Prudence

The City adheres to the guidance provided by the “prudent investor” standard, as codified in Government Code Section 53600.3. This obligates a fiduciary to insure that:

“When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law.

All participants in the investment process shall act as custodians of the public trust. Investment officials shall recognize that the investment portfolio is subject to public review and evaluation. Accordingly, the overall program shall be designed and managed with a degree of professionalism that is worthy of the public trust.

4. Objectives

The primary objectives of investment activity, in order of priority, are shown below, and shall be in conformity with California Government Code Section 53600.5:

*Safety* - Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.

*Liquidity* - The investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements as prescribed by state law and which might be reasonably anticipated. An adequate portion of the portfolio should be maintained in liquid short-term securities that can be converted to cash if necessary to meet disbursement requirements. Since unanticipated cash requirements do, indeed, arise, most investments will be in securities with active secondary or resale markets. Emphasis shall be on marketable securities with low sensitivity to market risk.

*Yield* - Yield should become a consideration only after the more basic requirements of safety and liquidity have been met. The investment portfolio shall be designed with the objective of attaining a rate of return throughout budgetary and economic cycles commensurate with the City's investment risk restraints and the cash flow characteristics of the portfolio.

5. Delegation of Authority

Authority to manage the City's investment program is derived from California Government Code Sections 53600 *et seq.* By adoption of this policy, the City Council delegates investment authority to the City Treasurer. Such authority may be revoked by the City Council in writing at any time. The Treasurer shall establish procedures for the operation of the investment program consistent with this investment policy. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. By adoption of this policy, the City Treasurer appoints the Finance Director and Finance Manager as Deputy City Treasurer(s). The names of those persons to whom investment authority is delegated will be submitted to City Council for approval. No person may engage in an investment transaction except as provided under the terms of this policy and its related procedures. The Treasurer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the investment activities.

6. Reporting

The City Treasurer shall submit a monthly investment report to the City Council and copied to the Finance Commission based on summaries provided by the Finance Department. This report will include the following required elements:

- A. A report of investment activity for the month
  - 1. Maturities, withdrawals, sales and called investments
  - 2. New investments
  
- B. A statement of investment balances at month end
  - 1. Type of investment and par value, if applicable
  - 2. Issuing institution
  - 3. Date of maturity
  - 4. Amount of deposit or cost of security
  - 5. Current market value of securities with maturity in excess of twelve months
  - 6. Rate of interest or yield to maturity at purchase date
  - 7. Rate of interest or yield to maturity at the report date
  - 8. A representation certifying compliance of the City's investment activities to the City's Statement of Investment Policy.
  - 9. A representation as to the availability of cash to meet the City's expenditures over the next six months, as required in Section 53646 (2) (b) (3), based on cash flow projections provided by the Finance Department.

7. Authorized and Suitable Investment Instruments

Purchase of investments will be made with surplus funds available. The investments will be paid for, in full, as soon as practical after the time of trade. Purchases will not be made using leverage, margin accounts, or other unfunded mechanisms. No investments shall conflict with Government Code section 53601.

Eligible vehicles for the investment of funds shall be limited to the following table:

ALLOWABLE INVESTMENT INSTRUMENTS PER STATE GOVERNMENT CODE (AS OF JANUARY 1, 2019)<sup>A</sup> APPLICABLE TO ALL LOCAL AGENCIES<sup>B</sup>

Investment Type	Maximum Remaining Maturity <sup>C</sup>	Maximum Specified % of Portfolio <sup>D</sup>	Minimum Quality Requirements
Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
State Obligations: CA and Others	5 years	None	None
CA Local Agency Obligations	5 years	None	None
U.S. Agency Obligations	5 years	None	None
Bankers' Acceptances	180 days	40% <sup>E</sup>	None
Commercial Paper: Non-pooled Funds <sup>F</sup>	270 days or less	25% of the agency's money <sup>G</sup>	Highest letter and number rating by an NRSRO <sup>H</sup>
Commercial Paper: Pooled Funds <sup>I</sup>	270 days or less	40% of the agency's money <sup>G</sup>	Highest letter and number rating by an NRSRO <sup>H</sup>
Negotiable Certificates of Deposit	5 years	30% <sup>J</sup>	None
Non-negotiable Certificates of Deposit	5 years	None	None
Placement Service Deposits	5 years	<del>30%</del> 50% <sup>K</sup>	None
Placement Service Certificates of Deposit	5 years	<del>30%</del> 50% <sup>K</sup>	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements and Securities Lending Agreements	92 days <sup>L</sup>	20% of the base value of the portfolio	None <sup>M</sup>
Medium-term Notes <sup>N</sup>	5 years or less	30%	"A" rating category or its equivalent or better
Mutual Funds and Money Market Mutual Funds	N/A	20% <sup>O</sup>	Multiple <sup>P,Q</sup>
Collateralized Bank Deposits <sup>R</sup>	5 years	None	None
Mortgage Pass-through and Asset Backed Securities	5 years or less	20%	"AA" rating category or its equivalent or better
County Pooled Investment Funds	N/A	None	None
Joint Powers Authority Pool	N/A	None	Multiple <sup>S</sup>
Local Agency Investment Fund (LAIF)	N/A	None	None
Voluntary Investment Program Fund <sup>T</sup>	N/A	None	None
Supranational Obligations <sup>U</sup>	5 years or less	30%	"AA" rating category or its equivalent or better
<u>Public Bank Obligation</u>	<u>5 years</u>	<u>None</u>	<u>None</u>

## TABLES OF NOTES

A	Sources: Sections 16340, 16429.1, 27133, 53601, 53601.6, 53601.8, 53630 et seq., 53635, and 53635.8.	M	Reverse repurchase agreements must be made with primary dealers of the Federal Reserve Bank of New York or with a nationally or state chartered bank that has a significant relationship with the local agency. The local agency must have held the securities used for the agreements for at least 30 days.
B	Municipal Utilities Districts have the authority under the Public Utilities Code Section 12871 to invest in certain securities not addressed here.		
C	Section 53601 provides that the maximum term of any investment authorized under this section, unless otherwise stated, is five years. However, the legislative body may grant express authority to make investments either specifically or as a part of an investment program approved by the legislative body that exceeds this five year remaining maturity limit. Such approval must be issued no less than three months prior to the purchase of any security exceeding the five-year maturity limit.	N	“Medium-term notes” are defined in Section 53601 as “all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States.”
D	Percentages apply to all portfolio investments regardless of source of funds. For instance, cash from a reverse repurchase agreement would be subject to the restrictions.	O	No more than 10 percent invested in any one mutual fund. This limitation does not apply to money market mutual funds.
E	No more than 30 percent of the agency’s money may be in bankers’ acceptances of any one commercial bank.	P	A mutual fund must receive the highest ranking by not less than two nationally recognized rating agencies or the fund must retain an investment advisor who is registered with the SEC (or exempt from registration), has assets under management in excess of \$500 million, and has at least five years’ experience investing in instruments authorized by Sections 53601 and 53635.
F	Includes agencies defined as a city, a district, or other local agency that do not pool money in deposits or investment with other local agencies, other than local agencies that have the same governing body.		
G	Local agencies, other than counties or a city and county, may purchase no more than 10 percent of the outstanding commercial paper of any single issuer.	Q	A money market mutual fund must receive the highest ranking by not less than two nationally recognized statistical rating organizations or retain an investment advisor registered with the SEC or exempt from registration and who has not less than five years’ experience investing in money market instruments with assets under management in excess of \$500 million.
H	Issuing corporation must be organized and operating within the U.S., have assets in excess of \$500 million, and debt other than commercial paper must be in a rating category of "A" or its equivalent or higher by a nationally recognized statistical rating organization, or the issuing corporation must be organized within the U.S. as a special purpose corporation, trust, or LLC, have program wide credit enhancements, and have commercial paper that is rated “A-1” or higher, or the equivalent, by a nationally recognized statistical rating agency.	R	Investments in notes, bonds, or other obligations under Section 53601(n) require that collateral be placed into the custody of a trust company or the trust department of a bank that is not affiliated with the issuer of the secured obligation, among other specific collateral requirements.
I	Includes agencies defined as a county, a city and county, or other local agency that pools money in deposits or investments with other local agencies, including local agencies that have the same governing body. Local agencies that pool exclusively with other local agencies that have the same governing body must adhere to the limits set forth in Section 53601(h)(2)(C).	S	A joint powers authority pool must retain an investment advisor who is registered with the SEC (or exempt from registration), has assets under management in excess of \$500 million, and has at least five years’ experience investing in instruments authorized by Section 53601, subdivisions (a) to (o).
J	No more than 30 percent of the agency’s money may be in negotiable certificates of deposit that are authorized under Section 53601(i).	T	Local entities can deposit between \$200 million and \$10 billion into the Voluntary Investment Program Fund, upon approval by their governing bodies. Deposits in the fund will be invested in the Pooled Money Investment Account.
K	No more than 30 percent of the agency’s money may be invested in deposits, including certificates of deposit, through a placement service (excludes negotiable certificates of deposit authorized under Section 53601(i)).	U	Only those obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), and Inter-American Development Bank (IADB), with a maximum remaining maturity of five years or less.
L	Reverse repurchase agreements or securities lending agreements may exceed the 92-day term if the agreement includes a written codicil guaranteeing a minimum earning or spread for the entire period between the sale of a security using a reverse repurchase agreement or securities lending agreement and the final maturity dates of the same security.		

8. Maturities

To the extent possible, the City of South Pasadena will attempt to match its investments with anticipated cash flow requirements. Securities shall not be purchased which have maturity dates of more than five years. At the time of ~~purchase~~purchase, no more than one third of the investment portfolio shall have a maturity date in excess of three years into the future.

All investment instruments will be acquired with a view toward holding such instruments to their maturity, thereby avoiding risks to loss of principal due to market fluctuations.

9. Portfolio Adjustments

The moneys entrusted to the City Treasurer will be a passively managed portfolio. However, the City Treasurer will make best efforts to observe, review, and react to changing conditions that affect the portfolio. Should any investments exceed a percentage-of-portfolio limitation due to an incident such as fluctuation in portfolio size, the affected securities may be held to maturity to avoid losses. When no loss is indicated, the Treasurer shall consider restructuring the portfolio basing his decision on the expected length of time the portfolio will be unbalanced. If this occurs, the City Council shall be notified by information contained in the next monthly report as required in Section 6 of this policy.

10. Authorized Banks and Security Dealers

In selecting financial institutions for the deposit or investment of City funds, the Treasurer shall consider the credit-worthiness of institutions, and utilize only those depositories that are qualified public depositories as established by state law. In addition, only broker-dealers that are authorized in the state of California will be utilized. The Treasurer shall continue to monitor financial institutions' credit characteristics and financial history throughout the period in which City funds are deposited or invested.

All broker-dealers who desire to become qualified bidders for investment transactions must supply the treasurer with the following items: audited financial statements; Financial Industry Regulatory Authority (FINRA) certification; proof of state registration; and certification of awareness of, and familiarity with South Pasadena's investment policy.

From time to time, the Finance Director will review the broker-dealer relationships, fees and charges for reasonableness and competitiveness.

11. Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Employees and investment officials shall disclose to the City Manager any financial interests in financial institutions that conduct business within the City of South Pasadena, and they shall further disclose any large personal financial investment positions that could be related to the performance of the City, particularly with regard to the timing of purchases and sales.

12. Safekeeping and Custody

At a minimum, securities will be held in safekeeping in an account in the name of the City of South Pasadena at a broker which is adequately insured by Securities Investor Protection

Corporation. Securities purchased from broker/dealers may be on a “delivery versus payment” basis and held in a third party custodian account in a manner that establishes the City's right of ownership.

13. Internal Control

The City Treasurer and Deputy City Treasurers are responsible for ensuring compliance with the City's Investment Policy as well as for establishing systems of internal control designed to prevent losses due to fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets or imprudent actions by City officers and employees. No investment personnel may engage in an investment transaction except as provided under the terms of this policy. No investment transaction, other than cash movements between Bank of the West and LAIF, will occur without the authorization of the City Treasurer and one of the Deputy City Treasurers as defined in Section 5 of this policy. In the absence of the City Treasurer, the Mayor shall authorize investment transactions on his/her behalf.

To strengthen internal control there are specific limits set on the locations to which the Treasurer or his representative may make transfers of funds via telephone. The Treasurer hereby has the limited authorization to make telephone transfers of funds *only* between the City's bank account, the City's investment accounts at the LAIF and the City's broker-dealer after an investment decision has been made. Telephone transfers can only be made among these three accounts. Any other transfers of funds must be executed through written means (such as a check or warrant) or normal electronic funds transfers with adequate written documentation and approval. The City's bank, broker-dealer, and the Local Agency Investment Fund are informed in writing of these limitations.

At the time of the annual audit of the City's financial statements, the audit program by the independent auditor will include an evaluation and report to the City Council regarding the compliance with the City's investment policy.

14. Statement of Investment Policy

The Statement of Investment Policy shall be updated annually in the month of August by the City Treasurer and Finance Commission, and submitted to the City Council for review and adoption.





# City Council Agenda Report

ITEM NO. 7

**DATE:** November 4, 2020

**FROM:** Sean Joyce, Interim City Manager

**PREPARED BY:** Joanna Hankamer, Director of Planning and Community Development  
Kanika Kith, Planning Manager  
Malinda Lim, Associate Planner

**SUBJECT:** **Project No. 2348-MIL - Approval of a Mills Act Contract for Property Located at 335 Monterey Road (Assessor's Parcel Number 5311-012-010)**

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## Recommendation

It is recommended that the City Council enter into a Mills Act contract with the property owners of 335 Monterey Road, which is designated as a City landmark, Landmark No. 47 - Burwood House.

## Executive Summary

A Mills Act contract is an agreement between the City and the property owner. The contract requires that the property owner completes specific restoration and maintenance tasks, as submitted in the proposed restoration work plan. The proposed work plan is included as Exhibit C to the Mills Act contract. In return, for the duration of 10 years, the property owner receives a reduction in their property tax bill with the agreement that those property tax savings be reinvested into the property and fund the approved improvements.

On September 17, 2020, the Cultural Heritage Commission reviewed the proposed Mills Act application and voted 4-0 recommending that the City Council enter into the Mills Act contract. The subject property qualifies for a Mills Act contract because it is a City landmark, Landmark No. 47 - Burwood House. The Burwood House was built in 1910. The architect, Lester S. Moore, is recognized as one of Southern California's earliest noted architects. His career in Los Angeles spanned from 1895 until shortly before his death in 1924. Burwood is the most significant surviving example of Moore's work in South Pasadena. The original five-acre property was on a wooded hillside, and is a major contributor to the architectural and historic context of the Monterey Road Neighborhood.

## Commission Review and Recommendation

In accordance to South Pasadena Municipal Code Chapter 2 Section 2.68 (B)(1)(c), the Cultural Heritage Commission recommended that the subject property be approved for a Mills Act contract with the City, based upon the following required criteria:

- (i) *Financial Investment. The estimated tax benefit is not expected to exceed the applicant's proposed financial investment in the cultural resource over the first 10 years of the contract.*

The total cost of the repairs is \$224,000 between 2023 and 2028. The tax benefit over the same period is expected to be \$224,000. The proposed scope of work includes potential repair/reinforcement of the arroyo stone wall and wine cellar which has not been included in the total cost. Overall, the estimated tax benefit is not expected to exceed the applicant's proposed financial investment in the cultural resource over the first 10 years of the contract.

- (ii) *Public Benefit. The proposed Mills Act contract features a work plan that will provide a benefit to the public by: rehabilitating the property for continued occupancy or adaptive reuse; improved viability through systems upgrades and structural reinforcement upgrades; preserving and maintaining the character-defining features of the property, and/or restoring character-defining features of the property that have been significantly altered or removed over time.*

The application proposes significant repairs and restoration to the porch columns, including areas with deteriorating wood at base of columns, repainting and carpentry work. Window rehabilitation including fixing inoperable or failing hardware, prepping, and repainting frames, wood surrounds, and sills in a period appropriate palate. Re-roofing the residence includes removal of composition shingles, repairs to roof structure system as needed, and re-sheathing and carpentry work to address failing and deteriorated woods rafters, fascia, and framing. The proposed improvements will provide a benefit to the public by preserving and maintaining the character defining features of this local landmark.

- (iii) *Retroactive Limitations. The estimated tax benefit will not be used for any maintenance or alteration work that was previously completed or initiated before the contract is approved, unless it can be shown that the completed work was necessary in the interest of the public health or safety following involuntary damage or destruction caused by fire, act of nature, or any other casualty.*

The application does not propose maintenance or alteration work that was previously completed or initiated.

- (iv) *Limitations on Maintenance. The estimated tax benefit will not be used for routine maintenance work except for exemplary or exceptional properties that have financially burdensome maintenance requirements.*

The application proposes maintenance of the property for biannual termite inspection and mitigation and triannual roof and paint inspection and repairs in the scope of work. The cost for these inspections were not included in total cost of proposed work.

- (v) *Limitations on Interior Work. The estimated tax benefit will not be used for work within the interior of a cultural resource unless the commission determines the following exceptions should be made: the interior work is necessary to improve the structural integrity of the property; the interior work is necessary to preserve and maintain character-defining features*

*within the cultural resource that are specifically identified as part of the official landmark nomination; and/or the interior work is necessary to preserve and maintain character-defining features of the property that were discovered subsequent to its landmark designation. The commission must first determine that those interior features are character-defining based on substantial evidence provided by the applicant.*

The proposed work plan does not include interior work. It is estimated that the entire scope of work will be completed by the eighth year (2028) of the Mills Act contract.

(vi) *Limitations on Landscaping. The estimated tax benefit will not be used for landscaping work unless it will be used for specific landscape features that were identified as part of the official landmark nomination.*

The application does not include landscaping work.

Entering into the Mills Act contract will promote the City's Preservation Element of the General Plan, Section 5.5, Goal 6, Policy 6.3, "Encourage property owners to take advantage of the available financial incentives."

The Cultural Heritage Commission recommended approval, subject to a condition that the property owners obtain approval from the Chair of the Cultural Heritage Commission prior to starting any work listed on the work plan. The condition has been added to the Mills Act Contract, included as Attachment 1.

The proposed Restoration Work Plan is included as an Attachment to the staff report provided to the Cultural Heritage Commission, which is included as Attachment 3.

### **Fiscal Impact**

A Mills Act contract allows a tax reduction (between approximately 40% - 60%) for a property owner who agrees to perform certain restoration and maintenance tasks over a 10-year period. Although the City will see a reduction in property tax revenue (26% per Mills Act contracted property), the benefits of the program include economic benefits of conserving resources and reinvestment as well as the important role historic preservation can play in revitalizing older areas, creating cultural tourism, building civic pride, and retaining the sense of place and continuity with the community's past.

The total estimated cost to the City as a result of property tax reduction (26%) for this property is approximately \$55,916.00 over the 10-year life of the contract, which amounts to \$5,591.60 annually.

### **Legal Review**

The City Attorney has reviewed this Staff Report.

### **Environmental Analysis**

This project is exempt from any California Environmental Quality Act (CEQA) analysis based on State CEQA Guidelines Section 15308, Class 8: Actions taken by regulatory agencies, as

authorized by state or local ordinance, to assure the maintenance, restoration, enhancement, or protection of the environment where the regulatory process involves procedures for protection of the environment.

**Public Notification of Agenda Item**

The public was made aware that this item was to be considered this evening by virtue of its inclusion on the legally publicly noticed agenda, posting of the same agenda and reports on the City's website.

**Attachments:**

1. Mills Act contract
2. CHC Staff Report & Additional Document

**ATTACHMENT 1**  
Mills Act Contract

## MILLS ACT CONTRACT

THIS CONTRACT (“Contract”) is made and entered into this \_\_\_\_\_ day of December 2020, by and between the CITY OF SOUTH PASADENA, CALIFORNIA, a municipal corporation (“City”), and Janice Lupien (“Owner”).

### RECITALS

(i) California Government Code Section 50280 *et seq.*, authorizes cities to enter into contracts with the Owner of qualified historical property to provide for the use, maintenance, and restoration of such historical property so as to retain its characteristics as property of historical significance;

(ii) Owner possesses fee title in and to that certain real property, together with associated structures and improvements thereon, located at 335 Monterey Road, South Pasadena, California, Assessor’s Parcel Number 5311-012-010 (“Historic Property”). A legal description of the Historic Property is attached hereto, marked as “Exhibit A” and is incorporated herein as if fully set forth;

(iii) The Historic Property is a designated City landmark, Landmark No. 47 – Burwood House, attached hereto marked “Exhibit B”. The Burwood House was built in 1910. The architect, Lester S. Moore, is recognized as one of Southern California’s earliest noted architects. His career in Los Angeles spanned from 1895 until shortly before his death in 1924. Burwood is the most significant surviving example of Moore’s work in South Pasadena. The original five-acre property was on a wooded hillside and is a major contributor to the architectural and historic context of the Monterey Road Neighborhood. Character defining features to the property consist of a wooden cellar door and cooling chamber leading to a retaining wall and into hillside.

(iv) City and Owner, for their mutual benefit, now desire to enter into this Agreement both to protect and preserve the characteristics of historical significance of the Historic Property, and to qualify the Historic Property for an assessment of valuation pursuant to the provisions of Chapter 3 of Part 2 of Division 1 of the California Revenue and Taxation Code.

NOW, THEREFORE, City and Owner, in consideration of the mutual covenants and conditions contained herein, do hereby agree as follows:

1. EFFECTIVE DATE AND TERM. The Agreement shall be effective and commence on January 1, 2021 and shall remain in effect for a minimum period of ten (10) years, unless the property owner is issued a notice of non-renewal as provided in Section 2.68(b)(1)(E)(v) of the South Pasadena Municipal Code.

2. AUTOMATIC RENEWAL. Unless a notice of non-renewal is issued, this Agreement shall automatically be extended by one year for each anniversary date of the Agreement unless otherwise specified herein.

3. APPEAL OF NOTICE OF NON-RENEWAL. The property owner shall have the right (per Government Code Section 50282) to appeal a notice of non-renewal to the City Council.

4. STANDARDS FOR HISTORIC PROPERTY.

- a. Owner shall rehabilitate, preserve and maintain the historically significant characteristics of the Historic Property. Attached hereto, marked as Exhibit "C" and incorporated herein by this reference is a list of those items for rehabilitation, restoration and maintenance planned for preservation of the Historic Property and a timeline for completion, which shall apply to such property throughout the term of this agreement. Owner shall obtain approval from the Chair of the Cultural Heritage Commission prior to start of work of said items for rehabilitation, restoration and maintenance planned for preservation of the Historic Property.
- b. Owner shall additionally and where necessary, restore and rehabilitate the property according to the rules and regulations of the Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings and the State Historic Building Code and shall maintain the entire property according to minimum standards and conditions, attached hereto, marked as Exhibit "D".

5. LIMITATIONS. Under Section 2.68(b)(1)(C)(iii)-(v), the estimated tax benefit will not be used for: (1) any maintenance or alteration work that was previously completed or initiated before the contract is approved, unless it can be shown that the completed work was necessary in the interest of the public health or safety following involuntary damage or destruction caused by fire, act of nature, or any other casualty; (2) routine maintenance work except for exemplary or exceptional properties that have financially burdensome maintenance requirements; (3) work within the interior of a Historic Property unless the Cultural Heritage Commission determines an exception should be made; and (4) landscaping work unless it will be used for specific landscape features that were identified as part of the official landmark nomination.

6. INSPECTIONS. The Owner shall allow reasonable inspections, by prior appointment given a minimum of at least 24 hours in advance, of the interior and exterior of the Historic Property by representatives of the Historic Property by representatives of the County Assessor, State Office of Historic Preservation, State Board of Equalization and the City, as may be necessary to determine Owner's compliance with the terms and conditions of this agreement.

7. PROVISION OF COMPLIANCE INFORMATION. The owner hereby agrees to furnish the City with any and all information requested by the City which may

be reasonable and necessary to determine compliance with the terms and provisions of this Agreement. In addition, the owner shall agree to provide to the City on the third anniversary date of this Agreement and every third year thereafter a report describing the preservation tasks that are in progress and have been completed pursuant to this Agreement.

8. NON-RENEWAL. If recommended by the Commission and approved by the City Council, a notice of non-renewal may be issued six (6) years into the duration of this Agreement. The procedure for notice of non-renewal by the owner or the City shall be in accordance with Government Code Section 50282 as it may be amended from time to time.

9. BINDING EFFECT OF CONTRACT. This Agreement shall be binding on all successors-in interest of the owner to the benefits and burdens of this Agreement. The contract shall stipulate escrow instructions that require a review and re-evaluation of the property every three years.

10. CANCELLATION. City following a duly noticed public hearing as set forth in California Code Section 50280 *et seq.*, may cancel this Agreement if City determines that the Owner has breached any of the conditions or covenants of the Agreement or has allowed the Historic Property to deteriorate to the point that it no longer meets the significance criteria under which it was designated. City may also cancel this Agreement if it determines Owner has failed to restore or rehabilitate the Historic Property in the manner specified in Paragraph 4 of this Agreement. The City may also cancel this Agreement if, upon consultation with the State of California Office of Historic Preservation, the preservation, rehabilitation, or restoration becomes infeasible due to damage caused by natural disaster. City's right to cancel this Agreement pursuant to this paragraph shall in no way limit or restrict its rights or legal remedies arising from City's Cultural Heritage Ordinance and Municipal Code.

11. CANCELLATION FEE. In the event of cancellation, Owner shall be subject to payment of those cancellation fees set forth in California Government Code Section 50280 *et seq.*, described herein. Upon cancellation, Owner shall pay a cancellation fee equal to twelve and one-half percent (12.5%) of the current fair market value of the property as determined by the County Assessor as though the Historic Property were free of the contractual restriction pursuant to this Agreement. The Owner shall pay the cancellation fee to the County Auditor in the time and manner prescribed by the County Auditor.

12. ENFORCEMENT OF AGREEMENT. In lieu of and/ or in addition to any provisions to cancel this Agreement as referenced herein, City may specifically enforce, or enjoin the breach of the terms of this Agreement.

In the event of a breach by Owner under the provisions of this agreement, City shall give written notice to Owner by registered or certified mail to the address stated in this agreement, which notice shall specifically identify the alleged breach and the proposed action which City recommends to Owner to cure said alleged breach. Owner



shall hereafter have sixty (60) days within which to cure such breach to the reasonable satisfaction of the City. Upon completion by Owner of the cure of the breach, City shall withdraw its notice of breach.

Should owner not cure such breach within the time period specified above, then City may, without further notice, declare a default under the terms of this agreement and may bring any action necessary to specifically enforce the obligations of Owner arising out of the terms of this agreement, apply to any court, state or federal, for injunctive relief against any violation by Owner or apply for such other relief as may be appropriate. City may at its sole discretion extend the 60-day cure period. Such extension must be in writing.

13. WAIVER. City does not waive any claim or default by Owner if City does not enforce or cancel this Agreement. All other remedies at law or in equity which are not otherwise provided for in this Agreement or in the City's regulations governing historic properties are available to City to pursue in the event there is a breach of this Agreement. No waiver by City of any breach or default under this Agreement shall be deemed to be a waiver of any other subsequent breach thereof or default hereunder.

14. BINDING EFFECT OF AGREEMENT. Owner hereby subjects the Historic Property to the covenants, reservations and restrictions set forth in this Agreement. City and Owner hereby declare their specific intent that the covenants, reservations, and restriction as set forth herein shall be deemed covenants running with the land and shall pass to and be binding upon Owner's successors and assigns in title or interest to the Historic Property.

Each and every contract, deed or other instrument hereinafter executed, governing or conveying the Historic Property, or any portion thereof, shall conclusively be held to have been executed, delivered and accepted subject to the covenants, reservations and restriction expressed in this Agreement regardless of whether such covenants, reservations and restrictions are set forth in such contract, deed or other instrument.

City and Owner hereby declare their understanding and intent that the burden of the covenants, reservations and restrictions set forth herein touch and concern the land in that it restricts development of the Historic Property. City and Owner hereby further declare their understanding and intent that the benefit of such covenants, reservations and restrictions touch and concern the land by enhancing and maintaining the cultural and historic characteristics and significance of the Historic Property for the benefit of the public and Owner.

15. NOTICE. Any notice required to be given by the terms of this Agreement shall be provided at the address of the respective parties as specified below, by personal delivery or United States mail, postage prepaid, addressed as follows:

City: City of South Pasadena  
Director of Planning and Building

1414 Mission Street  
South Pasadena, California 91030

Owner: Janice Lupien  
335 Monterey Road  
South Pasadena, California 91030

16. EFFECT OF AGREEMENT. None of the terms, provisions or conditions of this Agreement shall be deemed to create a partnership between the parties hereto and any of their heirs, successors or assigns, nor shall such terms, provisions or conditions cause them to be considered joint ventures or members of any joint enterprise.

17. INDEMNITY OF CITY. Owner agrees to protect, defend, indemnify, and shall hold City and its elected officials, officers, agents, and employees harmless from liability for claims, loss, proceedings, damages, causes of action, liability, costs or expense, including reasonable attorney's fees in connection with damage for personal injuries, including death, and claims for property damage which may arise from the direct or indirect use or operations of such Owner or those of its contractor, subcontractor, agent, employee or other person acting on its behalf which relate to the use, operation, capital improvement and maintenance of the Historic Property. Owner hereby agree to and shall defend the City and its elected officials, officers, agents, and employees with respect to any and all actions for damages caused by, or alleged to have been suffered, by reason of the operations referred to in this Agreement regardless of whether or not the City prepared, supplied or approved the plans, specifications or other documents for the Historic Property.

18. BINDING UPON SUCCESSORS. All of the agreements, rights, covenants, reservations, and restrictions contained in the Agreement shall be binding upon and shall inure to benefit of the parties herein, their heirs, successors, legal representative, assigns and all persons acquiring any part or portion of the Historic Property, whether by operation of law or in any manner whatsoever.

19. LEGAL COSTS. In the event legal proceedings are brought by any party or parties to enforce or restrain a violation of any of the covenants, reservations or restrictions contained herein, or to determine the rights and duties of any party hereunder, the prevailing party in such proceeding may recover all reasonable attorney's fees to be fixed by the court, in addition to court costs and other relief ordered by the court.

20. SEVERABILITY. In the event that any of the provisions of this Agreement are held to be unenforceable or invalid by any court of competent jurisdiction, or by subsequent preemptive legislation, the validity and enforceability of the remaining provisions, or portions thereof, shall not be affected thereby.

21. GOVERNING LAW. This Agreement shall be construed and governed in accordance with the laws of the State of California.

22. EMINENT DOMAIN PROCEDURES. Upon the filing of an action in eminent domain by a public agency for the condemnation of the fee title of any land described herein or of less than fee interest which will present the portion of land condemned or other land or a portion of it which is the subject of this Agreement from being used for any authorized use, or upon the acquisition in lieu of eminent domain by a public agency for a public improvement, the portions of this Agreement by which Owner agree to preserve and to restrict the use of property described herein shall be null and void upon such filing as to the portion of the land condemned or acquired and to the additional land the use of which for an authorized purpose will be prevented as a result of condemnation or acquisition.

If, subsequent to the filing of an action in eminent domain, the proposed condemnation is abandoned by the condemning agency as to all or a portion of the land subject to the Agreement, the restrictions on the use of the property included in this Agreement shall, without further agreement of the parties, be re-instituted and the terms of this Agreement shall be in full force and effect.

23. RECORDATION. No later than thirty (30) days after the parties execute this Agreement, the Owner or Owner’s agent shall record this Agreement in the Office of the County Recorder of the County of Los Angeles.

24. AMENDMENTS. This Agreement may be amended, in whole or in part, only by written-recorded instrument executed by the parties hereto.

25. NOTICE TO OFFICE OF HISTORIC PRESERVATION. The City shall provide written notice of this Agreement to the State Office of Historic Preservation within six (6) months of entering into this Agreement.

IN WITNESS THEREOF, City and Owner have executed this Agreement on the day and year first above written.

CITY OF SOUTH PASADENA

Date: \_\_\_\_\_

By: \_\_\_\_\_

MAYOR

Attest:

\_\_\_\_\_  
CITY CLERK

Approved as to Form:

Date: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
Janice Lupien, Owner

**Exhibit “A”**

Legal Description

## LEGAL DESCRIPTION

LEGAL DESCRIPTION AFTER LOT LINE ADJUSTMENT:

**PARCEL 2:**

THAT PORTION OF LOTS 88 AND 89, OF LINCOLN PARK IN THE CITY OF SOUTH PASADENA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 6, PAGES 358 AND 359, OF MISCELLANEOUS RECORDS, IN THE OFFICE OF COUNTY RECORDER OF SAID COUNTY, LYING NORTHWESTERLY OF THE FOLLOWING DESCRIBED LINE "A" WITHIN THE FOLLOWING DESCRIBED BOUNDARY "B":

**LINE "A":**

COMMENCING AT THE MOST NORTHERLY CORNER OF SAID LOT 89; THENCE, SOUTH 84° 54' 01" EAST ALONG THE NORTHEASTERLY LINE OF SAID LOT 89, A DISTANCE OF 23.62 FEET TO A POINT, SAID POINT BEING THE TRUE POINT OF BEGINNING; THENCE SOUTH 00° 31' 00" EAST A DISTANCE OF 138.31 FEET; THENCE SOUTH 74° 01' 14" WEST, PARALLEL TO THE NORTH LINE OF TRACT 8385, AS PER MAP RECORDED IN BOOK 99, PAGES 65 AND 66, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, A DISTANCE OF 125.88 FEET; THENCE SOUTH 11° 07' 59" WEST 94.85 FEET TO THE NORTH LINE OF SAID TRACT.

**BOUNDARY "B":**

BEGINNING AT THE NORTHEASTERLY CORNER OF SAID LOT 89; THENCE SOUTH 0° 34' 00" EAST ALONG THE EASTERLY LINE THEREOF, 184.83 FEET, MORE OR LESS, TO THE NORTHEASTERLY CORNER OF TRACT NO 8385, AS PER MAP RECORDED IN BOOK 99, PAGES 65 AND 66, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE SOUTH 73° 57' 22" WEST ALONG THE NORTHERLY LINE OF SAID TRACT NO. 8385 A DISTANCE OF 354.58 FEET, MORE OR LESS, TO THE SOUTHEASTERLY CORNER OF PARCEL 1 OF THE LAND CONVEYED TO RICHARD M KELSEY, AND WIFE, BY DEED RECORDED IN BOOK 5185, PAGE 171, OF OFFICIAL RECORDS; THENCE ALONG THE EASTERLY LINE OF SAID PARCEL 1, THE FOLLOWING COURSES AND DISTANCES; NORTH 4° 21' 00" WEST 129.74 FEET; NORTH 19° 28' 10" WEST 21.20 FEET AND NORTH 20° 27' 00" EAST 53 FEET, MORE OR LESS, TO THE SOUTHEASTERLY CORNER OF THE LAND CONVEYED TO EMMA HALM BY DEED RECORDED IN BOOK 6839, PAGE 301, OF OFFICIAL RECORDS; THENCE NORTH 69° 04' 00" WEST ALONG THE SOUTHERLY LINE OF THE LAND SO CONVEYED TO EMMA HALM, 66.46 FEET TO THE SOUTHWESTERLY CORNER THEREOF, BEING A POINT IN A WESTERLY LINE OF THE AFORESAID PARCEL 1; THENCE SOUTH 19° 48' 55" WEST ALONG SAID WESTERLY LINE, 15 FEET, MORE OR LESS, TO AN ANGLE POINT THEREIN; THENCE NORTH 63° 21' 30" WEST ALONG A NORTHEASTERLY LINE OF SAID PARCEL 1, 20 FEET TO THE NORTHWESTERLY LINE OF SAID LOT 87; THENCE NORTH 27° 24' 35" EAST ALONG SAID NORTHWESTERLY LINE 150.08 FEET, MORE OR LESS, TO THE MOST NORTHERLY CORNER OF SAID LOT 87; THENCE SOUTH 63° 21' 30" EAST ALONG THE NORTHEASTERLY LINE THEREOF, 100 FEET TO THE MOST EASTERLY CORNER OF LOT 87; THENCE SOUTH 84° 53' 30" EAST ALONG THE NORTHERLY LINE OF SAID LOTS 88 AND 89, A DISTANCE OF 265 FEET TO THE POINT OF BEGINNING.

PARCEL 2 CONTAINING APPROXIMATELY 42,620 SQUARE FEET.

AS SHOWN ON EXHIBIT "C" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF.

### CITY OF SOUTH PASADENA – DEPARTMENT OF CITY PLANNING

SCALE: 1"=20'	DATE: 06/23/20	PLAT PREPARED BY:  <b>CaliLand Engineering, Inc.</b>	JN: 2018-1611  <b>LOT LINE ADJUSTMENT</b>
DRAWN BY: C		Civil Engineers Land Surveyors Land Planners 1216 SOUTH GARFIELD AVENUE, SUITE 200, ALHAMBRA, CA 91801 Phone: (626)281-2288 Fax: (626)281-2088 Visit us at: <a href="http://www.CaliLand.net">www.CaliLand.net</a>	335 MONTEREY ROAD SOUTH PASADENA, CA 91030 APN: 5311-012-010 5311-012-011
SCRIVENER: kvl			PAGE 4 OF 5



**LEGAL DESCRIPTION**

LEGAL DESCRIPTION AFTER LOT LINE ADJUSTMENT:

**PARCEL 1:**

THAT PORTION OF LOTS 88 AND 89, OF LINCOLN PARK IN THE CITY OF SOUTH PASADENA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 6, PAGES 358 AND 359, OF MISCELLANEOUS RECORDS, IN THE OFFICE OF COUNTY RECORDER OF SAID COUNTY, LYING SOUTHEASTERLY OF THE FOLLOWING DESCRIBED LINE "A" WITHIN THE FOLLOWING DESCRIBED BOUNDARY "B":

**LINE "A":**

COMMENCING AT THE MOST NORTHERLY CORNER OF SAID LOT 89; THENCE SOUTH 84° 54' 01" EAST ALONG THE NORTHEASTERLY LINE OF SAID LOT 89, A DISTANCE OF 23.62 FEET TO A POINT, SAID POINT BEING THE TRUE POINT OF BEGINNING; THENCE SOUTH 00° 31' 00" EAST, A DISTANCE OF 138.31 FEET; THENCE SOUTH 74° 01' 14" WEST, PARALLEL TO THE NORTH LINE OF TRACT 8385, AS PER MAP RECORDED IN BOOK 99, PAGES 65 AND 66, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, A DISTANCE OF 125.88 FEET; THENCE SOUTH 11° 07' 59" WEST 94.85 FEET TO THE NORTH LINE OF SAID TRACT.

**BOUNDARY "B":**

BEGINNING AT THE NORTHEASTERLY CORNER OF SAID LOT 89; THENCE SOUTH 0° 34' 00" EAST ALONG THE EASTERLY LINE THEREOF, 184.83 FEET, MORE OR LESS, TO THE NORTHEASTERLY CORNER OF TRACT NO 8385, AS PER MAP RECORDED IN BOOK 99, PAGES 65 AND 66, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE SOUTH 73° 57' 22" WEST ALONG THE NORTHERLY LINE OF SAID TRACT NO. 8385 A DISTANCE OF 354.58 FEET, MORE OR LESS, TO THE SOUTHEASTERLY CORNER OF PARCEL 1 OF THE LAND CONVEYED TO RICHARD M KELSEY, AND WIFE, BY DEED RECORDED IN BOOK 5185, PAGE 171, OF OFFICIAL RECORDS; THENCE ALONG THE EASTERLY LINE OF SAID PARCEL 1, THE FOLLOWING COURSES AND DISTANCES; NORTH 4° 21' 00" WEST 129.74 FEET; NORTH 19° 28' 10" WEST 21.20 FEET AND NORTH 20° 27' 00" EAST 53 FEET, MORE OR LESS, TO THE SOUTHEASTERLY CORNER OF THE LAND CONVEYED TO EMMA HALM BY DEED RECORDED IN BOOK 6839, PAGE 301, OF OFFICIAL RECORDS; THENCE NORTH 69° 04' 00" WEST ALONG THE SOUTHERLY LINE OF THE LAND SO CONVEYED TO EMMA HALM, 66.46 FEET TO THE SOUTHWESTERLY CORNER THEREOF, BEING A POINT IN A WESTERLY LINE OF THE AFORESAID PARCEL 1; THENCE SOUTH 19° 48' 55" WEST ALONG SAID WESTERLY LINE, 15 FEET, MORE OR LESS, TO AN ANGLE POINT THEREIN; THENCE NORTH 63° 21' 30" WEST ALONG A NORTHEASTERLY LINE OF SAID PARCEL 1, 20 FEET TO THE NORTHWESTERLY LINE OF SAID LOT 87; THENCE NORTH 27° 24' 35" EAST ALONG SAID NORTHWESTERLY LINE 150.08 FEET, MORE OR LESS, TO THE MOST NORTHERLY CORNER OF SAID LOT 87; THENCE SOUTH 63° 21' 30" EAST ALONG THE NORTHEASTERLY LINE THEREOF, 100 FEET TO THE MOST EASTERLY CORNER OF LOT 87; THENCE SOUTH 84° 53' 30" EAST ALONG THE NORTHERLY LINE OF SAID LOTS 88 AND 89, A DISTANCE OF 265 FEET TO THE POINT OF BEGINNING.

PARCEL 1 CONTAINING APPROXIMATELY 34,181 SQUARE FEET.

AS SHOWN ON EXHIBIT "C" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF.

PREPARED BY ME  
OR UNDER MY DIRECTION  
ON: June 23, 2020

  
YOON LAI PLS 8886



**CITY OF SOUTH PASADENA – DEPARTMENT OF CITY PLANNING**

SCALE: 1"=20'	DATE: 06/23/20	PLAT PREPARED BY: <b>CaliLand Engineering, Inc.</b>	JN: 2018-1611	LOT LINE ADJUSTMENT
DRAWN BY: C		Civil Engineers Land Surveyors Land Planners 1216 SOUTH GARFIELD AVENUE, SUITE 200, ALHAMBRA, CA 91801 Phone: (626)281-2288 Fax: (626)281-2088 Visit us at: www.CaliLand.net		335 MONTEREY ROAD SOUTH PASADENA, CA 91030 APN: 5311-012-010 5311-012-011
SCRIVENER: kvl				PAGE 3 OF 5



**PLAT MAP**

**OWNER INFORMATION:**

PARCEL 1 & 2:  
 OWNER: ARROYO VISTA INN, LLC  
 335 MONTEREY ROAD  
 SOUTH PASADENA, CA 91030  
 TEL.: (626)297-0213

AREA BEFORE LOT LINE ADJUSTMENT:  
 POR. LOT 89: 34,146 S.F.  
 POR. LOT 88: 42,655 S.F.

AREA AFTER LOT LINE ADJUSTMENT:  
 PARCEL 1: 34,181 S.F.  
 PARCEL 2: 42,620 S.F.

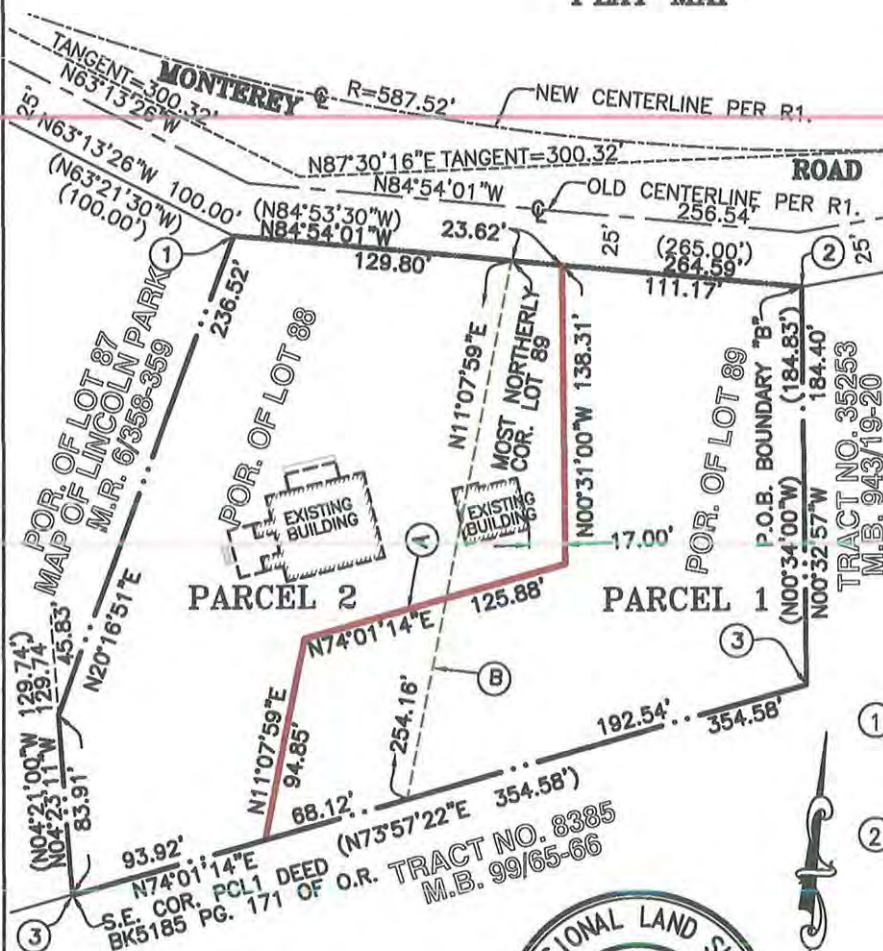
**MONUMENT & REFERENCE NOTES:**

- ① FD. L&T LS 4618 AT 1' O/S FROM PROP. COR. ALONG PL PROD. PER RS 204/32.
- ② FD. SOUTH HALF OF OLD 4" IP, CEMENT PLUG AND NAIL, EMBEDDED IN WALL FOOTING, 0.6' NORTH OF N/W CORNER OF LOT A, TR 9899, M.B. 136/77, PER TR. NO. 35253 M.B. 943/19-20.
- ③ FD. 1" IP LS 4618 PER R1.

R1: RS 204/32  
 D1: DEED RECORDED JUNE 16, 2016, AS INSTRUMENT NO. 2016 0692626 OF OFFICIAL RECORDS.

(XX.XX ): RECORD PER D1.

- Ⓐ ADJUSTED LOT LINE ———
- Ⓑ EXISTING LOT LINE TO BE REMOVED - - - -



**BASIS OF BEARINGS:**  
 THE BEARING OF N87°30'16"E ON THE CENTERLINE TANGENT OF MONTEREY ROAD, AS SHOWN ON TRACT NO. 35253, M.B. 943/19-20 WAS TAKEN AS THE BASIS OF BEARINGS.



PREPARED BY ME  
 OR UNDER MY DIRECTION  
 ON: June 23, 2020

*Kwintan*  
 YOON LAI PLS 8886

**ZONING:**  
 PARCEL 1 - RE  
 PARCEL 2 - RE

**CITY OF SOUTH PASADENA - DEPARTMENT OF CITY PLANNING**

SCALE: 1"=20'	DATE: 06/23/20	PLAT PREPARED BY: <b>CaliLand Engineering, Inc.</b>	JN: 2018-1611	LOT LINE ADJUSTMENT
DRAWN BY: C		Civil Engineers Land Surveyors Land Planners 1216 SOUTH GARFIELD AVENUE, SUITE 200, ALHAMBRA, CA 91801 Phone: (626)281-2288 Fax: (626)281-2088 Visit us at: www.CaliLand.net		335 MONTEREY ROAD SOUTH PASADENA, CA 91030 APN: 5311-012-010 5311-012-011
SCRIVENER: kvl				PAGE 5 OF 5

**Exhibit “B”**

City Council Resolution for  
Historic District Designation



**RESOLUTION NO. 6858****A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
SOUTH PASADENA, CALIFORNIA, DESIGNATING THE  
BURWOOD HOUSE AT 335 MONTEREY ROAD AS A  
CULTURAL HERITAGE LANDMARK (LANDMARK NO. 47)**

**WHEREAS**, Section 2.73A-14 of the South Pasadena Municipal Code Ordinance #2004 (commonly known as the "Cultural Heritage Ordinance") authorized the Cultural Heritage Commission ("the Commission") to recommend to the City Council the designation of appropriate properties as landmarks; and

**WHEREAS**, a duly prepared nomination form has been prepared and submitted by the Cultural Heritage Commission to register the Burwood House at 335 Monterey Road as a landmark; and

**WHEREAS**, the research and documentation provided by Cultural Heritage Commission members Glen Duncan and John Lesak amply demonstrate the qualifications of the property for landmark designation; and

**WHEREAS**, the Commission has complied with the applicable provisions of Subsection (a) (3) "Designation Procedure" of the above Ordinance Section in that it visited the site, attempted diligently and in good faith to meet with the property owner, mailed notices, held a duly noticed public hearing, received public comment; and

**WHEREAS**, the accredited architectural historian recently determined in a report that the Burwood House appears eligible for listing on the National Register of Historic Places; and

**WHEREAS**, the Commission made findings of fact based on the nomination and supporting materials and the information and testimony provided by the public pursuant to Subsection (a) (2) "Designation Criteria" of the above Ordinance Section, as follows:

(A.) *Its character, interest or value as a part of the heritage of the community;*

**According to building biographer Tim Gregory, the residence was built in 1910. The original five-acre property was on a wooded hillside overlooking the Cawston Ostrich Farm, in what was then one of the most desirable and prestigious areas in South Pasadena. As such, it is a major contributor to the architectural and historic context of the Monterey Road neighborhood. Both owners, Ezra and Ida (Moon) Thompson, were South Pasadena community leaders. Ezra served as a trustee for many years on the South Pasadena School**

**Board and was listed in the local directory as a farmer. Ida was active in the Women's Improvement Association.**

**Important character-defining features specific to neighborhood context and the original agricultural use of the property include:**

- **An extensive system of arroyo stone retaining walls along Monterey Road frontage, up the winding driveway and south of the residence.**
- **Wooden cellar door and cooling chamber (wine cellar/root cellar) leading through retaining wall and into hillside.**

*(D.) Its exemplification of a particular architectural style of an era of history of the city;*

**The Craftsman Style, just beginning to hold sway in local residential development, predominates, although it also evidences Classical influences particularly Greek Revival, that were still popular, particularly in larger homes and public buildings. It is a particularly well-preserved example of this transition from classical to the modern, twentieth century American response to the Arts and Crafts movement now known as Craftsman.**

*(F.) Its identification as the work of a person whose work has influence the heritage of the City and the State of California.*

**Although little is known about his early life and education, Lester S. Moore, the architect of the 335 Monterey Road property, is recognized as one of Southern California's earliest noted architects. His career in the Los Angeles area spanned the period from about 1895 until shortly before his death in 1924.**

**An extensive list of Moore's work, abridged in the Tim Gregory's attached house history, indicates the architect's thorough familiarity and experience in a number of styles becoming popular following the turn of the 20<sup>th</sup> century. Moore first specialized in Mission Revival, then Craftsman, and later in period revival styles that gained acceptance after WWI. He also designed everything from single-family residences and multi-unit apartment houses to all kinds of public buildings. Previous to his work on the Thompson house, Moore had designed a studio residence and art gallery along the Arroyo Seco in South Pasadena for Franz Bischof, one of Southern California's premier *Plein Air* and studio painters. Unfortunately, that very significant structure was demolished years ago and Burwood is the most significant surviving example of Moore's work in South Pasadena.**

**WHEREAS, the Commission findings included a determination that the Burwood House has an extremely high degree of integrity; and**

RESOLUTION NO. 6858  
Page 3

**WHEREAS**, based on the evidence presented in the application materials, the designation being categorically exempt from the California Environmental Quality Act, sub-committee research, on-site inspection and public testimony, the Cultural Heritage Commission voted to recommend designation of this property on November 17, 2005 and forwarded the recommendation to the City Council; and

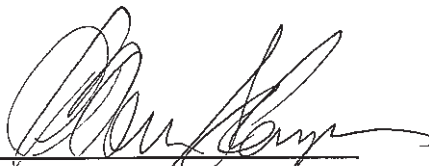
**WHEREAS**, the City Council held a public hearing on the proposed designation on January 18, 2006 and received public testimony.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:**

**SECTION 1.** The City Council approves the designation of 335 Monterey Road as an Official South Pasadena Historic Landmark; and

**SECTION 2.** The City Council directs the City Clerk to file the appropriate designation with the office of the Los Angeles County Registrar-Recorder/Clerk's Office.


**PASSED, APPROVED AND ADOPTED ON** this 18<sup>th</sup> day of January, 2006.

  
\_\_\_\_\_  
Odom Stamps, Mayor

**ATTEST:**

  
\_\_\_\_\_  
Sally Kilby, City Clerk

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Stephen P. Pfahler, Esq., City Attorney

**I HEREBY CERTIFY** the foregoing resolution was duly adopted by the City Council of the City of South Pasadena at a regular meeting held on the 18<sup>th</sup> day of January, 2006, by the following vote:

**AYES:** Cacciotti, Margrave, Putnam, Ten and Mayor Stamps

**NOES:** None

**ABSENT:** None

**ABSTAINED:** None

  
\_\_\_\_\_  
Sally Kilby, City Clerk

**Exhibit “C”**  
Restoration Work Plan  
&  
Financial Analysis



## **Mills Act Application | 335 Monterey Road Arroyo Vista Inn (Ezra & Ida Thompson House)**

**Prepared for:**

City of South Pasadena  
Department of Planning and Building  
South Pasadena, CA 91030

**Prepared by:**

Janice Lupien, Owner and Proprietor  
335 Monterey Road  
South Pasadena, CA 91030

August 2020

## 2. Schedule and Reporting System

Project	Completion Year
1. Windows rehabilitation/repairs, all elevations: glazing, wood-frames, surrounds and sills	2023
2. Residence roof: Re-roofing, to include removal of sheathing; repairs as needed to roof system structure; re-sheathing of roof with composition shingles; repairs and carpentry work to address failing/deteriorated wood rafters, fascia, and framing	2025
3. Main entrance porch: Repairs/reinforcement of porch supports	2025
4. Site: geotechnical study to identify plan for site remediation/stabilization	2028
5. OPTIONAL - Site: repairs/reinforcement of arroyo stone wall and wine cellar	TBD
6. Maintenance: Termite inspections/mitigation	Biannual inspection
7. Maintenance: Roof inspections and repairs as needed	Triannual inspection
8. Maintenance: Paint inspection and repairs as needed	Triannual inspection

### Reporting System:

The property owner of the Ezra & Ida Thompson House will provide annual written updates to the City of South Pasadena in the final quarter of the calendar year, documenting progress and providing updates and photographs on the Mills Act work plan.

Prior to commencement of work efforts, Certificates of Appropriateness (CoA) will be obtained by the property owners as required by the City of South Pasadena Cultural Heritage Ordinance for each project included in these plans. Progress reports will include detailed work descriptions, photographs of work completed, and copies of permits and CoAs/CHC guidance and input.

# 4. Mills Act Work Plan, Financial Analysis

Proposed Project & Description	Est. Cost	Schedule
1. Windows rehabilitation/repairs, all elevations: glazing, wood-frames, surrounds and sills	\$ 65,000	2023
2. Residence roof: Re-roofing, to include removal of sheathing; repairs as needed to roof system structure; re-sheathing of roof with composition shingles; to include carpentry work and repainting of wood framing, roof rafters, and fascia boards	\$ 85,000	2025
3. Main entrance porch: Repairs/reinforcement of porch supports	\$ 35,000	2025
4. Site: geotechnical study, site stabilization	\$ 39,000	2028
5. <i>OPTIONAL - Site: repairs/reinforcement of arroyo stone wall and wine cellar (study only; amount not capitalized in financial analysis)</i>	\$ 45,000	TBD
<b>Total Investment in 335 Monterey Road:</b>	<b>\$ 224,000</b>	
<b>Total Tax Savings for Owners (10-year period)</b>	<b>\$ 224,000</b>	
<b>Average Annual Cost to the City of South Pasadena:</b>	<b>\$ 5,501</b>	



**Mills Act Application, 335 Monterey Road, Financial Analysis**

**Property Address:** 335 Monterey Road, South Pasadena, California 91030  
**Type:** Originally residence; currently Arroyo Vista Inn  
**Landmark #:** City of South Pasadena Register, Landmark No. 47  
**Assessor's ID #:** 5311 012 010  
**Current Assessed Value:** \$ 2,122,415

REVENUES	Annual Increase	Current Yr 2020	Year 1 2021	Year 2 2022	Year 3 2023	Year 4 2024	Year 5 2025	Year 6 2026	Year 7 2027	Year 8 2028	Year 9 2029	Year 10 2030	
1. Monthly Revenues		8,500.00	8,755.00	9,017.65	9,288.18	9,566.82	9,853.83	10,149.44	10,453.93	10,767.55	11,090.57	11,423.29	
2. Annual Rental Income	3.0%	102,000.00	105,060.00	108,211.80	111,458.15	114,801.90	118,245.96	121,793.33	125,447.13	129,210.55	133,086.86	137,079.47	
<b>ANNUAL EXPENSES</b>													
3. Insurance	5.0%	12,809.00	13,449.45	14,121.92	14,828.02	15,569.42	16,347.89	17,165.29	18,023.55	18,924.73	19,870.96	20,864.51	
4. Utilities	6.0%	7,200.00	7,632.00	8,089.92	8,575.32	9,089.83	9,635.22	10,213.34	10,826.14	11,475.71	12,164.25	12,894.10	<b>Total Costs</b>
5. Maintenance	5.0%	17,000.00	17,850.00	18,742.50	19,679.63	20,663.61	21,696.79	22,781.63	23,920.71	25,116.74	26,372.58	27,691.21	\$224,515.38
6/7. Management / Other		0.00											
<b>TOTAL EXPENSES</b>													
8. Sum lines 3 through 7		\$37,009.00	\$38,931.45	\$40,954.34	\$43,082.96	\$45,322.86	\$47,679.90	\$50,160.25	\$52,770.39	\$55,517.18	\$58,407.79	\$61,449.82	
<b>ANNUAL NET INCOME</b>													
9. Line 2 minus line 8		\$64,991.00	\$66,128.55	\$67,257.46	\$68,375.20	\$69,479.04	\$70,566.05	\$71,633.09	\$72,676.74	\$73,693.37	\$74,679.07	\$75,629.65	
<b>CAPITALIZATION RATE</b>													
10. Interest Component	4.75%												
11. Historic Property Risk Component	4.00%												
12. Property Tax Component	1.02%												
13. Amortization Component	4.50%												
14. Total Capitalization Rate	14.27%												
<b>NEW ASSESSED VALUE</b>													
15. Mills Act Assessment (Line 9 divided by Line 14)		\$455,437.98	\$465,913.06	\$476,629.06	\$487,591.52	\$498,806.13	\$510,278.67	\$522,015.08	\$534,021.43	\$546,303.92	\$558,868.91	\$571,722.89	
<b>TAXES: AMOUNT TO BE PAID</b>													
16. Tax under Mills Act (Line 15 x .01035146)		4,714.45	4,822.88	4,933.81	5,047.28	5,163.37	5,282.13	5,403.62	5,527.90	5,655.04	5,785.11	5,918.17	
17. Current Tax	1.160%	26,036.00	26,338.02	26,643.54	26,952.60	27,265.25	27,581.53	27,901.48	28,225.13	28,552.55	28,883.75	29,218.81	<b>Total Tax Savings</b>
18. Tax Savings (Line 17 minus line 16)		21,321.55	21,515.14	21,709.73	21,905.32	22,101.88	22,299.40	22,497.86	22,697.23	22,897.50	23,098.65	23,300.64	\$224,023.35
<b>TAXES: COST TO CITY</b>													
19. Annual Cost to City	26%	\$5,543.60	\$5,593.94	\$5,644.53	\$5,695.38	\$5,746.49	\$5,797.84	\$5,849.44	\$5,901.28	\$5,953.35	\$6,005.65	\$3,728.10	<b>Annual Average</b> \$5,591.60

## 10-Year Work Plan, 335 Monterey Road, South Pasadena

### Rehabilitation Treatment Approach: Standards and Guidelines

All work efforts will be guided by the rehabilitation treatment guidelines: (1) Identify, Retain, and Preserve; (2) Stabilize; (3) Protect and Maintain; (4) Repair; (5) Limited, In-Kind Replacement

Feature / Issue	Character-Defining?	Condition / Repair	Recommended Treatment / Standards Compliance*	Repair/ Maintenance Schedule	Estimated Cost
<b>Exterior</b>					
Windows, wood-frames, surrounds and sills	Yes	<p><b>Condition:</b> Good</p> <p><b>Repairs:</b> (1) Rehabilitation of historic windows to include (but not necessarily be limited to): repair of poorly sealing windows and nonoperational hardware; re-weather stripping/re-sealing where needed; and repainting windows and window frames in period-appropriate palette</p>	<p>Windows and their functional and decorative features shall be repaired according to the <i>Secretary of the Interior's Standards for the Treatment of Historic Properties</i>.</p> <p>Recommended treatment guidelines:</p> <ol style="list-style-type: none"> <li>1. Identify, retain, and preserve: "Identifying, retaining, and preserving windows--and their functional and decorative features--that are important in defining the overall historic character of the building. Such features can include frames, sash, muntins, glazing, sills, heads, hoodmolds, panelled or decorated jambs and moldings, and interior and exterior shutters and blinds.</li> <li>2. Stabilize: "Stabilizing deteriorated or damaged windows as a preliminary measure, when necessary, prior to undertaking appropriate preservation work."</li> <li>3. Protect and maintain: "Protecting and maintaining the wood and architectural metals which comprise the window frame, sash, muntins, and surrounds through appropriate surface treatments such as cleaning, rust removal, limited paint removal, and re-application of protective coating systems."  "Making windows weather tight by re-caulking and replacing or installing weather-stripping. These actions also improve thermal efficiency."</li> <li>4. Repair: "Repairing window frames and sash by patching, piecing-in, consolidating or otherwise reinforcing them using recognized preservation methods. The new work should be unobtrusively dated to guide future research and treatment."</li> </ol>	2023  Biannual maintenance as needed (2025, 2027, 2029)	\$ 65,000  To be completed by contractor with experience in historic preservation

\* Unless otherwise noted, all quoted material describing recommended treatment approaches is drawn from the *Secretary of the Interior's Standards for the Treatment of Historic Properties*, "Rehabilitation Treatment," US Department of the Interior, National Park Service, Washington, DC. Available at: <http://www.nps.gov/history/hps/tps/standguide>.

Feature / Issue	Character-Defining?	Condition / Repair	Recommended Treatment / Standards Compliance*	Repair/ Maintenance Schedule	Estimated Cost
			<p>5. Limited Replacement In-Kind:  “Replacing in kind extensively deteriorated or missing parts of windows when there are surviving prototypes such as frames, sash, sills, glazing, and hoodmolds. The new work should match the old in material, design, color, and texture; and be unobtrusively dated to guide future research and treatment.”</p>		
Roof, Main House	Yes (configuration, pitch, original ornamental details where extant, and roof line eaves, rafters, bargeboards, and eave ceiling); sheathed in nonoriginal composition shingles	<p><b>Condition:</b>  Good overall (but house leaks during rains)</p> <p><b>Repairs:</b>  Re-roofing, to include removal of solar panels on south elevation; tear-off; repairs as needed to roof system structure; re-sheathing of roof with composition shingles; reinstallation of solar panels</p> <p>Along roof line/eaves, repairs/patching or in-kind replacement of areas of damaged and deteriorated stucco and/or wood features, including roof rafters and fascia; resealing and repainting in period-appropriate palette.</p>	<p>Recommended rehabilitation treatment guidelines for re-roofing:</p> <ol style="list-style-type: none"> <li>1. Identify, retain, preserve:  Identify “the functional and decorative features that are important in defining the overall historic character of the building. This includes the roof’s shape, such as hipped, gambrel, and mansard; decorative features such as cupolas...chimneys, &amp; weathervanes; and roofing material such as slate, wood, clay tile, and metal, as well as its size, color, and patterning.”</li> <li>2. Protect and retain:  “Cleaning of gutters and downspouts and replacing deteriorated flashing. Roof sheathing should also be checked for proper venting to prevent moisture condensation and water penetration; and to ensure that materials are free from insect infestation. ... Providing adequate anchorage for roofing material to guard against wind damage and moisture penetration.”</li> <li>3. Repair:  “Repairing a roof by reinforcing the historic materials which comprise roof features. Repairs will also generally include the limited replacement in kind--or with compatible substitute material--of those extensively deteriorated or missing parts of features when there are surviving prototypes such as cupola louvers, dentils, dormer roofing; or slates, tiles, or wood shingles on a main roof.</li> </ol> <p>Recommended rehabilitation treatment guidelines, wood roofline features (eaves and ceiling boards, rafters, and bargeboards):</p> <ol style="list-style-type: none"> <li>1. Identify, retain, and preserve:  “Identifying, retaining/preserving wood features that are important in defining the historic character of the building such as siding, cornices, brackets, window architraves, and doorway pediments; and their paints, finishes, and colors.”</li> <li>2. Stabilize:  “Stabilizing deteriorated or damaged wood as a preliminary measure, when necessary, prior to undertaking appropriate preservation work.”</li> <li>3. Protect and Maintain:</li> </ol>	2025  Triannual inspection	\$ 85,000  To be completed by contractor with experience in historic preservation

Feature / Issue	Character-Defining?	Condition / Repair	Recommended Treatment / Standards Compliance*	Repair/ Maintenance Schedule	Estimated Cost
			<p>“Retaining coatings such as paint that help protect the wood from moisture and ultraviolet light. Paint removal should be considered only where there is paint surface deterioration and as part of an overall maintenance program which involves repainting or applying other appropriate protective coatings. Inspecting painted wood surfaces to determine whether repainting is necessary or if cleaning is all that is required.</p> <p>Removing damaged or deteriorated paint to the next sound layer using the gentlest method possible (hand-scraping and hand sanding), then repainting. Applying compatible paint coating systems following proper surface preparation. Repainting with colors that are appropriate to the historic building... Evaluating the overall condition of the wood to determine whether more than protection and maintenance are required, that is, if repairs to wood features will be necessary.”</p> <p>4. Repair: “Repairing, stabilizing, and conserving fragile wood using well-tested consolidants, when appropriate. Repairs should be physically and visually compatible and identifiable upon close inspection for future research. Repairing wood features by patching, piecing-in, or otherwise reinforcing the wood using recognized preservation methods. The new work should be unobtrusively dated to guide future research and treatment.”</p> <p>5. Limited Replacement in Kind: “Replacing in kind extensively deteriorated or missing parts of wood features when there are surviving prototypes such as brackets, molding, or sections of siding. New work should match the old in material, design, color, and texture; and be unobtrusively dated to guide future research and treatment.”</p> <p>Not Recommended: “Replacing an entire wood feature such as a column or stairway when limited replacement of deteriorated and missing parts is appropriate.</p> <p>Using replacement material that does not match the historic wood feature; or failing to properly document the new work.”</p>		
Main Entrance Porch, wood columns	Yes	<p><b>Condition:</b> Fair/Poor</p> <p><b>Repairs:</b> Mitigation of termite and dry rot damage to wood</p>	<p>Recommended treatment guidelines:</p> <p>1. Identify, retain, and preserve: Identifying elements of “entrances and porches--and their functional and decorative features--that are important in defining the overall historic character of the building.”</p>	<p>2025</p> <p>Biannual termite inspection</p>	<p>\$ 35,000</p> <p>To be completed by contractor with historic preservation experience</p>

Feature / Issue	Character-Defining?	Condition / Repair	Recommended Treatment / Standards Compliance*	Repair/ Maintenance Schedule	Estimated Cost
		columns; repainting	<p>2. Protect and maintain:  “Protecting and maintaining the masonry, wood, and architectural metals that comprise entrances and porches through appropriate surface treatments such as cleaning, rust removal, limited paint removal, and re-application of protective coating systems.”</p> <p>“Protecting and maintaining the structural systems...by keeping masonry, wood, and architectural metals in a sound condition; and ensuring that structural members are free from insect infestation.”</p> <p>3. Repair:  “Repairing entrances and porches by reinforcing the historic materials. Repair will also generally include the limited replacement in kind--or with compatible substitute material--of those extensively deteriorated or missing parts of repeated features where there are surviving prototypes such as balustrades, cornices, entablatures, columns, sidelights, and stairs.”</p> <p>Termite mitigation and dry rot removal will be carried out according to the Secretary of the Interior’s Standards for the Treatment of Historic Properties. This mitigation will seek to “stabilize, consolidate, and conserve existing historic materials” and will “replace minimum amount of fabric necessary and match materials in-kind.”</p> <p>Paint removal by gentlest means possible; no machine sanding or power washing to be used on character-defining materials or features.</p> <p>1. Protect and maintain:</p>		
Overall site	Yes	Property perched on high, hillside lot; signs of soil settlement; causing some damage on north elevation	Property owner to commission a geotechnical/soils analysis from engineer with historic preservation experience (meeting the Cultural Heritage Ordinance definition of a structural engineer). The report will analyze any site settlement issues and make recommendations for stabilization as well as repairs (including to sloping concrete stairs and porch on north elevation)	2028	\$35,000

**Exhibit “D”**

Standards of Rehabilitation

## The Secretary of the Interior

### Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings

The Standards (Department of Interior regulations, 36 CFR 67) pertain to historic buildings of all materials, construction types, sizes, and occupancy and encompass the exterior and the interior, related landscape features and the building's site and environment as well as attached, adjacent, or related new construction. The Standards are to be applied to specific rehabilitation projects in a reasonable manner, taking into consideration economic and technical feasibility.

1. A property will be used as it was historically or be given a new use that requires minimal change to its distinctive materials, features, spaces, and spatial relationships.
2. The historic character of a property will be retained and preserved. The removal of distinctive materials or alteration of features, spaces and spatial relationships that characterize a property will be avoided.
3. Each property will be recognized as a physical record of its time, place, and use. Changes that create a false sense of historical development, such as adding conjectural features or elements from other historic properties, will not be undertaken.
4. Changes to a property that have acquired historic significance in their own right will be retained and preserved.
5. Distinctive materials, features, finishes, and construction techniques or examples of craftsmanship that characterize a property will be preserved.
6. Deteriorated historic features will be repaired rather than replaced. Where the severity of deterioration requires replacement of a distinctive feature, the new feature will match the old in design, color, texture, and, where possible, materials. Replacement of missing features will be substantiated by documentary and physical evidence.
7. Chemical or physical treatments, if appropriate, will be undertaken using the gentlest means possible. Treatments that cause damage to historic materials will not be used.
8. Archeological resources will be protected and preserved in place. If such resources must be disturbed, mitigation measures will be undertaken.
9. New additions, exterior alterations, or related new construction will not destroy historic materials, features, and spatial relationships that characterize the property. The new work shall be differentiated from the old and will be compatible with the historic materials, features, size, scale and proportion, and massing to protect the integrity of the property and the environment.
10. New additions and adjacent or related new construction will be undertaken in such a manner that, if removed in the future, the essential form and integrity of the historic property and its environment would be unimpaired.

**ATTACHMENT 2**  
September 17, 2020  
Cultural Heritage Commission Staff Report  
([Click Here](#))

Additional Document  
([Click Here](#))





# City Council Agenda Report

ITEM NO. 8

**DATE:** November 4, 2020

**FROM:** Sean Joyce, Interim City Manager

**PREPARED BY:** Joanna Hankamer, Director of Planning and Community Development  
 Kanika Kith, Planning Manager  
 Malinda Lim, Associate Planner

**SUBJECT:** **Project No. 2346-MIL - Approval of a Mills Act Contract for Property Located at 704 Meridian Avenue (Assessor’s Parcel Number 5313-013-041)**

## Recommendation

It is recommended that the City Council enter into a Mills Act contract with the property owners of 704 Meridian Avenue, which is a contributor to the designated North of Mission Street District.

## Executive Summary

A Mills Act contract is an agreement between the City and the property owner. The contract requires that the property owner completes specific restoration and maintenance tasks, as submitted in the proposed restoration work plan. The proposed work plan is included as Exhibit C to the Mills Act contract. In return, for the duration of 10 years, the property owner receives a reduction in their property tax bill with the agreement that those property tax savings be reinvested into the property and fund the approved improvements.

On September 17, 2020, the Cultural Heritage Commission reviewed the proposed Mills Act application and voted 4-0 recommending that the City Council enter into the Mills Act contract. The subject property qualifies for a Mills Act contract because it is a contributor to the North of Mission Historic District. The North of Mission Historic District was determined eligible for the National Register by the Keeper on March 31, 1983.

## Commission Review and Recommendation

In accordance to South Pasadena Municipal Code Chapter 2 Section 2.68 (B)(1)(c), the Cultural Heritage Commission recommended that the subject property be approved for a Mills Act contract with the City, based upon the following required criteria:

- (i) *Financial Investment. The estimated tax benefit is not expected to exceed the applicant’s proposed financial investment in the cultural resource over the first 10 years of the contract.*

The total cost of the repairs is \$145,000 between 2022 and 2029. The tax benefit over the same period is expected to be \$128,715. Overall, the estimated tax benefit is not expected to exceed the applicant’s proposed financial investment in the cultural resource over the first 10 years of the contract.

- (ii) *Public Benefit. The proposed Mills Act contract features a work plan that will provide a benefit to the public by: rehabilitating the property for continued occupancy or adaptive reuse; improved viability through systems upgrades and structural reinforcement upgrades; preserving and maintaining the character-defining features of the property, and/or restoring character-defining features of the property that have been significantly altered or removed over time.*

The application proposes significant repairs and restoration of the wood siding, windows, entrance door, re-roof, re-painting, and chimney that are visible to the public from the street in front of the home and within the alley behind the home. The proposed improvements will contribute to the preservation of this contributing property in the designated local historic district.

- (iii) *Retroactive Limitations. The estimated tax benefit will not be used for any maintenance or alteration work that was previously completed or initiated before the contract is approved, unless it can be shown that the completed work was necessary in the interest of the public health or safety following involuntary damage or destruction caused by fire, act of nature, or any other casualty.*

The application does not propose maintenance or alteration work that was previously completed or initiated.

- (iv) *Limitations on Maintenance. The estimated tax benefit will not be used for routine maintenance work except for exemplary or exceptional properties that have financially burdensome maintenance requirements.*

The application proposes maintenance of the property for biannual termite inspection and mitigation and triannual roof and paint inspection and repairs in the scope of work. The cost for these inspections were not included in total cost of proposed work.

- (v) *Limitations on Interior Work. The estimated tax benefit will not be used for work within the interior of a cultural resource unless the commission determines the following exceptions should be made: the interior work is necessary to improve the structural integrity of the property; the interior work is necessary to preserve and maintain character-defining features within the cultural resource that are specifically identified as part of the official landmark nomination; and/or the interior work is necessary to preserve and maintain character-defining features of the property that were discovered subsequent to its landmark designation. The commission must first determine that those interior features are character-defining based on substantial evidence provided by the applicant.*

There is some interior work proposed, which does not qualify for the Mills Act contract and costs of this work was not included in the tax benefit amount for the property. It is estimated that the entire scope of work will be completed by the ninth year (2029) of the Mills Act contract.

(vi) *Limitations on Landscaping. The estimated tax benefit will not be used for landscaping work unless it will be used for specific landscape features that were identified as part of the official landmark nomination.*

The application does not include landscaping work.

Entering into the Mills Act contract will promote the City's Preservation Element of the General Plan, Section 5.5, Goal 6, Policy 6.3, "Encourage property owners to take advantage of the available financial incentives."

The Cultural Heritage Commission recommended approval, subject to a condition that the property owners obtain approval from the Chair of the Cultural Heritage Commission prior to starting any work listed on the work plan. The condition has been added to the Mills Act Contract, included as Attachment 1.

The proposed Restoration Work Plan is included as an attachment to the staff report provided to the Cultural Heritage Commission, which is included as Attachment 2.

### **Fiscal Impact**

A Mills Act contract allows a tax reduction (between approximately 40% - 60%) for a property owner who agrees to perform certain restoration and maintenance tasks over a 10-year period. Although the City will see a reduction in property tax revenue (26% per Mills Act contracted property), the benefits of the program include economic benefits of conserving resources and reinvestment as well as the important role historic preservation can play in revitalizing older areas, creating cultural tourism, building civic pride, and retaining the sense of place and continuity with the community's past.

The total estimated cost to the City as a result of property tax reduction (26%) for this property is approximately \$33,465.97 over the 10-year life of the contract, which amounts to an average of \$3,346.60 annually.

### **Legal Review**

The City Attorney has reviewed this Staff Report.

### **Environmental Analysis**

This project is exempt from any California Environmental Quality Act (CEQA) analysis based on State CEQA Guidelines Section 15308, Class 8: Actions taken by regulatory agencies, as authorized by state or local ordinance, to assure the maintenance, restoration, enhancement, or protection of the environment where the regulatory process involves procedures for protection of the environment.

### **Public Notification of Agenda Item**

The public was made aware that this item was to be considered this evening by virtue of its inclusion on the legally publicly noticed agenda, posting of the same agenda and reports on the City's website.

**Attachments:**

1. Mills Act Contract
2. CHC Staff Report & Additional Document

**ATTACHMENT 1**  
**Mills Act Contract**

## MILLS ACT CONTRACT

THIS CONTRACT (“Contract”) is made and entered into this \_\_\_\_\_ day of December 2020, by and between the CITY OF SOUTH PASADENA, CALIFORNIA, a municipal corporation (“City”), and Rachele Andrews and Andrew Kao (“Owners”).

### RECITALS

(i) California Government Code Section 50280 *et seq.*, authorizes cities to enter into contracts with the Owner of qualified historical property to provide for the use, maintenance, and restoration of such historical property so as to retain its characteristics as property of historical significance;

(ii) Owner possesses fee title in and to that certain real property, together with associated structures and improvements thereon, located at 704 Meridian Avenue, South Pasadena, California, Assessor’s Parcel Number 5315-013-041 (“Historic Property”). A legal description of the Historic Property is attached hereto, marked as “Exhibit A” and is incorporated herein as if fully set forth;

(iii) The Historic Property is a contributor to the North of Mission Historic District. The North of Mission Historic District was determined eligible for the National Register by the Keeper on March 31, 1983.

(iv) City and Owner, for their mutual benefit, now desire to enter into this Agreement both to protect and preserve the characteristics of historical significance of the Historic Property, and to qualify the Historic Property for an assessment of valuation pursuant to the provisions of Chapter 3 of Part 2 of Division 1 of the California Revenue and Taxation Code.

NOW, THEREFORE, City and Owner, in consideration of the mutual covenants and conditions contained herein, do hereby agree as follows:

1. **EFFECTIVE DATE AND TERM.** The Agreement shall be effective and commence on January 1, 2021 and shall remain in effect for a minimum period of ten (10) years, unless the property owner is issued a notice of non-renewal as provided in Section 2.68(b)(1)(E)(v) of the South Pasadena Municipal Code.

2. **AUTOMATIC RENEWAL.** Unless a notice of non-renewal is issued, this Agreement shall automatically be extended by one year for each anniversary date of the Agreement unless otherwise specified herein.

3. **APPEAL OF NOTICE OF NON-RENEWAL.** The property owner shall have the right (per Government Code Section 50282) to appeal a notice of non-renewal to the City Council.

4. STANDARDS FOR HISTORIC PROPERTY.

- a. Owner shall rehabilitate, preserve and maintain the historically significant characteristics of the Historic Property. Attached hereto, marked as Exhibit "B" and incorporated herein by this reference is a list of those items for rehabilitation, restoration and maintenance planned for preservation of the Historic Property and a timeline for completion, which shall apply to such property throughout the term of this agreement. Owner shall obtain approval from the Chair of the Cultural Heritage Commission prior to start of work of said items for rehabilitation, restoration and maintenance planned for preservation of the Historic Property.
- b. Owner shall additionally and where necessary, restore and rehabilitate the property according to the rules and regulations of the Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings and the State Historic Building Code and shall maintain the entire property according to minimum standards and conditions, attached hereto, marked as Exhibit "C".

5. LIMITATIONS. Under Section 2.68(b)(1)(C)(iii)–(v), the estimated tax benefit will not be used for: (1) any maintenance or alteration work that was previously completed or initiated before the contract is approved, unless it can be shown that the completed work was necessary in the interest of the public health or safety following involuntary damage or destruction caused by fire, act of nature, or any other casualty; (2) routine maintenance work except for exemplary or exceptional properties that have financially burdensome maintenance requirements; (3) work within the interior of a Historic Property unless the Cultural Heritage Commission determines an exception should be made; and (4) landscaping work unless it will be used for specific landscape features that were identified as part of the official landmark nomination.

6. INSPECTIONS. The Owner shall allow reasonable inspections, by prior appointment given a minimum of at least 24 hours in advance, of the interior and exterior of the Historic Property by representatives of the Historic Property by representatives of the County Assessor, State Office of Historic Preservation, State Board of Equalization and the City, as may be necessary to determine Owner's compliance with the terms and conditions of this agreement.

7. PROVISION OF COMPLIANCE INFORMATION. The owner hereby agrees to furnish the City with any and all information requested by the City which may be reasonable and necessary to determine compliance with the terms and provisions of this Agreement. In addition, the owner shall agree to provide to the City on the third anniversary date of this Agreement and every third year thereafter a report describing the preservation tasks that are in progress and have been completed pursuant to this Agreement.

8. NON-RENEWAL. If recommended by the Commission and approved by the City Council, a notice of non-renewal may be issued six (6) years into the duration of

this Agreement. The procedure for notice of non-renewal by the owner or the City shall be in accordance with Government Code Section 50282 as it may be amended from time to time.

9. BINDING EFFECT OF CONTRACT. This Agreement shall be binding on all successors-in interest of the owner to the benefits and burdens of this Agreement. The contract shall stipulate escrow instructions that require a review and re-evaluation of the property every three years.

10. CANCELLATION. City following a duly noticed public hearing as set forth in California Code Section 50280 *et seq.*, may cancel this Agreement if City determines that the Owner has breached any of the conditions or covenants of the Agreement or has allowed the Historic Property to deteriorate to the point that it no longer meets the significance criteria under which it was designated. City may also cancel this Agreement if it determines Owner has failed to restore or rehabilitate the Historic Property in the manner specified in Paragraph 4 of this Agreement. The City may also cancel this Agreement if, upon consultation with the State of California Office of Historic Preservation, the preservation, rehabilitation, or restoration becomes infeasible due to damage caused by natural disaster. City's right to cancel this Agreement pursuant to this paragraph shall in no way limit or restrict its rights or legal remedies arising from City's Cultural Heritage Ordinance and Municipal Code.

11. CANCELLATION FEE. In the event of cancellation, Owner shall be subject to payment of those cancellation fees set forth in California Government Code Section 50280 *et seq.*, described herein. Upon cancellation, Owner shall pay a cancellation fee equal to twelve and one-half percent (12.5%) of the current fair market value of the property as determined by the County Assessor as though the Historic Property were free of the contractual restriction pursuant to this Agreement. The Owner shall pay the cancellation fee to the County Auditor in the time and manner prescribed by the County Auditor.

12. ENFORCEMENT OF AGREEMENT. In lieu of and/ or in addition to any provisions to cancel this Agreement as referenced herein, City may specifically enforce, or enjoin the breach of the terms of this Agreement.

In the event of a breach by Owner under the provisions of this agreement, City shall give written notice to Owner by registered or certified mail to the address stated in this agreement, which notice shall specifically identify the alleged breach and the proposed action which City recommends to Owner to cure said alleged breach. Owner shall hereafter have sixty (60) days within which to cure such breach to the reasonable satisfaction of the City. Upon completion by Owner of the cure of the breach, City shall withdraw its notice of breach.

Should owner not cure such breach within the time period specified above, then City may, without further notice, declare a default under the terms of this agreement and may bring any action necessary to specifically enforce the obligations of Owner arising out of the terms of this agreement, apply to any court, state or federal, for injunctive relief



against any violation by Owner or apply for such other relief as may be appropriate. City may at its sole discretion extend the 60-day cure period. Such extension must be in writing.

13. WAIVER. City does not waive any claim or default by Owner if City does not enforce or cancel this Agreement. All other remedies at law or in equity which are not otherwise provided for in this Agreement or in the City’s regulations governing historic properties are available to City to pursue in the event there is a breach of this Agreement. No waiver by City of any breach or default under this Agreement shall be deemed to be a waiver of any other subsequent breach thereof or default hereunder.

14. BINDING EFFECT OF AGREEMENT. Owner hereby subjects the Historic Property to the covenants, reservations and restrictions set forth in this Agreement. City and Owner hereby declare their specific intent that the covenants, reservations, and restriction as set forth herein shall be deemed covenants running with the land and shall pass to and be binding upon Owner’s successors and assigns in title or interest to the Historic Property.

Each and every contract, deed or other instrument hereinafter executed, governing or conveying the Historic Property, or any portion thereof, shall conclusively be held to have been executed, delivered and accepted subject to the covenants, reservations and restriction expressed in this Agreement regardless of whether such covenants, reservations and restrictions are set forth in such contract, deed or other instrument.

City and Owner hereby declare their understanding and intent that the burden of the covenants, reservations and restrictions set forth herein touch and concern the land in that it restricts development of the Historic Property. City and Owner hereby further declare their understanding and intent that the benefit of such covenants, reservations and restrictions touch and concern the land by enhancing and maintaining the cultural and historic characteristics and significance of the Historic Property for the benefit of the public and Owner.

15. NOTICE. Any notice required to be given by the terms of this Agreement shall be provided at the address of the respective parties as specified below, by personal delivery or United States mail, postage prepaid, addressed as follows:

City: City of South Pasadena  
Director of Planning and Building  
1414 Mission Street  
South Pasadena, California 91030

Owner: Rachelle Andrews and Andrew Kao  
704 Meridian Avenue  
South Pasadena, California 91030

16. EFFECT OF AGREEMENT. None of the terms, provisions or conditions of this Agreement shall be deemed to create a partnership between the parties hereto and any of their heirs, successors or assigns, nor shall such terms, provisions or conditions cause them to be considered joint ventures or members of any joint enterprise.

17. INDEMNITY OF CITY. Owner agrees to protect, defend, indemnify, and shall hold City and its elected officials, officers, agents, and employees harmless from liability for claims, loss, proceedings, damages, causes of action, liability, costs or expense, including reasonable attorney's fees in connection with damage for personal injuries, including death, and claims for property damage which may arise from the direct or indirect use or operations of such Owner or those of its contractor, subcontractor, agent, employee or other person acting on its behalf which relate to the use, operation, capital improvement and maintenance of the Historic Property. Owner hereby agree to and shall defend the City and its elected officials, officers, agents, and employees with respect to any and all actions for damages caused by, or alleged to have been suffered, by reason of the operations referred to in this Agreement regardless of whether or not the City prepared, supplied or approved the plans, specifications or other documents for the Historic Property.

18. BINDING UPON SUCCESSORS. All of the agreements, rights, covenants, reservations, and restrictions contained in the Agreement shall be binding upon and shall inure to benefit of the parties herein, their heirs, successors, legal representative, assigns and all persons acquiring any part or portion of the Historic Property, whether by operation of law or in any manner whatsoever.

19. LEGAL COSTS. In the event legal proceedings are brought by any party or parties to enforce or restrain a violation of any of the covenants, reservations or restrictions contained herein, or to determine the rights and duties of any party hereunder, the prevailing party in such proceeding may recover all reasonable attorney's fees to be fixed by the court, in addition to court costs and other relief ordered by the court.

20. SEVERABILITY. In the event that any of the provisions of this Agreement are held to be unenforceable or invalid by any court of competent jurisdiction, or by subsequent preemptive legislation, the validity and enforceability of the remaining provisions, or portions thereof, shall not be affected thereby.

21. GOVERNING LAW. This Agreement shall be construed and governed in accordance with the laws of the State of California.

22. EMINENT DOMAIN PROCEDURES. Upon the filing of an action in eminent domain by a public agency for the condemnation of the fee title of any land described herein or of less than fee interest which will present the portion of land condemned or other land or a portion of it which is the subject of this Agreement from being used for any authorized use, or upon the acquisition in lieu of eminent domain by a public agency for a public improvement, the portions of this Agreement by which Owner agree to preserve and to restrict the use of property described herein shall be null and void

upon such filing as to the portion of the land condemned or acquired and to the additional land the use of which for an authorized purpose will be prevented as a result of condemnation or acquisition.

If, subsequent to the filing of an action in eminent domain, the proposed condemnation is abandoned by the condemning agency as to all or a portion of the land subject to the Agreement, the restrictions on the use of the property included in this Agreement shall, without further agreement of the parties, be re-instituted and the terms of this Agreement shall be in full force and effect.

23. RECORDATION. No later than thirty (30) days after the parties execute this Agreement, the Owner or Owner’s agent shall record this Agreement in the Office of the County Recorder of the County of Los Angeles.

24. AMENDMENTS. This Agreement may be amended, in whole or in part, only by written-recorded instrument executed by the parties hereto.

25. NOTICE TO OFFICE OF HISTORIC PRESERVATION. The City shall provide written notice of this Agreement to the State Office of Historic Preservation within six (6) months of entering into this Agreement.

IN WITNESS THEREOF, City and Owner have executed this Agreement on the day and year first above written.

CITY OF SOUTH PASADENA

Date: \_\_\_\_\_

By: \_\_\_\_\_  
MAYOR

Attest:

\_\_\_\_\_  
CITY CLERK

Approved as to Form:

Date: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
Rachelle Andrews, Owner

Date: \_\_\_\_\_

\_\_\_\_\_  
Andrew Kao, Owner

**Exhibit “A”**

Legal Description

**Exhibit "A"**

Lot 10 and 11 of Block "D" of the Buena Vista Tract, in the City of South Pasadena, County of Los Angeles, State of California, as per Map Recorded in Book 17, Pages 39 of Miscellaneous Records, in the office of the County Recorder of said County.

**Exhibit “B”**  
Restoration Work Plan  
&  
Financial Analysis



## **Mills Act Application | Andrews/Kao Residence 704 Meridian Avenue, South Pasadena**

**Prepared for:**

City of South Pasadena  
Department of Planning and Building  
South Pasadena, CA 91030

**Prepared by:**

Rachelle Andrews and Andrew Kao  
704 Meridian Avenue  
South Pasadena, CA 91030

August 2020

## 2. Schedule and Reporting System

Project	Completion Year
1. Garage: structural retrofitting; carpentry repairs of wood framing/sheathing; removal/repairs and re-sheathing of roof; repainting garage	2022
2. Windows, all elevations: glazing, wood-frames, surrounds and sills	2023
3. Windows, north elevation: wood window-framed screens to replace aluminum-framed screens	2024
4. Residence roof: Re-roofing, to include removal of sheathing; repairs as needed to roof system structure; installation of plywood decking on north side of roof; re-sheathing of roof with composition shingles; reinstallation of solar panels	2025
5. Brick chimney: Concurrent with roof repairs, refasten/reinforce roof ties of south elevation chimney; repoint historic brick to match existing and repair/replace brick in-kind where needed	2025
6. House, exterior: Repairs/patching or in-kind replacement of damaged/deteriorated wood siding; resealing and repainting in period-appropriate palette; repairs/carpentry work and repainting of wood sheathing	2028
7. House, exterior: Front door, repair hardware; cleaning of leaded-glass window	2029
8. Maintenance: Termite inspections/mitigation	Biannual inspection
9. Maintenance: Roof inspections and repairs as needed	Triannual inspection
10. Maintenance: Paint inspection and repairs as needed	Triannual inspection

### Reporting System:

The property owners of 704 Meridian Avenue will provide annual written updates to the City of South Pasadena in the final quarter of the calendar year, documenting progress and providing updates and photographs on the Mills Act work plan.

Prior to commencement of work efforts, Certificates of Appropriateness (CoA) will be obtained by the property owners as required by the City of South Pasadena Cultural Heritage Ordinance for each project included in these plans. Progress reports will include detailed work descriptions, photographs of work completed, and copies of permits and CoAs/CHC guidance and input.



# 4. Mills Act Work Plan, Financial Analysis

Proposed Project & Description	Est. Cost	Schedule
1. Garage: structural retrofitting; repairs of wood framing/sheathing; removal/repairs and re-sheathing of roof; repainting garage	\$25,000	2022
2. Window repairs, repainting	\$25,000	2023
3. North elevation wood-framed window screens to replace aluminum-framed screens	\$5,000	2024
4. Reroof residence; installation of plywood decking; re-sheathing uninstal/reinstall solar panels	\$35,000	2025
5. Brick chimney: Concurrent with roof repairs, refasten/reinforce roof ties of south elevation chimney; repoint historic brick to match existing and repair/replace brick in-kind where needed	\$5,000	2025
6. House, exterior: Repairs/patching or in-kind replacement of damaged/deteriorated wood siding; resealing and repainting in period-appropriate palette; repairs/carpentry work and repainting of wood sheathing	\$40,000	2028
7. Front door, repair hardware; clean leaded-glass window	\$10,000	2029
<b>Total Investment in 704 Meridian Avenue:</b>	<b>\$ 145,000</b>	
<b>Total Tax Savings for Owners (10-year period)</b>	<b>\$ 128,715</b>	
<b>Average Annual Cost to the City of South Pasadena:</b>	<b>\$ 2,051</b>	

## Mills Act Application, 704 Meridian Avenue, Financial Analysis

**Property Address:** 704 Meridian Ave, South Pasadena, California 91030  
**Type:** Single-family Residence  
**Landmark #:** City of South Pasadena Register and CRHR Designated Historic District Contributor, North of Mission Historic District

**Assessor's ID #:** 5315-013-041  
**Current Assessed Value:** \$ 1,400,000

REVENUES	Annual Increase	Current Yr 2020	Year 1 2021	Year 2 2022	Year 3 2023	Year 4 2024	Year 5 2025	Year 6 2026	Year 7 2027	Year 8 2028	Year 9 2029	Year 10 2030	
1. Monthly Revenues		4,500.00	4,635.00	4,774.05	4,917.27	5,064.79	5,216.73	5,373.24	5,534.43	5,700.47	5,871.48	6,047.62	
2. Annual Rental Income	3.0%	72,000.00	74,160.00	76,384.80	78,676.34	81,036.63	83,467.73	85,971.77	88,550.92	91,207.45	93,943.67	96,761.98	
<b>ANNUAL EXPENSES</b>													
3. Insurance	5.0%	1,545.00	1,622.25	1,703.36	1,788.53	1,877.96	1,971.86	2,070.45	2,173.97	2,282.67	2,396.80	2,516.64	
4. Utilities	6.0%	5,540.00	5,872.40	6,224.74	6,598.23	6,994.12	7,413.77	7,858.60	8,330.11	8,829.92	9,359.71	9,921.30	<b>Total Costs</b>
5. Maintenance	5.0%	11,000.00	11,550.00	12,127.50	12,733.88	13,370.57	14,039.10	14,741.05	15,478.10	16,252.01	17,064.61	17,917.84	\$145,274.66
6/7. Management / Other		0.00											
<b>TOTAL EXPENSES</b>													
8. Sum lines 3 through 7		\$18,085.00	\$19,044.65	\$20,055.61	\$21,120.63	\$22,242.65	\$23,424.72	\$24,670.10	\$25,982.19	\$27,364.60	\$28,821.13	\$30,355.78	
<b>ANNUAL NET INCOME</b>													
9. Line 2 minus line 8		\$53,915.00	\$55,115.35	\$56,329.19	\$57,555.71	\$58,793.99	\$60,043.01	\$61,301.67	\$62,568.73	\$63,842.85	\$65,122.54	\$66,406.20	
<b>CAPITALIZATION RATE</b>													
10. Interest Component	4.75%												
11. Historic Property Risk Component	4.00%												
12. Property Tax Component	1.02%												
13. Amortization Component	4.50%												
14. Total Capitalization Rate	14.27%												
<b>NEW ASSESSED VALUE</b>													
15. Mills Act Assessment (Line 9 divided by Line 14)		\$377,820.60	\$386,510.48	\$395,400.22	\$404,494.42	\$413,797.79	\$423,315.14	\$433,051.39	\$443,011.57	\$453,200.84	\$463,624.46	\$474,287.82	
<b>TAXES: AMOUNT TO BE PAID</b>													
16. Tax under Mills Act (Line 15 x .01035146)		3,910.99	4,000.95	4,092.97	4,187.11	4,283.41	4,381.93	4,482.71	4,585.82	4,691.29	4,799.19	4,909.57	
17. Current Tax	1.160%	16,240.00	16,428.38	16,618.95	16,811.73	17,006.75	17,204.03	17,403.59	17,605.48	17,809.70	18,016.29	18,225.28	<b>Total Tax Savings</b>
18. Tax Savings (Line 17 minus line 16)		12,329.01	12,427.44	12,525.98	12,624.63	12,723.34	12,822.10	12,920.88	13,019.66	13,118.41	13,217.10	13,315.71	\$128,715.24
<b>TAXES: COST TO CITY</b>													
19. Annual Cost to City	26%	\$3,205.54	\$3,231.13	\$3,256.76	\$3,282.40	\$3,308.07	\$3,333.75	\$3,359.43	\$3,385.11	\$3,410.79	\$3,436.45	\$3,462.08	<b>Annual Average</b> \$3,333.77

# 10-Year Work Plan, 704 Meridian Avenue, South Pasadena

## Rehabilitation Treatment Approach: Standards and Guidelines

All work efforts will be guided by the rehabilitation treatment guidelines: (1) Identify, Retain, and Preserve; (2) Stabilize; (3) Protect and Maintain; (4) Repair; (5) Limited, In-Kind Replacement

Feature / Issue	Character-Defining?	Condition / Repair	Recommended Treatment / Standards Compliance*	Repair/Maintenance Schedule	Estimated Cost
<b>Exterior</b>					
Garage	Yes	<p><b>Condition:</b> Poor</p> <p><b>Repairs:</b> Structural stabilization and retrofitting; mitigation of termite and dry rot damage to wood framing and sheathing; removal, repairs, and re-sheathing of roof</p>	<p>Termite mitigation and dry rot removal will be carried out according to the Secretary of the Interior’s Standards for the Treatment of Historic Properties. This mitigation will seek to “stabilize, consolidate, and conserve existing historic materials” and will “replace minimum amount of fabric necessary and match materials in-kind.”<sup>1</sup></p> <p>Recommended rehabilitation treatment guidelines:</p> <p>1. Protect and maintain: “Protecting and maintaining the structural systems...by keeping masonry, wood, and architectural metals in a sound condition; and ensuring that structural members are free from insect infestation.”</p>	<p>2022</p> <p>Biannual termite inspection</p>	<p>\$ 25,000</p> <p>To include input by a historic preservation professional</p>
Windows, wood-frames, surrounds and sills	Yes	<p><b>Condition:</b> Good (isolated repairs needed)</p>	<p>Windows and their functional and decorative features shall be repaired according to the <i>Secretary of the Interior’s Standards for the Treatment of Historic Properties</i>.</p> <p>Recommended treatment guidelines:</p>	<p>2023 (initial repairs); 2024 (wood-frame screens)</p>	<p>\$ 25,000 (window rehab/repairs)</p>
Window screens on north elevation	No (nonoriginal feature)	<p><b>Repairs:</b> (1) Rehabilitation of historic windows to include (but not necessarily be limited to): repair of cracked/broken glazing; repair of non-operational double-hung windows, including replacement of missing sash cords where needed; re-weathering stripping/re-sealing where needed; and repainting windows and</p>	<p>1. Identify, retain, and preserve: “Identifying, retaining, and preserving windows--and their functional and decorative features--that are important in defining the overall historic character of the building. Such features can include frames, sash, muntins, glazing, sills, heads, hoodmolds, panelled or decorated jambs and moldings, and interior and exterior shutters and blinds.</p> <p>2. Stabilize: “Stabilizing deteriorated or damaged windows as a preliminary measure, when necessary, prior to undertaking appropriate preservation work.”</p> <p>3. Protect and maintain: “Protecting and maintaining the wood and architectural metals which comprise</p>	<p>Biannual maintenance (2024, 2026, 2028, 2030)</p>	<p>\$ 5,000 (wood-frame screens, north elevation)</p> <p>To be completed by contractor with experience in historic preservation</p>

\* Unless otherwise noted, all quoted material describing recommended treatment approaches is drawn from the *Secretary of the Interior’s Standards for the Treatment of Historic Properties*, “Rehabilitation Treatment,” US Department of the Interior, National Park Service, Washington, DC. Available at: <http://www.nps.gov/history/hps/tps/standguide>.

<sup>1</sup> Weeks, Kay D., and H. Ward Jandl. 1996. “The Secretary of the Interior’s Standards for the Treatment of Historic Properties: A Philosophical and Ethical Framework for Making Treatment Decisions.” In S.J. Kelley, ed., *Standards for Preservation and Rehabilitation* (American Society for Testing and Materials): pp. 7-22.

Feature / Issue	Character-Defining?	Condition / Repair	Recommended Treatment / Standards Compliance*	Repair/ Maintenance Schedule	Estimated Cost
		<p>window frames in period-appropriate palette</p> <p>(2) Removal of nonoriginal aluminum-frame window screens with wood-frame screens along north elevation</p>	<p>the window frame, sash, muntins, and surrounds through appropriate surface treatments such as cleaning, rust removal, limited paint removal, and re-application of protective coating systems.”</p> <p>“Making windows weather tight by re-caulking and replacing or installing weather-stripping. These actions also improve thermal efficiency.”</p> <p>4. Repair: “Repairing window frames and sash by patching, piecing-in, consolidating or otherwise reinforcing them using recognized preservation methods. The new work should be unobtrusively dated to guide future research and treatment.”</p> <p>5. Limited Replacement In-Kind: “Replacing in kind extensively deteriorated or missing parts of windows when there are surviving prototypes such as frames, sash, sills, glazing, and hoodmolds. The new work should match the old in material, design, color, and texture; and be unobtrusively dated to guide future research and treatment.”</p>		
<p>Roof, Main House</p> <p>Brick chimney, south elevation</p>	<p>Yes (configuration, pitch, original ornamental details where extant); sheathed in nonoriginal composition shingles</p>	<p><b>Condition:</b> Good overall</p> <p><b>Repairs:</b> Re-roofing, to include removal of solar panels on north elevation; tear-off; repairs as needed to roof system structure; installation of plywood decking; re-sheathing of roof with composition shingles; reinstallation of solar panels</p> <p>Concurrent with roof repairs, refasten/reinforce chimney. For historic brick, repoint to match existing and repair/replace brick in-kind where needed.</p>	<p>Recommended rehabilitation treatment guidelines:</p> <p>1. Identify, retain, preserve: Identify “the functional and decorative features that are important in defining the overall historic character of the building. This includes the roof’s shape, such as hipped, gambrel, and mansard; decorative features such as cupolas...chimneys, &amp; weathervanes; and roofing material such as slate, wood, clay tile, and metal, as well as its size, color, and patterning.”</p> <p>2. Protect and retain: “Cleaning of gutters and downspouts and replacing deteriorated flashing. Roof sheathing should also be checked for proper venting to prevent moisture condensation and water penetration; and to ensure that materials are free from insect infestation. ... Providing adequate anchorage for roofing material to guard against wind damage and moisture penetration.”</p> <p>3. Repair: “Repairing a roof by reinforcing the historic materials which comprise roof features. Repairs will also generally include the limited replacement in kind--or with compatible substitute material--of those extensively deteriorated or missing parts of features when there are surviving prototypes such as cupola louvers, dentils, dormer roofing; or slates, tiles, or wood shingles on a main roof.</p>	<p>2025 (reroof and roof repairs, repairs/ refastening of brick chimney)</p> <p>Triannual inspection</p>	<p>\$ 40,000</p> <p>To be completed by contractor with experience in historic preservation</p>

Feature / Issue	Character-Defining?	Condition / Repair	Recommended Treatment / Standards Compliance*	Repair/ Maintenance Schedule	Estimated Cost
Exterior walls, wood sheathing	Yes	<p><b>Condition:</b> Good/Fair</p> <p><b>Repairs:</b> Repairs/patching or in-kind replacement of areas of damaged and deteriorated wood siding, including but not limited to areas along the base of the residence and the north elevation; resealing and repainting in period-appropriate palette</p>	<p>The exterior wood sheathing of the building will be repaired as necessary and repainted, according to the <i>Secretary's Standards</i>.</p> <p>Recommended rehabilitation treatment guidelines:</p> <ol style="list-style-type: none"> <li>1. Identify, retain, and preserve: "Identifying, retaining/preserving wood features that are important in defining the historic character of the building such as siding, cornices, brackets, window architraves, and doorway pediments; and their paints, finishes, and colors."</li> <li>2. Stabilize: "Stabilizing deteriorated or damaged wood as a preliminary measure, when necessary, prior to undertaking appropriate preservation work."</li> <li>3. Protect and Maintain: "Retaining coatings such as paint that help protect the wood from moisture and ultraviolet light. Paint removal should be considered only where there is paint surface deterioration and as part of an overall maintenance program which involves repainting or applying other appropriate protective coatings. Inspecting painted wood surfaces to determine whether repainting is necessary or if cleaning is all that is required.  Removing damaged or deteriorated paint to the next sound layer using the gentlest method possible (hand-scraping and hand sanding), then repainting. Applying compatible paint coating systems following proper surface preparation. Repainting with colors that are appropriate to the historic building... Evaluating the overall condition of the wood to determine whether more than protection and maintenance are required, that is, if repairs to wood features will be necessary."</li> <li>4. Repair: "Repairing, stabilizing, and conserving fragile wood using well-tested consolidants, when appropriate. Repairs should be physically and visually compatible and identifiable upon close inspection for future research. Repairing wood features by patching, piecing-in, or otherwise reinforcing the wood using recognized preservation methods. The new work should be unobtrusively dated to guide future research and treatment."</li> <li>5. Limited Replacement in Kind: "Replacing in kind extensively deteriorated or missing parts of wood features when there are surviving prototypes such as brackets, molding, or sections of siding. New work should match the old in material, design, color, and texture; and be unobtrusively dated to guide future research and treatment."</li> </ol>	2028  Biannual inspection	\$ 40,000  To be completed by contractor with experience in historic preservation

Feature / Issue	Character-Defining?	Condition / Repair	Recommended Treatment / Standards Compliance*	Repair/ Maintenance Schedule	Estimated Cost
			<p>Not Recommended:  “Replacing an entire wood feature such as a column or stairway when limited replacement of deteriorated and missing parts is appropriate.</p> <p>Using replacement material that does not match the historic wood feature; or failing to properly document the new work.”</p>		
Main entrance, wood entrance door, hardware, and leaded-glass light	Yes	<p><b>Condition:</b>  Good/fair (isolated repairs needed)</p> <p><b>Repairs:</b>  Original front door has inoperable/ill-fastened hardware and leaded-glass window in need of cleaning/conservation</p>	<p>Recommended treatment guidelines:</p> <ol style="list-style-type: none"> <li>1. Identify, retain, and preserve:  Identifying elements of “entrances and porches--and their functional and decorative features--that are important in defining the overall historic character of the building.”</li> <li>2. Protect and maintain:  “Protecting and maintaining the masonry, wood, and architectural metals that comprise entrances and porches through appropriate surface treatments such as cleaning, rust removal, limited paint removal, and re-application of protective coating systems.”</li> <li>3. Repair:  “Repairing entrances and porches by reinforcing the historic materials. Repair will also generally include the limited replacement in kind--or with compatible substitute material--of those extensively deteriorated or missing parts of repeated features where there are surviving prototypes such as balustrades, cornices, entablatures, columns, sidelights, and stairs.”</li> </ol>	2029	<p>\$ 10,000</p> <p>To be completed by contractor with experience in historic preservation</p>

**Exhibit “C”**

Standards of Rehabilitation

## The Secretary of the Interior

### Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings

The Standards (Department of Interior regulations, 36 CFR 67) pertain to historic buildings of all materials, construction types, sizes, and occupancy and encompass the exterior and the interior, related landscape features and the building's site and environment as well as attached, adjacent, or related new construction. The Standards are to be applied to specific rehabilitation projects in a reasonable manner, taking into consideration economic and technical feasibility.

1. A property will be used as it was historically or be given a new use that requires minimal change to its distinctive materials, features, spaces, and spatial relationships.
2. The historic character of a property will be retained and preserved. The removal of distinctive materials or alteration of features, spaces and spatial relationships that characterize a property will be avoided.
3. Each property will be recognized as a physical record of its time, place, and use. Changes that create a false sense of historical development, such as adding conjectural features or elements from other historic properties, will not be undertaken.
4. Changes to a property that have acquired historic significance in their own right will be retained and preserved.
5. Distinctive materials, features, finishes, and construction techniques or examples of craftsmanship that characterize a property will be preserved.
6. Deteriorated historic features will be repaired rather than replaced. Where the severity of deterioration requires replacement of a distinctive feature, the new feature will match the old in design, color, texture, and, where possible, materials. Replacement of missing features will be substantiated by documentary and physical evidence.
7. Chemical or physical treatments, if appropriate, will be undertaken using the gentlest means possible. Treatments that cause damage to historic materials will not be used.
8. Archeological resources will be protected and preserved in place. If such resources must be disturbed, mitigation measures will be undertaken.
9. New additions, exterior alterations, or related new construction will not destroy historic materials, features, and spatial relationships that characterize the property. The new work shall be differentiated from the old and will be compatible with the historic materials, features, size, scale and proportion, and massing to protect the integrity of the property and the environment.
10. New additions and adjacent or related new construction will be undertaken in such a manner that, if removed in the future, the essential form and integrity of the historic property and its environment would be unimpaired.



**ATTACHMENT 2**  
September 17, 2020  
Cultural Heritage Commission Staff Report  
([Click Here](#))



# City Council Agenda Report

ITEM NO.   9  

**DATE:** November 4, 2020

**FROM:** Sean Joyce, Interim City Manager

**PREPARED BY:** Joanna Hankamer, Director of Planning and Community Development  
Kanika Kith, Planning Manager  
Aneli Gonzalez, Management-Planning Intern

**SUBJECT:** **Project No. 2305-MIL - Approval of a Mills Act Contract for Property Located at 1506 Rollin Street (Assessor's Parcel Number 5319-004-013)**

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## Recommendation

It is recommended that the City Council enter into a Mills Act contract with the property owners of 1506 Rollin Street, which is a contributor to the Rollin Craftsman Cluster District.

## Executive Summary

A Mills Act contract is an agreement between the City and the property owner. The contract requires that the property owner complete specific restoration and maintenance tasks, as submitted in the proposed restoration work plan. The proposed work plan is included as Exhibit C to the Mills Act contract. In return, for the duration of 10 years, the property owner receives a reduction in their property tax bill with the agreement that those property tax savings be reinvested into the property and fund the approved improvements.

On September 17, 2020, the Cultural Heritage Commission reviewed the proposed Mills Act application and voted 4-0 recommending that the City Council enter into the Mills Act contract. The subject property qualifies for a Mills Act contract because it is a contributor to the Rollin Craftsman District, which was designated as local historic district on June 17, 2020.

## Commission Review and Recommendation

In accordance to South Pasadena Municipal Code Chapter 2 Section 2.68 (B)(1)(c), the Cultural Heritage Commission recommended that the subject property be approved for a Mills Act contract with the City, based upon the following required criteria:

- (i) *Financial Investment. The estimated tax benefit is not expected to exceed the applicant's proposed financial investment in the cultural resource over the first 10 years of the contract.*

The total cost of the repairs is \$127,350 between 2021 and 2028. The tax benefit over the same period is expected to be \$119,070. The proposed scope of work includes potential chimney restoration, which has not been included in the total cost. Overall, the estimated tax benefit is not expected to exceed the applicant's proposed financial investment in the cultural resource over the first 10 years of the contract.

- (ii) *Public Benefit. The proposed Mills Act contract features a work plan that will provide a benefit to the public by: rehabilitating the property for continued occupancy or adaptive reuse; improved viability through systems upgrades and structural reinforcement upgrades; preserving and maintaining the character-defining features of the property, and/or restoring character-defining features of the property that have been significantly altered or removed over time.*

The application proposes significant repairs and restoration of the concrete porch and stone wall, driveway, and would restore damaged siding, shingles, and windows that are visible to the public from the sidewalk and street. The proposed improvements will contribute to the preservation of this contributing property in the designated local historic district.

- (iii) *Retroactive Limitations. The estimated tax benefit will not be used for any maintenance or alteration work that was previously completed or initiated before the contract is approved, unless it can be shown that the completed work was necessary in the interest of the public health or safety following involuntary damage or destruction caused by fire, act of nature, or any other casualty.*

The application does not propose maintenance or alteration work that was previously completed or initiated.

- (iv) *Limitations on Maintenance. The estimated tax benefit will not be used for routine maintenance work except for exemplary or exceptional properties that have financially burdensome maintenance requirements.*

The Work Plan proposes an annual termite inspection, if required. The cost for the inspection is \$150 and cost of treatment is \$6,000 both are not included in total cost of proposed work.

- (v) *Limitations on Interior Work. The estimated tax benefit will not be used for work within the interior of a cultural resource unless the commission determines the following exceptions should be made: the interior work is necessary to improve the structural integrity of the property; the interior work is necessary to preserve and maintain character-defining features within the cultural resource that are specifically identified as part of the official landmark nomination; and/or the interior work is necessary to preserve and maintain character-defining features of the property that were discovered subsequent to its landmark designation. The commission must first determine that those interior features are character-defining based on substantial evidence provided by the applicant.*

The proposed work plan does not include interior work. It is estimated that the entire scope of work will be completed by the eighth year (2028) of the Mills Act contract.

- (vi) *Limitations on Landscaping. The estimated tax benefit will not be used for landscaping work unless it will be used for specific landscape features that were identified as part of the official landmark nomination.*

The application does not include landscaping work.

Entering into the Mills Act contract will promote the City's Preservation Element of the General Plan, Section 5.5, Goal 6, Policy 6.3, "Encourage property owners to take advantage of the available financial incentives."

The Cultural Heritage Commission recommended approval, subject to a condition that the property owners obtain approval from the Chair of the Cultural Heritage Commission prior to starting any work listed on the work plan. The condition has been added to the Mills Act Contract, included as Attachment 1.

The proposed Restoration Work Plan is included as an Attachment to the staff report provided to the Cultural Heritage Commission, which is included as Attachment 3.

### **Fiscal Impact**

A Mills Act contract allows a tax reduction (between approximately 40% - 60%) for a property owner who agrees to perform certain restoration and maintenance tasks over a 10-year period. Although the City will see a reduction in property tax revenue (26% per Mills Act contracted property), the benefits of the program include economic benefits of conserving resources and reinvestment as well as the important role historic preservation can play in revitalizing older areas, creating cultural tourism, building civic pride, and retaining the sense of place and continuity with the community's past.

The total estimated cost to the City as a result of property tax reduction (26%) for this property is approximately \$30,958.20 over the 10-year life of the contract, which amounts to \$3,095.82 annually.

### **Legal Review**

The City Attorney has reviewed this Staff Report.

### **Environmental Analysis**

This project is exempt from any California Environmental Quality Act (CEQA) analysis based on State CEQA Guidelines Section 15308, Class 8: Actions taken by regulatory agencies, as authorized by state or local ordinance, to assure the maintenance, restoration, enhancement, or protection of the environment where the regulatory process involves procedures for protection of the environment.

### **Public Notification of Agenda Item**

The public was made aware that this item was to be considered this evening by virtue of its inclusion on the legally publicly noticed agenda, posting of the same agenda and reports on the City's website.

### **Attachments:**

1. Mills Act contract
2. CHC Staff Report & Additional Document

**ATTACHMENT 1**  
Mills Act Contract

## MILLS ACT CONTRACT

THIS CONTRACT (“Contract”) is made and entered into this \_\_\_\_\_ day of December 2020, by and between the CITY OF SOUTH PASADENA, CALIFORNIA, a municipal corporation (“City”), and Li Li and Shen Chong (“Owners”).

### RECITALS

(i) California Government Code Section 50280 *et seq.*, authorizes cities to enter into contracts with the Owner of qualified historical property to provide for the use, maintenance, and restoration of such historical property so as to retain its characteristics as property of historical significance;

(ii) Owner possesses fee title in and to that certain real property, together with associated structures and improvements thereon, located at 1506 Rollin Street, South Pasadena, California, Assessor’s Parcel Number 5319-004-013 (“Historic Property”). A legal description of the Historic Property is attached hereto, marked as “Exhibit A” and is incorporated herein as if fully set forth;

(iii) The Historic Property is a contributor to a designated historic district known as the Rollin Craftsman District, attached hereto marked “Exhibit B”. The Rollin Craftsman District, consists of five properties situated along the eastern end of the 1500 block of Rollin Street between Fremont Avenue and Fair Oaks Avenue. The prevailing architectural pattern of the five properties are modestly-sized single-story single-family Craftsman residences. The prevailing material palette and character-defining features of the District consist of front porches with brick, stone, or wood piers, wood shingles, wood siding, overhanging eaves, projecting rafters, tripartite windows, and transom lights.

(iv) City and Owner, for their mutual benefit, now desire to enter into this Agreement both to protect and preserve the characteristics of historical significance of the Historic Property, and to qualify the Historic Property for an assessment of valuation pursuant to the provisions of Chapter 3 of Part 2 of Division 1 of the California Revenue and Taxation Code.

NOW, THEREFORE, City and Owner, in consideration of the mutual covenants and conditions contained herein, do hereby agree as follows:

1. **EFFECTIVE DATE AND TERM.** The Agreement shall be effective and commence on January 1, 2021 and shall remain in effect for a minimum period of ten (10) years, unless the property owner is issued a notice of non-renewal as provided in Section 2.68(b)(1)(E)(v) of the South Pasadena Municipal Code.

2. **AUTOMATIC RENEWAL.** Unless a notice of non-renewal is issued, this Agreement shall automatically be extended by one year for each anniversary date of the Agreement unless otherwise specified herein.

3. APPEAL OF NOTICE OF NON-RENEWAL. The property owner shall have the right (per Government Code Section 50282) to appeal a notice of non-renewal to the City Council.

4. STANDARDS FOR HISTORIC PROPERTY.

- a. Owner shall rehabilitate, preserve and maintain the historically significant characteristics of the Historic Property. Attached hereto, marked as Exhibit "C" and incorporated herein by this reference is a list of those items for rehabilitation, restoration and maintenance planned for preservation of the Historic Property and a timeline for completion, which shall apply to such property throughout the term of this agreement. Owner shall obtain approval from the Chair of the Cultural Heritage Commission prior to start of work of said items for rehabilitation, restoration and maintenance planned for preservation of the Historic Property.
- b. Owner shall additionally and where necessary, restore and rehabilitate the property according to the rules and regulations of the Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings and the State Historic Building Code and shall maintain the entire property according to minimum standards and conditions, attached hereto, marked as Exhibit "D".

5. LIMITATIONS. Under Section 2.68(b)(1)(C)(iii)-(v), the estimated tax benefit will not be used for: (1) any maintenance or alteration work that was previously completed or initiated before the contract is approved, unless it can be shown that the completed work was necessary in the interest of the public health or safety following involuntary damage or destruction caused by fire, act of nature, or any other casualty; (2) routine maintenance work except for exemplary or exceptional properties that have financially burdensome maintenance requirements; (3) work within the interior of a Historic Property unless the Cultural Heritage Commission determines an exception should be made; and (4) landscaping work unless it will be used for specific landscape features that were identified as part of the official landmark nomination.

6. INSPECTIONS. The Owner shall allow reasonable inspections, by prior appointment given a minimum of at least 24 hours in advance, of the interior and exterior of the Historic Property by representatives of the Historic Property by representatives of the County Assessor, State Office of Historic Preservation, State Board of Equalization and the City, as may be necessary to determine Owner's compliance with the terms and conditions of this agreement.

7. PROVISION OF COMPLIANCE INFORMATION. The owner hereby agrees to furnish the City with any and all information requested by the City which may be reasonable and necessary to determine compliance with the terms and provisions of this Agreement. In addition, the owner shall agree to provide to the City on the third anniversary date of this Agreement and every third year thereafter a report describing the

preservation tasks that are in progress and have been completed pursuant to this Agreement.

8. NON-RENEWAL. If recommended by the Commission and approved by the City Council, a notice of non-renewal may be issued six (6) years into the duration of this Agreement. The procedure for notice of non-renewal by the owner or the City shall be in accordance with Government Code Section 50282 as it may be amended from time to time.

9. BINDING EFFECT OF CONTRACT. This Agreement shall be binding on all successors-in interest of the owner to the benefits and burdens of this Agreement. The contract shall stipulate escrow instructions that require a review and re-evaluation of the property every three years.

10. CANCELLATION. City following a duly noticed public hearing as set forth in California Code Section 50280 *et seq.*, may cancel this Agreement if City determines that the Owner has breached any of the conditions or covenants of the Agreement or has allowed the Historic Property to deteriorate to the point that it no longer meets the significance criteria under which it was designated. City may also cancel this Agreement if it determines Owner has failed to restore or rehabilitate the Historic Property in the manner specified in Paragraph 4 of this Agreement. The City may also cancel this Agreement if, upon consultation with the State of California Office of Historic Preservation, the preservation, rehabilitation, or restoration becomes infeasible due to damage caused by natural disaster. City's right to cancel this Agreement pursuant to this paragraph shall in no way limit or restrict its rights or legal remedies arising from City's Cultural Heritage Ordinance and Municipal Code.

11. CANCELLATION FEE. In the event of cancellation, Owner shall be subject to payment of those cancellation fees set forth in California Government Code Section 50280 *et seq.*, described herein. Upon cancellation, Owner shall pay a cancellation fee equal to twelve and one-half percent (12.5%) of the current fair market value of the property as determined by the County Assessor as though the Historic Property were free of the contractual restriction pursuant to this Agreement. The Owner shall pay the cancellation fee to the County Auditor in the time and manner prescribed by the County Auditor.

12. ENFORCEMENT OF AGREEMENT. In lieu of and/ or in addition to any provisions to cancel this Agreement as referenced herein, City may specifically enforce, or enjoin the breach of the terms of this Agreement.

In the event of a breach by Owner under the provisions of this agreement, City shall give written notice to Owner by registered or certified mail to the address stated in this agreement, which notice shall specifically identify the alleged breach and the proposed action which City recommends to Owner to cure said alleged breach. Owner shall hereafter have sixty (60) days within which to cure such breach to the reasonable satisfaction of the City. Upon completion by Owner of the cure of the breach, City shall withdraw its notice of breach.



Should owner not cure such breach within the time period specified above, then City may, without further notice, declare a default under the terms of this agreement and may bring any action necessary to specifically enforce the obligations of Owner arising out of the terms of this agreement, apply to any court, state or federal, for injunctive relief against any violation by Owner or apply for such other relief as may be appropriate. City may at its sole discretion extend the 60-day cure period. Such extension must be in writing.

13. WAIVER. City does not waive any claim or default by Owner if City does not enforce or cancel this Agreement. All other remedies at law or in equity which are not otherwise provided for in this Agreement or in the City's regulations governing historic properties are available to City to pursue in the event there is a breach of this Agreement. No waiver by City of any breach or default under this Agreement shall be deemed to be a waiver of any other subsequent breach thereof or default hereunder.

14. BINDING EFFECT OF AGREEMENT. Owner hereby subjects the Historic Property to the covenants, reservations and restrictions set forth in this Agreement. City and Owner hereby declare their specific intent that the covenants, reservations, and restriction as set forth herein shall be deemed covenants running with the land and shall pass to and be binding upon Owner's successors and assigns in title or interest to the Historic Property.

Each and every contract, deed or other instrument hereinafter executed, governing or conveying the Historic Property, or any portion thereof, shall conclusively be held to have been executed, delivered and accepted subject to the covenants, reservations and restriction expressed in this Agreement regardless of whether such covenants, reservations and restrictions are set forth in such contract, deed or other instrument.

City and Owner hereby declare their understanding and intent that the burden of the covenants, reservations and restrictions set forth herein touch and concern the land in that it restricts development of the Historic Property. City and Owner hereby further declare their understanding and intent that the benefit of such covenants, reservations and restrictions touch and concern the land by enhancing and maintaining the cultural and historic characteristics and significance of the Historic Property for the benefit of the public and Owner.

15. NOTICE. Any notice required to be given by the terms of this Agreement shall be provided at the address of the respective parties as specified below, by personal delivery or United States mail, postage prepaid, addressed as follows:

City: City of South Pasadena  
Director of Planning and Building  
1414 Mission Street  
South Pasadena, California 91030

Owner: Li Li and Shen Chong  
1506 Rollin Street  
South Pasadena, California 91030

16. EFFECT OF AGREEMENT. None of the terms, provisions or conditions of this Agreement shall be deemed to create a partnership between the parties hereto and any of their heirs, successors or assigns, nor shall such terms, provisions or conditions cause them to be considered joint ventures or members of any joint enterprise.

17. INDEMNITY OF CITY. Owner agrees to protect, defend, indemnify, and shall hold City and its elected officials, officers, agents, and employees harmless from liability for claims, loss, proceedings, damages, causes of action, liability, costs or expense, including reasonable attorney's fees in connection with damage for personal injuries, including death, and claims for property damage which may arise from the direct or indirect use or operations of such Owner or those of its contractor, subcontractor, agent, employee or other person acting on its behalf which relate to the use, operation, capital improvement and maintenance of the Historic Property. Owner hereby agree to and shall defend the City and its elected officials, officers, agents, and employees with respect to any and all actions for damages caused by, or alleged to have been suffered, by reason of the operations referred to in this Agreement regardless of whether or not the City prepared, supplied or approved the plans, specifications or other documents for the Historic Property.

18. BINDING UPON SUCCESSORS. All of the agreements, rights, covenants, reservations, and restrictions contained in the Agreement shall be binding upon and shall inure to benefit of the parties herein, their heirs, successors, legal representative, assigns and all persons acquiring any part or portion of the Historic Property, whether by operation of law or in any manner whatsoever.

19. LEGAL COSTS. In the event legal proceedings are brought by any party or parties to enforce or restrain a violation of any of the covenants, reservations or restrictions contained herein, or to determine the rights and duties of any party hereunder, the prevailing party in such proceeding may recover all reasonable attorney's fees to be fixed by the court, in addition to court costs and other relief ordered by the court.

20. SEVERABILITY. In the event that any of the provisions of this Agreement are held to be unenforceable or invalid by any court of competent jurisdiction, or by subsequent preemptive legislation, the validity and enforceability of the remaining provisions, or portions thereof, shall not be affected thereby.

21. GOVERNING LAW. This Agreement shall be construed and governed in accordance with the laws of the State of California.

22. EMINENT DOMAIN PROCEDURES. Upon the filing of an action in eminent domain by a public agency for the condemnation of the fee title of any land described herein or of less than fee interest which will present the portion of land

condemned or other land or a portion of it which is the subject of this Agreement from being used for any authorized use, or upon the acquisition in lieu of eminent domain by a public agency for a public improvement, the portions of this Agreement by which Owner agree to preserve and to restrict the use of property described herein shall be null and void upon such filing as to the portion of the land condemned or acquired and to the additional land the use of which for an authorized purpose will be prevented as a result of condemnation or acquisition.

If, subsequent to the filing of an action in eminent domain, the proposed condemnation is abandoned by the condemning agency as to all or a portion of the land subject to the Agreement, the restrictions on the use of the property included in this Agreement shall, without further agreement of the parties, be re-instituted and the terms of this Agreement shall be in full force and effect.

23. RECORDATION. No later than thirty (30) days after the parties execute this Agreement, the Owner or Owner’s agent shall record this Agreement in the Office of the County Recorder of the County of Los Angeles.

24. AMENDMENTS. This Agreement may be amended, in whole or in part, only by written-recorded instrument executed by the parties hereto.

25. NOTICE TO OFFICE OF HISTORIC PRESERVATION. The City shall provide written notice of this Agreement to the State Office of Historic Preservation within six (6) months of entering into this Agreement.

IN WITNESS THEREOF, City and Owner have executed this Agreement on the day and year first above written.

CITY OF SOUTH PASADENA

Date: \_\_\_\_\_

By: \_\_\_\_\_  
MAYOR

Attest:

\_\_\_\_\_  
CITY CLERK

Approved as to Form:

Date: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
Li Li Chong, Owner

Date: \_\_\_\_\_

\_\_\_\_\_  
Chen Chong, Owner

**Exhibit “A”**

Legal Description

**Exhibit “B”**

City Council Resolution for  
Historic District Designation

**Exhibit “C”**  
Restoration Work Plan  
&  
Financial Analysis

**Exhibit “D”**

Standards of Rehabilitation

**Exhibit “A”**

Legal Description



Proof of Legal Description:

File No: 117072437

**EXHIBIT "A"**

All that certain real property situated in the County of Los Angeles, State of California, described as follows:

Lot 24 in Block "A" of Smith and Jacob's Subdivision, in the City of South Pasadena, County of Los Angeles, State of California, as per Map recorded in Book 17, Page 26 of Miscellaneous Records, in the Office of the County Recorder of said County.

Assessor's Parcel Number: 5319-004-013

**Exhibit “B”**

City Council Resolution for  
Historic District Designation

**RESOLUTION NO. 7659**

**A RESOLUTION OF THE CITY COUNCIL  
OF THE CITY OF SOUTH PASADENA, CALIFORNIA,  
DESIGNATING A HISTORIC DISTRICT THAT INCLUDES  
FIVE CONTRIBUTING PROPERTIES LOCATED AT  
1500, 1506, 1507, 1510, AND 1512 ROLLIN STREET**

**WHEREAS**, on August 22, 2017, the City received a request from a representative of the property owners in the eligible Rollin Craftsman Cluster for designating the historic district, consisting of five contributing properties located at 1500, 1506, 1507, 1510, and 1512 Rollin Street (Assessor's Parcel Numbers 5319-004-014, -013, -012, and -011, and 5319-005-018); and

**WHEREAS**, on March 5, 2018, an application formally requesting the designation of the Rollin Craftsman Cluster historic district was received, with four property owners signing the application with the fifth property owner providing signature on February 13, 2020; and

**WHEREAS**, Section 2.62 of the South Pasadena Municipal Code (SPMC) Ordinance No. 2004 ("Cultural Heritage Ordinance") authorized the Cultural Heritage Commission ("the Commission") to recommend to the City Council the designation of appropriate properties as historic districts; and

**WHEREAS**, the Commission has complied with the applicable provisions of Subsection (a) (3) "Designation Procedure" of the above Ordinance Section in that it formed a subcommittee to review the merits of the requested designation, visited the site, attempted diligently and in good faith to meet with the property owners; and

**WHEREAS**, on April 17, 2020, City of South Pasadena Planning and Building Department published a legal notice in compliance with state law concerning the designation of the Rollin Craftsman Cluster in the *South Pasadena Review*, a local newspaper of general circulation, regarding the City of South Pasadena Cultural Heritage Commission public hearing of April 30, 2020. In addition, on April 16, 2020, a public hearing notice was mailed to property owners within the proposed district and within a 300-foot radius of the proposed district, indicating the date and time of the public hearing at the Cultural Heritage Commission meeting for designation of the historic district; and

**WHEREAS**, on April 30, 2020, the Cultural Heritage Commission conducted a duly noticed public hearing, at which time public testimony was taken concerning the proposed designation of the Rollin Craftsman Cluster and voted 4-0 recommending designation to the City Council.

**WHEREAS**, on May 22, 2020, City of South Pasadena Planning and Building Department published a legal notice in compliance with state law concerning the designation of the Rollin Craftsman Cluster in the *South Pasadena Review*, a local newspaper of general circulation, regarding the City of South Pasadena City Council on public hearing of June 3, 2020. In addition, on May 21, 2020, a public hearing notice was mailed to property owners within the

proposed district and within a 300-foot radius of the proposed district, indicating the date and time of the public hearing at the City Council meeting for designation of the historic district; and

**WHEREAS**, the June 3, 2020 City Council meeting was postponed to June 10, 2020, and on June 10, 2020, the City Council continued the project to the next City Council meeting on June 17, 2020; and

**WHEREAS**, on June 17, 2020, the City Council conducted a duly noticed public hearing, at which time public testimony was taken concerning the proposed designation of the Rollin Craftsman Cluster, and considered the designation of the Rollin Craftsman Cluster Historic District.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:**

#### **SECTION 1. ENVIRONMENTAL REVIEW FINDINGS**

The City Council has determined that the proposed project is Categorically Exempt from the provisions of the California Environmental Quality Act (CEQA), under the “common sense exemption,” Section 15016(b)(3), which states that CEQA applies only to projects which have the potential for causing a significant effect on the environment. It can be understood with certainty that there is no possibility that the designation of a historic district could have a significant effect on the environment, and therefore, is not subject to CEQA.

#### **SECTION 2. DESIGNATION OF HISTORIC DISTRICT FINDINGS**

Based on the evidence presented at the public hearing, on the evidence contained in the City Council Staff Report, the Cultural Heritage Commission Staff Report and associated attachments, and other records of proceedings, the City Council considered the applicable designation criteria contained in the Cultural Heritage Ordinance and makes the following findings, pursuant to SPMC Section 2.63(a)(2) for designation of the Rollin Craftsman Cluster Historic District:

- (A) That the designation of landmark or historic district is consistent with one or more of the purposes set forth in SPMC 2.58B; and*

The designation of the proposed Rollin Craftsman Cluster Historic District is consistent with the purpose of the Cultural Heritage Ordinance for identification, protection, enhancement, and preservation of structures, sites, and areas that represent the City’s heritage and character. The proposed district represents the early 20th Century residential development theme. The homes constructed from the late 19th to the early 20th century represent some of the earliest building stock, and development and settlement patterns of the City. Thus, the designation of the proposed historic district will help promote the City’s sense of place as it will preserve, maintain, and safeguard the City’s heritage and

character, will reflect the phases of the City's history, and will foster pride in the ownership of the City's historic resources.

- (B) That the landmark or historic district meets one or more of the criteria for designation listed in subsection (b) of this section; and***

The proposed historic district qualifies for designation under Criteria (1), (4), (7), and (11). The homes in the proposed district represent an important period in South Pasadena's history when its architectural character began to develop in the early 20th century, and reflect the early development and settlement patterns in the City. As described in the Context Statement Report, homes constructed from the late 19th to the early 20th century represent some of the earliest building stock in South Pasadena. These homes characterize Craftsman style architecture that arose from the late 19th century English Arts and Crafts movement. Character-defining features of Craftsman style architecture homes includes "stained wood, wide overhanging eaves, balconies, terraces extending the living space outdoors" that represent the goals of the Arts and Crafts movement for "simplicity of design, hand craftsmanship, and relationship of the building to the climate and landscape." The homes in the proposed historic district have minor alterations but are acceptable as the district as a whole continues to convey its integrity and significance of the early 20th Century residential development theme.

- (C) That the landmark or historic district possesses historic integrity of location, design, setting, materials, workmanship, feeling, or association.***

The proposed historic district possesses historic integrity of location, design, setting, materials, workmanship, and feeling as all five homes within the proposed district are contributors to the significance of the historic district. The homes are modestly sized, one-story containing character-defining features typical of Craftsman architecture such as front porches with brick, stone, or wood piers and walls, wood shingle siding, extended overhang eaves, and projecting rafters. Thus, the district is an excellent representative of Craftsman architectural style homes, and reflects the design principles of the early 20<sup>th</sup> century Arts and Crafts movement.

### **SECTION 3. ADDITIONAL FINDINGS FOR HISTORIC DISTRICT**

In addition to the findings in Section 2 above, the City Council also make the following findings as required for designation of historic district pursuant to SPMC Section 2.63(a)(4).

- (A) The proposed district boundaries are appropriate because a significant concentration, linkage, or continuity of sites, buildings, structures, or objects united historically or aesthetically by plan or physical development are present within the district. A district derives its importance from being a unified entity or a theme, even though it may be composed of a wide variety of resources (organized around a theme). Thematic districts are not required to have physical or contiguous boundaries.***

The proposed district boundaries are appropriate because it is reflective of a particular period of growth and development in the City. As described in the City's 2002 Historic Survey report, the proposed district is "small cluster of 5 contributing properties" along the 1500 block of Rollin Street, between Fremont Avenue and Fair Oaks Avenue. The homes are single-story single-family residences with Craftsman architectural style that share common setbacks, lot sizes, architectural styles, and period of development.

- (B) The identity of the district results from the interrelationship of its resources which conveys a visual sense of the overall historic environment or is an arrangement of historically or functionally related properties.***

The City's 2002 Historic Survey identified the proposed district as a potential historic district for the City as 5S1 (not eligible for National Register, but of local interest because the resource is listed or eligible for listing under local ordinance). The 2002 Historic Survey described this district as "[T]his small cluster of 5 contributing properties is located along the 1500 block of Rollin street, between busy Fremont Avenue to the west and Fair Oaks Avenue to the east. The single-family dwellings are one story in height, Craftsman in design and were built between 1890 and 1914. They share common setbacks, lot sizes, architectural styles, and period of development. This small grouping is reflective of a particular period of growth and development within the community."

The five homes in the proposed district were built before World War I with a significant gap of over 10 years before adjacent houses were built. The immediate neighbors to the west and to the east were built starting from the mid-1920s. There are other Craftsman structures to the west, adjacent to Fremont Avenue (house at 1417 Rollin Street and Woman's Club at 1424 Fremont Ave.). However, the 2002 Historic Survey suggested allocating them to the larger potential High School Neighborhood.

Because of this timeframe, this little cluster falls under the Early 20th Century Residential Development context theme covering 1900-1919 (per 2014 Citywide Historic Context Statement). The period of 1920-1929 is covered under another context theme, 1920s Growth. Including more properties into the cluster would require the district to represent two different context themes.

- (C) The district contains a number of contributing resources that add to the historic architectural qualities or historic associations for which a district is significant because they existed during the period of significance and possess historic integrity reflecting the district's character at that time.***

The proposed district contains five modestly sized, one-story Craftsman architectural style homes with a high degree of integrity that represent the height of the Arts and Crafts movement. All five homes are contributors to the historic district. These homes were built between 1890 and 1914 and have minor alterations, but are acceptable as the district because the whole continues to convey its integrity and significance of the early 20th Century residential development theme. Overall, the district's character is an excellent

representative of an important period in South Pasadena's history and reflect the early development and settlement patterns in the City.

- (D) With respect to the designation of a local district that is not listed on the California Register of Historical Resources, but was identified in a local survey, not less than 60 percent of all affected owners of the proposed historic district must consent to such designation. Each parcel or lot shall be entitled to only one vote per parcel. By way of example only, if the proposed historic district were composed of 20 parcels, then the owners of 12 parcels would be required to consent to the designation.***

As described in the City's 2002 Historic Survey report, the proposed district is "small cluster of 5 contributing properties" along the 1500 block of Rollin Street, between Fremont Avenue and Fair Oaks Avenue. On March 5, 2018, all five-property owners in the district signed an application requesting the City to designate the potential Rollin Craftsman Cluster district identified in the 2002 Historic Survey as a local historic district. Therefore, the signed application was considered as 100% consent to designation of the proposed historic district.

- (E) With respect to the designation of a historic district that is listed on the California Register of Historical Resources, not less than 50 percent plus one of all affected owners of the proposed historic district must consent to such designation. Each parcel or lot shall be entitled to only one vote per parcel. By way of example only, if the proposed historic district were composed of 20 parcels, then 11 property owners would be required to consent to the designation.***

As stated in the City's 2002 Historic Survey report, the proposed district was identified as 5S1 (not eligible for National Register, but of local interest because the resource is listed or eligible for listing under local ordinance).

#### **SECTION 4. RECORD OF PROCEEDING**

The documents and other materials that constitute the record of the proceedings upon which the Planning Commission's decision is based, which include, but are not limited to, the environmental documents, staff reports, as well as all materials that support the staff reports for the proposed project, and are located in the Planning and Building Department of the City of South Pasadena at 1414 Mission Street, South Pasadena, CA 91030. The custodian of these documents is the City Clerk of the City of South Pasadena.

#### **SECTION 5. DETERMINATION**

Based on the aforementioned findings, the City Council hereby approves the designation of the Rollin Craftsman Cluster Historic District, along with the map as set forth in Exhibit "A" attached hereto and made a part thereof, as the official boundaries of the Rollin Craftsman Cluster Historic District.

**SECTION 6. CERTIFICATION OF THE RESOLUTION**

The City Clerk of the City of South Pasadena shall certify to the passage and adoption of this resolution and its approval by the City Council and shall cause the same to be listed in the records of the City.

**SECTION 7. FILING WITH THE COUNTY CLERK**

The City Council directs the City Clerk to file the appropriate designation with the office of the Los Angeles Registrar-Recorder/County Clerk.

**PASSED, APPROVED AND ADOPTED ON** this 17<sup>th</sup> day of June, 2020.

DocuSigned by:  
*Robert Joe*  
975EDBC2431E4C9  
Robert Joe, Mayor

**ATTEST:**  
DocuSigned by:  
*Evelyn G. Zneimer, Esq.*  
340B68F40F904F8...  
Evelyn G. Zneimer, City Clerk  
(seal)

**APPROVED AS TO FORM:**  
DocuSigned by:  
*Teresa L. Highsmith*  
3657EFA936854DF...  
Teresa L. Highsmith, City Attorney

**I HEREBY CERTIFY** the foregoing resolution was duly adopted by the City Council of the City of South Pasadena, California, at a regular meeting held on the 17<sup>th</sup> day of June, 2020 by the following vote:

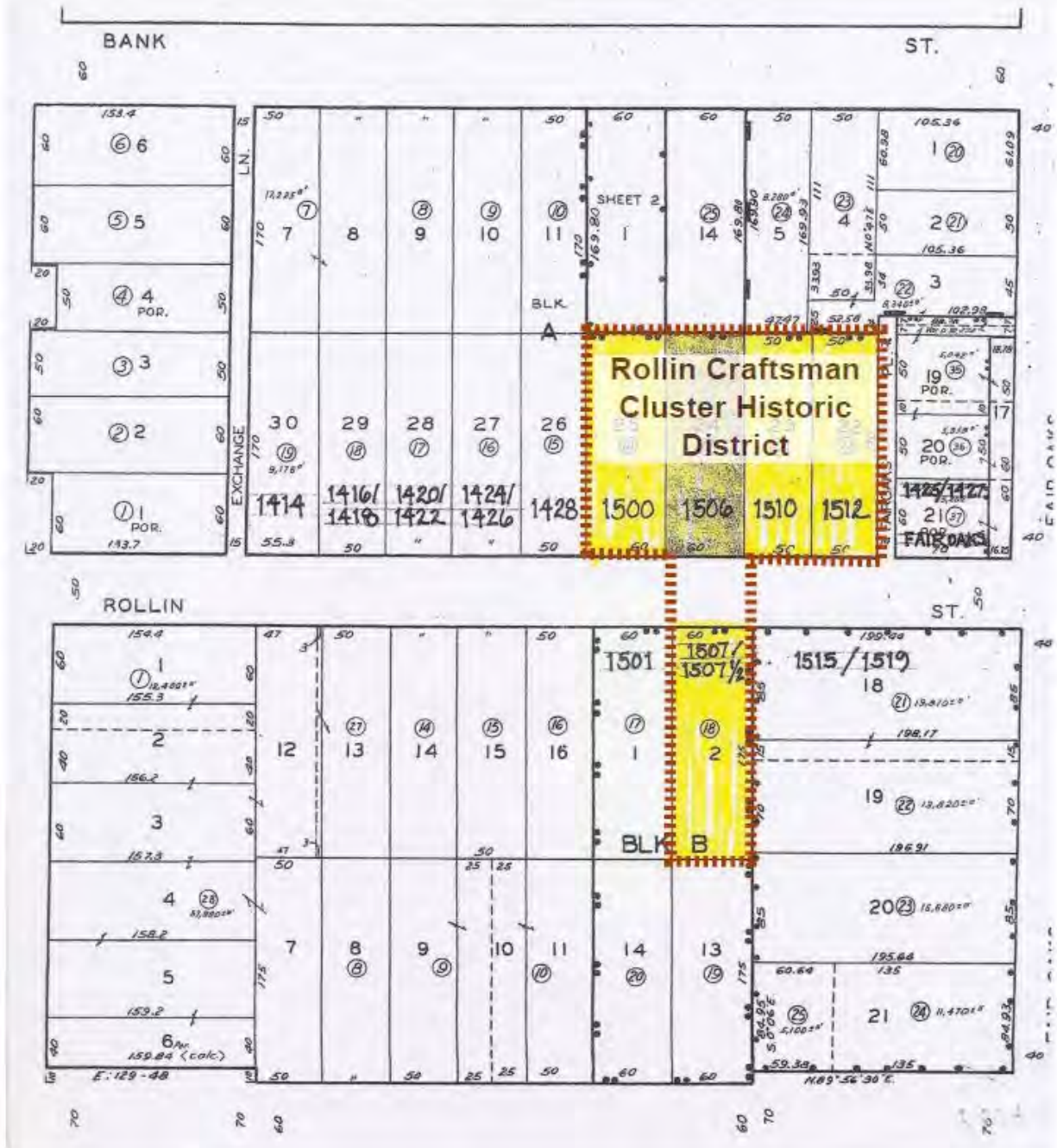
- AYES:** Cacciotti, Khubesrian, Schnieder, Mahmud, Mayor Joe
- NOES:** None
- ABSENT:** None
- ABSTAINED:** None

DocuSigned by:  
*Evelyn G. Zneimer, Esq.*  
340B68E46E984E8  
Evelyn G. Zneimer, City Clerk  
(seal)



Exhibit "A"

Rollin Craftsman Cluster Historic District Map



**Exhibit “C”**  
Restoration Work Plan  
&  
Financial Analysis

Mills Act Application, 1506 Rollin Street, South Pasadena  
 Section II: Rehabilitation Plan, Maintenance List, and Reporting System

<b><i>Proposed Scope of Work</i></b>	<b><i>Year</i></b>
Restore original wood windows and French doors	2021
Replace non-original sliding aluminum windows on the east side of the house with wood windows identical to the original ones	2021
Restore damaged siding and shingles and repaint the house	2022
Repair roof frame including a split rafter	2023
Reinforce foundation, including bolting the walls per state requirement, and excavating the 18" crawlspace to provide access to plumbing	2024
Repair cracks in the concrete porch and stone porch wall	2025
Repair damaged driveway	2025
Inspect the chimney, repair cracks or restore to the original appearance if possible	2026
Replace outdated plumbing and electricity	2028
 <b><i>Maintenance:</i></b>	
Check wood structure for termites and treat if necessary	Annually

***Reporting System:***

The property owners of 1506 Rollin Street will provide written updates to the City of South Pasadena every three years, documenting progress and providing updates and photos on the Mills Act work plan.

Certificates of Appropriateness (CoA) will be obtained by property owners for major work efforts, as required by the City of Pasadena Cultural Heritage Ordinance. The CoA may be needed for the restoration of the river stone chimney.

Progress reports will include detailed work descriptions, photographs of work completed, and copies of permits and CoAs.

Mills Act Application, 1506 Rollin Street, South Pasadena  
 Section III: Cost Estimate of Rehabilitation/Maintenance Plan

All work efforts described in these plans will be carried out in accordance with the *Secretary of the Interior's Standards for the Treatment of Historic Properties*. Architects and/or contractors leading work efforts will have demonstrated historic preservation experience and will meet the *Secretary of the Interior's Professional Qualifications Standards* in their respective fields.

**Proposed Scope of Work and Description** **Est. Cost**

<p>Restore original wood windows and French doors  <i>All preparatory work will be undertaken in compliance with the Secretary of Interior's Standards. All surfaces to be treated with the gentlest means possible.</i></p>	<p>\$ 7,800</p>
<p>Replace non-original sliding aluminum windows on the east side of the house with wood windows identical to the original ones  <i>Match design, stain, and finish of the existing wood windows.</i></p>	<p>\$ 8,500</p>
<p>Restore damaged siding and shingles and repaint the house  <i>Wood elements shall be restored and may be replaced in-kind only if deteriorated beyond repair. Damaged or deteriorated paint shall be removed using the gentlest method possible (preferably hand-scraping or hand-sanding). The color shall be period-appropriate.</i></p>	<p>\$19,300</p>
<p>Repair and reinforce the roof frame  <i>The Building Inspection Report identifies a number of issues related to the roof frame to be addressed: split rafter above the kitchen; split purlin wall at the front of the home; undersized ridge board.          Restore to ensure structural stability.</i></p>	<p>\$4,500</p>

<p>Reinforce foundation, including bolting the walls per state requirement, and excavating the 18" crawlspace to provide access to plumbing</p> <p><i>Foundation repairs and expanding the crawlspace according to industry standards and applicable building codes.</i></p>	\$13,800
<p>Repair cracks in the concrete porch and stone porch wall</p> <p><i>Remove failing mortar in the joints between the stones. Restore the vertical crack in the stone portion of the porch wall.</i></p> <p><i>Repair / recreate the 50-foot concrete wall cup and 595 sq. ft. of the porch floor. Repair of historic concrete may consist of either patching the historic material or filling it with new material to match the historic material and detailing.</i></p>	\$39,100
<p>Repair damaged driveway</p> <p><i>Driveway is considered to be a character-defining feature of the Rollin Craftsman Cluster Historic District landscaping.</i></p> <p><i>Repair and replace concrete in-kind.</i></p>	\$7,900
<p>Inspect the chimney, repair cracks or restore to the original appearance if possible</p> <p><i>The Building Inspection Report identifies cracks inside the chimney and recommends additional inspection. The exterior of the chimney was stuccoed (probably, in 1990), with its footing not reaching the ground level – see a photo attached. It is possible that originally the chimney was built of Arroyo river stone, same as used for the porch wall and the fireplace mantel. If this original stone chimney proves to be intact under the stucco, the home owner is willing to restore it back to the original condition.</i></p>	
<p><i>Chimney Level-2 inspection</i></p>	\$250
<p><i>Cracks repair and structural reinforcement</i></p>	\$10,000
<p><i>or Potential chimney restoration</i></p>	\$28,000

Replace outdated plumbing and electricity	\$16,200
<b><i>Maintenance:</i></b>	
Annual termite inspection	\$150
Fumigation treatment, if needed	\$ 6,000

**Total investment in Rehabilitation (Maintenance not included):                    \$127,350**

**Potential Mills Act Property Tax Savings over a 10-year period<sup>1</sup>:                    \$119,070**

**Potential Cost to the City of South Pasadena over a 10-year period:                    \$30,958.20**

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<sup>1</sup> This is only a preliminary estimate, final tax adjustments are conducted by the Los Angeles County Assessor's Office.

Mills Act Application, 1506 Rollin Street, South Pasadena

Section IV: Historical Property Tax Analysis<sup>2</sup>

Based on the City of Los Angeles 2020 Historical Property Tax Adjustment Worksheet Guide<sup>3</sup>

AIN: 5319-004-013

A: DETERMINE ANNUAL INCOME AND ANNUAL OPERATING EXPENCES:

Gross Income (Monthly Rent x 12) Zillow.com Rent Estimate: \$7,455/mo	\$89,460.00
Less 3% Vacancy & Collection Loss	\$2,684.00
Effective Annual Income	\$86,776.00
Less Expenses 20% Insurance, Utilities (gas, electricity, water, trash), Maintenance, Management	\$17,355.00
Annual Net Income:	\$69,421.00

B: DETERMINE CAPITALIZATION RATE:

2020 Interest Component	4.25%
Historical Property Risk Component	4%
Property Tax Rate	1.02%
Amortization Component (30 years) Improvements to Land Value Ratio \$379,487 / \$1,517,951  0.25*0.03=0.075	0.75%
Total Capitalization Rate:	10.02% (0.1002)

<sup>2</sup> For informational purposes only. This worksheet estimates the tax adjustment possible through the Mills Act Program. This is only a preliminary estimate, final tax adjustments are conducted by the Los Angeles County Assessor's Office.

<sup>3</sup> [https://planning.lacity.org/odocument/8ad7060d-b4c0-42b3-b3e0-2d3f77dbdf15/Tax\\_Adjustment\\_Worksheet.pdf](https://planning.lacity.org/odocument/8ad7060d-b4c0-42b3-b3e0-2d3f77dbdf15/Tax_Adjustment_Worksheet.pdf)



C: CALCULATE MILLS ACT ASSESSED VALUE:

Annual Net Income / Capitalization Rate	\$692,824.00
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D: DETERMINE ESTIMATED TAX REDUCTION:

Current Taxes (2019) (Current Assessed Value x 0.0102) \$ 1,860,235 x 0.0102	\$18,974.00
Less Mills Act Taxes (Mills Act Value x 0.0102)	\$7,067.00
Potential Annual Mills Act Property Tax Savings <sup>4</sup> :	\$11,907.00

Potential Annual Cost to City (26%)	\$3,095.82
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<sup>4</sup> For informational purposes only. This worksheet estimates the tax adjustment possible through the Mills Act Program. This is only a preliminary estimate, final tax adjustments are conducted by the Los Angeles County Assessor's Office.

**Exhibit “D”**

Standards of Rehabilitation

## The Secretary of the Interior

### Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings

The Standards (Department of Interior regulations, 36 CFR 67) pertain to historic buildings of all materials, construction types, sizes, and occupancy and encompass the exterior and the interior, related landscape features and the building's site and environment as well as attached, adjacent, or related new construction. The Standards are to be applied to specific rehabilitation projects in a reasonable manner, taking into consideration economic and technical feasibility.

1. A property will be used as it was historically or be given a new use that requires minimal change to its distinctive materials, features, spaces, and spatial relationships.
2. The historic character of a property will be retained and preserved. The removal of distinctive materials or alteration of features, spaces and spatial relationships that characterize a property will be avoided.
3. Each property will be recognized as a physical record of its time, place, and use. Changes that create a false sense of historical development, such as adding conjectural features or elements from other historic properties, will not be undertaken.
4. Changes to a property that have acquired historic significance in their own right will be retained and preserved.
5. Distinctive materials, features, finishes, and construction techniques or examples of craftsmanship that characterize a property will be preserved.
6. Deteriorated historic features will be repaired rather than replaced. Where the severity of deterioration requires replacement of a distinctive feature, the new feature will match the old in design, color, texture, and, where possible, materials. Replacement of missing features will be substantiated by documentary and physical evidence.
7. Chemical or physical treatments, if appropriate, will be undertaken using the gentlest means possible. Treatments that cause damage to historic materials will not be used.
8. Archeological resources will be protected and preserved in place. If such resources must be disturbed, mitigation measures will be undertaken.
9. New additions, exterior alterations, or related new construction will not destroy historic materials, features, and spatial relationships that characterize the property. The new work shall be differentiated from the old and will be compatible with the historic materials, features, size, scale and proportion, and massing to protect the integrity of the property and the environment.
10. New additions and adjacent or related new construction will be undertaken in such a manner that, if removed in the future, the essential form and integrity of the historic property and its environment would be unimpaired.

**ATTACHMENT 2**  
September 17, 2020  
Cultural Heritage Commission Staff Report  
([Click Here](#))

Additional Document  
([Click Here](#))



# City Council Agenda Report

ITEM NO. 10

**DATE:** November 4, 2020

**FROM:** Sean Joyce, Interim City Manager

**PREPARED BY:** Joanna Hankamer, Director of Planning and Community Development  
Kanika Kith, Interim Senior Planner  
Aneli Gonzalez, Management-Planning Intern

**SUBJECT:** **Project No. 2306-MIL - Approval of a Mills Act Contract for Property Located at 1545 Ramona Avenue (Assessor's Parcel Number 5319-025-032)**

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## Recommendation

It is recommended that the City Council enter into a Mills Act contract with the property owners of 1545 Ramona Avenue, which is a contributor to the designated Ramona Craftsman District.

## Executive Summary

A Mills Act contract is an agreement between the City and the property owner. The contract requires that the property owner completes specific restoration and maintenance tasks, as submitted in the proposed restoration work plan. The proposed work plan is included as Exhibit C to the Mills Act contract. In return, for the duration of 10 years, the property owner receives a reduction in their property tax bill with the agreement that those property tax savings be reinvested into the property and fund the approved improvements.

On September 17, 2020, the Cultural Heritage Commission (CHC) reviewed the proposed Mills Act application and voted 5-0 recommending that the City Council enter into the Mills Act contract. The subject property qualifies for a Mills Act contract because it is a contributor to the Ramona Craftsman District, which was designated as a district in 1997.

## Commission Review and Recommendation

In accordance to South Pasadena Municipal Code Chapter 2 Section 2.68 (B)(1)(c), the Cultural Heritage Commission recommended that the subject property be approved for a Mills Act contract with the City based upon the following required criteria:

- (i) *Financial Investment. The estimated tax benefit is not expected to exceed the applicant's proposed financial investment in the cultural resource over the first 10 years of the contract.*

The applicant is proposing to invest \$155,250 in repairs between 2021 and 2029. The tax benefit over the same period is expected to be \$146,370 so this criterion is met.

- (ii) *Public Benefit. The proposed Mills Act contract features a work plan that will provide a benefit to the public by: rehabilitating the property for continued occupancy or adaptive*

*reuse; improved viability through systems upgrades and structural reinforcement upgrades; preserving and maintaining the character-defining features of the property, and/or restoring character-defining features of the property that have been significantly altered or removed over time.*

The applicant proposes to repair the character defining shingles, wood trim, tripartite entry door and south side French doors as well as repair cracks in concrete steps, paving, stucco walls and fireplace. They are also proposing to repaint the entire house using period appropriate colors to be compatible with the Ramona Craftsman Historic District and to rebuild the garage to make it more compatible with the period defining features of the house. Lastly, they are improving the viability of the house by upgrading the electrical wiring, proving that criterion ii is met

- (iii) *Retroactive Limitations. The estimated tax benefit will not be used for any maintenance or alteration work that was previously completed or initiated before the contract is approved, unless it can be shown that the completed work was necessary in the interest of the public health or safety following involuntary damage or destruction caused by fire, act of nature, or any other casualty.*

The applicant proposes that the tax benefit will not be used for any previously completed work so criterion iii is met.

- (iv) *Limitations on Maintenance. The estimated tax benefit will not be used for routine maintenance work except for exemplary or exceptional properties that have financially burdensome maintenance requirements.*

The item “Annual Termite Inspection and Fumigation treatment, if needed” in the Work Plan has been eliminated as it may be considered maintenance so this criterion is met.

- (v) *Limitations on Interior Work. The estimated tax benefit will not be used for work within the interior of a cultural resource unless the commission determines the following exceptions should be made: the interior work is necessary to improve the structural integrity of the property; the interior work is necessary to preserve and maintain character-defining features within the cultural resource that are specifically identified as part of the official landmark nomination; and/or the interior work is necessary to preserve and maintain character-defining features of the property that were discovered subsequent to its landmark designation. The commission must first determine that those interior features are character-defining based on substantial evidence provided by the applicant.*

The interior work proposed, the uneven/sloped floors on the second floor, is necessary to preserve the structural integrity of the property and the interior electrical work is required to bring the wiring up to current building codes, therefore criterion v. is met.

- (vi) *Limitations on Landscaping. The estimated tax benefit will not be used for landscaping work unless it will be used for specific landscape features that were identified as part of the official landmark nomination.*

No landscaping work is proposed using the estimated tax benefit. Therefore, criterion vi is met.

Entering into the Mills Act contract will promote the City's Preservation Element of the General Plan, Section 5.5, Goal 6, Policy 6.3, "Encourage property owners to take advantage of the available financial incentives."

The Cultural Heritage Commission recommended approval, subject to a condition that the property owners obtain approval from the Chair of the Cultural Heritage Commission prior to starting any work listed on the work plan. The condition has been added to the Mills Act Contract, included as Attachment 1.

The proposed Restoration Work Plan is included as an Attachment to the staff report provided to the Cultural Heritage Commission, which is included as Attachment 3.

### **Fiscal Impact**

A Mills Act contract allows a tax reduction (between approximately 40% - 60%) for a property owner who agrees to perform certain restoration and maintenance tasks over a 10-year period. Although the City will see a reduction in property tax revenue (26% per Mills Act contracted property), the benefits of the program include economic benefits of conserving resources and reinvestment as well as the important role historic preservation can play in revitalizing older areas, creating cultural tourism, building civic pride, and retaining the sense of place and continuity with the community's past.

The City gets 26% property tax annually. Therefore, the total estimated cost to the City as a result of property tax reduction for this property is approximately \$38,056.20 over the 10-year life of the contract, which amounts to \$3,805.62 annually.

### **Legal Review**

The City Attorney has reviewed this Staff Report.

### **Environmental Analysis**

This project is exempt from any California Environmental Quality Act (CEQA) analysis based on State CEQA Guidelines Section 15308, Class 8: Actions taken by regulatory agencies, as authorized by state or local ordinance, to assure the maintenance, restoration, enhancement, or protection of the environment where the regulatory process involves procedures for protection of the environment.

### **Public Notification of Agenda Item**

The public was made aware that this item was to be considered this evening by virtue of its inclusion on the legally publicly noticed agenda, posting of the same agenda and reports on the City's website.

### **Attachments:**

1. Mills Act contract
2. CHC Staff Report

**ATTACHMENT 1**  
Mills Act Contract



## MILLS ACT CONTRACT

THIS CONTRACT (“Contract”) is made and entered into this \_\_\_\_ day of December 2020, by and between the CITY OF SOUTH PASADENA, CALIFORNIA, a municipal corporation (“City”), and Joanne Hayler (“Owner”).

### RECITALS

(i) California Government Code Section 50280 *et seq.*, authorizes cities to enter into contracts with the Owner of qualified historical property to provide for the use, maintenance, and restoration of such historical property so as to retain its characteristics as property of historical significance;

(ii) Owner possesses fee title in and to that certain real property, together with associated structures and improvements thereon, located at 1545 Ramona Avenue, South Pasadena, California, Assessor’s Parcel Number 5319-025-032 (“Historic Property”). A legal description of the Historic Property is attached hereto, marked as “Exhibit A” and is incorporated herein as if fully set forth;

(iii) The Historic Property is a contributor to a designated historic district known as the Ramona Craftsman District, attached hereto marked “Exhibit B”. The Ramona District which consists of 19 properties built between 1907 and 1915. The District includes all parcels on both sides of Ramona Avenue between Rollin and Oak Streets. The prevailing architectural pattern of the properties are Craftsman residences. The prevailing material palette and character defining features of the District consist of gable roofs, corbels, wood shingles, wood siding, double hung windows, dormers and front porches.

(iv) City and Owner, for their mutual benefit, now desire to enter into this Agreement both to protect and preserve the characteristics of historical significance of the Historic Property, and to qualify the Historic Property for an assessment of valuation pursuant to the provisions of Chapter 3 of Part 2 of Division 1 of the California Revenue and Taxation Code.

NOW, THEREFORE, City and Owner, in consideration of the mutual covenants and conditions contained herein, do hereby agree as follows:

1. **EFFECTIVE DATE AND TERM.** The Agreement shall be effective and commence on January 1, 2021 and shall remain in effect for a minimum period of ten (10) years, unless the property owner is issued a notice of non-renewal as provided in Section 2.68(b)(1)(E)(v) of the South Pasadena Municipal Code.

2. **AUTOMATIC RENEWAL.** Unless a notice of non-renewal is issued, this Agreement shall automatically be extended by one year for each anniversary date of the Agreement unless otherwise specified herein.

3. APPEAL OF NOTICE OF NON-RENEWAL. The property owner shall have the right (per Government Code Section 50282) to appeal a notice of non-renewal to the City Council.

4. STANDARDS FOR HISTORIC PROPERTY.

- a. Owner shall rehabilitate, preserve and maintain the historically significant characteristics of the Historic Property. Attached hereto, marked as Exhibit "C" and incorporated herein by this reference is a list of those items for rehabilitation, restoration and maintenance planned for preservation of the Historic Property and a timeline for completion, which shall apply to such property throughout the term of this agreement. Owner shall obtain approval from the Chair of the Cultural Heritage Commission prior to start of work of said items for rehabilitation, restoration and maintenance planned for preservation of the Historic Property.
- b. Owner shall additionally and where necessary, restore and rehabilitate the property according to the rules and regulations of the Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings and the State Historic Building Code and shall maintain the entire property according to minimum standards and conditions, attached hereto, marked as Exhibit "D".

5. LIMITATIONS. Under Section 2.68(b)(1)(C)(iii)–(v), the estimated tax benefit will not be used for: (1) any maintenance or alteration work that was previously completed or initiated before the contract is approved, unless it can be shown that the completed work was necessary in the interest of the public health or safety following involuntary damage or destruction caused by fire, act of nature, or any other casualty; (2) routine maintenance work except for exemplary or exceptional properties that have financially burdensome maintenance requirements; (3) work within the interior of a Historic Property unless the Cultural Heritage Commission determines an exception should be made; and (4) landscaping work unless it will be used for specific landscape features that were identified as part of the official landmark nomination.

6. INSPECTIONS. The Owner shall allow reasonable inspections, by prior appointment given a minimum of at least 24 hours in advance, of the interior and exterior of the Historic Property by representatives of the Historic Property by representatives of the County Assessor, State Office of Historic Preservation, State Board of Equalization and the City, as may be necessary to determine Owner's compliance with the terms and conditions of this agreement.

7. PROVISION OF COMPLIANCE INFORMATION. The owner hereby agrees to furnish the City with any and all information requested by the City which may be reasonable and necessary to determine compliance with the terms and provisions of this Agreement. In addition, the owner shall agree to provide to the City on the third anniversary date of this Agreement and every third year thereafter a report describing the

preservation tasks that are in progress and have been completed pursuant to this Agreement.

8. NON-RENEWAL. If recommended by the Commission and approved by the City Council, a notice of non-renewal may be issued six (6) years into the duration of this Agreement. The procedure for notice of non-renewal by the owner or the City shall be in accordance with Government Code Section 50282 as it may be amended from time to time.

9. BINDING EFFECT OF CONTRACT. This Agreement shall be binding on all successors-in interest of the owner to the benefits and burdens of this Agreement. The contract shall stipulate escrow instructions that require a review and re-evaluation of the property every three years.

10. CANCELLATION. City following a duly noticed public hearing as set forth in California Code Section 50280 *et seq.*, may cancel this Agreement if City determines that the Owner has breached any of the conditions or covenants of the Agreement or has allowed the Historic Property to deteriorate to the point that it no longer meets the significance criteria under which it was designated. City may also cancel this Agreement if it determines Owner has failed to restore or rehabilitate the Historic Property in the manner specified in Paragraph 4 of this Agreement. The City may also cancel this Agreement if, upon consultation with the State of California Office of Historic Preservation, the preservation, rehabilitation, or restoration becomes infeasible due to damage caused by natural disaster. City's right to cancel this Agreement pursuant to this paragraph shall in no way limit or restrict its rights or legal remedies arising from City's Cultural Heritage Ordinance and Municipal Code.

11. CANCELLATION FEE. In the event of cancellation, Owner shall be subject to payment of those cancellation fees set forth in California Government Code Section 50280 *et seq.*, described herein. Upon cancellation, Owner shall pay a cancellation fee equal to twelve and one-half percent (12.5%) of the current fair market value of the property as determined by the County Assessor as though the Historic Property were free of the contractual restriction pursuant to this Agreement. The Owner shall pay the cancellation fee to the County Auditor in the time and manner prescribed by the County Auditor.

12. ENFORCEMENT OF AGREEMENT. In lieu of and/ or in addition to any provisions to cancel this Agreement as referenced herein, City may specifically enforce, or enjoin the breach of the terms of this Agreement.

In the event of a breach by Owner under the provisions of this agreement, City shall give written notice to Owner by registered or certified mail to the address stated in this agreement, which notice shall specifically identify the alleged breach and the proposed action which City recommends to Owner to cure said alleged breach. Owner shall hereafter have sixty (60) days within which to cure such breach to the reasonable satisfaction of the City. Upon completion by Owner of the cure of the breach, City shall withdraw its notice of breach.

Should owner not cure such breach within the time period specified above, then City may, without further notice, declare a default under the terms of this agreement and may bring any action necessary to specifically enforce the obligations of Owner arising out of the terms of this agreement, apply to any court, state or federal, for injunctive relief against any violation by Owner or apply for such other relief as may be appropriate. City may at its sole discretion extend the 60-day cure period. Such extension must be in writing.

13. WAIVER. City does not waive any claim or default by Owner if City does not enforce or cancel this Agreement. All other remedies at law or in equity which are not otherwise provided for in this Agreement or in the City's regulations governing historic properties are available to City to pursue in the event there is a breach of this Agreement. No waiver by City of any breach or default under this Agreement shall be deemed to be a waiver of any other subsequent breach thereof or default hereunder.

14. BINDING EFFECT OF AGREEMENT. Owner hereby subjects the Historic Property to the covenants, reservations and restrictions set forth in this Agreement. City and Owner hereby declare their specific intent that the covenants, reservations, and restriction as set forth herein shall be deemed covenants running with the land and shall pass to and be binding upon Owner's successors and assigns in title or interest to the Historic Property.

Each and every contract, deed or other instrument hereinafter executed, governing or conveying the Historic Property, or any portion thereof, shall conclusively be held to have been executed, delivered and accepted subject to the covenants, reservations and restriction expressed in this Agreement regardless of whether such covenants, reservations and restrictions are set forth in such contract, deed or other instrument.

City and Owner hereby declare their understanding and intent that the burden of the covenants, reservations and restrictions set forth herein touch and concern the land in that it restricts development of the Historic Property. City and Owner hereby further declare their understanding and intent that the benefit of such covenants, reservations and restrictions touch and concern the land by enhancing and maintaining the cultural and historic characteristics and significance of the Historic Property for the benefit of the public and Owner.

15. NOTICE. Any notice required to be given by the terms of this Agreement shall be provided at the address of the respective parties as specified below, by personal delivery or United States mail, postage prepaid, addressed as follows:

City: City of South Pasadena  
Director of Planning and Building  
1414 Mission Street  
South Pasadena, California 91030

Owner: Joanne Heyler  
1545 Ramona Avenue  
South Pasadena, California 91030

16. EFFECT OF AGREEMENT. None of the terms, provisions or conditions of this Agreement shall be deemed to create a partnership between the parties hereto and any of their heirs, successors or assigns, nor shall such terms, provisions or conditions cause them to be considered joint ventures or members of any joint enterprise.

17. INDEMNITY OF CITY. Owner agrees to protect, defend, indemnify, and shall hold City and its elected officials, officers, agents, and employees harmless from liability for claims, loss, proceedings, damages, causes of action, liability, costs or expense, including reasonable attorney's fees in connection with damage for personal injuries, including death, and claims for property damage which may arise from the direct or indirect use or operations of such Owner or those of its contractor, subcontractor, agent, employee or other person acting on its behalf which relate to the use, operation, capital improvement and maintenance of the Historic Property. Owner hereby agree to and shall defend the City and its elected officials, officers, agents, and employees with respect to any and all actions for damages caused by, or alleged to have been suffered, by reason of the operations referred to in this Agreement regardless of whether or not the City prepared, supplied or approved the plans, specifications or other documents for the Historic Property.

18. BINDING UPON SUCCESSORS. All of the agreements, rights, covenants, reservations, and restrictions contained in the Agreement shall be binding upon and shall inure to benefit of the parties herein, their heirs, successors, legal representative, assigns and all persons acquiring any part or portion of the Historic Property, whether by operation of law or in any manner whatsoever.

19. LEGAL COSTS. In the event legal proceedings are brought by any party or parties to enforce or restrain a violation of any of the covenants, reservations or restrictions contained herein, or to determine the rights and duties of any party hereunder, the prevailing party in such proceeding may recover all reasonable attorney's fees to be fixed by the court, in addition to court costs and other relief ordered by the court.

20. SEVERABILITY. In the event that any of the provisions of this Agreement are held to be unenforceable or invalid by any court of competent jurisdiction, or by subsequent preemptive legislation, the validity and enforceability of the remaining provisions, or portions thereof, shall not be affected thereby.

21. GOVERNING LAW. This Agreement shall be construed and governed in accordance with the laws of the State of California.

22. EMINENT DOMAIN PROCEDURES. Upon the filing of an action in eminent domain by a public agency for the condemnation of the fee title of any land described herein or of less than fee interest which will present the portion of land

condemned or other land or a portion of it which is the subject of this Agreement from being used for any authorized use, or upon the acquisition in lieu of eminent domain by a public agency for a public improvement, the portions of this Agreement by which Owner agree to preserve and to restrict the use of property described herein shall be null and void upon such filing as to the portion of the land condemned or acquired and to the additional land the use of which for an authorized purpose will be prevented as a result of condemnation or acquisition.

If, subsequent to the filing of an action in eminent domain, the proposed condemnation is abandoned by the condemning agency as to all or a portion of the land subject to the Agreement, the restrictions on the use of the property included in this Agreement shall, without further agreement of the parties, be re-instituted and the terms of this Agreement shall be in full force and effect.

23. RECORDATION. No later than thirty (30) days after the parties execute this Agreement, the Owner or Owner’s agent shall record this Agreement in the Office of the County Recorder of the County of Los Angeles.

24. AMENDMENTS. This Agreement may be amended, in whole or in part, only by written-recorded instrument executed by the parties hereto.

25. NOTICE TO OFFICE OF HISTORIC PRESERVATION. The City shall provide written notice of this Agreement to the State Office of Historic Preservation within six (6) months of entering into this Agreement.

IN WITNESS THEREOF, City and Owner have executed this Agreement on the day and year first above written.

CITY OF SOUTH PASADENA

Date: \_\_\_\_\_

By: \_\_\_\_\_  
MAYOR

Attest:

\_\_\_\_\_  
CITY CLERK

Approved as to Form:

\_\_\_\_\_  
CITY ATTORNEY

Date: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
Joanne Heyler, Owner

**Exhibit “A”**

Legal Description

## Proof of Legal Description:

### EXHIBIT "A"

All that certain real property situated in the County of Los Angeles, State of California, described as follows:

**Parcel 1:**

Lot 9 and the Northerly 8 feet of Lot 8 of the North Oneonta Tract, in the City of South Pasadena, County of Los Angeles, State of California, as per map recorded in Book 11 Page 129 of Maps, in the office of the county recorder of said county.

EXCEPT therefrom the Westerly 28 feet of said Lot 8.

**Parcel 2:**

An easement for driveway purposes described as follows:

That portion of Lot 8 of North Oneonta Tract, as shown on map recorded in Book 11 Page 129 of Maps, in the office of the recorder of the County of Los Angeles within the following described boundaries:

Beginning at the intersection of a line parallel with and 8.00 feet Southerly measured at right angles, from the Northerly line of said lot with the Southeasterly line of said lot; thence South 50° 01' 00" West along said Southeasterly line, a distance of 14.50 feet; thence North 38° 46' 20" West 1.55 feet; thence North 68° 12' 04" West 3.36 feet; thence North 75° 34' 09" West 3.40 feet; thence North 86° 36' 47" West 3.36 feet; thence South 84° 56' 54" West 3.43 feet; thence South 81° 27' 32" West 41.00 feet; thence North 86° 51' 38" West 11.34 feet to said parallel line; thence North 81° 27' 32" East along said parallel line to the point of beginning.



**Exhibit “B”**

City Council Resolution for  
Historic District Designation

**RESOLUTION** 6471**RESOLUTION OF THE SOUTH PASADENA CITY COUNCIL  
APPROVING THE DESIGNATION OF PROPERTIES ON THE  
1500 BLOCK OF RAMONA AVENUE AND 1222 OAK STREET  
AS A LOCAL CULTURAL HERITAGE HISTORIC DISTRICT**

**WHEREAS**, Section 2.73a-14 of the South Pasadena Municipal Code, Ordinance 2004, commonly known as the Cultural Heritage Ordinance (“Ordinance”) authorizes the Cultural Heritage Commission (“Commission”) to recommend to the City Council the designation of appropriate sites as historic districts; and

**WHEREAS**, the Commission duly received a nomination form pursuant to designation of a district including all parcels on both sides of Ramona Avenue between Rollin and Oak Streets (inclusive of the following addresses: 1501, 1505, 1509, 1511, 1519, 1521, 1522, 1524, 1525, 1528, 1529, 1531, 1532, 1534, 1535, 1537, 1541 and 1545 Ramona Avenue) plus 1222 Oak Street and properties owned by Holy Family Catholic Church; and

**WHEREAS**, the Commission has complied with the pertinent and applicable provisions of Subsection (A)(3) [“Designation Procedure”] of the Ordinance; and

**WHEREAS**, the area qualifies as a district under the following applicable Designation Criteria codified under Section 2.73A-14, A2 of the Ordinance;

- (a) *Its character interest or value as a part of the heritage of the community.* The district is a prime example of a Southern California neighborhood of California bungalows from the early part of the twentieth century. The majority of houses were built between 1907 and 1915, the height of the period of California Craftsman Architecture. That architectural movement presented an innovation in American architecture, establishing both a new style, with its creative use of wood, and new housing type, the bungalow.

*File # 1281.3*

RESOLUTION 6471  
PAGE 2

- (b) *Its identification with people and groups who significantly contributed to the culture and development of the City, State of California or the U.S.* Several of the homes were built for the United Lodge of Theosophists. Leaders of the group included Robert Crosbie (1537 Ramona Avenue), LA Times writer; John Garrigues (1534 Ramona Avenue), Treasurer of Sun Oil; advertising executive H. Wescott Clough and his wife, Grace (1532 Ramona Avenue); and William R. Law (1541 Ramona Avenue), an attorney.
- (c) *Its exemplification of a particular architectural style of an era of history of the City* [See information above, under (a)].
- (d) *Its identification as the work of a person whose work influenced the heritage of the City, the State of California or the U.S.* Twelve residences in district were early and significant work of G. Lawrence. Stimson. Although never a certified architect, Stimson is noted for his excellent design sense and technical innovation (including electrically controlled central heating). Buildings he designed that have been determined National Register eligible include the Wrigley mansion on Orange Grove and ten houses on Oaklawn in South Pasadena. In this prospect district, Stimson built all Ramona Avenue houses south of number 1524.
- (e) *Its embodiment of elements of outstanding attention to architectural design, engineering, detail, materials or craftsmanship. See above statement under Section (d).*

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RESOLUTION 6471  
PAGE 3

- (f) *Its significance as a neighborhood or area whose components may lack individual distinction.* This block of Ramona Avenue represents a significant and distinguishable entity in the context of the area and of the City of South Pasadena. Its human scale, attractive historic streetscape, and overall integrity reflects a well-kept neighborhood that has “aged in place” virtually unchanged for over fifty years.
- (g) *More than 50% plus one of all affected owners of parcels within the proposed district have consented in writing to the designation.*

**WHEREAS**, no opposition has been forthcoming regarding any properties; and

**WHEREAS**, no testimony, evidence or documentation refuting historic significance (based on Cultural Heritage Ordinance criteria) has been introduced at any point in the Commission review process regarding any structure in the proposed district; and

**WHEREAS**, the Commission unanimously voted to recommend designation based on the application materials, on-site inspections, public testimony, and based on documentation submitted by the applicants, by Commission members and by an architectural historian hired to research the proposed district; and

**WHEREAS**, a Memorandum of Understanding (MOU) has been executed by the Holy Family Catholic Church and the Ramona Avenue Neighbors regarding the proposed Ramona Avenue Historic District. Within the MOU, is the understanding that the Church would not oppose the District creation as long as the Church-owned properties were excluded from the original Cultural Heritage Commission recommendation.

**NOW THEREFORE BE IT RESOLVED**, that the City Council of the City of South Pasadena determines as follows:

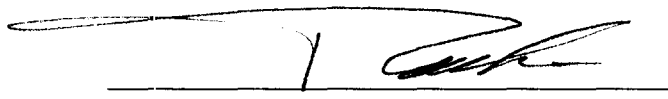
**RESOLUTION** 6471  
**PAGE 4**

**SECTION I.** No testimony, evidence or documentation refuting historic significance (based on Cultural Heritage Ordinance criteria) has been introduced at any point in the City Council's review process regarding any structure in the proposed district.


**SECTION II.** The City Council makes the above findings to support the designation based on the application materials, on-site inspections, public testimony, and based on documentation submitted by the applicants, by Commission members and by an architectural historian hired to research the proposed district, as part of the environmental analysis for the Vision Project.

**SECTION III.** The City Council hereby approves of the above-described properties as the Ramona Avenue Historic District, as shown on Exhibit "A" attached.

**PASSED, APPROVED and ADOPTED** this 15th day of May, 1997.

  
\_\_\_\_\_  
PAUL W. S. ZEE, MAYOR

ATTEST:

  
\_\_\_\_\_  
JEANNINE A. GREGORY,  
CITY CLERK

I HEREBY CERTIFY that the foregoing Resolution was adopted by the City Council of the City of South Pasadena at a special meeting held on 15th day of May, 1997.

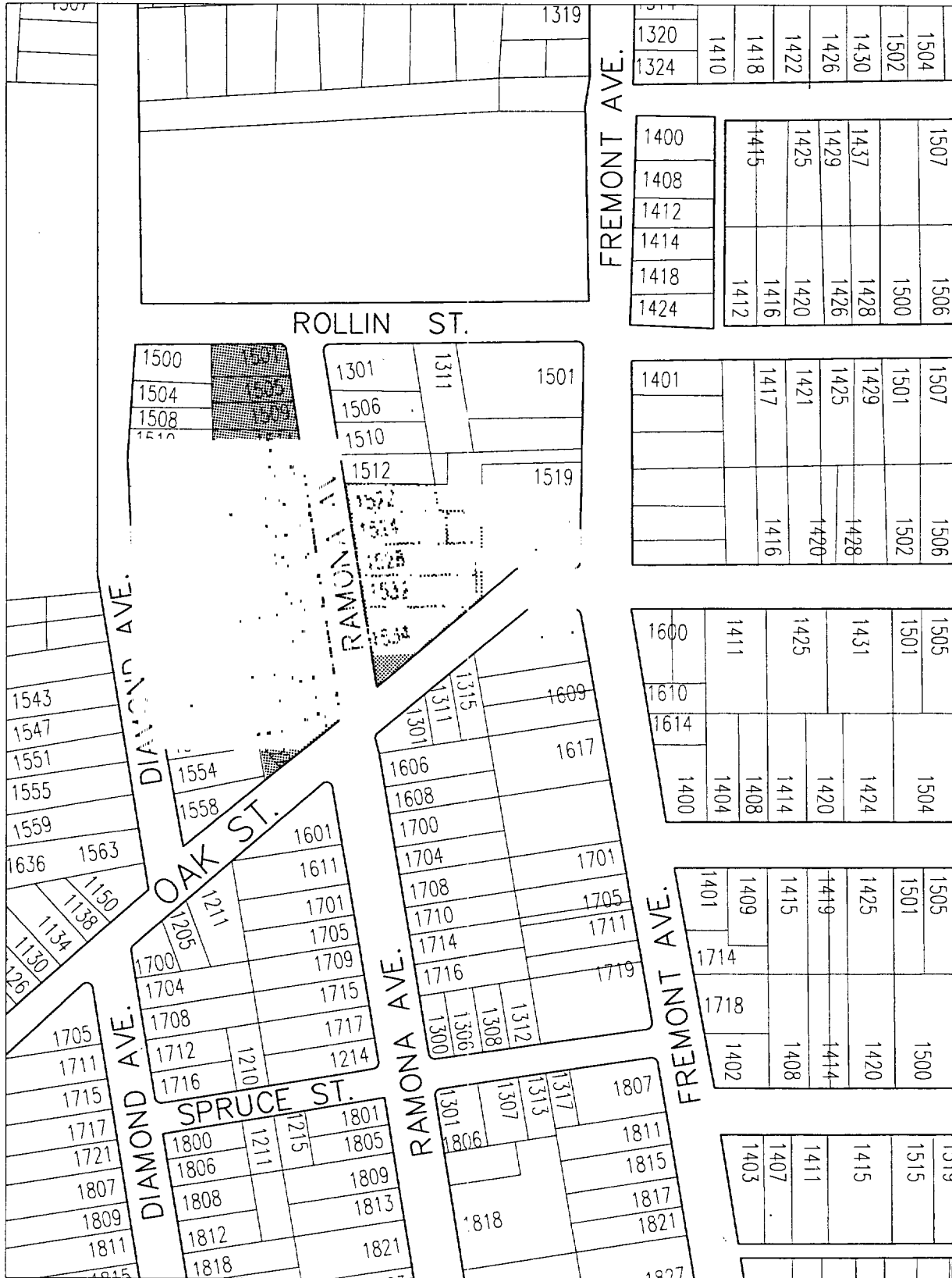
AYES: Saeta, Knapp, Cohen, Emory and Mayor Zee  
NOES: None  
ABSENT: None

  
\_\_\_\_\_  
JEANNINE A. GREGORY,  
CITY CLERK

# Exhibit A Ramona Avenue Historic District

RESOLUTION NO. 6471

Page 5



**Exhibit “C”**  
Restoration Work Plan  
&  
Financial Analysis

Mills Act Application, 1545 Ramona Avenue, South Pasadena  
Section II: Rehabilitation Plan, Maintenance List, and Reporting System

<b><i>Proposed Scope of Work</i></b>	<b><i>Year</i></b>
Restoring damaged shingles and broken trim at the attic room windows	2021
Restoring water-damaged wood trim on the back of the house at the sun room, beneath the master balcony	2021
Repairing tripartite entry doors and sun room French doors on the south side of the house	2021
Repainting the house using period appropriate color to make it compatible with the style of the Ramona Craftsman Historic District	2022
Repairing cracks in exterior concrete steps and paving	2025
Restoring stucco on the basement walls	2025
Examining sloped/uneven floors on the second floor and repair as needed	2026
Examining cracks and/or mortar deterioration in the fireplace	2026
Replacing outdated knob and tube electric wiring and ungrounded three prong receptacles on the second floor with modern wiring to ensure safety	2028
Rebuilding the garage to make it more compatible with the style of the house	2029



***Maintenance:***

Check wood structure for termites and treat if necessary

Annually

***Reporting System:***

The property owners of 1545 Ramona Avenue will provide written updates to the City of South Pasadena every three years, documenting progress and providing updates and photos on the Mills Act work plan.

Certificates of Appropriateness (CoA) will be obtained by property owners for major work efforts, as required by the City of Pasadena Cultural Heritage Ordinance. The CoA may be needed for the rebuilding of the one-car garage.

Progress reports will include detailed work descriptions, photographs of work completed, and copies of permits and CoAs.

Mills Act Application, 1545 Ramona Avenue, South Pasadena  
 Section III: Cost Estimate of Rehabilitation/Maintenance Plan

All work efforts described in these plans will be carried out in accordance with the *Secretary of the Interior's Standards for the Treatment of Historic Properties*. Architects and/or contractors leading work efforts will have demonstrated historic preservation experience and will meet the *Secretary of the Interior's Professional Qualifications Standards* in their respective fields.

<b><i>Proposed Scope of Work and Description</i></b>	<b><i>Est. Cost</i></b>
Restoring damaged shingles, broken trim at the attic room windows, water-damaged wood trim on the back of the house at the sun room <i>All preparatory work will be undertaken in compliance with the Secretary of Interior's Standards. All surfaces to be treated with the gentlest means possible. Wood elements shall be restored and may be replaced in-kind only if deteriorated beyond repair.</i>	\$11,700
Repainting the house using period appropriate color to make it compatible with the style of the Ramona Craftsman Historic District. <i>Damaged or deteriorated paint shall be removed using the gentlest method possible (preferably hand-scraping or hand-sanding).</i>	\$27,400
Repairing tripartite entry doors and sun room French doors on the south side of the house <i>The doors and hardware need to be adjusted to ensure operability. The hardware may be replaced in-kind only if deteriorated beyond repair.</i>	\$2,100

<p>Repairing cracks in exterior concrete steps and paving</p> <p>Restoring stucco on the basement walls to match the finish</p> <p><i>1,085 sq. ft. of driveway and walkways have multiple cracks and are partially damaged beyond repair. Driveways and walkways are considered to be character-defining features of the Ramona Avenue Craftsman District landscaping. New concrete shall match original in tone and texture.</i></p> <p><i>Non-original steps to the sun-porch to be rebuilt according to the Building Code standards and to match original tone and texture.</i></p>	\$55,700
<p>Repair sloped/uneven floors on the second floor</p> <p><i>Ensure structural stability.</i></p>	\$5,200
<p>Examining cracks and/or mortar deterioration in the fireplace with a qualified, licensed chimney expert and repair as needed to ensure safety.</p> <p><i>The Building Inspection Report and recommends additional inspection of the 3-story brick chimney that was restored after the earthquake in 1988.</i></p> <p><i>Chimney inspection</i></p> <p><i>Allowance for potential chimney restoration</i></p>	<p>\$650</p> <p>TBD</p>
<p>Replacing outdated knob and tube electric wiring and ungrounded three prong receptacles on the second floor with modern wiring to ensure safety</p> <p><i>Bring the electric wiring up to the Building Code.</i></p>	\$17,500
<p>Rebuilding the garage to make it more compatible with the style of the house</p> <p><i>The original one-car garage was demolished prior to 1951. The new 20' x 20' two-car garage was built in 1955. A patio was added in 1962 and enclosed in 2003. A combination of wood and plastic siding is crumbling, and sliding doors are not compatible with the style of the house. The homeowner would like to restore a one-car garage based on its original outline (see the Sanborn Map attached.)</i></p>	\$35,000

<b>Maintenance:</b>	
Annual termite inspection (\$350)	
Fumigation treatment, if needed	\$ 8,000

**Total investment in Rehabilitation and Maintenance: \$163,250**  
*(without an allowance for potential chimney restoration)*

**Potential Mills Act Property Tax Savings over a 10-year period<sup>1</sup>: \$146,370**

**Potential Cost to the City of South Pasadena over a 10-year period: \$38,056.20**

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<sup>1</sup> This is only a preliminary estimate, final tax adjustments are conducted by the Los Angeles County Assessor's Office.

Mills Act Application, 1545 Ramona Avenue, South Pasadena

Section IV: Historical Property Tax Analysis<sup>2</sup>

Based on the City of Los Angeles 2020 Historical Property Tax Adjustment Worksheet Guide<sup>3</sup>

AIN: 5319-025-032

A: DETERMINE ANNUAL INCOME AND ANNUAL OPERATING EXPENCES:

Gross Income (Monthly Rent x 12) Zillow.com Rent Estimate: \$8,639/mo	\$103,668.00
Less 3% Vacancy & Collection Loss	\$3,110.00
Effective Annual Income:	\$100,558.00
Less Expenses 20% Insurance, Utilities (gas, electricity, water, trash), Maintenance, Management	\$20,112.00
Annual Net Income:	\$80,446.00

B: DETERMINE CAPITALIZATION RATE:

2020 Interest Component	4.25%
Historical Property Risk Component	4%
Property Tax Rate	1.02%
Amortization Component (30 years) Improvements to Land Value Ratio \$1,068,847 / \$1,255,833  0.85*0.03=0.026	0.26%
Total Capitalization Rate:	9.53% (0.0953)

<sup>2</sup> For informational purposes only. This worksheet estimates the tax adjustment possible through the Mills Act Program. This is only a preliminary estimate, final tax adjustments are conducted by the Los Angeles County Assessor's Office.

<sup>3</sup> [https://planning.lacity.org/odocument/8ad7060d-b4c0-42b3-b3e0-2d3f77dbdf15/Tax\\_Adjustment\\_Worksheet.pdf](https://planning.lacity.org/odocument/8ad7060d-b4c0-42b3-b3e0-2d3f77dbdf15/Tax_Adjustment_Worksheet.pdf)

C: CALCULATE MILLS ACT ASSESSED VALUE:

Annual Net Income / Capitalization Rate	\$844,134.00
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D: DETERMINE ESTIMATED TAX REDUCTION:

Current Taxes (2019) (Current Assessed Value x 0.0102) \$2,279,099 x 0.0102	\$23,247.00
Less Mills Act Taxes (Mills Act Value x 0.0102)	\$8,610.00
Potential Annual Mills Act Property Tax Savings <sup>4</sup> :	\$14,637.00

Annual Cost to City (26%)	\$3,805.62
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<sup>4</sup> For informational purposes only. This worksheet estimates the tax adjustment possible through the Mills Act Program. This is only a preliminary estimate, final tax adjustments are conducted by the Los Angeles County Assessor's Office.

**Exhibit “D”**

Standards of Rehabilitation

## The Secretary of the Interior

### Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings

The Standards (Department of Interior regulations, 36 CFR 67) pertain to historic buildings of all materials, construction types, sizes, and occupancy and encompass the exterior and the interior, related landscape features and the building's site and environment as well as attached, adjacent, or related new construction. The Standards are to be applied to specific rehabilitation projects in a reasonable manner, taking into consideration economic and technical feasibility.

1. A property will be used as it was historically or be given a new use that requires minimal change to its distinctive materials, features, spaces, and spatial relationships.
2. The historic character of a property will be retained and preserved. The removal of distinctive materials or alteration of features, spaces and spatial relationships that characterize a property will be avoided.
3. Each property will be recognized as a physical record of its time, place, and use. Changes that create a false sense of historical development, such as adding conjectural features or elements from other historic properties, will not be undertaken.
4. Changes to a property that have acquired historic significance in their own right will be retained and preserved.
5. Distinctive materials, features, finishes, and construction techniques or examples of craftsmanship that characterize a property will be preserved.
6. Deteriorated historic features will be repaired rather than replaced. Where the severity of deterioration requires replacement of a distinctive feature, the new feature will match the old in design, color, texture, and, where possible, materials. Replacement of missing features will be substantiated by documentary and physical evidence.
7. Chemical or physical treatments, if appropriate, will be undertaken using the gentlest means possible. Treatments that cause damage to historic materials will not be used.
8. Archeological resources will be protected and preserved in place. If such resources must be disturbed, mitigation measures will be undertaken.
9. New additions, exterior alterations, or related new construction will not destroy historic materials, features, and spatial relationships that characterize the property. The new work shall be differentiated from the old and will be compatible with the historic materials, features, size, scale and proportion, and massing to protect the integrity of the property and the environment.
10. New additions and adjacent or related new construction will be undertaken in such a manner that, if removed in the future, the essential form and integrity of the historic property and its environment would be unimpaired.



**ATTACHMENT 2**  
September 17, 2020  
Cultural Heritage Commission Staff Report  
([Click Here](#))



# City Council Agenda Report

ITEM NO. 11

**DATE:** November 4, 2020

**FROM:** Sean Joyce, Interim City Manager

**PREPARED BY:** Michael Casalou, Human Resources Manager

**SUBJECT:** **Approval of Contract with Bob Murray & Associates for City Manager Executive Search Services**

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## **Recommendation**

It is recommended that the City Council authorize a contract with Bob Murray & Associates to immediately begin an executive search for the position of City Manager.

## **Executive Summary**

The position of City Manager became vacant on September 14, 2020 with the retirement of Stephanie DeWolfe, with the duties now being temporarily performed by Interim City Manager Sean Joyce. While recruitment was initiated immediately, the recommended action is to provide additional resources for recruitment by the hiring of a recruitment firm to aid in the recruitment of a new permanent City Manager.

## **Discussion/Analysis**

At the September 23, 2020 City Council Special Meeting, staff was directed to return with a recommendation to retain an executive recruiting firm as an additional resource to recruit for a new City Manager. The process for vetting candidates will be determined upon retention of the recruiting firm, with the ultimate selection being that of the City Council. Upon solicitation of proposals from four firms, a staff sub-committee was formed of Interim City Manager Sean Joyce, Fire Chief Paul Riddle, and Human Resources Manager Michael Casalou, to hear presentations from each. The four firms selected for interviews were:

Ralph Andersen & Associates  
Peckham & McKenney  
Bob Hall & Associates  
Bob Murray & Associates

The proposals ranged in cost from \$19,500 to \$27,000. The firms were interviewed via zoom on October 22, and as a result, staff is recommending the City initiate a contract with Bob Murray & Associates. Bob Murray & Associates has an excellent reputation for placing quality City Managers and has placed over 200 City Managers since the firm's inception in 2000. The firm

has outstanding references and significant experience, and specifically has conducted recent City Manager recruitments for many Southern California communities including: Alhambra (2017), Covina (2017) San Fernando (2017), San Gabriel (2017), Santa Fe Springs (2017), Pico Rivera (2019), and currently San Clemente. The recruitment coordinator will be Gary Phillips, Executive Vice President/Co-Owner, who has personally conducted over 50 recruitments and demonstrated a great understanding and confidence in what it will take to make this a successful recruitment. Additionally, Bob Murray & Associates has experience administering community surveys (\$250 additional fee) and does an excellent job in conveying the results. Per their proposal, they expect to complete the process within 13-16 weeks from the execution of the agreement. They also provide a one-year guarantee of their placements.

A complete description of the services to be provided is contained in their proposal attached to this report.

Should the City Council decide not to approve staff's recommendation, the City Council could choose to interview any or all of these firms prior to making a decision.

#### **Legal Review**

The City Attorney has reviewed this item.

#### **Fiscal Impact**

The fee to conduct the search process for the City Manager is \$18,000 plus reimbursable expenses up to \$7,000, with a not to exceed fee of \$25,000.

#### **Public Notification of Agenda Item**

The public was made aware that this item was to be considered this evening by virtue of its inclusion on the legally publicly noticed agenda, posting of the same agenda and reports on the City's website and/or notice in the *South Pasadena Review* and/or the *Pasadena Star-News*.

#### **Attachments:**

- 1. Agreement with Bob Murray & Associates**
- 2. Proposal from Bob Murray & Associates**

**ATTACHMENT 1**  
Agreement with Bob Murray & Associates

## PROFESSIONAL SERVICES AGREEMENT

This agreement is made by and between the CITY OF SOUTH PASADENA (the CLIENT), and BOB MURRAY & ASSOCIATES (the CONSULTANT).

- A. Engagement: The CLIENT agrees to engage the CONSULTANT to perform the services described below, the project described as an executive recruitment for a CITY MANAGER (the Search).
- B. Services: The CONSULTANT agrees to perform certain services necessary for the completion of the search, which services shall include the following:
  - a. Develop the Candidate Profile
  - b. Develop Advertising Campaign and Recruitment Brochure
  - c. Recruit Candidates
  - d. Screen Candidates
  - e. Conduct Personal Interviews
  - f. Conduct Public Record Search
  - g. Provide Recommendation
  - h. Assist with Final Interviews
  - i. Conduct Detailed Reference Checks
  - j. Assist with Negotiations
  - k. Provide Complete Administrative Assistance

As described in the proposal dated October 6, 2020.

- C. Relationship: The CONSULTANT is an independent contractor and is not to be considered an agent or employee of the CLIENT.
- D. Compensation: As full compensation for the CONSULTANT's professional services performed hereunder, the CLIENT shall pay the CONSULTANT the fixed amount of \$18,000 (Eighteen Thousand Dollars). This amount includes three (3) meetings on site at CLIENT's place of business between CLIENT and CONSULTANT. Additional on-site meetings will incur additional professional services fees.
- E. Expense Reimbursement: The CONSULTANT shall be entitled to reimbursement for expenses from the CLIENT for consultant travel; advertising; recruitment brochure layout, typeset, and printing; clerical; express mail delivery; printing and binding; background and public records checks; education verification; and credit checks for up to three (3) final candidates. First class mail postage, photocopying, and telephone charges are allocated costs. Expenses to be reimbursed shall not exceed \$7,000 (Seven Thousand Dollars) without prior approval of the CLIENT. Additional reference checks will incur additional expense fees. Documentation of reimbursable expenses shall be provided upon request of the CLIENT; failure to request documentation prior to receipt of CONSULTANT'S invoice shall not serve as reason to delay payment.

- F. Compensation for Additional Services: In the event the CLIENT elects to require additional services of the CONSULTANT in addition to those described in Paragraph B, the CONSULTANT shall be compensated at an agreed-upon rate.
- G. Should a candidate recommended by our firm position resign or be terminated within the first 12 months of employment, we will provide the CITY OF SOUTH PASADENA with professional services to secure a replacement. Services will be provided at no cost, aside from expenses incurred on the CITY OF SOUTH PASADENA's behalf during the new search. We are confident in our ability to recruit outstanding candidates and do not expect the City to find it necessary to exercise this provision of our proposal.
- H. Method of Payment: The CLIENT shall be billed monthly by the CONSULTANT for the professional services completed as of that date. Expenses shall be billed and due at the same time. Invoices shall be submitted to the following individual or department in the CLIENT organization:

Invoicing/Billing Contact:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

- I. Term: The term of this agreement shall commence upon full execution of this Agreement, at which time CONSULTANT shall begin work on the Search and shall continue until the Search is completed. Completion of work is defined as the CLIENT'S offer being accepted by the selected candidate.
- J. Termination: This agreement may be terminated; (a) by either party at any time for failure of the other party to comply with the terms and conditions of this Agreement; (b) by either party upon 10 days' prior written notice to the other party; or (c) upon mutual written agreement of both parties. In the event of termination, the CONSULTANT shall stop work immediately and shall be entitled to compensation for professional fees and expense reimbursement to the date of termination and for any work necessitated by that termination.
- K. Indemnity: Except for loss, damages, liability, claims, suits, costs and expenses whatsoever, including reasonable attorney's fees, caused solely by the negligence of the CLIENT, its Council, boards, commissions, officers and employees, CONSULTANT shall indemnify, defend and hold harmless the CLIENT, its Council, boards and commissions, officers, and employees from and against any and all loss, damages, liability, claims, suits, costs and expenses whatsoever, including reasonable attorney's fees, regardless of the merits or outcome of any such claim or suit arising from or in any manner connected to CONSULTANT's negligent act or omission regarding performance of services or work conducted or performed pursuant to this Agreement.

L. Miscellaneous:

- a. The entire agreement between the parties with respect to the subject matter hereunder is contained in this agreement.
- b. Neither this agreement nor any rights or obligations hereunder shall be assigned or delegated by the CONSULTANT without the prior written consent of the CLIENT.
- c. This agreement shall be modified only by written agreement duly executed by the CLIENT and the CONSULTANT.
- d. Should any of the provisions hereunder be found to be invalid, void or voidable by a court, the remaining provisions shall remain in full force and effect.
- e. This agreement shall be governed by and construed in accordance with the laws of the State of California.
- f. All notices required or permitted under this agreement shall be deemed to have been given if and when deposited in the United States mail, properly stamped and addressed to the party for whom intended at such party's address listed below, or when delivered personally to such party. A party may change its address for notice hereunder by giving written notice to the other party.

Wherefore, the parties have entered into this agreement as of the later of the dates stated below.

Approved:

Dated: 10/26, 2020

BOB MURRAY & ASSOCIATES

By: 

Gary Phillips

Title: Executive Vice President

1544 Eureka Road, Suite 280  
Roseville, CA 95661

Dated: \_\_\_\_\_, 2020

CITY OF SOUTH PASADENA

By: \_\_\_\_\_

Title: \_\_\_\_\_

**ATTACHMENT 2**  
Proposal from Bob Murray & Associates





**A Proposal to Conduct an Executive Recruitment**

**for the Position of**

**CITY MANAGER**

**on behalf of the**

**CITY OF SOUTH PASADENA**



1544 Eureka Road, Suite 280  
Roseville, CA 95661  
(916) 784-9080  
(916) 784-1985 fax

October 6, 2020

CITY COUNCIL MEMBERS  
CITY OF SOUTH PASADENA  
1414 MISSION STREET  
SOUTH PASADENA, CA 91030

**Submitted Via Email To: [mcasalou@southpasadenaca.gov](mailto:mcasalou@southpasadenaca.gov)**

Dear Members of The Council:

Bob Murray & Associates is pleased to submit a proposal to conduct the City Manager recruitment for the City of South Pasadena. The following details our qualifications and describes our systematic—yet flexible—method of identifying, recruiting, and screening outstanding candidates on your behalf. It also includes a proposed budget, timeline, and guarantee.

At Bob Murray & Associates, we pride ourselves on providing quality service to local governments, non-profit agencies, and private firms. Our recruitment process helps you to determine the direction of the search and the types of candidates you seek while capitalizing on our decades of experience and vast network of contacts to reach those candidates. Our expertise ensures that the candidates we present to the City of South Pasadena will match the criteria you have established, be a good fit for your organization, and be outstanding in their field.

Bob Murray & Associates recognizes that we work at the pleasure of the City Council. Our job is to facilitate the Council's City Manager search. From the outset of the search, we work to establish a strong partnership with the Council to help ensure the placement of a City Manager who is ideally suited to its needs. In order to develop an effective search, we hope that City Council members make themselves available, as we seek the opportunity to meet with them individually to discuss their expectations for City of South Pasadena's new City Manager. We hope they will speak candidly with us regarding the traits they are looking for in the new City Manager. The insight garnered as a result of these meetings will be invaluable as we recruit and screen candidates for the position.

With respect to the City Manager recruitment and the City of South Pasadena, Bob Murray & Associates has placed over 200 City Managers since our firm's inception in 2000. We are currently conducting City Manager recruitments on behalf of the California cities of Cudahy, Healdsburg, San Clemente, and Willits. We are also recruiting the Assistant City Manager on behalf of the City of Jurupa Valley, CA, and the Assistant City Administrator on behalf of the City of Santa Barbara, CA. Our extensive contacts and knowledge of outstanding candidates will ensure you have a quality group of finalists from which to select the City of South Pasadena's next City Manager.

Recent City Manager recruitments we have completed similar in size and scope to your upcoming search include the following:

2020

Imperial, CA

Madera, CA  
Roseville, CA

2019

Del Mar, CA  
El Segundo, CA  
Fairfield, CA  
Huntington Beach, CA  
Jurupa Valley, CA  
National City, CA  
Pico Rivera, CA  
Solvang, CA  
Tracy, CA  
Yuba City, CA

2017

Adelanto, CA  
Alhambra, CA  
Atwater, CA  
Boulder City, NV  
Compton, CA  
Covina, CA  
El Centro, CA  
Grass Valley, CA  
Marysville, CA  
Menifee, CA  
San Fernando, CA  
San Gabriel, CA  
Santa Fe Springs, CA  
St. Helena, CA  
Tracy, CA  
Willits, CA  
Windsor, CA (Town Manager)

2018

Arvin, CA  
Elk Grove, CA  
Lincoln, CA  
Lompoc, CA

We work as a team on every search at Bob Murray & Associates. Your Project Lead would be Gary Phillips, who conducts the majority of our City Manager and Assistant City Manager recruitments. Mr. Phillips is highly experienced in guiding elected bodies through the decision-making process and would not only direct and supervise the project team from beginning to end but also serve as your Recruiter.

To learn first-hand of the quality of our services and why the majority of our engagements come from repeat and referred clients, we invite you to contact the references listed on page 14 of the attached proposal.

We look forward to your favorable consideration of our qualifications. Please do not hesitate to contact us at (916) 784-9080 with any questions.

Sincerely,



Valerie Gaeta Phillips  
President, Bob Murray & Associates

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## **THE RECRUITMENT PROCESS**

Bob Murray & Associates' recruiters are specialists in finding the perfect fit, providing security and fairness to candidates and clients while ensuring the integrity of the search process. We understand that superlative recruiting for the City Manager will lead to superlative results for the City of South Pasadena. Outlined below are the steps in our proven recruitment process, refined through our 30+ years of experience in executive search.

### **STEP 1 DEVELOP THE CANDIDATE PROFILE**

Our understanding of the City of South Pasadena's needs will be key to a successful search. Gary Phillips will meet with the City Council and key stakeholders to learn as much as possible about the ideal candidate for the City Manager position. We want to become familiar with the values and culture of the organization, as well as to understand the current and future issues, challenges, and opportunities in the City of South Pasadena.

Mr. Phillips will review and help define the City's wish-list regarding the ideal candidate's personality, management style, knowledge, skills, and abilities and will work with the City to identify expectations regarding education and experience. The City Council and Mr. Phillips will discuss compensation, benefits, and other key information necessary to ensure that outstanding candidates are attracted to this opportunity. The profile we develop together at this stage will drive subsequent recruitment efforts.

#### *Optional Service: Community and Staff Involvement*

We find that many of our clients value a recruitment process that opens the opportunity for community members, business leaders, organization representatives, and employees to provide input regarding the ideal candidate. Our recruiters are skilled in designing and facilitating forums, town hall meetings, and online surveys that allow equitable involvement from a variety of constituencies and in consolidating feedback into a cohesive narrative of common themes.

If the City of South Pasadena so desires, we will work with the City Council to create a customized community and/or staff input process.

### **STEP 2 DESIGN/DISTRIBUTE BROCHURE AND ADVERTISEMENTS**

Mr. Phillips and your dedicated Recruitment Coordinator will use the candidate profile developed with the City of South Pasadena to create a professional recruitment brochure, with the assistance of our professional graphic designer. The four-page, full-color brochure will describe the community, organization, position, ideal candidate, and compensation and will include pictures provided by the City of South Pasadena that you feel best represent your organization and your community.

Upon your approval, Mr. Phillips will send the brochure by postal mail and email to a targeted audience, personally inviting potential candidates to apply for the City Manager position. We will also place the recruitment brochure on our website, which attracts over 11,000 unique hits weekly

and is a trusted resource for candidates seeking executive and professional positions. Two sample brochures are included in this proposal package for your reference.

Mr. Phillips will also design an effective advertising campaign appropriate for the City Manager recruitment. Our broadest outreach comes through our active social media involvement on Facebook, LinkedIn, and Twitter, where upcoming and current positions are posted. Sources such as *Western City Magazine*, the “Jobs Available” newsletter, and the Careers in Government website will be used to reach an extensive local government audience, while position-specific postings will be chosen to attract candidates who have built their careers in and are committed to the City Manager field.

Suggested City Manager-specific advertising sources for the City of South Pasadena’s search include:

- ◆ ICMA Newsletter
- ◆ California City Management Foundation
- ◆ League of Women in Government
- ◆ California City News

Bob Murray & Associates does not typically place ads with job aggregators or general job posting sites such as CareerBuilder, Monster, or Indeed, as we have found that the broad reach of these sites does not necessarily lead to quality candidates for executive and professional positions.

#### *Reaching Diverse Candidates*

Bob Murray & Associates, a woman- and minority-owned business, is proud of its commitment to attracting and placing diverse candidates. Not only do we place advertisements with websites designed to attract minority and female candidates, but our President, Valerie Phillips, is a member herself of many diversity-focused organizations including the Local Government Hispanic Network, the League of Women in Government, the Professional Women’s Network, Mexican Professionals, and Women Leading Government. She networks frequently with fellow members to gain insight into which potential candidates are leaders in their field.

Mr. Phillips will seek to reach candidates in communities and organizations with demographic profiles and populations served like that of the City of South Pasadena, to maximize the potential for individuals from a wide variety of backgrounds, cultures, and life experiences to be considered for the City Manager position.

### **STEP 3 RECRUIT CANDIDATES**

The strongest candidates are often those who are successful and content in their current positions and need to be sold on a new opportunity. Our extensive network of contacts, developed through over 1,400 successful placements, is a primary source for identifying and obtaining referrals for these candidates. Our in-house database of 40,000 current and former executive and professional candidates is a valuable resource that can only be built over time—time that we have invested into perfecting our process for finding the right candidates for our clients. Our aggressive outreach efforts are focused on phone calls to personally invite potential applicants, answer questions, and allay any reservations, and these efforts are essential to the success of the City Manager recruitment.

#### STEP 4 SCREEN CANDIDATES

Following the closing date for the recruitment, Mr. Phillips will screen all resumes we have received, using the criteria established in the candidate profile as a basis upon which to narrow the field of candidates. Internal candidates receive sensitive consideration, and Mr. Phillips will discuss with the City Council how the City of South Pasadena wishes to proceed with these candidates.

#### STEP 5 CONDUCT PRELIMINARY INTERVIEWS

Mr. Phillips will personally interview the top 10 to 15 candidates from the resume screening, with the goal of determining which candidates have the greatest potential to succeed in your organization. To reduce travel-related expenses to our clients and increase efficiency in the search process, these interviews are typically conducted via Skype, FaceTime, or other convenient videoconferencing applications.

During these in-depth interviews, Mr. Phillips will explore each candidate's background and experience as it relates to the City Manager position, such as significant accomplishments, size and scope of responsibility, and organizational culture. In addition, Mr. Phillips will discuss with the candidates their motivation for applying for the position and assess his/her knowledge, skills, and abilities. We will devote specific attention to establishing the likelihood of the candidate's acceptance of the position if an offer of employment is made.

#### STEP 6 SEARCH PUBLIC RECORDS

Under the direction of Mr. Phillips, your dedicated Recruitment Coordinator will conduct a review of published print and online articles for each recommended candidate. Sources include Lexis-Nexis™, Google, social media, and our contacts in the field. This will alert Mr. Phillips to any further detailed inquiries we may need to make before our recommendations are finalized.

#### STEP 7 MAKE RECOMMENDATIONS

Based on our findings during the preliminary interview process, Mr. Phillips will recommend a limited number of candidates for your further consideration. He will make specific recommendations and will help facilitate discussions regarding the candidate pool, but the final determination of those to be considered will be up to you.

We typically recommend 6-8 candidates that we feel will best match your expectations, and we prepare a detailed written report on each candidate. This bound report provided to each member of the decision-making body includes:

- Candidate list with Recommended Finalists identified in *Group 1* and *Group 2* (primary and secondary recommendations), as well as *Internal* candidates
- Summary of experience, education, and salary information for each Recommended Finalist candidate
- Complete cover letter and resume for each Recommended Finalist candidate
- List of *Other Applicants* (those who did not meet minimum qualifications or were otherwise unsuitable, based on our screening process)

Bob Murray & Associates maintains all search records for a period of seven (7) years following each recruitment, and we are happy to forward cover letters and resumes for each applicant by postal mail or email as soon as the recruitment closes to new applications.

#### **STEP 8 FACILITATE FINAL INTERVIEWS**

Our years of experience will be invaluable as we help you develop an interview process that objectively assesses the qualifications of each candidate. We will work with the City of South Pasadena to craft and implement an interview approach that fits your needs. This may include individual and panel interviews by the City Council and key stakeholders, community/employee interview panels, writing and presentation samples, meet-and-greets, or another specialized process element Mr. Phillips helps the City of South Pasadena to design.

Mr. Phillips will be present on-site during the interviews to facilitate as necessary during the process and to guide discussion to consensus regarding final candidates. Bound interview books will be provided to each interview panel member containing:

- ◆ Recruitment brochure with candidate profile
- ◆ Interview schedule
- ◆ Suggested interview questions
- ◆ Experience summary, cover letter, resume, and rating form for each candidate
- ◆ Ranking forms for use during the panel interview process

We will work closely with your staff to coordinate and schedule interviews and candidate travel. Our goal is to ensure that each candidate has a very positive experience, as the way the entire process is conducted will influence the final candidates' perception of your organization.

#### **STEP 9 CONDUCT BACKGROUND AND REFERENCE CHECKS**

Mr. Phillips and your Recruitment Coordinator will conduct detailed reference checks for up to three (3) final candidates. To gain an accurate and honest appraisal of the candidates' strengths and weaknesses, we will talk candidly with people who have direct knowledge of their work and management style. In addition to gaining a 360-degree view of candidates from the perspective of their supervisors, subordinates and peers for the past several years, we will make a point of speaking confidentially to individuals who may have further insight into a candidate's abilities but who may not be on their preferred list of contacts.

Your Recruitment Coordinator will work with candidates and our professional backgrounding firm, HireRight, to conduct credit, civil litigation, and motor vehicle record checks and verify candidates' degrees.

#### **STEP 10 ASSIST IN NEGOTIATIONS**

We recognize the critical importance of successful negotiations and can serve as your representative during this process. Mr. Phillips knows what other organizations have done to put



deals together with great candidates and what the current market is like for City Manager positions in organizations like the City of South Pasadena's. He will be available to advise you regarding current approaches to difficult issues, such as housing and relocation. We will represent your interests and advise the chosen candidate and you regarding salary, benefits, and employment agreements, with the goal of putting together a deal that results in the appointment of your chosen candidate. With our proven experience and vested interest in a positive outcome, we can turn a very difficult aspect of the recruitment into one that is straightforward and agreeable for all parties involved.

## **COMPLETE ADMINISTRATIVE ASSISTANCE**

We receive many unsolicited testimonials each year from clients and candidates alike noting our prompt, considerate, accurate, and professional service during the search process. Throughout the recruitment, in time intervals that suit the City of South Pasadena, we will provide you with updates on the status of the search and attend to all administrative details on your behalf.

Candidates receive immediate acknowledgement of their applications, as well as personal phone calls and/or emails (as appropriate) advising them of their status at each critical point in the recruitment. Candidates who receive preliminary or final interviews and are not chosen to move forward in the interview process will receive personal calls from Mr. Phillips on behalf of the City of South Pasadena.

It is our internal company standard that all inquiries from clients and candidates receive a response within the same business day whenever possible, and certainly within 24 hours if the inquiry is received during the work week. Mr. Phillips will be available to the City of South Pasadena by office phone, cell phone, and email at any time to ensure a smooth and stress-free recruitment process.

## COSTS AND GUARANTEE

### PROFESSIONAL FEE AND EXPENSES

The fixed, flat professional services fee for conducting the City Manager recruitment on behalf of the City of South Pasadena is \$18,000. Services provided for in this fee consist of all steps outlined in this proposal, including three (3) days of meetings on site. The professional fee does not limit the amount of time invested by Bob Murray & Associates in promoting a successful outcome for this project. In fact, our mission for this project is to ensure we assist in identifying the right candidate for the City of South Pasadena. Therefore, Mr. Phillips will contact the city at the first anniversary of the placement to confirm an effective transition has occurred.

The City of South Pasadena will also be responsible for reimbursing expenses Bob Murray & Associates incurs on your behalf. We estimate expenses for this project not to exceed \$7,000. Reimbursable expenses include (but are not limited to) such items as the cost of recruiter travel; clerical support; brochure development; placement of ads; credit and civil background checks; education verification; and public records searches. Postage, printing, photocopying, and telephone charges are allocated costs and included in the expense estimate. *In no instance will expenses exceed this estimate without prior approval from the City of South Pasadena.*

Expense reimbursement for candidate travel related to on-site interviews will be the responsibility of the City of South Pasadena.

Professional Fees and Reimbursable Expenses	
<b>Professional Services (Fixed Flat Fee)</b>	\$18,000
<b>Reimbursable Expenses</b> <i>Example costs and approximate amounts include:</i>	
Brochure Design and Printing (\$1,275)	
Advertising (\$3,000)	\$7,000
Background Checks – 3 candidates (\$550)	
Consultant Travel (\$1,600)	
Other expenses – supplies, shipping, clerical (\$575)	
<b>Not-to-Exceed Total</b>	<b>\$25,000</b>

#### *Optional Services*

- Community/Staff Input Forum: \$1,500/day, plus travel expenses
- Online survey with analysis of results: \$250
- Additional on-site meeting days: \$1,500/day, plus travel expenses
- Additional background checks: \$250/candidate
- Additional reference checks: \$500/candidate
- Other services: \$250/hour or \$1,500/day

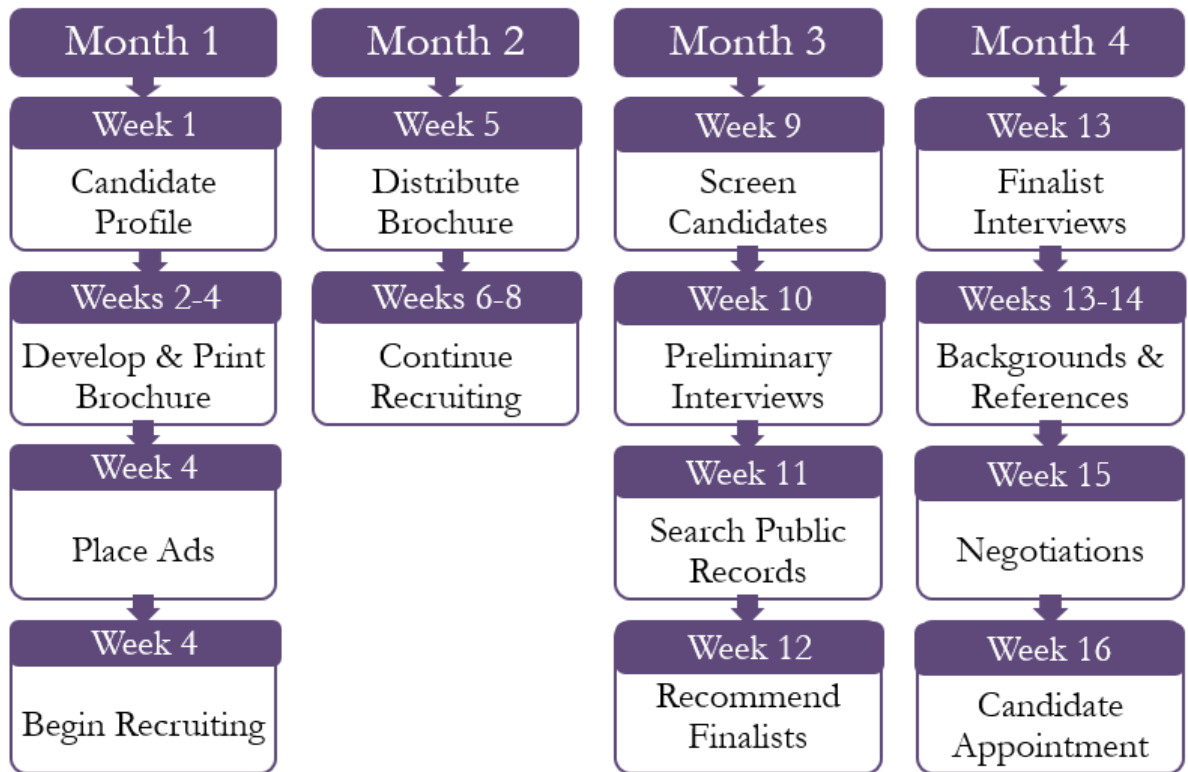
## GUARANTEE

Should a candidate recommended by our firm position resign or be terminated within the first 12 months of employment, we will provide the City of South Pasadena with professional services to secure a replacement. Services will be provided at no cost, aside from expenses incurred on the City of South Pasadena's behalf during the new search. We are confident in our ability to recruit outstanding candidates and do not expect the City to find it necessary to exercise this provision of our proposal.

## RECRUITMENT SCHEDULE

We are prepared to start work on this assignment upon receipt of a signed professional services agreement or other written, authorized notification. A full search can be completed in 13-16 weeks from the date of initial meetings with our client.

The final recruitment schedule will be determined in collaboration with City of South Pasadena. A typical timeline of tasks and events is included here for reference.



## FIRM PROFILE

### *OUR STAFF*

Bob Murray & Associates is a small firm focusing exclusively on executive search services. We have a team of nine (9):

- ✦ Bob Murray, *Founder*
- ✦ Valerie Gaeta Phillips, *President*
- ✦ Gary Phillips, *Executive Vice President*
- ✦ Regan Williams, *Vice President*
- ✦ Joel Bryden, *Vice President*
- ✦ Carmen Valdez, *Senior Executive Recruiter*
- ✦ Amber Smith, *Principal Recruitment Coordinator*
- ✦ Zoila Couture, *Senior Recruitment Coordinator*
- ✦ Gini Herndon, *Contracts Administrator/Bookkeeper*

### **BOB MURRAY, FOUNDER**

Mr. Murray—known simply as “Bob” to his clients and candidates throughout the western U.S.—brings over 40 years’ experience as a recruiter and is recognized as one of the top local government recruiters in the nation. He conducted hundreds of searches for cities, counties, and special districts and was called on to conduct searches for some of the largest, most complex organizations in the country—and some of the smallest. Bob conducted searches for chief executives, department heads, professional and technical positions, taking the lead on many of the firm’s most difficult assignments with great success. His clients retained him again and again, given the quality of his work and success in finding candidates for difficult to fill positions.

As our Founder, Bob currently takes on few searches personally but continues to be an active presence at Bob Murray & Associates, providing valued insight and experience to our team members regarding all aspects of the recruitment process.

Mr. Murray received his Bachelor of Science Degree in Criminology from the University of California at Berkeley with graduate studies in Public Administration at California State University at Hayward.

### **VALERIE GAETA PHILLIPS, PRESIDENT AND RECRUITER**

Ms. Gaeta Phillips has over 18 years of recruiting experience, including more than a decade of recent experience in executive search for public, private, and startup companies nationwide. Since joining Bob Murray & Associates, Valerie has completed over 40 searches in a diverse range of fields, including city and general management, planning, finance, human resources, transportation, communication and public relations, community and economic development, information technology, parks and recreation, and operations. She has recruited at all levels of municipal and

non-profit organizations, from technicians and engineers to Executive Directors and Chief Executive Officers.

Valerie is valued for her passion for finding and retaining the most outstanding candidates for even the most difficult or untraditional assignments and for her commitment to her clients' success; she is also active in a variety of industry organizations and in diversity-focused associations. Valerie is called upon often to serve as an expert speaker on topics such as managing one's online reputation, diversity issues in municipal and non-profit leadership, and how to identify a good "fit" for organizational culture.

Ms. Gaeta Phillips, along with Executive Vice President Gary Phillips, has a passion for helping people, evidenced by fundraising, sponsorship, and involvement in raising awareness for organizations such as Autism Speaks, the UC Davis M.I.N.D. Institute, and the Northern California Special Olympics.

### **GARY PHILLIPS, EXECUTIVE VICE PRESIDENT AND RECRUITER**

Since joining Bob Murray & Associates, Mr. Phillips has completed over 50 searches for executives and professionals in a wide variety of fields including animal services, city and general management, planning, legal counsel, cyber security, and human resources. Gary's clients have ranged from municipal government to non-profit and private sector organizations, and he has sourced outstanding candidates for positions from the level of division managers up to City Managers, Executive Directors, and General Managers.

Gary started his career with a New York-based Fortune 100 company and quickly became a Senior Manager, building and running a large customer service organization that eventually expanded to 13 countries in Europe. He proceeded to hold senior leadership positions in several Fortune 500 companies, with noted successes such as building an organization from two to 250 employees worldwide and growing a company from 800 to 1200 employees.

As part of an executive acquisition and recruiting team, Gary helped build a start-up enterprise software company in San Francisco, recruiting top-notch talent and building a world-class organization. He has maintained customer relationships in the public sector and the private sector, including medical and financial institutions. He prides himself on finding key talent and offering the best customer service to his clients.

Mr. Phillips, along with Ms. Gaeta-Phillips, is involved in his community as a soccer coach, as an organizer of fundraisers for Autism Speaks and the UC Davis M.I.N.D. Institute, and as a sponsor of the Northern California Special Olympics. Mr. Phillips received his Associate of Science degree and completed additional coursework at Rochester Institute of Technology, NY.

### **REGAN WILLIAMS, SENIOR VICE PRESIDENT AND RECRUITER**

Mr. Williams brings 30 years of local government experience to Bob Murray & Associates and has over 17 years of experience in executive recruitments with our firm. In his time with Bob Murray & Associates, Regan has conducted over 275 executive searches ranging from managers and department heads to City Managers, Executive Directors, and General Managers. If Regan were to have a recruiting specialty, it would be public safety positions: he has personally conducted over 60 Police Chief and 20 Fire Chief recruitments.

Prior to joining Bob Murray & Associates, Regan served as Director of Public Safety with the City of Sunnyvale, CA. He was involved in the development of some of Sunnyvale's most innovative public safety programs and has a national reputation for excellence in law enforcement, as well as in law enforcement executive recruiting. Regan's clients find his prompt and personal attention, insight, and expertise in recruitment and selection an asset. He is often called upon to recruit for difficult-to-fill law enforcement positions, such as the position of Police Chief or City Manager in challenging political environments.

Mr. Williams received his Bachelor of Science Degree in Administration of Justice from San Jose State University. He is also a graduate of the FBI National Academy.

### **JOEL BRYDEN, VICE PRESIDENT AND RECRUITER**

Mr. Bryden has over 30 years of local government experience that he brings to the firm, having retired as Chief of Police in Walnut Creek, CA prior to joining Bob Murray & Associates in 2013. Throughout his career, Joel has been involved in public sector consulting, with vast experience in hiring and promotional processes, as well as interviewing candidates for advancement in all aspects of local government.

Joel has a solid reputation as a leader in the public sector and his ability to find and evaluate outstanding applicants for our clients is invaluable in the search process. Since joining Bob Murray & Associates, Joel has conducted over 100 recruitments in a broad range of sectors including police, fire, building, planning, city management, and general management. He is often called upon to recruit specialized or difficult-to-fill positions, such as Independent Police Auditor.

Mr. Bryden is a graduate of the FBI National Academy and obtained his Bachelor of Arts Degree in Communication from San Diego State University. He is currently based in Walnut Creek, CA.

### **CARMEN VALDEZ, SENIOR EXECUTIVE RECRUITER**

Carmen Valdez provides executive recruitment and human resource services to municipal government agencies and non-profits. She has more than 25 years' experience in team-building, executive search, general human resources, classification and compensation, testing, policy development, performance management, organizational development, discipline, and other employee relations activities.

Carmen has most recently been consulting with Municipal Resource Group, prior to which she spent over 30 years with the City of Milpitas, a Silicon Valley city of 70,000 residents. In this capacity, she was responsible for collective bargaining, PEPRA and Affordable Care Act implementation, modernizing Human Resource services to improve efficiencies and reduce costs, revamping the Workers Compensation service delivery and completing a City-wide strategic plan. Carmen also spent almost 2 years as the Director of Recreation Services.

In addition to her significant experience in the public sector, Carmen earned a Bachelor of Arts degree in Business from University of Phoenix. She is also a member of Local Government Hispanic Network and League of Women in Government. She is an avid runner and enjoys giving back to her community.

### **AMBER SMITH, PRINCIPAL RECRUITMENT COORDINATOR**

As Principal Recruitment Coordinator with Bob Murray & Associates, Ms. Smith acts as a liaison between clients and candidates from beginning to end of each recruitment process. Under the direction of each client's assigned Recruiter, Amber is responsible for the development and distribution of position recruitment and advertising materials, client research, reference and background checks, responding to requests for proposals, and providing a broad range of support services for the recruiting team. She also provides leadership for our in-house staff and is an invaluable resource.

Amber brings over a decade of client-oriented customer service, administrative, and management experience to Bob Murray & Associates. Since joining our team in 2013, she has shown a commitment to working as a partner with clients and candidates to provide a quality service and experience.

Ms. Smith received her Bachelor of Arts degree in Business Administration from La Sierra University, Riverside, California.

### **ZOILA COUTURE, SENIOR RECRUITMENT COORDINATOR**

As Senior Recruitment Coordinator with Bob Murray & Associates, Ms. Couture acts as a liaison between clients and candidates throughout each recruitment process. Under the direction of our client's assigned Recruiter, Zoila's responsibilities include development and distribution of position recruitment and advertising materials, candidate research, reference checks, and providing a broad range of support services for the recruitment team.

Zoila joined our firm in 2019 with extensive experience in research, communication, and project management. She is committed to providing the highest level of quality support and to working as a partner with clients and candidates throughout the search process.

Ms. Couture received her Bachelor of Arts degree in Political Science from the University of California, Davis.

### **GINI HERNDON, CONTRACTS ADMINISTRATOR/BOOKKEEPER**

Ms. Gini Herndon is the Contracts Administrator/Bookkeeper at Bob Murray & Associates. Ms. Herndon is the first point of contact at Bob Murray & Associates and has an extensive administrative background in business law.

Ms. Herndon is known for her collaborative approach as she works closely with our internal team and clients to ensure a successful search. As a first point of contact, Ms. Herndon is highly professional and maintains a high level of confidentiality and sensitivity.



## *CORPORATION*

Bob Murray & Associates was founded in May 2000 and operated under the corporation name MBN Services, Inc. until June 2014; our new corporation name is GVP Ventures, Inc., incorporated in California in 2014. Contact information for the corporation and the firm is as follows:

GVP Ventures, Inc. OR Bob Murray & Associates  
1544 Eureka Road, Ste. 280  
Roseville, CA 95661  
(916) 784-9080  
apply@bobmurrayassoc.com

Our corporation and firm are financially sound (and have been so since 2000), with documentation from our accountant available to your organization prior to final execution of a professional service agreement. We have never been involved in any litigation, aside from our personnel serving as expert witnesses when called to do so.

## *PROFESSIONAL ASSOCIATIONS*

Our firm, represented by either our President or our Executive Vice President, are involved in the following organizations to remain engaged with current and future issues relevant to the work we conduct on behalf of clients like City of South Pasadena:

- California Special Districts Association – *Member*
- California City Management Foundation (CCMF) – *Member*
- International City/County Management Association (ICMA) – *Member*
- League of California Cities – *League Partner*
- League of Women in Government – *Sponsor/Member*
- Municipal Management Association of Northern California (MMANC) – *Sponsor/Member*
- Municipal Management Association of Southern California (MMASC) – *Sponsor/Member*
- National Forum for Black Public Administrators (NFBPA) – *Committee member for Marketing and Branding*

Members of our leadership team not only attend events sponsored by these associations but are also frequently called upon to serve as panel members and to provide specialized lectures regarding industry-specific issues.

Recent and upcoming speaking engagements and trainings provided by our staff include:

- “Role of the Chief” class, presented by Joel Bryden on behalf of the California Police Chiefs Association
- Organization of Latino Affairs invited speaker, Valerie Phillips for Hispanic Heritage Month; and
- “The Next Step on Your Career Ladder: A Rung Up or a Missed Step? What City Managers are Seeking to Create a Dream Team,” Bob Murray & Associates is a leading participant on the MMANC 2019 Conference Panel



## REFERENCES

Clients and candidates are the best testament to our ability to conduct quality searches. Clients for whom Bob Murray & Associates has recently conducted similar searches are listed below:

**CLIENT:** City of Del Mar, CA  
**POSITION:** City Manager  
**REFERENCE:** Ms. Ashley Jones, Administrative Services Director  
(858) 704-3640

**CLIENT:** City of El Segundo, CA  
**POSITION:** City Manager  
**REFERENCE:** Mr. Scott Mitnick, City Manager  
(805) 402-9374

**CLIENT:** City of Jurupa Valley, CA  
**POSITION:** City Manager  
**REFERENCE:** Mr. Rod Butler, City Manager or  
Ms. Pat Grob, Sr. Human Resources Analyst  
(915) 332-6464

*We appreciate the City of South Pasadena's consideration of our proposal and look forward to working with you.*





# City Council Agenda Report

ITEM NO. 12

**DATE:** November 4, 2020

**FROM:** Sean Joyce, Interim City Manager

**PREPARED BY:** Lucy Demirjian, Assistant to the City Manager

**SUBJECT:** **Resolution Supporting Governor Newsom’s Executive Order N-79-20 Requiring Sales of All New Passenger Vehicles to be Zero-Emission by 2035 and Additional Measures to Eliminate Harmful Emissions from the Transportation Sector**

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## **Recommendation Action**

It is recommended that the City Council adopt a resolution in support of Governor Newsom’s Executive Order N-79-20, requiring sales of all new passenger vehicles to be zero-emission by 2035 and additional measures to eliminate harmful emissions from the transportation sector.

## **Discussion/Analysis**

On September 23, 2020, Governor Newsom announced that he will aggressively move the State further away from its reliance on climate change-causing fossil fuels while retaining and creating jobs and spurring economic growth. The Governor issued an executive order which, among other directives, requires the state develop mandates 100 percent of all new cars and passenger trucks sold in California be zero-emission by 2035.

To ensure needed infrastructure to support zero-emission vehicles, the order requires state agencies, in partnership with the private sector, to accelerate deployment of affordable fueling and charging options. The order also directs state agencies to develop strategies for an integrated, statewide rail and transit network, and incorporate safe and accessible infrastructure into projects to support bicycle and pedestrian options, particularly in low-income and disadvantaged communities.

## **Background**

On October 7, 2020, Councilmember Cacciotti, seconded by Mayor Pro Tem Mahmud, requested a resolution of support for Executive Order N-79-20.

On October 21, 2020, Councilmember Schneider, seconded by Councilmember Cacciotti, made a motion to include additional language urging the State to advance its goals to mandate 100 percent zero-emission vehicle sales prior to 2035, noting his belief that vehicle manufacturers already have the technology to achieve this in the next five years. Mayor Pro Tem Mahmud agreed with the intent but expressed concern regarding the lack of infrastructure to support

electric vehicle in multi-family properties. She added a friendly amendment, accepted by the maker of the motion, to strongly encourage the implementation of electric vehicles as quickly as feasible.

The City of South Pasadena holds paramount the health, safety, and welfare of the community, and recognizes the profound impacts of the climate change crisis, affecting the health and safety of Californians. In 2005, the Council adopted a low emission vehicle purchasing policy to promote the procurement and use of low emission vehicles in the City of South Pasadena motor vehicle fleet.

**Legal Review**

The City Attorney has not reviewed this item.

**Fiscal Impact**

There are no fiscal impacts to the City of South Pasadena with the adoption of the resolution of support.

**Public Notification of Agenda Item**

The public was made aware that this item was to be considered this evening by virtue of its inclusion on the legally publicly noticed agenda, posting of the same agenda and reports on the City's website and/or notice in the *South Pasadena Review* and/or the *Pasadena Star-News*.

Attachment: Resolution Supporting Executive Order N-79-20

**Attachment 1**

**RESOLUTION NO.**

**A RESOLUTION OF THE CITY COUNCIL  
OF THE CITY OF SOUTH PASADENA, CALIFORNIA,  
SUPPORTING EXECUTIVE ORDER N-79-20**

**WHEREAS**, the climate change crisis is happening now, impacting California in unprecedented ways, and affecting the health and safety of too many Californians; and

**WHEREAS**, the State must accelerate its actions to mitigate and adapt to climate change, and more quickly move toward low-carbon, sustainable and resilient future; and

**WHEREAS**, the COVID-19 pandemic has disrupted the entire transportation sector, bringing a sharp decline in demand for fuels and adversely impacting public transportation; and

**WHEREAS**, as the economy recovers, California must accelerate the transition to a carbon neutral future that supports the retention and creation of jobs; and

**WHEREAS**, California's long-term economic resilience requires bold action to eliminate emissions from transportation, which is the largest source of emissions in the State; and

**WHEREAS**, the State must prioritize clean transportation solutions that are accessible to all Californians, particularly those who are low-income or experience a disproportionate share of pollution; and

**WHEREAS**, zero emissions technologies, especially trucks and equipment, reduce both greenhouse gas emissions and toxic air pollutants that disproportionately burden disadvantaged communities of color; and

**WHEREAS**, California is a world leader in manufacturing and deploying zero-emission vehicles and chargers and fueling stations for cars, trucks, buses and freight-related equipment; and

**WHEREAS**, passenger rail, transit, bicycle and pedestrian infrastructure, and micro-mobility options are critical components to the State achieving carbon neutrality and connecting communities, requiring coordination of investments and work with all levels of governments including rail and transit agencies to support these mobility options; and

**WHEREAS**, California's policies have contributed to an on-going reduction in in-state oil extraction, which has declined by over 60 percent since 1985, but demand for oil has not correspondingly declined over the same period; and

**WHEREAS**, California is already working to decarbonize the transportation fuel sector through the Low Carbon Fuel Standard, which recognizes the full life cycle of carbon in transportation emissions including transport into the State; and

**WHEREAS**, clean renewable fuels play a role as California transitions to a decarbonized transportation sector; and

**WHEREAS**, to protect the health and safety of communities and workers the State must focus on the impacts of oil extraction as it transitions away from fossil fuel, by working to end the issuance of new hydraulic fracturing permits by 2024; and

**WHEREAS**, a sustainable and inclusive economic future for California will require retaining and creating high-road, high-quality jobs through sustained engagement with communities, workers and industries in changing and growing industries.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:**

**SECTION 1.** The City of South Pasadena City Council supports State Executive Order N-79-20, incorporated herein as Exhibit A.

**SECTION 2.** The City of South Pasadena City Council urges the State to take all necessary measures to meet its goals sooner than 2035 and as quickly as reasonable.

**SECTION 23.** The City Clerk of the City of South Pasadena shall certify to the passage and adoption of this resolution and its approval by the City Council and shall cause the same to be listed in the records of the City.

**PASSED, APPROVED AND ADOPTED ON** this 21<sup>th</sup> day of October, 2020

\_\_\_\_\_  
Robert S. Joe, Mayor

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Evelyn G. Zneimer, City Clerk  
(seal)

\_\_\_\_\_  
Teresa L. Highsmith, City Attorney

**I HEREBY CERTIFY** the foregoing resolution was duly adopted by the City Council of the City of South Pasadena, California, at a regular meeting held on the 21<sup>th</sup> day of October, 2020, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAINED:**

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Evelyn G. Zneimer, City Clerk  
(seal)

**“EXHIBIT A”**

**EXECUTIVE ORDER N-79-20**

**WHEREAS** the climate change crisis is happening now, impacting California in unprecedented ways, and affecting the health and safety of too many Californians; and

**WHEREAS** we must accelerate our actions to mitigate and adapt to climate change, and more quickly move toward our low-carbon, sustainable and resilient future; and

**WHEREAS** the COVID-19 pandemic has disrupted the entire transportation sector, bringing a sharp decline in demand for fuels and adversely impacting public transportation; and

**WHEREAS** as our economy recovers, we must accelerate the transition to a carbon neutral future that supports the retention and creation of high-road, high-quality jobs; and

**WHEREAS** California’s long-term economic resilience requires bold action to eliminate emissions from transportation, which is the largest source of emissions in the State; and

**WHEREAS** the State must prioritize clean transportation solutions that are accessible to all Californians, particularly those who are low-income or experience a disproportionate share of pollution; and

**WHEREAS** zero emissions technologies, especially trucks and equipment, reduce both greenhouse gas emissions and toxic air pollutants that disproportionately burden our disadvantaged communities of color; and

**WHEREAS** California is a world leader in manufacturing and deploying zero-emission vehicles and chargers and fueling stations for cars, trucks, buses and freight-related equipment; and

**WHEREAS** passenger rail, transit, bicycle and pedestrian infrastructure, and micro-mobility options are critical components to the State achieving carbon neutrality and connecting communities, requiring coordination of investments and work with all levels of governments including rail and transit agencies to support these mobility options; and



**WHEREAS** California’s policies have contributed to an on-going reduction in in-state oil extraction, which has declined by over 60 percent since 1985, but demand for oil has not correspondingly declined over the same period of time; and

**WHEREAS** California is already working to decarbonize the transportation fuel sector through the Low Carbon Fuel Standard, which recognizes the full life cycle of carbon in transportation emissions including transport into the State; and

**WHEREAS** clean renewable fuels play a role as California transitions to a decarbonized transportation sector; and

**WHEREAS** to protect the health and safety of our communities and workers the State must focus on the impacts of oil extraction as it transitions away from fossil fuel, by working to end the issuance of new hydraulic fracturing permits by 2024; and

**WHEREAS** a sustainable and inclusive economic future for California will require retaining and creating high-road, high-quality jobs through sustained engagement with communities, workers and industries in changing and growing industries.

**NOW THEREFORE, I, GAVIN NEWSOM**, Governor of the State of California by virtue of the power and authority vested in me by the Constitution and the statutes of the State of California, do hereby issue the following Order to pursue actions necessary to combat the climate crisis.

**IT IS HEREBY ORDERED THAT:**

1. It shall be a goal of the State that 100 percent of in-state sales of new passenger cars and trucks will be zero-emission by 2035. It shall be a further goal of the State that 100 percent of medium- and heavy-duty vehicles in the State be zero-emission by 2045 for all operations where feasible and by 2035 for drayage trucks. It shall be further a goal of the State to transition to 100 percent zero-emission off-road vehicles and equipment by 2035 where feasible.
2. The State Air Resources Board, to the extent consistent with State and federal law, shall develop and propose:

- a) Passenger vehicle and truck regulations requiring increasing volumes of new zero-emission vehicles sold in the State towards the target of 100 percent of in-state sales by 2035.
- b) Medium- and heavy-duty vehicle regulations requiring increasing volumes of new zero-emission trucks and buses sold and operated in the State towards the target of 100 percent of the fleet transitioning to zero-emission vehicles by 2045 everywhere feasible and for all drayage trucks to be zero-emission by 2035.
- c) Strategies, in coordination with other State agencies, U.S. Environmental Protection Agency and local air districts, to achieve 100 percent zero-emission from off-road vehicles and equipment operations in the State by 2035.

In implementing this Paragraph, the State Air Resources Board shall act consistently with technological feasibility and cost-effectiveness.

3. The Governor's Office of Business and Economic Development, in consultation with the State Air Resources Board, Energy Commission, Public Utilities Commission, State Transportation Agency, the Department of Finance and other State agencies, local agencies and the private sector, shall develop a Zero-Emissions Vehicle Market Development Strategy by January 31, 2021, and update every three years thereafter, that:
  - a) Ensures coordinated and expeditious implementation of the system of policies, programs and regulations necessary to achieve the goals and orders established by this Order.
  - b) Outlines State agencies' actions to support new and used zero-emission vehicle markets for broad accessibility for all Californians.
4. The State Air Resources Board, the Energy Commission, Public Utilities Commission and other relevant State agencies, shall use existing authorities to accelerate deployment of affordable fueling and charging options for zero-emission vehicles, in ways that serve all

communities and in particular low-income and disadvantaged communities, consistent with State and federal law.

5. The Energy Commission, in consultation with the State Air Resources Board and the Public Utilities Commission, shall update the biennial statewide assessment of zero-emission vehicle infrastructure required by Assembly Bill 2127 (Chapter 365, Statutes of 2018) to support the levels of electric vehicle adoption required by this Order.
6. The State Transportation Agency, the Department of Transportation and the California Transportation Commission, in consultation with the Department of Finance and other State agencies, shall by July 15, 2021 identify near term actions, and investment strategies, to improve clean transportation, sustainable freight and transit options, while continuing a “fix-it-first” approach to our transportation system, including where feasible:
  - a) Building towards an integrated, statewide rail and transit network, consistent with the California State Rail Plan, to provide seamless, affordable multimodal travel options for all.
  - b) Supporting bicycle, pedestrian, and micro-mobility options, particularly in low-income and disadvantaged communities in the State, by incorporating safe and accessible infrastructure into projects where appropriate.
  - c) Supporting light, medium, and heavy duty zero-emission vehicles and infrastructure as part of larger transportation projects, where appropriate.
7. The Labor and Workforce Development Agency and the Office of Planning and Research, in consultation with the Department of Finance and other State agencies, shall develop by July 15, 2021 and expeditiously implement a Just Transition Roadmap, consistent with the recommendations in the “Putting California on the High Road: A Jobs and Climate Action Plan for 2030” report pursuant to Assembly Bill 398 (Chapter 135, Statutes of 2017).

8. To support the transition away from fossil fuels consistent with the goals established in this Order and California's goal to achieve carbon neutrality by no later than 2045, the California Environmental Protection Agency and the California Natural Resources Agency, in consultation with other State, local and federal agencies, shall expedite regulatory processes to repurpose and transition upstream and downstream oil production facilities, while supporting community participation, labor standards, and protection of public health, safety and the environment. The agencies shall report on progress and provide an action plan, including necessary changes in regulations, laws or resources, by July 15, 2021.
9. The State Air Resources Board, in consultation with other State agencies, shall develop and propose strategies to continue the State's current efforts to reduce the carbon intensity of fuels beyond 2030 with consideration of the full life cycle of carbon.
10. The California Environmental Protection Agency and the California Natural Resources Agency, in consultation with the Office of Planning and Research, the Department of Finance, the Governor's Office of Business and Economic Development and other local and federal agencies, shall develop strategies, recommendations and actions by July 15, 2021 to manage and expedite the responsible closure and remediation of former oil extraction sites as the State transitions to a carbon-neutral economy.
11. The Department of Conservation's Geologic Energy Management Division and other relevant State agencies shall strictly enforce bonding requirements and other regulations to ensure oil extraction operators are responsible for the proper closure and remediation of their sites.
12. The Department of Conservation's Geologic Energy Management Division shall:

- a) Propose a significantly strengthened, stringent, science-based health and safety draft rule that protects communities and workers from the impacts of oil extraction activities by December 31, 2020.
- b) Post on its website for public review and consultation a draft rule at least 60 days before submitting to the Office of Administrative Law.

**IT IS FURTHER ORDERED** that as soon as hereafter possible, the Order be filed in the Office of the Secretary of State and that widespread publicity and notice be given of this Order.

This Order is not intended to, and does not, create any rights or benefits, substantive or procedural, enforceable at law or in equity, against the State of California, its agencies, departments, entities, officers, employees, or any other person.

**IN WITNESS WHEREOF** I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 23rd day of September 2020.

GAVIN NEWSOM  
Governor of California

**ATTEST:**

ALEX PADILLA  
Secretary of State



# City Council Agenda Report

ITEM NO. 13

**DATE:** November 4, 2020

**FROM:** Sean Joyce, Interim City Manager

**PREPARED BY:** Joanna Hankamer, Director of Planning and Community Development  
Lucy Demirjian, Assistant to the City Manager

**SUBJECT:** **Adoption of an Urgency Ordinance Establishing a 45-day  
Moratorium on Evictions for Substantial Remodels and Discussion of  
Tenant Relocation Fees**

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## **Recommendation**

It is recommended that the City Council:

1. Adopt an Urgency Ordinance to establish a 45-day moratorium on evictions for substantial remodels;
2. Direct staff to study the issue and develop an ordinance to be adopted prior to the expiration of the moratorium; and
3. Provide direction regarding tenant relocation fees.

## **Commission Review and Recommendation**

On October 13, 2020, the Planning Commission received 6 written and 14 verbal public comments requesting the adoption of an urgency ordinance to provide tenant protections from evictions. Based on the comments received the Planning Commission recommended that tenant and landlord outreach be conducted to provide an understanding of recent state laws.

## **Discussion/Analysis**

On January 1, 2020, the California Tenant Protection Act of 2019 (AB 1482) established an annual rent increase cap of 5% plus inflation or 10%, whichever is lower, and prohibits evictions without just cause. However, AB 1482 allows owners to issue no-fault termination of tenancies for the following reasons:

- Intent to occupy the residential real property by the owner;
- Withdrawal of the residential real property from the rental market;
- An order issued by a government agency; or
- Intent to demolish or to substantially remodel the residential real property.

The limited definition of “substantial remodel” as outlined by state law (CA Civil Code § 1946.2); includes:

“the replacement or substantial modification of any structural, electrical, plumbing, or mechanical system that requires a permit from a governmental agency, or the abatement

Urgency Ordinance 45-day Moratorium on Evictions for Substantial Remodels

November 4, 2020

Page 2 of 4

of hazardous materials, including lead-based paint, mold, or asbestos, in accordance with applicable federal, state, and local laws, that cannot be reasonably accomplished in a safe manner with the tenant in place and that requires the tenant to vacate the residential real property for at least 30 days. Cosmetic improvements alone, including painting, decorating, and minor repairs, or other work that can be performed safely without having the residential real property vacated, do not qualify as substantial rehabilitation.”

Residents have expressed concerns that AB 1482 does not explicitly require owners to: (1) obtain the necessary permits associated with the substantial remodel prior to serving a Notice of Termination; or (2) include information in the Notice of Termination regarding the type and scope of work to be performed; why the work cannot be completed with the tenant in place; or why the work cannot be completed within 30 days. This has created an unintended loophole for property owners to make claims that they are conducting substantial remodels as a justification to evict no-fault tenants.

The City has the authority under Civil Code Section 1946.2(g)(1)(B) to adopt a local ordinance, as long as findings are made that the ordinance is consistent with the terms of AB 1482 and that the provisions of the local ordinance are more protective in the areas of (i) further limits to the reasons for just cause eviction, (ii) higher relocation assistance amounts or (iii) additional tenant protections not prohibited by other provisions of law. The cities of Inglewood, Long Beach, Los Angeles and the County of Los Angeles have adopted local ordinances that include additional requirements to address this loophole.

<b>Jurisdiction</b>	<b>Local Ordinance</b>
Inglewood	<ul style="list-style-type: none"><li>• Requires owners to obtain all necessary permits for the substantial remodel prior to issuing a notice of termination</li></ul>
Long Beach	<ul style="list-style-type: none"><li>• Requires owners to obtain all necessary permits for the substantial remodel prior to issuing a notice of termination</li><li>• Requires notices to include a copy of all issued permits and reasonably detailed information regarding the scope work and reasons why the work requires the tenant to vacate</li></ul>
Los Angeles	<ul style="list-style-type: none"><li>• Requires owners to obtain all necessary permits for the substantial remodel prior to issuing a notice of termination</li><li>• Requires notices to include a copy of all issued permits and reasonably detailed information regarding the scope work and reasons why the work requires the tenant to vacate</li></ul>
County of Los Angeles	<ul style="list-style-type: none"><li>• Limits no-fault evictions to occupancy by the owner, withdrawal of the property from the rental market, and compliance with a government order.</li></ul>

The City also has the authority to enact an urgency ordinance pursuant to Article XI, Section 7, of the California Constitution, and Government Code Section 36937. On October 21, 2020, the City Council requested that an urgency ordinance be brought to the City Council for consideration to address public concerns regarding no-fault evictions. To have the urgency

Urgency Ordinance 45-day Moratorium on Evictions for Substantial Remodels

November 4, 2020

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ordinance placed on the November 4, 2020 agenda, a published public notice a minimum of 10 days prior to consideration of the ordinance was required to be submitted by October 19 (two days prior to the date of the City Council meeting at which this matter was discussed) for publication on October 23, 2020. Staff did not have the adequate time to prepare the staff report and ordinance and also publish the required 10-day public notice. For this reason, staff recommends adopting a 45-day moratorium pursuant to the authority under Government Code Section 65858 for no-fault evictions for substantial remodels as an interim measure. This will allow time for staff to develop an ordinance (including an urgency ordinance under the authority of Government Code Section 36937), with additional direction from Council, for adoption during a subsequent City Council meeting but before the expiration of the 45-day moratorium. The urgency ordinance establishing a moratorium does not require a 10-day public notice.

*Tenant Relocation Fees*

AB 1482 establishes that tenants evicted as a result of no-fault just cause are entitled to relocation assistance or rent waiver equal to “one month of the tenant’s rent that was in effect when the owner issued the notice to terminate the tenancy. Any relocation assistance shall be provided within 15 calendar days of service of the notice.”

To provide residents with additional support, the City may consider additional relocation assistance above and beyond those established in AB 1482. We know that the cities of Pasadena, Los Angeles, and West Hollywood have established tenant relocation programs that extend beyond the protections offered by AB 1482. Beyond any additional relocation support, the City will need to consider the scope of such support, e.g., whether it applies to all types of “no fault” just cause evictions, or whether it should be limited only to taking a unit off the rental market (through demolition or owner or family occupancy).

Jurisdiction	Requirements
Pasadena	<ul style="list-style-type: none"> <li>• Relocation fee is 2.5 times the monthly Fair Market Rent as published by the U.S. Department of Housing and Urban Development.</li> <li>• Landlord shall also pay moving allowance of \$1,338 for adult households, or \$4,033 for senior, disabled households or households with dependents</li> </ul>
Los Angeles (rent control city)	<ul style="list-style-type: none"> <li>• Qualified tenants (62 years or older, handicapped, or disabled, or who have one or more minor dependent children) are entitled to receive between \$17,050 and \$21,900 depending on the length of tenancy, income level, and rental property type.</li> <li>• All other tenants are eligible, and they are entitled to receive between \$8,450 and \$11,500. These amounts are paid per unit, not per tenant.</li> </ul>
West Hollywood (rent control city)	<ul style="list-style-type: none"> <li>• Relocation fees based on number of bedrooms/unit (0 bedroom = \$7,840, 3 or more = \$19,679)</li> <li>• Two exemptions – based on income, age, or disability                             <ul style="list-style-type: none"> <li>○ Qualified Tenant (62 years or older, handicapped, or disabled, or who have one or more minor dependent children): \$20,754</li> <li>○ Lower Income Tenant: \$26,134</li> </ul> </li> </ul>



## **Background**

On October 8, 2019, Governor Newsom signed Assembly Bill 1482 (AB 1482, Chiu), also known as the Tenant Protection Act of 2019. AB 1482 included the following provisions:

- Prevent property owners from terminating a tenancy without just cause;
- Require property owners to provide the tenant with an opportunity to correct violations before being terminated for cause;
- Require property owners to provide tenants relocation assistance limited to one month's rent, if residency is terminated for certain specified "no fault" just cause reasons, which include the ability of the owner to perform substantial rehabilitation on a unit, or to take it off the market entirely for occupancy by the owner or owner's family; and
- Prevent property owners from increasing rent over the course of any 12-month period more than five percent plus the rate of inflation, or 10 percent, whichever is lower; this restriction requires the rent in existence as of March 1, 2019 as the "base rent" of a tenant remaining in the unit after January 1, 2020 for purposes of calculating an annual rent increase.

In October 2019, Council learned of several tenants facing unexpected eviction or rent increases, likely resulting from the new State law, which prompted many landlords to pre-emptively increase rent or evict tenants prior to the new law going into effect on January 1, 2020. In response, the City Council adopted an urgency ordinance (Ordinance No. 2334) to temporarily establish just cause for termination of tenancies until the state law became effective.

As part of ongoing efforts to address concerns related to housing and tenant protections the City hosted a series of workshops in Fall 2019 regarding housing initiatives; including tenant protections (relocation assistance program and occupancy inspection program); Accessory Dwelling Units; and Inclusionary Housing. The City continues to provide education and information on fair housing laws for landlords and tenants through the Housing Right Center; the next housing workshop is scheduled for Thursday, November 5, 2020.

## **Next Steps**

1. Staff will develop an ordinance, with further direction received from Council, and bring back an item within 45 days or less to 1) lift the 45-day eviction moratorium and 2) adopt an urgency ordinance establishing enhanced no-fault eviction requirements for substantial remodels and demolitions, including permitting requirements.
2. Staff will provide a study, required by Government Code Section 65858, regarding options for additional relocation benefits, seeking direction from Council regarding any additional tenant protections, to enable staff to bring back any additional ordinance establishing further tenant protections as directed by the City Council.

## **Legal Review**

The City Attorney has reviewed this item.

**Fiscal Impact**

There is no fiscal impact with the adoption of an ordinance establishing a moratorium. Staff time will be necessary in studying the issue and developing an ordinance to establish enhanced no-fault eviction requirements.

**Public Notification of Agenda Item**

The public was made aware that this item was to be considered this evening by virtue of its inclusion on the legally publicly noticed agenda, posting of the same agenda and reports on the City's website and/or notice in the *South Pasadena Review* and/or the *Pasadena Star-News*.

**Attachments**

1. Urgency Ordinance establishing a 45-day moratorium on evictions for substantial remodels
2. Assembly Bill No. 1482
3. Proposed ordinance from October 21, 2020 public comment

**Attachment 1**

**ORDINANCE NO. \_\_\_\_**

**AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE  
CITY OF SOUTH PASADENA, CALIFORNIA,  
ESTABLISHING AN INTERIM MORATORIUM ON EVICTIONS  
OF RESIDENTIAL TENANCIES DUE TO SUBSTANTIAL  
REMODELLING OR DEMOLITION OF THE UNIT IN THE  
CITY OF SOUTH PASADENA, AND DECLARING THE  
URGENCY THEREOF**

**WHEREAS**, effective January 1, 2020, Assembly Bill 1482 (2019-2020, the “Tenant Protection Act of 2019”), established state-wide just cause eviction protections intended to “help families afford to keep a roof over their heads, and...will provide California with important new tools to combat our state’s broader housing and affordability crisis.”

**WHEREAS**, the eviction protections of AB 1482 allow for a “no fault” just cause eviction of a tenant where the property owner intends to demolish or remodel the unit requiring the tenant to vacate for a minimum of 30 days; and

**WHEREAS**, tenants of residential real property in South Pasadena have recently reported that the evictions for alleged purposes of substantial remodeling have been served by property owners who have not substantiated the eviction with building permits or other appropriate notice, thereby taking advantage of an unintended loophole for property owners to make unwarranted claims that they are conducting substantial remodels to issue no-fault eviction notices; and

**WHEREAS**, without a temporary moratorium on evictions for purposes of “substantial remodeling” or demolition of the unit, tenants will suffer harm which is not adequately addressed by the one month of relocation benefits required under AB 1482 and the City will suffer immediate harm in the loss of a dwelling unit in the case of intended demolition; and

**WHEREAS**, the City Council finds that an urgency measure is necessary and essential to prevent the irreparable injury tenants would suffer due to the unintended loophole in AB 1482; and

**WHEREAS**, the City Council finds that an urgency measure is necessary and essential to further the important interests of the State in passing of AB 1482, which law the City supports; and

**WHEREAS**, the City Council desires to adopt an urgency ordinance to establish no-fault termination of tenancy provisions that are more protective than Civil Code Section 1946.2, which may include a) additional procedures to justify an intended “substantial remodel,” or demolition, including the requirement to obtain permits prior to issuing a Notice of Termination, and b) additional relocation benefits in excess of one month’s rent; and

**WHEREAS**, these issues constitute a current and immediate threat to the public health, safety and welfare, within the meaning of Government Code Section 65858; and

**WHEREAS**, for reasons set forth above, this ordinance is declared by the City Council to be necessary for immediate preservation of the public peace, health, and safety, and the recitals above taken together constitute the City Council’s statements of the reasons constituting such necessity and urgency.

**WHEREAS**, adoption of this ordinance is exempt from review under the California Environmental Quality Act (“CEQA”) pursuant to the following, each a separate and independent basis: CEQA Guideline section 15183 (“Action Consistent with the General Plan and Zoning”); section 15378 (“No Project”); and section 15061(b)(3) (“No Significant Environmental Impact”).

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:**

**Section 1.** The emergency findings set forth in the Recitals above are true and correct and incorporated by reference into this ordinance.

**Section 2.** As of October 21, 2020, no eviction of any tenant within the City of South Pasadena for reasons of vacation of the unit for the purpose of substantial remodel or demolition as defined by 1946.2(b)(2)(D)(ii), shall be effective unless building permits were first secured from the City of South Pasadena, and the tenant was provided with copies of the building permit(s) and a written detailed account of the scope of work, why the work cannot be reasonably accomplished in a safe manner with the tenant in place, and why the work cannot be completed within 30 days.

**Section 3.** City staff shall promptly commence studies they may deem necessary and appropriate to make a recommendation to the City Council regarding an amendment to the City’s Municipal Code regarding additional tenant protections pertaining to just cause evictions, the amount and scope of relocation benefits paid to tenants evicted for “no fault” just cause, which are more protective than as provided by AB 1482. Pursuant to Government Code Section 65858(d), City staff shall prepare and submit for City Council adoption at least 10 days prior to the expiration of this interim ordinance or any extension hereof, a written report describing the measures taken to alleviate the conditions which lead to the adoption of this interim ordinance.

**Section 4.** CEQA. The City Council hereby finds and determines that this ordinance is not subject to the requirements of the California Environmental Quality Act (“CEQA”), pursuant to CEQA Guideline section 15183 (“Action Consistent with General Plan and Zoning”); section 15378 (“No Project”), and section 15061(b)(3) (“No Significant Environmental Impact”).

**Section 5.** Severability. If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held by a court of competent jurisdiction to be invalid, or otherwise not in force or effect, such decision shall not affect the validity, force, or effect, of the remaining portions of this ordinance. The City Council declares that it would have adopted this ordinance

and each section, subsection, sentence, clause, and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid or otherwise not in force or effect.

**Section 6. Immediate Effect.** This ordinance is adopted by a 4/5 vote of the South Pasadena City Council, and shall take effect immediately upon its adoption as provided by Government Code Section 65858, and shall be of no further force at 11:59 p.m. on December 18, 2020 (which is 45 days after adoption) unless extended or terminated by further action of the City Council.

**Section 7. Certification.** The City Clerk shall certify to the passage and adoption of this Ordinance and shall cause the same to be published or posted according to law.

**PASSED, APPROVED, and ADOPTED ON this 4<sup>th</sup> day of November, 2020.**

\_\_\_\_\_  
Robert S. Joe, Mayor

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Evelyn G. Zneimer, City Clerk  
(seal)

\_\_\_\_\_  
Teresa L. Highsmith, City Attorney

Date: \_\_\_\_\_

**I HEREBY CERTIFY** the foregoing resolution was duly adopted by the City Council of the City of South Pasadena, California, at a Regular Meeting held on the 4<sup>th</sup> day of November, 2020, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAINED:**

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Evelyn G. Zneimer, City Clerk

## **Attachment 2**



## Assembly Bill No. 1482

### CHAPTER 597

An act to add and repeal Sections 1946.2, 1947.12, and 1947.13 of the Civil Code, relating to tenancy.

[Approved by Governor October 8, 2019. Filed with Secretary of State October 8, 2019.]

#### LEGISLATIVE COUNSEL'S DIGEST

AB 1482, Chiu. Tenant Protection Act of 2019: tenancy: rent caps.

Existing law specifies that a hiring of residential real property, for a term not specified by the parties, is deemed to be renewed at the end of the term implied by law unless one of the parties gives written notice to the other of that party's intention to terminate. Existing law requires an owner of a residential dwelling to give notice at least 60 days prior to the proposed date of termination, or at least 30 days prior to the proposed date of termination if any tenant or resident has resided in the dwelling for less than one year, as specified. Existing law requires any notice given by an owner to be given in a prescribed manner, to contain certain information, and to be formatted, as specified.

This bill would, with certain exceptions, prohibit an owner, as defined, of residential real property from terminating a tenancy without just cause, as defined, which the bill would require to be stated in the written notice to terminate tenancy when the tenant has continuously and lawfully occupied the residential real property for 12 months, except as provided. The bill would require, for certain just cause terminations that are curable, that the owner give a notice of violation and an opportunity to cure the violation prior to issuing the notice of termination. The bill, if the violation is not cured within the time period set forth in the notice, would authorize a 3-day notice to quit without an opportunity to cure to be served to terminate the tenancy. The bill would require, for no-fault just cause terminations, as specified, that the owner, at the owner's option, either assist certain tenants to relocate, regardless of the tenant's income, by providing a direct payment of one month's rent to the tenant, as specified, or waive in writing the payment of rent for the final month of the tenancy, prior to the rent becoming due. The bill would require the actual amount of relocation assistance or rent waiver provided to a tenant that fails to vacate after the expiration of the notice to terminate the tenancy to be recoverable as damages in an action to recover possession. The bill would provide that if the owner does not provide relocation assistance, the notice of termination is void. The bill would except certain properties and circumstances from the application of its provisions. The bill would require an owner of residential property to provide prescribed notice to a tenant of the tenant's rights under these

provisions. The bill would not apply to residential real property subject to a local ordinance requiring just cause for termination adopted on or before September 1, 2019, or to residential real property subject to a local ordinance requiring just cause for termination adopted or amended after September 1, 2019, that is more protective than these provisions, as defined. The bill would void any waiver of the rights under these provisions. The bill would repeal these provisions as of January 1, 2030.

Existing law governs the hiring of residential dwelling units and requires a landlord to provide specified notice to tenants prior to an increase in rent. Existing law, the Costa-Hawkins Rental Housing Act, prescribes statewide limits on the application of local rent control with regard to certain properties. That act, among other things, authorizes an owner of residential real property to establish the initial and all subsequent rental rates for a dwelling or unit that meets specified criteria, subject to certain limitations.

This bill would, until January 1, 2030, prohibit an owner of residential real property from, over the course of any 12-month period, increasing the gross rental rate for a dwelling or unit more than 5% plus the percentage change in the cost of living, as defined, or 10%, whichever is lower, of the lowest gross rental rate charged for the immediately preceding 12 months, subject to specified conditions. The bill would prohibit an owner of a unit of residential real property from increasing the gross rental rate for the unit in more than 2 increments over a 12-month period, after the tenant remains in occupancy of the unit over a 12-month period. The bill would exempt certain properties from these provisions. The bill would require the Legislative Analyst's Office to submit a report, on or before January 1, 2030, to the Legislature regarding the effectiveness of these provisions. The bill would provide that these provisions apply to all rent increases occurring on or after March 15, 2019. The bill would provide that in the event that an owner increased the rent by more than the amount specified above between March 15, 2019, and January 1, 2020, the applicable rent on January 1, 2020, shall be the rent as of March 15, 2019, plus the maximum permissible increase, and the owner shall not be liable to the tenant for any corresponding rent overpayment. The bill would authorize an owner who increased the rent by less than the amount specified above between March 15, 2019, and January 1, 2020, to increase the rent twice within 12 months of March 15, 2019, but not by more than the amount specified above. The bill would void any waiver of the rights under these provisions.

The Planning and Zoning Law requires the owner of an assisted housing development in which there will be an expiration of rental restrictions to, among other things, provide notice of the proposed change to each affected tenant household residing in the assisted housing development subject to specified procedures and requirements, and to also provide specified entities notice and an opportunity to submit an offer to purchase the development prior to the expiration of the rental restrictions.

This bill would authorize an owner of an assisted housing development, who demonstrates, under penalty of perjury, compliance with the provisions described above with regard to the expiration of rental restrictions, to

establish the initial unassisted rental rate for units without regard to the cap on rent increases discussed above, but would require the owner to comply with the above cap on rent increases for subsequent rent increases in the development. The bill would authorize an owner of a deed-restricted affordable housing unit or an affordable housing unit subject to a regulatory restriction contained in an agreement with a government agency limiting rental rates that is not within an assisted housing development to establish the initial rental rate for the unit upon the expiration of the restriction, but would require the owner to comply with the above cap on rent increases for subsequent rent increases for the unit. The bill would repeal these provisions on January 1, 2030. The bill would void any waiver of the rights under these provisions. By requiring an owner of an assisted housing development to demonstrate compliance with specified provisions under penalty of perjury, this bill would expand the existing crime of perjury and thus would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

*The people of the State of California do enact as follows:*

SECTION 1. This act shall be known, and may be cited, as the Tenant Protection Act of 2019.

SEC. 2. Section 1946.2 is added to the Civil Code, to read:

1946.2. (a) Notwithstanding any other law, after a tenant has continuously and lawfully occupied a residential real property for 12 months, the owner of the residential real property shall not terminate the tenancy without just cause, which shall be stated in the written notice to terminate tenancy. If any additional adult tenants are added to the lease before an existing tenant has continuously and lawfully occupied the residential real property for 24 months, then this subdivision shall only apply if either of the following are satisfied:

(1) All of the tenants have continuously and lawfully occupied the residential real property for 12 months or more.

(2) One or more tenants have continuously and lawfully occupied the residential real property for 24 months or more.

(b) For purposes of this section, “just cause” includes either of the following:

(1) At-fault just cause, which is any of the following:

(A) Default in the payment of rent.

(B) A breach of a material term of the lease, as described in paragraph (3) of Section 1161 of the Code of Civil Procedure, including, but not limited to, violation of a provision of the lease after being issued a written notice to correct the violation.



(C) Maintaining, committing, or permitting the maintenance or commission of a nuisance as described in paragraph (4) of Section 1161 of the Code of Civil Procedure.

(D) Committing waste as described in paragraph (4) of Section 1161 of the Code of Civil Procedure.

(E) The tenant had a written lease that terminated on or after January 1, 2020, and after a written request or demand from the owner, the tenant has refused to execute a written extension or renewal of the lease for an additional term of similar duration with similar provisions, provided that those terms do not violate this section or any other provision of law.

(F) Criminal activity by the tenant on the residential real property, including any common areas, or any criminal activity or criminal threat, as defined in subdivision (a) of Section 422 of the Penal Code, on or off the residential real property, that is directed at any owner or agent of the owner of the residential real property.

(G) Assigning or subletting the premises in violation of the tenant's lease, as described in paragraph (4) of Section 1161 of the Code of Civil Procedure.

(H) The tenant's refusal to allow the owner to enter the residential real property as authorized by Sections 1101.5 and 1954 of this code, and Sections 13113.7 and 17926.1 of the Health and Safety Code.

(I) Using the premises for an unlawful purpose as described in paragraph (4) of Section 1161 of the Code of Civil Procedure.

(J) The employee, agent, or licensee's failure to vacate after their termination as an employee, agent, or a licensee as described in paragraph (1) of Section 1161 of the Code of Civil Procedure.

(K) When the tenant fails to deliver possession of the residential real property after providing the owner written notice as provided in Section 1946 of the tenant's intention to terminate the hiring of the real property, or makes a written offer to surrender that is accepted in writing by the landlord, but fails to deliver possession at the time specified in that written notice as described in paragraph (5) of Section 1161 of the Code of Civil Procedure.

(2) No-fault just cause, which includes any of the following:

(A) (i) Intent to occupy the residential real property by the owner or their spouse, domestic partner, children, grandchildren, parents, or grandparents.

(ii) For leases entered into on or after July 1, 2020, clause (i) shall apply only if the tenant agrees, in writing, to the termination, or if a provision of the lease allows the owner to terminate the lease if the owner, or their spouse, domestic partner, children, grandchildren, parents, or grandparents, unilaterally decides to occupy the residential real property. Addition of a provision allowing the owner to terminate the lease as described in this clause to a new or renewed rental agreement or fixed-term lease constitutes a similar provision for the purposes of subparagraph (E) of paragraph (1).

(B) Withdrawal of the residential real property from the rental market.

(C) (i) The owner complying with any of the following:

(I) An order issued by a government agency or court relating to habitability that necessitates vacating the residential real property.

(II) An order issued by a government agency or court to vacate the residential real property.

(III) A local ordinance that necessitates vacating the residential real property.

(ii) If it is determined by any government agency or court that the tenant is at fault for the condition or conditions triggering the order or need to vacate under clause (i), the tenant shall not be entitled to relocation assistance as outlined in paragraph (3) of subdivision (d).

(D) (i) Intent to demolish or to substantially remodel the residential real property.

(ii) For purposes of this subparagraph, “substantially remodel” means the replacement or substantial modification of any structural, electrical, plumbing, or mechanical system that requires a permit from a governmental agency, or the abatement of hazardous materials, including lead-based paint, mold, or asbestos, in accordance with applicable federal, state, and local laws, that cannot be reasonably accomplished in a safe manner with the tenant in place and that requires the tenant to vacate the residential real property for at least 30 days. Cosmetic improvements alone, including painting, decorating, and minor repairs, or other work that can be performed safely without having the residential real property vacated, do not qualify as substantial rehabilitation.

(c) Before an owner of residential real property issues a notice to terminate a tenancy for just cause that is a curable lease violation, the owner shall first give notice of the violation to the tenant with an opportunity to cure the violation pursuant to paragraph (3) of Section 1161 of the Code of Civil Procedure. If the violation is not cured within the time period set forth in the notice, a three-day notice to quit without an opportunity to cure may thereafter be served to terminate the tenancy.

(d) (1) For a tenancy for which just cause is required to terminate the tenancy under subdivision (a), if an owner of residential real property issues a termination notice based on a no-fault just cause described in paragraph (2) of subdivision (b), the owner shall, regardless of the tenant’s income, at the owner’s option, do one of the following:

(A) Assist the tenant to relocate by providing a direct payment to the tenant as described in paragraph (3).

(B) Waive in writing the payment of rent for the final month of the tenancy, prior to the rent becoming due.

(2) If an owner issues a notice to terminate a tenancy for no-fault just cause, the owner shall notify the tenant of the tenant’s right to relocation assistance or rent waiver pursuant to this section. If the owner elects to waive the rent for the final month of the tenancy as provided in subparagraph (B) of paragraph (1), the notice shall state the amount of rent waived and that no rent is due for the final month of the tenancy.

(3) (A) The amount of relocation assistance or rent waiver shall be equal to one month of the tenant’s rent that was in effect when the owner issued

the notice to terminate the tenancy. Any relocation assistance shall be provided within 15 calendar days of service of the notice.

(B) If a tenant fails to vacate after the expiration of the notice to terminate the tenancy, the actual amount of any relocation assistance or rent waiver provided pursuant to this subdivision shall be recoverable as damages in an action to recover possession.

(C) The relocation assistance or rent waiver required by this subdivision shall be credited against any other relocation assistance required by any other law.

(4) An owner's failure to strictly comply with this subdivision shall render the notice of termination void.

(e) This section shall not apply to the following types of residential real properties or residential circumstances:

(1) Transient and tourist hotel occupancy as defined in subdivision (b) of Section 1940.

(2) Housing accommodations in a nonprofit hospital, religious facility, extended care facility, licensed residential care facility for the elderly, as defined in Section 1569.2 of the Health and Safety Code, or an adult residential facility, as defined in Chapter 6 of Division 6 of Title 22 of the Manual of Policies and Procedures published by the State Department of Social Services.

(3) Dormitories owned and operated by an institution of higher education or a kindergarten and grades 1 to 12, inclusive, school.

(4) Housing accommodations in which the tenant shares bathroom or kitchen facilities with the owner who maintains their principal residence at the residential real property.

(5) Single-family owner-occupied residences, including a residence in which the owner-occupant rents or leases no more than two units or bedrooms, including, but not limited to, an accessory dwelling unit or a junior accessory dwelling unit.

(6) A duplex in which the owner occupied one of the units as the owner's principal place of residence at the beginning of the tenancy, so long as the owner continues in occupancy.

(7) Housing that has been issued a certificate of occupancy within the previous 15 years.

(8) Residential real property that is alienable separate from the title to any other dwelling unit, provided that both of the following apply:

(A) The owner is not any of the following:

(i) A real estate investment trust, as defined in Section 856 of the Internal Revenue Code.

(ii) A corporation.

(iii) A limited liability company in which at least one member is a corporation.

(B) (i) The tenants have been provided written notice that the residential property is exempt from this section using the following statement:



“This property is not subject to the rent limits imposed by Section 1947.12 of the Civil Code and is not subject to the just cause requirements of Section 1946.2 of the Civil Code. This property meets the requirements of Sections 1947.12 (d)(5) and 1946.2 (e)(8) of the Civil Code and the owner is not any of the following: (1) a real estate investment trust, as defined by Section 856 of the Internal Revenue Code; (2) a corporation; or (3) a limited liability company in which at least one member is a corporation.”

(ii) For a tenancy existing before July 1, 2020, the notice required under clause (i) may, but is not required to, be provided in the rental agreement.

(iii) For any tenancy commenced or renewed on or after July 1, 2020, the notice required under clause (i) must be provided in the rental agreement.

(iv) Addition of a provision containing the notice required under clause (i) to any new or renewed rental agreement or fixed-term lease constitutes a similar provision for the purposes of subparagraph (E) of paragraph (1) of subdivision (b).

(9) Housing restricted by deed, regulatory restriction contained in an agreement with a government agency, or other recorded document as affordable housing for persons and families of very low, low, or moderate income, as defined in Section 50093 of the Health and Safety Code, or subject to an agreement that provides housing subsidies for affordable housing for persons and families of very low, low, or moderate income, as defined in Section 50093 of the Health and Safety Code or comparable federal statutes.

(f) An owner of residential real property subject to this section shall provide notice to the tenant as follows:

(1) For any tenancy commenced or renewed on or after July 1, 2020, as an addendum to the lease or rental agreement, or as a written notice signed by the tenant, with a copy provided to the tenant.

(2) For a tenancy existing prior to July 1, 2020, by written notice to the tenant no later than August 1, 2020, or as an addendum to the lease or rental agreement.

(3) The notification or lease provision shall be in no less than 12-point type, and shall include the following:

“California law limits the amount your rent can be increased. See Section 1947.12 of the Civil Code for more information. California law also provides that after all of the tenants have continuously and lawfully occupied the property for 12 months or more or at least one of the tenants has continuously and lawfully occupied the property for 24 months or more, a landlord must provide a statement of cause in any notice to terminate a tenancy. See Section 1946.2 of the Civil Code for more information.”

The provision of the notice shall be subject to Section 1632.

(g) (1) This section does not apply to the following residential real property:

(A) Residential real property subject to a local ordinance requiring just cause for termination of a residential tenancy adopted on or before September 1, 2019, in which case the local ordinance shall apply.

(B) Residential real property subject to a local ordinance requiring just cause for termination of a residential tenancy adopted or amended after September 1, 2019, that is more protective than this section, in which case the local ordinance shall apply. For purposes of this subparagraph, an ordinance is “more protective” if it meets all of the following criteria:

(i) The just cause for termination of a residential tenancy under the local ordinance is consistent with this section.

(ii) The ordinance further limits the reasons for termination of a residential tenancy, provides for higher relocation assistance amounts, or provides additional tenant protections that are not prohibited by any other provision of law.

(iii) The local government has made a binding finding within their local ordinance that the ordinance is more protective than the provisions of this section.

(2) A residential real property shall not be subject to both a local ordinance requiring just cause for termination of a residential tenancy and this section.

(3) A local ordinance adopted after September 1, 2019, that is less protective than this section shall not be enforced unless this section is repealed.

(h) Any waiver of the rights under this section shall be void as contrary to public policy.

(i) For the purposes of this section, the following definitions shall apply:

(1) “Owner” and “residential real property” have the same meaning as those terms are defined in Section 1954.51.

(2) “Tenancy” means the lawful occupation of residential real property and includes a lease or sublease.

(j) This section shall remain in effect only until January 1, 2030, and as of that date is repealed.

SEC. 3. Section 1947.12 is added to the Civil Code, to read:

1947.12. (a) (1) Subject to subdivision (b), an owner of residential real property shall not, over the course of any 12-month period, increase the gross rental rate for a dwelling or a unit more than 5 percent plus the percentage change in the cost of living, or 10 percent, whichever is lower, of the lowest gross rental rate charged for that dwelling or unit at any time during the 12 months prior to the effective date of the increase. In determining the lowest gross rental amount pursuant to this section, any rent discounts, incentives, concessions, or credits offered by the owner of such unit of residential real property and accepted by the tenant shall be excluded. The gross per-month rental rate and any owner-offered discounts, incentives, concessions, or credits shall be separately listed and identified in the lease or rental agreement or any amendments to an existing lease or rental agreement.



(2) If the same tenant remains in occupancy of a unit of residential real property over any 12-month period, the gross rental rate for the unit of residential real property shall not be increased in more than two increments over that 12-month period, subject to the other restrictions of this subdivision governing gross rental rate increase.

(b) For a new tenancy in which no tenant from the prior tenancy remains in lawful possession of the residential real property, the owner may establish the initial rental rate not subject to subdivision (a). Subdivision (a) is only applicable to subsequent increases after that initial rental rate has been established.

(c) A tenant of residential real property subject to this section shall not enter into a sublease that results in a total rent for the premises that exceeds the allowable rental rate authorized by subdivision (a). Nothing in this subdivision authorizes a tenant to sublet or assign the tenant's interest where otherwise prohibited.

(d) This section shall not apply to the following residential real properties:

(1) Housing restricted by deed, regulatory restriction contained in an agreement with a government agency, or other recorded document as affordable housing for persons and families of very low, low, or moderate income, as defined in Section 50093 of the Health and Safety Code, or subject to an agreement that provides housing subsidies for affordable housing for persons and families of very low, low, or moderate income, as defined in Section 50093 of the Health and Safety Code or comparable federal statutes.

(2) Dormitories constructed and maintained in connection with any higher education institution within the state for use and occupancy by students in attendance at the institution.

(3) Housing subject to rent or price control through a public entity's valid exercise of its police power consistent with Chapter 2.7 (commencing with Section 1954.50) that restricts annual increases in the rental rate to an amount less than that provided in subdivision (a).

(4) Housing that has been issued a certificate of occupancy within the previous 15 years.

(5) Residential real property that is alienable separate from the title to any other dwelling unit, provided that both of the following apply:

(A) The owner is not any of the following:

(i) A real estate investment trust, as defined in Section 856 of the Internal Revenue Code.

(ii) A corporation.

(iii) A limited liability company in which at least one member is a corporation.

(B) (i) The tenants have been provided written notice that the residential real property is exempt from this section using the following statement:

“This property is not subject to the rent limits imposed by Section 1947.12 of the Civil Code and is not subject to the just cause requirements of Section 1946.2 of the Civil Code. This property meets the requirements of Sections

1947.12 (c)(5) and 1946.2 (e)(7) of the Civil Code and the owner is not any of the following: (1) a real estate investment trust, as defined by Section 856 of the Internal Revenue Code; (2) a corporation; or (3) a limited liability company in which at least one member is a corporation.”

(ii) For a tenancy existing before July 1, 2020, the notice required under clause (i) may, but is not required to, be provided in the rental agreement.

(iii) For a tenancy commenced or renewed on or after July 1, 2020, the notice required under clause (i) must be provided in the rental agreement.

(iv) Addition of a provision containing the notice required under clause (i) to any new or renewed rental agreement or fixed-term lease constitutes a similar provision for the purposes of subparagraph (E) of paragraph (1) of subdivision (b) of Section 1946.2.

(6) A duplex in which the owner occupied one of the units as the owner’s principal place of residence at the beginning of the tenancy, so long as the owner continues in occupancy.

(e) An owner shall provide notice of any increase in the rental rate, pursuant to subdivision (a), to each tenant in accordance with Section 827.

(f) (1) On or before January 1, 2030, the Legislative Analyst’s Office shall report to the Legislature regarding the effectiveness of this section and Section 1947.13. The report shall include, but not be limited to, the impact of the rental rate cap pursuant to subdivision (a) on the housing market within the state.

(2) The report required by paragraph (1) shall be submitted in compliance with Section 9795 of the Government Code.

(g) For the purposes of this section, the following definitions shall apply:

(1) “Owner” and “residential real property” shall have the same meaning as those terms are defined in Section 1954.51.

(2) “Percentage change in the cost of living” means the percentage change from April 1 of the prior year to April 1 of the current year in the regional Consumer Price Index for the region where the residential real property is located, as published by the United States Bureau of Labor Statistics. If a regional index is not available, the California Consumer Price Index for All Urban Consumers for all items, as determined by the Department of Industrial Relations, shall apply.

(3) “Tenancy” means the lawful occupation of residential real property and includes a lease or sublease.

(h) (1) This section shall apply to all rent increases subject to subdivision (a) occurring on or after March 15, 2019. This section shall become operative January 1, 2020.

(2) In the event that an owner has increased the rent by more than the amount permissible under subdivision (a) between March 15, 2019, and January 1, 2020, both of the following shall apply:

(A) The applicable rent on January 1, 2020, shall be the rent as of March 15, 2019, plus the maximum permissible increase under subdivision (a).

(B) An owner shall not be liable to the tenant for any corresponding rent overpayment.

(3) An owner of residential real property subject to subdivision (a) who increased the rental rate on that residential real property on or after March 15, 2019, but prior to January 1, 2020, by an amount less than the rental rate increase permitted by subdivision (a) shall be allowed to increase the rental rate twice, as provided in paragraph (2) of subdivision (a), within 12 months of March 15, 2019, but in no event shall that rental rate increase exceed the maximum rental rate increase permitted by subdivision (a).

(i) Any waiver of the rights under this section shall be void as contrary to public policy.

(j) This section shall remain in effect until January 1, 2030, and as of that date is repealed.

(k) (1) The Legislature finds and declares that the unique circumstances of the current housing crisis require a statewide response to address rent gouging by establishing statewide limitations on gross rental rate increases.

(2) It is the intent of the Legislature that this section should apply only for the limited time needed to address the current statewide housing crisis, as described in paragraph (1). This section is not intended to expand or limit the authority of local governments to establish local policies regulating rents consistent with Chapter 2.7 (commencing with Section 1954.50), nor is it a statement regarding the appropriate, allowable rental rate increase when a local government adopts a policy regulating rent that is otherwise consistent with Chapter 2.7 (commencing with Section 1954.50).

(3) Nothing in this section authorizes a local government to establish limitations on any rental rate increases not otherwise permissible under Chapter 2.7 (commencing with Section 1954.50), or affects the existing authority of a local government to adopt or maintain rent controls or price controls consistent with that chapter.

SEC. 4. Section 1947.13 is added to the Civil Code, to read:

1947.13. (a) Notwithstanding Section 1947.12, upon the expiration of rental restrictions, the following shall apply:

(1) The owner of an assisted housing development who demonstrates, under penalty of perjury, compliance with all applicable provisions of Sections 65863.10, 65863.11, and 65863.13 of the Government Code and any other applicable law or regulation intended to promote the preservation of assisted housing, may establish the initial unassisted rental rate for units in the applicable housing development. Any subsequent rent increase in the development shall be subject to Section 1947.12.

(2) The owner of a deed-restricted affordable housing unit or an affordable housing unit subject to a regulatory restriction contained in an agreement with a government agency limiting rental rates that is not within an assisted housing development may establish the initial rental rate for the unit upon the expiration of the restriction. Any subsequent rent increase for the unit shall be subject to Section 1947.12.

(b) For purposes of this section:

(1) “Assisted housing development” has the same meaning as defined in paragraph (3) of subdivision (a) of Section 65863.10 of the Government Code.

(2) “Expiration of rental restrictions” has the same meaning as defined in paragraph (5) of subdivision (a) of Section 65863.10 of the Government Code.

(c) This section shall remain in effect until January 1, 2030, and as of that date is repealed.

(d) Any waiver of the rights under this section shall be void as contrary to public policy.

SEC. 5. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

**Attachment 3**

October 21, 2020

General Public Comment: Demand for a local urgency ordinance to protect tenants.

We respectfully request that the City Council enact an urgency ordinance to strengthen eviction protections for South Pasadena tenants in furtherance of public peace, health, and safety under Article XI, Section 7, of the California Constitution, and in compliance with Government Code § 36937. The proposed legislation is designed to stem the tide of evictions served under the pretense of “substantial remodeling,” also known as “renovictions.” Such evictions require no proof by landlords that any remodeling will actually be performed, much less that remodeling will be substantial.

The proposed ordinance builds on state law by requiring landlords to obtain all necessary permits in advance of issuing an eviction notice, and describe in the eviction notice the nature of the remodel and why it requires the tenant to vacate for at least 30 days. The proposed ordinance also increases relocation assistance to tenants when a property owner removes rental housing from the market. Such protections are expressly authorized by state law.<sup>1</sup> Similar just cause ordinances to prevent ‘renovictions’ have been enacted by Long Beach, San Francisco, Richmond, and a number of other cities.

In response to this proposal for stronger eviction protections, some in the city have suggested that offering a few webinars to educate renters about their rights is sufficient.<sup>2</sup> We disagree. As federal stimulus talks fail, renters are bracing for a wave of evictions.<sup>3</sup> We saw renovictions in South Pasadena this summer, in violation of the L.A. County eviction moratorium no less. The problem is not theoretical. Educating tenants about protections they don’t have is no solution at all.

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<sup>1</sup> Where the local just cause ordinance is more protective than state law, the local ordinance shall apply. Civil Code § 1946.2(g)(1)(B). The Assembly Floor Analysis of AB 1482 states, “This bill protects existing ordinances while allowing local governments in the future to adopt new ordinances that are more protective of tenants than this bill...[A]ny jurisdiction may adopt a new just cause ordinance or amend an existing one provided that at a minimum it provides the same level of protection from eviction that this bill does. With new or amended ordinances, jurisdictions can go further than this bill by limiting causes, providing greater relocation assistance, or adding stronger tenant protections. However, they cannot enforce a new or amended ordinance that is weaker.”

<sup>2</sup> On October 13, city staff asked the Planning Commission to recommend to the City Council continuing with Housing Rights Center education and outreach, and adoption of an Occupancy Inspection Ordinance—ostensibly in response to advocates’ request for stronger eviction protections. The Planning Commission discussed tenant protections, and city officials responded to the Commissioners’ concerns by stating that if the Housing Rights Center educates renters about their rights, no further action is needed. City Attorney Highsmith also argued that South Pasadena’s status as a general law city precludes it from expanding on state eviction protections, though the plain language and legislative intent of AB 1482 do not support her position.

<sup>3</sup> “With Stimulus Talks Stalled, Renters—and Landlords—Brace for New Wave of Evictions,” NBC News, October 7, 2020. <https://www.nbcnews.com/business/business-news/stimulus-talks-stalled-renters-landlords-brace-new-wave-evictions-n1242466?fbclid=IwAR3pN-5rKLGcGFn-ICVVumf8XNBVTNtaiy4Zda6DDkctwOTNsAcnojRxbC8>

We demand action, not placation. Please pass the attached urgency ordinance effective immediately.

Signed,

1. Sean Abajian
2. Evelyn Allen
3. Alexander Aquino
4. Anne Bagasao
5. Matthew Barbato
6. David Beadle
7. Sierra Betinis
8. Katrina Bleckley
9. Lauren Bronco
10. Anny Celsi
11. Amber Chen
12. Janna Conner-Niclaes
13. Jennifer De Ladurantey
14. Grace Dennis
15. Alan Ehrlich
16. Justin Ehrlich
17. Stephanie Ehrlich
18. Elisabeth Eilers
19. Teresa Eilers
20. Owen Ellickson
21. Betty Emirharian
22. Sarah Erlich
23. Rachel Hamilton
24. Michelle Hammond
25. Joseph Hernandez
26. Will Hoadley-Brill
27. Matthew Hubbard
28. Mariana Huerta Jones
29. Che Hurley
30. Ella Hushagen
31. Amy Jones
32. William Kelly
33. Afshin Ketabi
34. Kristen Kuhlman
35. Caitlin Lainoff
36. Anthony Le Beau
37. Emilia Lomeli
38. Sofia Lopez
39. Casey MacGregor-Toshima
40. Ian Marshall
41. Jan Marshall
42. Richard Marshall
43. Abby McCrate
44. Linda McDermott
45. Sally McKissick
46. Banjong Muninnopmas
47. Adam Murray
48. Robyn Nedelcu
49. Raf Niclaes
50. Juana Perez
51. Noah Perez-Silverman
52. FJ Pratt
53. Andrea Seigel
54. Allie Schreiner
55. Delaine Shane
56. Alexandra Shannon
57. Sean Singleton
58. John Srebalus
59. Levi Srebalus
60. Karen Taylor
61. Katie Telser
62. Andrew Terhune
63. Cassandra Terhune
64. Madeline Tolle
65. Helen Tran
66. Judith Trout
67. Amy Turk
68. Madeline Veach
69. John Wang
70. Jean Yu
71. Brandon James Yung
72. Evelyn G. Zneimer



**ORDINANCE NO. \_\_\_\_**

**AN ORDINANCE OF THE CITY COUNCIL OF THE  
CITY OF SOUTH PASADENA AMENDING THE SOUTH PASADENA  
MUNICIPAL CODE BY ADDING ARTICLE IX,  
RELATING TO JUST CAUSE FOR TERMINATION OF  
TENANCIES AND DECLARING THE URGENCY THEREOF**

**WHEREAS**, the California State Legislature adopted the Tenant Protection Act of 2019 (the “Act”), and the Act became effective by its own terms as of January 1, 2020; and

**WHEREAS**, the Act provides certain tenants of residential real property with just cause eviction protections under certain circumstances; and

**WHEREAS**, the Act provides that a local ordinance adopted after September 1, 2019 requiring just cause for termination of a residential tenancy shall supersede California Civil Code Section 1946.2 only if the ordinance is “more protective” than Section 1946.2; and

**WHEREAS**, the City Council finds that an urgency measure is necessary and essential to prevent the irreparable injury tenants would suffer from eviction and displacement during a pandemic or at any time during a statewide housing shortage; and

**WHEREAS**, the City Council finds that an urgency measure is necessary and essential to further the important interests of the State in passing the Act, which law the City supports, and to strengthen provisions of the Act susceptible to abuse; and

**WHEREAS**, in South Pasadena there have been several reports of no-fault evictions, some during the Los Angeles County eviction moratorium, initiated under the substantial remodeling provision of the Act, yet providing no evidence of substantial remodeling as defined in the Act; and

**WHEREAS**, the City Council desires to adopt an ordinance with just cause termination of tenancy provisions that are more protective than Civil Code Section 1946.2; and

**WHEREAS**, certain aspects of public peace, health, and safety in the City are not adequately protected presently, because of the lack of regulation of certain no-fault evictions from residential rental housing, and it is in the interest of the City, of owners and residents of rental units, and of the community as a whole to protect affordable housing within the City and prevent displacement during a pandemic; and

**WHEREAS**, the City Council has the power to enact an urgency ordinance, not in conflict with general laws, as necessary to protect public peace, health, and safety, via exercise of the powers provided to cities in Article XI, Section 7, of the California Constitution, and in compliance with Government Code section 36937.



**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:**

**SECTION 1.** ARTICLE IX is added to the South Pasadena Municipal Code to read as follows:

**ARTICLE IX  
JUST CAUSE FOR TERMINATION OF TENANCIES**

**Chapter 9.150** Findings and purpose.

(a) In accordance with California Civil Code Section 1946.2(g)(1)(B), the City Council finds that the provisions of this Article IX regulating just cause terminations of tenancies are more protective than California Civil Code Section 1946.2 for the following reasons:

(1) The just cause for termination of a residential tenancy under this Article IX is consistent with California Civil Code Section 1946.2.

(2) This Article IX provides additional tenant protections that are not prohibited by any other provisions of applicable law.

**Chapter 9.152** Just cause termination of tenancy protections.

(a) Notwithstanding any other law, after a tenant has continuously and lawfully occupied a residential real property for 12 months, the owner of the residential real property shall not terminate the tenancy without just cause, which shall be stated in the written notice to terminate tenancy. If any additional adult tenants are added to the lease before an existing tenant has continuously and lawfully occupied the residential real property for 24 months, then this subdivision shall only apply if either of the following are satisfied:

(1) All of the tenants have continuously and lawfully occupied the residential real property for 12 months or more.

(2) One or more tenants have continuously and lawfully occupied the residential real property for 24 months or more.

(b) For purposes of this ~~Section~~Chapter, “just cause” includes either of the following:

(1) At-fault just cause, which is any of the following:

(A) Default in the payment of rent.

(B) A breach of a material term of the lease, as described in paragraph (3) of Section 1161 of the **California** Code of Civil Procedure, including, but not limited to, violation of a provision of the lease after being issued a written notice to correct the violation.

(C) Maintaining, committing, or permitting the maintenance or commission of a nuisance as described in paragraph (4) of Section 1161 of the **California** Code of Civil Procedure.

(D) Committing waste as described in paragraph (4) of Section 1161 of the **California** Code of Civil Procedure.

(E) The tenant had a written lease that terminated on or after January 1, 2020, and after a written request or demand from the owner, the tenant has refused to execute a written extension or renewal of the lease for an additional term of similar duration with similar provisions, provided that those terms do not violate this ~~Section~~**Chapter** or any other provision of law.

(F) Criminal activity by the tenant on the residential real property, including any common areas, or any criminal activity or criminal threat, as defined in subdivision (a) of Section 422 of the **California** Penal Code, on or off the residential real property, that is directed at any owner or agent of the owner of the residential real property.

(G) Assigning or subletting the premises in violation of the tenant's lease, as described in paragraph (4) of Section 1161 of the **California** Code of Civil Procedure.

(H) The tenant's refusal to allow the owner to enter the residential real property as authorized by Sections 1101.5 and 1954 of ~~this code~~ the **California Civil Code**, and Sections 13113.7 and 17926.1 of the **California** Health and Safety Code.

(I) Using the premises for an unlawful purpose as described in paragraph (4) of Section 1161 of the **California** Code of Civil Procedure.

(J) The employee, agent, or licensee's failure to vacate after their termination as an employee, agent, or a licensee as described in paragraph (1) of Section 1161 of the **California** Code of Civil Procedure.

(K) When the tenant fails to deliver possession of the residential real property after providing the owner written notice as provided in Section 1946 of the **California Civil Code** of the tenant's intention to terminate the hiring of the real property, or makes a written offer to surrender that is accepted in writing by the landlord, but fails to deliver possession at the time specified in that written notice as described in paragraph (5) of Section 1161 of the **California** Code of Civil Procedure.

(2) No-fault just cause, which includes any of the following:

(A) (i) Intent to occupy the residential real property by the owner or their spouse, domestic partner, children, grandchildren, parents, or grandparents.

(ii) For leases entered into on or after July 1, 2020, clause (i) shall apply only if the tenant agrees, in writing, to the termination, or if a provision of the lease allows the owner to terminate the lease if the owner, or their spouse, domestic partner, children, grandchildren, parents, or grandparents, unilaterally decides to occupy the residential real property. Addition of a provision allowing the owner to terminate the lease as described in this clause to a new or renewed rental agreement or fixed-term lease constitutes a similar provision for the purposes of subparagraph (E) of paragraph (1).

(B) Withdrawal of the residential real property from the rental market.

(C) (i) The owner complying with any of the following:

(I) An order issued by a government agency or court relating to habitability that necessitates vacating the residential real property.

(II) An order issued by a government agency or court to vacate the residential real property.

(III) A local ordinance that necessitates vacating the residential real property.

(ii) If it is determined by any government agency or court that the tenant is at fault for the condition or conditions triggering the order or need to vacate under clause (i), the tenant shall not be entitled to relocation assistance as outlined in paragraph (3) of subdivision (d).

(D) (i) Intent to demolish or to substantially remodel the residential real property.

(ii) For purposes of this subparagraph, “substantially remodel” means the replacement or substantial modification of any structural, electrical, plumbing, or mechanical system that requires a permit from a governmental agency, or the abatement of hazardous materials, including lead-based paint, mold, or asbestos, in accordance with applicable federal, state, and local laws, that cannot be reasonably accomplished in a safe manner with the tenant in place and that requires the tenant to vacate the residential real property for at least 30 days. Cosmetic improvements alone, including painting, decorating, and minor repairs, or other work that can be performed safely without having the residential real property vacated, do not qualify as substantial rehabilitation.

(c) Before an owner of residential real property issues a notice to terminate a tenancy for just cause that is a curable lease violation, the owner shall first give notice of the violation to the tenant with an opportunity to cure the violation pursuant to paragraph (3) of Section 1161 of the **California** Code of Civil Procedure. If the violation is not cured within the time period set forth in the notice, a three-day notice to quit without an opportunity to cure may thereafter be served to terminate the tenancy.

(d) All pending notices of termination issued on or after January 1, 2020 but before the effective date of this Chapter by a residential real property owner for no-fault just cause described in subparagraph 2(D) of subdivision (b) shall be null and void and of no force or effect. Before an owner of residential real property issues a notice to terminate a tenancy for no-fault just cause described in subparagraph 2(D) of subdivision (b), the owner shall have obtained all necessary permits for the substantial remodel from all applicable governmental agencies. All termination notices for no-fault just cause described in subparagraph 2(D) of subdivision (b) shall include a copy of all issued permits and include reasonably detailed information regarding each of (i) the scope of the substantial remodeling work, (ii) why it cannot be reasonably accomplished in a safe manner with the tenant in place, and (iii) why it requires the tenant to vacate for at least 30 days.

(de) (1) For a tenancy for which just cause is required to terminate the tenancy under subdivision (a), if an owner of residential real property issues a termination notice based on a no-fault just cause described in subparagraphs 2(A), 2(C) or 2(D) of subdivision (b), the owner shall, regardless of the tenant's income, at the owner's option, do one of the following:

(A) Assist the tenant to relocate by providing a direct payment to the tenant as described in subparagraph 4(A).

(B) Waive in writing the payment of rent for the final month of the tenancy, prior to the rent becoming due.

(2) For a tenancy for which just cause is required to terminate the tenancy under subdivision (a), if an owner of residential real property issues a termination notice based on withdrawal of the residential real property from the rental market under subparagraph 2(B) of subdivision (b), the owner shall, regardless of the tenant's income, assist the tenant to relocate by providing a direct payment to the tenant as described in subparagraph 4(B).

(3) If an owner issues a notice to terminate a tenancy for no-fault just cause, the owner shall notify the tenant of the tenant's right to relocation assistance or rent waiver pursuant to this ~~Section~~Chapter. If the owner elects to waive the rent for the final month of the tenancy as provided in subparagraph (B) of paragraph (1), the notice shall state the amount of rent waived and that no rent is due for the final month of the tenancy.

(4) (A) If an owner of residential real property issues a notice to terminate a tenancy based on a no-fault just cause described in subparagraphs 2(A), 2(C) or 2(D) of subdivision (b), the amount of relocation assistance or rent waiver shall be equal to one month of the tenant's rent that was in effect when the owner issued the notice to terminate the tenancy. Any relocation assistance shall be provided within 15 calendar days of service of the notice.

(B) If an owner of residential real property issues a notice to terminate a tenancy based on withdrawal of the residential real property from the rental market under subparagraph 2(B) of subdivision (b),

(i) The amount of relocation assistance payment per tenant shall, for notices to terminate a tenancy issued between October 15, 2020, and December 31, 2020, be equal to \$5,748, with a maximum payment per unit not to exceed \$17,244. An additional payment equal to \$3,832 shall be due each elderly (62 years or older) or disabled tenant.<sup>1</sup> Payment amounts shall be adjusted annually beginning the first day of January, 2021, according to the percentage increase in the area Consumer Price Index.

(ii) Half of any relocation assistance shall be provided within 15 days of service of the notice to terminate the tenancy. The other half shall be provided within three business days upon certification that the tenant has vacated the rental unit by no more than two calendar days after the date provided in the notice to terminate the tenancy, as extended (if applicable).

(C) If a tenant fails to vacate after the expiration of the notice to terminate the tenancy, the actual amount of any relocation assistance or rent waiver provided pursuant to this subdivision shall be recoverable as damages in an action to recover possession.

(D) The relocation assistance or rent waiver required by this subdivision shall be credited against any other relocation assistance required by any other law.

(5) An owner's failure to strictly comply with this subdivision shall render the notice of termination void.

(ef) This ~~Section~~Chapter shall not apply to the following types of residential real properties or residential circumstances:

(1) Transient and tourist hotel occupancy as defined in subdivision (b) of Section 1940 of the California Civil Code.

(2) Housing accommodations in a nonprofit hospital, religious facility, extended care facility, licensed residential care facility for the elderly, as defined in Section 1569.2 of the California Health and Safety Code, or an adult residential facility, as defined in Chapter 6 of Division 6 of Title 22 of the Manual of Policies and Procedures published by the California State Department of Social Services.

(3) Dormitories owned and operated by an institution of higher education or a kindergarten and grades 1 to 12, inclusive, school.

(4) Housing accommodations in which the tenant shares bathroom or kitchen facilities with the owner who maintains their principal residence at the residential real property.

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<sup>1</sup> San Francisco Residential Rent Stabilization and Arbitration Board, 578 Relocation Payments—37.9A 1/29/20 [Adjusted here for 20.5% Bankrate.com cost of living discount.] For alternate calculation on a per-unit basis, *see also* City of Richmond, Notice of Entitlement to Permanent Relocation Payment and, in Some Instances, a Greater Amount of Permanent Relocation Payment. [http://www.ci.richmond.ca.us/DocumentCenter/View/51952/Relocation\\_Payment\\_Entitlement](http://www.ci.richmond.ca.us/DocumentCenter/View/51952/Relocation_Payment_Entitlement)

(5) Single-family owner-occupied residences, including a residence in which the owner-occupant rents or leases no more than two units or bedrooms, including, but not limited to, an accessory dwelling unit or a junior accessory dwelling unit.

(6) A duplex in which the owner occupied one of the units as the owner's principal place of residence at the beginning of the tenancy, so long as the owner continues in occupancy.

(7) Housing that has been issued a certificate of occupancy within the previous 15 years.

(8) Residential real property that is alienable separate from the title to any other dwelling unit, provided that both of the following apply:

(A) The owner is not any of the following:

(i) A real estate investment trust, as defined in Section 856 of the Internal Revenue Code.

(ii) A Corporation.

(iii) A limited liability company in which at least one member is a corporation.

(B) (i) The tenants have been provided written notice that the residential property is exempt from this ~~Section~~Chapter using the following statement:

“This property is not subject to the rent limits imposed by Section 194 7 .12 of the Civil Code and is not subject to the just cause requirements of Section 1946.2 of the Civil Code. This property meets the requirements of Sections 1947.12 (d)(5) and 1946.2 (e)(8) of the Civil Code and the owner is not any of the following: (1) a real estate investment trust, as defined by Section 856 of the Internal Revenue Code; (2) a corporation; or (3) a limited liability company in which at least one member is a corporation.”

(ii) For a tenancy existing before July 1, 2020, the notice required under clause (i) may, but is not required to, be provided in the rental agreement.

(iii) For any tenancy commenced or renewed on or after July 1, 2020, the notice required under clause (i) must be provided in the rental agreement.

(iv) Addition of a provision containing the notice required under clause (i) to any new or renewed rental agreement or fixed-term lease constitutes a similar provision for the purposes of subparagraph (E) of paragraph (1) of subdivision (b).

(9) Housing restricted by deed, regulatory restriction contained in an agreement with a government agency, or other recorded document as affordable housing for persons and

families of very low, low, or moderate income, as defined in Section 50093 of the **California** Health and Safety Code, or subject to an agreement that provides housing subsidies for affordable housing for persons and families of very low, low, or moderate income, as defined in Section 50093 of the **California** Health and Safety Code or comparable federal statutes.

(fg) An owner of residential real property subject to this ~~Section~~**Chapter** shall provide notice to the tenant as follows:

(1) For any tenancy commenced or renewed on or after July 1, 2020, as an addendum to the lease or rental agreement, or as a written notice signed by the tenant, with a copy provided to the tenant.

(2) For a tenancy existing prior to July 1, 2020, by written notice to the tenant no later than August 1, 2020, or as an addendum to the lease or rental agreement.

(3) The notification or lease provision shall be in no less than 12-point type, and shall include the following:

“California law limits the amount your rent can be increased. See Section 1947.12 of the Civil Code for more information. California law also provides that after all of the tenants have continuously and lawfully occupied the property for 12 months or more or at least one of the tenants has continuously and lawfully occupied the property for 24 months or more, a landlord must provide a statement of cause in any notice to terminate a tenancy. See Section 1946.2 of the Civil Code for more information.”

The provision of the notice shall be subject to Section 1632 **of the California Civil Code**.

~~(g) — (1) This section does not apply to the following residential real property:~~

~~(A) Residential real property subject to a local ordinance requiring just cause for termination of a residential tenancy adopted on or before September 1, 2019, in which case the local ordinance shall apply.~~

~~(B) Residential real property subject to a local ordinance requiring just cause for termination of a residential tenancy adopted or amended after September 1, 2019, that is more protective than this section, in which case the local ordinance shall apply. For purposes of this subparagraph, an ordinance is "more protective" if it meets all of the following criteria:~~

~~(i) The just cause for termination of a residential tenancy under the local ordinance is consistent with this section.~~

~~(ii) The ordinance further limits the reasons for termination of a residential tenancy, provides for higher relocation assistance amounts, or provides additional tenant protections that are not prohibited by any other provision of law.~~



~~(iii) The local government has made a binding finding within their local ordinance that the ordinance is more protective than the provisions of this section.~~

~~(2) A residential real property shall not be subject to both a local ordinance requiring just cause for termination of a residential tenancy and this section.~~

~~(3) A local ordinance adopted after September 1, 2019, that is less protective than this section shall not be enforced unless this section is repealed.~~

(h) Any waiver of the rights under this ~~Section~~ **Chapter** shall be void as contrary to public policy.

(i) For the purposes of this ~~Section~~ **Article**, the following definitions shall apply:

(1) “Owner” and “residential real property” have the same meaning as those terms are defined in Section 1954.51 ~~of the California Civil Code~~.

(2) “Tenancy” means the lawful occupation of residential real property and includes a lease or sublease.

**SECTION 2.** This ordinance is an urgency ordinance duly adopted by the City Council by a vote of \_\_\_ of its members and shall take effect at 12:00 a.m. on \_\_\_\_\_, 2020. The City Clerk shall certify to a separate roll call and vote on the question of the emergency of this ordinance and to its passage by the vote of \_\_\_ members of the City Council of the City of South Pasadena, and cause the same to be posted in three conspicuous places in the City of South Pasadena.

**SECTION 3.** This ordinance shall also be adopted by the City Council as a regular ordinance, to the end that in the event of any defect or invalidity in connection with the adoption of this ordinance as an emergency ordinance, the same shall, nevertheless, be and become effective on the thirty-first (31st) day after it is approved by the Mayor.

**SECTION 4.** Certification. The City Clerk will certify to the passage and adoption of this Resolution and its approval by the City Council and shall cause the same to be listed in the records of the City.

**PASSED, APPROVED AND ADOPTED** on this \_\_\_th day of October, 2020.

---

Robert S. Joe, Mayor



**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Evelyn G. Zneimer, City Clerk

\_\_\_\_\_  
Teresa L. Highsmith, City Attorney

**I HEREBY CERTIFY** the foregoing resolution was duly adopted by the City Council of the City of South Pasadena, California, at a regular meeting held on the \_\_th day of October, 2020, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

\_\_\_\_\_  
Evelyn G. Zneimer, City Clerk  
(seal)



# City Council Agenda Report

ITEM NO. 14

**DATE:** November 4, 2020

**FROM:** Sean Joyce, Interim City Manager

**PREPARED BY:** Lucy Demirjian, Assistant to the City Manager

**SUBJECT:** **Receive and File a Presentation by the Chamber of Commerce and Approve Discretionary Fund Requests from Councilmember Cacciotti (\$2,000), Mayor Joe (\$3,000), and Councilmember Rossi (\$3,870) for Business District Holiday Lighting and Decorations**

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## Recommendation

It is recommended that the City Council:

1. Receive and file a presentation by the South Pasadena Chamber of Commerce (Chamber) on its plan for holiday lighting and decorations in the business district encouraging people to *Eat, Shop, and Enjoy South Pasadena*.
2. Approve discretionary fund requests by Councilmember Cacciotti, in the amount of (up to) \$2,000; Mayor Joe in the amount of \$3,000; and Councilmember Rossi, in the amount of \$3,870.

## Discussion/Analysis

On October 21, 2020, Councilmember Cacciotti made a motion to provide up to \$2,000 of his discretionary funds to the Chamber for holiday lighting, and decoration. He further requested a report from the Chamber on its plans for this holiday season to help him finalize his contribution. Mayor Joe requested \$3,000 and Councilmember Rossi requested \$3,870 of their respective discretionary funds be dedicated to the same effort.

The holiday season is always an important time for the success of our local businesses, and this year it is even more critical to encourage people shop local. The Chamber is working with SPARC and the City to create fun, safe alternatives in lieu of the regular holiday events to encourage residents and visitors to *Eat, Shop, Enjoy South Pasadena* during the holidays.

The Chamber is planning to offer the traditional tree lighting next to the Gold Line and will purchase lights and decorations. As many of the seasonal events and activities have been cancelled, including Breakfast with Santa, the Community Services Department will work with the Chamber and SPARC to create festive backdrops for photo opportunities at a few locations in town and decorate storefront windows for an attractive holiday shopping experience. The Chamber has prepared a plan that will be presented during the meeting, as requested by Councilmember Cacciotti.

Discretionary Fund Request for Business District Holiday Lighting & Banners

November 4, 2020

Page 2 of 3

**Background**

In September 2004, the City Council approved creation of discretionary spending budgets that allow each Councilmember the opportunity to fund projects or purchases that might not otherwise be funded in the approved budget. Discretionary funds must be used for a public purpose benefiting the City of South Pasadena. The Fiscal Year (FY) 2019-20 Budget includes \$20,000 of Discretionary Funds, which amounts to \$4,000 per Councilmember. On August 17, 2011, the City Council approved Resolution No. 7174 establishing guidelines for discretionary budget accounts. Resolution No. 7174 states that all funds not expended during the fiscal year shall be carried over to subsequent fiscal years, up to a maximum carryover amount of \$8,000 per Councilmember account. These allocated funds need not be encumbered by a purchase order to be carried over to the following fiscal year. The following table displays the current Discretionary Fund balances and includes the request being considered in the staff report.

City Councilmembers Discretionary Funds Fiscal Year 2019/20 and 2020/21					
	<u>Cacciotti</u>	<u>Joe</u>	<u>Khubesnian</u>	<u>Mahmud</u>	<u>Schneider</u>
Prior Year Balance Carryover Maximum>	\$10,000	\$10,000	\$9,750	\$10,000	10,000
Total with Current Year Allowance(Maximum Allowed \$10,000)	10,000	10,000	10,000	10,000	10,000
Date					
Pledged	Description				
8/21/2019	LA Mayor's Conference		5,000		
9/18/2019	Senior Center Luncheon		300		
11/20/2019	TOR in memory of Paul Abbey		1,000		
11/20/2019	SoPas Beautiful Post Office Project	1,000			
11/20/2019	Library Ray Bradbury Room fused glass			1,500	
12/4/2019	SoPas Beautiful Post Office Project	1,000			
5/6/2020	Thank You SP First Responders Banner		\$130		
5/20/2020	Festival of Balloons 2020	2,000	1,000		
6/4/2020	Conceptual drawing for hook ramp				6,000
7/1/2020	Library Ray Bradbury Room fused glass				4,000
7/15/2020	Street banner 2020 Census			1,527	
11/4/2020	Holiday lighting/banners for business district	<u>Cacciotti</u> 2,000	<u>Joe</u> 3,000	<u>Rossi</u> \$3,870	<u>Mahmud</u> <u>Schneider</u>
	<i>YTD Appropriations</i>	5,000	5,300	10,000	3,027 10,000
	<b>Available at 11/4/20</b>	<b>\$5,000</b>	<b>\$4,700</b>	<b>\$0</b>	<b>\$6,973 \$0</b>

**Legal Review**

The City Attorney has not reviewed this item.

**Fiscal Impact**

There are sufficient funds available in the proposed Fiscal Year 2020-21 City Council Discretionary Budget Account 101-1010-1011-8021

Discretionary Fund Request for Business District Holiday Lighting & Banners

November 4, 2020

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**Public Notification of Agenda Item**

The public was made aware that this item was to be considered this evening by virtue of its inclusion on the legally publicly noticed agenda, posting of the same agenda and reports on the City's website and/or notice in the *South Pasadena Review* and/or the *Pasadena Star-News*.

Attachment: Chamber of Commerce presentation

**Attachment 1**

THE SOUTH PASADENA  
CHAMBER OF COMMERCE

# Holidays 2020

*eat – shop – enjoy*  
**#StrollSouthPas**

THE SOUTH PASADENA  
CHAMBER OF COMMERCE

## Holiday Decorations

The Chamber will be installing “snowflake” holiday décor and lights on trees throughout the business district

- o 2 over-the-street light banners (Fair Oaks and Grevelia & Fair Oaks and Oxley)
- o 17 snowflake “pole décor” on street light poles
- o Lights on street trees on Mission at each intersection (17 trees)





## Partnering with Merchants

**Eat - Shop - Enjoy South Pasadena**  
**#StrollSouthPas**

A series of "events" to encourage people to shop local and 'Eat - Shop - Enjoy'

- 10/24 - Sidewalk Sale
- 11/21 - Launch the eat-shop-enjoy campaign tag lines - posters for windows
- 11/28 - Small Business Saturday - launching "Passport to South Pasadena"
- 12/3 - Santa Parade on Mission
- 12/12 - "Don't wait till the last minute"

The Chamber is conducting an advertising campaign including ads in local papers, print Social Media, our Website, and writing and distributing press releases

THE SOUTH PASADENA  
 CHAMBER OF COMMERCE

## Partnering with SPARC

- Photo spots - create cool locations for family photos
- Design Backdrops in vacant storefront windows
- Create spectacular tree décor.
  - In 2016, the city planted a Deodor cedar, and it's grown! It needs to be "dressed up" for the holidays
  - The tree is the "Official" holiday tree and the site of the annual Tree Lighting
  - Visible to people riding the Metro Gold Line and anyone visiting the Farmers' Market and nearby shops and restaurants







### Collaborating with the City

The Chamber will work with the city to coordinate some events that will encourage shoppers to safely explore, eat, shop and enjoy South Pasadena. Some of these events include:

A modified Holiday Tree Lighting – Thursday 12/3 at the Farmers’ Market to comply with Covid-19 guidelines.

Car Parade – Santa will be the guest of honor in a car parade throughout the business district.

Window decorating contest – Merchants will be invited to decorate their storefront windows with seasonal themes. Customers can vote for their favorites!



### PROPOSED BUDGET

Projects in progress:	
Holiday snowflake décor	\$ 2,500
Lights on street trees	\$14,000
Publicity	<u>\$ 2,000</u>
Subtotal:	\$18,500
Additional funding request:	
SPARC Partnership -	\$ 3,000
Additional lights on street trees	\$ 4,000
Shop Local banner – design	\$ 1,000
Other Promo (10% contingency)	<u>\$ 800</u>
Total Request:	\$ 8,800







# City Council Agenda Report

ITEM NO. 15

**DATE:** November 4, 2020

**FROM:** Sean Joyce, Interim City Manager

**PREPARED BY:** Elaine Aguilar, Interim Assistant City Manager

**SUBJECT:** **Finance Department Temporary Staffing Request**

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## **Recommendation**

It is recommended that the City Council:

1. Receive an update regarding the status of Finance Department projects; and
2. Allocate \$74,150 from General Fund Reserves to provide temporary, additional staffing assistance to complete the FY 2020 CAFR and FY 2020/2021 Budget; and
3. Authorize the Interim City Manager to sign employment agreements with the two (2) CALPERS annuitants, for a combined total salary amount not to exceed \$74,150.

## **Commission Review and Recommendation**

This matter was discussed by the Finance Commission, and the Commission recommended that additional, temporary staffing services be secured to ensure the prompt preparation of the 2020 Comprehensive Annual Financial Report (CAFR) and the 2020/2021 Budget.

## **Executive Summary**

This is a request for temporary staffing assistance for the Finance Department. The request is for two temporary staff members, one to assist with budget preparation (for an estimated period of 3 months, or approximately 480 hours) and a second position to assist with 2020 CAFR preparation (for an estimated period of 4 months, or approximately 640 hours.) Because of the unusual circumstance of preparing both documents simultaneously, there is a need for the two separate positions. The total estimated cost for both positions is \$74,150. These funds would be appropriated from General Fund Reserves. Further details are provided in this staff report.

## **Discussion/Analysis**

The Finance Department is behind in the preparation of important financial documents, updating internal financial processes, updating financial policies and procedures, and is experiencing delays responding to the Department's internal and external customers. There are many negative consequences resulting from the backlog. For example, delays providing up-to-date financial reports (revenues and expenditures) to the departments makes it more difficult for departments to track expenditures and manage their respective budgets. Delays providing financial reports to the public result in an eroding of the public trust. Delays providing financial information to the City Council can impact decision making. Additionally, there are state and debt reporting agencies that rely on City audit information. In a worse-case scenario, a prolonged delay responding to

bond rating agencies can result in a downgrade in the City’s bond rating, resulting in increased costs to the city.

The Department’s staff has been working diligently to get caught up, but with the current staffing it will take much longer than appropriate for the urgent projects to be completed and to simultaneously manage the routine tasks the Finance Department preforms, without falling further behind. Upon completion of the 2020 CAFR and the 2021 Budget, the Department will be caught up with CAFR and Budget preparation and will then able to return to regular preparation timelines. (See the two charts below.)

Timing Issues

Finance Department work is very cyclical in nature. There are processes performed at specific times of the month, quarter and annually. There are other external auditors (such as the MTA, and County) that audit specific funds and require the allocation of staff time. In addition to the routine assignments, there are the large projects, such as preparing annual budgets, mid-year budgets, and the CAFR that increase the staff workload during certain times of the year.

Under a regular schedule, the CAFR and Budget do not significantly overlap. See the chart below.

Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
								CAFR			
Mid-Year	Budget Review		Budget								

The City has a pressing need to prepare the 2020 CAFR, in addition to preparing the current Fiscal Year’s Budget (FY 2020-2021). Almost as soon as these financial documents are completed, it will be time to begin the next year’s budget and CAFR. In an ideal situation, with additional temporary staffing assistance, it is estimated that the 2021 Budget could be completed before January and the 2020 CAFR by March or April 2021. The anticipated schedule is shown below:

Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
											Budget FY21
Budget FY21											CAFR FY20
		CAFR FY20									
			Budget FY21/22								
								CAFR FY21			

In a normal situation, work on the CAFR and work on the Budget slightly overlap in the month of June. Under the current situation, both the Budget and CAFR preparation are occurring at the same time, and this increased workload is the primary reason for requesting two temporary positions. While the City would technically be returning to a “regular schedule” regarding the FY21/22 Budget and the FY 21 CAFR, the schedule on the previous page shows that there will continue to be some overlapping of staff’s efforts.

The proposed schedule assumes that the opportunities for public input regarding the 2021 Budget occurs at Commission and Council meetings. At the City Council’s direction, staff could schedule a special meeting for additional public input and review before final consideration by the City Council. Additional public input is possible, and at Council’s direction, staff could adjust the completion schedule. The primary purpose of this staff report is to seek approval of additional funding for the temporary staff positions, and not to discuss in detail the budget preparation process. It should be noted that the Finance Commission discussed this subject and recommended that staff begin working to complete the FY 2021 Budget as soon as possible and have public input occur at Commission and City Council meetings when the budget is presented.

Lastly, while work on the FY 2021 Budget and FY 2020 CAFR is anticipated to use almost all of the estimated hours to complete the projects, it is noted that there will be “down-time”, such as while Auditor begins their work, and staff is responding to the Auditor’s request for information. During this time, the temporary staff will be used to evaluate internal processes, make recommendations for improvement, assist in updating policies and procedures, and assist with other departmental assignments.

#### Temporary Staffing Request

Staff evaluated three temporary staffing alternatives.

1. Securing the services of CALPERS annuitants
2. Securing services through a contracted Financial consultant
3. Securing services from an Auditing firm.

The cost of securing a CALPERS annuitant is least expensive alternative. If one Director level position and one Manager level position are temporarily retained, the total cost for each of the alternatives is shown on the next page.

Annuitant	Financial Consultant	Auditing Firm
<p>Using the rate of \$76.96/hour (top step for Finance Director), and \$49.66 (top step for Finance Manager). The total estimated cost is:</p> <p>640 hours at \$76.96/hour = \$49,254</p> <p>480 hours @ \$49.66/hour = \$23,836</p> <p>\$73,090 plus 1.45% = \$74,150 (There are no benefits, holiday pay, etc. Except for the City's share of Medicare.)</p>	<p>The City has used a Financial Consulting company in the past, and the hourly rate was between \$100 to \$150/hour.</p> <p>1,120 hours at \$100/hour = \$112,000</p>	<p>In 2019 the City used the services of an Auditing firm, and the hourly cost was \$160.</p> <p>1,120 hours at \$160 per hour = \$179,200</p>

Aside from the costs, there are pros and cons for each of the alternatives. Staff recommends the retired annuitants because the individuals would be recently retired municipal finance or budget professionals, who are “hands-on technicians”, knowledgeable about municipal operations who will be able to step right in without much orientation. The expertise of personnel from CPA firms and consulting firms will be based upon the available staffing at the time. Staff believes that using experienced annuitants with 20+ years of hands-on experience will also greatly assist with training and mentoring the current staff and will bring substantial experience to South Pasadena. The benefits of using staff from a CPA/Auditing firm is that the firm’s professional reputation and additional licensing (CPAs for example), endorses their work.

Staff has identified one qualified CALPERS Annuitant, and will shortly have identified a second candidate. The annuitant performing the audit work would be retained at the Finance Director level (\$76.96/hour), while the annuitant performing the budget work would be retained at the Finance Manager level (49.66/hour). The City is retaining the annuitants’ services under Government Code Section 21224(a). This Government Code section permits the City to retain an annuitant’s services because they have specialized skills needed in performing work of a limited duration. The two temporary staffing positions satisfy this requirement. There are no benefits provided for these positions, other than required Medicare costs.

The Department currently has one temporary staff position that was approved at the June, 24, 2020 City Council meeting. The City Council authorized \$60,000 for temporary supplemental staffing and this position is being provided by Accountemps, A Robert Half Company. As of October 27, 2020, \$35,740 has been spent. There are adequate funds to complete the bank reconciliation process and possibly provide additional accounting assistance for the department. As of October 27<sup>th</sup>, bank reconciliations are complete through April 2020.

It is staff’s recommendation that \$74,150 be appropriated from General Fund Reserves for temporary staffing assistance and that the Interim City Manager be authorized to sign the employment agreements.

**Legal Review**

The City Attorney has reviewed this item.

**Fiscal Impact**

Depending upon the option selected by the City Council, the total costs range from \$74,150 to \$179,200. Again, staff's recommended action has a corresponding cost of approximately \$74,150. There are adequate funds in the General Fund Reserves to pay for these costs.

**Public Notification of Agenda Item**

The public was made aware that this item was to be considered this evening by virtue of its inclusion on the legally publicly noticed agenda, posting of the same agenda and reports on the City's website.



# City Council Agenda Report

ITEM NO. 16

**DATE:** November 4, 2020

**FROM:** Sean Joyce, Interim City Manager

**PREPARED BY:** Joanna Hankamer, Director of Planning and Community Development  
Kanika Kith, Planning Manager

**SUBJECT:** **Planning Backlog of Projects and Request for Enhancement and Backfill Resources**

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## **Recommendation**

It is recommended that the City Council:

1. Receive an update regarding the backlog of planning applications; and
2. Allocate \$186,400 from General Fund Reserves to provide temporary, additional staffing assistance to process the backlog of planning applications for approximately six months; and to provide temporary staffing to backfill the position of the Long Range Planning and Economic Development Division Manager during an extended absence of approximately four months; and
3. Approve a Professional Services Agreement (PSA) with [firm to be determined] in an amount not to exceed \$120,000 for up to six months for enhancement services to address the planning application backlog; and
4. Delegate to the Interim City Manager the approval of an Employment Agreement with CalPERS annuitant Elizabeth Bar-El in an amount not to exceed \$57,950 to provide backfill temporary planning services for four months during the leave of the Planning Manager.

## **Commission Review and Recommendation**

This matter was not reviewed by a commission.

## **Executive Summary**

Staff requests that City Council approve temporary planning enhancement services for the Planning Division for up to six (6) months and temporary staff backfill support for the Long Range Planning and Economic Development Division for four (4) months. The total estimated cost for supporting both divisions in the Planning and Community Development Department is \$186,400. These funds would be appropriated from General Fund Reserves.

For the Planning Division, staff requests Council approve temporary enhancement services including one full-time contract senior planner (or two part-time contract senior planners) for up

to six months to address the backlog of planning applications. The contract senior planner(s) would be selected based on professional expertise and familiarity with the City’s Zoning Code to work alongside current planning staff to support the Planning Commission, Cultural Heritage Commission, and Design Review Board in processing a backlog of planning applications. Proposed services include administering land use and development regulations; and processing land use permits.

For the Long Range Planning and Economic Development Division, staff requests Council approve one contract planning manager to assist with the Housing Element Update (including an Inclusionary Housing Ordinance and Accessory Dwelling Unit Ordinance update), General Plan Update, draft Downtown Specific Plan and the Al Fresco Program while the Division Manager is on leave for four (4) months. Staff recommends CalPERS annuitant Elizabeth Bar-El for this temporary position based on her expertise in long range planning, including housing element updates, for a duration not to exceed 960 hours for four (4) months.

**Discussion/Analysis**

Current Planning

The Planning Division has been making progress processing a backlog of planning applications from 2014 -2019 that resulted from two years of staff turnover. As of January 1, 2020, there was a backlog of 84 planning applications. Based on 86 completed applications and 69 new applications in 2020, the current backlog is 67 applications. Staff anticipates it will take up to six (6) months to eliminate the backlog.

The current staffing allocated to respond to inquiries and process the backlog and new planning applications consists of four staff planners: two full-time professional planners (Planning Manager and Associate Planner) and two part-time planning technicians (Interns); and the Department Director. The Department Administrative Secretary also provides some clerical support to the planners.

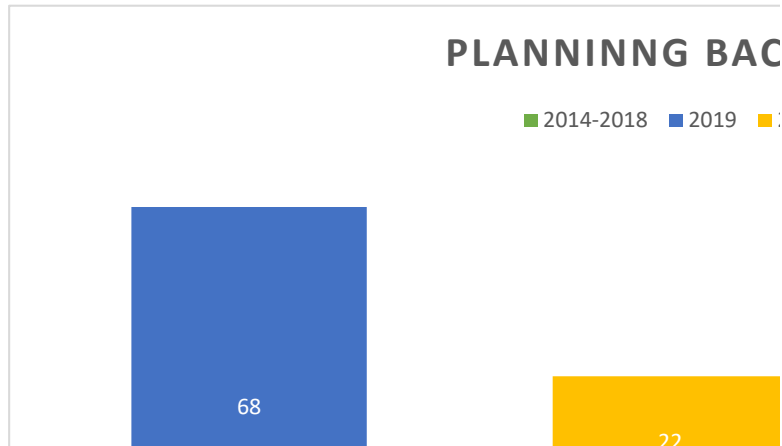
Since January 1, 2020, planning staff has received an additional 69 planning applications and has completed 86 planning applications (leaving a current backlog of 67 applications), not including Chair reviews or administrative processing of accessory dwelling unit applications. Processing of applications include preparing applications for completeness, conducting code research and analysis, and facilitating project development by the applicant in preparation for public hearing, culminating typically in discretionary decisions by the Planning Commission, Cultural Heritage Commission, or Design Review Board.

Applications		Completed	Pending
Backlog: As of Dec. 31, 2019	84	86	67
New: Jan 1, 2020 to Sept. 28, 2020	69		
<b>Total</b>	<b>153</b>		



*Backlog Progress*

Of the remaining 67 projects in the backlogs, the 2014-2018 projects decreased by 50% and the 2019 projects decreased by 79%.



New projects submitted in 2020 are awaiting staff review or being reviewed by the City’s on-call consultants (Rincon, Interwest, and MIG) available through the City’s Major Project Review process. Of the 69 applications filed in 2020, 21 of those applications are processed by the on-call consultants. More discussion of this process is provided in the Contract Planning section below.

*Complex Projects*

Of the completed backlog projects, current staff completed four complex projects with application dates as far back as 2017.

- Mission Bell Mixed Use Project, filed in 2017.
  - Cultural Heritage Commission review in October 2019.
  - Planning Commission approval in February 2020.
  - City Council review on appeal in May 2020.
- Rollin Historic District, filed in 2018.
  - Cultural Heritage Commission Review in April 2020.
  - City Council designation in June 2020.
- 625 Fair Oaks Senior Housing Project, filed in 2018.
  - Planning Commission approval in April 2020.
- Moffatt Street Extension, filed in 2018.
  - Planning Commission approval in August 2020.
  - City Council review on appeal in October 2020, continued to November 2020.

A fifth major development project, Seven Patios (filed in 2018) is anticipated to be completed by end of 2020. This project is scheduled for Planning Commission consideration in November 2020.

Staff is also working with two development teams on the School District Office site and the Carrows site to create desirable projects that will help activate the pedestrian realm in our downtown core and help meet our affordable housing needs. These two applications are in early design stages.

#### *Processing Improvements*

While making progress on the backlog and new applications, staff has been improving the quality of work and consistency of project review by implementing these three approaches: (1) early design review, (2) detail staff analysis report, and (3) review Chair Review submittal.

Current staff has been working with applicants on early design review to ensure that projects comply with development and design standards prior to presenting the projects to the commission or board. This process takes more time to prepare a project for commission/board consideration, but the resulting projects are more consistent with community standards for design and neighborhood consistency regarding maintaining or improving the character of existing neighborhoods.

In addition to working with applicants on improving project designs prior to commission/board consideration, staff is also providing a detailed staff analysis report. The detailed staff report assists the commissions in understanding a project's compliance with the General Plan polices/goals, development standards, design guidelines, and state standards for rehabilitation of historic properties.

Staff is continuously working to improve the early design review process and content of staff reports to help maintain consistency in decision-making for the three discretionary authorities, the Planning Commission, the Cultural Heritage Commission, and the Design Review Board.

In addition to supporting the commissions, staff is also supporting the Chair Review process by conducting a staff review of small additions or modifications that qualify for a Chair Review. Chair Reviews for historic preservation were previously conducted without staff's review, creating potential inconsistencies as commission/board chairs are appointed year to year. This new process also takes more staff time in processing the backlog, but it provides important consistency in approvals.

#### *Contract Planning*

To aid in the streamlining of planning applications, in January 2020 City Council adopted a Major Project Review Ordinance to provide contract planning services for new major projects or additional projects at the discretion of the Planning and Community Development Director. Since its adoption, staff has applied the Major Projects Review to two new major project Pre-Applications and to 21 new projects (30% of new applications) whose applicants have opted to pay for expedited application processing with contract planners. The cost to the applicant is approximately three times that of the City's application fees, yet 30% of new applicants have opted to expedite their applications rather than waiting until staff can address their applications in order of receipt. If City Council approves the enhanced services to eliminate the backlog over the next six (6) months, the need for this expedited application processing will be alleviated;

however, staff recommends continuing to provide this option for expedited contract services until the backlog has been eliminated.

#### *Zoning Code Amendment to Streamline Projects*

To further streamline project applications, in May 2020 City Council adopted by urgency ordinance a series of zone code amendments including code clarifications and streamlining measures that would result in time and cost savings to provide immediate financial relief to applicants and to the City during the pandemic. The zone code amendments shifted discretionary approval authority and workload more evenly among the three commissions; shifted simpler project reviews to the chair; and created a minor director-level project review for small changes to properties that are not visible to the street. After further review of the zone code amendments by the Planning Commission, Cultural Heritage Commission and Design Review Board, in October 2020 City Council adopted an updated ordinance.

Overall, while these policy changes have provided for additional project streamlining, the influx of planning inquiries and applications, including during the pandemic, have delayed making significant progress on the backlog of planning applications from 2014 - 2019. Based on projections, the number of applications for 2020 will exceed 2019 by about 10%, and inquiries to planning, not necessarily resulting in applications, more than doubled during the pandemic.

#### *Other Planning Tasks*

In addition to processing the backlogs of projects, staff are also handling mandatory Planning tasks that shift staff's attention from processing the projects in the backlog. For example, these tasks include, reviewing permit plans to ensure consistency with the commission/board's approval, implementing and enforcing conditions of approval, reviewing Chair Review applications, maintaining records for compliance with the Certified Local Government for historic preservation requirements, verifying compliance with Mills Act contracts, responding to property information requests and public records requests, and annual reports to the State.

#### Long Range Planning

For the Long Range Planning and Economic Development Division, the Planning Manager will be on leave for approximately four (4) months starting in December 2020. Staff is requesting temporary staffing to provide support in long range planning during this time to assist with the Housing Element Update (including an Inclusionary Housing Ordinance and Accessory Dwelling Unit Ordinance update), General Plan Update, draft Downtown Specific Plan and the Al Fresco Program. These planning efforts are time sensitive and currently underway.

Staff recommends CalPERS Annuitant Elizabeth Bar-El for this temporary position based on her expertise in long range planning, including housing element updates, for a duration not to exceed 960 hours for four (4) months. Government Code Section 21224(a) permits the City to retain an annuitant's services because they have specialized skills needed in performing work of a limited duration. The temporary staffing position satisfies this requirement. There are no benefits provided for these positions, other than required Medicare costs.

### **Enhancement Resources Request**

Applicants waiting in the backlog are understandably frustrated with the long delay, and new applicants are frustrated that with the additional cost to expedite their projects through the Major Project contract services process. To enhance customer service, staff is requesting additional resources to help staff process the backlog. Such immediate help is requested as follows:

- Planning support for six (6) months to assist with the backlog, which is estimated to cost approximately \$120,000.

Staff is requesting the City Council to take the following action:

1. Allocate \$120,000 from General Fund Reserves to provide temporary, additional staffing assistance to process the backlog of planning applications for approximately six months; and
2. Approve a Professional Services Agreement (PSA) with [firm to be determined] in an amount not to exceed \$120,000 for up to six months; and

A Request for Proposals (RFPs) has been released and a qualified firm to provide the planning support for the backlog will be selected on Tuesday, November 3, 2020 for City Council's consideration. Once a firm is selected, staff will provide an Additional Document with a PSA contract to the Council prior to the November 4, 2020 meeting.

### **Backfill Resources Request**

Much of the Long Range Planning and Economic Development Division's workload is prescribed by compliance with state law regarding timelines for updating local plans such as the City's Housing Element (every eight years) and its General Plan. Both of these planning efforts are underway and are coordinated with one another. The Housing Element Update has a state mandated deadline of October 15, 2021. The temporary staff support services that are proposed to backfill the Long Range Planning Manager's position while she is on leave are critical to the City maintaining its progress and meeting this deadline. This time sensitive support is requested as follows:

- Planning support for four (4) months to provide temporary staffing to backfill the Manager position, which is estimated to cost approximately \$66,400 including required Medicare contribution costs.

Staff is requesting the City Council to take the following action:

1. Allocate \$66,400 from General Fund Reserves to provide temporary staffing to backfill the position of the Long Range Planning and Economic Development Division Manager during an extended absence of four (4) months; and
2. Delegate to the Interim City Manager the approval of an Employment Agreement with CalPERS annuitant, Elizabeth Bar-El, in an amount not to exceed \$57,950 to provide backfill temporary planning services for four months during the leave of the Planning Manager.

**Legal Review**

The City Attorney has reviewed this item.

**Fiscal Impact**

The total estimated cost for providing support to both divisions in the Planning and Community Development Department is \$186,400. These funds would be appropriated from General Fund Reserves.

**Public Notification of Agenda Item**

The public was made aware that this item was to be considered this evening by virtue of its inclusion on the legally publicly noticed agenda, posting of the same agenda and reports on the City's website.

**Attachments**

1. Professional Services Agreement (PSA) with [firm to be determined] in an amount not to exceed \$120,000 for up to six months will be provided as an Additional Document prior to the November 4, 2020 Council meeting
2. Temporary Employment Agreement with PERS Annuitant Elizabeth Bar-El in an amount not to exceed \$57,950 for four months will be provided as an Additional Document prior to the November 4, 2020 Council meeting



# City Council Agenda Report

ITEM NO. 17

**DATE:** November 4, 2020

**FROM:** Sean Joyce, Interim City Manager

**PREPARED BY:** Maria E. Ayala, Chief City Clerk  
Lucy Demirjian, Assistant to the City Manager

**SUBJECT:** **Formation of an Ad Hoc Committee to Review and Make Recommendations on the Responsibilities and Duties of City Boards and Commissions**

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## **Recommendation**

It is recommended that the City Council:

1. Establish an Ad Hoc Committee from among current and former Commissioners to work with staff to review and make recommendations concerning responsibilities and duties of City boards and commissions;
2. Select one councilmember to serve on the Committee; and
3. Solicit applications for appointment to the committee; and return at the next regular meeting to appoint members.

## **Background**

On September 16, 2020, Councilmember Rossi, seconded by Councilmember Cacciotti, made a motion to establish an ad hoc committee of the City Council to work with staff to review commission roles and responsibilities. There was agreement that the item should be brought back after appointment of an Interim City Manager.

## **Discussion/Analysis**

The proposed Ad Hoc Committee will work with staff assigned by the Interim City Manager to evaluate best practices for commissions, including: past and present commission responsibilities and duties; appointment process; outreach for increased applicant interest; reviewing similar policies from neighboring cities and, among other things, look at how items are placed on commission agendas.

The membership of Ad Hoc Committee is proposed as follows:

- One councilmember
- 5-7 past and current City commissioners (Note: no more than one current commissioner may serve from the same commission.)

The proposed Ad Hoc Committee will not be subject to the Brown Act as it will be tasked with assisting staff research and analyze best practices and formulate recommendations to Council. Upon presentation of its recommendations to Council the Ad Hoc will be dissolved.

Further, the Ad Hoc Committee, as proposed, will include one Councilmember and - for those Ad Hoc Committee members that are current commissioners – one member of any given commission. Neither would constitute a quorum of either governing body.

It is anticipated that the work of the Ad Hoc Committee be completed in three to four months. Recommendations and amendments to commission responsibilities and duties will be presented to the City Council, through staff, for final action.

### **Next Steps**

Upon establishment by City Council, staff will announce and post the Ad Hoc Committee application on the City's website and distribute amongst existing commission members. Qualifying questions on the application will include what commission(s) the individual has served on; whether they have served in a Commission Chair capacity; years of service and term(s).

The application period will be open for one week. Applications of qualified candidates will be presented to City Council at its November 18, 2020 meeting for appointment.

### **Legal Review**

The City Attorney has reviewed this item.

### **Public Notification of Agenda Item**

The public was made aware that this item was to be considered this evening by virtue of its inclusion on the legally publicly noticed agenda, posting of the same agenda and reports on the City's website and/or notice in the *South Pasadena Review* and/or the *Pasadena Star-News*.