



**CITY OF SOUTH PASADENA
CITY COUNCIL**

AGENDA

**REGULAR MEETING
CLOSED SESSION**

**WEDNESDAY, SEPTEMBER 15, 2021
6:00 P.M.**

**City Manager's Conference Room, Second Floor, City Hall
1414 Mission Street, South Pasadena, CA 91030**

NOTICE ON PUBLIC PARTICIPATION & ACCESSIBILITY

Pursuant to Governor Newsom's Executive Order N-08-21, the City Council may conduct its meetings remotely and may be held via video conference. Pursuant to such Executive Order, the City Council may participate remotely and not be physically present in the City Council Chambers. Until further notice and as such Executive Orders remain in effect, the City Council may also allow public participation to continue via live public comment conducted over ZOOM.

The South Pasadena Special City Council Meeting Closed Session for **SEPTEMBER 15, 2021** will be conducted in-person from the City Manager's Conference Room, Second Floor, City Hall, 1414 Mission Street. South Pasadena.

Please be advised that pursuant to the Executive Order(s), and to ensure the health and safety of the public, staff, and City Council, as the meeting will be open to the public for the meeting and members of the public may attend and/or participate in the in-person meeting, all are kindly reminded to follow Los Angeles County Public Health and CDC regulations and guidelines that are in place and may be posted.

The In-person Hybrid meeting will be conducted live in the City Manager's Conference Room.

Public comment regarding items on the Closed Session agenda will be taken at the beginning of the meeting. The public will be released from the meeting so that the Council can convene closed session discussion of items allowed under the Government Code. Any reportable action taken in closed session will be reported by the City Attorney during the next open session meeting. A separate Zoom webinar link will be provided for open session for the public to attend.

The Meeting will be available

- In Person Hybrid – City Hall, City Manager's Conference Room, Second Floor, 1414 Mission St
- Via Zoom –ID: **226 442 7248**
<https://us06web.zoom.us/j/2264427248?pwd=bVVLazRXZVR1L2pUREkrZENVL0xyUT09>
- **Passcode: 0915**

Public Comments participation may be made as follows:

- Written Comment submitted by no later than meeting day, 12:00 PM, deadline via the website.
- In Person Hybrid – City Council Chambers, 1424 Mission Street.
- Via Zoom (see Public Comment Section below for instructions.)

To maximize public safety while still maintaining transparency and public access, members of the public can observe the public portion of the meeting via Zoom in one of the three methods below.

1. Go to the Zoom website, <https://zoom.us/join> and enter the Zoom Meeting information; or
2. Click on the following unique Zoom meeting link:
<https://us06web.zoom.us/j/88402780177?pwd=M3FuR2NFRVhac1odlNWVllzQ1V4UT09>; or
3. You may listen to the meeting by calling: +1-669-900-6833 and entering the Zoom Meeting ID and Passcode when prompted.

For additional Zoom assistance with telephone audio, you may find your local number at:
<https://zoom.us/u/aiXV0TAW2>

PUBLIC COMMENT

CALL TO ORDER: Mayor Pro Tem Michael Cacciotti

ROLL CALL:

Mayor	Diana Mahmud
Mayor Pro Tem	Michael Cacciotti
Councilmember	Jack Donovan
Councilmember	Jon Primuth
Councilmember	Evelyn G. Zneimer

CLOSED SESSION AGENDA ITEMS

A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Gov. Code § 54956.9(d)(1)
City of South Pasadena, et al. v. California Department of Transportation, et al.
(LASC Case No. 21STCP01779)

B. CONFERENCE WITH LEGAL COUNSEL: REAL PROPERTY NEGOTIATIONS

Gov. Code § 54956.8

Property Address:	1503-1507 El Centro Street, South Pasadena
APN:	5315-003-903 and 5315-003-904
Agency Negotiator:	Arminé Chaparyan, City Manager
Negotiating Parties:	Hollywood Community Housing
Under Negotiations:	Price and Terms

CERTIFICATION OF POSTING

This amended agenda was duly posted for the meeting to be held on September 15, 2021, 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, on the date listed below.

This agenda was properly posted on September 10, 2021, and the signed certification of posting is on file in the City Clerk’s Division.



**CITY OF SOUTH PASADENA
CITY COUNCIL**

**A G E N D A
REGULAR MEETING
WEDNESDAY, SEPTEMBER 15, 2021 AT 7:00 P.M.**

**CITY COUNCIL CHAMBERS
1424 MISSION STREET, SOUTH PASADENA, CA 91030**

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 Governor Newsom's Executive Order N-29-20, the City Council may conduct its meetings remotely and may be held via video conference. Pursuant to such Executive Order, the City Council may participate remotely and not be physically present in the City Council Chambers. Until further notice and as such Executive Orders remain in effect, the City Council may also allow public participation to continue via live public comment conducted over ZOOM.

The South Pasadena City Council Meeting for **September 15, 2021** will be conducted in-person from the Council Chambers, Amedee O. "Dick" Richards, Jr., located at 1424 Mission Street, South Pasadena.

Please be advised that pursuant to the Executive Order(s), and to ensure the health and safety of the public, staff, and City Council, as the Council Chambers will be open to the public for the meeting and members of the public may attend and/or participate in the in-person meeting, all are kindly reminded to follow Los Angeles County Public Health and CDC regulations and guidelines that are in place and may be posted. The In-person Hybrid meeting will be conducted live in the City Council Chambers.

The Meeting will be available

- In Person Hybrid – City Council Chambers, 1424 Mission Street
- Live Broadcast via the website –
http://www.spectrumstream.com/streaming/south_pasadena/live.cfm
- Via Zoom – **Webinar ID: 825 9999 2830**
Passcode: 0915

To maximize public safety while still maintaining transparency and public access, members of the public can observe the meeting via Zoom in one of the three methods below.

1. Go to the Zoom website, <https://zoom.us/join> and enter the Zoom Meeting information; or
2. Click on the following unique Zoom meeting link:
<https://us06web.zoom.us/j/82599992830?pwd=ekRhNnNoTnlxOHV4RUplS2pUQlICZz09> or
3. You may listen to the meeting by calling: +1-669-900-6833 and entering the Zoom Meeting ID and Passcode when prompted.

For additional Zoom assistance with telephone audio, you may find your local number at:
<https://zoom.us/u/aiXV0TAW2>

CALL TO ORDER: Mayor Pro Tem Michael Cacciotti

ROLL CALL: Mayor Diana Mahmud
 Mayor Pro Tem Michael Cacciotti
 Councilmember Jack Donovan
 Councilmember Jon Primuth
 Councilmember Evelyn G. Zneimer

PLEDGE OF ALLEGIANCE: Mayor Pro Tem Michael Cacciotti

CLOSED SESSION ANNOUNCEMENTS

- 1. CLOSED SESSION ANNOUNCEMENTS:** A Closed Session Agenda has been posted separately.

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 participate **by means of one of the following options:**

Option 1:

Participate in-person at the City Council Chambers.

Option 2:

Participants will be able to “raise their hand” using the Zoom icon during the meeting, and they will have their microphone un-muted during comment portions of the agenda to speak for up to 3 minutes per item. *(Note: For the purpose of best ensuring that all of the agenda items are considered at the Council Meeting, the Mayor may exercise the Chair’s discretion, subject to the approval of the majority of the City Council, to limit public comment(s) to less than 3 minutes on any given agenda item).*

Option 3:

Email public comment(s) to ccpubliccomment@southpasadenaca.gov.

Public Comments received in writing will not be read aloud at the meeting, but will be 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(s). Please make sure to indicate:

- 1) Name (optional), and
- 2) Agenda item you are submitting public comment on.
- 3) Submit by no later than 12:00 p.m., on the day of the Council meeting.

NOTE: 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.

PUBLIC COMMENT

- 2. PUBLIC COMMENT – GENERAL**

PRESENTATIONS

3. **INTRODUCTION OF STAFF**
4. **WATER SUPPLY PRESENTATION UPPER SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT (USGVMWD).**

COMMUNICATIONS

5. **COUNCILMEMBERS COMMUNICATIONS**
Time allotted per Councilmember is 3 minutes. Additional time will be allotted at the end of the City Council meeting agenda, if necessary.
6. **CITY MANAGER COMMUNICATIONS**
7. **REORDERING OF, ADDITIONS, OR DELETIONS TO THE AGENDA**

CONSENT CALENDAR**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.

8. **APPROVAL OF PREPAID WARRANTS IN THE AMOUNT OF \$98,579.35; GENERAL CITY WARRANTS IN THE AMOUNT OF \$1,069,218; SUPPLEMENTAL ACH PAYMENTS IN THE AMOUNT OF \$69,950.10; TRANSFERS OUT IN THE AMOUNT OF \$3,569,617.12; PAYROLL IN THE AMOUNT OF \$573,516.53.**

Recommendation

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

9. **APPROVAL OF THE PROPOSED BYLAWS AMENDMENTS TO BE CONSIDERED AT THE 2021 LEAGUE OF CALIFORNIA CITIES GENERAL ASSEMBLY.**

Recommendation

It is recommended that the City Council authorize the City delegate (Councilmember Evelyn G. Zneimer) to vote in support of the proposed Bylaws Amendments being considered at the 2021 League of California Cities' (League) General Assembly.

CONSENT CALENDAR - CONTINUED

10. **SECOND READING AND ADOPTION OF ZONING CODE AMENDMENT (0064-ZCA) AMENDING SECTION 36.230.030 (COMMERCIAL DISTRICT LAND USES AND PERMIT REQUIREMENTS) OF DIVISION 36.230 (COMMERCIAL ZONING DISTRICTS) OF ARTICLE 3 (SITE PLANNING AND GENERAL DEVELOPMENT STANDARDS) OF CHAPTER 36 (ZONING) OF THE SOUTH PASADENA MUNICIPAL CODE; SECTION 36.395.020 (“EXEMPT DEVELOPMENTS”) OF DIVISION 36.390 (“PUBLIC ART PROGRAM”) OF CHAPTER 36.395 (“PUBLIC ART DEVELOPMENT”) OF ARTICLE III OF CHAPTER 36; AND SECTION 4.3 (CONDITIONAL USES) OF THE MISSION STREET SPECIFIC PLAN REGARDING PERMIT REQUIREMENTS (SPMC).**

ORDINANCE

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA, CALIFORNIA, AMENDING SECTION 36.230.030 (“COMMERCIAL DISTRICT LAND USES AND PERMIT REQUIREMENTS”) OF DIVISION 36.230 (“COMMERCIAL ZONING DISTRICTS) OF ARTICLE 3 (SITE PLANNING AND GENERAL DEVELOPMENT STANDARDS”) OF CHAPTER 36 (“ZONING”) OF THE SOUTH PASADENA MUNICIPAL CODE; SECTION 36.395.020 (“EXEMPT DEVELOPMENTS”) OF DIVISION 36.390 (“PUBLIC ART PROGRAM”) OF CHAPTER 36.395 (“PUBLIC ART DEVELOPMENT”) OF ARTICLE III OF CHAPTER 36; AND SECTION 4.3 (“CONDITIONAL USES”) OF THE MISSION STREET SPECIFIC PLAN REGARDING PERMIT REQUIREMENTS

Recommendation

It is recommended that the City Council conduct the Second Reading and Adopt Zoning Code Amendment (0064-ZCA) amending:

1. Section 36.230.030 (Commercial District Land Uses and Permit Requirements) of Division 36.230 (Commercial Zoning Districts) of Article 3 (Site Planning and General Development Standards) of Chapter 36 (Zoning) of the South Pasadena Municipal Code (SPMC);
 2. Section 36.395.020 (“Exempt Developments”) of Division 36.390 (“Public Art Program”) of Chapter 36.395 (“Public Art Development”) of Article III of Chapter 36; and
 3. Section 4.3 (Conditional Uses) of the Mission Street Specific Plan (MSSP) regarding permit requirement.
11. **AWARD A CONTRACT TO ALLSUP CORPORATION IN A NOT-TO-EXCEED AMOUNT OF \$36,501.37 FOR REPAIR OF THE COMPRESSED NATURAL GAS COMPRESSOR AND APPROPRIATE \$36,502 FROM PROPOSITION C FUNDS.**

Recommendation

It is recommended that the City Council:

1. Award a contract to Allsup Corporation for repair of the Compressed Natural Gas (CNG) Compressor in the amount of \$36,501.37 (\$33,183.07 for the proposed amount and \$3,318.30 for a 10% contingency); and
2. Appropriate \$36,502 in Proposition C Funds to account 207-8030-8025-8520-000.

CONSENT CALENDAR - CONTINUED

- 12. APPROVE CONTRACT EXTENSION (SECOND AMENDMENT) TO EUROFINS EATON ANALYTICAL, LLC, IN A NOT-TO-EXCEED AMOUNT OF \$33,000 FOR LABORATORY TESTING AND ANALYSIS OF POTABLE WATER SAMPLES; DIRECT PREPARATION OF REQUEST FOR PROPOSAL FOR CITY-WIDE WATER QUALITY SAMPLING.**

Recommendation

It is recommended that the City Council authorize the City Manager to:

1. Execute the second contract amendment with Eurofins Eaton Analytical, LLC (Eurofins) to increase the contract value by \$33,000 and extend the agreement for Laboratory Testing and Analysis of Potable Water Samples' professional services until June 30, 2022; and
 2. Direct staff to issue a Request for Proposal (RFP) for a City-wide water quality sampling and analysis contract on receipt of the amended permit.
- 13. ADOPTION OF A RESOLUTION CONTINUING THE PROCLAMATION OF A LOCAL EMERGENCY DUE TO THE OUTBREAK OF COVID-19, AUTHORIZING THE CITY MANAGER TO TAKE ALL NECESSARY ACTIONS AS THE DIRECTOR OF EMERGENCY SERVICES.**

RESOLUTION

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA, CALIFORNIA, CONTINUING ITS PROCLAMATION OF A LOCAL EMERGENCY DUE TO THE OUTBREAK OF COVID-19 AND AUTHORIZING THE CITY MANAGER TO CONTINUE TO TAKE ALL NECESSARY ACTIONS AS THE DIRECTOR OF EMERGENCY SERVICES.

Recommendation

It is recommended that the City Council approve the attached resolution continuing the proclamation of a local emergency due to the outbreak of COVID-19 and authorizing the City Manager to take all necessary actions as the Director of Emergency Services

- 14. PURCHASE AND REPLACEMENT OF CARBON MEDIA FROM CALGON CARBON CORPORATION FOR THE WILSON WELLHEAD TREATMENT SYSTEM FOR A TOTAL NOT-TO-EXCEED AMOUNT OF \$450,000.**

Recommendation

It is recommended that the City Council authorize the sole source purchase and replacement of carbon media from Calgon Carbon Corporation (Calgon) for a total not-to-exceed amount of \$450,000 for the Wilson Water Reservoir Wellhead Treatment System (\$438,380 for the proposed amount and \$11,620 for contingencies, namely, price fluctuations, testing, and acceptance testing).

CONSENT CALENDAR - CONTINUED

- 15. AWARD OF CONTRACT TO EVGATEWAY FOR THE INSTALLATION OF AN ELECTRIC VEHICLE CHARGING STATION AT CITY HALL FOR A NOT-TO-EXCEED AMOUNT OF \$90,000.00 USING PROPOSITION C FUNDS AND A GRANT UNDER LOCAL GOVERNMENT PARTNERSHIP PROGRAM FROM SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT (AQMD) AND APPROPRIATION OF FUNDS.**

Recommendation

It is recommended that the City Council:

1. Accept a proposal from EVGateway for the installation of a direct-current fast charger (DCFC)/Level 3 electric vehicle (EV) charging station at City Hall; and
2. Authorize the City Manager to execute the agreement with EVGateway for a not-to-exceed amount of \$90,000.00 (\$85,481.21 for the proposal amount and \$4,518.79 for a contingency); and
3. Reject all other proposals received.
4. Authorize an appropriation of Proposition C funds to Account No. 207-9000-94022-9402-001 in the amount of \$60,000; and
5. Authorize an appropriation of Air Quality Management District (AQMD) Mobile Source Air Pollution Reduction Review Committee (MSRC) funds to Account No. 238-9000-9402-9402-001 in the amount of \$30,000, and appropriation of the grant revenue funds to AQMD MSRC Revenue Account No. 238-0000-0000-5071-014, upon reimbursement.

PUBLIC HEARING - NONE**ACTION / DISCUSSION**

- 16. DIRECTION REGARDING STATUS OF ANIMAL COMMISSION.**

Recommendation

It is recommended that the City Council provide direction regarding the status of the Animal Commission.

INFORMATION REPORTS

- 17. 2021-2029 HOUSING ELEMENT UPDATE.**

Recommendation

It is recommended that the City Council receive and file an update regarding the 2021-2029 Housing Element.

INFORMATION REPORTS - CONTINUED**18. RECEIVE AND FILE CALTRANS SURPLUS PROPERTIES DISPOSITION UPDATE.****Recommendation**

It is recommended that the City Council receive and file updates from both the Legislative and Non-Legislative California Department of Transportation (Caltrans) Surplus Properties Disposition Ad Hoc Committees.

ADJOURNMENT**FOR YOUR INFORMATION****FUTURE CITY COUNCIL MEETINGS
(OPEN SESSION)**

October 06, 2021	Regular City Council meeting Council Chamber	7:00 p.m.
October 20, 2021	Regular City Council meeting Council Chamber	7:00 p.m.

PUBLIC ACCESS TO AGENDA DOCUMENTS AND BROADCASTING OF MEETINGS

City Council meeting agenda packets, any agenda related documents, and additional documents are available online for public inspection on the City's website: <https://www.southpasadenaca.gov/government/city-council-meetings/2021-council-meetings>.

Regular meetings are live streamed via the internet at:

http://www.spectrumstream.com/streaming/south_pasadena/live.cfm

AGENDA NOTIFICATION SUBSCRIPTION

If you wish to receive an agenda email notification please contact the City Clerk's Division via email at CityClerk@southpasadenaca.gov or call (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. 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).

CERTIFICATION OF POSTING

*I declare under penalty of perjury that I posted this notice of agenda for the meeting to be held on **September 15, 2021**, 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, on the date listed below.*

9/09/2021

/s/ *Christina Muñoz*

Date

Christina Muñoz, Interim Deputy City Clerk

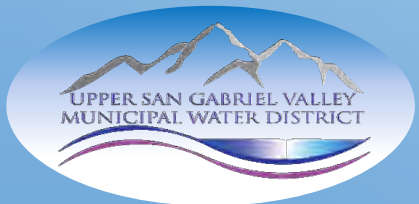
Item No. 4

UPPER SAN GABRIEL VALLEY MWD AND LA PUENTE VALLEY COUNTY WATER DISTRICT

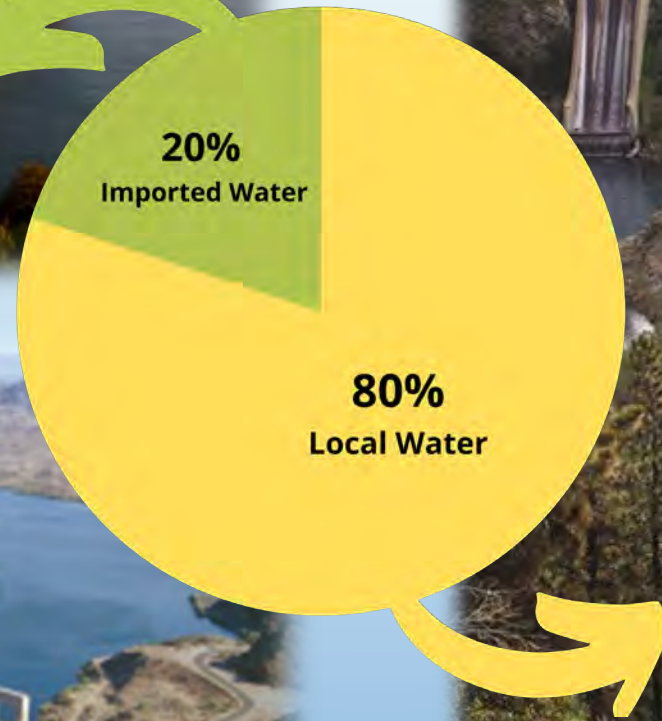
WATER SUPPLY AND CONSERVATION UPDATE

CITY OF SOUTH PASADENA

9/15/21

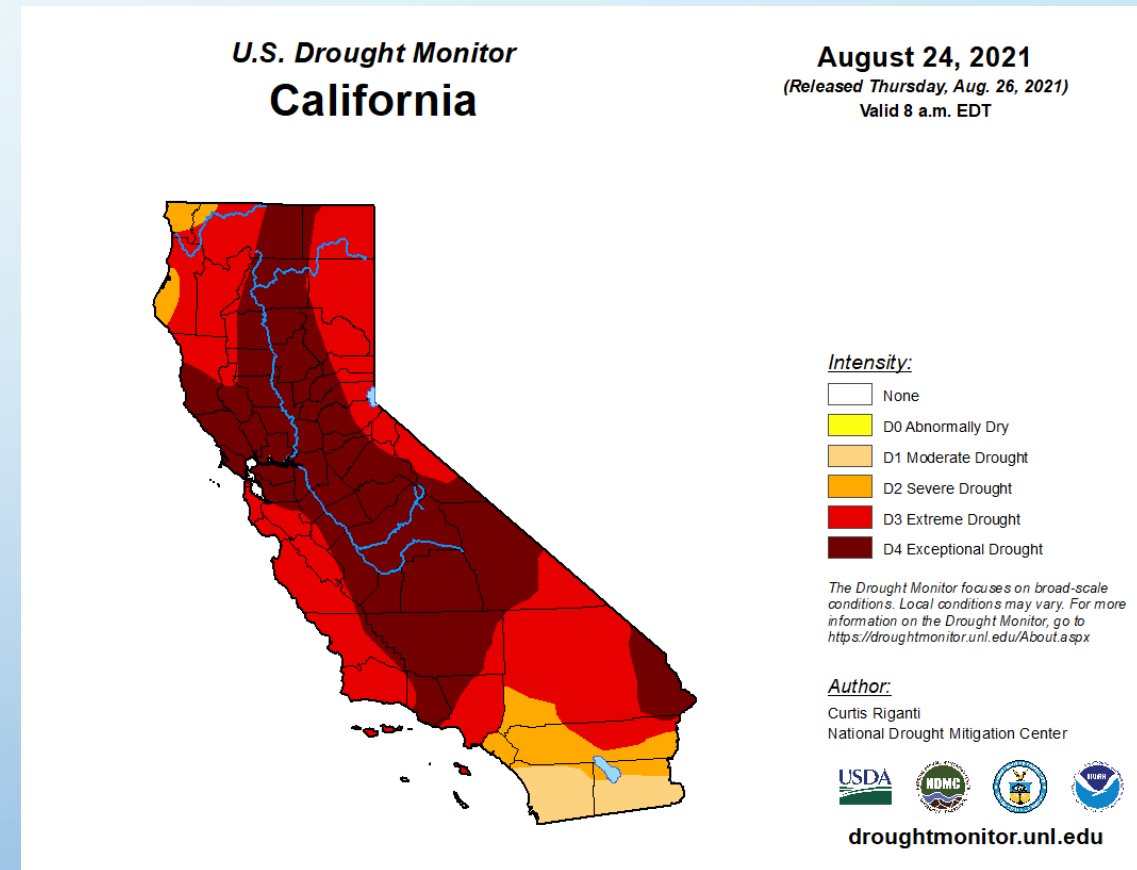


WHERE DOES OUR WATER SUPPLY COME FROM?



DROUGHT CONDITIONS THROUGHOUT CA

- California has experienced many periods of drought and weather extremes due to climate change.
- DWR marks 2021 as third-driest year on record.
- 50 out of 58 counties under an emergency drought declaration. MWD service area not included. Voluntary 15% water use reduction
- MWD Board declared a Water Supply Alert.



UPPER DISTRICT RESPONDS TO DROUGHT

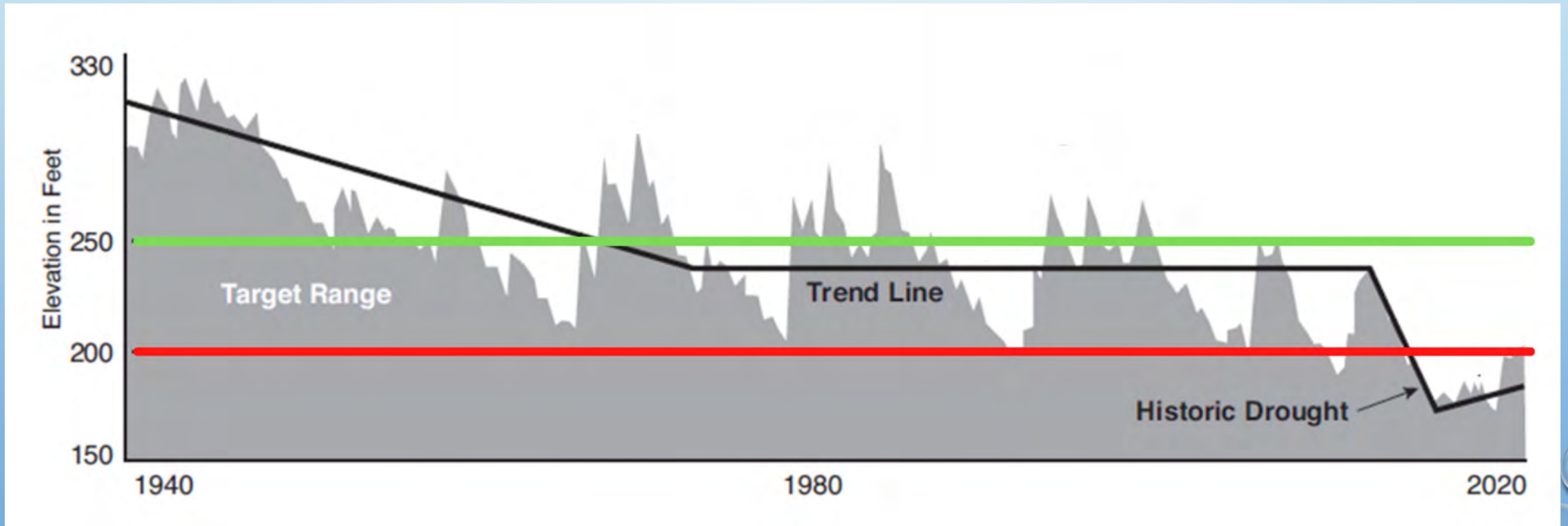
- Upper District Board of Directors activated Level 2 of the Water Shortage Contingency Plan.
- Upper District's actions:
 - Expand public information and education
 - Implement a district-wide communications plan to encourage voluntary water reductions from residents
- Goal is to improve regional water reliability and preserve water storage reserves.



BALDWIN PARK KEY WELL

Current Elevation: 187.6 ft
(as of August 27, 2021)

Historic High: 295.3 ft. (July 20, 1983)
Historic Low: 169.4 ft. (Nov. 21, 2018)



DROUGHT PROOFING THE BASIN

Storage Reserves

- Local groundwater storage – 100,000 AF
- MWD storage – 2.5 M AF

MWD's Regional Recycled Water Project

- Up to 150 million gallons per day
- Enough water for over 500,000 homes
- One of the largest programs of its kind

Delta Conveyance Project

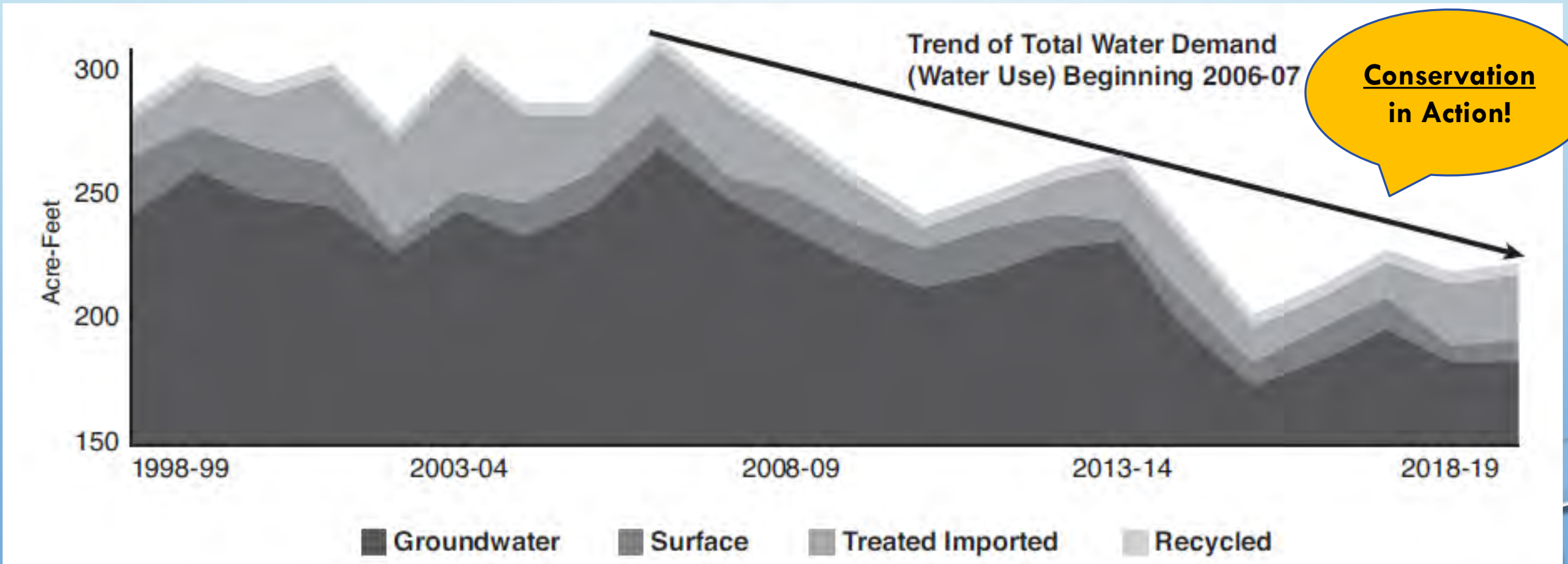
- MWD & UD Board supported in 2017
- Modernize, repair, and protect California's aging water delivery system



LONG-TERM WATER EFFICIENCY REMAINS A WAY OF LIFE

WATER USAGE IN THE SAN GABRIEL VALLEY

Since the last drought, there was a 25% reduction in water usage thanks to conservation efforts made by the residents of the San Gabriel Valley.



ENCOURAGING CONTINUED CONSERVATION

Drought Webpage

- Drought Facts & Conservation Collateral
- www.upperdistrict.org/drought/

Keep Calm Conserve On

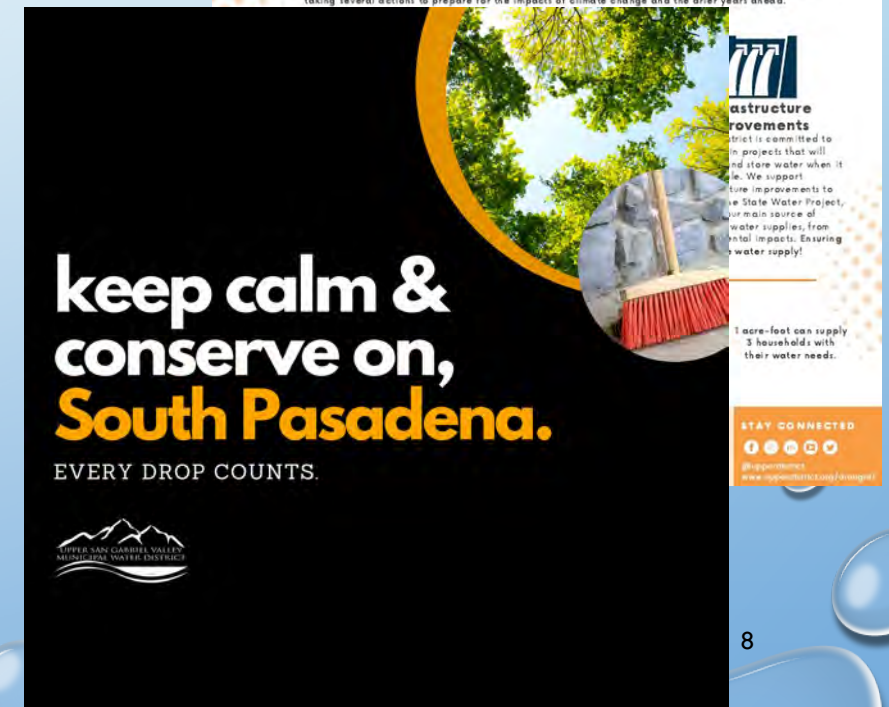
- Social media posts and flyers made available to cities to adapt and utilize

Water Saving Resources

- MWD rebates available at bewaterwise.com
- Water Smart Videos – available online (in Mandarin/Spanish)
- Indoor and outdoor water saving tips

Landscaping for Fire Prevention

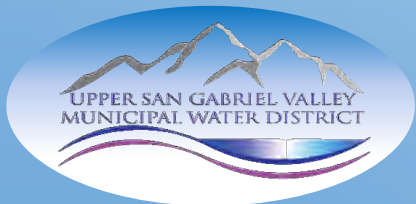
- Free on-demand fire prevention class starting September 13, 2021.



QUESTIONS

Director Charles Trevino
Board Treasurer, Division 2

Tom Love
General Manager
tom@usgvmwd.org
www.upperdistrict.org



BACK UP SLIDES

UPPER DISTRICT BACKGROUND



- Special district formed in 1960 to provide supplemental water to San Gabriel Valley communities
- Metropolitan Water District member agency
- Service Area: 144 square miles & 18 cities
- Population Served: 950,000
- Water Retailers: 26
- Imported Water Delivery: 30,000 acre feet/yr.



Division 1,
Director
Anthony
Fellow



Division 2,
Director
Charles
Trevino



Division 3,
Director
Ed Chavez



Division 4,
Director
Katarina
Garcia



Division 5,
Director
Jennifer
Santana

CURRENT WATER SUPPLY CONDITIONS

Imported Water

Colorado River

- Snowpack Peak: 88% of normal
- Runoff Forecast: 32% of normal
- Shortage Allocation: 2022

State Water Project - Imported Water

- Snowpack Peak: 72% of normal
- Runoff Forecast: 38% of normal
- SWP Allocation: 5%

Local Water - SGV Watershed

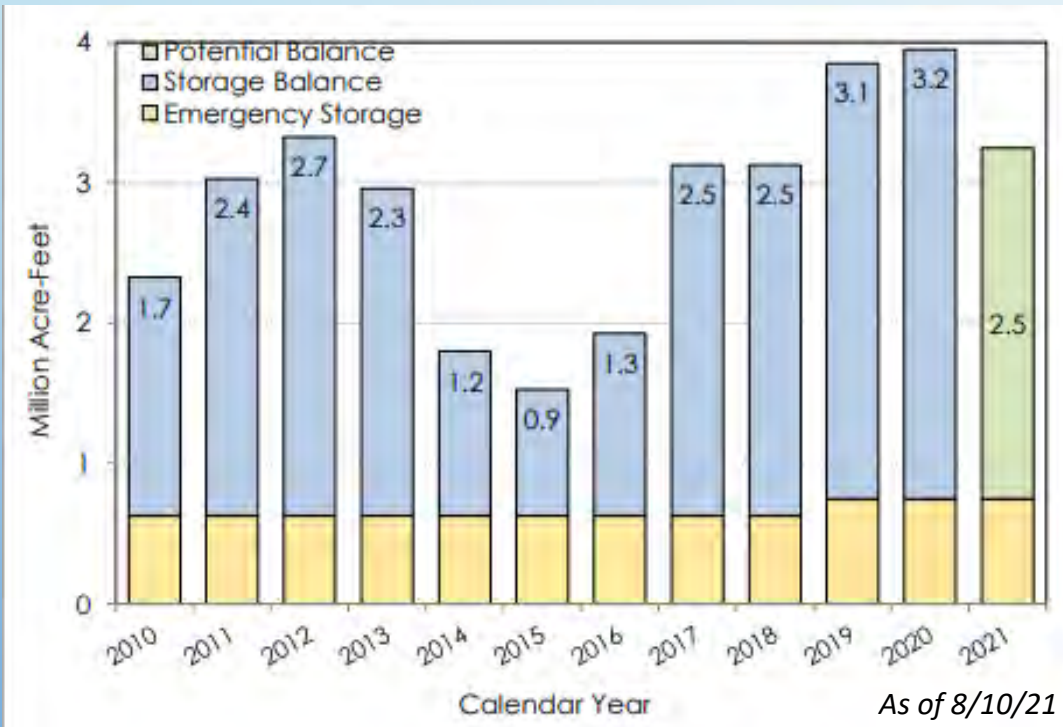
- Rainfall: 6.43 inches, 35% of normal
(Normal = 18.17 inches)
- Over 95% of stormwater captured in the SGV every year



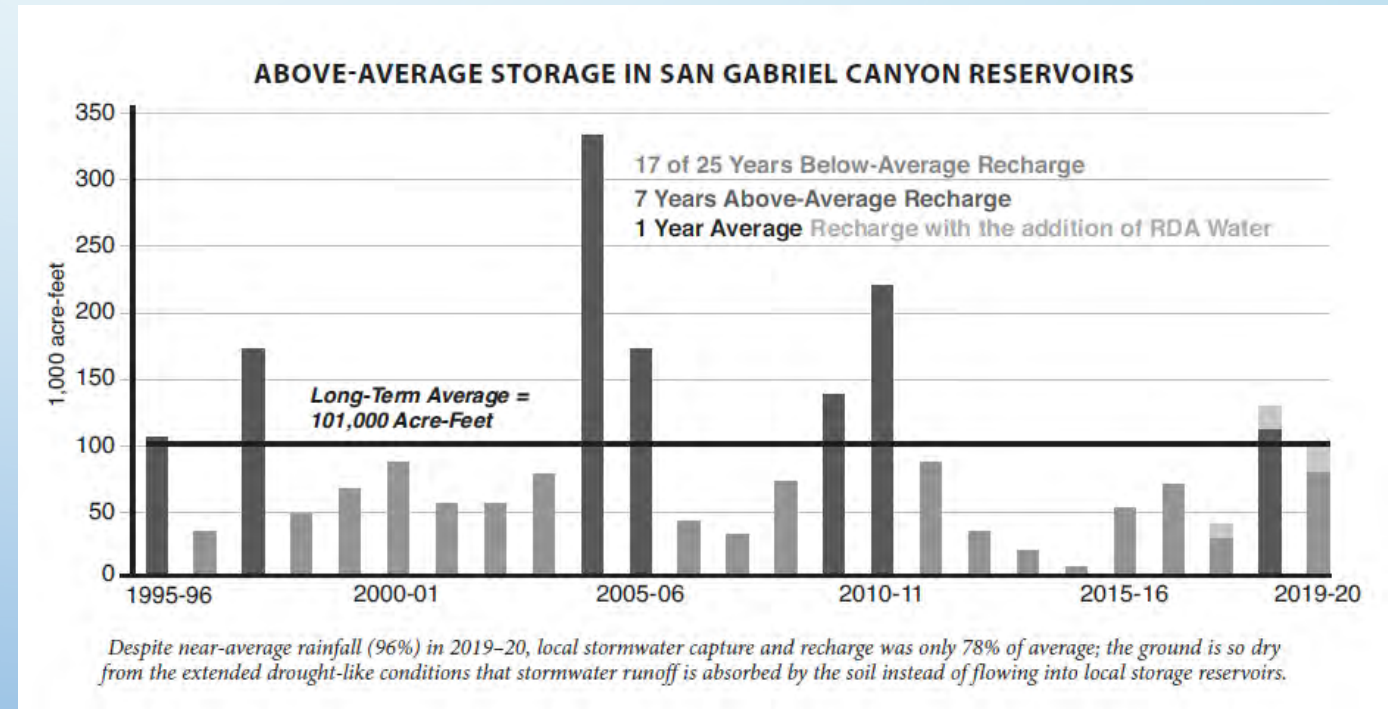
Data as of 9/1/21

STORAGE RESERVES

MWD Storage Reserves



Local Reserves





City Council Agenda Report

ITEM NO. 8

DATE: September 15, 2021

FROM: Arminé Chaparyan, City Manager *Ac*

PREPARED BY: Kenneth L. Louie, Interim Finance Director

SUBJECT: **Approval of Prepaid Warrants in the Amount of \$98,579.35; General City Warrants in the Amount of \$1,069,218; Supplemental ACH Payments in the Amount of \$69,950.10; Transfers Out in the Amount of \$3,569,617.12; Payroll in the Amount of \$573,516.53.**

Recommendation Action

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

Fiscal Impact

Prepaid Warrants:

Warrant # 313089-313107 (FY 2021-22)	\$	73,316.24
ACH (FY 2021-22)	\$	25,263.11
Voids	\$	0

General City Warrants:

Warrant # 313108-313111 (FY 2020-21)	\$	747,512.47
ACH (FY 2020-21)	\$	9,885.00
Warrant # 313112-313172 (FY 2021-22)	\$	279,803.14
ACH (FY 2021-22)	\$	32,017.39
Voids	\$	0

Payroll Period Ending 08/29/2021

Wire Transfers Out – To (LAIF)	\$	3,500,000.00
Wire Transfers In – From (LAIF)	\$	0
Wire Transfers (RSA)	\$	0
Wire Transfers Out – To (Acct # 2413)	\$	53,888.12
Wire Transfers Out – To (Acct # 1936)	\$	15,729.00
Supplemental ACH Payment	\$	69,950.10

RSA:

Prepaid Warrants	\$	0
General City Warrants	\$	0

Total	\$	<u>5,380,881.10</u>
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Commission Review and Recommendation

This matter was not reviewed by a Commission.

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 09.15.2021

Fund No.	Amounts	
	Prepaid	Written
General Fund	66,882.92	135,951.06
Insurance Fund	-	21,519.88
Street Improvement Program	-	-
Facilities & Equip.Cap. Fund	-	-
Programs and Projects	-	42,471.62
Local Transit Return "A"	-	6,027.60
Local Transit Return "C"	76.02	54,254.12
TEA/Metro	-	-
Sewer Fund	-	81.12
CTC Traffic Improvement	-	-
Street Lighting Fund	-	7,103.04
Public,Education & Govt Fund	-	-
Clean Air Act Fund	-	-
Business Improvement Tax	-	-
Gold Line Mitigation Fund	-	-
Mission Meridian Public Garage	-	-
Housing Authority Fund	-	-
State Gas Tax	-	194.64
County Park Bond Fund	-	-
Measure R	-	-
Measure M	-	-
Road Maint & Rehab (SB1)	-	-
MSRC Grant Fund	-	-
Measure W	-	-
Measure H	-	-
Prop C Exchange Fund	-	-
Bike & Pedestrian Paths	-	-
BTA Grants	-	-
Golden Street Grant	-	-
Capital Growth Fund	-	-
CDBG	-	5,561.40
Asset Forfeiture	-	-
Police Grants - State	-	-
Homeland Security Grant	-	-
Park Impact Fees	-	-
HSIP Grant	-	-
Arroyo Seco Golf Course	-	-
Sewer Capital Projects Fund	-	-
Water Fund	1,076.33	786,705.48
Water Efficiency Fund	-	-
2016 Water Revenue Bonds Fund	-	-
SRF Loan - Water	-	-
Water & Sewer Impact Fee	-	-
Public Financing Authority	-	-
Payroll Clearing Fund	30,544.08	9,348.04
Column Totals:	98,579.35	1,069,218.00

Fund No.	Amounts	
	Prepaid	Written
RSA	-	-
RSA Report Totals:	-	-
City Report Totals:		1,167,797.35

Payroll Period Ending 08/29/2021	573,516.53
Wire Transfer Out - To LAIF	3,500,000.00
Wire Transfer In - From LAIF	
Wire Transfer - RSA	
Wire Transfer Out - To Acct. # 2413	53,888.12
Wire Transfer Out - To Acct. # 1936	15,729.00
Supplemental ACH Payments	69,950.10
Voids - Prepaid	
Voids - General Warrant	
Grand Report Total:	5,380,881.10

Diana Mahmud, Mayor

Kenneth L. Louie, Interim Finance Director

City Clerk

ATTACHMENT 2
Prepaid Warrant List

Accounts Payable

Checks by Date - Detail by Check Date

User: calvarez
 Printed: 9/9/2021 11:13 AM



Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
ACH	AFLA7010 164367 370270 766914	AFLAC Employee Optional Insurance - August 2021 Employee Optional Insurance - June 2021 Employee Optional Insurance - July 2021	09/01/2021	731.05 749.77 749.77
Total for this ACH Check for Vendor AFLA7010:				2,230.59
ACH	AME0229 010-19062- Aug 010-19062- July	Ameritas Employee Vision Premium - August 2021 Employee Vision Premium - July 2021	09/01/2021	3,207.40 3,164.48
Total for this ACH Check for Vendor AME0229:				6,371.88
ACH	COBR7131 133654 September 2021	The Advantage Group HRA August 2021 Admin Fee HRA September 2021 Premium Reimbursement	09/01/2021	318.00 16,207.64
Total for this ACH Check for Vendor COBR7131:				16,525.64
ACH	DIG0800 42391	Digital Telecommunications Corp IT Services For Camp Med Phone Extension 380	09/01/2021	135.00
Total for this ACH Check for Vendor DIG0800:				135.00
313089	AT&T5006 130464796 313002019	AT&T Account # 130464796 (07/18/21-08/17/21) Account # 313002019 (07/02-07/27/21)	09/01/2021	80.25 28.53
Total for Check Number 313089:				108.78
313090	AT&T5011 331 841-0756 331 841-0802 626 405-0051 626 441-6497 626 441-6497 626 577-6657	AT&T Account # 331 841-0756 343 2 (07/07/21-09/06/21) Account # 331 841-0802 343 6 (08/07/21-09/06/21) Account # 626 405-0051 017 5 (07/11/21-09/10/21) Account # 626 441-6497 357 0 (08/13/21-09/12/21) Account # 626 441-6497 357 0 (07/13/21-08/12/21) Account # 626 577-6657 213 7 (07/13/21-08/12/21)	09/01/2021	67.32 33.16 3,732.85 859.59 559.15 66.99
Total for Check Number 313090:				5,319.06
313091	ATCN9011 000016787303 000016804740 000016809359 000016930717	AT&T Account # 9391062308 (06/20/21-07/19/21) Account # CLAPDSOPAS (06/27/21-07/26/21) Account # 9391036943 (06/27/21-07/26/21) Account # 9391062308 (07/20/21-08/19/21)	09/01/2021	10,047.55 320.47 592.30 12,818.89
Total for Check Number 313091:				23,779.21
313092	ATT58010 0206606590001 0519345433001	AT&T Account # 020 660 6590 001 (07/20/21-08/20/21) Account # 051 934 5433 001 (06/09/2021)	09/01/2021	156.20 52.63

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
	0519345434001	Account # 051 934 5434 001 (06/09/2021)		60.08
			Total for Check Number 313092:	268.91
313093	CIN4011	AT&T Mobility	09/01/2021	
	287014917916x08	Account # 287014917916 (06/09-08/08/2021)		1,507.42
	287269956155x08	Account # 287269956155 (07/07/21-08/06/21)		660.89
	287299554301x07	Account # 287299554301 (06/20-07/19/21)		45.30
			Total for Check Number 313093:	2,213.61
313094	CBSE6010	Cell Business Equipment	09/01/2021	
	73189938	Contract # 25334839 Property Tax & Admin Fee		19.67
	73401494	Public Works Copier (08/01/2021-08/31/2021)		519.33
			Total for Check Number 313094:	539.00
313095	CLA3030	County of Los Angeles	09/01/2021	
	FY21-22	City of South Pasadena LAFCO Costs FY21-22		1,353.38
			Total for Check Number 313095:	1,353.38
313096	CPSH2013	CPS HR Consulting	09/01/2021	
	121869	HR Training for Worker's Comp & Return to Work		199.00
	121870	HR Training for Worker's Comp & Return to Work		199.00
	122048	HR Training for Worker's Comp & Return to Work		199.00
			Total for Check Number 313096:	597.00
313097	DEL0771	Delta Dental	09/01/2021	
	BE004556830	Dental Premiums for August 2021		6,064.89
	BE004592582	Dental Premiums for September 2021		11,996.92
			Total for Check Number 313097:	18,061.81
313098	JOB1811	Jobs Available	09/01/2021	
	2114009	Director of Planning & Community Advertisement		370.50
			Total for Check Number 313098:	370.50
313099	PEG4590	NUFIC	09/01/2021	
	00091334467 Aug	AD&D Insurance Premium Employee Voluntary - August 2021		822.90
	00091334467 Aug	AD&D Insurance Premium Employee Basic - August 2021		198.00
	00091334467 Jul	AD&D Insurance Premium Employee Basic - July 2021		198.00
	00091334467 Jul	AD&D Insurance Premium Employee Voluntary - July 2021		804.65
			Total for Check Number 313099:	2,023.55
313100	PayPlus	PayPlus Solutions Insight E-Tools	09/01/2021	
	26622	Monthly Conversion of ADP Report to xml form		217.00
	26810	Monthly Conversion of ADP Report to xml form		217.00
			Total for Check Number 313100:	434.00
313101	SCOT8300	So Cal Office Technologies	09/01/2021	
	IN1859711	Citywide Copier Charges (12/09/20-03/08/21)		1.32
	IN1982459	Citywide Copier Charges (02/18/21-05/17/21)		36.82
	IN2038221	Citywide Copier Charges July 2021		2,469.30
			Total for Check Number 313101:	2,507.44
313102	HAFR7000	The Hartford	09/01/2021	

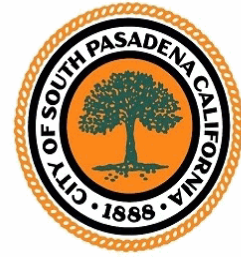
Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
	085038289171	Life Insurance - August 2021		904.50
			Total for Check Number 313102:	904.50
313103	HAFR7000 085031122340	The Hartford Life Insurance - September 2021	09/01/2021	951.75
			Total for Check Number 313103:	951.75
313104	TIM4011 0029763042721 0052005062621 0052005072621 0070193060121 0070193070121 0070193080121 0251967072221 0269985061721 0355990080221	Time Warner Cable Account # 8448 20 899 0029763 (04/16/21-05/16/21) Account # 8448 20 899 0052005 Control Account (06/11-07/10/21) Account # 8448 20 899 0052005 Control Account (07/11-08/10/21) Account # 8448 30 008 0070193 (06/01/2021-06/30/2021) Account # 8448 30 008 0070193 (07/01/2021-07/31/2021) Account # 8448 30 008 0070193 (08/01/2021-08/31/2021) Account # 8448 30 008 0251967 (07/22/2021-08/21/2021) Account # 8448 30 008 0269985 (06/17/21-07/16/21) Account # 8448 30 008 0355990 (08/02/21-09/01/21)	09/01/2021	246.36 3,462.65 3,462.65 78.95 78.95 78.95 219.30 718.14 405.24
			Total for Check Number 313104:	8,751.19
313105	VEBU3010 71861452	Verizon Business Services Account # SV646189 (May 2021)	09/01/2021	12.79
			Total for Check Number 313105:	12.79
313106	VERW6711 9880006275 9882155801 9882802079 9884317436 9884778648 9884967515 9884967515 9884967516	Verizon Wireless Account # 842311063-00002 (04/18/21-05/17/21) Account # 842311063-00002 (05/18/21-06/17/21) Account # 270619951-00004 (05/27-06/26/21) Account # 842311063-00002 (06/18-07/17/21) Account # 571839627-00001 (06/24/21-07/23/21) Account # 270619951-00002 (05/27-07/26/21) Account # 270619951-00002 (05/27-07/26/21) Account # 270619951-00004 (06/27-07/26/21)	09/01/2021	297.00 308.96 517.30 612.69 16.03 1,942.22 76.02 516.10
			Total for Check Number 313106:	4,286.32
313107	XRXF5010 2677970 2726955 2738909	Xerox Financial Services Contract # 010-0061587-002 (05/06-07/05/21) Contract # 010-0061587-002 (07/06-08/05/21) Contract # 010-0061587-003 (07/18-08/17/21)	09/01/2021	550.10 120.99 162.35
			Total for Check Number 313107:	833.44
			Total for 9/1/2021:	98,579.35
			Report Total (23 checks):	98,579.35

ATTACHMENT 3
General City Warrant List

Accounts Payable

Checks by Date - Detail by Check Date

User: calvarez
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Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
ACH	RAMS3041 66539 66539	Rogers Anderson, Malody & Scott LLP Annual Financial Audit FY2019-2020 Final Invoice Annual Financial Audit FY2019-2020 Final Invoice	09/15/2021	3,954.00 5,931.00
Total for this ACH Check for Vendor RAMS3041:				9,885.00
ACH	BAK0369	Baker & Taylor Books	09/15/2021	
	2035915020	Books for Library		429.36
	2035916221	Books for Library		893.25
	2035924505	Books for Library		26.69
	2035932272	Books for Library		283.21
	2035938739	Books for Library		1,191.48
	2035951848	Books for Library		1,444.28
	2035954350	Books for Library		1,861.41
	2035957225	Books for Library		22.42
	2035968938	Books for Library		110.71
	2035969123	Books for Library		687.85
	2035984681	Books for Library		523.71
	2035991435	Books for Library		389.42
	2036002589	Books for Library		243.42
	2036006909	Books for Library		376.80
	2036030685	Books for Library		421.37
	2036043663	Books for Library		153.11
	2036051408	Books for Library		89.78
	2036053731	Books for Library		9.02
	2036063113	Books for Library		500.39
	2036070649	Books for Library		31.73
	2036073239	Books for Library		9.31
	2036079389	Books for Library		40.36
	2036085989	Books for Library		53.07
	2036104836	Books for Library		401.01
	2036105049	Books for Library		1,532.86
	2036105084	Books for Library		229.34
	2036107178	Books for Library		15.56
	2036113289	Books for Library		258.81
	2036117676	Books for Library		443.78
	2036124432	Books for Library		37.53
	2036148201	Books for Library		41.35
Total for this ACH Check for Vendor BAK0369:				12,752.39
ACH	CEAP7000 August 2021	S.P. Public Service Employees Association- August 2021 Union Dues	09/15/2021	360.00
Total for this ACH Check for Vendor CEAP7000:				360.00
ACH	CHWP2010 48792	Colantuono, Highsmith & Whatley, PC SEC Coalition	09/15/2021	590.67

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
Total for this ACH Check for Vendor CHWP2010:				590.67
ACH	DDL8010	Dr. Detail Ph.D	09/15/2021	
	2335	Fleet Cleaninig of Dial-a-Ride Vehicles (Units 70,77-80)		920.00
	2359	Fleet Cleaninig of Dial-a-Ride Vehicles (Unit # 75,77-80)		1,190.00
	2399	Deep Cleaning of Carpets at Camp Med & Rec Building		495.00
Total for this ACH Check for Vendor DDL8010:				2,605.00
ACH	OVDR8011	OverDrive Inc.	09/15/2021	
	01148CO21305006	eBooks / Audiobooks		1,998.83
Total for this ACH Check for Vendor OVDR8011:				1,998.83
ACH	POSU8132	Prudential Overall Supply	09/15/2021	
	52490931	Scrapper Mat Cleaning Services Sewer Division 07/06/2021		3.87
	52490931	Scrapper Mat Cleaning Services Street Division 07/06/2021		3.87
	52490931	Scrapper Mat Cleaning Services Facilities Maint. 07/06/2021		3.87
	52490931	Scrapper Mat Cleaning Services Street Trees 07/06/2021		3.87
	52490931	Scrapper Mat Cleaning Services Street Lighting 07/06/2021		3.87
	52490932	Uniform Cleaning Services Street Tree Maint. 07/06/2021		9.65
	52490932	Uniform Cleaning Services Facility Division 07/06/2021		14.38
	52490932	Uniform Cleaning Services Street Lighting 07/06/2021		11.45
	52490932	Uniform Cleaning Services Street Maintenance 07/06/2021		28.57
	52490932	Uniform Cleaning Services Sewer Division 07/06/2021		9.65
	52490933	Uniform Cleaning Services Water Distribution 07/06/2021		26.55
	52490933	Uniform Cleaning Services Water Distribution 07/06/2021		34.69
	52490934	Scrapper Mat Cleaning Services Water Distribution 07/06/2021		6.23
	52490934	Scrapper Mat Cleaning Services Water Production 07/06/2021		6.24
	52492953	Scrapper Mat Cleaning Services Street Division 07/13/2021		3.87
	52492953	Scrapper Mat Cleaning Services Sewer Division 07/13/2021		3.87
	52492953	Scrapper Mat Cleaning Services Facilities Maint. 07/13/2021		3.87
	52492953	Scrapper Mat Cleaning Services Street Lighting 07/13/2021		3.87
	52492953	Scrapper Mat Cleaning Services Street Trees 07/13/2021		3.87
	52492954	Uniform Cleaning Services Street Lighting 07/13/2021		11.45
	52492954	Uniform Cleaning Services Facility Division 07/13/2021		14.38
	52492954	Uniform Cleaning Services Street Maintenance 07/13/2021		28.57
	52492954	Uniform Cleaning Services Street Tree Maint. 07/13/2021		9.65
	52492954	Uniform Cleaning Services Sewer Division 07/13/2021		9.65
	52492955	Uniform Cleaning Services Water Production 07/13/2021		26.55
	52492955	Uniform Cleaning Services Water Distribution 07/13/2021		34.69
	52492956	Scrapper Mat Cleaning Services Water Production 07/13/2021		6.24
	52492956	Scrapper Mat Cleaning Services Water Distribution 07/13/2021		6.23
	52494996	Scrapper Mat Cleaning Services Street Division 07/20/2021		3.87
	52494996	Scrapper Mat Cleaning Services Facilities Maint. 07/20/2021		3.87
	52494996	Scrapper Mat Cleaning Services Street Lighting 07/20/2021		3.87
	52494996	Scrapper Mat Cleaning Services Street Trees 07/20/2021		3.87
	52494996	Scrapper Mat Cleaning Services Sewer Division 07/20/2021		3.87
	52494997	Uniform Cleaning Services Street Tree Maint. 07/20/2021		9.65
	52494997	Uniform Cleaning Services Street Maintenance 07/20/2021		28.57
	52494997	Uniform Cleaning Services Street Lighting 07/20/2021		11.45
	52494997	Uniform Cleaning Services Facility Division 07/20/2021		14.38
	52494997	Uniform Cleaning Services Sewer Division 07/20/2021		9.65
	52494998	Uniform Cleaning Services Water Production 07/20/2021		26.55
	52494998	Uniform Cleaning Services Water Distribution 07/20/2021		34.69
	52494999	Scrapper Mat Cleaning Services Water Production 07/20/2021		6.24
	52494999	Scrapper Mat Cleaning Services Water Distribution 07/20/2021		6.23
	52497002	Scrapper Mat Cleaning Services Sewer Division 07/27/2021		3.87
	52497002	Scrapper Mat Cleaning Services Facilities Maint. 07/27/2021		3.87

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
52497002		Scrapper Mat Cleaning Services Street Division	07/27/2021	3.87
52497002		Scrapper Mat Cleaning Services Street Trees	07/27/2021	3.87
52497002		Scrapper Mat Cleaning Services Street Lighting	07/27/2021	3.87
52497003		Uniform Cleaning Services Facility Division	07/27/2021	14.38
52497003		Uniform Cleaning Services Street Tree Maint.	07/27/2021	9.65
52497003		Uniform Cleaning Services Street Lighting	07/27/2021	11.45
52497003		Uniform Cleaning Services Sewer Division	07/27/2021	9.65
52497003		Uniform Cleaning Services Street Maintenance	07/27/2021	28.57
52497004		Uniform Cleaning Services Water Production	07/27/2021	26.55
52497004		Uniform Cleaning Services Water Distribution	07/27/2021	34.69
52497005		Scrapper Mat Cleaning Services Water Production	07/27/2021	6.24
52497005		Scrapper Mat Cleaning Services Water Distribution	07/27/2021	6.23
52499038		Scrapper Mat Cleaning Services Street Trees	08/03/2021	3.87
52499038		Scrapper Mat Cleaning Services Sewer Division	08/03/2021	3.87
52499038		Scrapper Mat Cleaning Services Street Division	08/03/2021	3.87
52499038		Scrapper Mat Cleaning Services Facilities Maint.	08/03/2021	3.87
52499038		Scrapper Mat Cleaning Services Street Lighting	08/03/2021	3.87
52499039		Uniform Cleaning Services Street Tree Maint.	08/03/2021	9.65
52499039		Uniform Cleaning Services Facility Division	08/03/2021	14.38
52499039		Uniform Cleaning Services Street Maintenance	08/03/2021	28.57
52499039		Uniform Cleaning Services Sewer Division	08/03/2021	9.65
52499039		Uniform Cleaning Services Street Lighting	08/03/2021	11.45
52499040		Uniform Cleaning Services Water Production	08/03/2021	26.55
52499040		Uniform Cleaning Services Water Distribution	08/03/2021	34.69
52499041		Scrapper Mat Cleaning Services Water Production	08/03/2021	6.24
52499041		Scrapper Mat Cleaning Services Water Distribution	08/03/2021	6.23
52501071		Scrapper Mat Cleaning Services Facilities Maint.	08/10/2021	3.87
52501071		Scrapper Mat Cleaning Services Sewer Division	08/10/2021	3.87
52501071		Scrapper Mat Cleaning Services Street Trees	08/10/2021	3.87
52501071		Scrapper Mat Cleaning Services Street Lighting	08/10/2021	3.87
52501071		Scrapper Mat Cleaning Services Street Division	08/10/2021	3.87
52501072		Uniform Cleaning Services Street Lighting	08/10/2021	11.45
52501072		Uniform Cleaning Services Sewer Division	08/10/2021	9.65
52501072		Uniform Cleaning Services Street Maintenance	08/10/2021	28.57
52501072		Uniform Cleaning Services Street Tree Maint.	08/10/2021	9.65
52501072		Uniform Cleaning Services Facility Division	08/10/2021	14.38
52501073		Uniform Cleaning Services Water Distribution	08/10/2021	34.69
52501073		Uniform Cleaning Services Water Production	08/10/2021	26.55
52501074		Scrapper Mat Cleaning Services Water Production	08/10/2021	6.24
52501074		Scrapper Mat Cleaning Services Water Distribution	08/10/2021	6.23
Total for this ACH Check for Vendor POSU8132:				1,000.56
ACH	SGMC2013	St. George's Medical Clinic	09/15/2021	
	130362.0	Employee Medical Exams		175.00
	131708.0	Employee Medical Exams		175.00
	131733.0	Employee Medical Exams		175.00
	131831.0	Employee Medical Exams		395.00
Total for this ACH Check for Vendor SGMC2013:				920.00
ACH	SOU5230	S.P.Firefighters L-3657	09/15/2021	
	August 2021	FFA Union Supplemental Insurance		147.42
	August 2021	FFA Union Rec Fees		90.00
	August 2021	FFA Union Dues		2,300.00
Total for this ACH Check for Vendor SOU5230:				2,537.42
ACH	SOU5435	S.P. Police Officers Association	09/15/2021	
	August 2021	August 2021 Union Dues		2,882.25

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
	August 2021	August 2021 Union Insurance		2,188.37
		Total for this ACH Check for Vendor SOU5435:		5,070.62
ACH	SOU5451 August 2021	S.P. Public Service Employees Association August 2021 Union Dues	09/15/2021	1,380.00
		Total for this ACH Check for Vendor SOU5451:		1,380.00
ACH	SPBK TM INV-004312	Springbrook Holding Company LLC PO/AP Workflows Setup & FIN Refresher	09/15/2021	636.00
		Total for this ACH Check for Vendor SPBK:		636.00
ACH	STA5219	Staples Business Advantage	09/15/2021	
	3481617831	P&B Dept. Office Supplies		93.02
	3481898798	PW Office Supplies		61.60
	3481898798	PW Office Supplies		85.09
	3482329612	P&B Dept. Office Supplies		23.49
	3482329612	P&B Dept. Office Supplies		47.73
	3482329613	P&B Dept. Office Supplies		28.18
	3482329614	P&B Dept. Office Supplies		28.18
	3482329614CR	P&B Dept. Office Supplies		-28.18
	3482898623	P&B Dept. Office Supplies		14.32
	3483045594	P&B Dept. Office Supplies		-27.55
	3483832193	Finance Office Supplies		359.45
	3483832194	Community Services Office Supplies		24.00
	3483832195	Community Services Office Supplies		30.86
	3483832196	Community Services Office Supplies		192.44
	3483832196	Community Services Office Supplies		41.73
	3483832197	Community Services Office Supplies		24.34
	3483907806	Police Dept. Office Supplies		152.76
	3484221134	Community Services Office Supplies		22.04
	3484221135	Community Services Office Supplies		22.04
	3484581425	Library Office Supplies		184.06
	3484581426	Police Dept. Office Supplies		132.02
	3484674824	Library Office Supplies		60.06
	3484674825	Library Office Supplies		94.22
		Total for this ACH Check for Vendor STA5219:		1,665.90
ACH	WLST8267 August	William Shuttic Class Instructor Functional Fitness	09/15/2021	500.00
		Total for this ACH Check for Vendor WLST8267:		500.00
313108	HRAS6201 44897 45543 46169	Harris & Associates Annual LLMD Levy & Collection of Assessmen Annual LLMD Levy & Collection of Assessmen Annual LLMD Levy & Collection of Assessmen	09/15/2021	3,850.00 1,925.00 1,155.00
		Total for Check Number 313108:		6,930.00
313109	JHA307 SP1MS412012 SP1MS412101 SP1SM412103	John L. Hunter Associates, Inc. Prof. Sevice for City's Stormwater Compliance (December 2020) Prof. Sevice for City's Stormwater Compliance (January 2021) Prof. Sevice for City's Stormwater Compliance (March 2021)	09/15/2021	3,262.97 3,375.00 3,105.00
		Total for Check Number 313109:		9,742.97
313110	MSG6711 1540	Main San Gabriel Basin Watermaster 2020-21 Water Production Assesments	09/15/2021	716,542.00

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
			Total for Check Number 313110:	716,542.00
313111	PHS4011 MAY2021SoPas	Pasadena Humane Society FY2020-21 Animal Control Contract May 2021	09/15/2021	14,297.50
			Total for Check Number 313111:	14,297.50
313112	ESSD8011 2021198	210 East Sound! Library: Equipment Testing & Inventory	09/15/2021	250.00
			Total for Check Number 313112:	250.00
313113	AZDB8011 503539	A to Z Databases Subscription Renewal 08/01/2021-07/31/2022	09/15/2021	1,586.00
			Total for Check Number 313113:	1,586.00
313114	AGCRTII 16899-16900 16899-16900	Agate Court the II, LLC Refund for Closed Water Accounts (16899 & 16900) Refund for Closed Water Accounts (16899 & 16900)	09/15/2021	787.84 200.00
			Total for Check Number 313114:	987.84
313115	ALH0179 July 2021	Alhambra Car Wash Police Department Car Washes - July 2021	09/15/2021	402.00
			Total for Check Number 313115:	402.00
313116	ACMT2920 71410	All City Management Crossing Guard Services for Summer Schools	09/15/2021	603.36
			Total for Check Number 313116:	603.36
313117	EMPI5011 S4800539.001	AramSCO, Inc. (Formerly Empire Cleaning Supply) Fire Dept- Apparatus Cleaning Supplies	09/15/2021	626.24
			Total for Check Number 313117:	626.24
313118	AVCJ3041 FY2021-22 Dues FY2021-22 Dues	Arroyo Verdugo Communities Joint Powers FY2021-2022 Dues for AVCJPA FY2021-2022 Dues for AVCJPA	09/15/2021	3,942.60 2,628.40
			Total for Check Number 313118:	6,571.00
313119	AZTL1011 SP002	Aztlan Athletics 2021 Summer Concerts in the Park Stage Packag	09/15/2021	1,640.00
			Total for Check Number 313119:	1,640.00
313120	SHBE8032 7038	Shuny Bee Online Instructor: Jeetkunedo (08/02-08/30/2021)	09/15/2021	117.60
			Total for Check Number 313120:	117.60
313121	BT4U8180 0721-3319	Better 4 You Meals Meals for Onsite and Home Delivery for July 2021	09/15/2021	5,561.40
			Total for Check Number 313121:	5,561.40
313122	WON6400 624255	Bob Wondries Ford Catalytic Converter for Transit Vehicle 2016 Ford F-250.	09/15/2021	2,014.41

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
			Total for Check Number 313122:	2,014.41
313123	BRMR8267	BRIT West Soccer	09/15/2021	
	7088	Class Instructor: Soccer Club Pros (07/31/21-08/28/21 5-7, SA)		185.25
	7090	Class Instructor: Soccer Club Pros (07/31/21-08/28/21 7-12, SA)		617.50
	7092	Class Instructor: Soccer Club Pros (08/01/21-08/29/21 5-7, SU)		370.50
	7094	Class Instructor: Soccer Club Pros (08/01/21-08/29/21 7-12, SU)		185.25
	7152	Class Instructor: Soccer Tiny Pros (07/31-08/28/21 2-3.5,SA)		1,482.00
	7154	Class Instructor: Soccer Tiny Pros (07/31-08/28/21 3.5-5,SA)		1,111.50
	7156	Class Instructor: Soccer Tiny Pros (08/01-08/29/21 2-3.5,SU)		926.25
	7158	Class Instructor: Soccer Tiny Pros (08/01-08/29/21 3.5-5,SU)		926.25
			Total for Check Number 313123:	5,804.50
313124	DBBRONST 116223	Debra Bronstein Refund Class due to Inability to attend.	09/15/2021	268.00
			Total for Check Number 313124:	268.00
313125	CCCA2010 3091	CA Contract Cities Association Contract Cities Membership Dues (07/01/21-06/30/22)	09/15/2021	3,400.00
			Total for Check Number 313125:	3,400.00
313126	CAN0607 20462	Cantu Graphics Business Cards for Management Analyst Alison Weherle	09/15/2021	33.02
			Total for Check Number 313126:	33.02
313127	JLACRLBM 18743	Julia Carlbloom Refund Deposit for Closed Water Account	09/15/2021	69.53
			Total for Check Number 313127:	69.53
313128	LSTCRRNO 116213	Lisette Carreno Refund due to Class Cancellation	09/15/2021	110.00
			Total for Check Number 313128:	110.00
313129	CHAG8032 7168	Emily Chang Online Instructor: Kindermusik Mixed-Ages (08/04-08/25/2021)	09/15/2021	52.00
			Total for Check Number 313129:	52.00
313130	CITG4011 2715 9626	CI Technologies Annual Software for Internal Affairs (11/2020-10/2021) Annual Software Renewal for Internal Affairs (11/2019-10/2020)	09/15/2021	2,499.00 2,499.00
			Total for Check Number 313130:	4,998.00
313131	COGL8180 21-1217	City of Glendale Latent Print Evaluations Qty # 3	09/15/2021	300.00
			Total for Check Number 313131:	300.00
313132	CDPS1020 69539 70243	Code Publishing Inc. Web Update to Ordinance 2352 Municipal Web Ordinance: 2355,2356,2354	09/15/2021	113.70 473.75
			Total for Check Number 313132:	587.45
313133	DOJ4011	Department of Justice	09/15/2021	

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
	526247	Fingerprint Applications for July 2021		192.00
			Total for Check Number 313133:	192.00
313134	IRNEFJMO 12293	Irene Y Fujimoto Refund for Water Account	09/15/2021	25.96
			Total for Check Number 313134:	25.96
313135	JSMGNZLZ 116277	Jasmine Gonzalez Refund Gazebo rental due to inability to use	09/15/2021	250.00
			Total for Check Number 313135:	250.00
313136	HDLC3010 SIN010893 SIN010893	Hinderliter deLlamas & Associates Contract Services - Sales Tax Q1/2021 Audit Services - Sales Tax Q1/2021	09/15/2021	1,188.44 1,545.08
			Total for Check Number 313136:	2,733.52
313137	JSAR4011 16859 16860 16877 16918 16927	Jack's Auto Repair Routine Maintenance of Transit Fleet Unit # 75 Routine Maintenance of Transit Fleet Unit # 79 Routine Maintenance of Transit Fleet Unit # 80 Routine Maintenance of Transit Fleet Unit # 77 Routine Maintenance of Transit Fleet Unit # 77	09/15/2021	66.00 152.23 66.00 110.00 325.25
			Total for Check Number 313137:	719.48
313138	JCRS5011 49861 49956	Jones Coffee Roasters Fire Dept. Coffee Supplies (July 2021) Fire Dept. Coffee Supplies (August 2021)	09/15/2021	144.45 139.05
			Total for Check Number 313138:	283.50
313139	KBCONSTC 18733	KB Construction Company Refund for Closed Water Account	09/15/2021	97.00
			Total for Check Number 313139:	97.00
313140	EDDKNOUS 11388	Eddie Kenouse Refund for Closed Water Account	09/15/2021	4.58
			Total for Check Number 313140:	4.58
313141	RMDLDRS 18718	Raymond Landeros Refund for Closed Water Account	09/15/2021	46.10
			Total for Check Number 313141:	46.10
313142	LAT7777 244124719	Yvonne Lat Refund Citation Overpayment Citation # 244124	09/15/2021	56.00
			Total for Check Number 313142:	56.00
313143	KVMC6710 50579	Kelvin Machado Reimbursement for D-1 State Drinking Water Certificate	09/15/2021	70.00
			Total for Check Number 313143:	70.00
313144	MBFEC106 S 22803	Marx Bros. Fire Extinguisher Co. Semi-Annual Fire Suppression System Check at WMB.	09/15/2021	110.00

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
			Total for Check Number 313144:	110.00
313145	MER2145 662689	Merit Oil Company Fuel for City Departments (2,426 Gallons of Unleaded Fuel)	09/15/2021	7,928.24
			Total for Check Number 313145:	7,928.24
313146	MICTA 0002132-IN	MiCTA MiCTA Membership for Member # MTG-91030	09/15/2021	100.00
			Total for Check Number 313146:	100.00
313147	MRPT8134 149827	Motorport USA Motorcycle Safety Equipment	09/15/2021	393.29
			Total for Check Number 313147:	393.29
313148	JNNG8110 07.27.2021	Jonathan Nugent Reimburse Training Expense (Driver 1B-Engineer)	09/15/2021	244.00
			Total for Check Number 313148:	244.00
313149	RFELORZC 18480	Rafael Orozco Refund for Closed Water Account	09/15/2021	1.46
			Total for Check Number 313149:	1.46
313150	PHS4011 AUG2021SoPas	Pasadena Humane Society Animal Control Services - August 2021	09/15/2021	14,035.83
			Total for Check Number 313150:	14,035.83
313151	PHOE4610 062021184	Phoenix Group Information Systems Annual Parking Citation Processing & Database	09/15/2021	4,190.87
			Total for Check Number 313151:	4,190.87
313152	PLWK7011 73837 74173 74445 74681 74933 75212 75432	Placeworks Consultant - General Plan Update (Downtown Specific) Nov. 2020 Consultant - General Plan Update (Downtown Specific) Dec. 2020 Consultant - General Plan Update (Downtown Specific) Jan. 2021 Consultant - General Plan Update (Downtown Specific) Feb. 2021 Consultant - General Plan Update (Downtown Specific) Mar, 2021 Consultant - General Plan Update (Downtown Specific) Apr. 2021 Consultant - General Plan Update (Downtown Specific) May. 2021	09/15/2021	293.50 652.50 410.00 1,420.00 2,940.00 3,487.50 5,877.50
			Total for Check Number 313152:	15,081.00
313153	PSOMAS 171862 172571 173721 175751	PSOMAS Consultant - General Plan EIR (Downtown Specific) 03/05-04/01/21 Consultant - General Plan EIR (Downtown Specific) 04/02-04/29/21 Consultant - General Plan EIR (Downtown Specific) 04/30-06/03/21 Consultant - General Plan EIR (Downtown Specific) 07/02-07/29/21	09/15/2021	3,392.50 10,722.62 10,584.25 2,691.25
			Total for Check Number 313153:	27,390.62
313154	RBASMITZ 116016	Mitzye Ribas Refund After School Camp Med due to inability	09/15/2021	356.00
			Total for Check Number 313154:	356.00
313155	ROWI2011	Right of Way Inc.	09/15/2021	

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
	53353	On-Call Services for Traffic Control (February 2021)		4,905.00
	53355	On-Call Services for Traffic Control (December 2020)		2,764.00
	53356	On-Call Services for Traffic Control (September 2020)		20,925.23
	53739	On-Call Services for Traffic Control (May 2021)		16,670.00
	54841	On-Call Services for Traffic Control (September 2020)		4,146.00
Total for Check Number 313155:				49,410.23
313156	JSPHRCCO 19195	Joseph Roco Refund for Closed Water Account	09/15/2021	13.25
Total for Check Number 313156:				13.25
313157	SAN4961 7027 7027	San Gabriel Valley Council of Government: SGVCOG FY 2021-22 Dues SGVCOG FY 2021-22 Dues	09/15/2021	11,000.00 3,399.20
Total for Check Number 313157:				14,399.20
313158	SAN8032 7284 7285	San Pascual Stables Class Instructor: Summer Camp Week 7 (08/02-08/06/2021) Class Instructor: Summer Camp Week 8 (08/09-08/13/2021)	09/15/2021	840.00 1,720.00
Total for Check Number 313158:				2,560.00
313159	SCF1400 1935807-IN	SC Fuels Fuel for PW Yard Fueling Station	09/15/2021	5,190.89
Total for Check Number 313159:				5,190.89
313160	SCAT6710 16279 16281 16323 16350	Scott's Automotive Police Department Automotive Maintenance Unit # 1501 Police Department Automotive Maintenance Unit # 1703 Police Department Automotive Maintenance Unit # 1501 Police Department Automotive Maintenance Unit # 1404	09/15/2021	86.63 399.74 85.00 86.63
Total for Check Number 313160:				658.00
313161	SDSI0107 233404 233406 233407	SDS Security Design Systems Security System for Civic Center (09/01-09/30/2021) Security System for Civic Center (09/01-09/30/2021) Security System for Civic Center (09/01-09/30/2021)	09/15/2021	65.18 113.00 30.00
Total for Check Number 313161:				208.18
313162	DSRN2920 116276	Dean Serwin Refund Security Desposit for WMB.	09/15/2021	522.00
Total for Check Number 313162:				522.00
313163	SMWL2990 124057 273519 273817	Shute, Mihaly & Weinberger LLP Total Cost Advance through 07/31/2021 Legal Assistance Regarding Moffat Street Services 06/30/2021 Legal Assistance Regarding Moffat Street 07/31/2021	09/15/2021	271.38 8,155.50 13,093.00
Total for Check Number 313163:				21,519.88
313164	STE4845 1543-15-2020 2741-17-003 2741-17-004 2741-17-005	Stetson Engineers Inc Preparation of City's 2020 Water Quality Report & CCR Preparation for City's 2020 Urban Water Management Plan Update Preparation for City's 2020 Urban Water Management Plan Update Preparation for City's 2020 Urban Water Management Plan Update	09/15/2021	4,607.25 4,913.25 165.00 9,200.50

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
			Total for Check Number 313164:	18,886.00
313165	SSSS8267	Super Soccer Stars	09/15/2021	
	7100	Super Soccer Stars (07/21/21-08/25/21 5-7, W, 3:55PM)		163.80
	7102	Super Soccer Stars (07/21/21-08/25/21 7-10, W, 5:00PM)		163.80
	7164	Super Soccer Stars (07/21/21-08/25/21 2-3,5 W, 3PM)		163.80
	7166	Super Soccer Stars (07/21/21-08/25/21 3-5, W, 2PM)		327.60
			Total for Check Number 313165:	819.00
313166	TSLAENRG	Tesla Energy	09/15/2021	
	BL-2020-1090	Refund for Building Plan Check		259.10
	BL-2020-968	Refund for Building Plan Check		252.80
			Total for Check Number 313166:	511.90
313167	LEBE8032	The Skateside, LLC	09/15/2021	
	7109	Class Instructor: Skating Day Camp (08/29-08/29/21)		432.60
	7115	Class Instructor: Beginner Skating (Aug)		522.90
	7259	Class Instructor: Skating Summer Camp Week 5		4,819.50
	7260	Class Instructor: Skating Summer Camp Week 6		2,184.00
			Total for Check Number 313167:	7,959.00
313168	TIM4011	Time Warner Cable	09/15/2021	
	0357905080521	Account # 8448 30 008 03597905 (08/05-09/04/21)		130.55
			Total for Check Number 313168:	130.55
313169	POR4707	United Site Services, Inc.	09/15/2021	
	114-12087380	Skate Park Portable Toilet Services (06/18/2021-07/12/2021)		339.72
	114-12181497	Skate Park Portable Toilet Services (07/13/2021-08/09/2021)		339.72
			Total for Check Number 313169:	679.44
313170	UPP7789	Upper San Gabriel Valley MWD	09/15/2021	
	2/07-21	Water Purchase from MWD for July 2021		45,503.90
			Total for Check Number 313170:	45,503.90
313171	WLHD8020	Westlake Hardware	09/15/2021	
	14301922	Fire Dept. Supplies		73.36
	14301935	Fire Dept. Supplies		18.94
			Total for Check Number 313171:	92.30
313172	YTI1023	Y Tire Complete Auto Repair	09/15/2021	
	29936	Police Department - Automotive Maintenance Unit # 0317		200.53
	29942	Police Department - Automotive Maintenance Unit # 198		247.09
			Total for Check Number 313172:	447.62
			Total for 9/15/2021:	1,069,218.00
			Report Total (79 checks):	1,069,218.00

ATTACHMENT 4
Supplemental ACH
Payments



ACH Payment Log

Date	Vendor	Amount	Description
9/2/2021	SoCal Edison	\$69,486.41	Online Payment for City's So Cal Edison Accounts.
9/9/2021	SoCal Gas	\$463.69	Online Payment for City's So Cal Gas Accounts.

Total: **\$69,950.10**

ATTACHMENT 5
Payroll Summary

Liability	Taxes Debited			
	Federal Income Tax		68,493.57	
	Earned Income Credit Advances		.00	
	Social Security - EE		1,277.65	
	Social Security - ER		1,277.64	
	Social Security Adj - EE		.00	
	Medicare - EE		9,130.31	
	Medicare - ER		9,130.30	
	Medicare Adj - EE		.00	
	Medicare Surtax - EE		.00	
	Medicare Surtax Adj - EE		.00	
	Federal Unemployment Tax		.00	
	FMLA-PSL Payments Credit		.00	
	FMLA-PSL ER FICA Credit		.00	
	FMLA-PSL Health Care Premium Credit		.00	
	Employee Retention Qualified Payments Credit		.00	
	Employee Retention Qualified Health Care Credit		.00	
	COBRA Premium Assistance Payments		.00	
	State Income Tax		29,249.68	
	State Unemployment Insurance - EE		.00	
	State Unemployment Insurance - ER		.00	
	State Unemployment Insurance Adj - EE		.00	
	State Disability Insurance - EE		.00	
	State Disability Insurance - ER		.00	
	State Disability Insurance Adj - EE		.00	
	State Family Leave Insurance - EE		.00	
	State Family Leave Insurance - ER		.00	
	State Family Leave Insurance Adj - EE		.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	
	Total Taxes Debited	Acct. No. XXXXX3688	Tran/ABA XXXXXXXXXX	118,559.15
Other Transfers	ADP Direct Deposit	Acct. No. XXXXX3688	Tran/ABA XXXXXXXXXX	449,560.55
	ADP Check	Acct. No. XXXXX3688	Tran/ABA XXXXXXXXXX	2,478.04
	Wage Garnishments	Acct. No. XXXXX3688	Tran/ABA XXXXXXXXXX	2,918.79
	Total Amount Debited From Your Accounts			573,516.53
Bank Debits and Other Liability	Adjustments/Prepay/Voids			.00
Taxes - Your Responsibility	None This Payroll			

Total Liability	573,516.53
	573,516.53
	573,516.53

Net Pay	Checks	2,478.04	
	Direct Deposits	449,560.55	
	Subtotal Net Pay		452,038.59
	Adjustments	.00	
	Total Net Pay Liability (Net Cash)		452,038.59

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				68,493.57	
	Earned Income Credit Advances					
	Social Security				1,277.65	1,277.64
	Medicare				9,130.31	9,130.30
	Medicare Surtax					
	Federal Unemployment Tax					
	Subtotal Federal				78,901.53	10,407.94
	FMLA-PSL Payments Credit					
	FMLA-PSL ER FICA Credit					
	FMLA-PSL Health Care Premium Credit					
	Employee Retention Qualified Payments Cre					
	Employee Retention Qualified Health Care					
	Cobra Premium Assistance Payments					
	Total Federal				78,901.53	10,407.94
						89,309.47
State	CA State Income Tax				29,249.68	
	CA State Unemployment Insurance-ER					
	CA State Disability Insurance-EE					
	Subtotal CA				29,249.68	29,249.68
	Total Taxes		.00	.00	108,151.21	10,407.94
						118,559.15

Amount ADP Debited From Account XXXXX3688 Tran/ABA XXXXXXXXXX 118,559.15

Excludes Taxes That Are Your Responsibility

Other	ADP Direct Deposit	449,560.55	
Transfers	ADP Check	2,478.04	
	Wage Garnishments	2,918.79	
	Amount ADP Debited From Account XXXXX3688		454,957.38

228 Employee Transactions

Total Amount ADP Debited From Your Accounts 573,516.53



City Council Agenda Report

ITEM NO. 9

DATE: September 15, 2021

TO: Honorable Mayor and City Council Members

FROM: Arminé Chaparyan, City Manager *AC*

PREPARED BY: Tamara Binns, Executive Assistant to the City Manager

SUBJECT: **Approval of the Proposed Bylaws Amendments to be Considered at the 2021 League of California Cities General Assembly**

Recommendation

It is recommended that the City Council authorize the City delegate (Councilmember Evelyn G. Zneimer) to vote in support of the proposed Bylaws Amendments being considered at the 2021 League of California Cities' (League) General Assembly.

Commission Review and Recommendation

This matter was not reviewed by a commission.

Discussion/Analysis

Beginning in 2017, the Board of Directors directed the League to undertake a strategic planning process that resulted in the adoption of the "Powering Up for California Cities Strategic Growth Plan 2018-2021" (Strategic Growth Plan). The Strategic Growth Plan set forth goals to enhance California cities' governance to: (a) achieve even higher levels of engagement and effectiveness; (b) ensure optimal engagement by members and their effectiveness in supporting fulfillment of the League's mission; and (c) ensure the pathway to leadership is transparent and inclusive.

To further its governance goals, the Board engaged a consultant to evaluate and make recommendations for enhancing the League's governance. The Consultant gathered and considered input from more than 350 League members through advisory groups, roundtable discussions, interviews, and surveys. On July 8, 2021, the Consultant produced a Governance Report detailing 49 recommendations to the Board to deepen the engagement of League Member Cities and ensure the League's governance is operating at peak performance.

The Governance Report included findings indicating that the League is a strong organization, with a high level of member engagement, but also highlighted opportunities for the League to enhance its governance. The opportunities for enhancement included: (a) improving the clarity, ease, and consistency in how the governance system works; (b) clarifying the guidelines for position qualifications and performance expectations; (c) identifying ways to deepen member engagement and enhance the quality of the experience of involvement; and (d) ensuring the League has an intentional, consistent organizational culture at all levels of the governance system.

The findings and recommendations from the report were presented at the July League Board meeting, and following a robust exchange of ideas and input, the Board decided to move forward with many of the recommendations, referred other recommendations to a Board subcommittee for further study, and deferred consideration of still other recommendations. Two of the approved recommendations adopted by the Board require bylaws amendments; specifically, the recommendations to adjust the composition of the Board, and fully recognize the Diversity Caucuses in the League bylaws.

In addition to governance goals, the Strategic Growth Plan also set forth goals to increase the visibility of the League to: (a) ensure that the League conveys a strong and consistent brand to all audiences; and (b) elevate the voice of the League across all channels, including media, on priority issues for California cities. To further its visibility goals, the League adopted the abbreviated moniker “Cal Cities” to identify and differentiate the League as the voice of California cities on priority issues. To promote consistency, the League bylaws should be amended to change the League of California Cities’ moniker to Cal Cities. Finally, in reviewing the League bylaws amendments staff identified various minor technical corrections to the bylaws.

Summary of Amendments

1. Adjust the composition of the Board to achieve a higher impact and be more representative by adding Director seats to the Board for each of the five Diversity Caucuses, and transitioning members of the National League of Cities Board from Cal Cities Directors to one non-voting advisor to the Cal Cities Board.
2. Recognize the Cal Cities Diversity Caucuses in the Cal Cities bylaws to reflect the full contribution the caucuses make to Cal Cities’ mission and vision.
3. Update the League of California Cities’ moniker to Cal Cities.
4. Make various minor technical corrections.

Background

It is important that the City be represented at the League’s Annual Conference Business Meeting and to vote on proposed resolutions in accordance with City Council direction. The League encourages each City Council to consider the resolutions so that the voting delegate can represent the City’s position.

Support of League resolutions does not commit cities to adopt or implement any League positions in their local communities.

Fiscal Impact

There is no fiscal impact associated with taking a position on the proposed resolutions.

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.

Attachment: Proposed League Bylaws Amendments

ATTACHMENT 1
Proposed Cal Cities Bylaws Amendments



LEAGUE OF
**CALIFORNIA
CITIES**

PROPOSED BYLAWS AMENDMENTS

***2021 Annual Conference
Sacramento, CA***

***General Assembly
September 24, 2021***



**2020-2021
CAL CITIES OFFICERS**

President

Cheryl Viegas Walker
*Mayor,
El Centro*

First Vice President

Cindy Silva
*Council Member,
Walnut Creek*

Second Vice President

Ali Taj
*Council Member,
Artesia*

Immediate Past President

John F. Dunbar
*Mayor,
Yountville*

**Executive Director
and CEO**

Carolyn M. Coleman

To: Cal Cities General Assembly
From: Cheryl Viegas Walker, President
Carolyn Coleman, Executive Director
Date: September 2021
Re: Proposed Cal Cities Bylaws Amendments

On August 17, 2021, the League of California Cities (Cal Cities) Board of Directors (Board) voted to present proposed bylaws amendments to the General Assembly at the 2021 Cal Cities' Annual Conference. This document describes the background of the proposed amendments, summarizes the proposed amendments, and explains the procedure for adopting amendments to the bylaws.

Background

Beginning in 2017, the Board directed Cal Cities to undertake a strategic planning process that resulted in the adoption of the "Powering Up for California Cities Strategic Growth Plan 2018-2021" (Strategic Growth Plan). The Strategic Growth Plan set forth goals to enhance Cal Cities' governance to: (a) achieve even higher levels of engagement and effectiveness; (b) ensure optimal engagement by members and their effectiveness in supporting fulfillment of Cal Cities' mission; and (c) ensure the pathway to leadership is transparent and inclusive.

In furtherance of its governance goals, the Board engaged an association governance consultant (Consultant) to evaluate the Cal Cities governance system and make recommendations for enhancing Cal Cities' governance. The Consultant gathered and considered input from more than 350 Cal Cities members through advisory groups, roundtable discussions, interviews, and surveys. On July 8, 2021, the Consultant produced a report (Governance Report) detailing 49 recommendations to the Board to deepen the engagement of Cal Cities' Member Cities and ensure Cal Cities' governance is operating at peak performance.

The Governance Report included findings indicating that Cal Cities is a strong organization, with a high level of member engagement, but also highlighted opportunities for Cal Cities to enhance its governance. The opportunities for enhancement included: (a) improving the clarity, ease, and consistency in how the governance system works; (b) clarifying the guidelines for position qualifications and performance expectations; (c) identifying ways to deepen member engagement and enhance the quality of the experience of involvement; and (d) ensuring Cal Cities has an intentional, consistent organizational culture at all levels of the governance system.

The findings and recommendations from the report were presented at the July Cal Cities Board meeting, and following a robust exchange of ideas and input, the Board decided to move forward with many of the recommendations, referred other recommendations to a Board subcommittee for further study, and deferred consideration of still other recommendations. Two of the approved recommendations adopted by the Board require bylaws amendments; specifically, the recommendations to adjust the composition of the Board, and fully recognize the Diversity Caucuses in the Cal Cities bylaws.¹

In addition to governance goals, the Strategic Growth Plan also set forth goals to increase the visibility of Cal Cities to: (a) ensure that Cal Cities conveys a strong and consistent brand to all audiences; and (b) elevate the voice of Cal Cities across all channels, including media, on priority issues for California cities. In furtherance of its visibility goals, Cal Cities adopted the abbreviated moniker “Cal Cities” to identify and differentiate Cal Cities as the voice of California cities on priority issues. To promote consistency, the Cal Cities bylaws should be amended to change the League of California Cities’ moniker to Cal Cities.

Finally, in reviewing the Cal Cities bylaws amendments staff identified various minor technical corrections to the bylaws.

Summary of Amendments

At this time, the Board recommends for adoption the following amendments to the bylaws:

1. Adjust the composition of the Board to achieve a higher impact and be more representative by adding Director seats to the Board for each of the five Diversity Caucuses, and transitioning members of the National League of Cities Board from Cal Cities Directors to one non-voting advisor to the Cal Cities Board.
2. Recognize the Cal Cities Diversity Caucuses in the Cal Cities bylaws to reflect the full contribution the caucuses make to Cal Cities’ mission and vision.
3. Update the League of California Cities’ moniker to Cal Cities.
4. Make various minor technical corrections.

While the work to enhance Cal Cities’ governance is a process that will be implemented in phases over several years, the Board believes these proposed amendments constitute an important first step towards ensuring Cal Cities’ governance is operating at peak performance.

¹ Cal Cities Diversity Caucuses are currently recognized through Board Policy. See page 35 of the Board Manual, available at [https://www.calcities.org/docs/default-source/default-document-library/2016-board-manual-\(b15\).pdf](https://www.calcities.org/docs/default-source/default-document-library/2016-board-manual-(b15).pdf).

Procedure for Amending the Cal Cities Bylaws

Amendments to the Cal Cities bylaws may be proposed by the Cal Cities Board and may be adopted: (a) by vote of the Cal Cities General Assembly, or (a) by mail ballot to member cities.² In this case, the amendments will be considered by the General Assembly. Bylaws amendments need to be approved by 2/3 of those voting,³ and the number that constitutes 2/3 of those voting (1) cannot be less than a majority of the voting delegates present if there is a quorum at the time the vote is taken;⁴ or (2) cannot be less than a majority of a quorum if the meeting started with a quorum but a quorum is not present when the vote is taken.⁵

If approved by the General Assembly, the amendments to the bylaws will go into effect after the expiration of a 60-day protest period.⁶ If, within 60 days after the adoption of the amendments, one-third or more of the Member Cities submit a written protest against the amendments, the amendments are automatically suspended until the next Annual Conference, when they may be taken up again for reconsideration and vote.⁷

² Article XVI, Section 1.

³ Article XVI, Section 2.

⁴ Cal. Corp. Code 7512, subd. (a).

⁵ Cal. Corp. Code 7512, subd. (d).

⁶ Article XVI, section 6.

⁷ Article XVI, section 7.

**RESOLUTION RELATING TO AMENDMENTS TO THE CAL CITIES BYLAWS
(2/3 vote at General Assembly required to approve)**

Source: League of California Cities Board of Directors

WHEREAS, the League of California Cities (Cal Cities) is a nonprofit mutual benefit corporation under California law and, as such, is governed by corporate bylaws; and

WHEREAS, the Cal Cities Board of Directors (Board) periodically reviews the Cal Cities bylaws for issues of clarity, practicality, compliance with current laws, and responsiveness to membership needs and interests; and

WHEREAS, beginning in 2017, the Board directed Cal Cities to undertake a strategic planning process that resulted in the adoption of the “Powering Up for California Cities Strategic Growth Plan 2018-2021” (Strategic Growth Plan); and

WHEREAS, the Strategic Growth Plan set forth goals to enhance Cal Cities’ governance to: (a) achieve even higher levels of engagement and effectiveness; (b) ensure optimal engagement by members and effectiveness in supporting fulfillment of the Cal Cities’ mission; and (c) ensure the pathway to leadership is transparent and inclusive; and

WHEREAS, in furtherance of its governance goals, the Board engaged an expert in association governance (Consultant) who gathered and considered input from more than 350 Cal Cities members through advisory groups, roundtable discussions, interviews, and surveys to evaluate the Cal Cities governance system and make recommendations for enhancing Cal Cities’ governance; and

WHEREAS, the Board approved certain recommendations made by the Consultant as a result of that governance assessment, which identified amendments to the bylaws that: (a) fully recognize the Cal Cities diversity caucuses; and (b) adjust the composition of the Board by adding Director seats to the Board for each of the five caucuses, and transitioning members of the National League of Cities Board from Cal Cities Directors to one non-voting advisor to the Board; and

WHEREAS, Corporations Code section 7222(c) provides that a bylaws amendment that reduces the number of directors or the number of classes of directors does not remove any director prior to the expiration of the director’s term of office; and

WHEREAS, the Directors currently serving as Directors of Cal Cities by virtue of their service as Directors on the National League of Cities Board will continue to serve on the Cal Cities Board until the expiration of their terms and the bylaws amendment providing for one non-voting advisor to the Cal Cities Board to be appointed if members of the National League of Cities Board of Directors hold an office in a Member City will not become effective until December 1, 2022; and

WHEREAS, the Strategic Growth Plan also set forth goals to increase the visibility of Cal Cities to: (a) ensure that Cal Cities conveys a strong and consistent brand to all audience; and (b) elevate the voice of Cal Cities across all channels, including media, on priority issues for California cities; and

WHEREAS, in furtherance of its visibility goals, the Board engaged a strategic communications expert to work alongside Cal Cities staff to assess the Cal Cities' brand; and

WHEREAS, that assessment indicated that numerous abbreviations for the "League of California Cities" were diluting its brand; and

WHEREAS, Cal Cities thus adopted the abbreviated moniker "Cal Cities" to identify and differentiate Cal Cities across all channels, including media, as the voice of California cities on priority issues; and

WHEREAS, the Cal Cities Board offers the following proposed amendments and additions to the bylaws, as summarized in the attached Summary of Proposed Bylaw Changes, and as set forth in full in the attached redlined version of the bylaws referenced below, both of which are hereby incorporated by reference, which (1) fully recognize the Cal Cities Diversity Caucuses in the Cal Cities bylaws; (2) adjust the composition of the Board by adding Director seats to the Board for each of the five caucuses, and transitioning members of the National League of Cities Board from Cal Cities Directors to one non-voting advisor to the Board; (3) change the League of California Cities' moniker to Cal Cities; and (4) make various minor technical corrections; and

now therefore, be it

RESOLVED, by the General Assembly of the League of California Cities assembled during the Annual Conference in Sacramento on September 24, 2021, that Cal Cities makes the specified changes to the Cal Cities bylaws set forth in full in the attached redlined version of the bylaws, and as summarized in the attached Summary of Proposed Bylaws Changes.

See ATTACHMENT 1 for a summary of the proposed bylaws changes.

See ATTACHMENT 2 for full redlined version of the proposed changes to the bylaws.

ATTACHMENT 1
Summary of Proposed Bylaws Changes

Summary of Proposed Bylaws Changes

1. Fully Recognize the Cal Cities Diversity Caucuses in the Cal Cities Bylaws.

- Add a new Article XI, formally recognizing the caucuses in the bylaws consistent with how departments and divisions are recognized. Provide default rules for caucus structure and process where the caucuses do not have bylaws or where caucus bylaws are silent.

- Make conforming changes as follows:
 - Amend Article VI, Section 3, Subdivisions (a) and (b) to allow for one elected official from each caucus to be appointed to the resolutions committee by their respective caucus, or by the Cal Cities President in the event a caucus does not make its appointment.

 - Amend Article VII, Section 10, Subdivision (c) to provide that one member of each standing policy committee shall be appointed by each caucus president.

 - Amend new Article XII (formerly, Article XI), Section 1, Subdivision (a) to specify that a majority of the members of a caucus constitutes a quorum for the purpose of making decisions.

 - Amend new Article XII (formerly, Article XI), Section 2, Subdivision (a) to provide that all voting in a caucus meeting is by voice vote.

 - Amend new Article XII (formerly, Article XI), Section 4 to provide that representatives of each Member City present and in good standing at a caucus meeting collectively cast one vote, except as otherwise provided in caucus bylaws.

 - Amend new Article XII (formerly, Article XI), Section 5, Subdivision (d) to allow caucuses to use mail balloting as specified in their bylaws.

 - Amend Article XIII (formerly, Article XII), Section 1, Subdivision (a) to provide that persons must officially be in city service in a Member City in order to be eligible to hold office in a caucus.

 - Amend Article XIII (formerly, Article XII), Section 2, Subdivisions (c) and (d) to clarify the effective date of a caucus office resignation or vacancy.

 - Amend Article XIV (formerly, Article XIII), Section 2, Subdivision (b) to provide that a copy of Cal Cities' budget shall be sent to each caucus president who shall make it available to caucus members.

- Amend Article XVI (formerly, Article XV), Section 5 to provide that Robert's Rules of Order or other parliamentary rules adopted by the Cal Cities Board shall prevail at caucus meetings.

2. **Adjust the Composition of the Board.**

- **Add directors from each diversity caucus:**

- Amend Article VII, Section 2, Subdivision (d) to add one director from each of the five caucuses to the Board for a term of two years.
- Make conforming changes to the following sections:
 - Amend Article VII, Section 3, to stagger the terms of the caucus directors so that the terms of approximately one-half of the Board continue to expire each year. Provide that the terms for the directors from the African American, Asian Pacific Islander, and LGBTQ caucuses expire in even-numbered years, and terms of the directors from the Latino and Women's caucuses expire in odd-numbered years.
 - Amend Article VII, Section 4, Subdivision (c) to provide that the initial caucus director shall either be the caucus president or another caucus member appointed by the caucus president, and thereafter, that caucus directors are to be elected by their caucuses.
 - Amend Article VII, Section 4, new Subdivision (f) (formerly Subdivision (e)) to provide that newly created caucuses can elect a representative to the Board.
 - Amend Article VII, Section 6, Subdivision (c) to provide that, if a vacancy occurs in a caucus directorship, the caucus officers may elect a new director.

- **Transition members of the National League of Cities (NLC) Board of Directors from Cal Cities Directors to one non-voting advisor to the Board:**

- Delete Article VII, Section 2, Subdivision (e) which provides that directors on the NLC Board who hold an office in a Member City are directors on the Cal Cities Board, and make a conforming change as follows:
 - Delete the language from Article VII, Section 2, Subdivision (g) which provides that directors that sit on the Cal Cities Board by virtue of their directorship on the NLC Board shall serve until their terms on the NLC Board conclude.

- Add new Section 17 to Article VII to provide that effective December 1, 2022 (after the terms of the currently serving NLC Board directors expire), if members of the NLC Board hold office in a Member City, no more than one such member shall be appointed by the Cal Cities President to serve as a non-voting advisor to the Cal Cities Board for a term that coincides with their service on the NLC Board. Provide further that such non-voting advisor shall be invited to attend regularly-scheduled Board meetings, but shall not attend emergency meetings and/or closed/executive sessions unless otherwise determined by the Board.
3. **Change the League of California Cities Moniker.** Amend Article I, Section 1 to read, “This corporation is the League of California Cities (~~the League~~) (Cal Cities)” and make conforming changes to replace “League” with “Cal Cities” throughout the entirety of the bylaws.
4. **Make Technical Corrections.**
- Amend the following sections of the bylaws to correct technical errors and typos:
 - Article I, Section 3: change “to” to “do”
 - Article II, Section 2(a): change “Advocate legislation” to “Advocate for legislation”
 - Article II, Section 2(g): change “member cities” to “Member Cities”
 - Article III, Section 3: change “state and federal laws” to “state or federal laws”
 - Article V, Section 3(b): changed “Designating” to “Designated”
 - Article VI: clarify that “Petitioned Resolutions” is a defined term in Section 2 and capitalize “Petitioned Resolutions” in Section 4(a), Section 5(f), and Section 5(g)
 - Article VI, Section 5(d): change “late” to “later”
 - Article VII, Section 4(d): change “organization” to “organizational”
 - Article VII, Section 4(f): add “the” before “nominating committee”
 - Article VII, Section 10(c)(ii): capitalize “President”
 - Article IX, Section 7(c)(ii): correct cross-reference from 4(d) to 4(e)
 - Article X, Section 2(c): change “two years established” to “two years as established”
 - Article X, Section 2(d): capitalize “Director”
 - Article XII, Section 4: change “representatives” to “representative” and “cast” to “casts”
 - Article XVI, Section 5: add “and applicable law”
 - Article XVIII, Section 3(c): correct cross-reference from “Article XI” to “Article XII”
 - Article XII, Section 2(b): change “three or Member Cities” to “three or more Member Cities”

ATTACHMENT 2
Full Redlined Version of Proposed Changes to Bylaws

**Bylaws for the
League of California Cities**

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Bylaws for the League of California Cities¹

Article I: General

Section 1: Corporation Name.

This corporation is the League of California Cities (~~Cal Cities~~the League).

Section 2: Offices.

The principal office of this corporation shall be located in Sacramento, California. The ~~League-Cal Cities~~ Board of Directors (~~League-Cal Cities~~ Board) may establish such other ~~League-Cal Cities~~ offices as it deems necessary to the effective conduct of ~~League-Cal Cities~~ programs.

Section 3: Compliance with Governing Laws.

In all matters not specified in these bylaws, or in the event these bylaws ~~do~~ not comply with applicable law, the California Nonprofit Corporation Law applies.

Article II: Purpose and Objectives

Section 1: General.

~~The League's~~Cal Cities' purpose is to strengthen and protect local control for cities through education and advocacy to enhance the quality of life for all Californians.

Section 2: Objectives.

~~The League's~~Cal Cities' objectives are the following:

- (a) Advocate for legislation that results in benefits to Member Cities,
- (b) Communicate to Member Cities and the public on issues related to the general welfare of citizens in California cities,
- (c) Pursue strong intergovernmental relationships to promote the well being of California cities,
- (d) Organize educational opportunities, such as conferences of city officials,

¹ Note: All footnotes are for reference and explanation only and are not part of the bylaws text.

League of California Cities Bylaws

- (e) Stimulate greater public interest and more active civic consciousness as to the importance of cities in California's system of government,
- (f) Collect and disseminate information of interest to Member Cities, and
- (g) Engage the membership in a continuing analysis of the needs of ~~M~~member ~~C~~ities.

Article III: Membership

Section 1: Qualification.

- (a) **Cities.** Any city, or city and county, in California may, by the payment of annual dues prescribed in Article IV, become a Member City and as such is entitled to ~~League-Cal Cities~~ services and privileges.
- (b) **Elected and Appointed Officials.** All elected and appointed officials in Member Cities are members of ~~the LeagueCal Cities~~.

Section 2: Termination.

- (a) **Grounds for Termination.** Membership is suspended or terminated whenever any of the following occurs:
 - (i) The Member City resigns by giving written notice to ~~the LeagueCal~~ Cities;
 - (ii) The Member City does not pay dues, fees or assessments in the amounts and terms set by the ~~League-Cal Cities~~ Board; or
 - (iii) An event occurs that makes the Member City ineligible for membership.
- (b) **Procedures for Termination.** ~~The LeagueCal Cities~~ shall give 15 days notice of any suspension or termination of membership and the reasons for such action, along with the opportunity to respond orally or in writing not less than five days before the effective date of the action.²

Section 3: Honorary Members.

Any person who has given conspicuous service for the improvement of city government may, by the vote of the ~~Cal Cities League~~ Board, be granted an honorary membership

² See Cal. Corp. Code § 7341(c) (requiring termination procedures be included in bylaws and specifying what constitutes a fair and reasonable procedure).

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in ~~Cal Cities~~the League. All ex-presidents of ~~the League~~Cal Cities are Honorary Members. Honorary Members as such do not have a voice or vote in any of the meetings of ~~the League~~Cal Cities and do not have membership status in Cal Cities ~~the League~~ for purposes of state ~~and-or~~ federal laws.

Section 4: Non-Liability.

No Member City is liable for the debts or obligations of Cal Cities~~the League~~.

Article IV: Dues

Section 1: Establishment.

The ~~League~~Cal Cities Board establishes ~~the League's~~Cal Cities' dues annually according to city population. The population of each city is the most current population as determined by the California Department of Finance, Demographic Research Unit, or its successor agency or unit. If no successor agency or unit is named, the most current population used to determine dues shall be used to determine future dues until such time as these bylaws are amended to designate a new source for determining city population.

Section 2: Increase in Dues.

(a) Board Vote Requirement. Any increase in dues must be approved by the ~~League~~Cal Cities Board by a two-thirds vote. The Cal Cities~~League~~ Board's approval shall be accompanied by an explanation of the need for the increase, including but not limited to:

- (i) Increases in ~~the League's~~Cal Cities' costs related to general increases in the consumer price index or other factors; and/or
- (ii) The expansion of existing programs or initiation of new programs.

(b) Member City Ratification Requirement. Any dues increase that exceeds either the "consumer price index" for the preceding twelve months or five percent (whichever is greater) requires Member City ratification. In no event, however, shall the ~~League~~Cal Cities Board approve a dues increase in excess of ten percent without Member City ratification.

(i) **"Consumer Price Index" Defined.** For purposes of this section, the consumer price index is the California consumer price index for all urban consumers calculated by the California Department of Industrial Relations or its state or federal successor.

(ii) **Approval Threshold.** Member City ratification requires a majority of Member Cities casting votes.

(iii) **Mechanism for Seeking Approval.** The ratification may occur at ~~the~~ League's Cal Cities' General Assembly (see Article V) or by using the mail balloting procedure (see Article XI, section 5).

(c) **Dues Cap.** In no event will a Member City's dues increase by more than \$5,000 per year.

Section 3: Delinquency.

Any Member City of ~~the League Cal Cities~~ who is delinquent in dues, fees or assessments may be suspended or have that member's membership terminated as provided in Article III, section 2.

Article V: Membership Meetings

Section 1: Annual Conference.

(a) **Time and Place.** ~~The League's Cal Cities'~~ regular Annual Conference is held at the time and place as the League Cal Cities Board determines. In case of any unusual conditions or extraordinary emergency, the League Cal Cities Board may, at its discretion, change the time or place of the meeting.

(b) **Conference Program Planning.** The League Cal Cities Board shall establish an Annual Conference program planning process that provides for input from representative segments of Cal Cities' ~~the League's~~ membership.

Section 2: Special Meetings.

Special meetings of Cal Cities ~~the League~~ may be called by the League Cal Cities Board and shall be called by the League Cal Cities Board upon the written request of five percent or more of the Member Cities.³ Any written request by Member Cities shall describe the general nature of the business to be transacted and the text of any proposed resolution(s).

Section 3: City Delegates as General Assembly.

(a) **Designation.** Each Member City may, with the approval of the city council, designate a city official as the city's designated voting delegate and, in the event that the designated voting delegate is unable to serve in that capacity, up to two alternate voting delegates.

³ See Cal. Corp. Code § 7510 ("special meetings of members for any lawful purpose may be called by 5 percent or more of the members").

(b) **Membership Decision-making Body.** Designated ~~ed~~ing voting delegates (or their alternates) constitute ~~the League's~~ Cal Cities' General Assembly.

(c) **Registration for Annual Conference.** For General Assemblies held in conjunction with the Annual Conference, designated voting delegates must register to attend the Annual Conference.

Section 4: Notice of Meetings.

(a) **General.** Notice shall be given to all Member Cities of the time and place of all regular and special meetings by faxing or mailing a written notice at least fifteen days prior to each meeting, or by publishing a notice of the meeting at least two weeks prior to the meeting in an official publication of Cal Cities~~the League~~; provided, however, that failure to receive such notice does not invalidate any proceedings at such meeting.

(b) **Special Notice Requirements for Special Meetings.** Any notice of the calling of a special meeting shall specify the purpose of the special meeting in such detail to enable Member Cities to determine whether they should attend. In the event a special meeting is requested by five percent or more of the Member Cities, the notice shall also set for the text of any proposed resolution(s).

Section 5: Parliamentarian.

The ~~League~~ Cal Cities President shall appoint a Parliamentarian to resolve procedural issues at ~~the League's~~ Cal Cities' General Assembly and in Resolutions Committee meetings.

Section 6: Credentials.

Designated voting delegates must register with the Credentials Committee. The Cal Cities ~~League~~ President shall appoint a three-person Credentials Committee no later than the first day of the General Assembly. In case of dispute, this committee determines the right of a member to participate.

Article VI: Resolutions

Section 1: Role and Scope of Resolutions.

Resolutions adopted by ~~the League's~~ Cal Cities' General Assembly and such ~~League~~ Cal Cities Board policies as are not inconsistent with such resolutions constitute ~~League~~ Cal Cities policy. All resolutions shall be germane to city issues.

Section 2: Origination.

Resolutions may originate from city officials, city councils, regional divisions, functional departments, caucuses, policy committees, or the League-Cal Cities Board or by being included in a petition signed by designated voting delegates of ten percent of the number of Member Cities (Petitioned Resolutions). Except for Petitioned Resolutions, all other resolutions must be submitted to the League-Cal Cities with documentation that at least five or more cities, or city officials from at least five or more cities, have concurred in the resolution.

Section 3: Resolutions Committee for Annual Conference Resolutions.

(a) Resolutions Committee Composition. The League-Cal Cities President establishes a Resolutions Committee sixty days prior to each Annual Conference, which committee shall consist of:

- (i) One elected official from each regional division, appointed by the regional division;
- (ii) One elected official from each policy committee, appointed by the policy committee;
- (iii) One member from each functional department, appointed by the department;
- (iv) One elected official from each caucus, appointed by the caucus; and
- (iv) Up to ten additional members (at least five of whom are elected officials) as the League-Cal Cities President deems necessary to achieve geographic and population balance, as well as recognize the multiplicity of city functions not represented by the other appointments, including, but not limited to, the perspectives of board and commission members as well as professional staff.

(b) Presidential Appointments. In the event a regional division, policy committee, ~~or~~ functional department, or caucus does not make its appointment to the Resolutions Committee, the League-Cal Cities President may make the appointment on the regional division's, policy committee's, ~~or~~ functional department's, or caucus's behalf.

(c) Chair. The League-Cal Cities President shall also appoint to the Resolutions Committee a committee chair and vice chair.

(d) Minimum Committee Size and Composition. In the event the full committee is not in attendance at the Annual Conference, the League-Cal Cities President shall appoint a sufficient number of city officials in attendance

to achieve a total of thirty. No less than two-thirds of the members of the Resolutions Committee shall be elected officials.

- (e) **Committee Consideration of Proposed Resolutions.** Except for resolutions of courtesy, commendation, appreciation or condolence, no resolution expressing the opinion or policy of ~~the League-Cal Cities~~ on any question may be considered or discussed by ~~the League's Cal Cities'~~ General Assembly, unless it has been first submitted to, and reported on, by the Resolutions Committee.

Section 4: Procedure for Resolution Review for the Annual Conference.

- (a) **Timing.** Except for ~~P~~petitioned ~~R~~esolutions, all resolutions shall be submitted to the Resolutions Committee, at ~~the League's Cal Cities'~~ headquarters, not later than sixty days prior to the opening session of ~~the League's Cal Cities'~~ Annual Conference.

(b) **Referral to Policy Committees.**

- (i) **Review and Recommendations.** Except for resolutions of courtesy, commendation, appreciation or condolence, all resolutions submitted to the Resolutions Committee shall be referred by the ~~League-Cal Cities~~ President to an appropriate policy committee for review and recommendation prior to the opening general session of the Annual Conference.
- (ii) **Report to Resolutions Committee.** Policy committees shall report their recommendations on such resolutions to the Resolutions Committee. The inability of a policy committee to make a recommendation on any resolution does not preclude the Resolutions Committee from acting upon it.

Section 5: Resolutions Proposed by Petition for the Annual Conference.

- (a) **Presentation by Voting Delegate.** A designated voting delegate of a ~~Member C~~ity may present by petition a resolution to the ~~League-Cal Cities~~ President for consideration by the Resolutions Committee and the General Assembly at the Annual Conference. These resolutions are known as "~~P~~petitioned ~~R~~esolutions."
- (b) **Contents.** The petition shall contain the specific language of the resolution and a statement requesting consideration by ~~the League's Cal Cities'~~ General Assembly.

- (c) **Signature Requirements.** The petition shall be signed by designated voting delegates registered with the Credentials Committee who represent ten percent of the number of Member Cities.
- (d) **Time Limit for Presentation.** The signed petition shall be presented to the ~~League~~ Cal Cities President no later than twenty-four hours prior to the time set for convening ~~the League's~~ Cal Cities' General Assembly.
- (e) **Parliamentarian Review.** If the ~~League~~ Cal Cities President finds that the petition has been signed by designated voting delegates of ten percent of the number of Member Cities, the petition shall be reviewed by the Parliamentarian for form and substance. The Parliamentarian's report shall then be presented to the chair of the Resolutions Committee. Among the issues that may be addressed by the Parliamentarian's report is whether the resolution should be disqualified as being either:
- (i) Non-germane to city issues; or
 - (ii) Identical or substantially similar in substance to a resolution already under consideration.
- (f) **Disqualification.** The Resolutions Committee may disqualify a ~~P~~petitioned ~~R~~resolution as either being:
- (i) Non-germane to city issues; or
 - (ii) Identical or substantially similar in substance to a resolution already under consideration.
- (g) **Consideration by General Assembly.** The ~~P~~petitioned ~~R~~resolution and the action of the Resolutions Committee will be considered by ~~the League's~~ Cal Cities' General Assembly following consideration of other resolutions.
- (h) **Availability of List of Voting Delegates.** A list of voting delegates shall be made available during the Annual Conference to any designated voting delegate upon request.

Section 6: Special Meeting Resolution Procedures.

- (a) **Germane-ness.** All resolutions must be germane to the meeting purpose specified in the special meeting notice.
- (b) **Opportunity for Member Review.** All resolutions to be proposed during the General Assembly shall be available for membership review by electronic (for example, by posting on the ~~Cal Cities~~ League's website) or other means at least 24 hours prior to the beginning of the special meeting.

- (c) **Parliamentarian Review.** The Parliamentarian shall review all proposed resolutions for form and substance. The Parliamentarian's report shall be presented to the General Assembly.

Section 7: Full Debate.

The opportunity for full and free debate on each resolution brought before the General Assembly shall occur prior to consideration of a resolution.

Article VII: Board of Directors

Section 1: Role and Powers; Board Diversity Policy.

- (a) Subject to the provisions and limitations of California Nonprofit Corporation Law, any other applicable laws, and the provisions of these bylaws, Cal Cities' the League's activities and affairs are exercised by or under the direction of the League's Cal Cities Board of Directors. The League-Cal Cities Board is responsible for the overall supervision, control and direction of Cal Citiesthe League. The League-Cal Cities Board may delegate the management of the League's Cal Cities' affairs to any person or group, including a committee, provided the League-Cal Cities Board retains ultimate responsibility for the actions of such person or group.
- (b) The goal of the League Cal Cities is to ensure that the Board of Directors reflects the diverse ethnic and social fabric of California. As such, each Division, Department, Caucus, and Policy Committee should encourage and support members of every race, ethnicity, gender, age, sexual orientation and heritage to seek leadership positions within Cal Citiesthe League, with the ultimate goal of achieving membership on the Board of Directors.

Section 2: Composition.

The League's The Cal Cities Board is composed of the following:

- (a) A President, First Vice-President and Second Vice-President/Treasurer, who each serve a term of one year;
- (b) The Immediate Past President who serves for a term of one year, immediately succeeding his or her term as President;
- (c) Twelve Directors-at-Large,
- (i) Who serve staggered two-year terms, and

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- (ii) At least one of whom is a representative of a small city with a population of 10,000 or less;
- (d) One Director to be elected from each of the regional divisions, ~~and~~ functional departments, and caucuses of Cal Cities~~the League~~, each of whom serves for a term of two years; and
- ~~(e) Members of the National League of Cities Board of Directors who hold an office in a Member City; and~~
- ~~(f)~~(e) Ten Directors that may be designated by the mayors of each of the ten largest cities in California to serve two-year terms.
- ~~(g)~~(f) For purposes of this section, the population of each city is the most current population as determined by the California Department of Finance, Demographic Research Unit, or its successor agency or unit. If no successor agency or unit is named, the most current population used to determine these dues shall be used to determine future dues until such time as these bylaws are amended to designate a new source for determining city population.
- ~~(h)~~(g) Directors hold office until their successors are elected and qualified ~~or, if they sit on the Cal Cities League Board by virtue of their membership on the National League of Cities Board of Directors, until their terms on the National League of Cities Board of Directors conclude.~~

Section 3: Staggered Terms.

The terms of the Directors are staggered, so that the terms of approximately one-half of the members of the ~~League~~ Cal Cities Board expire each year.

(a) Even-Numbered Year Terms. The following directorship terms expire in even-numbered years:

- (i) **Departments.** Directors from the Fiscal Officers, Public Works Officers, Mayors and Council Members, Planning and Community Development, Fire Chiefs, and City Clerks departments;
- (ii) **Divisions.** Directors from the Central Valley, Desert-Mountain, Imperial County, Monterey Bay, North Bay, Orange County, Redwood Empire, Sacramento Valley and San Diego County divisions; ~~and~~
- (iii) **Caucuses.** Directors from the African American, Asian Pacific Islander, and LGBTQ caucuses; and
- (iv)**At Large.** Directors from five of the ten at-large directorships.

(b) Odd-Numbered Year Terms. The following directorships expire in odd-numbered years:

- (i) **Departments.** Directors from the City Attorneys, City Managers, Police Chiefs, Recreation, Parks and Community Services, and Personnel and Employee Relations departments;
- (ii) **Divisions.** Directors from the Channel Counties, Inland Empire, East Bay, Los Angeles County, Peninsula, Riverside County and South San Joaquin Valley divisions; ~~and~~

(iii) **Caucuses.** Directors from the Latino and Women’s caucuses; and

(iv) **At Large.** Directors from five of the ten at-large directorships.

Section 4: Election of Directors.

(a) Functional Department Directors. Unless their respective functional department bylaws provide otherwise, Departmental Directors are elected by their respective departments at the Annual Conference.

(b) Regional Division Directors. Unless their respective regional division bylaws provide otherwise, Regional Directors are elected at the regional division meeting immediately preceding the Annual Conference.

~~(b)~~(c) **Caucus Directors.** The caucus presidents shall serve, or may appoint a member of their respective caucuses to serve, as the initial Caucus Directors for their respective caucuses. Thereafter, unless their respective caucus bylaws provide otherwise, Caucus Directors shall be elected by their respective caucuses at the Annual Conference.

~~(c)~~(d) **At-Large Directors.** Directors-at-Large are elected by the League-Cal Cities Board at its organizational meeting.

~~(d)~~(e) **Commencement of Terms.** The term of office of all newly elected Directors commences immediately on the adjournment of the Annual Conference; however, the newly constituted League-Cal Cities Board may meet prior to the adjournment of the Annual Conference for the purpose of organization.

~~(e)~~(f) **Additional Directors.** In the event of the creation of additional regional divisions, ~~or~~ functional departments, ~~or~~ caucuses of Cal Cities the League, each regional division, ~~or~~ functional department, ~~or~~ caucus may elect a representative to the League-Cal Cities Board. When a new functional department, ~~or~~ regional division, ~~or~~ caucus is created at any Annual Conference, the League-Cal Cities Board may select a Director to represent

such functional department, ~~or~~ regional division, or caucus until the entity organizes and elects a Director in the regular manner. The ~~League-Cal Cities~~ Board may fix the initial term of any such Director from a new regional division, ~~or~~ functional department, or caucus at either one or two years, so as to keep the number of terms expiring on alternate years as nearly equal as possible.

Section 5: Nomination Process.

- (a) **Timing.** The ~~League-Cal Cities~~ President, with the concurrence of the ~~League-Cal Cities~~ Board, shall establish a nominating committee at the first Board meeting of the calendar year in which the election is to occur.
- (b) **Composition.** The nominating committee shall be comprised of eleven Board members. Two nominating committee members shall be At-Large Directors and one shall represent a functional department. Regional divisions shall be represented on the nominating committee on the following rotating basis:
- (i) **Even-Numbered Years:** In even-numbered years, the Central Valley, Imperial County, Monterey Bay, North Bay, Orange County, Redwood Empire, Sacramento Valley and San Diego County Regional Divisions shall be represented on the nominating committee.
 - (ii) **Odd-Numbered Years:** In odd-numbered years, the Channel Counties, Inland Empire, Desert-Mountain, East Bay, Los Angeles County, Peninsula, Riverside County, and South San Joaquin Regional Divisions shall be represented on the nominating committee.
- (c) **Nominating Committee Chair.** The ~~League-Cal Cities~~ President shall appoint the chair of the nominating committee.
- (d) **Candidates for Positions Ineligible.** Candidates for officer and at-large positions on the ~~League-Cal Cities~~ Board are not eligible to serve on the nominating committee. In the event a regional division representative on the nominating committee wishes to be a candidate for an officer or at-large position, the ~~League-Cal Cities~~ President will appoint a substitute nominating committee member from the same regional division, if available. If one is not available, the President shall appoint a substitute from a nearby regional division.
- (e) **Duties.** The duties of the nominating committee are to:
- (i) **Member Outreach.** Publicize the qualifications for the offices of Second Vice President/Treasurer and the at-large members of the ~~League-Cal Cities~~ Board to Cal Cities' ~~the League's~~ Member Cities;

(ii) **At-Large and Second Vice President Recommendations.** Make recommendations to the League-Cal Cities Board on the following year's League-Cal Cities officers and at-large board members; and

(iii) **President and First Vice President Recommendation.** Recommend whether the previous year's First Vice President becomes President and the previous year's Second Vice President/Treasurer becomes First Vice President.

(f) **Notice to Members.** An explanation of the nomination process and relevant deadlines for submitting nominations to the nominating committee shall be publicized in League-Cal Cities publications and communications throughout the year, along with the identity of nominating committee members once such members are appointed. In addition, the nominating committee shall inform the membership of the opening of the nominations for the following year when it makes its report to the general membership as provided in Article VI, Section 5(g) below.

(g) **Decision and Report.** The nominating committee's recommendations shall be communicated to the League-Cal Cities Board not later than 30 days prior to the date of Cal Cities' the League's Annual Conference and again at the Annual Conference. In addition, the nominating committee shall make its report to the membership at the opening general session of the Annual Conference.

(h) **Election.** The election of League-Cal Cities Board officers and Directors-at-Large shall occur at a League-Cal Cities Board meeting at the Annual Conference as provided in Article VII, Section 4(c) and Article VII, section 3.

Section 6: Vacancies.

(a) **Functional Departmental Directorships.** In the event of a vacancy in a functional departmental directorship, the president of the department may become a member of the League-Cal Cities Board or may appoint a member of his or her department to fill the vacancy.

(b) **Regional Division Directorships.** If a vacancy occurs in the regional division directorship, the regional division in question may elect a new Director at the next regular meeting of the regional division.

(b)(c) **Caucus Directorships.** If a vacancy occurs in a caucus directorship, the caucus officers may elect a new Director.

(c)(d) **At-Large Directorships.** If a vacancy occurs in an at-large directorship, the League-Cal Cities Board may elect a new Director to fill the vacancy at

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the next regular board meeting. The ~~League-Cal Cities~~ president may nominate individuals for consideration by the ~~League-Cal Cities~~ Board.

~~(d)~~**(e) Large City Directorships.** In the event of a vacancy in a large-city seat, that large city may designate a new representative.

~~(e)~~**(f) Terms.** The person elected or appointed to fill a vacancy holds office for the remainder of the term of the office in question (see Article VII, section 3).

~~(f)~~**(g) Grounds for Vacancy.** A vacancy in a directorship shall occur due to resignation, a vacancy in elective or appointed office held by the director, or if the ~~League-Cal Cities~~ Board determines the department, ~~or~~ division, ~~or~~ caucus that elected the director, or an appointed director, is not complying with these bylaws or the policies of the ~~League-Cal Cities~~ Board.

Section 7: Resignation.

Any Director resignation is effective upon receipt in writing by the ~~League's-Cal Cities~~ President or Executive Director, unless a later date is specified in the letter.

Section 8: Meetings and Meeting Notice.

(a) Regularly Scheduled Board Meetings. The ~~League-Cal Cities~~ Board shall meet no fewer than four times a year. Notice of regularly scheduled Board meetings shall be mailed to each Director at least 14 days before any such meeting.

(b) Emergency Board Meetings. A good faith effort shall be made to provide notice of any emergency board meetings (for example, by first-class mail, personal or telephone notification, including a voice messaging system or other system or technology designed to record and communicate messages, telegraph, facsimile, electronic mail, or other electronic means).

(c) Telephonic or Electronic Participation. Members of the ~~League-Cal Cities~~ Board may participate in any meeting through the use of conference telephone or similar communications equipment, so long as all members participating in such meeting can hear one another. Participation in a meeting by this means constitutes presence in person at such meeting.

(d) Notice Content. All meeting notices shall include the meeting date, place, time, and, as applicable, the means by which a ~~League-Cal Cities~~ Board member may participate electronically.

Section 9: Policies.

The ~~League-Cal Cities~~ Board may adopt such policies for its government as it deems necessary and which are not inconsistent with these bylaws. In the event of an inconsistency, these bylaws shall prevail.

Section 10: Committees.

(a) **General.** The ~~League-Cal Cities~~ Board may establish committees to study city problems, advise on ~~League-Cal Cities~~ educational efforts, make recommendations with respect to ~~League-Cal Cities~~ advocacy efforts, or to engage in other appropriate ~~Cal Cities League~~-service.

(b) Executive Committee.

(i) **Composition.** The Executive Committee of the ~~League-Cal Cities~~ Board consists of the following: the ~~League's-Cal Cities~~ President, First Vice-President, Second Vice-President/Treasurer, Immediate Past President and Executive Director.

(ii) **Authority.** The Executive Committee has authority to act for the ~~League-Cal Cities~~ Board between Board meetings, provided that no action of the Executive Committee is binding on the ~~League-Cal Cities~~ Board unless authorized or approved by the Board.

(c) Standing Policy Committees.

(i) **Charge.** ~~Cal CitiesThe League~~ shall have a series of standing policy committees, whose charge shall be to make recommendations to the ~~League-Cal Cities~~ Board on matters within the committees' jurisdiction, as well as fulfill other duties specified in these bylaws (see, for example, Article VI, section 4(b)).

(ii) **Membership.** Each ~~League-Cal Cities~~ Policy Committee shall be comprised of the following:

- Two members appointed by each regional division president;
- One member appointed by each functional department president;
- One member appointed by each caucus president;
- No more than 16 members appointed by the ~~League-Cal Cities~~ ~~P~~resident, to provide population and geographic balance, as well as expertise; and

- Such representatives of affiliate organizations in the capacity authorized by the League-Cal Cities Board.

(iii) **Feedback.** Policy committees shall receive information on actions taken on committee recommendations and the reasons for those actions.

(d) **Committee Chairs and Vice Chairs.** The League-Cal Cities President appoints the chair of all League-Cal-Cities-wide committees. The term of such appointments coincides with the League-Cal Cities President's term. The League-Cal Cities President may appoint vice chairs for such committees, as the League-Cal Cities President deems necessary.

Section 11: Compensation.

The Directors do not receive any compensation for their services, but, with League-Cal Cities Board approval, may be entitled to reimbursement for actual and necessary expenses incurred in the performance of their duties.

Section 12: Reports of Directors.

The League-Cal Cities Board's duties include providing an annual report to League-Cal Cities members at the regular Annual Conference showing the League's Cal Cities work, the League's Cal Cities financial condition, and a statement with respect to the League's Cal Cities' plans for further work and proposed policies.

Section 13: Standard of Care.⁴

(a) **General.** A Director shall perform the Director's duties, including duties on any committee on which the Director serves, in good faith, in a manner the Director believes to be in the best interests of the League-Cal Cities and with such care, including reasonable inquiry, as an ordinarily prudent person in a like situation would use under similar circumstances.

(b) **Reliance on Information.** In performing the Director's duties, the Director is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, prepared or presented by:

- (i) One or more League-Cal Cities officers or employees whom the Director believes to be reliable and competent as to the matters presented;

⁴ See Cal. Corp. Code § 7231 (providing that a director who performs the director's duties according to these standards is not liable for any alleged failure to properly discharge the individual's obligations as a director).

- (ii) Counsel, independent accountants, or other persons as to matters which the Director believes to be within such person's professional or expert competence; or
- (iii) A League-Cal Cities Board committee upon which the Director does not serve, as to matters within the committee's designated authority, provided that the Director believes the committee merits confidence.

The Director may rely on such information, opinions, reports, or statements as long as the Director acts in good faith after reasonable inquiry (when the need for such inquiry is indicated by the circumstances) and as long as the Director has no knowledge that would suggest that such reliance is unwarranted.

(c) Non-Liability. An individual who performs the duties of a Director in accordance with this section will not be liable for any failure or alleged failure to discharge that person's obligations as a Director, including, without limiting the generality of the preceding, any actions or omissions which are inconsistent with the League's Cal Cities' nonprofit purposes.

Section 14: Right to Inspect Records.

Every Director has a right at any reasonable time to inspect and copy all League-Cal Cities books, records and documents of every kind and to inspect the League's Cal Cities' physical property.⁵

Section 15: Policy Changes.

Any policy established by the League's Cal Cities' General Assembly may be changed by the League's Cal Cities Board upon ratification of such proposed change by a majority of the regional divisions representing a majority of Member Cities within the time period specified by the League-Cal Cities Board.

Section 16: Positions on Statewide Ballot Measures.

Notwithstanding any other provision of these bylaws, the League-Cal Cities Board may take a position on a statewide ballot measure by a 2/3rd vote of those Directors present.

Section 17: Non-Voting Advisor to the Board.

Effective December 1, 2022, if members of the National League of Cities Board of Directors hold an office in a Member City, no more than one such member shall be appointed by the Cal Cities President to serve as a non-voting advisor to the Cal Cities Board, for a term that coincides with their term on the National League of Cities Board

⁵ See Cal. Corp. Code § 83343 (characterizing this right as absolute).

of Directors. Any such non-voting advisor shall be invited to attend all regularly-scheduled Board meetings. The non-voting advisor shall not attend emergency Board meetings and/or closed/executive sessions of the Board unless a determination is made by the Board to include the non-voting advisor in a particular emergency Board meeting and/or closed/executive session.

Article VIII: Officers

Section 1: Identity.

The officers of ~~the League-Cal Cities~~ are a President, a First Vice-President, a Second Vice-President/Treasurer, an Immediate Past President, and an Executive Director.

Section 2: Duties of ~~League-Cal Cities~~ Officers.

- (a) **President.** The President presides at all ~~League-Cal Cities~~ Board meetings and all General Assemblies. The President has such other powers and duties as may be prescribed by these bylaws or the ~~League-Cal Cities~~ Board.
- (b) **First Vice-President.** The First Vice-President carries on the duties of the President in the President's temporary absence or incapacity. The First Vice-President has such other powers and duties as may be prescribed by these bylaws or the ~~League-Cal Cities~~ Board.
- (c) **Second Vice-President/Treasurer.** The Second Vice-President/Treasurer carries on the duties of the President in the President's and First Vice-President's temporary absence or incapacity. The Second Vice-President/Treasurer has such other powers and duties as may be prescribed by these bylaws or the ~~League-Cal Cities~~ Board.

Section 3: Election.

The ~~League-Cal Cities~~ Board elects the ~~League's-Cal Cities~~ President, First Vice-President and Second Vice-President for terms of one year.⁶ The election occurs at the ~~League-Cal Cities~~ Board's meeting at the Annual Conference.

Section 4: Vacancies.

A vacancy in the office of President is filled by the Immediate Past President who shall serve for the unexpired term of office and, upon election of a new President at the next Annual Conference, shall subsequently serve a full term as Immediate Past President. In the event the Immediate Past President is not available to fill the vacancy in the office of the President, or declines in writing, it shall be filled by the succession of the First

⁶ See Cal. Corp. Code § 7151(c)(5) (suggesting bylaws address this issue).

Vice-President to that office. A vacancy in the office of First Vice-President, or Second Vice-President/Treasurer, is filled for the un-expired term by appointment by the League Cal Cities Board of a member of the League-Cal Cities Board. A vacancy in the office of the Immediate Past President is filled for the un-expired term by the last Past President continuing to hold a city office.

Section 5: Executive Director and League-Cal Cities Employees.

(a) Employment. The League-Cal Cities Board selects an Executive Director who employs, or causes to be employed, such other persons as may be necessary who need not be League-Cal Cities members. The Executive Director and employees perform such duties and receive such compensation as the League-Cal Cities Board may from time to time prescribe.

(b) Specific Duties. The Executive Director performs or causes to be performed the following functions:

(1) Corporate Secretary. These duties include:

- (i) Keeping a full and complete record of the proceedings of the League-Cal Cities Board;
- (ii) Giving such notices as may be proper and necessary;
- (iii) Keeping minute books for Cal Cities~~the League~~;
- (iv) Communicating the League-Cal Cities Board's actions to Member Cities;
- (v) Executing such instruments necessary to carry out Board directives and policies; and
- (vi) Complying with other record-keeping and reporting requirements of California Nonprofit Corporation Law.

(2) Chief Financial Officer. These duties include:

- (i) Having charge of and custody of and receiving, safeguarding, disbursing and accounting for all League-Cal Cities funds;
- (ii) Depositing and investing such funds in such institutions and investments as approved by the League-Cal Cities Board;
- (iii) Maintaining ~~the League's~~Cal Cities' financial books and records; and

(iv) Preparing and submitting such accounting and tax forms as may be required by local, state and federal law.

(c) **Insurance.** All employees handling the finances of ~~Cal Cities the League~~ shall be insured in such amount as the ~~League-Cal Cities~~ Board deems desirable or necessary, such insurance to be approved by the ~~League-Cal Cities~~ Board or a committee designated by the ~~League-Cal Cities~~ Board and the premiums paid by ~~Cal Cities the League~~.

Article IX: Regional Divisions

Section 1: Listing.

(a) **Existing Regional Divisions.** ~~Cal Cities The League~~ is comprised of the following regional divisions:

Central Valley	North Bay
Channel Counties	Orange County
Desert-Mountain	Peninsula
East Bay	Redwood Empire
Imperial County	Riverside County
Inland Empire	Sacramento Valley
Los Angeles County	San Diego County
Monterey Bay	South San Joaquin Valley

(b) **New Divisions.** Additional divisions may be formed through an amendment to these bylaws (Article XVI).

Section 2: Purposes and Functions.

The purposes and functions of regional divisions of ~~Cal Cities the League~~ are as follows:

- (a) To promote interest in the problems of city government and administration among city officials within such divisions.
- (b) To assist ~~League-Cal Cities~~ officials in formulating policies by expressing, through resolutions duly adopted, the recommendations of the regional divisions. Resolutions adopted by regional divisions to be considered at the Annual Conference shall be submitted in the manner provided by Article VI.
- (c) To take action consistent with general ~~League-Cal Cities~~ policy as duly adopted by ~~Cal Cities' the League's~~ General Assembly or by the ~~League's Cal Cities~~ Board. Regional divisions may take no action in conflict with such policies. Nothing in the foregoing limits or restricts regional division activities in matters of purely local interest and concern.

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- (d) To meet not less than once every three months, provided that ~~the League~~Cal Cities' Annual Conference may be considered one such meeting of a regional division.

Section 3: Names of Divisions.

Each regional division will identify itself as a division of the League of California Cities.

Section 4: Boundaries.

The territorial boundaries of each regional division may be fixed by each division subject to the approval of ~~the League's~~Cal Cities' General Assembly.

Section 5. Membership.

All cities within the boundaries of a regional division may become members of and participate in the activities of that division. A city may join a different regional division with the approval of both the existing and proposed division, and the ~~League's~~Cal Cities Board of Directors.

Section 6: Voting.

Unless otherwise provided in a regional division's bylaws, the representatives of each Member City may cast collectively one vote on division matters, and a majority of the votes cast is necessary for a decision.

Section 7: Officers.

- (a) **Identity.** Each regional division elects a President, a Vice-President, and a representative on the ~~League~~Cal Cities Board of Directors, and such other officers as any regional division bylaws may establish.

- (b) **Election Timing.** Each regional division elects its officers at the regional division meeting immediately preceding ~~the League's~~Cal Cities' Annual Conference, unless another date is provided by any regional division's bylaws.

(c) **Terms.**

- (i) **Officers' Terms and Commencement Dates.** Except as provided below, the term of office of all newly elected officers is one year, commencing immediately upon election unless another date is

provided by the regional division's bylaws.⁷ A majority of the members may amend any regional division bylaws to provide for two-year terms for regional division officers.

(ii) **Directors' Terms and Commencement Dates.** The term of office and commencement date for regional division representatives on the League-Cal Cities Board are established in Article VII, section 2(d) (term length) and 4(~~ee~~) (term commencement).

(d) **Vacancies.** In the event of a vacancy in any regional division office, such vacancy is filled by election at the next regular meeting of such division for the unexpired term of that office. The fact that such a vacancy will be so filled shall be included in the notice of such meeting. This requirement also applies to a vacancy in the office of regional division director, as provided in Article VII, section 6(b).

(e) **Duties.**

(i) **President.** The President presides at all regional division meetings and has such other powers and duties as may be prescribed by any division bylaws.

(ii) **Vice-President.** The Vice-President carries on the duties of the President in the President's temporary absence or incapacity and has such other powers and duties as may be prescribed by any division bylaws.

(iii) **Secretary.** The Secretary a) immediately notifies ~~the LeagueCal~~ Cities of any change in the regional division officers, b) records the minutes of all division meetings and sends one copy to League-Cal Cities headquarters, and c) prepares and mails all notices of the meetings of the division and sends a copy to the League-Cal Cities headquarters.

(iv) **Director.** The regional division Director shall represent the regional division on the League-Cal Cities Board and shall keep the division membership apprised of League-the Cal Cities Board's activities. The Director serves as a liaison between the regional division and the League-Cal Cities Board.

⁷ Note that this term commencement is different than that for the League-Cal Cities board (whose terms commence upon adjournment of the Annual Conference) and than that for department officers (also upon adjournment of the Annual Conference).

Section 8: Resignation.

Except as provided in Article VII, section 7 for members of the League-Cal Cities Board, a regional division officer's resignation is effective upon receipt in writing by the division's President or Secretary, unless a later date is specified in the letter.

Section 9: Regional Division Bylaws.

Regional divisions may adopt their own bylaws. Division bylaws may not conflict with ~~the League's-Cal Cities'~~ bylaws. In the event of a conflict between a division's bylaws and League-Cal Cities' bylaws, ~~the League's~~Cal Cities' bylaws will prevail; ~~the League's~~Cal Cities' bylaws also prevail when the division does not have bylaws or the division's bylaws are silent.

Article X: Functional Departments

Section 1: Listing.

(a) Existing Departments. The League-Cal Cities includes the following functional departments:

- | | |
|------------------------------------|----------------------------------|
| Mayors and Council Members | Police Chiefs |
| City Attorneys | Fire Chiefs |
| Fiscal Officers | Community Services |
| Public Works Officers | City Clerks |
| City Managers | Personnel and Employee Relations |
| Planning and Community Development | |

(b) New Departments. Additional functional departments may be formed through an amendment to these bylaws (Article XVI).

Section 2: Officers.

(a) Identity. Each functional department elects a President, a Vice-President, a representative on the Board, and such other officers as the department's bylaws may establish.

(b) Election Timing. Each functional department elects its officers at the department's business session at the League's-Cal Cities' Annual Conference, unless the department's bylaws provide otherwise.

(c) Terms. The term of office for functional department officers is one year, commencing immediately upon the adjournment of the Annual Conference. The exception is the functional department representatives of the League-Cal Cities Board, whose term is two years as established in Article VII, section 2(d).

(d) Vacancies. A vacancy in the office of President is filled for the unexpired term by the succession of the Vice-President. A vacancy in the office of the Vice-President or any other office of the functional department is filled by appointment by the department President for the unexpired term. The person so appointed shall be a member of such department. A vacancy in the office of department ~~De~~director is filled as provided in Article VII, section 6(a) for the unexpired term.

(e) Duties.

(i) President. The President presides at functional department meetings and has such other powers and duties as may be prescribed by any department bylaws.

(ii) Vice-President. The Vice-President carries on the duties of the President in the President's temporary absence or incapacity and has such other powers and duties as may be prescribed by any department bylaws.

(iii) Director. The department Director shall represent the functional department on the ~~League-Cal Cities~~ Board and shall keep the department membership apprised of ~~League-the Cal Cities~~ Board's activities. The Director serves as a liaison between the department and the ~~League-Cal Cities~~ Board.

(f) Resignation. Except as provided in Article VII, section 7 for members of the ~~League-Cal Cities~~ Board, a functional department officer's resignation is effective upon receipt in writing by the department's President or Vice-President, unless a later date is specified in the letter.

Section 3: Voting.

Except as otherwise provided in a functional department's bylaws, the representatives of each Member City may cast collectively one vote on functional department matters. A majority of the votes cast is necessary for a decision.

Section 4: Department Meetings.

Functional departments meet at the Annual Conference and at other times and places as they find necessary.

Section 5: Department Bylaws.

Functional departments may adopt their own bylaws. Such bylaws may not conflict with ~~the League's Cal Cities'~~ bylaws. In the event of a conflict between a department's

bylaws and ~~League-Cal Cities'~~ bylaws, ~~Cal Cities' the League's~~ bylaws will prevail; ~~Cal Cities' the League's~~ bylaws also prevail when the department does not have bylaws or the department's bylaws are silent.

Article XI: Caucuses

Section 1: Listing.

(a) Existing Caucuses. Cal Cities includes the following caucuses:

African American Caucus
Asian Pacific Islander Caucus
Lesbian Gay Bisexual Transgender Queer (LGBTQ) Caucus
Latino Caucus
Women's Caucus

(b) New Caucuses. Additional caucuses may be formed through an amendment to these bylaws (Article XVI).

Section 2: Purposes and Functions.

The purposes and functions of the caucuses are as follows:

- (a) To promote within Cal Cities the active involvement and full participation of a wide spectrum of city officials reflecting the diversity of California's cities, so as to enhance responsive city government.
- (b) To facilitate the sharing of information between city officials who share characteristics such as nationality, race, ethnicity, gender, sexual orientation, age, or religion, and to provide educational and leadership development opportunities to such city officials.
- (c) To promote interest in, and advocate for, issues relating to city government and administration that are of concern to caucus members to enhance the quality of life for their diverse constituencies.
- (d) To assist Cal Cities officials in formulating policies by expressing, through resolutions duly adopted, the recommendations of the caucuses. Resolutions adopted by caucuses to be considered at the Annual Conference shall be submitted in the manner provided by Article VI.
- (e) To take action consistent with general Cal Cities policy as duly adopted by Cal Cities' General Assembly or by the Cal Cities Board. Caucuses may take no action in conflict with such policies.

(f) To meet at the Annual Conference and at other times and places as they find necessary.

Section 3: Names of Caucuses.

Each caucus will identify itself as a caucus of the League of California Cities.

Section 4: Membership.

All elected and appointed officials in Member Cities may apply to become members of a caucus in accordance with such caucus's bylaws or procedures.

Section 5: Voting.

Unless otherwise provided in caucus bylaws, each caucus member may cast one vote on caucus matters, and a majority of the votes cast is necessary for a decision.

Section 6: Officers.

(a) Identity. Each caucus elects a President, a Vice-President, and a representative on the Cal Cities Board of Directors, and such other officers as caucus bylaws may establish.

(b) Election Timing. Each caucus elects its officers at the caucus meeting at the Cal Cities Annual Conference, unless another date is provided by caucus bylaws.

(c) Terms.

(i) Officers' Terms and Commencement Dates. Except as provided below, the term of office of all newly elected officers is one year, commencing immediately upon election, unless another term length or commencement date is provided by caucus bylaws.⁸

(ii) Directors' Terms and Commencement Dates. The term of office and commencement date for caucus representatives on the Cal Cities Board are established in Article VII, section 2(d) (term length) and 4(c) (term commencement).

(d) Vacancies. Unless otherwise provided in caucus bylaws, a vacancy in the office of President is filled for the unexpired term by the succession of the Vice-President. A vacancy in the office of the Vice-President or any other

⁸ Note that this term commencement is different than that for the Cal Cities board (whose terms commence upon adjournment of the Annual Conference) and than that for department officers (also upon adjournment of the Annual Conference).

office of the caucus is filled by appointment by the caucus President for the unexpired term. The person so appointed shall be a member of such caucus. A vacancy in the office of caucus Director is filled as provided in Article VII, section 6(c) for the unexpired term.

(e) Duties.

- (i) President.** The President presides at all caucus meetings and has such other powers and duties as may be prescribed by caucus bylaws.
- (ii) Vice-President.** The Vice-President carries on the duties of the President in the President's temporary absence or incapacity and has such other powers and duties as may be prescribed by caucus bylaws.
- (iii) Director.** The caucus Director shall represent the caucus on the Cal Cities Board and shall keep the caucus membership apprised of the Cal Cities Board's activities. The Director serves as a liaison between the caucus and the Cal Cities Board.

Section 7: Resignation.

Except as provided in Article VII, section 7 for members of the Cal Cities Board, a caucus officer's resignation is effective upon receipt in writing by the caucus's President, unless a later date is specified in the resignation letter or provided by caucus bylaws.

Section 8: Caucus Bylaws.

Caucuses may adopt their own bylaws. Such bylaws may not conflict with Cal Cities' bylaws. In the event of a conflict between a caucus's bylaws and Cal Cities' bylaws, Cal Cities' bylaws will prevail; Cal Cities' bylaws also prevail when the caucus does not have bylaws or the caucus's bylaws are silent.

Article XII: Voting

Section 1: Quorum.

- (a) In General.** A majority of the members of the League's-Cal Cities Board, functional department, regional division, caucus, committee or other kind of subsidiary body constitutes a quorum for the purpose of making decisions.⁹

⁹ See Cal. Corp. Code § 7211(a)(8) (noting that a board meeting may continue to transact business after a quorum is lost as long as items approved receive a majority of the quorum, unless a higher approval threshold exists for approval of a certain type of action).

(b) **General Assembly.** The presence, at the General Assembly, of credentialed voting delegates (or alternates) representing a majority of Member Cities, constitutes a quorum.¹⁰

(c) **Failure to Achieve Quorum.** In the event that a body other than the League Cal Cities Board of directors lacks a quorum, all votes taken by that body will be advisory to the League-Cal Cities Board, which shall be advised that a quorum was not present. In the event that the League's-Cal Cities Board is unable to achieve a quorum, the League-Cal Cities Board will adjourn until such time as a quorum can be achieved.

Section 2: Voting Methods.

(a) **General Assembly.** All voting in meetings of the General Assembly of Cal Citiesthe League, its regional divisions, functional departments, caucuses, committees, and other kinds of subsidiary bodies is by voice vote.

(b) **Alternative Methods.** If the presiding official cannot determine the outcome of the voice vote or three or more Member Cities request, an alternative method of voting may be used. An alternative voting method may be by any means (show of hands, written ballot, display of voting cards, etc.) which allows the presiding official to accurately determine the outcome of the vote.

(c) **Roll Call Vote.** A roll call may be demanded by representatives of ten percent or more of the voting body.

(d) **Voting Cards.** A voting card will be issued to each Member City's designated voting delegate upon presentation of evidence of the delegate's designation by the Member City.

(e) **Proxy Voting.** Proxy voting is not allowed.

Section 3: Vote Threshold.

Except as otherwise provided in these bylaws (see, for example, Article XVI, section 2), a majority vote of approval of those voting is necessary for decision.

¹⁰ See Cal. Corp. Code § 7512(c) (noting that a membership meeting may continue to transact business after a quorum is lost as long as items approved receive a majority of the quorum, unless a higher approval threshold exists for approval of a certain type of action—for example, bylaws approval).

Section 4: One City One Vote.

Except as otherwise provided in a functional department's, ~~or~~ a regional division's, or caucus's bylaws, the representatives of each Member City present and in good standing collectively cast s one vote. A majority of the votes cast is necessary for a decision.

Section 5: Mail Balloting.

In addition to voting at League-Cal Cities meetings, Cal Cities~~the League~~ may solicit member input by mail ballot.

- (a) **Mailing.**¹¹ The question(s) to be voted upon, along with explanatory materials and a ballot, shall be mailed by first class mail to each Member City for consideration and action.
- (b) **Time Frame for Action.** Member Cities shall have at least 45 days to cast their vote. Ballots shall be cast by returning the Member City's ballot to Cal Cities' the League's principal office in Sacramento.
- (c) **Ballot Tabulation and Results Announcement.** The League-Cal Cities President will appoint a counting committee of three board members to count the votes cast by mail ballot. The counting committee will submit its count to the League-Cal Cities Board, which shall canvass the vote and announce the results.
- (d) **Functional Departments, and Regional Divisions, and Caucuses.** Departments, ~~and~~ divisions, and caucuses may also use mail balloting under procedures specified in their respective ~~department and division~~ bylaws.

Article XIII: Qualifications to Hold Office and Vacancies

Section 1: Eligibility to Hold Office.

- (a) **In General.** Excepting the office of the Executive Director, no person shall be eligible to hold office in ~~the League~~Cal Cities or any League-Cal Cities division, ~~or~~ department, or caucus unless the individual is officially in city service in a Member City at the time of the person's election or appointment. Regional divisions, ~~and~~ functional department, and caucus bylaws may specify additional eligibility requirements for their respective officeholders.

¹¹ The Administrative Services Committee recommends ~~the League~~Cal Cities also include notice of the upcoming ballot in a variety of League-Cal Cities communications to alert Member Cities to make inquiry in the event a city's ballot is lost in the mail.

(b) Length of Service. An individual who has occupied an elected League-Cal Cities Board office (as defined in Article VIII, section 1) for nine months (275 days) or more is ineligible to stand for election for that same office again.

Section 2: Vacancies.

(a) Vacancy Defined. A League-Cal Cities office becomes vacant when an individual resigns, misses three consecutive convened meetings or leaves city service.¹²

(b) Effective Date of Vacancy Caused by Leaving City Service. The effective date of a vacancy caused by a departure from city service is the date an individual ceases to occupy the same or comparable city office as the individual had when the individual was elected or appointed to League-the Cal Cities office. Upon written request of the individual, the League-Cal Cities Board may allow the individual to continue in the League-Cal Cities office for a period not to exceed 3 months from the effective date of the vacancy, which time period may be extended by the Board upon finding of good cause.

(c) Effective Date of Resignations. For the effective dates of resignations, see Article VII, section 7 (effective date of League-Cal Cities Board resignations), Article IX, section 8 (effective date of regional division officer resignations), ~~and~~ Article X, section 2(f) (effective date of department officer resignations), and Article XI, section 7& (effective date of caucus officer resignations).

(d) Filling Vacancies. Vacancies will be filled as provided in these bylaws; see Article VII, section 6 (filling League-Cal Cities Board vacancies), Article IX, section 7(d) (filling regional division officer vacancies), ~~and~~ Article X, section 2(d) (filling functional department officer vacancies), and Article XI, section 67(di) (filling caucus officer vacancies).

(e) Successor Terms. An individual filling a vacancy serves the unexpired term of his or her predecessor.

Article ~~XIV~~**III**: Finances

Section 1: Fiscal Year.

The fiscal year of ~~the League-Cal Cities~~ is the calendar year.

¹² See also Cal. Corp. Code § 7221 (board may declare a director's seat vacant if a court declares the director of unsound mind or the director has been convicted of a felony).

Section 2: Budget.

(a) **Preparation and Approval.** Not less than fifteen days prior to the budget meeting of the League-Cal Cities Board, the Executive Director shall distribute to the Board a detailed budget describing the estimated revenues and expenditures for the ensuing budgetary period for the Cal Cities League Board's consideration and approval.

(b) **Dissemination.** Upon approval, a copy of ~~the League's Cal Cities'~~ budget shall be sent to each regional division, ~~and~~ functional department ~~president,~~ and caucus president, who shall make it available to division, ~~and~~ department, and caucus members.

Section 3: Limitation of Expenditures.

The League-Cal Cities Board may not incur indebtedness in excess of the estimated or actual revenues for the ensuing fiscal year, without the approval of ~~the League's Cal~~ Cities' General Assembly.

Section 4: Annual Audit.

~~The League's Cal Cities'~~ accounts shall be audited by a certified public accountant after the close of each fiscal year.

Section 5: Special Assessment for League-Cal Cities Building.

By resolution approved by a majority of those cities present and voting thereon at an Annual Conference, a special assessment may be levied for a permanent headquarters office building in Sacramento as specified in the resolution.

Article XIV: Prohibited Transactions

Section 1: Conflicts of Interest.

General Principle. Members of the League-Cal Cities Board as well as members of League-Cal Cities policy committees, and members of any standing or ad hoc committees and task forces consisting of members of the League-Cal Cities Board or League-Cal Cities policy committees, are expected to make decisions in the best overall interests of cities statewide, as opposed to narrow parochial, personal, or financial interests. This is analogous to city officials being expected to make decisions in the best overall interests of the community as opposed to narrow private or self-interests.

Section 2: Loans.

Except as permitted by California Nonprofit Corporation Law,¹³ ~~the League~~Cal Cities may not make any loan of money or property to, or guarantee the obligation of, any director or officer. This prohibition does not prohibit ~~the League~~Cal Cities from advancing funds to a ~~League~~Cal Cities director or officer for expenses reasonably anticipated to be incurred in performance of their duties as an officer or director, so long as such individual would be entitled to be reimbursed for such expenses under ~~League~~Cal Cities Board policies absent that advance.

Section 3: Self-Dealing and Common Directorship Transactions.¹⁴

(a) Self-Dealing Transactions. A self-dealing transaction is a transaction to which ~~the League~~Cal Cities is a party and in which one or more of its directors has a material financial interest.

(b) Common Directorships. “Common directorships” occur when ~~the~~LeagueCal Cities enters into a transaction with an organization in which one of ~~the League~~Cal Cities’ directors also serves on the organization’s board.

(c) Pre-Transaction Approval. To approve a transaction involving either self-dealing or a common directorship, the ~~League~~Cal Cities Board shall determine, before the transaction, that

- (i) ~~Cal Cities~~The League is entering into the transaction for its own benefit;
- (ii) The transaction is fair and reasonable to ~~the League~~Cal Cities at the time; and
- (iii) After reasonable investigation, the ~~League~~Cal Cities Board determines that it could not have obtained a more advantageous arrangement with reasonable effort under the circumstances.

Such determinations shall be made by the ~~League~~Cal Cities Board in good faith, with knowledge of the material facts concerning the transaction and the director’s interest in the transaction, without counting the vote of the interested director or directors.

(d) Post-Transaction Approval. When it is not reasonably practicable to obtain Board approval before entering into such transactions, a Board committee may approve such transaction in a manner consistent with the requirements

¹³ See Cal. Corp. § 7235.

¹⁴ See generally Cal. Corp. Code § 7233. Note that interested or common directors may be counted in determining the existence of a quorum in a board or committee meeting that approves such transactions. See Cal. Corp. Code § 7234.

in the preceding paragraph, provided that, at its next meeting, the full Board determines in good faith that the ~~League-Cal Cities~~ Board committee's approval of the transaction was consistent with such requirements and that it was not reasonably practical to obtain advance approval by the full Board, and ratifies the transaction by a majority of the directors then in office without the vote of any interested director.¹⁵

Section 4: Ethical Considerations.

These restrictions, of course, represent the floor, not the ceiling, for ethical conduct as a ~~League-Cal Cities~~ board member or policy committee member. If a board member or policy committee member believes that there are circumstances under which ~~the League's-Cal Cities'~~ members might reasonably question the board member's or policy committee member's ability to act solely in the best interests of ~~Cal Cities the League~~ and its member cities, the prudent course is to abstain. As an example, typically ~~League-Cal Cities~~ board members have abstained from participating in decisions on legislation that would affect organizations for which they work. Another example is legislation that would uniquely benefit a board member's city. Policy committee members should also consider abstaining in similar circumstances.

Article XVI: Miscellaneous

Section 1: Indemnification.

(a) Indemnity Authorized. To the extent allowed by California Nonprofit Corporation Law,¹⁶ ~~the League-Cal Cities~~ may indemnify and advance expenses to its agents in connection with any proceeding, and in accordance with that law. For purposes of this section, "agent" includes directors, officers, employees, other ~~League-Cal Cities~~ agents, and persons formerly occupying these positions.

(b) Approval of Indemnity. An individual seeking indemnification shall make a written request to the ~~League-Cal Cities~~ Board in each case.

(i) Success on the Merits. To the extent that the individual has been successful on the merits, the ~~League-Cal Cities~~ Board will promptly authorize indemnification in accordance with California Nonprofit Corporation Law.¹⁷

¹⁵ See Cal. Corp. Code § 7233 (specifying under what circumstances a self-dealing transaction is void or voidable).

¹⁶ See Cal. Corp. Code § 7237.

¹⁷ See Cal. Corp. Code § 7237(d).

(ii) **Other Instances.** Otherwise, the League-Cal Cities Board shall promptly determine, by a vote of a majority of a quorum consisting of directors who are not parties to the proceeding, whether, in the specific case, the agent has met the applicable standard of conduct under California law,¹⁸ and, if so, will authorize indemnification to the extent permitted.

(c) **Advancing Expenses.** To the extent allowed under California Nonprofit Corporation Law,¹⁹ the League-Cal Cities Board may authorize an advance of expenses incurred by or on behalf of an agent of this corporation in defending any proceeding prior to final disposition. The League-Cal Cities Board shall find that:

(i) the requested advances are reasonable; and

(ii) before any advance is made, the agent will submit a written undertaking satisfactory to the League-Cal Cities Board to repay the advance unless it is ultimately determined that the agent is entitled to indemnification for the expenses under this section.

Section 2: Insurance.²⁰

The League-Cal Cities Board may authorize the purchase of insurance on behalf of any agent against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, and such insurance may provide for coverage against liabilities beyond Cal Cities' the League's corporation's authority to indemnify an agent under law.

Section 3: Contracts and Execution of Instruments.

All contracts entered into on behalf of Cal Cities the League shall be authorized by the League-Cal Cities Board, or by the person or persons upon whom the League-Cal Cities Board confers such power from time to time. Except as otherwise provided by law, every check, draft, promissory note, money order, or other evidence of indebtedness of Cal Cities the League shall be signed by the persons authorized to do so by the Cal Cities League Board.

Section 4: Disposition of Assets Upon Dissolution.

~~The League's~~ Cal Cities' properties and assets are irrevocably dedicated to the fulfillment of ~~the League's~~ Cal Cities' purposes as described in Article II. No part of ~~the~~

¹⁸ See Cal. Corp. Code § 7237(b) and (c) (with exceptions).

¹⁹ See Cal. Corp. Code § 7237(fa).

²⁰ See also Cal. Corp. Code § 7237(i) (authorizing insurance).

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~~Cal Cities' League's~~ net earnings, properties and assets, on dissolution or otherwise, may inure to the benefit of any private person. On liquidation or dissolution, Cal Cities'~~the League's~~ net assets shall be distributed to ~~the League's~~ Cal Cities' Member Cities consistent with the provisions of the California Nonprofit Corporation Law relating to mutual benefit corporations then in effect.

Section 5: Parliamentary Authority.

Subject to the provisions of these bylaws and applicable law, Robert's Rules of Order or other such parliamentary rules as may be adopted by the League-Cal Cities Board shall prevail at all meetings of ~~the League~~Cal Cities, the League-Cal Cities Board, and in all functional departments, ~~and~~ regional divisions, and caucuses.

Section 6: Seal.

The League-Cal Cities Board has provided a suitable seal for ~~the League-Cal Cities~~ which is circular and which contains the following inscription:

"LEAGUE OF CALIFORNIA CITIES
INCORPORATED NOVEMBER 4, 1932, CALIFORNIA"

The seal may be affixed to corporate instruments, but any failure to affix it does not affect the instrument's validity.

Section 7: Governing Law.

In all matters not specified in these bylaws, or in the event these bylaws are inconsistent with applicable law, the provisions of California Nonprofit Corporation Law then in effect apply.

Section 8: Litigation Authority.

Member Cities authorize ~~the League~~Cal Cities to initiate or respond to litigation on their collective behalf when the League-Cal Cities Board determines such litigation is necessary to protect Member Cities' shared vital interests.

Article XVII: Amendments

Section 1: Consideration.

These bylaws may be amended by ~~the League's~~Cal Cities' General Assembly (see Article XVII, section 5 for procedures) or by a mail ballot to Member Cities (see Article XI, section 5 for procedures).

Section 2: Vote Threshold.

A two-thirds vote of approval of those voting is necessary to amend these bylaws.

Section 3: Who May Propose.

Amendments may be proposed by the ~~League-Cal Cities~~ Board or by petition of ten percent of Member Cities. The proponent may specify whether the amendment is to be considered at the General Assembly or by mail ballot.

Section 4: Board Review.

Any amendment proposed by petition shall be submitted to the ~~League-Cal Cities~~ Board in writing for its review. The ~~League-Cal Cities~~ Board's recommendation and reasons following its review shall accompany all materials relating to the proposed amendment.

Section 5: Procedure for Consideration by General Assembly.

(a) **Notice.** The meeting notice required by Article V, section 4 for ~~League-Cal Cities~~ meetings shall include notice of any proposal to amend ~~the League's Cal Cities'~~ bylaws, along with the subject of the proposed amendment(s).

(b) **Consideration by General Assembly.** The proposed amendment, along with any action by the ~~League-Cal Cities~~ Board pursuant to section 4 of this Article, shall be considered by the General Assembly along with any resolutions presented pursuant to Article VI.

Section 6: Effective Date.

After approval, amendments go into effect after the expiration of the protest period (see Article XVII, section 7) unless otherwise specified in the amendment.

Section 7: Protest and Suspension until Next Conference.

If, within sixty days after the adoption of any amendment, one-third or more of the Member Cities submit a written protest against such amendment, the amendment is automatically suspended until the next Annual Conference, when it may be taken up again for reconsideration and vote.

Article XVII: Establishment and Financing of Grassroots Network

Section 1: Enhancement of Advocacy Efforts.

To enhance ~~the League's Cal Cities'~~ advocacy efforts on behalf of cities, ~~Cal Cities the League~~ hereby establishes a Grassroots Network. The Grassroots Network consists of

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a series of field offices throughout California, responsible for coordinating city advocacy efforts and promoting statewide League-Cal Cities policy priorities.

Section 2: Dues Increase.

(a) **Initial Financing.** The dues increase approved concurrently with the addition of this article shall finance ~~the League's~~Cal Cities' Grassroots Network for the second half of 2001 and 2002. The increase shall be used exclusively to finance the Grassroots Network.

(b) **Continued Financing.** Any subsequent dues increases shall occur in accordance with Article IV.

Section 3: Accountability.

(a) **Annual Goal-Setting and Performance Assessment.** The League-Cal Cities Board shall set long-term goals and annual objectives for Cal Cities'~~the League's~~ Grassroots Network. The League-Cal Cities Board shall periodically report to ~~the League's~~Cal Cities' Member Cities on the Grassroots Network's performance in meeting those goals and objectives.

(b) **Board Discontinuance.** If at any time the League-Cal Cities Board finds the Grassroots Network is not meeting its objectives on behalf of cities, the League-Cal Cities Board may discontinue the Grassroots Network.

(c) **Membership Vote on Program Continuation.** On or before December 31, 2007, Member Cities shall vote (see Article XI, section 5 for procedures) on whether to continue the Grassroots Network beyond December 31, 2008.²¹

²¹ At its meeting of September 8, 2007, the General Assembly of the League of California Cities adopted Resolution #1 that the Grassroots Network Program be continued and operated in accordance with these bylaws.



City Council Agenda Report

ITEM NO. 10

DATE: September 15, 2021

FROM: Arminé Chaparyan, City Manager *AC*

PREPARED BY: Margaret Lin, Interim Director of Planning and Community Development

SUBJECT: **Second Reading and Adoption of Zoning Code Amendment (0064-ZCA) Amending Section 36.230.030 (Commercial District Land Uses and Permit Requirements) of Division 36.230 (Commercial Zoning Districts) of Article 3 (Site Planning and General Development Standards) of Chapter 36 (Zoning) of the South Pasadena Municipal Code; Section 36.395.020 (“Exempt Developments”) of Division 36.390 (“Public Art Program”) of Chapter 36.395 (“Public Art Development”) of Article III of Chapter 36; and Section 4.3 (Conditional Uses) of the Mission Street Specific Plan Regarding Permit Requirements**

Recommendation

It is recommended that the City Council conduct the Second Reading and Adoption of Zoning Code Amendment (0064-ZCA) amending:

1. Section 36.230.030 (Commercial District Land Uses and Permit Requirements) of Division 36.230 (Commercial Zoning Districts) of Article 3 (Site Planning and General Development Standards) of Chapter 36 (Zoning) of the South Pasadena Municipal Code (SPMC);
2. Section 36.395.020 (“Exempt Developments”) of Division 36.390 (“Public Art Program”) of Chapter 36.395 (“Public Art Development”) of Article III of Chapter 36; and
3. Section 4.3 (Conditional Uses) of the Mission Street Specific Plan (MSSP) regarding permit requirements.

Commission Review and Recommendation

On August 25, 2021, the Planning Commission held a special meeting and adopted Resolution 21-09 recommending to the City Council to adopt the proposed zoning code amendment.

Discussion/Analysis

On September 1, 2021, the City Council conducted the public hearing for the first reading and introduction of the Zoning Code Amendment. The proposed amendments to the SPMC and MSSP would provide greater flexibility and opportunities for businesses interested in locating in South Pasadena. The goal is to support local businesses as part of the COVID-19 pandemic

recovery efforts and to create a more business friendly environment to attract additional investment in the City. Switching from a Conditional Use Permit (CUP) to an Administrative Use Permit (AUP) for the following uses will help reduce the application approval process timeline and reduce the cost of doing business:

- Schools - Specialized education, tutoring, and training (3,000 square feet or less);
- Studios/Health/Fitness Facilities - dance, martial arts, music, photography, etc. (3,000 square feet or less);
- Outdoor display and retail activities;
- Restaurants with outdoor dining; and
- Child/adult day care centers (3,000 square feet or less)

Currently, the CUP fee is \$3,655 and AUP fee is \$1,625. The City’s Master Fee Schedule is updated annually to adjust for CPI.

Land Uses Requiring Conditional Use Permits

The current SPMC requires different uses to obtain a Conditional Use Permit (CUP) in order to operate in the Commercial General Zone. Staff recommends amending Section 36.230.030 to replace the CUP requirements for the following uses with an Administrative Use Permit:

TABLE 2-4. ALLOWED USES AND PERMIT REQUIREMENTS FOR COMMERCIAL & BUSINESS PARK DISTRICTS	P	Permitted Use		
	CUP	Conditional Use Permit required		
	AUP	Administrative Use Permit required		
	—	Use not allowed		
	PERMIT REQUIREMENT BY ZONE			Specific Use Regulations
LAND USE (1)	CO	CG	BP	
MANUFACTURING & PROCESSING USES				
Electronics, equipment, and appliance manufacturing	—	—	P	
Food and beverage products manufacturing	—	—	P	
Furniture/fixtures manufacturing, cabinet shops	—	—	P	
Handcraft industries, small-scale manufacturing, less than 3,500 sf	—	—	P	
Handcraft industries, small-scale manufacturing, 3,500 sf or more	—	—	CUP	
Laundries and dry cleaning plants, less than 3,500 sf	—	—	P	
Laundries and dry cleaning plants, 3,500 sf or more	—	—	CUP	
Media post production facilities	—	—	P	
Metal products fabrication, machine/welding shops	—	—	P	
Photographic processing plants, less than 3,500 sf	—	—	P	
Photographic processing plants, 3,500 sf or more	—	—	CUP	
Plumbing and heating shops, less than 3,500 sf	—	—	P	

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Plumbing and heating shops, 3,500 sf or more	—	—	CUP	
Printing and publishing, less than 3,500 sf	—	P	P	
Printing and publishing, 3,500 sf or more	—	P	CUP	
Recycling facilities	—	CUP	CUP	36.350.160
Recycling facilities—Reverse vending machines	—	P	P	36.350.160
Warehouses, wholesaling and distribution	—	—	P	
RECREATION, EDUCATION & PUBLIC ASSEMBLY USES				
Adult entertainment businesses	—	—	(2)	36.350.030
Clubs, lodges, fraternal organizations	—	CUP	CUP	
Health and fitness facilities	—	CUP	CUP	
Indoor amusement/entertainment facilities	—	P	CUP	
Libraries, museums, galleries	—	AUP	CUP	
Outdoor recreation facilities	—	CUP	CUP	
Schools—Private	—	CUP	CUP	
Schools—Specialized education, <u>tutoring</u> , and training	—	<u>AUP/</u> P	CUP	3,000 sq. ft. or smaller requires an AUP, greater than 3,000 sq. ft. requires a CUP
Special needs educational and training facilities	—	CUP	CUP	
Studios/ <u>Health/fitness facility</u> - dance, martial arts, music, photography, etc.	<u>—</u> <u>AUP/</u> P	<u>AUP/</u> P	CUP	3,000 sq. ft. or smaller requires an AUP, greater than 3,000 sq. ft. requires a CUP
Theaters and auditoriums	—	CUP	—	
Community gardens	CUP	CUP	CUP	36.350.230
RESIDENTIAL USES				
Emergency shelter	—	—	P	36.350.250
Live/work units	—	—	—	36.350.110
Mixed-use projects	CUP	CUP	—	36.350.120
Single room occupancy	—	—	P	36.350.260
RETAIL TRADE				
Alcoholic beverage sales	—	CUP	—	36.350.040
Auto parts sales	—	P	—	
Auto sales and rental	—	CUP	CUP	

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Building material stores	—	P	CUP	36.350.220
Coffee roasting and packaging, retail	—	CUP	—	
Construction/heavy equipment sales and rental	—	CUP	CUP	
Convenience & liquor stores	—	CUP	—	36.350.040
Department stores	—	P	—	
Equipment sales and rental	—	CUP	CUP	
Extended hour businesses (11:00 p.m. to 6:00 a.m.)	—	CUP	CUP	
Furniture, furnishings and appliance stores	—	P	—	
Gas stations	—	CUP	CUP	
General retail	—	P	CUP	36.350.140, 36.350.220
Grocery stores	—	AUP	—	
Hardware stores	—	P	—	
Multitenant retail	—	CUP	—	
Outdoor display and retail activities	—	CUP <u>AUP</u>	CUP	
Plant nurseries and garden supply stores	—	P	—	36.350.140, 36.350.220
Restaurants	CUP	P	P	
Restaurants, multitenant retail		CUP(3)		
Restaurants, take-out and with accessory retail food	CUP	P	P	
Restaurants, with catering	CUP	CUP	CUP	
Restaurants, with catering and/or accessory retail food	CUP	CUP	CUP	
Restaurants, with outdoor dining <u>only</u>	CUP <u>AUP</u>	AUP	CUP <u>AUP</u>	36.350.130
Second hand stores	—	P	—	
Tobacco retailer—Primary use	—	P	CUP	SPMC Chapter 18, Part 6 or its successor
Tobacco retailer—Accessory use	—	As required for the primary use that the accessory use is associated with	As required for the primary use that the accessory use is associated with	
Warehouse retail	—	CUP	—	36.350.220

Zoning Code Amendment (0064-ZCA)

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SERVICES—BUSINESS & PROFESSIONAL				
Automated teller machines (ATMs)	P	P	P	36.350.060
Banks and financial services	—	P	P	
Business support services	—	CUP	P(5)	
Offices—Production, research and development	P	P	P	
Offices—Professional and administrative	P	P	P	
SERVICES—OTHER				
Ambulance service	—	CUP	CUP	
Bed and breakfast inns	CUP	CUP	—	
Child/adult day care centers	—	AUP/CUP	CUP	3,000 sq. ft. or smaller requires an AUP, greater than 3,000 sq. ft. requires a CUP
Contractor storage yard	—	—	CUP	
Convenience services	P	P	P	
Hotels and motels	—	CUP	—	
Medical services—Clinics	—	CUP	—	
Medical services—Laboratories	—	CUP	P	
Medical services—Offices	P	P	P	
Massage Establishment	—	CUP	—	SPMC 17.15(B)
Personal services	CUP(4)	P	—	SPMC 17.13
Personal services—Restricted	—	AUP	—	
Vehicle repair and maintenance—Major repair work	—	CUP	—	
Vehicle repair and maintenance—Service and maintenance	—	CUP	—	
Veterinary clinics, hospitals, kennels	—	CUP	CUP	
Wine cellar	—	P	P	
TRANSPORTATION & COMMUNICATIONS				
Parking facilities/vehicle storage	—	CUP	—	
Broadcasting studios	—	CUP	P	
Telecommunications facilities	CUP	CUP	CUP	36.350.210
Notes:				
(1) See Article 7 for land use definitions.				
(2) Requires an Adult Business Permit in compliance with Section 36.350.030.				
(3) If multitenant retail complies with the parking regulations in Section 36.310.040, a CUP is required if a new restaurant would cause the restaurant square footage in the multitenant retail to exceed twenty percent of the total				

square footage. If the multitenant retail is legal nonconforming with the parking regulations in Section 36.310.040, a CUP is required if a restaurant use in an existing space has been abandoned for a period of eighteen months or longer, and for all additional restaurants in new spaces or spaces previously occupied by a non-restaurant.

(4) Personal services are not permitted on parcels located within the Fremont Corridor as defined in the Land Use and Community Design Element of the South Pasadena General Plan. The Fremont Corridor includes a mixture of residential and small-scale professional office uses lining the busy and heavily traveled section of Fremont Avenue from Monterey Road north to the Pasadena Freeway, properties fronting Mound Avenue between Hope Street and the Pasadena Freeway.

(5) Business support services consisting of laboratory uses require a CUP.

The current Public Art Program includes an exemption for affordable housing and does not provide specific language regarding whether such exclusion applies to the entire project or the subject units. Staff has previously interpreted this to mean the exclusion applies to the whole project. On April 7, 2021, the City Council adopted the Inclusionary Housing Ordinance requiring new multi-family residential development to include 20% of the base number of units in the project as affordable. With the adoption of the Inclusionary Housing Ordinance, nearly all multi-family residential development projects could be exempt from the Program. In anticipation of upcoming development applications, staff recommends the following amendment to clarify the affordable housing exemption to only the affordable housing units and requiring the remaining portions of the development project to adhere to the Program requirements:

“36.395.020 Exempt Developments.

The following developments or modifications, alterations, and additions to the developments are exempt from this division: affordable housing units, performing arts facilities, museums, private nonprofit and institutional uses, interior remodel or tenant improvements, seismic reinforcement, and rebuilding necessitated by a natural disaster.”

In addition, staff recommends amending Table 5 “Permitted Land Uses” and Section 4.3 (Conditional Uses) of the MSSP to provide flexibility and attract uses that would contribute to a thriving downtown. The following amendments are proposed:

Table 5 Permitted Land Uses

District	District Function	Ground Floor Uses On Street Frontages	Other Uses ¹
A	Pedestrian-Oriented Mixed-Use/Commercial Core and Nodes	Convenience Retail and Services Restaurants Special Retail <u>Studios (3,000 sq. ft. or smaller art, dance, music, yoga, exercise)²</u> <u>Small educational facilities (3,000 sq. ft. or smaller tutoring, training)²</u>	Live/Work Space Housing units Hotel or Bed and Breakfast inn with up to 16 rooms Offices <u>Studios (greater than 3,000 sq. ft. art, dance, music, yoga, exercise or in locations other than ground floor on street frontages)</u> Cottage Industry in Live/Work Space Extensions of ground floor

			uses
B	Complementary Use Areas	Office Cottage Industry Live/Work Space Housing Units	Office Cottage Industry Live/Work Space Housing Units
C	Transitional Edges	NA Professional Office or Bed and Breakfast Inn in renovated Historic Resources or in new buildings of a similar style or size Multi-family housing or parking	Same uses permitted on all floors
C-2	Transitional Edge 700, 704 Prospect Avenue; 909, 913 Magnolia Street	Professional Office or Bed and Breakfast Inn in renovated Historic Resources or in new buildings of a similar style or size Two-family housing or parking	Same uses permitted on all floors
D	Community Services	NA Publicly owned facilities that primarily provide services to residents	Same uses permitted on all floors
E	Open Space	NA Publicly owned facilities that primarily provide services to residents	Same uses permitted on all floors
¹ For some uses a Conditional Use Permit is required ² For some uses an Administrative Use Permit is required			

“The following uses are permitted, subject to the specified limitations, provided a conditional use permit is obtained:

4.3 Conditional Uses

The following uses are permitted, subject to the specified limitations, provided as conditional use permit is obtained:

4.3.1 District A

- A. Bars in conjunction with and within restaurants. A bar shall not comprise more than 20% of a restaurant’s total floor area.
- B. Live entertainment in restaurants, studios, or other establishments
- C. Financial Services in ground floor storefront space, provided each Financial Service occupies not more than two storefront bay and there are not more than two storefront bays occupied by Financial Services per Block Face, except where the Block Face exceeds 300 feet in length, in which case one additional Financial Service is permitted for each additional 150 feet of street frontage.

- D. ~~Studios, including art, dance, music, yoga, exercise and similar uses, and Studios (greater than 3,000 sq. ft. art, dance, music, yoga, and exercise or in locations other than ground floor on street frontages) and~~ Cottage Industry uses are permitted behind the storefront space or on second floors.
- E. ~~Automobile repair uses, excluding painting or body work, on parcels which do not abut Mission Street, provided such uses are located within or behind a storefront building that meets the standards and guidelines in this Specific Plan.~~
- F. Service stations (as defined in Section 36.162 of the Zoning Code) in the West Area.”

The proposed changes are consistent with the district function of District A as a “Pedestrian-Oriented Mixed-Use/Commercial Core and Nodes”.

Background

On March 4, 2020, Governor Gavin Newsom declared a state of emergency in California as a result of COVID-19 pandemic. On August 5, 2020, the City Council authorized the Al Fresco Dining and Retail Pilot Program to support local businesses effected by the pandemic. As the pandemic continues, the need to continue to support local businesses will be paramount to the survival of the City’s business district. Eliminating inconsistencies and ambiguities in the City’s Zoning Code will help establish a more business friendly environment.

On September 1, 2021, the City Council conducted the First Reading and Introduction of the ordinance.

Fiscal Impact

The financial impact is not anticipated to be significant. There will be a slight reduction in fees, due to the cost difference between CUP’s and AUP’s. The amount of staff time to process an AUP is less than the staff time to process a CUP.

Environmental Analysis

In accordance with the CEQA, the proposed Zoning Code Amendment is exempted from CEQA under the general rule exemption, Section 15061(b)(3), which states that CEQA applies only to projects which have the potential for causing a significant effect on the environment. It may be seen with certainty that there is no possibility this Zoning Code Amendment may have a significant effect on the environment because the proposed amendment is removing inconsistencies and clarifies standards in the SPMC.

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 notice in the *South Pasadena Review*.

Attachments:

1. Ordinance
2. Planning Commission Resolution

ATTACHMENT 1
Ordinance

ORDINANCE NO. _____
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA, CALIFORNIA AMENDING SECTION 36.230.030 (“COMMERCIAL DISTRICT LAND USES AND PERMIT REQUIREMENTS”) OF DIVISION 36.230 (“COMMERCIAL ZONING DISTRICTS) OF ARTICLE 3 (SITE PLANNING AND GENERAL DEVELOPMENT STANDARDS”) OF CHAPTER 36 (“ZONING”) OF THE SOUTH PASADENA MUNICIPAL CODE; SECTION 36.395.020 (“EXEMPT DEVELOPMENTS”) OF DIVISION 36.390 (“PUBLIC ART PROGRAM”) OF CHAPTER 36.395 (“PUBLIC ART DEVELOPMENT”) OF ARTICLE III OF CHAPTER 36; AND SECTION 4.3 (“CONDITIONAL USES”) OF THE MISSION STREET SPECIFIC PLAN REGARDING PERMIT REQUIREMENTS

WHEREAS, a code amendment has been developed for the City Council’s consideration that would amend Section 36.230.030 (“Commercial District Land Uses and Permit Requirements”) of Division 36.230 (“Commercial Zoning Districts”) of Article 3 (“Site Planning and General Development Standards”) of Chapter 36 (“Zoning”) of the South Pasadena Municipal Code; Section 36.395.020 (“Exempt Developments”) of Division 36.390 (“Public Art Program”) of Chapter 36.395 (“Public Art Development”) of Article III of Chapter 36; and Section 4.3 (“Conditional Uses”) of the Mission Street Specific Plan Regarding Permit Requirements; and

WHEREAS, on August 25, 2021, the Planning Commission held a duly noticed public hearing on this matter, at which all interested parties were given the opportunity to be heard and present evidence; and

WHEREAS, the Planning Commission adopted a resolution recommending that the City Council adopt an ordinance amending Section 36.230.030 (“Commercial District Land Uses and Permit Requirements”), Section 36.395.020 (“Exempt Developments”), and Section 4.3 (“Conditional Uses”); and

WHEREAS, on September 1, 2021, the City Council held a duly noticed public hearing for the First Reading and Introduction of this Ordinance, at which all interested parties were given the opportunity to be heard and present evidence.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA DOES HEREBY FIND, DETERMINE, AND RESOLVE AS FOLLOWS:

SECTION 1. Section 36.230.030 (“Commercial District Land Uses and Permit Requirements”) of Division 36.230 (“Commercial Zoning Districts”) of Article 3 (“Site Planning and General Development Standards”) of Chapter 36 (“Zoning”) of the SPMC shall be amended as follows, with additions denoted in underline and deletions noted in ~~strikethrough~~:

TABLE 2-4. ALLOWED USES AND PERMIT REQUIREMENTS FOR COMMERCIAL & BUSINESS PARK DISTRICTS	P	Permitted Use		
	CUP	Conditional Use Permit required		
	AUP	Administrative Use Permit required		
	—	Use not allowed		
	PERMIT REQUIREMENT BY ZONE			Specific Use Regulations
LAND USE (1)	CO	CG	BP	
MANUFACTURING & PROCESSING USES				
Electronics, equipment, and appliance manufacturing	—	—	P	
Food and beverage products manufacturing	—	—	P	
Furniture/fixtures manufacturing, cabinet shops	—	—	P	
Handcraft industries, small-scale manufacturing, less than 3,500 sf	—	—	P	
Handcraft industries, small-scale manufacturing, 3,500 sf or more	—	—	CUP	
Laundries and dry cleaning plants, less than 3,500 sf	—	—	P	
Laundries and dry cleaning plants, 3,500 sf or more	—	—	CUP	
Media post production facilities	—	—	P	
Metal products fabrication, machine/welding shops	—	—	P	
Photographic processing plants, less than 3,500 sf	—	—	P	
Photographic processing plants, 3,500 sf or more	—	—	CUP	
Plumbing and heating shops, less than 3,500 sf	—	—	P	
Plumbing and heating shops, 3,500 sf or more	—	—	CUP	
Printing and publishing, less than 3,500 sf	—	P	P	
Printing and publishing, 3,500 sf or more	—	P	CUP	
Recycling facilities	—	CUP	CUP	36.350.160
Recycling facilities—Reverse vending machines	—	P	P	36.350.160
Warehouses, wholesaling and distribution	—	—	P	
RECREATION, EDUCATION & PUBLIC ASSEMBLY USES				
Adult entertainment businesses	—	—	(2)	36.350.030
Clubs, lodges, fraternal organizations	—	CUP	CUP	
Health and fitness facilities	—	CUP	CUP	
Indoor amusement/entertainment facilities	—	P	CUP	
Libraries, museums, galleries	—	AUP	CUP	
Outdoor recreation facilities	—	CUP	CUP	
Schools—Private	—	CUP	CUP	
Schools—Specialized education, <u>tutoring</u> , and training	—	<u>AUP/</u> CUP	CUP	<u>3,000 sq. ft. or smaller requires an AUP, greater than 3,000 sq. ft. requires a CUP</u>
Special needs educational and training facilities	—	CUP	CUP	

Studios/ <u>Health/fitness facility</u> - dance, martial arts, music, photography, etc.	— <u>AUP/CUP</u>	<u>AUP/CUP</u>	CUP	3,000 sq. ft. or smaller requires an AUP, greater than 3,000 sq. ft. requires a CUP
Theaters and auditoriums	—	CUP	—	
Community gardens	CUP	CUP	CUP	36.350.230
RESIDENTIAL USES				
Emergency shelter	—	—	P	36.350.250
Live/work units	—	—	—	36.350.110
Mixed-use projects	CUP	CUP	—	36.350.120
Single room occupancy	—	—	P	36.350.260
RETAIL TRADE				
Alcoholic beverage sales	—	CUP	—	36.350.040
Auto parts sales	—	P	—	
Auto sales and rental	—	CUP	CUP	
Building material stores	—	P	CUP	36.350.220
Coffee roasting and packaging, retail	—	CUP	—	
Construction/heavy equipment sales and rental	—	CUP	CUP	
Convenience & liquor stores	—	CUP	—	36.350.040
Department stores	—	P	—	
Equipment sales and rental	—	CUP	CUP	
Extended hour businesses (11:00 p.m. to 6:00 a.m.)	—	CUP	CUP	
Furniture, furnishings and appliance stores	—	P	—	
Gas stations	—	CUP	CUP	
General retail	—	P	CUP	36.350.140, 36.350.220
Grocery stores	—	AUP	—	
Hardware stores	—	P	—	
Multitenant retail	—	CUP	—	
Outdoor display and retail activities	—	CUP <u>AUP</u>	CUP	
Plant nurseries and garden supply stores	—	P	—	36.350.140, 36.350.220
Restaurants	CUP	P	P	
Restaurants, multitenant retail		CUP(3)		
Restaurants, take-out and with accessory retail food	CUP	P	P	
Restaurants, with catering	CUP	CUP	CUP	
Restaurants, with catering and/or accessory retail food	CUP	CUP	CUP	
Restaurants, with outdoor dining <u>only</u>	CUP <u>AUP</u>	AUP	CUP <u>AUP</u>	36.350.130

Second hand stores	—	P	—	
Tobacco retailer—Primary use	—	P	CUP	SPMC Chapter 18, Part 6 or its successor
Tobacco retailer—Accessory use	—	As required for the primary use that the accessory use is associated with	As required for the primary use that the accessory use is associated with	
Warehouse retail	—	CUP	—	36.350.220
SERVICES—BUSINESS & PROFESSIONAL				
Automated teller machines (ATMs)	P	P	P	36.350.060
Banks and financial services	—	P	P	
Business support services	—	CUP	P(5)	
Offices—Production, research and development	P	P	P	
Offices—Professional and administrative	P	P	P	
SERVICES—OTHER				
Ambulance service	—	CUP	CUP	
Bed and breakfast inns	CUP	CUP	—	
Child/adult day care centers	—	AUP/CUP	CUP	3,000 sq. ft. or smaller requires an AUP, greater than 3,000 sq. ft. requires a CUP
Contractor storage yard	—	—	CUP	
Convenience services	P	P	P	
Hotels and motels	—	CUP	—	
Medical services—Clinics	—	CUP	—	
Medical services—Laboratories	—	CUP	P	
Medical services—Offices	P	P	P	
Massage Establishment	—	CUP	—	SPMC 17.15(B)
Personal services	CUP(4)	P	—	SPMC 17.13
Personal services—Restricted	—	AUP	—	
Vehicle repair and maintenance—Major repair work	—	CUP	—	
Vehicle repair and maintenance—Service and maintenance	—	CUP	—	
Veterinary clinics, hospitals, kennels	—	CUP	CUP	
Wine cellar	—	P	P	

TRANSPORTATION & COMMUNICATIONS				
Parking facilities/vehicle storage	—	CUP	—	
Broadcasting studios	—	CUP	P	
Telecommunications facilities	CUP	CUP	CUP	36.350.210

Notes:

(1) See Article 7 for land use definitions.

(2) Requires an Adult Business Permit in compliance with Section 36.350.030.

(3) If multitenant retail complies with the parking regulations in Section 36.310.040, a CUP is required if a new restaurant would cause the restaurant square footage in the multitenant retail to exceed twenty percent of the total square footage. If the multitenant retail is legal nonconforming with the parking regulations in Section 36.310.040, a CUP is required if a restaurant use in an existing space has been abandoned for a period of eighteen months or longer, and for all additional restaurants in new spaces or spaces previously occupied by a non-restaurant.

(4) Personal services are not permitted on parcels located within the Fremont Corridor as defined in the Land Use and Community Design Element of the South Pasadena General Plan. The Fremont Corridor includes a mixture of residential and small-scale professional office uses lining the busy and heavily traveled section of Fremont Avenue from Monterey Road north to the Pasadena Freeway, properties fronting Mound Avenue between Hope Street and the Pasadena Freeway.

(5) Business support services consisting of laboratory uses require a CUP.

SECTION 2. Section 36.395.020 (“Exempt Developments”) of Division 36.390 (“Public Art Program”) of Chapter 36.395 (“Public Art Development”) of Article III of Chapter 36 of the SPMC shall be amended as follows, with additions denoted in underline and deletions noted in ~~strikethrough~~:

“36.395.020 Exempt Developments.

The following developments or modifications, alterations, and additions to the developments are exempt from this division: affordable housing units, performing arts facilities, museums, private nonprofit and institutional uses, interior remodel or tenant improvements, seismic reinforcement, and rebuilding necessitated by a natural disaster.”

SECTION 3. Section 4.3 (“Conditional Uses”) of the Mission Street Specific Plan (MSSP) shall be amended as follows, with additions denoted in underline and deletions noted in ~~strikethrough~~:

Table 5 Permitted Land Uses

District	District Function	Ground Floor Uses On Street Frontages	Other Uses ¹
A	Pedestrian-Oriented Mixed-Use/Commercial Core and Nodes	Convenience Retail and Services Restaurants Special Retail <u>Studios (3,000 sq. ft. or smaller art, dance, music, yoga, exercise)²</u> <u>Small educational facilities (3,000 sq. ft. or smaller tutoring, training)²</u>	Live/Work Space Housing units Hotel or Bed and Breakfast inn with up to 16 rooms Offices <u>Studios (greater than 3,000 sq. ft. art, dance, music, yoga, exercise or in locations other than ground floor on street frontages)</u> Cottage Industry in Live/Work Space

			Extensions of ground floor uses
B	Complementary Use Areas	Office Cottage Industry Live/Work Space Housing Units	Office Cottage Industry Live/Work Space Housing Units
C	Transitional Edges	NA Professional Office or Bed and Breakfast Inn in renovated Historic Resources or in new buildings of a similar style or size Multi-family housing or parking	Same uses permitted on all floors
C-2	Transitional Edge 700, 704 Prospect Avenue; 909, 913 Magnolia Street	Professional Office or Bed and Breakfast Inn in renovated Historic Resources or in new buildings of a similar style or size Two-family housing or parking	Same uses permitted on all floors
D	Community Services	NA Publicly owned facilities that primarily provide services to residents	Same uses permitted on all floors
E	Open Space	NA Publicly owned facilities that primarily provide services to residents	Same uses permitted on all floors
¹ For some uses a Conditional Use Permit is required ² <u>For some uses an Administrative Use Permit is required</u>			

“The following uses are permitted, subject to the specified limitations, provided a conditional use permit is obtained:

4.3 Conditional Uses

The following uses are permitted, subject to the specified limitations, provided as conditional use permit is obtained:

4.3.1 District A

- A. Bars in conjunction with and within restaurants. A bar shall not comprise more than 20% of a restaurant’s total floor area.
- B. Live entertainment in restaurants, studios, or other establishments
- C. Financial Services in ground floor storefront space, provided each Financial Service occupies not more than two storefront bay and there are not more than two storefront bays occupied by Financial Services per Block Face, except where the Block Face exceeds 300 feet in length, in which case one additional Financial Service is permitted for each additional 150 feet of street frontage.
- D. Studios, including art, dance, music, yoga, exercise and similar uses, and Studios (greater than 3,000 sq. ft. art, dance, music, yoga, and exercise or in

locations other than ground floor on street frontages) and Cottage Industry uses are permitted behind the storefront space or on second floors.

~~E. Automobile repair uses, excluding painting or body work, on parcels which do not abut Mission Street, provided such uses are located within or behind a storefront building that meets the standards and guidelines in this Specific Plan.~~

F. Service stations (as defined in Section 36.162 of the Zoning Code) in the West Area.”

SECTION 4. The City Council hereby finds that the proposed Code amendment is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines § 15061(b)(3), which states the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. It may be seen with certainty that there is no possibility this Zoning Code Amendment may have a significant effect on the environment because the proposed amendment is removing inconsistencies and clarifies standards in the SPMC.

SECTION 5. Pursuant to SPMC Section 36.620.070B (Findings for Zoning Code/Map Amendments), the Planning Commission recommends that the City Council approve the proposed amendment based on a finding that the proposed amendment removes inconsistencies and clarifies standards in the Zoning Code.

SECTION 6. This ordinance shall take effect thirty (30) days after its final passage, and within fifteen (15) days after its passage, the City Clerk of the City of South Pasadena shall certify to the passage and adoption of this ordinance and to its approval by the Mayor and City Council and shall cause the same to be published in a newspaper in the manner required by law.

PASSED, APPROVED, and ADOPTED on this ___th day of ____, 2021.

Diana Mahmud
Mayor

ATTEST:

APPROVED AS TO FORM:

Lucie Colombo, CMC, CPMC
City Clerk
(seal)

Andrew Jared
City Attorney

Date: _____

I HEREBY CERTIFY the foregoing ordinance was duly adopted by the City Council of the City of South Pasadena, California, at a regular meeting held on the ___th day of ____, 2020, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

Lucie Colombo, CMC, CPMC
City Clerk
(seal)

ATTACHMENT 2
Planning Commission Resolution

P.C. RESOLUTION NO. 21-09

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF SOUTH PASADENA, CALIFORNIA, RECOMMENDING THAT THE CITY COUNCIL ADOPT AN ORDINANCE AMENDING SECTION 36.230.030 (COMMERCIAL DISTRICT LAND USES AND PERMIT REQUIREMENTS) OF DIVISION 36.230 (COMMERCIAL ZONING DISTRICTS) OF ARTICLE 3 (SITE PLANNING AND GENERAL DEVELOPMENT STANDARDS) OF CHAPTER 36 (ZONING) OF THE SOUTH PASADENA MUNICIPAL CODE; SECTION 36.395.020 (“EXEMPT DEVELOPMENTS”) OF DIVISION 36.390 (“PUBLIC ART PROGRAM”) OF CHAPTER 36.395 (“PUBLIC ART DEVELOPMENT”) OF ARTICLE III OF CHAPTER 36; AND SECTION 4.3 (CONDITIONAL USES) OF THE MISSION STREET SPECIFIC PLAN REGARDING PERMIT REQUIREMENTS

WHEREAS, a code amendment has been developed for the City Council’s consideration that would amend Section 36.230.030 (Commercial District Land Uses and Permit Requirements) of Division 36.230 (Commercial Zoning Districts) of Article 3 (Site Planning and General Development Standards) of Chapter 36 (Zoning) of the South Pasadena Municipal Code; Section 36.395.020 (“Exempt Developments”) of Division 36.390 (“Public Art Program”) of Chapter 36.395 (“Public Art Development”) of Article III of Chapter 36; and Section 4.3 (Conditional Uses) of the Mission Street Specific Plan Regarding Permit Requirements; and

WHEREAS, on August 25, 2021, the Planning Commission held a duly noticed public hearing on this matter, at which all interested parties were given the opportunity to be heard and present evidence.

NOW, THEREFORE, THE PLANNING COMMISSION OF THE CITY OF SOUTH PASADENA DOES HEREBY FIND, DETERMINE, AND RESOLVE AS FOLLOWS:

SECTION 1: The Planning Commission finds that the proposed amendment is exempt from the California Environmental Quality Act (CEQA) review under Section 15061(b)(3), which states that CEQA applies only to projects which have the potential for causing a significant effect on the environment.

SECTION 2: Pursuant to SPMC Section 36.620.070 (Findings and Decision), the Planning Commission recommends that the City Council approve the proposed amendment based on a finding that the proposed amendment removes inconsistencies and clarifies standards in the Zoning Code.

SECTION 3: For the foregoing reasons and based on the information and findings included in the Resolution, Staff Report, Minutes and testimony received during the public hearing, the Planning Commission of the City of South Pasadena hereby recommends that the City Council adopt the attached ordinance amending SPMC Section 36.410 (Zoning Approvals or Disapprovals).

SECTION 4: The Secretary shall certify that the foregoing Resolution was adopted by the Planning Commission of the City of South Pasadena at a duly noticed regular meeting held on the 25th day of August, 2021.

PASSED, APPROVED, AND ADOPTED this 25th day of August, 2021 by the following vote:

AYES: BARTHAKUR, DAHL, AND PADILLA

NOES:

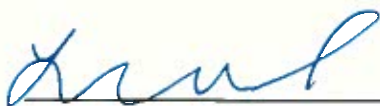
ABSENT: BRAUN AND LESAK

ABSTAIN:



Lisa Padilla, Vice-Chair on behalf of
John Lesak, Chair

ATTEST:



Laura Dahl, Secretary to the Planning Commission



City Council Agenda Report

ITEM NO. 11

DATE: September 15, 2021

FROM: Arminé Chaparyan, City Manager *Ac*

PREPARED BY: Shahid Abbas, Public Works Director
Francois Brard, Facilities Supervisor

SUBJECT: **Award a Contract to Allsup Corporation in a not-to-exceed amount of \$36,501.37 for Repair of the Compressed Natural Gas Compressor and Appropriate \$36,502 from Proposition C Funds**

Recommendation

It is recommended that the City Council:

1. Award a contract to Allsup Corporation for repair of the Compressed Natural Gas (CNG) Compressor in the amount of \$36,501.37 (\$33,183.07 for the proposed amount and \$3,318.30 for a 10% contingency); and
2. Appropriate \$36,502 in Proposition C Funds to account 207-8030-8025-8520-000

Background

The original CNG compressor is approximately 12 years old and has become unreliable. This has resulted in frequent failures and necessitates City staff to refuel vehicles at a location outside of the City. Fueling off-site is more costly, as the price per gallon is more expensive, and additional staff time is needed to drive to the fueling site.

The City recently installed a new CNG compressor to provide redundancy to the system and reduce the likelihood of off-site fueling, in case the new compressor is out of service. Staff recommends repairing the old compressor in order to provide redundancy to the system.

The City's Transit Division, Public Works, and Police Department rely on this station to fuel critical vehicles for transporting the City's elderly residents to doctors' appointments, deliver meals, as well as fueling the City's Operations and Water vehicles. Operations and Water Staff respond 24 hours a day to emergency requests. Providing redundancy to the City's CNG fueling station will help ensure services are rendered in a timely and cost-effective manner.

Fiscal Impact

Quotes were solicited and received by the following CNG station repair vendors:

Price Quotes

Allsup Corporation	\$33,183.07	Valid
Natural Gas Systems	\$33,202.13	Quote voided by contractor due to insurance requirements

Award a Contract to Allsup Corporation for the CNG Compressor
September 15, 2021
Page 2 of 2

This project will utilize \$36,502 in Prop C funds, and the funds will be appropriated to account number 207-8030-8025-8520-000 for the contract with Allsup Corporation for repairs to CNG Compressor.

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: Allsup Corporation Agreement

ATTACHMENT 1
Allsup Corporation Agreement

MAINTENANCE AGREEMENT
Providing Payment of Prevailing Wages

(City of South Pasadena / Allsup Corporation, Inc.)

1. IDENTIFICATION

This MAINTENANCE AGREEMENT (“Agreement”) is entered into by and between the City of South Pasadena, a California municipal corporation (“City”), and Allsup Corporation (“Contractor”).

2. RECITALS

- 2.1.** City has determined that it requires the following recurring maintenance services from the Allsup Corporation (contractor): Provide material and labor to perform an 8,000-hour service with a low-end overhaul because of rod noise on the 4th stage. This involves the replacement of all pistons, rings, rods, piston rings, crankshaft seal, and rebuild valves. Provide a One-year parts and labor warranty on work. Refer to Exhibit “A.” This repair is for the original Ingersoll Rand natural gas compressor, located at 650 Stoney Drive, South Pasadena CA 91030.
- 2.2.** Contractor represents that it is fully qualified to perform such maintenance services by virtue of its experience and the training, education and expertise of its principals and employees. Contractor further represents that it is willing to accept responsibility for performing such maintenance services in accordance with the terms and conditions set forth in this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions herein contained, City and Contractor agree as follows:

3. DEFINITIONS

- 3.1.** “Scope of Services”: Such maintenance services as are set forth in Contractor’s proposal to City attached hereto as “Exhibit A” and incorporated herein by this reference.
- 3.2.** “Agreement Administrator”: The Agreement Administrator for this project is Francois Brard, Facilities Manager. The Agreement Administrator shall be the principal point of contact at the City for this project. All services under this Agreement shall be performed at the request of the Agreement Administrator. The Agreement Administrator will establish the timetable for completion of services and any interim milestones. City reserves the right to change this designation upon written notice to Contractor
- 3.3.** “Maximum Amount”: The highest total compensation and costs payable to Contractor by City under this Agreement. The Maximum Amount under this Agreement is Thirty-three thousand, One-hundred & Eighty-three Dollars and seven cents (\$33,183.07).

3.4. “Commencement Date”: September 1, 2021

3.5. “Termination Date”: December 1, 2021

4. TERM

The term of this Agreement shall commence at 12:00 a.m. on the Commencement Date and shall expire at 11:59 p.m. on the Termination Date unless extended by written agreement of the parties or terminated earlier under Section 15 (“Termination”) below.

5. CONTRACTOR’S DUTIES

- 5.1. **Services.** Contractor shall perform the services identified in the Scope of Services. City shall have the right to request, in writing, changes in the Scope of Services. Any such changes mutually agreed upon by the parties, and any corresponding increase or decrease in compensation, shall be incorporated by written amendment to this Agreement.
- 5.2. **Coordination with City.** In performing services under this Agreement, Contractor shall coordinate all contact with City through its Agreement Administrator.
- 5.3. **Budgetary Notification.** Contractor shall notify the Agreement Administrator, in writing, when fees and expenses incurred under this Agreement have reached eighty percent (80%) of the Maximum Amount. Contractor shall concurrently inform the Agreement Administrator, in writing, of Contractor’s estimate of total expenditures required to complete its current assignments before proceeding, when the remaining work on such assignments would exceed the Maximum Amount.
- 5.4. **Business License.** Contractor shall obtain and maintain in force a City business license for the duration of this Agreement.
- 5.5. **Professional Standards.** Contractor shall perform all work to the highest standards of Contractor’s profession and in a manner reasonably satisfactory to City. Contractor shall keep itself fully informed of and in compliance with all local, state, and federal laws, rules, and regulations in any manner affecting the performance of this Agreement, including all Cal/OSHA requirements, the conflict of interest provisions of Government Code § 1090 and the Political Reform Act (Government Code § 81000 et seq.).
- 5.6. **Appropriate Personnel.** Contractor has, or will secure at its own expense, all personnel required to perform the services identified in the Scope of Services. All such services shall be performed by Contractor or under its supervision or by subcontractor(s) of Contractor, and all personnel engaged in the work shall be qualified to perform such services. John Shield shall be Contractor’s project administrator and

shall have direct responsibility for management of Contractor's performance under this Agreement. No change shall be made in Contractor's project administrator without City's prior written consent.

- 5.7. Prevailing Wages.** This Agreement is subject to the prevailing wage law as more fully set forth in Section 8 (Labor Code), for all work performed under this Agreement for which the payment of prevailing wages is required under the California Labor Code. In particular, Contractor acknowledges that prevailing wage determinations are available for work performed under this Agreement.
- 5.8. Permits and Approvals.** Contractor shall obtain, at its sole cost and expense, all permits and regulatory approvals necessary, if any, for Contractor's performance of this Agreement including, but not limited to, professional licenses and permits.
- 5.9. Notification of Organizational Changes.** Contractor shall notify the Agreement Administrator, in writing, of any change in name, ownership or control of Contractor's firm or of any subcontractor. Change of ownership or control of Contractor's firm may require an amendment to this Agreement.
- 5.10. Records.** Contractor shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to City under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to Contractor under this Agreement. All such documents shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of City. In addition, pursuant to Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars, all such documents and this Agreement shall be subject to the examination and audit of the State Auditor, at the request of City or as part of any audit of City, for a period of three (3) years after final payment under this Agreement.

6. SUBCONTRACTING AND ASSIGNMENT

- 6.1. General Prohibition on Assignment.** This Agreement covers services of a specific and unique nature. Except as otherwise provided herein, Contractor shall not assign or transfer its interest in this Agreement or subcontract any services to be performed without amending this Agreement.
- 6.2. Contractor Responsible.** Contractor shall be responsible to City for all services to be performed under this Agreement.
- 6.3. Subcontracting.** Contractor shall not subcontract any portion of the performance contemplated and provided for herein unless (1) such subcontracting is specifically described in the proposal attached hereto or (2) the City provides prior written approval. In any event, Contractor shall supervise all work subcontracted by Contractor in

performing the services described in the Scope of Services and shall be responsible for all work performed by a subcontractor as if Contractor itself had performed such work. The subcontracting of any work shall not relieve Contractor from any of its obligations under this Agreement with respect to the services described in the Scope of Services. Contractor is obligated to ensure that any and all subcontractors performing any services under this Agreement shall be fully insured in all respects and to the same extent as set forth under Section 13 (Insurance), to City's satisfaction.

- 6.4. Compensation for Subcontractors.** Contractor shall be liable and accountable for any and all payments, compensation, and federal and state taxes to all subcontractors performing services under this Agreement. City shall not be liable for any payment, compensation, or federal and state taxes for any subcontractors.

7. COMPENSATION

- 7.1. General.** City agrees to compensate Contractor for the services provided under this Agreement, and Contractor agrees to accept payment, the Maximum Amount in full satisfaction for such services. Compensation shall not exceed the Maximum Amount. Contractor shall not be reimbursed for any expenses unless provided for in this Agreement or authorized in writing by City in advance.
- 7.2. Invoices.** Contractor shall submit to City an invoice, on a monthly basis or as otherwise agreed to by the Agreement Administrator, for services performed pursuant to this Agreement. Each invoice shall identify the Maximum Amount, the services rendered during the billing period, the amount due for the invoice, and the total amount previously invoiced. Contractor shall include a copy of each subcontractor invoice, if any, for which reimbursement is sought in the invoice.
- 7.3. Taxes.** City shall not withhold applicable taxes or other payroll deductions from payments made to Contractor except as otherwise required by law. Contractor shall be solely responsible for calculating, withholding, and paying all taxes.
- 7.4. Disputes.** The parties agree to meet and confer at mutually agreeable times to resolve any disputed amounts contained in an invoice submitted by Contractor.

8. LABOR CODE

- 8.1. Prevailing Wage Law.** Prevailing Wage Law. This Agreement is subject to the requirements of the prevailing wage laws, including, but not limited to, Labor Code Section 1720 et seq., and Labor Code Section 1770 et seq., as well as Code of Regulations, Title 8, Section 16000 et seq., which require payment of prevailing wage rates and the performance of other requirements on certain "public works" and "maintenance" projects. Contractor shall defend, indemnify, and hold harmless City, and its officers, employees, agents, and volunteers free and harmless from any claim or liability arising out of failure or alleged failure of Contractor to comply with such prevailing wage laws.

- 8.2. Payment of Prevailing Wages.** Contractor shall pay the prevailing wage rates for all work performed under this Agreement. When any craft or classification is omitted from the general prevailing wage determinations, the Contractor shall pay the wage rate of the craft or classification most closely related to the omitted classification.
- 8.3. Forfeiture.** Contractor shall forfeit as a penalty to City Two Hundred Dollars (\$200.00), or any greater penalty provided in the Labor Code, for each calendar day, or portion thereof, for each worker paid less than the prevailing wage rates for any work done under this Agreement employed in the performance of the Scope of Services by Contractor or by any subcontractor of Contractor in violation of the provisions of the Labor Code. In addition, the difference between such prevailing wage rates and the amount paid to each worker for each calendar day, or portion thereof, for which each worker was paid less than the prevailing wage rate shall be paid to each worker by Contractor.
- 8.4. Apprentices.** Contractor shall comply with the provisions of Labor Code 1777.5 concerning the employment of apprentices on public works projects. Contractor shall be responsible for ensuring compliance by its subcontractors with Labor Code 1777.5.
- 8.5. Payroll Records.** Pursuant to Labor Code 1776, Contractor and any subcontractor(s) shall keep accurate payroll records, showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by Contractor in connection with this Agreement. Each payroll record shall contain or be verified by a written declaration that it is made under penalty of perjury, stating both of the following: (1) The information contained in the payroll record is true and correct; and (2) The employer has complied with the requirements of Labor Code 1811 and Labor Code 1815 for any work performed by his or her employees on the public works project. The payroll records shall be certified and shall be available for inspection at all reasonable hours as required by Labor Code 1776.
- 8.6. 8-Hour Work Day.** This Agreement is subject to 8-hour work day and wage and hour penalty laws, including, but not limited to, Labor Code 1810 and Labor Code 1813. Contractor and any subcontractor(s) of Contractor shall strictly adhere to the provisions of the Labor Code regarding 8-hour work day and 40-hour work week requirements, and overtime, Saturday, Sunday, and holiday work. Pursuant to the Labor Code, eight hours' labor shall constitute a legal day's work. Work performed by Contractor's employees in excess of eight hours per day, and 40 hours during any one week, must include compensation for all hours worked in excess of eight hours per day, or 40 hours during any one week, at not less than one and one-half times the basic rate of pay. Contractor shall forfeit as a penalty to City \$25.00, or any greater penalty set forth in the Labor Code, for each worker employed in the execution of the work by Contractor or by any subcontractor(s) of Contractor, for each calendar day during which such worker is required or permitted to the work more than eight hours in one calendar day or more than 40 hours in any one calendar week in violation of the Labor Code.

- 8.7. Registration with DIR.** Contractor and any subcontractor(s) of Contractor shall comply with the provisions of Labor Code 1771 and Labor Code 1725.5 requiring registration with the Department of Industrial Relations (DIR).

9. OWNERSHIP OF WRITTEN PRODUCTS

All reports, documents or other written material (“written products” herein) developed by Contractor in the performance of this Agreement shall be and remain the property of City without restriction or limitation upon its use or dissemination by City except as provided by law. Contractor may take and retain copies of such written products as desired, but no such written products shall be the subject of a copyright application by Contractor.

10. RELATIONSHIP OF PARTIES

- 10.1. General.** Contractor is, and shall at all times remain as to City, a wholly independent contractor.
- 10.2. No Agent Authority.** Contractor shall have no power to incur any debt, obligation, or liability on behalf of City or otherwise to act on behalf of City as an agent. Neither City nor any of its agents shall have control over the conduct of Contractor or any of Contractor’s employees, except as set forth in this Agreement. Contractor shall not represent that it is, or that any of its agents or employees are, in any manner employees of City.
- 10.3. Independent Contractor Status.** Under no circumstances shall Contractor or its employees look to the City as an employer. Contractor shall not be entitled to any benefits. City makes no representation as to the effect of this independent contractor relationship on Contractor’s previously earned California Public Employees Retirement System (“CalPERS”) retirement benefits, if any, and Contractor specifically assumes the responsibility for making such a determination. Contractor shall be responsible for all reports and obligations including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers’ compensation, and other applicable federal and state taxes.
- 10.4. Indemnification of CalPERS Determination.** In the event that Contractor or any employee, agent, or subcontractor of Contractor providing services under this Agreement claims or is determined by a court of competent jurisdiction or CalPERS to be eligible for enrollment in CalPERS as an employee of the City, Contractor shall indemnify, defend, and hold harmless City for the payment of any employee and/or employer contributions for CalPERS benefits on behalf of Contractor or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

11. INDEMNIFICATION

- 11.1. Definitions.** For purposes of this Section 11, “Contractor” shall include Contractor, its officers, employees, servants, agents, or subcontractors, or anyone directly or indirectly employed by either Contractor or its subcontractors, in the performance of this Agreement. “City” shall include City, its officers, agents, employees and volunteers.
- 11.2. Contractor to Indemnify City.** To the fullest extent permitted by law, Contractor shall indemnify, hold harmless, and defend City from and against any and all claims, losses, costs or expenses for any personal injury or property damage arising out of or in connection with Contractor’s alleged negligence, recklessness or willful misconduct or other wrongful acts, errors or omissions of Contractor or failure to comply with any provision in this Agreement.
- 11.3. Scope of Indemnity.** Personal injury shall include injury or damage due to death or injury to any person, whether physical, emotional, consequential or otherwise, Property damage shall include injury to any personal or real property. Contractor shall not be required to indemnify City for such loss or damage as is caused by the sole active negligence or willful misconduct of the City.
- 11.4. Attorneys Fees.** Such costs and expenses shall include reasonable attorneys’ fees for counsel of City’s choice, expert fees and all other costs and fees of litigation. Contractor shall not be entitled to any refund of attorneys’ fees, defense costs or expenses in the event that it is adjudicated to have been non-negligent.
- 11.5. Defense Deposit.** The City may request a deposit for defense costs from Contractor with respect to a claim. If the City requests a defense deposit, Contractor shall provide it within 15 days of the request.
- 11.6. Waiver of Statutory Immunity.** The obligations of Contractor under this Section 12 are not limited by the provisions of any workers’ compensation act or similar act. Contractor expressly waives its statutory immunity under such statutes or laws as to City.
- 11.7. Indemnification by Subcontractors.** Contractor agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this Section 12 from each and every subcontractor or any other person or entity involved in the performance of this Agreement on Contractor’s behalf.
- 11.8. Insurance Not a Substitute.** City does not waive any indemnity rights by accepting any insurance policy or certificate required pursuant to this Agreement. Contractor’s indemnification obligations apply regardless of whether or not any insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost or expense.

Any available insurance proceeds broader than or in excess of the specified minimum insurance coverage requirements or limits shall be available to the additional insured. Furthermore, the requirements for coverage and limits shall be the greater of (1) the minimum coverage and limits specified in this Agreement, or (2) the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the named insured

- 12.4. General Liability Insurance.** Commercial General Liability Insurance shall be no less broad than ISO form CG 00 01. Coverage must be on a standard Occurrence form. Claims-Made, modified, limited or restricted Occurrence forms are not acceptable.
- 12.5. Worker's Compensation Insurance.** Contractor is aware of the provisions of Section 3700 of the Labor Code which requires every employer to carry Workers' Compensation (or to undertake equivalent self-insurance), and Contractor will comply with such provisions before commencing the performance of the work of this Agreement. If such insurance is underwritten by any agency other than the State Compensation Fund, such agency shall be a company authorized to do business in the State of California.
- 12.6. Automobile Liability Insurance.** Covered vehicles shall include owned if any, non-owned, and hired automobiles and, trucks.
- 12.7. Claims-Made Policies.** If any of the required policies provide coverage on a claims-made basis the Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work. Claims-Made Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the contract of work. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the Contractor must purchase "extended reporting" coverage for a minimum of five (5) years after completion of contract work.
- 12.8. Additional Insured Endorsements.** The City, its City Council, Commissions, officers, and employees of South Pasadena must be endorsed as an additional insured for each policy required herein, for liability arising out of ongoing and completed operations by or on behalf of the Contractor. Contractor's insurance policies shall be primary as respects any claims related to or as the result of the Contractor's work. Any insurance, pooled coverage or self-insurance maintained by the City, its elected or appointed officials, directors, officers, agents, employees, volunteers, or Contractors shall be non-contributory. All endorsements shall be signed by a person authorized by the insurer to bind coverage on its behalf. General liability coverage can be provided using an endorsement to the Contractor's insurance at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10 and CG 20 37.
- 12.9. Failure to Maintain Coverage.** In the event any policy is canceled prior to the completion of the project and the Contractor does not furnish a new certificate of

insurance prior to cancellation, City has the right, but not the duty, to obtain the required insurance and deduct the premium(s) from any amounts due the Contractor under this Agreement. Failure of the Contractor to maintain the insurance required by this Agreement, or to comply with any of the requirements of this section, shall constitute a material breach of this Agreement.

- 12.10. Insurance Notices.** Contractor shall provide immediate written notice if (1) any of the required insurance policies is terminated; (2) the limits of any of the required policies are reduced; (3) or the deductible or self-insured retention is increased. Contractor shall provide no less than 30 days' notice of any cancellation or material change to policies required by this Agreement. Contractor shall provide proof that cancelled or expired policies of insurance have been renewed or replaced with other policies providing at least the same coverage. Such proof will be furnished at least two weeks prior to the expiration of the coverages. The name and address for Additional Insured Endorsements, Certificates of Insurance and Notices of Cancellation is: City of South Pasadena, Attn: Garrett Crawford Public Works, South Pasadena, CA 95945.
- 12.11. Contractor's Insurance Primary.** The insurance provided by Contractor, including all endorsements, shall be primary to any coverage available to City. Any insurance or self-insurance maintained by City and/or its officers, employees, agents or volunteers, shall be in excess of Contractor's insurance and shall not contribute with it.
- 12.12. Waiver of Subrogation.** Contractor hereby waives all rights of subrogation against the City. Contractor shall additionally waive such rights either by endorsement to each policy or provide proof of such waiver in the policy itself.
- 12.13. Report of Claims to City.** Contractor shall report to the City, in addition to the Contractor's insurer, any and all insurance claims submitted to Contractor's insurer in connection with the services under this Agreement.
- 12.14. Premium Payments and Deductibles.** Contractor must disclose all deductibles and self-insured retention amounts to the City. The City may require the Contractor to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within retention amounts. Ultimately, City must approve all such amounts prior to execution of this Agreement.

City has no obligation to pay any premiums, assessments, or deductibles under any policy required in this Agreement. Contractor shall be responsible for all premiums and deductibles in all of Contractor's insurance policies. The amount of deductibles for insurance coverage required herein are subject to City's approval.

12.15. Duty to Defend and Indemnify. Contractor's duties to defend and indemnify City under this Agreement shall not be limited by the foregoing insurance requirements and shall survive the expiration of this Agreement.

13. MUTUAL COOPERATION

13.1. City Cooperation in Performance. City shall provide Contractor with all pertinent data, documents and other requested information as is reasonably available for the proper performance of Contractor's services under this Agreement.

13.2. Contractor Cooperation in Defense of Claims. If any claim or action is brought against City relating to Contractor's performance in connection with this Agreement, Contractor shall render any reasonable assistance that City may require in the defense of that claim or action.

14. NOTICES

Any notices, bills, invoices, or reports required by this Agreement shall be deemed received on: (i) the day of delivery if delivered by hand, facsimile or overnight courier service during Contractor's and City's regular business hours; or (ii) on the third business day following deposit in the United States mail if delivered by mail, postage prepaid, to the addresses listed below (or to such other addresses as the parties may, from time to time, designate in writing).

If to City:

Shahid Abbas
City of South Pasadena
Public Works
1414 Mission Street
South Pasadena, CA 91030
Telephone: (626) 403-7240
Facsimile: (626) 403-7241

If to Contractor:

Keith Sharpe
1848 West 11th, Street, Suite K
Upland, CA 91786-8400
Telephone: (909) 931-1636
Facsimile: (949) 258-5217

With courtesy copy to:

Andrew L. Jared
South Pasadena City Attorney
Colantuono, Highsmith & Whatley, PC
300 South Grand Ave., Ste. 2700
Los Angeles, CA 90071-3137
Telephone: (213) 542-5700
Facsimile: (213) 542-5710

15. SURVIVING COVENANTS

The parties agree that the covenants contained in paragraph 5.10 (Records), paragraph 10.4 (Indemnification of CalPERS Determination), Section 11 (Indemnification), paragraph 12.7 (Claims-Made Policies), paragraph 13.2 (Contractor Cooperation in Defense of Claims), and paragraph 18.1 (Confidentiality) of this Agreement shall survive the expiration or termination of this Agreement, subject to the provisions and limitations of this Agreement and all otherwise applicable statutes of limitations and repose.

16. TERMINATION

- 16.1. City Termination.** City may terminate this Agreement for any reason on five calendar days' written notice to Contractor. Contractor agrees to cease all work under this Agreement on or before the effective date of any notice of termination. All City data, documents, objects, materials or other tangible things shall be returned to City upon the termination or expiration of this Agreement.
- 16.2. Contractor Termination.** Contractor may terminate this Agreement for a material breach of this Agreement upon 30 days' notice.
- 16.3. Compensation Following Termination.** Upon termination, Contractor shall be paid based on the work satisfactorily performed at the time of termination. In no event shall Contractor be entitled to receive more than the amount that would be paid to Contractor for the full performance of the services required by this Agreement. The City shall have the benefit of such work as may have been completed up to the time of such termination.
- 16.4. Remedies.** City retains any and all available legal and equitable remedies for Contractor's breach of this Agreement.

17. INTERPRETATION OF AGREEMENT

- 17.1. Governing Law.** This Agreement shall be governed and construed in accordance with the laws of the State of California.
- 17.2. Integration of Exhibits.** All documents referenced as exhibits in this Agreement are hereby incorporated into this Agreement. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of any document incorporated herein by reference, the provisions of this Agreement shall prevail. This instrument contains the entire Agreement between City and Contractor with respect to the transactions contemplated herein. No other prior oral or written agreements are binding upon the parties. Amendments hereto or deviations here from shall be effective and binding only if made in writing and executed on by City and Contractor.

- 17.3. Headings.** The headings and captions appearing at the commencement of the sections hereof, and in any paragraph thereof, are descriptive only and for convenience in reference to this Agreement. Should there be any conflict between such heading, and the section or paragraph thereof at the head of which it appears, the language of the section or paragraph shall control and govern in the construction of this Agreement.
- 17.4. Pronouns.** Masculine or feminine pronouns shall be substituted for the neuter form and vice versa, and the plural shall be substituted for the singular form and vice versa, in any place or places herein in which the context requires such substitution(s).
- 17.5. Severability.** If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, then such term or provision shall be amended to, and solely to the extent necessary to, cure such invalidity or unenforceability, and shall be enforceable in its amended form. In such event, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.
- 17.6. No Presumption Against Drafter.** Each party had an opportunity to consult with an attorney in reviewing and drafting this agreement. Any uncertainty or ambiguity shall not be construed for or against any party based on attribution of drafting to any party.

18. GENERAL PROVISIONS

- 18.1. Confidentiality.** All data, documents, discussion, or other information developed or received by Contractor for performance of this Agreement are deemed confidential and Contractor shall not disclose it without prior written consent by City. City shall grant such consent if disclosure is legally required. All City data shall be returned to City upon the termination or expiration of this Agreement.
- 18.2. Conflicts of Interest.** Contractor maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Contractor, to solicit or secure this Agreement. Further, Contractor warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Contractor, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. Contractor further agrees to file, or shall cause its employees or subcontractor to file, a Statement of Economic Interest with the City's Filing Officer if required under state law in the performance of the services. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer, or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

- 18.3. Non-assignment.** Contractor shall not delegate, transfer, subcontract or assign its duties or rights hereunder, either in whole or in part, without City's prior written consent, and any attempt to do so shall be void and of no effect. City shall not be obligated or liable under this Agreement to any party other than Contractor.
- 18.4. Binding on Successors.** This Agreement shall be binding on the successors and assigns of the parties.
- 18.5. No Third-Party Beneficiaries.** Except as expressly stated herein, there is no intended third-party beneficiary of any right or obligation assumed by the parties.
- 18.6. Time of the Essence.** Time is of the essence for each and every provision of this Agreement.
- 18.7. Non-Discrimination.** Contractor shall not discriminate against any employee or applicant for employment because of race, sex (including pregnancy, childbirth, or related medical condition), creed, national origin, color, disability as defined by law, disabled veteran status, Vietnam veteran status, religion, age (40 and above), medical condition (cancer-related), marital status, ancestry, or sexual orientation. Employment actions to which this provision applies shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; or in terms, conditions or privileges of employment, and selection for training. Contractor agrees to post in conspicuous places, available to employees and applicants for employment, the provisions of this nondiscrimination clause.
- 18.8. Waiver.** No provision, covenant, or condition of this Agreement shall be deemed to have been waived by City or Contractor unless in writing signed by one authorized to bind the party asserted to have consented to the waiver. The waiver by City or Contractor of any breach of any provision, covenant, or condition of this Agreement shall not be deemed to be a waiver of any subsequent breach of the same or any other provision, covenant, or condition.
- 18.9. Excused Failure to Perform.** Contractor shall not be liable for any failure to perform if Contractor presents acceptable evidence, in City's sole judgment that such failure was due to causes beyond the control and without the fault or negligence of Contractor.
- 18.10. Remedies Non-Exclusive.** Each right, power and remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise shall be cumulative and shall be in addition to every other right, power, or remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise. The exercise, the commencement of the exercise, or the forbearance from the exercise by any party of any one or more of such rights, powers or remedies shall not preclude the simultaneous or later exercise by such party of any or all of such other rights, powers or remedies.

18.11. Venue. The venue for any litigation shall be Los Angeles County, California and Contractor hereby consents to jurisdiction in Los Angeles County for purposes of resolving any dispute or enforcing any obligation arising under this Agreement.

TO EFFECTUATE THIS AGREEMENT, the parties have caused their duly authorized representatives to execute this Agreement on the dates set forth below.

“City”
City of South Pasadena

“Contractor”
Allsup Corporation

By: _____
Signature

By: _____
Signature

Printed: _____

Printed: _____

Title: _____

Title: _____

Date: _____

Date: _____

Attest:

By: _____
Lucie Colombo, CMC, CMPC
City Clerk

Date: _____

Approved as to form:

By: _____
Andrew L. Jared, City Attorney

Date: _____

WORKER'S COMPENSATION INSURANCE ACKNOWLEDGEMENT

I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.' If any class of employees engaged in work under this contract at the site of the Project is not protected under any Worker's Compensation law, Contractor shall provide and shall cause each subcontractor to provide adequate insurance for the protection of employees not otherwise protected. Contractor shall indemnify and hold harmless City for any damage resulting from failure of either Contractor or any subcontractor to take out or maintain such insurance.

[Name and Title]

[Date]

Exhibit A

Scope of Work

This project is to do an 8,000 hour service with a low end overhaul because of rod noise on 4th stage. This involves replacement of all pistons, and rings, rods, piston pins, crankshaft seal, valve rebuild. The unit has failed and needs rebuild. The following parts and maintenance are required:

- 32245912 Cap, Crankpin
- 32269961 Rod, 3rd and 1st/2nd stage 32256828 Rod, 4th stage
- 32245896 Bushing Crankpin
- 32270951 Crankshaft seal
- 34335661 Gasket set
- 32298986 1st and 2nd stage piston, pin and rings
- 37004520 3rd stage piston, rings, and pin 32255986 4th stage piston, rings, and pin
32253270 Valve rebuild kit.
- 37151958 15KD Valve
- 37151966 11KD Valve
- 47865K23 1/4 turn valve
- 44615K454 pipe nipple
- Miscellaneous Cleaning, oil, consumables, and disposal.
- Labor to completely clean chassis and overhaul
- Startup and check for proper operation
- 1 year parts and labor warranty



City Council Agenda Report

ITEM NO. 12

DATE: September 15, 2021

FROM: Arminé Chaparyan, City Manager *Ac*

PREPARED BY: Shahid Abbas, Public Works Director
H. Ted Gerber, Deputy Public Works Director
Anteneh Tesfaye, Water Operations Manager

SUBJECT: **Approve Contract Extension to Eurofins Eaton Analytical, LLC, in a not-to-exceed amount of \$33,000 for Laboratory Testing and Analysis of Potable Water Samples; Direct Preparation of Request for Proposal for City-wide Water Quality Sampling**

Recommendation

It is recommended that the City Council authorize the City Manager to

1. Execute the second contract amendment with Eurofins Eaton Analytical, LLC (Eurofins) to increase the contract value by \$33,000 and extend the agreement for Laboratory Testing and Analysis of Potable Water Samples' professional services until June 30, 2022; and
2. Direct staff to issue a Request for Proposal (RFP) for a City-wide water quality sampling and analysis contract on receipt of the amended permit.

Background

The U.S. Environmental Protection Agency (USEPA) and the California State Water Resources Control Board, Division of Drinking Water (SWRCB-DDW) require the City to monitor the water quality at each source, and at designated locations throughout the water distribution system, in accordance with the Federal Safe Drinking Water Act and Title 22 of the California Code of Regulations. To comply with these requirements, the City collects over 1,000 water samples annually, and submits the samples to a certified laboratory, which provides the results directly to SWRCB-DDW.

Discussion/Analysis

The City's current contracted certified laboratory for water quality sampling and analysis is Eurofins. In 2017, the City executed a three-year contract with Eurofins for \$67,358, approximately \$23,000 per year, which terminated on September 18, 2020 (Attachment 2). On October 7, 2020, the City Council approved the first amendment to the contract through September 30, 2021, utilizing the same fees, terms, and conditions, and increasing the contract amount by \$33,000 (Attachment 3). Additional sampling and laboratory analysis required by the

Approve Contract Extension to Eurofins Eaton Analytical, LLC, for Laboratory Testing and Analysis of Potable Water Samples.

September 15, 2021

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new wellhead treatment systems installed at the recently reconstructed Wilson Reservoir under an amended SWRCB-DDW permit warranted the increase in contract amount.

City staff are now preparing to start-up the recently reconstructed Graves Reservoir with new wellhead treatment systems, and an amended permit is required from SWRCB-DDW to operate the reconstructed reservoir. The amended permit is expected to increase monitoring requirements for the Graves facility as it did for the Wilson facility. On receipt of an amended permit, staff plan to issue a new Request for Proposal (RFP) for a City-wide water quality sampling and analysis contract.

Due to the expiration of the current Eurofins agreement, and the increased testing requirements when the Graves Reservoir and wellhead treatment systems come on-line, an extension to the Eurofins agreement is warranted. Therefore, staff are requesting this second and final contract amendment (Attachment 1). Eurofins Eaton Analytical, LLC, has agreed to continue the testing services at the current fee schedule under the same term and conditions through June 30, 2022 (Attachment 4).

Environmental Analysis

This is a procurement of laboratory sampling and analysis services, where no physical facilities or improvements are constructed, therefore, per 2021 California Environmental Quality Act (CEQA) Statue and Guidelines, Article 19, Section 15378 this activity does not meet the definition of a project and is exempt from further CEQA analysis.

Fiscal Impact

Expenditures for sampling and laboratory analysis services are included in the City's adopted fiscal year (FY) 2021-2022 budget, and sufficient funds are available in Water Production Professional Services Account No. 500-6010-6711-8170 to fund the \$33,000 addition to the contract for FY 2021-2022.

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. Proposed Second Amendment to Eurofins Eaton Analytical, LLC Professional Services Agreement
2. Executed Eurofins Eaton Analytical, LLC Professional Services Agreement
3. Executed First Amendment to Eurofins Eaton Analytical, LLC Professional Services Agreement
4. Letter of Intent from Eurofins Eaton Analytical, LLC

ATTACHMENT 1

Proposed Second Amendment to Professional Services Agreement

SECOND AMENDMENT TO
PROFESSIONAL SERVICES AGREEMENT FOR LABORATORY TESTING AND
ANALYSIS OF POTABLE WATER SAMPLES

THIS AMENDMENT (“Amendment”) is made as of this 15th day of September 2021, by and between the CITY OF SOUTH PASADENA (“City”) and Eurofins Eaton Analytical, LLC, (“Consultant”).

RECITALS

WHEREAS, on October 4, 2017, the City and Consultant entered into an Agreement for Consultant Services (“Agreement”) for Consultant to provide laboratory services for analysis of potable water samples in the amount of \$67,358; and

WHEREAS, on October 7, 2020, the Agreement was amended (“Amendment 1”) to extend the contract termination date to September 30, 2021, with all other terms and conditions remaining the same, for an additional \$33,000 compensation; and

WHEREAS, City and Consultant desire to further amend the term of the Agreement through June 30, 2022, on the same terms and conditions of the Agreement.

NOW THEREFORE, THE CITY AND THE CONSULTANT AGREE AS FOLLOWS:

1. PAYMENT FOR SERVICES. That Section 3 of the Agreement is hereby amended to read as follows:

The maximum amount payable under the terms of this Agreement, including expenses, for the period from September 15, 2021 to June 30, 2022 shall not exceed **\$33,000**.

2. SCOPE OF SERVICES. That scope of work of the Agreement is to remain unchanged.

3. TERM. The term of the Agreement shall be extended to June 30, 2022.

4. Consultant represents and agrees that payment of the amounts set forth in Paragraph 1 of this Amendment constitutes payment in full and that Consultant has no other claims of any kind whatsoever related in any way to the Agreement of the Amendment. Consultant agrees that this Amendment extends to all causes of action or claims which Consultant does not know of, which if known by Consultant, may have materially affected this Agreement and Amendment. Accordingly, Consultant and its Attorneys, agents, representatives, successors and

assigns, and all persons or entities acting by, through, under or in concert with Consultant, waive the provisions of Section 1542 of Civil Code, which states:
“A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have material affected his or her settlement with the debtor.”

5. PROVISIONS OF AGREEMENT. All other terms, conditions, and provisions of the Agreement to the extent not modified by this Amendment, shall remain in full force and effect.

“City”
City of South Pasadena

“Consultant”
Eurofins Eaton Analytical, LLC

By: _____
Signature

By: _____
Signature

Printed: _____

Printed: _____

Title: _____

Title: _____

Date: _____

Date: _____

ATTEST:

By: _____
Lucie Colombo, City Clerk

Approved as to form:

By: _____
Andrew Jared, City Attorney

Date: _____

ATTACHMENT 2
Executed Professional Services Agreement

**PROFESSIONAL SERVICES AGREEMENT
FOR CONSULTANT SERVICES**

(City of South Pasadena / Eurofins Eaton Analytical, Inc.)

1. IDENTIFICATION

This PROFESSIONAL SERVICES AGREEMENT (“Agreement”) is entered into by and between the City of South Pasadena, a California municipal corporation (“City”), and Eurofins Eaton Analytical, Inc., (“Consultant”).

2. RECITALS

- 2.1. City has determined that it requires the following professional services from a consultant: To provide laboratory service for potable water analysis of water sample required by Federal and State Drinking Water Standards.
- 2.2. Consultant represents that it is fully qualified to perform such professional services by virtue of its experience and the training, education and expertise of its principals and employees. Consultant further represents that it is willing to accept responsibility for performing such services in accordance with the terms and conditions set forth in this Agreement.
- 2.3. Consultant represents that it has no known relationships with third parties, City Council members, or employees of City which would (1) present a conflict of interest with the rendering of services under this Agreement under Government Code Section 1090, the Political Reform Act (Government Code Section 81000 *et seq.*), or other applicable law, (2) prevent Consultant from performing the terms of this Agreement, or (3) present a significant opportunity for the disclosure of confidential information.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions herein contained, City and Consultant agree as follows:

3. DEFINITIONS

- 3.1. “Scope of Services”: Such professional services as are set forth in Consultant’s August 24, 2017 proposal to City attached hereto as Exhibit A and incorporated herein by this reference.
- 3.2. “Agreement Administrator”: The Agreement Administrator for this project is Paul Toor, Public Works Director. The Agreement Administrator shall be the principal point of contact at the City for this project. All services under this Agreement shall be performed at the request of the Agreement Administrator. The Agreement Administrator will establish the timetable for completion of services and any interim milestones. City reserves the right to change this designation upon written notice to Consultant

- 3.3. “Approved Fee Schedule”: Consultant’s compensation rates are set forth in the fee schedule attached hereto as Exhibit B and incorporated herein by this reference. This fee schedule shall remain in effect for the duration of this Agreement unless modified in writing by mutual agreement of the parties.
- 3.4. “Maximum Amount”: The highest total compensation and costs payable to Consultant by City under this Agreement. The Maximum Amount under this Agreement is sixty seven thousand and three hundred fifth eight Dollars (\$67,358.00).
- 3.5. “Commencement Date”: September 18, 2017.
- 3.6. “Termination Date”: September 18, 2020.

4. TERM

The term of this Agreement shall commence at 12:00 a.m. on the Commencement Date and shall expire at 11:59 p.m. on the Termination Date unless extended by written agreement of the parties or terminated earlier under Section 18 (“Termination”) below. Consultant may request extensions of time to perform the services required hereunder. Such extensions shall be effective if authorized in advance by City in writing and incorporated in written amendments to this Agreement.

5. CONSULTANT’S DUTIES

- 5.1. **Services.** Consultant shall perform the services identified in the Scope of Services. City shall have the right to request, in writing, changes in the Scope of Services. Any such changes mutually agreed upon by the parties, and any corresponding increase or decrease in compensation, shall be incorporated by written amendment to this Agreement.
- 5.2. **Coordination with City.** In performing services under this Agreement, Consultant shall coordinate all contact with City through its Agreement Administrator.
- 5.3. **Budgetary Notification.** Consultant shall notify the Agreement Administrator, in writing, when fees and expenses incurred under this Agreement have reached eighty percent (80%) of the Maximum Amount. Consultant shall concurrently inform the Agreement Administrator, in writing, of Consultant’s estimate of total expenditures required to complete its current assignments before proceeding, when the remaining work on such assignments would exceed the Maximum Amount.
- 5.4. **Business License.** Consultant shall obtain and maintain in force a City business license for the duration of this Agreement.

- 5.5. **Professional Standards.** Consultant shall perform all work to the standards of Consultant's profession and in a manner reasonably satisfactory to City. Consultant shall keep itself fully informed of and in compliance with all local, state, and federal laws, rules, and regulations in any manner affecting the performance of this Agreement, including all Cal/OSHA requirements, the conflict of interest provisions of Government Code § 1090 and the Political Reform Act (Government Code § 81000 et seq.).
- 5.6. **Avoid Conflicts.** During the term of this Agreement, Consultant shall not perform any work for another person or entity for whom Consultant was not working at the Commencement Date if such work would present a conflict interfering with performance under this Agreement. However, City may consent in writing to Consultant's performance of such work.
- 5.7. **Appropriate Personnel.** Consultant has, or will secure at its own expense, all personnel required to perform the services identified in the Scope of Services. All such services shall be performed by Consultant or under its supervision, and all personnel engaged in the work shall be qualified to perform such services. Rick Zimmer shall be Consultant's project administrator and shall have direct responsibility for management of Consultant's performance under this Agreement. No change shall be made in Consultant's project administrator without City's prior written consent.
- 5.8. **Substitution of Personnel.** Any persons named in the proposal or Scope of Services constitutes a promise to the City that those persons will perform and coordinate their respective services under this Agreement. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence upon written approval of City. If City and Consultant cannot agree as to the substitution of key personnel, City may terminate this Agreement for cause.
- 5.9. **Permits and Approvals.** Consultant shall obtain, at its sole cost and expense, all permits and regulatory approvals necessary for Consultant's performance of this Agreement. This includes, but shall not be limited to, professional licenses, encroachment permits and building and safety permits and inspections.
- 5.10. **Notification of Organizational Changes.** Consultant shall notify the Agreement Administrator, in writing, of any change in name, ownership or control of Consultant's firm or of any subcontractor. Change of ownership or control of Consultant's firm may require an amendment to this Agreement.
- 5.11. **Records.** Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to City under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to Consultant under this Agreement. All such documents shall be made available for inspection, audit, and/or copying at any time

during regular business hours, upon oral or written request of City. In addition, pursuant to Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars, all such documents and this Agreement shall be subject to the examination and audit of the State Auditor, at the request of City or as part of any audit of City, for a period of three (3) years after final payment under this Agreement.

6. SUBCONTRACTING

- 6.1. **General Prohibition.** This Agreement covers professional services of a specific and unique nature. Except as otherwise provided herein, Consultant shall not assign or transfer its interest in this Agreement or subcontract any services to be performed without amending this Agreement.
- 6.2. **Consultant Responsible.** Consultant shall be responsible to City for all services to be performed under this Agreement.
- 6.3. **Identification in Fee Schedule.** All subcontractors shall be specifically listed and their billing rates identified in the Approved Fee Schedule, Exhibit B. Any changes must be approved by the Agreement Administrator in writing as an amendment to this Agreement.
- 6.4. **Compensation for Subcontractors.** City shall pay Consultant for work performed by its subcontractors, if any, only at Consultant's actual cost plus an approved mark-up as set forth in the Approved Fee Schedule, Exhibit B. Consultant shall be liable and accountable for any and all payments, compensation, and federal and state taxes to all subcontractors performing services under this Agreement. City shall not be liable for any payment, compensation, or federal and state taxes for any subcontractors.

7. COMPENSATION

- 7.1. **General.** City agrees to compensate Consultant for the services provided under this Agreement, and Consultant agrees to accept payment in accordance with the Fee Schedule in full satisfaction for such services. Compensation shall not exceed the Maximum Amount. Consultant shall not be reimbursed for any expenses unless provided for in this Agreement or authorized in writing by City in advance.
- 7.2. **Invoices.** Consultant shall submit to City an invoice, on a monthly basis or as otherwise agreed to by the Agreement Administrator, for services performed pursuant to this Agreement. Each invoice shall identify the Maximum Amount, the services rendered during the billing period, the amount due for the invoice, and the total amount previously invoiced. All labor charges shall be itemized by employee name and classification/position with the firm, the corresponding hourly rate, the hours worked, a description of each labor charge, and the total amount due for labor charges.

- 7.3. **Taxes.** City shall not withhold applicable taxes or other payroll deductions from payments made to Consultant except as otherwise required by law. Consultant shall be solely responsible for calculating, withholding, and paying all taxes.
- 7.4. **Disputes.** The parties agree to meet and confer at mutually agreeable times to resolve any disputed amounts contained in an invoice submitted by Consultant.
- 7.5. **Additional Work.** Consultant shall not be reimbursed for any expenses incurred for work performed outside the Scope of Services unless prior written approval is given by the City through a fully executed written amendment. Consultant shall not undertake any such work without prior written approval of the City.
- 7.6. **City Satisfaction as Precondition to Payment.** Notwithstanding any other terms of this Agreement, no payments shall be made to Consultant until City is satisfied that the services are satisfactory.
- 7.7. **Right to Withhold Payments.** If Consultant fails to provide a deposit or promptly satisfy an indemnity obligation described in Section 11, City shall have the right to withhold payments under this Agreement to offset that amount.

8. PREVAILING WAGES

Consultant is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., (“Prevailing Wage Laws”), which require the payment of prevailing wage rates and the performance of other requirements on certain “public works” and “maintenance” projects. Consultant shall defend, indemnify, and hold the City, its elected officials, officers, employees, and agents free and harmless from any claim or liability arising out of any failure or alleged failure of Consultant to comply with the Prevailing Wage Laws.

9. OWNERSHIP OF WRITTEN PRODUCTS

All reports, documents or other written material (“written products” herein) developed by Consultant in the performance of this Agreement shall be and remain the property of City without restriction or limitation upon its use or dissemination by City except as provided by law. Consultant may take and retain copies of such written products as desired, but no such written products shall be the subject of a copyright application by Consultant.

10. RELATIONSHIP OF PARTIES

- 10.1. **General.** Consultant is, and shall at all times remain as to City, a wholly independent contractor.

Eurofins Eaton Analytical, Inc. Professional Services Agreement – Consultant Services

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Approved For Use 11/15/16

- 10.2. **No Agent Authority.** Consultant shall have no power to incur any debt, obligation, or liability on behalf of City or otherwise to act on behalf of City as an agent. Neither City nor any of its agents shall have control over the conduct of Consultant or any of Consultant's employees, except as set forth in this Agreement. Consultant shall not represent that it is, or that any of its agents or employees are, in any manner employees of City.
- 10.3. **Independent Contractor Status.** Under no circumstances shall Consultant or its employees look to the City as an employer. Consultant shall not be entitled to any benefits. City makes no representation as to the effect of this independent contractor relationship on Consultant's previously earned California Public Employees Retirement System ("CalPERS") retirement benefits, if any, and Consultant specifically assumes the responsibility for making such a determination. Consultant shall be responsible for all reports and obligations including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation, and other applicable federal and state taxes.
- 10.4. **Indemnification of CalPERS Determination.** In the event that Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement claims or is determined by a court of competent jurisdiction or CalPERS to be eligible for enrollment in CalPERS as an employee of the City, Consultant shall indemnify, defend, and hold harmless City for the payment of any employee and/or employer contributions for CalPERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

11. INDEMNIFICATION

- 11.1 **Definitions.** For purposes of this Section 11, "Consultant" shall include Consultant, its officers, employees, servants, agents, or subcontractors, or anyone directly or indirectly employed by either Consultant or its subcontractors, in the performance of this Agreement. "City" shall include City, its officers, agents, employees and volunteers.
- 11.2 **Consultant to Indemnify City.** To the fullest extent permitted by law, Consultant shall indemnify, hold harmless, and defend City from and against any and all claims, losses, costs or expenses for any personal injury or property damage arising out of or in connection with Consultant's alleged negligence, recklessness or willful misconduct or other wrongful acts, errors or omissions of Consultant or failure to comply with any provision in this Agreement.
- 11.3 **Scope of Indemnity.** Personal injury shall include injury or damage due to death or injury to any person, whether physical, emotional, consequential or otherwise, Property damage shall include injury to any personal or real property. Consultant

shall not be required to indemnify City for such loss or damage as is caused by the sole active negligence or willful misconduct of the City.

- 11.4 **Attorneys Fees.** Such costs and expenses shall include reasonable attorneys' fees for counsel of City's choice, expert fees and all other costs and fees of litigation. Consultant shall not be entitled to any refund of attorneys' fees, defense costs or expenses in the event that it is adjudicated to have been non-negligent.
- 11.5 **Defense Deposit.** The City may request a deposit for defense costs from Consultant with respect to a claim. If the City requests a defense deposit, Consultant shall provide it within 15 days of the request.
- 11.6 **Waiver of Statutory Immunity.** The obligations of Consultant under this Section 11 are not limited by the provisions of any workers' compensation act or similar act. Consultant expressly waives its statutory immunity under such statutes or laws as to City.
- 11.7 **Indemnification by Subcontractors.** Consultant agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this Section 11 from each and every subcontractor or any other person or entity involved in the performance of this Agreement on Consultant's behalf.
- 11.8 **Insurance Not a Substitute.** City does not waive any indemnity rights by accepting any insurance policy or certificate required pursuant to this Agreement. Consultant's indemnification obligations apply regardless of whether or not any insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost or expense.

12. INSURANCE

- 12.1. **Insurance Required.** Consultant shall maintain insurance as described in this section and shall require all of its subcontractors, consultants, and other agents to do the same. Approval of the insurance by the City shall not relieve or decrease any liability of Consultant. Any requirement for insurance to be maintained after completion of the work shall survive this Agreement.
- 12.2. **Documentation of Insurance.** City will not execute this agreement until it has received a complete set of all required documentation of insurance coverage. However, failure to obtain the required documents prior to the work beginning shall not waive the Consultant's obligation to provide them. Consultant shall file with City:
- Certificate of Insurance, indicating companies acceptable to City, with a Best's Rating of no less than A:VII showing. The Certificate of Insurance must include the following reference: City of South Pasadena, 1414 Mission St., South Pasadena, CA 91030
 - Documentation of Best's rating acceptable to the City.

- Original endorsements effecting coverage for all policies required by this Agreement.
- City reserves the right to obtain a full certified copy of any Insurance policy and endorsements. Failure to exercise this right shall not constitute a waiver of the right to exercise later.

12.3. Coverage Amounts. Insurance coverage shall be at least in the following minimum amounts:

- Professional Liability Insurance: \$2,000,000 per occurrence, \$4,000,000 aggregate
- General Liability:
 - General Aggregate: \$4,000,000
 - Products Comp/Op Aggregate \$4,000,000
 - Personal & Advertising Injury \$2,000,000
 - Each Occurrence \$2,000,000
 - Fire Damage (any one fire) \$ 100,000
 - Medical Expense (any 1 person) \$ 10,000
- Workers' Compensation:
 - Workers' Compensation Statutory Limits
 - EL Each Accident \$1,000,000
 - EL Disease - Policy Limit \$1,000,000
 - EL Disease - Each Employee \$1,000,000
- Automobile Liability
 - Any vehicle, combined single limit \$1,000,000

Any available insurance proceeds broader than or in excess of the specified minimum insurance coverage requirements or limits shall be available to the additional insured. Furthermore, the requirements for coverage and limits shall be the greater of (1) the minimum coverage and limits specified in this Agreement, or (2) the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the named insured

12.4. General Liability Insurance. Commercial General Liability Insurance shall be no less broad than ISO form CG 00 01. Coverage must be on a standard Occurrence form. Claims-Made, modified, limited or restricted Occurrence forms are not acceptable.

12.5. Worker's Compensation Insurance. Consultant is aware of the provisions of Section 3700 of the Labor Code which requires every employer to carry Workers' Compensation (or to undertake equivalent self-insurance), and Consultant will comply with such provisions before commencing the performance of the work of this

Agreement. If such insurance is underwritten by any agency other than the State Compensation Fund, such agency shall be a company authorized to do business in the State of California.

- 12.6. **Automobile Liability Insurance.** Covered vehicles shall include owned if any, non-owned, and hired automobiles and, trucks.
- 12.7. **Professional Liability Insurance or Errors & Omissions Coverage.** The deductible or self-insured retention may not exceed \$50,000. If the insurance is on a Claims-Made basis, the retroactive date shall be no later than the commencement of the work. Coverage shall be continued for two years after the completion of the work by one of the following: (1) renewal of the existing policy; (2) an extended reporting period endorsement; or (3) replacement insurance with a retroactive date no later than the commencement of the work under this Agreement.
- 12.8. **Claims-Made Policies.** If any of the required policies provide coverage on a claims-made basis the Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work. Claims-Made Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the contract of work. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the Consultant must purchase "extended reporting" coverage for a minimum of five (5) years after completion of contract work.
- 12.9. **Additional Insured Endorsements.** The City, its City Council, Commissions, officers, and employees of South Pasadena must be endorsed as an additional insured for each policy required herein, other than Professional Errors and Omissions and Worker's Compensation, for liability arising out of ongoing and completed operations by or on behalf of the Consultant. Consultant's insurance policies shall be primary as respects any claims related to or as the result of the Consultant's work. Any insurance, pooled coverage or self-insurance maintained by the City, its elected or appointed officials, directors, officers, agents, employees, volunteers, or consultants shall be non-contributory. All endorsements shall be signed by a person authorized by the insurer to bind coverage on its behalf. General liability coverage can be provided using an endorsement to the Consultant's insurance at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10 and CG 20 37.
- 12.10. **Failure to Maintain Coverage.** In the event any policy is canceled prior to the completion of the project and the Consultant does not furnish a new certificate of insurance prior to cancellation, City has the right, but not the duty, to obtain the required insurance and deduct the premium(s) from any amounts due the Consultant under this Agreement. Failure of the Consultant to maintain the insurance required by this Agreement, or to comply with any of the requirements of this section, shall constitute a material breach of this Agreement.

- 12.11. **Notices.** Contractor shall provide immediate written notice if (1) any of the required insurance policies is terminated; (2) the limits of any of the required policies are reduced; (3) or the deductible or self-insured retention is increased. Consultant shall provide no less than 30 days' notice of any cancellation or material change to policies required by this Agreement. Consultant shall provide proof that cancelled or expired policies of insurance have been renewed or replaced with other policies providing at least the same coverage. Such proof will be furnished at least two weeks prior to the expiration of the coverages. The name and address for Additional Insured Endorsements, Certificates of Insurance and Notices of Cancellation is: City of South Pasadena, Attn: Paul Toor, 1414 Mission Street, South Pasadena, CA 91030.
- 12.12. **Consultant's Insurance Primary.** The insurance provided by Consultant, including all endorsements, shall be primary to any coverage available to City. Any insurance or self-insurance maintained by City and/or its officers, employees, agents or volunteers, shall be in excess of Consultant's insurance and shall not contribute with it.
- 12.13. **Waiver of Subrogation.** Consultant hereby waives all rights of subrogation against the City. Consultant shall additionally waive such rights either by endorsement to each policy or provide proof of such waiver in the policy itself.
- 12.14. **Report of Claims to City.** Consultant shall report to the City, in addition to the Consultant's insurer, any and all insurance claims submitted to Consultant's insurer in connection with the services under this Agreement.
- 12.15. **Premium Payments and Deductibles.** Consultant must disclose all deductibles and self-insured retention amounts to the City. The City may require the Consultant to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within retention amounts. Ultimately, City must approve all such amounts prior to execution of this Agreement.
- City has no obligation to pay any premiums, assessments, or deductibles under any policy required in this Agreement. Consultant shall be responsible for all premiums and deductibles in all of Consultant's insurance policies. The amount of deductibles for insurance coverage required herein are subject to City's approval.
- 12.16. **Duty to Defend and Indemnify.** Consultant's duties to defend and indemnify City under this Agreement shall not be limited by the foregoing insurance requirements and shall survive the expiration of this Agreement.

13. MUTUAL COOPERATION

- 13.1. **City Cooperation in Performance.** City shall provide Consultant with all pertinent data, documents and other requested information as is reasonably available for the proper performance of Consultant's services under this Agreement.
- 13.2. **Consultant Cooperation in Defense of Claims.** If any claim or action is brought against City relating to Consultant's performance in connection with this Agreement, Consultant shall render any reasonable assistance that City may require in the defense of that claim or action.

14. NOTICES

Any notices, bills, invoices, or reports required by this Agreement shall be deemed received on: (i) the day of delivery if delivered by hand, facsimile or overnight courier service during Consultant's and City's regular business hours; or (ii) on the third business day following deposit in the United States mail if delivered by mail, postage prepaid, to the addresses listed below (or to such other addresses as the parties may, from time to time, designate in writing).

If to City

Paul Toor
City of South Pasadena
Department of Public Works
1414 Mission Street
South Pasadena, CA 91030
Telephone: (626) 403-7240
Facsimile: (626) 403-7241

If to Consultant

Bosco Ramirez
Eurofins Eaton Analytical, Inc.
750 Royal Oaks Drive, #100
Monrovia, CA 91016
Telephone: (626) 386-1100
Facsimile: (626) 386-1101

With courtesy copy to:

Teresa L. Highsmith, Esq.
South Pasadena City Attorney
Colantuono, Highsmith & Whatley, PC
790 E. Colorado Blvd. Ste. 850
Pasadena, CA 91101
Telephone: (213) 542-5700
Facsimile: (213) 542-5710

15. SURVIVING COVENANTS

The parties agree that the covenants contained in paragraph 5.11 (Records), paragraph 10.4 (Indemnification of CalPERS Determination), Section 11 (Indemnity), paragraph 12.8 (Claims-Made Policies), paragraph 13.2 (Consultant Cooperation in Defense of

Claims), and paragraph 18.1 (Confidentiality) of this Agreement shall survive the expiration or termination of this Agreement, subject to the provisions and limitations of this Agreement and all otherwise applicable statutes of limitations and repose.

16. TERMINATION

- 16.1. **City Termination.** City may terminate this Agreement for any reason on five calendar days' written notice to Consultant. Consultant agrees to cease all work under this Agreement on or before the effective date of any notice of termination. All City data, documents, objects, materials or other tangible things shall be returned to City upon the termination or expiration of this Agreement.
- 16.2. **Consultant Termination.** Consultant may terminate this Agreement for a material breach of this Agreement upon 30 days' notice.
- 16.3. **Compensation Following Termination.** Upon termination, Consultant shall be paid based on the work satisfactorily performed at the time of termination. In no event shall Consultant be entitled to receive more than the amount that would be paid to Consultant for the full performance of the services required by this Agreement. The City shall have the benefit of such work as may have been completed up to the time of such termination.
- 16.4. **Remedies.** City retains any and all available legal and equitable remedies for Consultant's breach of this Agreement.

17. INTERPRETATION OF AGREEMENT

- 17.1. **Governing Law.** This Agreement shall be governed and construed in accordance with the laws of the State of California.
- 17.2. **Integration of Exhibits.** All documents referenced as exhibits in this Agreement are hereby incorporated into this Agreement. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of any document incorporated herein by reference, the provisions of this Agreement shall prevail. This instrument contains the entire Agreement between City and Consultant with respect to the transactions contemplated herein. No other prior oral or written agreements are binding upon the parties. Amendments hereto or deviations herefrom shall be effective and binding only if made in writing and executed on by City and Consultant.
- 17.3. **Headings.** The headings and captions appearing at the commencement of the sections hereof, and in any paragraph thereof, are descriptive only and for convenience in reference to this Agreement. Should there be any conflict between such heading, and the section or paragraph thereof at the head of which it appears, the language of the section or paragraph shall control and govern in the construction of this Agreement.

- 17.4. **Pronouns.** Masculine or feminine pronouns shall be substituted for the neuter form and vice versa, and the plural shall be substituted for the singular form and vice versa, in any place or places herein in which the context requires such substitution(s).
- 17.5. **Severability.** If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, then such term or provision shall be amended to, and solely to the extent necessary to, cure such invalidity or unenforceability, and shall be enforceable in its amended form. In such event, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.
- 17.6. **No Presumption Against Drafter.** Each party had an opportunity to consult with an attorney in reviewing and drafting this agreement. Any uncertainty or ambiguity shall not be construed for or against any party based on attribution of drafting to any party.

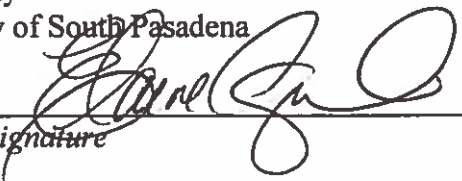
18. GENERAL PROVISIONS

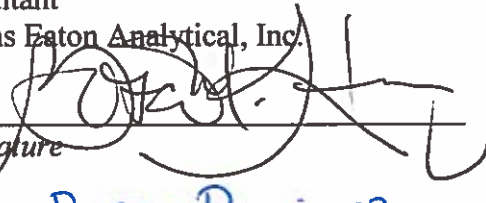
- 18.1. **Confidentiality.** All data, documents, discussion, or other information developed or received by Consultant for performance of this Agreement are deemed confidential and Consultant shall not disclose it without prior written consent by City. City shall grant such consent if disclosure is legally required. All City data shall be returned to City upon the termination or expiration of this Agreement.
- 18.2. **Conflicts of Interest.** Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. Consultant further agrees to file, or shall cause its employees or subcontractor to file, a Statement of Economic Interest with the City's Filing Officer if required under state law in the performance of the services. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer, or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.
- 18.3. **Non-assignment.** Consultant shall not delegate, transfer, subcontract or assign its duties or rights hereunder, either in whole or in part, without City's prior written consent, and any attempt to do so shall be void and of no effect. City shall not be obligated or liable under this Agreement to any party other than Consultant.
- 18.4. **Binding on Successors.** This Agreement shall be binding on the successors and assigns of the parties.

- 18.5. **No Third-Party Beneficiaries.** Except as expressly stated herein, there is no intended third-party beneficiary of any right or obligation assumed by the parties.
- 18.6. **Time of the Essence.** Time is of the essence for each and every provision of this Agreement.
- 18.7. **Non-Discrimination.** Consultant shall not discriminate against any employee or applicant for employment because of race, sex (including pregnancy, childbirth, or related medical condition), creed, national origin, color, disability as defined by law, disabled veteran status, Vietnam veteran status, religion, age (40 and above), medical condition (cancer-related), marital status, ancestry, or sexual orientation. Employment actions to which this provision applies shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; or in terms, conditions or privileges of employment, and selection for training. Consultant agrees to post in conspicuous places, available to employees and applicants for employment, the provisions of this nondiscrimination clause.
- 18.8. **Waiver.** No provision, covenant, or condition of this Agreement shall be deemed to have been waived by City or Consultant unless in writing signed by one authorized to bind the party asserted to have consented to the waiver. The waiver by City or Consultant of any breach of any provision, covenant, or condition of this Agreement shall not be deemed to be a waiver of any subsequent breach of the same or any other provision, covenant, or condition.
- 18.9. **Excused Failure to Perform.** Consultant shall not be liable for any failure to perform if Consultant presents acceptable evidence, in City's sole judgment, that such failure was due to causes beyond the control and without the fault or negligence of Consultant.
- 18.10. **Remedies Non-Exclusive.** Each right, power and remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise shall be cumulative and shall be in addition to every other right, power, or remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise. The exercise, the commencement of the exercise, or the forbearance from the exercise by any party of any one or more of such rights, powers or remedies shall not preclude the simultaneous or later exercise by such party of any or all of such other rights, powers or remedies.
- 18.11. **Attorneys' Fees.** If legal action shall be necessary to enforce any term, covenant or condition contained in this Agreement, the prevailing party shall be entitled to an award of reasonable attorneys' fees and costs expended in the action.

18.12. **Venue.** The venue for any litigation shall be Los Angeles County, California and Consultant hereby consents to jurisdiction in Los Angeles County for purposes of resolving any dispute or enforcing any obligation arising under this Agreement.

TO EFFECTUATE THIS AGREEMENT, the parties have caused their duly authorized representatives to execute this Agreement on the dates set forth below.


“City”
City of South Pasadena
By: 
Signature
Printed: ELAINE AGUILAR
Title: INTERIM CITY MANAGER
Date: 10/04/2017

“Consultant”
Eurofins Eaton Analytical, Inc.
By: 
Signature
Printed: Bosco Ramirez
Title: President
Date: 9/18/17

Attest:

By: 
Evelyn G. Zneimer, City Clerk
Date: 10/04/2017

Approved as to form:

By: 
Teresa L. Highsmith, City Attorney
Date: 10/04/2017



Eaton Analytical

August 24, 2017

Mr. Anteneh Tesfaye
City of South Pasadena
825 Mission Street
South Pasadena, CA 91030

Dear Anteneh:

Eurofins Eaton Analytical, Inc. presently serves as the City's contract laboratory for water quality testing. Your selection of Eurofins to serve as your contract laboratory is based on several service and performance criteria critical to the successful implementation of your State Water Board compliance requirements: These criteria include:

- **One-Stop Shopping** to avoid delays/costs associated with subcontracting of your samples
- **Knowledgeable Staff** to minimize your time required to manage schedules & compliance
- **User-Friendly Sampling Instructions/Kits** to reduce your time needed for field collections
- **Sample Collection As Needed** to offer flexibility in scheduling & resource allocation
- **Free Sample Pick-Ups** by our own couriers for your convenience 7 days a week
- **Extensive Capacity** to facilitate processing of your samples within holding times
- **Dedicated Drinking Water Facility** to reduce contamination & re-sampling
- **Dedicated Instrumentation** to each method to eliminate test changeover delays
- **Rush Analysis without surcharge** so we report results prior to 10th of the month deadline
- **Write-On Automated Uploads** to ensure correct data submissions to [Regulator Name].
- **Routine In-Person Meetings** to maintain our accountability to your needs

To continue our successful collaboration and support the City's efforts to achieve drinking water system compliance, Eurofins proposes to offer the current agreement's prices, services, terms and conditions without change or increase under a new, multi-year contractual agreement for laboratory services. The analytical price schedule utilized for our current contract is enclosed.

We greatly appreciate the opportunity to work for the City and hope to continue to serve as your laboratory contractor in the future.

Sincerely,
EUROFINS EATON ANALYTICAL, INC.

Rick Zimmer
Senior Account Manager

LABORATORY CONTRACT FEES

CONSTITUENT	TEST METHOD	RL	TAT work days	UNIT PRICE	ANALYZING LAB
Coliform P/A	SM 9223	+/-	10	\$ 10	Eurofins
HPC	SM 9215	1 CFU/ml	10	\$ 15	Eurofins
Color, Odor, Turbidity	various	various	10	\$ 9	Eurofins
General Mineral	various	various	10	\$ 100	Eurofins
Nitrate as N	EPA 300.0	0.1	10	\$ 10	Eurofins
Perchlorate	EPA 314	2 ug/L	10	\$ 25	Eurofins
Lead and Copper	EPA 200.8	0.5ug/L and 2 ug/L	10	\$ 20	Eurofins
VOCs (Reg/Unreg)	EPA 524.2	0.5 ug/L	10	\$ 50	Eurofins
1,2,3-Trichloropropane	EPA 524.2m	0.005 ug/L	10	\$ 60	Eurofins
UCMR3 EP List I	various	various	15	\$ -	Eurofins
UCMR3 MR	various	various	15	\$ -	Eurofins
Courier Pick Up				\$ -	Eurofins

ATTACHMENT 3

Executed First Amendment to Professional Services Agreement

AMENDMENT TO
AGREEMENT FOR LABORATORY TESTING AND ANALYSIS OF POTABLE WATER
SAMPLES

THIS AMENDMENT (“Amendment”) is made as of this 7th day of October, 2020, by and between the CITY OF SOUTH PASADENA (“City”) and Eurofins Eaton Analytical, LLC, (“Consultant”).

RECITALS

WHEREAS, on October 4, 2017, the City and Consultant entered into an Agreement for Consultant Services (“Agreement”) for the Consultant to provide laboratory services for analysis of potable water samples; and

WHEREAS, Eurofins Eaton Analytical, LLC agreed to maintain the existing fees, term and conditions of the current contract and continuity of water quality testing services for the City in the future; and

WHEREAS, the costs for said services shall be in an amount not to exceed \$33,000.

NOW THEREFORE, THE CITY AND THE CONSULTANT AGREE AS FOLLOWS:

1. PAYMENT FOR SERVICES. That Section 2 of the Agreement is hereby amended to read as follows:


The maximum amount payable under the terms of this Agreement, including expenses, shall not exceed **\$33,000**.
2. SCOPE OF SERVICES. That the scope of work of the Agreement is to remain unchanged:
3. TERM. The term of this Agreement shall be extended to September 30, 2021.
4. Consultant represents and agrees that payment of the amounts set forth in Paragraph 1 of this Amendment constitutes payment in full and that Consultant has no other claims of any kind whatsoever related in any way to the Agreement or the Amendment. Consultant agrees that this Amendment extends to all causes of action or claims which Consultant does not know of, which if known by Consultant, may have materially affected this Agreement and Amendment. Accordingly, Consultant and its attorneys, agents, representatives, successors and

assigns, and all persons or entities acting by, through, under or in concert with Consultant, waive the provisions of Section 1542 of the Civil Code, which states:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."

- 5. PROVISIONS OF AGREEMENT. All other terms, conditions, and provisions of the Agreement to the extent not modified by this Amendment, shall remain in full force and effect.

“City”
City of South Pasadena


By: 
Signature

Printed: Sean Joyce

Title: Interim City Manager

Date: 12/17/2020

“Consultant”
Eurofins Eaton Analytical, LLC

By: 
Signature

Printed: Fred Haley

Title: laboratory Director


Date: 11/9/2020

Attest:

By: 
Maria Ayala, Chief City Clerk

Date: 12/17/2020

Approved as to form:

By: 
Teresa L. Highsmith, City Attorney

Date: 12/16/2020

ATTACHMENT 4

Letter of Intent from Eurofins Eaton Analytical, LLC

August 25, 2021

Anteneh Tesfaye
Water Operations Manager
City of South Pasadena
416 Garfield Avenue
South Pasadena, CA 91030

Dear Mr. Tesfaye:

Eurofins Eaton Analytical, LLC. presently serves as the City's contract laboratory for water quality compliance testing and consulting services. This letter serves to inform you of our desire to maintain the fees, terms and conditions of the current contract and a continuity of water quality testing services for the City for the remainder of the current fiscal year (6-30-22).

We greatly appreciate the opportunity to work for the City and hope to continue to serve as your laboratory contractor in the future.

Sincerely,
EUROFINS EATON ANALYTICAL, LLC.



Rick Zimmer
Senior Account Manager



City Council Agenda Report

ITEM NO. 13

DATE: September 15, 2021

FROM: Arminé Chaparyan, City Manager *AC*

PREPARED BY: Lucy Demirjian, Assistant to the City Manager
Andrew L. Jared, City Attorney

SUBJECT: **Adoption of a Resolution Continuing the Proclamation of a Local Emergency Due to the Outbreak of COVID-19, Authorizing the City Manager to Take All Necessary Actions as the Director of Emergency Services**

Recommendation

It is recommended that the City Council approve the attached resolution continuing the proclamation of a local emergency due to the outbreak of COVID-19 and authorizing the City Manager to take all necessary actions as the Director of Emergency Services.

Discussion/Analysis

On March 18, 2020, the City Council adopted Resolution No. 7646 declaring a local emergency, restricting private and public gatherings and establishing protections for residential and commercial tenants unable to pay all or a portion of their rent due to loss of income from the COVID-19 statewide emergency. Resolution No. 7646 was superseded by Resolution No. 7648, adopted by the City Council on May 6, 2020, continuing the declaration of a local emergency, adopting the April 14, 2020 Executive Order of the Los Angeles Board of Supervisors by reference, and imposing additional restrictions.

On June 17, 2020, the City Council adopted Resolution No. 7675, superseding the prior Resolutions and continuing the declaration of local emergency and reinstating the parking pass program, including the potential for citations for parking violations, effective July 6, 2020.

On August 4, 2020, the Los Angeles County Board of Supervisors unanimously approved an ordinance to cap fees charged to restaurants by third-party delivery services, such as Postmates, Door Dash, Grub Hub and Uber Eats.

On August 5, 2020, the City Council adopted Resolution No. 7669, to continue the proclamation of a local emergency and adding regulations for the expansion of the Al Fresco Dining and Retail Program and adopting by reference the Los Angeles County Ordinance Capping Fees for third-party delivery platforms for food delivery.

On August 19, 2020, the City Council adopted Resolution No. 7678, continue the proclamation of a local emergency and authorizing the expansion of the Al Fresco Dining and Retail Program to include the use of the public right-of-way for outdoor dining and retail. The City intends to continue the Al Fresco Dining and Retail Program.

On October 6, 2020, the Los Angeles County Health Officer amended the local Revised Order Issued: “Reopening Safer at Work and in the Community for Control of COVID-19 – Blueprint for a Safer Economy, Tier 1, consistent with the state Public Health Officer Order of August 28, 2020, issuance of a Blue Print for a Safer Economy, which describes a tiered approach to relaxing and tightening restrictions on activities based upon specified criteria and as permitted by this Order based on County health conditions and circumstances.

On November 28, 2020, in response to the substantial rise the COVID-19 cases, hospitalizations, and deaths, the Los Angeles County Health Officer issued a Temporary Targeted Safer at Home Order for Control of COVID-19: Tier 1 Substantial Surge Response, to temporarily replace the most recently issued Reopening Safer at Work and in the Community for Control of COVID-19 Order. This Temporary Order was to be effective November 30, 2020 to December 20, 2020.

The State Public Health Officer issued the Regional Stay Home Order on December 3, 2020 which would go into effect at 11:59 PM the day after a region has been announced to have less than 15% ICU availability. The Order prohibits private gatherings of any size, closes sector operations except for critical infrastructure and retail, and requires 100% masking and physical distancing in all others. The Order is by region and the City and Los Angeles County are in the Southern California Region. On December 6, 2020 the Southern California region met the criteria for closure and the Order went into effect on December 6, 2020.

On January 29, 2021, SB 91 was signed into law, extending the provisions the COVID-19 Tenant Relief Act of 2020 (AB 3088, signed on August 31, 2020). The legislation will protect millions of tenants from eviction and property owners from foreclosure due to the economic impacts of COVID-19. The new law extends tenant eviction and homeowner protections through June 30, 2021. A statement of impact showing the loss of income or increase of expenses related to COVID-19 is required. For a COVID-19 related hardship that accrues between September 1, 2020 – June 30, 2021, tenants must also pay at least 25 percent of the rent due to avoid eviction after July 1, 2021 for the unpaid rent. The remaining debt must be paid by July 1, 2025.

On June 22, 2021, the Los Angeles County Board of Supervisors further amended and restated the County’s Executive Order for an eviction moratorium during the existence of a local health emergency regarding the novel coronavirus, through September 30, 2021. The Temporary Eviction Moratorium provides greater clarity to tenants and landlords regarding their rights and responsibilities, such as harassment and retaliation protections, and added new protections, where not preempted by AB 3088 pursuant to SB 91. The County Moratorium provisions apply to commercial tenants and landlords within the City.

On June 28, 2021, Governor Newsom signed Assembly Bill (AB) 832 into law, which extends the protections available for residential and mobile home space renters facing eviction due to COVID-19 financial hardship through September 30, 2021. AB 832 extends and replaces earlier

eviction restrictions that were found in SB 91 and AB 3088. prohibiting residential tenants from being evicted for failure to pay rent due to a COVID-19-related hardship between March 1, 2020 and Sept. 30, 2021. Residential tenants are still required to provide a Declaration of COVID-19-Related Financial Distress and pay at least 25 percent of past due rent by September 30 to avoid eviction. Under the legislation, either the landlord or the tenant can apply to receive up to 100% of the COVID rental debt.

As noticed in the last update to City Council on the continuation of the local emergency, the City will no longer allow deferment of utility payments. Beginning with the September 20, 2021 billing cycle, the City will reinstate late payment penalties or fees for delinquent water and/or sewer bills.

The City of South Pasadena is committed to keeping our community safe amidst the recent surges in COVID-19 cases. Since the June 15 reopening of everyday activities in the State of California, there has been a nationwide rise in new COVID-19 cases because of the more contagious Delta variant. The Los Angeles County Department of Public Health continues to track variant cases in Los Angeles County. The most dominant circulating variant in the County continues to be the highly transmissible Delta variant.

Pursuant to Government Code Section 8630(c), the City Council shall review the continuing need for the declaration of local emergency at least once every 60 days until the local emergency is terminated.

The City Council has renewed the declaration of local emergency on May 5, 2020 (Resolution 7648), June 17, 2020 (Resolution 7657), August 5, 2020 (Resolution 7669), August 19, 2020 (Resolution 7678), October 21, 2020 (Resolution 7685), December 16, 2020 (Resolution 7690), February 17, 2021 (Resolution 7703), April 7, 2021 (Resolution 7713) June 2, 2021 (Resolution 7721) and July 21, 2021 (Resolution 7726).

The proposed actions to preserve life, property, and public order are consistent with California Government Code section 8634 and South Pasadena Municipal Code Chapter 11.

Background

An outbreak of pneumonia in Wuhan, China was reported to the World Health Organization on December 31, 2019, and an illness caused by a novel coronavirus called COVID-19 was soon identified as the cause. During the week of February 23, 2020, the Centers for Disease Control and Prevention reported evidence of community spread of the virus in cases located in California, Oregon, and Washington.

On March 4, 2020, Governor Gavin Newsom declared a state of emergency to exist in California as a result of COVID-19. The same day, the State of California and Los Angeles County Department of Public Health declared health emergencies. On March 13, 2020, President Donald Trump declared a national emergency as a result of COVID-19.

The State Public Health Officer issued the “Stay at Home” order on March 19, 2020. The Los Angeles County Health Officer on March 21, 2020 followed with the “Safer at Home” order. On

April 28, 2020, Governor Gavin Newsom announced a 4-stage transition plan, titled “California’s Pandemic Resilience Roadmap,” to end the State Stay at Home order. The Stay at Home order and Safer at Home Order were revised on May 7, May 29, July 13, July 17, August 28, November 19, December 3, and December 6, 2020 Supplemental Order.

On January 25, 2021, the State Public Health Officer ended the Supplemental Order to the Regional Stay at Home Order and returned counties to the tiers assigned in the Blueprint for a Safer Economy.

On April 6, 2021, Governor Gavin Newsom announced that he anticipates that on June 15, 2021, everyday activities will be allowed again in the State of California, including allowing most businesses to re-open with common-sense risk reduction measures including maintaining an order for mask wearing, and that large-scale indoor events, will be allowed to occur with testing or vaccination verification requirements.

On May 14, 2021, the Los Angeles County Public Health Officer issued a revised order to reflect that the County has met the threshold for the least restrictive Yellow Tier in the State's Blueprint for a Safer Economy.

On May 21, 2021, the California Department of Public Health published the Beyond the Blueprint Framework for Industry and Business Sectors ahead of the state’s anticipated June 15 retirement of the Blueprint for a Safer Economy. Under the Beyond the Blueprint framework, all sectors listed in the current Blueprint Activities and Business Tiers Chart may return to normal operations with no capacity limitations or physical distancing.

On June 28, 2021, the Los Angeles County Public Health Officer issued a revised public health order rescinding most Los Angeles County Department of Public Health sector-specific protocols and aligning the County with the State Beyond the Blueprint for Industry and Business Sectors and all current and subsequent orders of the State Public Health Officer.

Since June 15, 2021 and after the retiring of the State’s Blueprint for a Safer Economy, community transmission of COVID-19 in Los Angeles County has rapidly increased from Low to High. On August 23, 2021, the Los Angeles County Public Health Officer issued public health order- Responding Together At Work and In the Community, encouraging vaccination masking by all, regardless of vaccination status, in an effort to slow the increasing trends in and level of transmission of COVID-19 currently being seen in Los Angeles County.

Legal Review

The City Attorney’s office has reviewed this item.

Fiscal Impact

With the State declaration of a health emergency, local COVID-19 response efforts may be eligible for state or federal reimbursement. The costs of responding to COVID-19 are unknown at this time due to evolving conditions but are being tracked by staff. The reinstatement of utility payments may generate additional revenue.

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:

1. City Council Resolution

Attachment 1

**CITY OF SOUTH PASADENA
RESOLUTION NO. XXXX**

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF SOUTH PASADENA, CALIFORNIA,
CONTINUING ITS PROCLAMATION OF A LOCAL EMERGENCY
DUE TO THE OUTBREAK OF COVID-19 AND AUTHORIZING THE
CITY MANAGER TO CONTINUE TO TAKE ALL NECESSARY
ACTIONS AS THE DIRECTOR OF EMERGENCY SERVICES**

WHEREAS, in December 2019, a novel severe acute respiratory syndrome coronavirus 2, known as SARS-CoV-2, which has also been referred to as COVID-19, was first detected in Wuhan, Hubei Province, People’s Republic of China, causing outbreaks of the coronavirus disease COVID-19 that has now spread globally; and

WHEREAS, on January 31, 2020, the United States Secretary of Health and Human Services declared a public health emergency in response to COVID-19; and

WHEREAS, on March 4, 2020, Governor Gavin Newsom declared a state of emergency to exist in California as a result of COVID-19; and

WHEREAS, on March 4, 2020, the Chair of the Los Angeles County Board of Supervisors and the Los Angeles County Health Officer declared a local emergency and a local health emergency, respectively, as a result of COVID-19; and

WHEREAS, on March 12, 2020, Governor Gavin Newsom signed Executive Order N-25-20 giving state and local public health officials the authority to issue guidance limiting or recommending limitations upon attendance at public assemblies, conferences or other mass events; and

WHEREAS, on March 13, 2020, President Donald Trump declared a national emergency as a result of COVID-19; and

WHEREAS, on March 18, 2020, the South Pasadena City Council adopted Resolution No. 7646 declaring a local emergency, restricting private and public gatherings, and establishing protections for residential and commercial tenants, among other things; and

WHEREAS, on March 19, 2020, the State Public Health Officer issued the “Stay at Home” order; and

WHEREAS, on March 21, 2020, the Los Angeles County Health Officer issued the “Safer at Home” order; and

WHEREAS, on April 28, 2020, Governor Gavin Newsom announced a 4-stage transition plan, titled “California’s Pandemic Resilience Roadmap,” to end the Stay at Home order; and

WHEREAS, on May 6, 2020, the South Pasadena City Council adopted Resolution No. 7648 proclaiming the continuation of a local emergency and, among other things, suspended water and sewer utility terminations and the City’s Parking Pass Program; and

WHEREAS, on May 7, 2020, the State Public Health Officer amended the Stay at Home order to allow for the reopening of lower-risk workplaces; and

WHEREAS, on May 29, 2020, the Los Angeles County Health Officer amended the Safer at Home order with a new order titled “Reopening Safer at Work and in the Community for Control of COVID-19,” which seeks to limit residents’ exposure during Los Angeles County’s transition through Stage 2 of California’s Pandemic Resilience Roadmap; and

WHEREAS, Section 6 of the Los Angeles County Health Officer’s May 29, 2020 order states, “This Order does not supersede any stricter limitation imposed by a local public entity within the County of Los Angeles Public Health Jurisdiction;” and

WHEREAS, on June 17, 2020, the South Pasadena City Council adopted Resolution No. 7657, proclaiming the continuation of a local emergency and clarifying that any local regulations on public gatherings or private facilities as permissive as the Los Angeles County Health Officer’s May 29, 2020 order and any subsequent Los Angeles County Health Officer orders; resuming the City’s Parking Pass Program, and creating the Al Fresco Dining and Retail Program; and

WHEREAS, on July 18, 2020, the Los Angeles County Public Health Officer issued a revised Order regarding Reopening Safer at Work and specifying what businesses and services can be open either for inside shopping or outdoor pick-up only, what businesses can be open only by outside service, and what businesses and services are closed; and

WHEREAS, on August 5, 2020, the South Pasadena City Council adopted Resolution No.7669, proclaiming the continuation of a local emergency and clarifying that any local regulations on public gatherings or private facilities as permissive as the Los Angeles County Health Officer’s July 18, 2020 order and any subsequent Los Angeles County Health Officer orders; resuming the City’s Parking Pass Program, and expanding the Al Fresco Dining and Retail Program.

WHEREAS, on August 12, 2020, the Los Angeles County Public Health Officer issued a revised Order, regarding Reopening Safer and Work.

WHEREAS, Section 6 of the Los Angeles County Health Officer’s August 12, 2020 order states, “This Order does not supersede any stricter limitation imposed by a local public entity within the County of Los Angeles Public Health Jurisdiction.”

WHEREAS, on June 30, 2020, Governor Newsom issued Executive Order N-71- 20, which, among other things, found that minimizing evictions during this period is critical to reducing the spread of COVID-19 in vulnerable populations by allowing those most vulnerable to COVID-19 to self-quarantine, self-isolate, or otherwise remain in their homes to reduce the transmission of COVID-19, and extended through September 30, 2020 Executive Order N-28-20’s suspension of any and all provisions of state law that would preempt or otherwise restrict a local government’s exercise of its police powers to impose substantive limitations on residential and commercial evictions with respect to COVID19-related rent payment issues; and

WHEREAS, on August 31, 2020, California passed legislation, Assembly Bill 3088, the COVID-19 Tenant Relief Act of 2020, under which, among other things, no tenant can be evicted before February 1, 2021 as a result of rent owed due to a COVID-19 related hardship accrued between March 4 and August 31, 2020, if the tenant provides a declaration of COVID-19-related financial distress according to specified timelines; no tenant can be evicted for rent that accrues but is unpaid due to a COVID-19 hardship between September 1, 2020 and January 31, 2021 if the tenant submits declarations of COVID-19-related financial distress according to specified timelines and pays 25% of the unpaid rent due by January 31, 2020; and landlords are required to provide tenants a notice detailing their rights under the legislation; and

WHEREAS, on September 4, 2020, the United States Center for Disease Control and Prevention, recognizing that “in the context of a pandemic, eviction moratoria – like quarantine, isolation, and social distancing – can be an effective public health measure utilized to prevent the spread of communicable disease,” that eviction moratoria “facilitate self-isolation by people who become ill or who are at risk for severe illness from COVID-19 due to an underlying medical condition” and “allow State and local authorities to more easily implement stay-at-home and social distancing directives to mitigate the community spread of COVID-19,” and that “housing stability helps protect public health because homelessness increases the likelihood of individuals moving into congregate settings, such as homeless shelters, which then puts individuals at higher risk to COVID-19” (Federal Register, Vol. 85, No. 173 at page 55292), issued an order, applicable in any State or local area without a moratorium on residential evictions that provides the same or greater level of public-health protections as the requirements in the order, requiring that, through December 31, 2020, subject to further extension, modification, or rescission, a landlord, owner of a residential property, or other person with a legal right to pursue eviction or possessory action shall not evict any covered person (as defined in the order) from any residential property in any State in which there are documented cases of COVID-19; and

WHEREAS, on September 23, 2020, Governor Newsom signed Executive Order N-80-20, extending through March 31, 2021 Executive Order N-28-20, allowing local governments to impose commercial eviction moratoriums and restrictions for commercial tenants who are unable to pay their rent because of COVID-19; and

WHEREAS, on November 10, 2020, the Los Angeles County Board of Supervisors updated the County’s Evictions Moratorium in light of AB 3088 and Federal Eviction

Moratorium and extended non-preempted tenant protections through January 31, 2021. The amended and restated Executive Order incorporates all aspects, restrictions, and requirements of the Moratorium adopted by the Board, as ratified and amended on March 31, 2020, April 14, 2020, May 12, 2020, June 23, 2020, July 21, 2020, September 1, 2020, October 13, 2020, and November 10, 2020; and

WHEREAS, on November 19, 2020, the State Public Health Officer issued a Limited Stay at Home Order effective in counties under Tier One (Purple) of California's Blueprint for a Safer Economy, requiring that all gatherings with members of other households and all activities conducted outside the residence, lodging, or temporary accommodation with members of other households cease between 10:00pm PST and 5:00am PST, except for those activities associated with the operation, maintenance, or usage of critical infrastructure or required by law; and

WHEREAS, on November 25, 2020, the Los Angeles County Public Health Officer issued a revised Order aligning Los Angeles County with the State Public Health Officer's Limited Stay at Home Order ordering the closure of restaurants for indoor and outdoor dining; and

WHEREAS, on December 3, 2020, the State Public Health Officer issued the Regional Stay at Home Order applying to state regions with less than 15% ICU availability, and prohibiting private gatherings of any size, closes sector operations except for critical infrastructure and retail, and requiring masking and physical distancing in all others; and

WHEREAS, on December 6, 2020, the State Public Health Officer issued a Supplemental Order to the Regional Stay at Home Order, ordering the Southern California region, including Los Angeles County, be placed under the December 3, 2020 Regional Stay at Home Order; and

WHEREAS, on December 9, 2020, the Los Angeles County Public Health Officer issued a revised Order ordering that outdoor playgrounds may remain open to facilitate physically distanced personal health and wellness through outdoor exercise if they follow County health protocols; and

WHEREAS, on January 25, 2021, the State Public Health Officer ended the Supplemental Order to the Regional Stay at Home Order and returned counties to the tiers assigned in the Blueprint for a Safer Economy;

WHEREAS, on February 1, 2021, Senate Bill 91 went into effect, extending tenant protections established by Assembly Bill 3088, and establishing the State Rental Assistance Program to provide rental assistance for landlords and tenants: and

WHEREAS, on February 23, 2021, the Los Angeles County Board of Supervisors extended the County eviction moratorium and its tenant protections, where not preempted by the extension of AB 3088 pursuant to SB 91, through June 30, 2021.

WHEREAS, Governor Gavin Newsom announced on April 6, 2021 that he anticipates that on June 15, 2021, everyday activities will be allowed again in the State of California, including allowing most businesses to re-open with common-sense risk reduction measures including maintaining an order for mask wearing, and that large-scale indoor events, will be allowed to occur with testing or vaccination verification requirements.

WHEREAS, on May 21, 2021, the California Department of Public Health published the Beyond the Blueprint Framework for Industry and Business Sectors ahead of the state's anticipated June 15 retirement of the Blueprint for a Safer Economy. Under the Beyond the Blueprint framework, all sectors listed in the current Blueprint Activities and Business Tiers Chart may return to normal operations with no capacity limitations or physical distancing.

WHEREAS, on June 28, 2021, the Los Angeles County Public Health Officer issued a revised public health order rescinding most Los Angeles County Department of Public Health sector-specific protocols and aligning the county with the State Beyond the Blueprint for Industry and Business Sectors and all current and subsequent orders of the State Public Health Officer; and

WHEREAS, on July 16, 2021, as community transmission of COVID-19 is rapidly increased from low to substantial transmission in one month, the Los Angeles County Public Health Officer issued a revised public health order requiring face masks to be worn by all persons, regardless of vaccination status; and

WHEREAS, on August 23, 2021, the Los Angeles County Public Health Officer issued a revised order (Attachment A), Responding Together At Work and In the Community, encouraging vaccination masking by all, regardless of vaccination status, in an effort to slow the increasing trends in and level of transmission of COVID-19 currently being seen in Los Angeles County.

WHEREAS, the Los Angeles County Department of Public Health continues to track variant cases in Los Angeles County and has identified the highly transmissible Delta variant as the most dominant circulating variant in the County.

WHEREAS, COVID-19 and variants of the disease remain a threat, and continued efforts to control the spread of the virus to reduce and minimize the risk of infection are needed; and

WHEREAS, these conditions warrant and necessitate that the City continue its proclamation of the existence of a local emergency; and

WHEREAS, Chapter 11 of the South Pasadena Municipal Code empowers the City Council to proclaim the existence or threatened existence of a local emergency and to issue rules and regulations on matters reasonably related to the protection of life and property as affected by such emergency; and

WHEREAS, Government Code section 8634 states, “During a local emergency the governing body of a political subdivision, or officials designated thereby, may promulgate orders and regulations necessary to provide for the protection of life and property, including orders or regulations imposing a curfew within designated boundaries where necessary to preserve the public order and safety. Such orders and regulations and amendments and rescissions thereof shall be in writing and shall be given widespread publicity and notice”; and

WHEREAS, Government Code section 8630 (c) states, “The governing body shall review the need for continuing the local emergency at least once every 60 days until the government body terminates the local emergency.”

WHEREAS, the City will abide by and enforce the Executive Orders and the State Public Health Officer guidance, as they may be amended from time to time, that govern, including without limitation, the following (1) when, and under what circumstances and restrictions, government and industry sectors may reopen, (2) when, and under what circumstances and restrictions, the public may engage in specified categories of activities (e.g., indoor and outdoor recreational activities), (3) when, and under what circumstances and restrictions, members of the public must wear face covering, and (4) all subsequently-issued guidance and Executive Orders, Public Health Officer Orders, and/or orders of other duly authorized representatives of the State of California governing the opening, partial opening, or closure of businesses, venues, events, and activities in the City of South Pasadena.

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

SECTION 1. Recitals. The preceding Recitals are true and correct and are hereby incorporated and adopted as findings and determinations by the City Council as if fully set forth herein.

SECTION 2. Proclamation. Pursuant to Government Code section 8630, subdivision (a), the City Council proclaims the continuation of a local emergency due to the outbreak of SARS-CoV-2 (COVID-19).

SECTION 3. Regulation of Public Gatherings. Any local regulations on public gatherings are ordered to be as permissive as allowed under State Public Health Officer or Los Angeles County Health Officer orders.

SECTION 4. Regulation of Public Facilities. Public facilities are reopened to the public subject to current County protocols and social distancing safety measures. Several City facilities have resumed in-person services to the public. The Senior Center is now open.

SECTION 5. Regulation of Private Facilities. Any local regulations on private facilities are ordered to be as permissive as allowed under State Public Health Officer or Los Angeles County Health Officer orders.

SECTION 6. Enforcement. Any violation of the above prohibitions may be punishable by a fine not to exceed \$1,000 or imprisonment not to exceed six months, pursuant to the South Pasadena Municipal Code section 11.11.

SECTION 7. Exemption of Delivery Vehicles. This section has been rescinded.

SECTION 8. Guidance for Religious Gatherings. The leaders of the City's houses of worship are urged, in the strongest possible terms, to comply with the current and any subsequent State Public Health Officer or Los Angeles County Health Officer orders.

SECTION 9. Protection of Affected Tenants. The provisions of AB 832: the COVID-19 tenant relief legislation (Attachment E), signed into law on June 28, 2021, shall apply to all residential tenants within the City. The Los Angeles County Board of Supervisor's resolution (Attachment B) amending and restating a temporary moratorium on evictions for non-payment of rent by certain commercial tenants adversely financially impacted by COVID-19 through September 30, 2021 shall control and apply to all residential and commercial tenants in the City, where not preempted by AB 832, as are protected by the County's resolution. Any further amendments or orders issued by the County Board imposing or extending a temporary evictions moratorium shall also control as they may become effective and per their terms and conditions.

SECTION 10. Suspension of Utility Terminations. Beginning with the September 20, 2021 utility billing cycle, the City hereby reinstates late payment penalties or fees for delinquent water and/or sewer bills.

SECTION 11. Temporary Modifications to Commercial Signage Requirements. No more than two temporary signs shall be allowed per business. All temporary signs must still comply with the size and location requirements set forth in SPMC Section 36.320.080. Temporary window signs shall be limited to 20 percent of the window area.

No more than one temporary sign shall be located in the public right-of-way. During the Local Emergency Declaration, an application to place a temporary sign in the public right of way shall only require administrative approval by the Planning Director; an encroachment permit is still required to be issued by the Public Works Director, but the encroachment permit fee is waived.

Temporary signs shall be in place for no more than 30 days or until the Local Emergency Declaration has been lifted, whichever is later. Temporary signs may include a banner, in compliance with the size and locations of SPMC Section 36.320.080(B). During this Local Emergency Declaration, the \$50 application fees for a banner sign is waived.

SECTION 12. Al Fresco Dining and Retail Program. To support local businesses during the Coronavirus pandemic, an Al Fresco Dining and Retail Pilot Program, as set forth in Attachment C, is approved to temporarily relax Temporary Use Permit (TUP), Encroachment Permit, and parking requirements in order to facilitate the use of outdoor spaces for dining and retail purposes while maintaining the necessary social distancing protocols. This temporary program is valid for 90 days after the termination of the Declaration of Local Emergency. In order to facilitate outdoor dining, the City's Outdoor Dining Permit Fee is waived for the duration of the Al Fresco Dining and Retail Program. Additionally, the City Manager or her designee has the discretion to relocate ADA parking spaces to other public right-of-way space or public facilities in order to facilitate the potential use of street frontage for outdoor dining spaces for applicants to the Al Fresco Dining and Retail Program. Outdoor dining is currently permitted in the City, subject to compliance with all current County Department of Public Health orders.

SECTION 13. Capping Fees on Third-Party Delivery Services for Restaurants and Food Establishments. The August 4, 2020 Los Angeles County Ordinance (Attachment D) establishing a twenty percent cap on total fees including a fifteen percent cap on delivery fees that a food delivery platform may charge to restaurants, prohibiting reduction of delivery driver compensation as a result, and requiring disclosures to be made by the food delivery platform to customers, in response to the COVID-19 health emergency is adopted by reference and incorporated into this Resolution.

SECTION 14. Emergency Authority. Pursuant to Government Code section 8634, the City Council reaffirms its authorization of the Director of Emergency Services to take any measures necessary to protect and preserve public health and safety, including activation of the Emergency Operations Center.

SECTION 15. Public Health Officials. The City Council reaffirms its authorization of the Director of Emergency Services to implement any guidance, recommendations, or requirements imposed by the State Department of Public Health or the Los Angeles County Health Officer.

SECTION 16. Termination. Pursuant to Government Code section 8630, subdivision (d), the City Council will proclaim the termination of the emergency at the earliest possible date that conditions warrant.

SECTION 17. Review. Pursuant to Government Code section 8630, subdivision (c), the City Council will review the need for continuing the local emergency in no event later than 60 days from the previous declaration or review, until the City Council terminates the local emergency.

SECTION 18. Cost Accounting. City staff will continue to account for their time and expenses related to addressing the local emergency caused by COVID-19.

SECTION 19. Cost Recovery. The City will seek recovery for the cost of responding to COVID-19, as this proclamation was originally made within 10 days of the Governor’s Executive Order N-25-20 and the President’s declaration of a national emergency, qualifying the City for assistance under the California Disaster Assistance Act and for reimbursement from the Federal Emergency Management Agency.

SECTION 20. Supersedes. This Resolution restates and supersedes the declaration of emergency set forth in Resolution No. 7726.

SECTION 21. Submissions. The City Clerk will transmit a copy of this Resolution at the earliest opportunity to the Los Angeles County Operational Area and the California Governor’s Office of Emergency Services.

SECTION 22. 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 15th day of September 2021.

Diana Mahmud, Mayor

ATTEST:

APPROVED AS TO FORM:

Lucie Colombo, CMC, CPMC
City Clerk

Andrew L. Jared, City Attorney

**CITY OF SOUTH PASADENA
CITY CLERK'S DIVISION**

CERTIFICATION OF RESOLUTION

**STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS
CITY OF SOUTH PASADENA)**

I, Lucie Colombo, CMC, CPMC, City Clerk of the City of South Pasadena, do hereby certify that Resolution No. _____, was duly and regularly approved and adopted at a Regular meeting of the City Council on this 15th day of September 2021, by the following votes as the same appears on file and of record in the Office of the City Clerk.

AYES:

NOES:

ABSENT:

ABSTAIN:

LUCIE COLOMBO, CMC, CPMC
City Clerk

Attachment A

RESPONDING TOGETHER AT WORK AND IN THE COMMUNITY
BEYOND THE BLUEPRINT FOR A SAFER ECONOMY, HIGH TRANSMISSION —
ENCOURAGING COVID-19 VACCINATION COVERAGE
WITH MODERATE RISK REDUCTION MEASURES

Issue Date: Monday, August 23, 2021
Effective as of 11:59pm on Monday, August 23, 2021

Brief Highlights (Changes highlighted in yellow):

- Aligns with the State Public Health Officer's August 18, 2021 Order [Beyond the Blueprint for Industry and Business Sectors](#) regarding Indoor Mega Events.
 - Beginning September 20, 2021, all attendees at Indoor Mega Events involving 1,000 or more persons must, prior to entry, show verification of COVID-19 vaccination status or a negative COVID-19 (diagnostic) test result. This is a lower attendance threshold than the previous requirement of 5,000 participants.
 - Clarifies that for all Indoor Mega Events scheduled on or after September 20, 2021, self-attestation is no longer permitted method for vaccine verification or verification of negative COVID-19 test.
- Requires specific infection control protocols for Youth Sports effective September 1, 2021, attached to this Order as Appendix S.

Please read this Order carefully.

SUMMARY OF THE ORDER: Since June 15, 2021 and after the retiring of the State's Blueprint for a Safer Economy, community transmission of COVID-19 in Los Angeles County has rapidly increased from Low to High. Based on rapidly increasing daily new cases of COVID-19 to a level that indicates High community transmission of the COVID-19 virus, based on the federal Centers for Disease Control and Prevention (CDC) indicators, this Order continues to require masking by all, regardless of vaccination status, in an effort to slow the increasing trends in and level of transmission of COVID-19 currently being seen in Los Angeles County. In looking at other options, universal indoor masking is the least disruptive and most effective measure to take while increasing vaccination rates; this is an important safety directive that can be implemented without impacting normal business capacity and operations.

This Order mainly aligns with the State Public Health Officer Order of June 11, 2021 and continues to place certain safety requirements on individuals consistent with federal and state rules. Further, this Order incorporates by reference the July 26, 2021 Order of the State Public Health Officer, which requires specific transmission prevention measures to be taken by Acute Health Care and Long-Term Care settings, High-Risk Congregate settings, and Other Health Care settings. In addition, this Order continues to require that all persons wear face masks while in indoor public settings and businesses, with limited exceptions, as a precautionary measure with this High level of community transmission. On July 28, 2021, the CDC, and the California Department of Public Health each issued new guidance validating the universal indoor masking requirements of this Order. The CDC's Interim Public Health Recommendations for Fully Vaccinated People advises that "preliminary evidence suggests that fully vaccinated people who do become infected with the Delta variant can spread the virus to others" and therefore

recommends that fully vaccinated people should wear a mask in indoor settings if they are in a [geographic] area where there is Substantial or High rates of COVID-19 community transmission. Moreover, the State Public Health Officer recommended universal masking, regardless of vaccination status, in public indoor settings across California. The State Public Health Officer explained that universal indoor masking “adds an extra precautionary measure for all to reduce the transmission of COVID-19, especially in communities currently seeing the highest rates of transmission.”

In addition, this Order continues some requirements on businesses and government entities, such as a general requirement to report positive cases in the workplace and in schools, a requirement for signage, and a proof of vaccination or testing negative for COVID-19 requirement to admit people to attend indoor mega-events largely consistent with state rules. Also, this Order includes best practice recommendations to reduce COVID-19 risk for individuals, businesses, and government entities.

COVID-19 daily cases and community transmission remain high; on August 20, 2021 alone, Los Angeles County reported 3,361 new cases. As of August 19, 2021, Los Angeles County is also reporting a 7-day daily average case rate of 28.1 cases per 100,000 people, without a 7-day lag. Further, the test positivity rate and hospitalizations have also dramatically increased. This indicates a continued and High risk of COVID-19 infection for those who are not or cannot be vaccinated against COVID-19. Based upon federal CDC indicators and thresholds, this means that community transmission of COVID-19 within the County of Los Angeles is now High, and highly likely to increase during the coming days and weeks.

There are millions of people in Los Angeles County who are not yet vaccinated against COVID-19, including children under 12 years old who are not currently eligible to be vaccinated. Most COVID-19 infections are caused by people who have no or mild symptoms of infection. Variants of the virus that may spread more easily or cause more severe illness remain present and have increased in our County. In the absence of physical distancing requirements for the public and capacity limits for indoor and outdoor settings, unvaccinated and partially vaccinated persons are more likely to get infected and spread the virus, which is transmitted through the air and concentrates in indoor settings. We have also seen surges in other parts of the country and the world, increasingly impacting younger adults.

At this time, the current COVID-19 vaccines are effective at helping to reduce the risk of getting and spreading the infection and also of getting seriously ill even if a fully vaccinated person gets COVID-19, even against the current variants of the virus that causes COVID-19. Although no vaccine is 100 percent effective at preventing illness in vaccinated people, the currently authorized COVID-19 vaccines remain the best form of protection against COVID-19. Vaccinations remain widely available to those 12 years and older. Everyone who is eligible, including those who have recovered from a COVID-19 infection and people at risk for severe illness with COVID-19—such as unvaccinated older adults and unvaccinated individuals with health risks—and members of their households are urged to get vaccinated against COVID-19 as soon as they can if they have not already done so. Those who are not fully vaccinated are urged to adhere to both the required and recommended risk reduction measures.

We must remain vigilant against variants of the virus that causes COVID-19, especially given High levels of transmission here and in other parts of the world and due to the possibility of a new variant being identified for which the current COVID-19 vaccines may not be effective. Currently, the Delta variant is predominant in Los Angeles County. The Delta variant is two times as contagious than early COVID-19 variants and continues to lead to increased infections. Further, recent data suggests that the immune response to COVID-19 vaccination might be reduced in some immunocompromised people, which increases their risk of serious health consequences from COVID-19 infection. It is, therefore, prudent to require continued indoor masking for all as an effective public health measure to reduce transmission between people.

This Order is issued to help slow and improve the High level of community transmission of COVID-19 here in Los Angeles County.

This Order's primary intent is to reduce the transmission risk of COVID-19 in the County for all, especially those who are not fully vaccinated and fully vaccinated but immunocompromised persons, in the absence of other protective measures, like physical distancing requirements and capacity limits.

This Order will be revised in the future, if needed, to reflect the State Executive Orders, California Division of Occupational Safety and Health's (better known as Cal/OSHA) worksite requirements, State Public Health Officer Orders and guidance, and CDC recommendations. Should local COVID-19 conditions warrant, the Health Officer may, after consultation with the Board of Supervisors, issue Orders that are more restrictive than those of the State Public Health Officer.

This Order is effective within the County of Los Angeles Public Health Jurisdiction, defined as all cities and unincorporated areas within the County of Los Angeles, with the exception of the cities of Long Beach and Pasadena that must follow their respective City Health Officer orders and guidance. This Order is effective at 11:59pm on **Monday, August 23, 2021** and will continue until further notice.

**UNDER THE AUTHORITY OF CALIFORNIA HEALTH AND
SAFETY CODE SECTIONS 101040, 101085, AND 120175,
THE COUNTY OF LOS ANGELES HEALTH OFFICER ORDERS:**

1. This Order supersedes the Health Officer's Prior Order.
2. This Order's intent is to continue to protect the community from COVID-19, in particular for those who are not or cannot be fully vaccinated¹ against COVID-19 in the County, in the absence of other protective measures and to increase vaccination rates to reduce spread of COVID-19 long-term, so that the whole community is safer and the COVID-19 pandemic can come to an end. Failure to comply with any of the Order's provisions constitutes an imminent

¹ People are considered "fully vaccinated" against COVID-19 two weeks or more after they have received the second dose in a 2-dose series (e.g., Pfizer-BioNTech or Moderna) or 2 weeks or more after they have received a single-dose vaccine (e.g., Johnson and Johnson [J&J]/Janssen).

threat and menace to public health, and a public nuisance, and is punishable by citation or fine.

- a) This Order does not supersede any stricter limitation imposed by a local public entity within the County of Los Angeles Public Health Jurisdiction. The Order is consistent with existing authority that local health jurisdictions may implement or continue more restrictive public health measures if the jurisdiction's Local Health Officer determines that health conditions in that jurisdiction warrant such measures. Where a conflict exists between this Order and any State Public Health Officer Order related to controlling the spread of COVID-19 during this pandemic, the most restrictive provision controls, unless the County of Los Angeles is subject to a court order requiring it to act on, or enjoining it from enforcing, any part of this Order.
3. All persons living within the County of Los Angeles Public Health Jurisdiction should continue to practice required and recommended COVID-19 infection control measures at all times and when among other persons when in community, work, social or school settings, especially when multiple unvaccinated persons from different households may be present and in close contact with each other, especially when in indoor or crowded outdoor settings.
 4. **Face Masks.** All individuals must follow the requirements included in both the requirements of this Order and the July 28, 2021 Guidance for the Use of Face Coverings issued by the California Department of Public Health.
 - a) These requirements are aligned with July 28, 2021 recommendations issued by the CDC. The CDC recommendations provide information about both indoor and higher risk settings where masks are required or recommended to prevent transmission to:
 - i. Persons with a higher risk of infection (e.g., unvaccinated or immunocompromised persons),
 - ii. Persons with prolonged, cumulative exposures (e.g., workers), or
 - iii. Persons whose vaccination status is unknown.

When people wear a mask correctly, they protect others as well as themselves. Consistent and correct mask use is especially important indoors and outdoors when in close contact with (less than six feet from) others who are not fully vaccinated against COVID-19 or whose vaccination status is unknown.

- b) Masks are required to be worn by everyone, regardless of COVID-19 vaccination status, in the following settings:
 - i. On public transit (examples: airplanes, ships, ferries, trains, subways, buses, taxis, and ride-shares),
 - ii. In transportation hubs (examples: airport, bus terminal, marina, train station, seaport or other port, subway station, or any other area that provides transportation),
 - iii. Indoors in K-12 schools, childcare and other youth settings,
 - iv. Healthcare settings (including long term care facilities),
 - v. State and local correctional facilities and detention centers,

- vi. Homeless shelters, emergency shelters, and cooling centers,
 - vii. All indoor public settings, venues, gatherings, and public and private businesses (some examples: offices, manufacturing, warehouses, retail, restaurants, theaters, family entertainment centers, meetings, and state and local government offices serving the public, **Indoor Mega Events**, among others), and
 - viii. Outdoor Mega Events.
- c) Recommendation: In indoor public and private settings where there is close contact with other people who may not be fully vaccinated, individuals should consider wearing a higher level of protection, such as wearing two masks (“double masking”) or a wearing a respirator (e.g., KN95 or N95). This is particularly important if an individual is not fully vaccinated and is in an indoor or crowded outdoor setting.
- d) Individuals, businesses, venue operators or hosts of public indoor settings, venues, gatherings, and businesses, and Outdoor Mega Events must:
- i. Require all patrons, customers, and guests to wear masks when inside at all indoor settings **and at Outdoor Mega Events**, regardless of their vaccination status; and
 - ii. Post clearly visible and easy to read signage, with or without having an employee present, at all entry points for indoor and outdoor settings to communicate the masking requirements for patrons, customers, and guests.
- e) For clarity, patrons, customers, or guests at public indoor settings, venues, gatherings, and public and private businesses, and at Outdoor Mega-Events are required to wear a face mask except while:
- i. Actively eating or drinking, which is the limited time during which the mask can be removed briefly to eat or drink, after which it must be immediately put back on. Patrons, **customers**, or guests must be seated at a table or positioned at a stationary counter, ticketed seat, or place while actively eating or drinking indoors, or while actively eating or drinking at an Outdoor Mega-Event.
 - ii. Showering or engaging in personal hygiene or a personal care service that requires the removal of the face mask;
 - iii. Alone in a separate room, office or interior space;
- f) Special considerations are made for people with communication difficulties or certain disabilities. Clear masks or cloth masks with a clear plastic panel that [fit well](#) are an alternative type of mask for people who interact with: people who are deaf or hard of hearing, children or students learning to read, people learning a new language, and people with disabilities.
- g) All businesses, venue operators or hosts must implement measures to clearly communicate to non-employees the masking requirements on their premises.
- h) No person can be prevented from wearing a mask as a condition of participation in an activity or entry into a business.
- i) The categories of persons who are exempt from mask requirements remain unchanged at this time and can be found at <http://publichealth.lacounty.gov/acd/ncorona2019/masks/#notwear>. In workplaces,

certain employees may be exempt from wearing a mask when performing specific tasks which cannot feasibly be performed while wearing a mask. This exception is limited to the period of time in which such tasks are actually being performed. Workers who cannot feasibly wear a mask while performing their work must be tested for COVID-19 at least twice per week, unless the employer is provided proof of the employee's full vaccination against COVID-19 or proof of recovery from laboratory-confirmed COVID-19 within the past 90 days against COVID-19.

- j) In workplaces, most employers and businesses are subject to the Cal/OSHA COVID-19 [Emergency Temporary Standards \(ETS\)](#) and some to the [Cal/OSHA Aerosol Transmissible Diseases Standards](#), and should consult those regulations for additional applicable requirements. The ETS allow local health jurisdictions to require more protective mandates. This County Health Officer Order, which requires masking of all individuals at indoor public settings and businesses, and Outdoor Mega-Events, regardless of vaccination status, is a such a mandate in Los Angeles County, and overrides the more permissive ETS regarding employee² masking.
- k) All employers and businesses subject to Cal/OSHA must review and comply with the active Cal/OSHA COVID-19 Prevention Emergency Temporary Standards (ETS). As approved and effective, the full text of the COVID-19 Prevention emergency standards will be listed under [Title 8, Subchapter 7, sections 3205-3205.4](#) of the California Code of Regulations. All businesses or employers with independent contractors should also review the State Labor Commissioner's Office webpage entitled, "[Independent contractor versus employee](#)", which discusses the "employment status" of persons hired as independent contractors, to ensure correct application of the ETS.

5. Mandatory Reporting by Businesses and Governmental Entities. Persons and businesses within the County of Los Angeles Public Health Jurisdiction must continue to follow the COVID-19 infection control protocols and guidance provided by the County Department of Public Health regarding isolation of persons confirmed or suspected to be infected with the virus that causes COVID-19 disease or quarantine of those exposed to and at risk of infection from COVID-19. In instances where the County has not provided a specific guidance or protocol, specific guidance or protocols established by the State Public Health Officer shall control.

- a) In the event that an owner, manager, or operator of any business knows of three (3) or more cases of COVID-19 among their employees within a span of 14 days, the employer must report this outbreak to the Department of Public Health at (888) 397-3993 or (213) 240-7821, or online at www.redcap.link/covidreport.
- b) In the event that an owner, manager, or operator of any business is informed that one or more employees, assigned or contracted workers, or volunteers of the business has tested positive for, or has symptoms consistent with COVID-19 (case), the employer must have a protocol to require the case(s) to isolate themselves at home and require the immediate self-quarantine of all employees that had a workplace exposure to the case(s).

² Some independent contractors are considered as employees under the State Labor Code. For more details, check the California Department of Industrial Relations' [Independent contractor versus employee](#) webpage.

6. **LACDPH Best Practice Guidance.** All individuals and Businesses are strongly urged to follow the LACDPH Best Practice Guidance, containing health and safety recommendations for COVID-19.
7. **Considerations for Persons at Higher Risk for Negative Health Outcomes:** At this time, people at risk for severe illness or death from COVID-19—such as unvaccinated older adults and unvaccinated individuals with health risks—and members of their household, should defer participating in activities with other people outside their household where taking protective measures, including wearing face masks and social distancing, may not occur or will be difficult, especially indoors or in crowded spaces. For those who are not yet fully vaccinated, staying home or choosing outdoor activities as much as possible with physical distancing from other households whose vaccination status is unknown is the best way to prevent the risk of COVID-19 transmission.
8. **Encourage Activities that Can Occur Outdoors.** All Businesses and governmental entities are urged to consider moving operations or activities outdoors, where feasible and to the extent allowed by local law and permitting requirements, because there is generally less risk of COVID-19 transmission outdoors as opposed to indoors.
9. **Ventilation Guidelines.** All Businesses and governmental entities with indoor operations are urged to review the Ventilation Guidelines and implement ventilation strategies for indoor operations as feasible. See California Department of Public Health [Interim Guidance for Ventilation, Filtration and Air Quality in Indoor Environments](#) for detailed information. Nothing in this Order limits any ventilation requirements that apply to particular settings under federal, state, or local law.
10. **High-Risk Health Care and Congregate Settings.** This Order incorporates by reference the State Public Health Officer Order of July 26, 2021, which requires additional statewide facility-directed measure to protect particularly vulnerable populations. The Order is found here: [State Public Health Officer Order issued July 26, 2021](#)
11. **Sectors that Continue to Require Additional Risk Reduction Measures.** The following sectors serve persons and populations that have lower rates of vaccination or persons who are not yet eligible to be vaccinated. As such, these sectors continue to require additional risk reduction measures and must operate subject to the following conditions listed below and those specified in the County sector-specific reopening protocol(s) located at <http://publichealth.lacounty.gov/media/Coronavirus/index.htm>:
 - a) **Day camps.** Day camp owners and operators must implement and post the required Los Angeles County Department of Public Health Reopening Protocol for Day Camps, attached to this Order as **Appendix K**.
 - b) **Schools (K-12) and School Districts.** All public and private schools (K-12) and school districts within the County of Los Angeles may open for in-person classes. Educational facilities serving students at any grade level must prepare, implement and post the required Los Angeles County Department of Public Health Reopening Protocols for K-12 Schools, attached to this Order as **Appendix T1**, and must follow the Protocol for

COVID-19 Exposure Management Plan in K-12 Schools, attached to this Order as Appendix T2.

- c) **Mega Events (Outdoor and Indoor).** Mega Events are characterized by large crowds greater than 1,000 indoor or 10,000 outdoor attendees. Mega Events do not include venues such as shopping malls, museums or amusement parks that are open to public circulation as part of their regular operations, except to the extent that such venues host qualifying events. Mega Events may have either assigned or unassigned seating, and may be either general admission or gated, ticketed and permitted events. These events are considered higher risk for COVID-19 transmission.

i. **Indoor Mega Events:** Indoor Mega Events (example: conventions/ conferences/ expos/ sporting events and concerts) where 1,000 or more people are in attendance, remain open to the public. In addition to the general public health recommendations, Indoor Mega Event operators must verify the full vaccination status³ or pre-entry negative COVID-19 viral test⁴ result of all attendees. Attendees must wear a face covering while indoors at an Indoor Mega Event. Indoor Mega Event operators must prominently place information on all communications, including reservation and ticketing systems, to ensure guests are aware of the proof of pre-entry testing or full vaccination status, including masking requirements, and acceptable modes of verification. For Indoor Mega Events taking place on or after September 20, 2021, self-attestation can no longer be used as a method to verify an attendee's status as fully vaccinated or as proof of a negative COVID-19 test result..

ii. **Outdoor Mega Events:** Outdoor Mega Events (example: music or food festivals/car shows/large endurance events and marathons/ parades/ sporting events and concerts) that attract crowds of over 10,000 persons, remain open to the public. In addition to the general public health recommendations, it is strongly recommended that Outdoor Mega Event operators verify the full vaccination status or pre-entry negative COVID-19 viral test result for all attendees. It is not recommended that Outdoor Mega Event operators use self-attestation to verify status of an attendee as fully vaccinated nor as proof of a negative COVID-19 test result. All attendees must wear face masks at all times, except when actively eating or drinking. Outdoor Mega Event operators must prominently place information on all communications, including reservation and ticketing systems, to ensure guests are aware of both the County Health Officer's Order that all persons must wear a face mask while in attendance and the strong State and County health officer recommendation that all attendees either be fully vaccinated against COVID-19 or obtain a negative COVID-19

³ The following are acceptable as proof of full vaccination status: Vaccination card (which includes name of person vaccinated, type of COVID-19 vaccine provided and date last dose administered) OR a photo of a vaccination card as a separate document OR a photo of the attendee's vaccine card stored on a phone or electronic device OR documentation of the person's full vaccination against COVID-19 from a healthcare provider.

⁴ Pre-entry negative testing is testing that must be conducted within 72 hours before event start time (both PCR and antigen are acceptable). Results of the test must be available prior to entry into the event or venue. The following are acceptable as proof of a negative COVID-19 viral test result: printed document (from the test provider or laboratory) OR an email or text message displayed on a phone from the test provider or laboratory. The information should include person's name, type of test performed, and negative test result (date of test must be within prior 72 hours).

viral test prior to attending the event. Operators are to make face masks available for all attendees.

iii. **Additional Recommendations for Both Outdoor and Indoor Mega**

Events: Mega Event operators are encouraged to follow these additional recommendations:

1. For Outdoor Mega Events, assign staff to remind all guests to wear face masks while on the premises or location.
 2. Encourage everyone to get vaccinated when eligible.
 3. Facilitate increased ventilation of indoor spaces (i.e., open all windows and doors to increase natural air flow), following California Department of Public Health [Interim Guidance for Ventilation, Filtration and Air Quality in Indoor Environments](#).
 4. Encourage everyone to sign up for [CA Notify](#) as an added layer of protection for themselves and the community to receive alerts when they have been in close contact with someone who tests positive for COVID-19.
 5. Convey the risk of attending large, crowded events where the vaccine status of other attendees may be unknown to the individuals.
 6. Convey the risk of attending large, crowded events for populations that may not currently be eligible for vaccination or may be immunocompromised and whose vaccine protection may be incomplete.
 7. Encourage all venues along any parade or event route to provide outdoor spaces for eating/drinking/congregating to reduce the risk of transmission in indoor settings.
- d) **Overnight Organized / Children's Camps.** An organized camp is a site with program and facilities established for the primary purpose of providing an overnight outdoor group living experience for recreational or other purposes for five days or more during one or more seasons of the year. A Notice of Intent to Operate must be submitted by the Camp operator to the Environmental Health Division Communityhealth@ph.lacounty.gov prior to operation. The owner or operator of an Overnight Organized/ Children's Camp must prepare, implement, and post the required Los Angeles County Public Health Protocols for Overnight Organized / Children's Camps, attached to this Order as **Appendix K-1**.
- e) **Organized Youth Sports Activities.** Organized youth sports include all school (TK-12 Grades) and community-sponsored programs and recreational or athletic activities and privately organized clubs and leagues. Organized Youth Sport Protocols do not apply to collegiate or professional sports. This Protocol provides direction on outdoor and indoor youth sports activities to support an environment that presents less risk for participants of these sports. The organizers and operators of Organized Youth Sport Activities must review, implement and post the required Los Angeles County Public Health Protocol for Organized Youth Sports, effective September 1, 2021, attached to this Order as **Appendix S**.

REASONS FOR THE ORDER

12. This Order is based upon the following determinations: continued evidence of sustained and High community transmission of COVID-19 within the County; documented asymptomatic transmission; scientific evidence and best practices regarding the most effective approaches to slow the transmission of communicable diseases generally and COVID-19 specifically; evidence that millions of people in the County population continue to be at risk for infection with serious health complications, including hospitalizations and death from COVID-19, due to age, pre-existing health conditions, being unvaccinated or not eligible for vaccination, and the increasing presence of more infectious variants of the virus that causes COVID-19 and which have been shown to cause more severe disease being present in the County; preliminary evidence that suggests that fully vaccinated people who do become infected with the Delta variant can spread the virus to others; and further evidence that other County residents, including younger and otherwise healthy people, are also at risk for serious negative health outcomes and for transmitting the virus to others. The Order's intent is to continue to reduce the risk of COVID-19 infection for all, especially those who are not or cannot be fully vaccinated against COVID-19 in the County.
13. Existing community transmission of COVID-19 in Los Angeles County is increasing and continues to present a High risk of infection and harm to the health of those who are not or cannot be vaccinated against COVID-19. COVID-19 vaccinations are widely available to those 12 years and older, but as of August 8, 2021, nearly 2.5 million eligible people age 12 years and older in our community have not received a COVID-19 vaccination and remain susceptible to infection, in addition to the approximately 1.4 million children under the age of 12 years who are not currently eligible to receive a COVID-19 vaccination. New variants of the virus that may spread more easily or cause more severe illness are increasingly present in our county and remain a high risk for those who are not vaccinated against COVID-19 in the absence of other community mitigation measures, like physical distancing requirements and capacity limits in indoor and outdoor settings. As of, **August 21, 2021**, there have been at least **1,383,186** cases of COVID-19 and **25,071** deaths reported in Los Angeles County. Increased interactions among members of the public have resulted in an increased number of daily new cases. As of **August 19, 2021**, the 7-day average daily case rate has rapidly increased to **28.1** cases per 100,000 people, indicating High community transmission, in the absence of capacity limits and physical distancing requirements across sectors in both indoor and outdoor settings. Making the risk of community transmission worse, some individuals who contract the COVID-19 virus have no symptoms or have only mild symptoms, and so are unaware that they carry the virus and are transmitting it to others. Because even people without symptoms can transmit the virus, and because new evidence shows the infection is now more easily spread, universal indoor masking is a risk reduction measure that is proven to reduce the risk of transmitting the virus.
14. Epidemiologic evidence demonstrates that the rate of community transmission, hospitalizations and testing positivity rates have all drastically increased since June 15, 2021. Although more than **11,474,822** vaccine doses have been administered and more than **5,596,691** residents ages 12 and older are fully vaccinated against COVID-19 in Los Angeles County, COVID-19 infection remains a significant health hazard to all residents.

In line with the State Public Health Officer, the Health Officer will continue to monitor scientific evidence and epidemiological data within the County.

15. The Health Officer will continue monitoring epidemiological data to assess the impact of lifting restrictions and fully re-opening sectors. Those Indicators include, but are not limited to:
- a) The number of new cases, hospitalizations, and deaths among residents in areas in the lowest Healthy Places Index (HPI) quartile and by race/ethnicity.
 - b) The COVID-19 case rate.
 - c) The percentage of COVID-19 tests reported that are positive.
 - d) The availability of COVID-19 vaccines and the percentage of eligible County residents vaccinated against COVID-19.
 - e) The number of fully vaccinated people who get sick, are hospitalized, or die from COVID-19.

ADDITIONAL TERMS

16. The County shall promptly provide copies of this Order by: (a) posting it on the Los Angeles Department of Public Health's website (www.publichealth.lacounty.gov), (b) posting it at the Kenneth Hahn Hall of Administration located at 500 West Temple Street, Los Angeles, CA 90012, (c) providing it to any member of the public requesting a copy, and (d) issuing a press release to publicize the Order throughout the County.
- a) The owner, manager, or operator of any facility that is likely to be impacted by this Order is strongly encouraged to post a copy of this Order onsite and download, review and implement all applicable Best Practice Guidance.
 - b) Because guidance may change, the owner, manager, or operator of any facility that is subject to this Order is encouraged to consult the Los Angeles County Department of Public Health's website (www.publichealth.lacounty.gov) daily to identify any modifications to this Order and the Best Practice Guidance and continue to implement these important and necessary infection control protocols.
17. If any subsection, sentence, clause, phrase, or word of this Order or any application of it to any person, structure, gathering, or circumstance is held to be invalid or unconstitutional by a decision of a court of competent jurisdiction, then such decision will not affect the validity of the remaining portions or applications of this Order.
18. This Order incorporates by reference, the March 4, 2020 Proclamation of a State of Emergency issued by Governor Gavin Newsom and the March 4, 2020 declarations of a local and public health emergency issued by the Los Angeles County Board of Supervisors and Los Angeles County Health Officer, respectively, and as they may be supplemented.
19. This Order may be revised in the future as the State Public Health Officer amends its guidance to reflect evolving public health conditions and recommendations issued by the federal CDC and other public health authorities. Should local COVID-19 conditions warrant, the Health

Officer may, after consultation with the Board of Supervisors, issue orders that are more restrictive than the guidance and orders issued by the State Public Health Officer.

20. This Order is consistent with the provisions in the Governor’s Executive Order N-60-20 and the State Public Health Officer’s May 7, 2020 Order, that local health jurisdictions may implement or continue more restrictive public health measures in the jurisdiction if the local health officer believes conditions in that jurisdiction warrant them. Where a conflict exists between this Order and any state public health order related to controlling the spread of COVID-19 during this pandemic, the most restrictive provision controls. Consistent with California Health and Safety Code section 131080, except where the State Health Officer may issue an order expressly directed at this Order or a provision of this Order and based upon a finding that a provision of this Order constitutes a menace to the public health, any more restrictive measures in this Order may continue to apply and control in the County of Los Angeles Public Health Jurisdiction.
21. Pursuant to Sections 26602 and 41601 of the California Government Code and Section 101029 of the California Health and Safety Code, the Health Officer requests that the Sheriff and all chiefs of police in all cities located in the Los Angeles County Public Health Jurisdiction ensure compliance with and enforcement of this Order. The violation of any provision of this Order constitutes an imminent threat and menace to public health, constitutes a public nuisance, and is punishable by fine, imprisonment or both.
22. This Order is issued pursuant to Health and Safety Code sections 101040, 120175, and 120295.
23. This Order shall become effective at 11:59pm on **Monday, August 23, 2021** and will continue to be until it is revised, rescinded, superseded, or amended in writing by the Health Officer.

IT IS SO ORDERED:



8/23/2021

Muntu Davis, M.D., M.P.H.

Issue Date

Health Officer,
County of Los Angeles

Appendices At-A-Glance

Businesses and customers should continue reviewing best practice documents and sector-specific protocol for designated areas on a regular basis to ensure they are complying with the latest health protection and prevention measures.

All DPH protocol and best practice documents are available at:

<http://publichealth.lacounty.gov/media/Coronavirus/index.htm>

- Appendix K:** Reopening Protocol for Day Camps [Revised 6/23/2021]
- Appendix K-1:** Reopening Protocol for Overnight Organized/ Children’s Camps [Revised 6/14/2021]
- Appendix S:** Protocol for Organized Youth Sports [Revised 8/23/2021]
- Appendix T1:** Reopening Protocols for K-12 Schools [Revised 8/12/2021]
- Appendix T2:** Protocol for COVID-19 Exposure Management Plan in K-12 Schools [Revised 8/10/2021]

Attachment B

MOTION BY SUPERVISORS SHEILA KUEHL AND
HILDA L. SOLIS

June 22, 2021

Updating the County's Eviction Moratorium to Extend, Clarify, and Gradually Phase Out Tenant Protections

The County of Los Angeles continues to make significant progress in slowing the spread of the novel coronavirus (COVID-19) pandemic. However, the COVID-19 pandemic has deeply impacted households and businesses across the County and the long-term effects continue to devastate the economy, such that unemployment rates remain at an unprecedented level, and many County residents remain out of work. More Californians have lost their jobs during COVID-19 than during the entire Great Recession. Many businesses have permanently closed or can only partially reopen with reduced staffing capacity. In response to the COVID-19 pandemic, the Board of Supervisors (Board) has issued a series of emergency orders to provide timely and necessary relief to tenants facing socio-economic and health impacts as a result. On March 19, 2020, the Chair of the Board issued an Executive Order imposing a temporary moratorium on certain types of evictions for residential and commercial tenants impacted by COVID-19 in County unincorporated areas from March 4, 2020, through May 31, 2020, which the Board has now extended through June 30, 2021

(Eviction Moratorium).

On August 31, 2020, the State of California enacted the COVID-19 Tenant Relief Act (AB 3088), to provide eviction protections to residential tenants who were unable to pay rent due to the COVID-19 emergency between March 1, 2020, and January 31, 2021, if certain requirements were met. The passage of SB 91 on January 31, 2021, extended these eviction protections through June 30, 2021, and set out a rental assistance program to support income-qualified residential tenants who have been unable to pay rent due to financial hardships caused by the pandemic. On February 23, 2021, Governor Newsom signed AB 81 into law, which further modified the eviction protections and the temporary preemption provisions of AB 3088 and SB 91.

While the County is seeing lowered rates of COVID-19 cases, the health and economic impacts of COVID-19 and the threat of becoming homeless still remain challenges to residential tenants. Additionally, the economic hardships of the pandemic still weigh heavily on commercial tenants, especially those who were required to fully or partially close their businesses to protect our health. Many County residents have lost their jobs and have either no income or reduced income, and many businesses still have a long journey to economic recovery. The State is currently running a COVID-19 rental assistance program for County residents, and additional forthcoming rental assistance dollars have been allocated to the region under the federal American Rescue Plan (ARP). Given that the State may not extend its eviction protections past June, this Board should take action to extend eviction protections during this crucial time as programs to assist tenants and property owners impacted by the pandemic continue to develop. The Board should also reinstate residential tenant protections and affirmative defenses that were previously preempted by the State under AB 3088, SB

91 and AB 81.

Since the beginning of the COVID-19 pandemic, the primary purpose of this Moratorium has been to ensure that tenants are able to remain housed, thereby minimizing the risk of the uncontrolled spread of COVID-19. However, these precautions have also prevented certain owner move-ins in cases where the tenant has not suffered financial impacts from COVID-19, because such tenants are not currently required to move out under the County's Moratorium. By creating a limited carve-out for owner move-ins in cases where the owner or owner's family member intends to use and occupy owner's single family home as their principal residence, subject to certain conditions, we can also provide assistance to owners and owners' family members who have found themselves in need of a permanent place to live during the pandemic.

By extending tenant protections and allowing a limited carve out for owner move-ins, the County can continue to protect the life and property of its residents and commercial tenants during our recovery from the COVID-19 pandemic.

WE, THEREFORE, MOVE that the Board of Supervisors:

1. Approve and direct the Chair of the Board to execute the attached Resolution, approved as to form by County Counsel, further amending and restating the County's Eviction Moratorium, to do the following:
 - a. Extend the Eviction Moratorium through September 30, 2021.
 - b. Effective July 1, 2021, provide protections for residential and commercial tenants (collectively, tenants) as follows, to the extent not preempted by State law:
 - i. Prohibit evictions based on non-payment of rent due to financial hardship related to COVID-19 and failure to repay unpaid rent by the

- end of the applicable repayment period.
- ii. Prohibit evictions based on tenant's failure to pay back unpaid rent under the terms of a payment plan, and make any term in a payment plan that allows eviction due to the tenant's failure to comply with the terms of the payment plan void as contrary to public policy.
 - iii. Prohibit landlords from applying a rental payment to any rental debt other than the prospective month's rent, or such other month or rental debt that the tenant specifies, unless the tenant has agreed in writing to allow the payment to be so applied.
- c. Clarify that, effective March 4, 2020, tenants have an affirmative defense in unlawful detainer actions and any other civil action for the collection of unpaid rent, if tenant was unable to pay rent during the timeframe from March 4, 2020, through the end of the Moratorium Period, due to financial impacts from COVID-19.
- d. Lift prohibition on evictions of residential tenants in situations where a landlord, who purchased a single family home on or before June 30, 2021, wishes to move into the single-family home for the landlord's or landlord's family member's own use and occupancy as their principal residence, if the following conditions are met:
- i. Residential tenant has been and is able to pay rent and does not have financial impacts from COVID-19;
 - ii. Landlord may only terminate a tenancy if the landlord or landlord's family member who will reside in the single-family home is similarly situated to the residential tenant or residential tenant's household

members who are being displaced as follows:

- a) A tenant or tenant's household member who is 62 years of age or older may only be displaced by landlord if landlord or landlord's family member is also 62 years of age or older;
 - b) A tenant or tenant's household member who is disabled may only be displaced by landlord if landlord or landlord's family member is also disabled;
 - c) A tenant or tenant's household member who is terminally ill may only be displaced by landlord if landlord or landlord's family member is also terminally ill; and
 - d) A tenant whose household is low-income may only be displaced by landlord if landlord's or landlord's family member's household is also low-income.
- iii. Landlord provides the tenant with at least 60 days' written notice that the landlord or landlord's family member will be occupying the single family home as their principal residence, thus requiring the tenant to move out within 60 days, and the landlord provides a copy of this notice to the Department of Consumer and Business Affairs (DCBA) with proof of timely service on the tenant. The landlord shall provide an extension to this time period if anyone in the tenant's household residing in the single family home and/or the landlord or landlord's family member who will be moving into the single family home has been diagnosed with a suspected or confirmed case of COVID-19 within fourteen (14) days of the final date of the tenancy until all

- affected parties have been deemed to no longer be infectious;
- iv. Landlord pays the tenant relocation benefits in accordance with the applicable local jurisdiction's requirements for such owner move-ins or, if none, in accordance with Chapter 8.52 of the County Code;
 - v. Landlord demonstrates good faith by moving into, or having landlord's family member who will principally reside in the single family home move into, the single family home within 60 days of the tenant vacating the single family home and lives there for thirty-six (36) consecutive months, and;
 - vi. Not less than sixty (60) days prior to the final date of the tenancy, the landlord must disclose to DCBA, on a form approved by DCBA, the name(s) of the eligible individuals who will occupy the single family home, consistent with Chapter 8.52 of the County Code, as may be amended from time to time. DCBA may contact the landlord at any time during landlord's thirty-six (36) month occupancy to confirm that the landlord or landlord's family member resides in the recovered single family home and to obtain written verification of residency.
2. Instruct County Counsel to report back in 60 days with a report on the feasibility of requiring owners to apply for rental assistance before filing an unlawful detainer action or an action to recover rental debt against a tenant who has been financially impacted by COVID-19.

**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF
LOS ANGELES FURTHER AMENDING AND RESTATING THE EXECUTIVE
ORDER FOR AN EVICTION MORATORIUM DURING THE EXISTENCE OF A
LOCAL HEALTH EMERGENCY REGARDING NOVEL CORONAVIRUS
(COVID-19)**

June 22, 2021

WHEREAS, on March 4, 2020, the Chair of the Los Angeles County Board of Supervisors ("Board") proclaimed, pursuant to Chapter 2.68 of the Los Angeles County Code, and the Board ratified that same day, the existence of a local emergency because the County of Los Angeles ("County") is affected by a public calamity due to conditions of disaster or extreme peril to the safety of persons and property arising as a result of the introduction of the novel coronavirus ("COVID-19") in Los Angeles County;

WHEREAS, also on March 4, 2020, the County Health Officer determined that there is an imminent and proximate threat to the public health from the introduction of COVID-19 in Los Angeles County, and concurrently declared a Local Health Emergency;

WHEREAS, ensuring that all people in the County continue to have access to running water during this public health crisis will enable compliance with public health guidelines advising people to regularly wash their hands, maintain access to clean drinking water, help prevent the spread of COVID-19, and prevent or alleviate illness or death due to the virus;

WHEREAS, ensuring that all customers in the County that receive power services from Southern California Edison and Southern California Gas Company (collectively, "Public Utilities") continue to have access to electricity so they are able to receive important COVID-19 information, keep critical medical equipment functioning, and utilize power, as needed, will help to prevent the spread of COVID-19 and prevent or alleviate illness or death due to the virus;

WHEREAS, on March 13, 2020, the Public Utilities announced that they will be suspending service disconnections for nonpayment and waiving late fees, effective immediately, for residential and business customers impacted by the COVID-19 emergency;

WHEREAS, on March 16, 2020, Governor Newsom issued Executive Order N-28-20 that authorizes local governments to halt evictions of renters, encourages financial institutions to slow foreclosures, and protects renters and homeowners against utility shutoffs for Californians affected by COVID-19;

WHEREAS, on March 19, 2020, the Chair of the Board issued an Executive Order ("Executive Order") that imposed a temporary moratorium on evictions for non-payment of rent by residential or commercial tenants impacted by COVID-19 ("Moratorium"), commencing March 4, 2020, through May 31, 2020 ("Moratorium Period");

WHEREAS, on March 21, 2020, due to the continued rapid spread of COVID-19 and the need to protect the community, the County Health Officer issued a revised Safer at Home Order for Control of COVID-19 ("Safer at Home Order") prohibiting all events and gatherings and closing non-essential businesses and areas until April 19, 2020;

WHEREAS, on March 27, 2020, Governor Newsom issued Executive Order N-37-20 extending the period for response by tenants to unlawful detainer actions and prohibiting evictions of tenants who satisfy the requirements of Executive Order N-37-20;

WHEREAS, on March 31, 2020, the Board ratified the Chair's Executive Order and amended the ratified Executive Order to include a ban on rent increases in the unincorporated County to the extent permitted by State law and consistent with Chapter 8.52 of the Los Angeles County Code ("Code");

WHEREAS, on April 6, 2020, the California Judicial Council, the policymaking body of the California courts, issued eleven temporary emergency measures, of which Rules 1 and 2 effectively provided for a moratorium on all evictions and judicial foreclosures;

WHEREAS, on April 14, 2020, the Board further amended the Executive Order to: expand the County's Executive Order to include all incorporated cities with the County; include a temporary moratorium on eviction for non-payment of space rent on mobilehome owners who rent space in mobilehome parks; include a ban on rent increases in the unincorporated County to the extent permitted by State law and consistent with Chapters 8.52 and 8.57 of the County Code; and enact additional policies and make additional modifications to the Executive Order;

WHEREAS, COVID-19 is causing, and is expected to continue to cause, serious financial impacts to Los Angeles County residents and businesses, including the substantial loss of income due to illness, business closures, loss of employment, or reduced hours, thus impeding their ability to pay rent;

WHEREAS, displacing residential and commercial tenants who are unable to pay rent due to such financial impacts will worsen the present crisis by making it difficult for them to comply with the Safer at Home Order, thereby placing tenants and many others at great risk;

WHEREAS, while it is the County's public policy and intent to close certain businesses to protect public health, safety and welfare, the County recognizes that the interruption of any business will cause loss of, and damage to, the business. Therefore, the County finds and declares that the closure of these businesses is mandated for the public health, safety and welfare; the physical loss of, and damage to, businesses is resulting from the shutdown; and these businesses have lost the use of their property and are not functioning as intended;

WHEREAS, because homelessness and instability can exacerbate vulnerability to, and the spread of, COVID-19, the County must take measures to preserve and

increase housing security and stability for Los Angeles County residents to protect public health;

WHEREAS, a County-wide approach to restricting displacement is necessary to accomplish the public health goals of limiting the spread of COVID-19 as set forth in the Safer at Home Order;

WHEREAS, based on the County's authority during a state of emergency, pursuant to Government Code section 8630 et seq. and Chapter 2.68 of the County Code, the County may issue orders to all incorporated cities within the County to provide for the protection of life and property, where necessary to preserve the public health, order, and safety;

WHEREAS, due to the continued, rapid spread of COVID-19 and the need to preserve life and property, the County has determined that continued evictions in the County and all of its incorporated cities during this COVID-19 crisis would severely impact the health, safety and welfare of County residents;

WHEREAS, loss of income as a result of COVID-19 may hinder County residents and businesses from fulfilling their financial obligations, including paying rent and making public utility payments, such as water and sewer charges;

WHEREAS, on May 12, 2020, the Board approved, and delegated authority to the Chair to execute, an Amended and Restated Executive Order that extended the Moratorium Period through June 30, 2020, unless further extended or repealed by the Board, and incorporated additional provisions;

WHEREAS, on May 12, 2020, the Board determined to reevaluate the Moratorium every thirty (30) days to consider further extensions;

WHEREAS, on June 23, 2020, the Board extended the Moratorium Period through July 31, 2020;

WHEREAS, on June 30, 2020, Governor Newsom issued Executive Order N-71-20, extending the timeframe for the protections set forth in Executive Order N-28-20, that authorized local governments to halt evictions for renters impacted by the COVID-19 pandemic through September 30, 2020;

WHEREAS, on September 1, 2020, Governor Newsom signed Assembly Bill ("AB") 3088 into law to provide immediate protections and financial relief to residential tenants, homeowners, and small landlords impacted by COVID-19, as follows:

1. Residential tenants, which includes mobilehome space renters, who are unable to pay rent between March 1, 2020, and January 31, 2021, due to financial distress related to COVID-19, including but not limited to, increased childcare or elderly care costs and health care costs, are protected from eviction as described below;

2. A landlord who serves notice on a residential tenant from March 1, 2020, through January 31, 2021, demanding payment of rent must also: (a) provide the tenant with an unsigned copy of a declaration of COVID-19-related financial distress; and (b) advise the tenant that eviction will not occur for failure to comply with the notice if the tenant provides such declaration, and additional documentation if the tenant is a high-income tenant, within fifteen (15) days;

3. A landlord may initiate an unlawful detainer action beginning October 5, 2020, if a residential tenant is unable to deliver the required declaration within the statutory time period;

4. Until February 1, 2021, a landlord is liable for damages between \$1,000 and \$2,500 for violation of the certain requirements if the residential tenant has provided the landlord with the required declaration of COVID-19-related financial distress;

5. A residential tenant who has provided the landlord with a signed declaration must, by January 31, 2021, pay at least 25 percent of rent owed for the months of October 2020, through January 2021, inclusive; and

6. Actions adopted by local governments between August 19, 2020, and January 31, 2021, to protect residential tenants from eviction due to financial hardship related to COVID-19 are temporarily preempted, where such actions will not become effective until February 1, 2021;

WHEREAS, on January 29, 2021, Governor Newsom signed Senate Bill ("SB") 91 into law, which extends through June 30, 2021, eviction protections under AB 3088, as well as the temporary preemption of a local jurisdiction's ability to enact new or amend existing eviction protections for nonpayment of rent due to financial distress related to COVID-19;

WHEREAS, on February 23, 2021, Governor Newsom signed AB 81 into law, which further modified the eviction protections and the temporary preemption provisions of AB 3088 and SB 91;

WHEREAS, on September 1, 2020, the Board extended the Moratorium Period through October 31, 2020, and established the County's eviction protections as the baseline for all incorporated cities within Los Angeles County, including cities that have their own local eviction moratoria, to the extent the city's moratorium does not include the same or greater tenant protections as the County's Moratorium;

WHEREAS, on September 23, 2020, Governor Newsom issued Executive Order N-80-20, further extending the timeframe for the protections set forth in Executive Order N-28-20, authorizing local governments to halt evictions of commercial renters impacted by the COVID-19 pandemic, through June 30, 2021;

WHEREAS, the County's Moratorium protects residential tenants and mobilehome space renters who are unable to pay rent due to financial impacts related to COVID-19

for the period of March 1, 2020, through September 30, 2020, and rent not paid during that period must be repaid by September 30, 2021 under AB 81;

WHEREAS, in addition to other tenant protections, the County's Moratorium protects residential tenants and mobilehome space renters from eviction for nuisance on the basis of having unauthorized occupants or pets whose presence is necessitated by or related to the COVID-19 emergency, and commercial tenants from eviction who are unable to pay rent due to the COVID-19 pandemic, except where such occupancy is a threat to the public health or safety, as determined by a court of law;

WHEREAS, on January 5, 2021, the Board extended the Moratorium and its tenant protections, where not preempted, through February 28, 2021, provided greater clarity to tenants and landlords regarding their rights and responsibilities under the Moratorium, such as harassment and retaliation protections, and added new protections to the Moratorium that would have become effective February 1, 2021; however, some of these actions were preempted by the extension of AB 3088 pursuant to SB 91 and AB 81;

WHEREAS, on February 23, 2021, the Board extended the Moratorium and its tenant protections, where not preempted, through June 30, 2021, it also removed certain tenant protections that were to take effect on February 1, 2021, due to preemption by the extension of AB 3088 pursuant to SB 91 and AB 81, authorized administrative fines and civil penalties pursuant to Chapters 8.52 and 8.57 of the County Code, temporarily increased administrative fines and civil penalties during the Moratorium Period, and provided aggrieved tenants a private right of action for violations of the Moratorium;

WHEREAS, now that the preemption period under State law is ending, the Board desires to extend the Moratorium and its tenant protections through September 30, 2021, and to reinstate, effective July 1, 2021, the following residential tenant protections, that would have been effective on February 1, 2021, but for the extension of AB 3088 pursuant to SB 91 and AB 81: (1) protection against eviction for nonpayment of rent; (2) protection against eviction for the failure to pay back rent by the end of the repayment period under the Moratorium; (3) protection against eviction for the failure to pay back owed rent under the terms of a payment plan; and (4) protection from a landlord applying rental payments in a manner contrary to the tenant's wishes;

WHEREAS, the Board also desires to clarify that this Moratorium provides an affirmative defense in favor of tenants in any unlawful detainer action and other civil actions that are pursued against tenants for failure to pay back rent due to financial impacts from COVID-19;

WHEREAS, since the start of the COVID-19 pandemic, the primary purpose of this Moratorium has been to ensure that tenants stay housed during the pandemic, thereby minimizing the risk of uncontrolled spread of COVID-19. However, this has also prevented owner move-ins where the tenant has not suffered financial impacts from COVID-19, because such tenants currently are not required to move out under the County's Moratorium;

WHEREAS, as the County begins to gradually lift COVID-19 restrictions, the Board desires to create a limited carve-out to permit owners to move into rental units for use and occupancy as their principal residence, subject to certain conditions, as set forth below; and

WHEREAS, in the interest of public health and safety, as affected by the emergency caused by the spread of COVID-19, it is necessary for the Board to adopt this Resolution Further Amending and Restating the Executive Order for an Eviction Moratorium ("Resolution") related to the protection of life and property.

NOW, THEREFORE, THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES DOES HEREBY PROCLAIM, RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

- I. **Amendment and Restatement.** This Resolution incorporates all aspects, restrictions, and requirements of the Moratorium adopted by the Board, as ratified and amended on March 31, 2020, April 14, 2020, May 12, 2020, June 23, 2020, July 21, 2020, September 1, 2020, October 13, 2020, November 10, 2020, January 5, 2021, February 23, 2021, and June 22, 2021.
- II. **Moratorium Period.** The Moratorium Period is hereby extended through September 30, 2021. The Board will reevaluate the need for further extensions to or repeal of the Moratorium Period every thirty (30) days.
- III. **Definitions.** For purposes of this Moratorium, the following terms are defined as follows:
 - A. "Extension Protection Period" means the time period of July 1, 2021, through the end of the Moratorium Period.
 - B. "Family Member" means Tenant's or Landlord's parent, child, spouse or registered domestic partner, grandparent, grandchild, aunt or uncle at least sixty-two (62) years of age, or other dependent over which the Landlord has guardianship, the spouse's or registered domestic partner's parent, child, grandparent, grandchild, aunt or uncle at least sixty-two (62) years of age, and other dependent over which the Tenant's or Landlord's spouse or domestic partner has guardianship.
 - C. "Financial Impacts" means any of the following:
 1. Substantial loss of household income caused by the COVID-19 pandemic;
 2. Loss of revenue or business by Tenants due to business closure;
 3. Increased costs;

4. Reduced revenues or other similar reasons impacting a Tenant's ability to pay rent due;
 5. Loss of compensable hours of work or wages, layoffs; or
 6. Extraordinary out-of-pocket medical expenses.
- D. "Landlord" includes all of the following or an agent of any of the following:
1. An owner of real property for residential and/or commercial rental purposes ("rental unit" or "unit").
 2. An owner of a mobilehome park.
 3. An owner of a mobilehome park space.
- E. "Landlord's Family Member" means a Landlord's parent, child, spouse or registered domestic partner, grandparent, grandchild, aunt or uncle at least sixty-two (62) years of age, or other dependent over which the Landlord has guardianship, the spouse or registered domestic partner's parent, child, grandparent, grandchild, aunt or uncle at least sixty-two (62) years of age, and other dependent over which the Landlord's spouse or domestic partner has guardianship.
- F. "Moratorium Period" means the time period commencing March 4, 2020, through September 30, 2021, unless further extended or repealed by the Board.
- G. "Protected Time Period" means the time period of March 4, 2020, through September 30, 2020, during which a residential tenant or a mobilehome space renter was unable to pay rent.
- H. "Related to COVID-19" means related to any of the following:
1. A suspected or confirmed case of COVID-19, or caring for a household or family member who has a suspected or confirmed case of COVID-19;
 2. Lay-off, loss of compensable work hours, or other reduction or loss of income or revenue resulting from a business closure or other economic or employer impacts related to COVID-19;
 3. Compliance with an order or recommendation of the County's Health Officer to stay at home, self-quarantine, or avoid congregating with others during the state of emergency;
 4. Extraordinary out-of-pocket medical expenses related to the diagnosis of, testing for, and/or treatment of COVID-19; or

5. Child care needs arising from school closures in response to COVID-19.
- I. "Residential Tenant" means a residential tenant or a mobilehome space renter.
- J. "Tenant" includes all of the following:
 1. Tenants of a rental unit.
 2. Tenants who rent space or a lot in a mobilehome park.
 3. Tenants of commercial property, as defined in subdivision (c) of Section 1162 of the Civil Code, including, but not limited to, a commercial tenant using a property as a storage facility for commercial purposes. The following tenants of commercial property are excluded from the protections of this Moratorium:
 - a. Effective June 1, 2020, commercial tenants that are multi-national, publicly-traded, or have more than 100 employees.
 - b. Effective September 1, 2020, commercial tenants of space or property located at airports.
- K. "Transition Protection Period" means the time period from October 1, 2020, through June 30, 2021.

IV. General Applicability of Moratorium.

- A. Application. Consistent with the provisions of Paragraph V, VI, VII, and VIII, this Moratorium applies to nonpayment eviction notices, no-fault eviction notices, rent increase notices, unlawful detainer actions served and/or filed on or after March 4, 2020, and other civil actions, including, but not limited to, actions for repayment of rental debt accrued on or after March 4, 2020.
- B. Jurisdiction.
 1. Unincorporated County. This Moratorium applies to all unincorporated areas of the County.
 2. Incorporated Cities within County. Effective September 1, 2020, this Moratorium applies to incorporated cities within the County of Los Angeles pursuant to Government Code section 8630 et seq. and Chapter 2.68 of the County Code.

- a. It is the intent of the County, in enacting this Moratorium, to provide uniform, minimum standards protecting Tenants during this local emergency.
- b. Nothing in this Moratorium shall be construed to preclude any incorporated city within the County from imposing, or continuing to impose, greater local protections than are imposed by this Moratorium if the protections are not inconsistent with this Moratorium and are not preempted by State or federal regulations.
- c. Examples of greater local protections include, but are not limited to, granting additional time for commercial Tenants to notify a Landlord of an inability to pay rent, removing a requirement that a commercial Tenant notify a Landlord of an inability to pay, removing a requirement for a commercial Tenant to provide a certification or evidence of an inability to pay rent, and expanding the prohibition on evictions of Tenants to include additional prohibited grounds for eviction.

V. Moratorium. A temporary moratorium on evictions of Tenants impacted by the COVID-19 crisis is imposed as follows:

A. Evictions. No Landlord shall evict a Tenant as follows:

1. Nonpayment of Rent. A Tenant shall not be evicted for nonpayment of rent, late charges, interest, or any other fees accrued if the Tenant demonstrates an inability to pay rent and/or such related charges due to Financial Impacts Related to COVID-19, the state of emergency regarding COVID-19, or following government-recommended COVID-19 precautions, and the Tenant has provided notice to the Landlord within seven (7) days after the date that rent and/or such related charges were due, unless extenuating circumstances exist, that the Tenant is unable to pay.
 - a. Moratorium Period. Commercial Tenants who are unable to pay rent incurred during the Moratorium Period are protected from eviction under this Moratorium, so long as the reason for nonpayment is Financial Impacts Related to COVID-19, and the commercial Tenant provides notice to the Landlord to this effect within the timeframe specified in this Paragraph V.
 - b. Protected Time Period. Residential Tenants who were unable to pay rent incurred during the Protected Time Period are protected from eviction under this Moratorium, so long as the reason for nonpayment was Financial Impacts Related to COVID-19, and the Residential Tenant has provided notice to

the Landlord to this effect within the timeframe specified in this Paragraph V.

- c. Transition Protection Period. Residential Tenants who are unable to pay rent incurred during the Transition Protection Period, and who are not able to meet State law requirements necessary for protection from eviction for such nonpayment, are protected from eviction under this Moratorium, so long as the reason for nonpayment was Financial Impacts Related to COVID-19, and the Residential Tenant has provided notice to the Landlord to this effect by June 30, 2021.
 - d. Extension Protection Period. Residential Tenants who are unable to pay rent incurred during the Extension Protection Period are protected from eviction under this Moratorium, so long as the reason for nonpayment was Financial Impacts Related to COVID-19, and the Residential Tenant has provided notice to the Landlord to this effect within the timeframe specified in this Paragraph V.
2. No-Fault Termination of Tenancy or Occupancy. A Tenant shall not be evicted where grounds for terminating the tenancy or occupancy is not based on any alleged fault by the Tenant, including, but not limited to, those stated in Code of Civil Procedure section 1161 et seq., and Chapters 8.52 and 8.57 of the County Code. No-Fault termination of tenancy or occupancy also includes the intent to demolish or to substantially remodel the real property.
 3. Owner Move-Ins. However, as of July 1, 2021, a Landlord, who purchased a single-family home on or before June 30, 2021, and seeks in good faith to recover possession of said single-family home for the Landlord's or Landlord's Family Member's own use and occupancy as the Landlord's or Landlord's Family Member's principal residence for at least thirty-six (36) consecutive months, may displace the current Residential Tenant and Residential Tenant's household members in order to move into the single-family home subject to the following conditions:
 - a. Residential Tenant has been and is able to pay rent and does not have Financial Impacts Related to COVID-19;
 - b. Landlord may only terminate a tenancy if the Landlord or Landlord's Family Member who will reside in the single-family home is similarly situated to the Residential Tenant or Residential Tenant's household members who are being displaced, as follows:

- i. If the Residential Tenant or one of Residential Tenant's household members is at least sixty-two (62) years of age or older, then the Landlord or Landlord's Family Member who will reside in the single-family home must also be sixty-two (62) years of age or older;
 - ii. If the Residential Tenant or one of Residential Tenant's household members is a person with a disability who has a physical or mental impairment that limits one or more of a person's major life activities within the meaning of the California Fair Housing and Employment Act pursuant to California Government Code section 12926, then the Landlord or Landlord's Family Member who will reside in the single-family home must also be a person with a disability;
 - iii. If the Residential Tenant or one of Residential Tenant's household members has a terminal illness as verified by a medical care provider, then the Landlord or Landlord's Family Member who will reside in the single-family home must also have a terminal illness; or
 - iv. If the Residential Tenant is a low-income household (low-income household means a household whose income does not exceed the qualifying limits for lower income households as established and amended from time to time pursuant to Section 8 of the United States Housing Act of 1937, or as otherwise defined in California Health and Safety Code section 50079.5), then the Landlord or Landlord's Family Member who will reside in the single-family home must also be a low-income household.
- c. Landlord provides Residential Tenant with at least sixty (60) days' written notice that Landlord or Landlord's Family Member will be occupying the single family home as their principal residence, thus requiring Residential Tenant to vacate the single family home within sixty (60) days, and Landlord provides a copy of said notice to the Department of Consumer and Business Affairs ("DCBA") with proof of timely service on the Residential Tenant. The Landlord shall provide an extension to this time period if anyone in the Residential Tenant's household residing in the single-family home and/or anyone in the Landlord's or Landlord's Family Member's household who will be moving into the single family home has been diagnosed with a suspected or confirmed case of

COVID-19 within fourteen (14) days of the final date of the tenancy until all affected parties have been deemed to no longer be infectious. Landlord demonstrates good faith by moving into, or having Landlord's Family Member who will principally reside in the single family home move into, the single-family home within sixty (60) days of Residential Tenant vacating the single-family home and living in the single-family home as Landlord's or Landlord's Family Member's principal residence for at least thirty-six (36) consecutive months;

- d. Landlord pays the Residential Tenant relocation assistance. The amount of relocation assistance shall be as set forth in the regulations, executive orders, or municipal code of the local jurisdiction within which the single-family home is located. If no such relocation assistance requirements exist for such owner move-ins, Landlord shall pay Residential Tenant relocation assistance as set forth in Section 8.52.110 of the County Code and DCBA's policies and procedures;
 - e. Not less than sixty (60) days prior to the final date of the tenancy, the Landlord must disclose to DCBA the name(s) of the eligible individuals who will occupy the single-family home on a form approved by DCBA. DCBA may contact the Landlord at any time during Landlord's or Landlord's Family Member's thirty-six (36) month occupancy to confirm that the Landlord or Landlord's Family Member resides in the recovered single-family home and to obtain written verification of residency; and
 - f. Landlord is in compliance with all requirements of Chapter 8.52 of the County Code for single-family homes located in unincorporated County.
4. Nuisance or Unauthorized Occupants or Pets. A Residential Tenant shall not be evicted for nuisance or for unauthorized occupants or pets whose presence is necessitated by or related to the COVID-19 emergency.
5. Denial of Entry. A Residential Tenant shall not be evicted on the ground that such tenant denied entry by the Landlord into the rental unit, subject to the following:
- a. The following circumstances permit entry into the Residential Tenant's unit:

- i. Remedying a condition that substantially endangers or impairs the health or safety of a Residential Tenant or other persons in, or in the vicinity of, the rental unit, or
 - ii. Residential Tenant is causing or threatening to cause substantial damage to the rental unit.
 - b. If a Landlord seeks entry pursuant to subdivision (a) above, the Landlord must:
 - i. Not permit entry by any person who is, or who the Landlord has good cause to believe is, a carrier of COVID-19.
 - ii. Ensure that appropriate social distancing, cleaning, and sanitation measures are taken to protect the Residential Tenant and members of the household from risk of transmitting COVID-19 as a result of entry into the rental unit. Such measures must account for: the Residential Tenant notifying Landlord that the Residential Tenant, or a member of the household, has or believes in good faith to have been recently exposed to COVID-19; or the Residential Tenant notifying Landlord that the Residential Tenant, or a member of the household, is at a higher risk for more serious complications from COVID-19.
 - iii. A Landlord who enters the rental unit shall promptly leave the rental unit if the Residential Tenant revokes permission to enter because of the Landlord's failure to observe appropriate social distancing, cleaning, and sanitization measures.
 - c. For purposes of this subsection only, "Landlord" includes, but is not limited to, any person authorized by the Landlord to enter the rental unit, such as maintenance personnel, a prospective buyer, or a prospective tenant.
6. Notwithstanding (1) through (5), above, or any other provision of this Moratorium, this Moratorium shall not apply where the eviction is necessary to maintain compliance with the requirements of Civil

Code section 1941.1, Health and Safety Code sections 17920.3 or 17920.10, or any other applicable law governing the habitability of rental units, or where the Tenant's occupancy is otherwise a threat to the public health or safety as determined by a court of law.

B. Tenant Certification.

1. Residential Tenants. Residential Tenants seeking protection under this Moratorium, may provide, and Landlords must accept, a self-certification of inability to pay rent, and are required to provide notice to the Landlord to this effect within the timeframe specified in this Paragraph V, unless otherwise specified.
2. Commercial Tenants.
 - a. Commercial Tenants with nine (9) employees or fewer, may provide, and Landlords must accept, a self-certification of inability to pay rent, and are required to provide notice to the Landlord to this effect within the timeframe specified in this Paragraph V.
 - b. Commercial Tenants with ten (10) or more, but fewer than 100, employees must provide written documentation demonstrating financial hardship, along with notice of inability to pay rent, to the Landlord within the timeframe specified in this Paragraph V.

C. Repayment of Rent. Unpaid rent incurred during the Moratorium Period shall be repaid pursuant to the following:

1. Repayment by Residential Tenants.
 - a. Residential Tenants who were unable to pay rent during the Protected Time Period shall have up to September 30, 2021, to repay unpaid rent incurred during the Protected Time Period, unless further extended by the Board.
 - b. Residential Tenants who are unable to pay rent during the Transition Time Period shall repay such rental debt pursuant to SB 91 and AB 81, unless extended further through State legislation.
 - c. Residential Tenants shall have up to twelve (12) months from the expiration of the Extension Time Period to repay unpaid rent incurred during the Extension Time Period.

2. Repayment by Commercial Tenants. Commercial Tenants must adhere to the following repayment schedule at the end of the Moratorium Period:
 - a. Commercial Tenants with nine (9) employees or fewer shall have twelve (12) months from the expiration of the Moratorium Period to repay unpaid rent.
 - b. Commercial Tenants with ten (10) or more, but fewer than 100, employees, shall have six (6) months from the expiration of the Moratorium Period to repay unpaid rent, in equal installments, unless the commercial Tenant and Landlord agree to an alternate payment arrangement.
3. Partial Payments and Payment Plans. Tenants and Landlords are encouraged to agree on a payment plan during this Moratorium Period, and nothing herein shall be construed to prevent a Landlord from requesting and accepting partial rent payments, or a Tenant from making such payments, if the Tenant is financially able to do so.
4. Failure to Pay Back Rent Not Ground for Eviction. Tenant's failure to pay back unpaid rent under the terms of a payment plan, or at the end of the repayment period shall not be cause to evict the Tenant. Any term in a payment plan that allows eviction due to the Tenant's failure to comply with the terms of the payment plan is void as contrary to public policy.
5. Application of Rental Payment. Effective March 4, 2020, a Landlord is prohibited from applying a rental payment to any rental debt other than to the prospective month's rent, or such other month or rental debt that the Tenant specifies, unless the Tenant has agreed in writing to allow the payment to be otherwise applied.

VI. Rent Increases in Unincorporated County Prohibited. Landlords shall not increase rents for Residential Tenants in the unincorporated County during the Moratorium Period, to the extent otherwise permitted under State law and consistent with Chapters 8.52 and 8.57 of the County Code. **Nothing in this Moratorium shall be construed to apply this limitation of rent increases in incorporated cities within the County.**

VII. Pass-Throughs or Other Fees Prohibited. Landlords shall not impose any pass-throughs otherwise permitted under Chapters 8.52 and 8.57 of the County Code, or charge interest or late fees on unpaid rent or other amounts otherwise owed, during the Moratorium Period. Landlords are prohibited from retroactively imposing or collecting any such amounts following the termination or expiration of the Moratorium.

VIII. Harassment and Retaliation Protections. Landlords, and those acting on their behalf or direction, are prohibited from harassing, intimidating, or retaliating against Tenants for acts or omissions by Tenants permitted under this Moratorium, and such acts by Landlord or Landlord's agent will be deemed to be violations of the Retaliatory Eviction and Harassment provisions as set forth in County Code Sections 8.52.130 and 8.57.100 and as expanded herein. Harassing, intimidating, or retaliatory acts by Landlords, and those acting on their behalf or direction, include, but are not limited to:

- A. Interrupting, terminating, or failing to provide all services required to be provided by the Landlord related to the use or occupancy of a rental unit ("Housing Services") under the terms of a lease agreement or under federal, State, County, or local housing, health, or safety laws unless such Housing Services are closed due to Health Officer Orders;
- B. Failing to perform repairs and maintenance required by a rental agreement or by federal, State or local housing, health, or safety laws;
- C. Failing to exercise due diligence in completing repairs and maintenance once undertaken or failing to follow appropriate industry repair, containment or remediation protocols designed to minimize exposure to noise, dust, lead, paint, mold, asbestos, or other building materials with potentially harmful health impacts;
- D. Abusing the Landlord's right of access into a rental unit. This includes entries, and attempted entries, for inspections that are not related to necessary repairs or services; that are excessive in number; that improperly target certain Residential Tenants; that are used to collect evidence against the occupant; or that are otherwise beyond the scope of a lawful entry;
- E. Abusing a Tenant with words that are offensive and inherently likely to provoke an immediate violent reaction. This includes words used during in-person conversations, through social media postings or messages, or other communications;
- F. Influencing or attempting to influence a Tenant to vacate a rental unit through fraud, intimidation or coercion, which shall include threatening to report a Tenant to the United States Department of Homeland Security or any other governmental or law enforcement agency;
- G. Threatening a Tenant, by word, gesture, or with physical harm;
- H. Violating any law which prohibits discrimination based on race, gender, sexual preference, sexual orientation, ethnic background, nationality, religion, age, parenthood, marriage, pregnancy, disability, human immunodeficiency virus (HIV)/acquired immune deficiency syndrome (AIDS), occupancy by a minor child, or source of income;

- I. Taking action to terminate any tenancy including service of any notice to quit or notice to bring any action to recover possession of a rental unit based upon facts which the Landlord has no reasonable cause to believe to be true or upon a legal theory which is untenable under the facts known to the Landlord. No Landlord shall be liable under this subsection for bringing an action to recover possession unless and until the Tenant has obtained a favorable termination of that action;
- J. Removing from the rental unit personal property, furnishings, or any other items without the prior written consent of a Tenant, except when done pursuant to enforcement of a legal termination of tenancy or as otherwise authorized by law;
- K. Offering payments to a Tenant to vacate more than once in six (6) months, after the Tenant has notified the Landlord in writing that the Tenant does not desire to receive further offers of payments to vacate;
- L. Attempting to coerce a Tenant to vacate with offers of payment to vacate which are accompanied with threats or intimidation. This shall not include settlement offers made in good faith and not accompanied by threats or intimidation in pending eviction actions;
- M. Refusing to acknowledge receipt of a Tenant's lawful rent payment;
- N. Refusing to cash a rent check for over thirty (30) days;
- O. Requesting information that violates a Tenant's right to privacy including, but not limited to, residence or citizenship status, protected class status, or social security number, except as required by law or in the case of a social security number, for the purpose of obtaining information to determine qualification for tenancy, or releasing such information except as required or authorized by law;
- P. Interfering with a Residential Tenant's right to privacy including, but not limited to, entering or photographing portions of a rental unit that are beyond the scope of a lawful entry or inspection;
- Q. Interfering with a Residential Tenant's right to quiet use and enjoyment of a rental unit as that right is defined by State law;
- R. Other repeated acts or omissions of such significance as to substantially interfere with or disturb the comfort, repose, peace, or quiet of any person lawfully entitled to occupancy of such rental unit and that cause, are likely to cause, or are intended to cause any person lawfully entitled to occupancy of a rental unit to vacate such rental unit or to surrender or waive any rights in relation to such occupancy;

- S. Removing a Housing Service for the purpose of causing a Residential Tenant to vacate the residential unit or mobilehome. For example, taking away a parking space knowing that a Residential Tenant cannot find alternative parking and must therefore move; and
- T. Interfering with the right of a Residential Tenant to: organize and engage in concerted activities with other tenants for the purpose of mutual aid and protection; provide property access to tenant organizers, advocates, or representatives working with or on behalf of tenants living at a property; convene tenant or tenant organization meetings in an appropriate space accessible to tenants under the terms of their rental agreement; or distribute and post literature informing other tenants of their rights and of opportunities to involve themselves in their project in common areas, including lobby areas and bulletin boards.

IX. Administrative Fines. A Landlord, who is determined by DCBA to have violated Paragraphs V, VI, VII or VIII of this Resolution, including those relating to the harassment protections enumerated above, shall be subject to administrative fines pursuant to Sections 8.52.160 and 8.57.130 of the County Code. The maximum administrative fine for violations of Paragraph VIII of this Resolution is temporarily increased for the duration of this Moratorium from \$1,000 to up to \$5,000 per violation for each day the violation continues, and if the aggrieved Tenant is disabled or sixty-five (65) years of age or older, an additional fine of up to \$5,000 per violation per day may be assessed.

X. Remedies.

- A. Civil Liability. Any Tenant, or any other person or entity acting on behalf of the Tenant who will fairly and adequately represent the Tenant's interests, including the County, may enforce the provisions of Paragraphs V, VI, VII or VIII of this Resolution by means of a civil action seeking civil remedies and/or equitable relief. Landlords shall be subject to civil penalties pursuant to Sections 8.52.170 and 8.57.140 of the County Code. The maximum civil penalty for violation of Paragraph VIII of this Resolution is increased from \$1,000 to up to \$5,000 per violation for each day the violation continues, and if the aggrieved Tenant is disabled or sixty-five (65) years of age or older, the court may award an additional penalty of up to \$5,000 per violation per day. No administrative remedy need be exhausted prior to filing suit to enforce this Moratorium.
- B. Criminal Liability. Violation of Paragraphs V, VI, VII or VIII of this Resolution shall be punishable as set forth in Section 2.68.320 of the County Code.
- C. Affirmative Defense. Effective March 4, 2020, any Tenant protection provided under this Moratorium shall constitute an affirmative defense for a Tenant in any unlawful detainer action brought pursuant to California Code of Civil Procedure section 1161, as amended, and any other civil action

seeking repayment of rental debt. Said affirmative defenses shall survive the termination or expiration of this Moratorium.

D. Nonexclusive Remedies and Penalties. The remedies provided in this Moratorium are not exclusive, and nothing in this Moratorium shall preclude Tenant from seeking any other remedies or penalties available at law or in equity.

XI. This Moratorium addresses the County's public policy and intent to close certain businesses to protect public health, safety and welfare, and the County recognizes that the interruption of any business will cause loss of, and damage to, the business. Therefore, the County finds and declares that the closure of certain businesses is mandated for the public health, safety and welfare, the physical loss of, and damage to, businesses is resulting from the shutdown, and these businesses have lost the use of their property and are not functioning as intended.

XII. Grocery stores, gas stations, pharmacies and other retailers are requested to institute measures to prevent panic buying and hoarding essential goods, including, but not limited to, placing limits on the number of essential items a person can buy at one time, controlling entry to stores, and ensuring those at heightened risk of serious complications from COVID-19 are able to purchase necessities.

XIII. Guidelines and Board Delegations.

A. The Director of the DCBA, or his designee, shall issue guidelines to aid in the implementation of the Moratorium, including, but not limited to, guidance regarding the ways in which Tenants can certify they are entitled to protection under the Moratorium, appropriate supporting documentation for Tenants not entitled to self-certify under the Moratorium, notice requirements, and procedures for utilizing dispute resolution services offered by DCBA, among other clarifications.

B. The Los Angeles County Development Authority ("LACDA"), acting in its capacity as a local housing authority for the County, shall extend deadlines for housing assistance recipients and applicants to deliver records or documents related to their eligibility for programs, to the extent those deadlines are within the discretion of the LACDA.

C. The Director of DCBA, in collaboration with the Chief Executive Office ("CEO"), shall offer assistance to the State Department of Business Oversight to engage financial institutions to identify tools to be used to afford County residents relief from the threat of residential foreclosure and displacement, and to promote housing security and stability during this state of emergency.

D. The Director of DCBA, in collaboration with the CEO and the Acting Director of Workforce Development, Aging, and Community Services ("WDACS"),

shall convene representatives of utility and other service providers to seek a commitment from the providers to waive any late fees and forgo service disconnections for Tenants and small businesses who are suffering economic loss and hardship as a result of the COVID-19 pandemic.

- E. The Director of DCBA, the Acting Director of WDACS, and the Executive Director of LACDA shall jointly establish an emergency office dedicated to assisting businesses and employees facing economic instability as a result of the COVID-19 pandemic. The joint emergency office shall be provided all of the necessary resources by DCBA and WDACS, and should include opening a dedicated hotline to assist businesses and employees, web-based and text-based consultations, and multilingual services. The County shall provide technical assistance to businesses and employees seeking to access available programs and insurance, and shall work directly with representatives from the State and federal governments to expedite, to the extent possible, applications and claims filed by County residents.
- F. The Director of DCBA and the Executive Director of LACDA shall assist small businesses in the unincorporated areas in applying for U.S. Small Business Administration ("SBA") loans that the President announced on March 12, 2020. SBA's Economic Injury Disaster Loans offer up to \$2 million in assistance for a small business. These SBA loans can provide vital economic support to small businesses to help overcome the temporary loss of revenue they are experiencing.
- G. The Executive Director of LACDA, or his designee, is hereby delegated authority to amend existing guidelines for any of its existing federal, State or County funded small business loan programs, including the Community Development Block Grant ("CDBG") matching funds, and to execute all related documents to best meet the needs of small businesses being impacted by COVID-19, consistent with guidance provided by the U.S. Economic Development Administration in a memorandum dated March 16, 2020, to Revolving Loan Fund ("RLF") Grantees for the purpose of COVID-19 and temporary deviations to RLF Administrative Plans, following approvals as to form by County Counsel.
- H. The Acting Director of WDACS shall work with the State of California, Employment Development Department, to identify additional funding and technical assistance for dislocated workers and at-risk businesses suffering economic hardship as a result of the COVID-19 pandemic. Technical assistance shall include, but not necessarily be limited to: assistance for affected workers in applying for unemployment insurance, disability insurance and paid family leave; additional business assistance for lay-off aversion and rapid response; and additional assistance to mitigate worker hardship as a result of reduced work hours or job loss due to the COVID-19 pandemic.

- I. The Director of DCBA and the Acting Director of WDACS, in collaboration with the CEO and the Executive Director of LACDA, shall create a digital toolkit for small businesses and employees to assist them in accessing available resources, including, but not limited to, disaster loans, unemployment insurance, paid family leave, disability insurance, and layoff aversion programs.
 - J. The CEO's Center for Strategic Partnerships, in collaboration with the DCBA and its Office of Immigrant Affairs, and the Acting Director of WDACS, shall convene philanthropic partners to identify opportunities to enhance resources available to all small business owners and employees who may be unable or fearful to access federal and State disaster resources, including immigrants.
 - K. The Executive Director of the Office of Immigrant Affairs, the CEO's Women + Girls Initiative, and the Department of Public Health's Center for Health Equity shall consult on the above directives to provide an immigration, gender, and health equity lens to inform the delivery of services and outreach.
 - L. The Director of DCBA, the Acting Director of WDACS, and the Executive Director of LACDA, or their respective designees, shall have the authority to enter into agreements with partner agencies and municipalities and hire and execute contracts for consultants, contractors, and other services, as needed, to provide consumer, tenant, and worker protections and support small businesses during the stated emergency to accomplish the above directives.
- XIV.** This Resolution shall take effect immediately upon its passage. Except as otherwise indicated, all provisions stated herein shall apply commencing March 4, 2020, and shall remain in effect until September 30, 2021, unless extended or repealed by the Board of Supervisors. This Resolution supersedes all previously issued resolutions and executive orders concerning an eviction moratorium or rent freeze within the County. It shall be superseded only by a duly enacted ordinance or resolution of the Board or a further executive order issued pursuant to Section 2.68.150 of the County Code.
- XV. Severability.** If any provision of this Resolution or the application thereof to any person, property, or circumstance, is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision(s) or application, and to this end, the provisions of this Resolution are declared to be severable.
- XVI. Waiver Prohibited.** Any waiver of rights under this Moratorium shall be void as contrary to public policy.

The foregoing Resolution Further Amending and Restating the Executive Order for an Eviction Moratorium was adopted on the 22nd day of June 2021, by the Board of Supervisors of the County of Los Angeles.



Board of Supervisors of the
County of Los Angeles

By Hilda F. Solis
Chair

APPROVED AS TO FORM:

RODRIGO A. CASTRO-SILVA
County Counsel

By: Behnaz Tashakorian
Deputy

ATTEST: CELIA ZAVALA
EXECUTIVE OFFICER
CLERK OF THE BOARD OF SUPERVISORS
By: La Chelle Smithman Deputy

Attachment C

Al Fresco Dining and Retail Pilot Program: Temporary Use Permit, Encroachment Permit, Parking and Sidewalk Dining Permit Requirements

The Planning Director, or their designee, shall have the authority to review and approve a Temporary Use Permit (TUP) for temporary outdoor dining and retail activities in accordance with South Pasadena Municipal Code (SPMC) Section 36.410.059. The Public Works Director, or their designee, shall have the authority to review and approve all Sidewalk Dining Permits. Use of on-street parking or street closures will be subject to a Temporary Encroachment Permit issued by the Public Works Department. The Public Works Director, or their designee, shall have the authority to review and approve the temporary use of the public right-of-way, including the parking lane, for outdoor dining and retail purposes. All temporary outdoor dining and retail activities (including personal services and health/fitness facilities) shall adhere to all applicable requirements set forth in the latest COVID-19 related order issued by the Los Angeles County Department of Public Health. All COVID-19-related permits will expire 90 days after the City's Local Emergency Declaration has been lifted.

Parking and Loading Spaces Reduction

A temporary reduction of up to 50% of existing private parking or loading spaces, or as approved by the Planning Director, may be permitted to accommodate additional outdoor dining or retail activities under this program. The Public Works Director, or their designee, shall have the authority to review and approve the temporary use of the public right-of-way, including the parking lane, for outdoor dining and retail purposes. The use of a parking lane will be subject to mitigation measures, including the use of K-rated cement barricades, as outlined in a traffic management plan.

Outdoor Dining

- A. Review requirement. A Temporary Use Permit is required for temporary outdoor dining or seating area for restaurants or other establishments with a public eating license. A TUP application for temporary outdoor dining or seating area shall contain a proposed site plan which shall identify the areas dedicated for outdoor dining and the maximum seating capacity for the outdoor dining area in accordance with applicable Public Health requirements. The following standards from the SPMC Section 36.350.130 (Outdoor Dining), as modified, shall be followed.
- B. Location requirements.
 1. Patron tables and other outdoor dining area components shall be located on the same site as the other facilities of the restaurant or within nearby public right-of-way.
 2. All seating shall ensure enough space to adhere to the appropriate social distancing protocols.
 3. If any portion of the outdoor dining area is to be located within a public right-of-way, an Encroachment Permit shall be obtained in compliance with the Municipal Code concurrent with the approval of a Temporary Use Permit for the outdoor dining area; or if the outdoor dining area is to be located within a sidewalk a Sidewalk Dining Permit shall be obtained.
 4. When located immediately adjacent to a residential use, provisions shall be made to minimize noise, light, and odor impacts on the residential use.

- C. Hours of operation. The hours and days of operation of the outdoor dining area shall not exceed the hours and days of operation of the primary business and shall be identified in the approved Temporary Use Permit.
- D. Lighting. Illuminated outdoor dining areas shall not result in glare onto, or direct illumination of, any residential property or use, in compliance with Section 36.300.090 (Outdoor Lighting).
- E. Alcoholic beverage sales. A restaurant that proposes to serve alcoholic beverages within an outdoor dining area shall comply with the standards established by the State Department of Alcoholic Beverage Control. The dining area shall be:
 - 1. Physically defined and clearly a part of the restaurant it serves; and
 - 2. Supervised by a restaurant employee to ensure compliance with laws regarding the on-site consumption of alcoholic beverages.
- F. Operating requirements.
 - 1. Clean-up facilities and maintenance. Outdoor dining areas shall be kept in a clean condition and free of litter and food items which constitute a nuisance to public health, safety, and welfare.
 - 2. Outdoor cooking. Cooking within an outdoor dining area may occur only with Administrative Use Permit approval issued by the Planning Director.
 - 3. Placement of tables. Tables shall be placed only in the locations shown on the approved site plan.
- G. Design compatibility. The following standards are intended to ensure compatibility with surrounding uses and a high standard of design quality wherever possible.
 - 1. Outdoor dining areas and associated structural elements, awnings, covers, furniture, umbrellas, or other physical elements which are visible from the public rights-of-way, shall be compatible with the overall design of the main structures.
 - 2. The use of awnings, plants, umbrellas, and other human scale elements is encouraged to enhance the pedestrian experience.
 - 3. The relationship of outdoor dining areas to churches, hospitals, public schools, and residential uses shall be considered by the Planning Director. Proper mitigation measures should be applied to eliminate potential impacts related to glare, light, loitering, and noise.
 - 4. Outdoor dining areas shall maintain adequate vehicular or pedestrian traffic flow.
- H. Additional standards. At the discretion of the Planning Director, the following additional standards may apply to outdoor dining areas. The applicability of these standards shall be specified in the permit approving the outdoor seating area.
 - 1. Amplified sound and music may be prohibited within the outdoor dining area.
 - 2. A sound buffering, acoustic wall may be required along property lines adjacent to the outdoor dining area. The design and height of the wall shall be approved by the Planning Director.

Outdoor Display and Retail Activities.

- A. Accessory outdoor display. Outdoor displays incidental and complementary to an allowed use on commercially or publicly zoned parcels shall be subject to the approval of a Temporary Use Permit approved by the Director, and all of the following standards, as modified from SPMC Section 36.350.140.
 - 1. Outdoor displays shall be:

- a. Compliant with to the appropriate social distancing protocols established by the Los Angeles County Department of Public Health.
 - b. Approved with a defined fixed location that does not disrupt the normal function of the site or its circulation, and does not encroach upon driveways, landscaped areas, or parking spaces, unless otherwise authorized by the Public Works Director, or their designee. Displays shall not obstruct traffic safety sight areas or otherwise create hazards for vehicle or pedestrian traffic. They shall also be placed so that the clear space for the passage of pedestrians upon the sidewalk is not reduced to less than six feet on minor arterials and eight feet on major arterials. All placement within the public right-of-way shall require the approval of a Temporary Encroachment Permit issued by the Public Works Director.
 - c. Directly related to a business occupying a permanent structure on the same site, and shall display only goods of the primary business on the same site, provided that display may extend into or enter over any public sidewalk by a maximum of two feet, where authorized by a Temporary Encroachment Permit issued by the Public Works Director;
 - d. Limited to the hours of operation of the business, be portable and removed from public view at the close of each business day.
 - e. Managed so that display structures and goods are maintained at all times in a clean and neat condition, and in good repair;
 - f. All temporary displays shall ensure enough space to adhere to the appropriate social distancing protocols; and
 - g. Placed to not block structure entrances and on-site driveways.
2. Outdoor displays shall not be:
- a. Placed within 100 feet of any residential dwelling, except for mixed-use projects; or
 - b. Placed so as to impede or interfere with the reasonable use of the store front windows for display purposes.

Attachment D

ANALYSIS

This ordinance adds to the Los Angeles County COVID-19 Worker Protection Ordinance by adding Chapter 8.203 to Title 8 – Consumer Protection, Business and Wage Regulations – of the Los Angeles County Code, establishing a cap on fees that a food delivery platform may charge to restaurants and requiring disclosures to be made by the food delivery platform to customers.

MARY C. WICKHAM
County Counsel

By 

JASON CARNEVALE
Deputy County Counsel
Government Services Division

JC:eb

Requested: 6/9/20
Revised: 7/14/20

ORDINANCE NO. _____

An ordinance adding Chapter 8.203 (Food Delivery Platforms) to Division 5 – COVID-19 Worker Protections of Title 8 – Consumer Protection, Business and Wage Regulations of the Los Angeles County Code, establishing a cap on fees that a food delivery platform may charge to restaurants and requiring disclosures to be made by the food delivery platform to customers.

The Board of Supervisors of the County of Los Angeles ordains as follows:

SECTION 1. Chapter 8.203 is hereby added to read as follows:

Chapter 8.203 COVID – 19 Food Delivery Platforms

8.203.010 Purpose.

8.203.020 Definitions.

8.203.030 Prohibitions.

8.203.040 Disclosures.

8.203.050 Enforcement.

8.203.060 No Waiver of Rights.

8.203.060 Severability.

8.203.070 Report.

8.203.010 Purpose.

As a result of the COVID-19 pandemic, restaurants and food establishments are confronting significant economic insecurity. The Los Angeles County Health Officer's "Safer at Home" orders restricted in-person dining at restaurants leading to a surge in the use of third-party food delivery platforms. In addition to fees that may be charged to

the customer, the food delivery platforms also charge restaurants and food establishments fees, which may not be obvious or transparent to the customer. Restaurants and food establishments have limited bargaining power to negotiate lower fees with the food delivery platforms and must accept these fees or risk closure. Restaurants and food establishments are essential to the public health and welfare, particularly during the upheaval resulting from the pandemic. Therefore, the County hereby enacts legal protections for the restaurants and food establishments by addressing the fees that food delivery platforms may charge restaurants and food establishments and requiring disclosure of such fees to customers.

8.203.020 Definitions.

The following definitions shall apply to this Chapter:

- A. "County" means the unincorporated areas of the County of Los Angeles.
- B. "Customer" means any person, firm, or association who makes use of a Food Delivery Platform for the purpose of obtaining Food from a Restaurant.
- C. "Delivery Fee" means a fee charged by a Food Delivery Platform to a Restaurant for the act of delivering the Food from the Restaurant to a Customer. The term does not include any other fee or cost that may be charged by the Food Delivery Platform to a Restaurant, such as listing, subscription, or advertising fees, or fees related to processing an Online Order, including, but not limited to, service fees, fees for facilitating customer pick-up, and credit card processing fees.
- D. "Food" shall have the same meaning as set forth in Section 11.02.250 of the Los Angeles County Code.

E. "Food Delivery Platform" means any person, firm, or association that utilizes an online website, mobile application, or other similar presence to interact with Customers, to act as an intermediary between its Customers and a Restaurant, and offers or arranges for the sale, delivery, or pick-up of Food sold or prepared by a Restaurant located in the County.

F. "Online Order" means an order placed by a Customer through or with the assistance of a Food Delivery Platform, including telephone orders, orders made over the internet through a website, and orders made via a mobile application, for delivery to, or pick-up by, the Customer.

G. "Purchase Price" means the price for the items contained in an Online Order, minus any applicable coupon or promotional discount provided to the Customer by the Restaurant through the Food Delivery Platform. This definition does not include taxes, gratuities, or any other fees or costs that may make up the total amount charged to the Customer of an Online Order.

H. "Restaurant" shall have the same meaning as set forth in Section 8.04.400 of the Los Angeles County Code.

I. "Worker" means any person working for a Food Delivery Platform, including as an employee or an independent contractor.

8.203.030 Prohibitions.

A. It shall be unlawful for a Food Delivery Platform to charge a Restaurant any combination of fees, commissions, or costs that totals more than 20 percent of the

Purchase Price of each Online Order. Fees, commissions, or costs includes a Delivery Fee.

B. It shall be unlawful for a Food Delivery Platform to charge a Restaurant a Delivery Fee that totals more than 15 percent of the Purchase Price of each Online Order.

C. It shall be unlawful for a Food Delivery Platform to charge a Restaurant a Delivery Fee for an Online Order that does not involve the delivery of Food.

D. It shall be unlawful for a Food Delivery Platform to charge a Restaurant any fee, commission, or cost other than as permitted in Subsections A through C, above.

E. It shall be unlawful for a Food Delivery Platform to reduce the compensation, including any tip or gratuity, paid to any Worker as a result of the Prohibitions in this Chapter.

8.203.040 Disclosures.

A. A Food Delivery Platform shall disclose to the Customer an accurate, clearly identified, and itemized cost breakdown for each and every Online Order, including the following:

1. The Purchase Price of any Food.
2. Each and every fee, commission, or cost charged to the Customer.
3. Each and every fee, commission, or cost charged to the

Restaurant, including any Delivery Fee.

4. Any tip or gratuity authorized by the Customer to be paid to the Worker delivering the Food.

B. None of the fees, commissions, or costs in Subsection A, above, may be combined together.

8.203.050 Enforcement.

A. A Restaurant, Customer or Worker claiming a violation of this Chapter may bring an action in Superior Court of the State of California against a Food Delivery Platform and may be awarded:

1. All actual damages suffered.
2. Other legal or equitable relief the court may deem appropriate.
3. The court shall award reasonable attorneys' fees and costs to a

Restaurant, Customer, or Worker who prevails in any such enforcement action. If a Restaurant, Customer, or Worker fails to prevail against a Food Delivery Platform, a court may award reasonable attorneys' fees and costs to the Food Delivery Platform upon a determination by the court that the action was frivolous.

B. A civil action alleging a violation of any provision of this Chapter shall commence only after the following requirements have been met:

1. The Restaurant, Customer or Worker provides written notice to the Food Delivery Platform of the specific Section of this Chapter which is alleged to have been violated and the facts to support the alleged violation; and

2. The Food Delivery Platform is provided 45 days from the date of receipt of the written notice to cure any alleged violation.

8.203.060 No Waiver of Rights.

Except for a collective bargaining agreement provision, any waiver by a Worker of any or all provisions of this Chapter shall be deemed contrary to public policy and shall be void and unenforceable. Other than in connection with the bona fide negotiation of a collective bargaining agreement, any request by a Food Delivery Platform to a Worker to waive rights given by this Chapter shall be a violation of this Chapter.

8.203.070 Severability.

If any subsection, sentence, clause or phrase of this Chapter is for any reason held to be invalid or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Chapter. The Board of Supervisors hereby declares that it would have adopted this Chapter and each and every subsection, sentence, clause and phrase thereof not declared invalid or unconstitutional, without regard to whether any portion of the Chapter would be subsequently declared invalid or unconstitutional.

8.203.080 Report.

Within 90 days of the expiration of the "Safer at Home" order issued by the Los Angeles County Health Officer restricting indoor in-person dining at Restaurants, the Chief Executive Office shall report to the Board of Supervisors on the effectiveness of the provisions of this Chapter, recommendations for additional protections that

further the intent of this Chapter, and whether the provisions of this Chapter are still necessary based on the County's recovery from the impacts of the COVID-19 pandemic.

[CH8203CCJC]

Attachment E

Assembly Bill No. 832

CHAPTER 27

An act to amend Sections 789.4, 1788.65, 1788.66, 1942.5, and 3273.1 of the Civil Code, to amend Sections 116.223, 871.10, 871.11, 871.12, 1161.2.5, 1179.02, 1179.03, 1179.03.5, 1179.04, 1179.05, and 1179.07 of, to amend and repeal Section 1161.2 of, and to add and repeal Chapter 6 (commencing with Section 1179.08) of Title 3 of Part 3 of, the Code of Civil Procedure, and to amend Sections 50897, 50897.1, 50897.2, 50897.3, and 50897.4 of, and to add Sections 50897.2.1 and 50897.3.1 to, the Health and Safety Code, relating to tenancy, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 28, 2021. Filed with Secretary of State June 28, 2021.]

LEGISLATIVE COUNSEL'S DIGEST

AB 832, Chiu. COVID-19 relief: tenancy: federal rental assistance.

(1) Existing law prohibits a landlord from interrupting or terminating utility service furnished to a tenant with the intent to terminate the occupancy of the tenant and imposes specified penalties on a landlord who violates that prohibition. Existing law, until July 1, 2021, imposes additional damages in an amount of at least \$1,000, but not more than \$2,500, on a landlord that violates that prohibition if the tenant has provided a declaration of COVID-19 financial distress, as specified.

This bill would extend the imposition of those additional damages until October 1, 2021.

(2) Existing law regulates the activities of a person or entity that has bought charged-off consumer debt, as defined, for collection purposes and the circumstances pursuant to which the person may bring suit. Existing law, until July 1, 2021, prohibits a person from selling or assigning unpaid COVID-19 rental debt, as defined, for the time period between March 1, 2020, and June 30, 2021. Existing law also prohibits a person from selling or assigning unpaid COVID-19 rental debt, as defined, for that same time period of any person who would have qualified for rental assistance funding, provided pursuant to specified federal law, if the person's household income is at or below 80% of the area median income for the 2020 calendar year.

This bill would extend the time period to which both prohibitions against selling or assigning unpaid COVID-19 rental debt apply to September 30, 2021, and would repeal only the general prohibition on October 1, 2021. The bill would extend the calculation of the median income to the 2021 calendar year.

(3) Existing law, until July 1, 2021, prohibits a landlord from bringing an action for unlawful detainer based on a cause of action other than

nonpayment of COVID-19 rental debt, as defined, for the purpose of retaliating against the lessee because the lessee has COVID-19 rental debt.

This bill would extend this provision until October 1, 2021.

(4) Existing law, the COVID-19 Small Landlord and Homeowner Relief Act of 2020, among other things, requires that a mortgage servicer, as defined, that denies a forbearance request during the effective time period provide specified written notice to the borrower, as defined, that sets forth the specific reason or reasons that forbearance was not provided if certain conditions are met. The act defines the “effective time period” to mean the period between the operational date of the act and September 1, 2021.

This bill would extend the “effective time period” until December 1, 2021.

(5) Existing law, until July 1, 2025, provides that a small claims court has jurisdiction in any action for recovery of COVID-19 rental debt, as defined, regardless of the amount demanded. Existing law prohibits the commencement of an action to recover COVID-19 rental debt brought under these provisions before August 1, 2021.

This bill would extend these provisions until October 1, 2025. The bill would also extend the above-described prohibition on commencing an action in small claims court to recover COVID-19 rental debt until November 1, 2021.

(6) Existing law, until July 1, 2027, requires a plaintiff, in an action seeking recovery of COVID-19 rental debt, to attach to the complaint documentation showing that the plaintiff has made a good faith effort to investigate whether governmental rental assistance is available to the tenant, seek governmental rental assistance for the tenant, or cooperate with the tenant’s efforts to obtain rental assistance from any governmental entity or other third party, as specified. Existing law, until July 1, 2027, also authorizes the court to reduce the damages awarded for any amount of COVID-19 rental debt sought if the court determines that the landlord refused to obtain state rental assistance, as described below, if the tenant met the eligibility requirements and funding was available. Existing law creates an exception to that authorization within any jurisdiction that received a direct allocation of assistance from the Secretary of the Treasury pursuant to the federal Consolidated Appropriations Act, 2021 and did not accept a block grant pursuant to the rental assistance program described below, as specified. Existing law requires, subject to a certain exception, an action subject to that provision that was pending as of January 29, 2021, to be stayed until July 1, 2021.

This bill would repeal the exception to the damage reduction authorization described above, would instead require those actions to be stayed until November 1, 2021, and would extend these provisions until October 1, 2027.

Existing law, until July 1, 2025, prohibits a court from awarding attorney’s fees that exceed specified amounts, which vary based on whether the matter is contested or uncontested, in any action to recover COVID-19 rental debt,

as defined, brought as a limited or unlimited civil case under ordinary circumstances, determined as provided.

This bill would extend those provisions until October 1, 2025.

(7) Existing law, in certain actions involving the possession of real property, including unlawful detainer actions, authorizes the clerk to allow access to limited civil case records only to certain persons. Existing law authorizes the clerk to allow access to these records to any person by order of the court, if judgment is entered for the plaintiff after trial more than 60 days after filing the complaint or 60 days after the complaint has been filed, if the plaintiff prevails in the action within 60 days of filing the complaint. Until July 1, 2021, these provisions allowing access to court records to any person do not apply if the plaintiff filed the action between March 4, 2020, and June 30, 2021, and the action is based on the alleged default in the payment of rent. Subject to those provisions, until July 1, 2021, existing law authorizes the clerk to allow access to civil case records for actions seeking recovery of COVID-19 rental debt, as defined, only to certain persons.

This bill would, among other things, extend the exception described above indefinitely and would apply it to actions filed between March 4, 2020, and September 30, 2021, and would extend indefinitely the limitation on access to civil case records for actions seeking recovery of COVID-19 rental debt. The bill would require the Judicial Council to develop forms for parties to utilize in actions brought for recovery of COVID-19 rental debt.

(8) Existing law, the COVID-19 Tenant Relief Act, until July 1, 2025, establishes procedural requirements and limitations on evictions for nonpayment of rent due to COVID-19 rental debt, as defined. The act, among other things, prohibits a tenant that delivers a declaration, under penalty of perjury, of COVID-19-related financial distress from being deemed in default with regard to the COVID-19 rental debt, as specified.

The act requires that a notice that demands payment of COVID-19 rental debt served pursuant to specified law be modified, as provided. The act requires that notices provided between September 1, 2020, and June 3, 2021, comply with certain requirements, including that the notice include certain text. The act requires the Department of Real Estate to make available an official translation of that text into certain languages by no later than February 15, 2021.

This bill would extend the operation of the COVID-19 Tenant Relief Act to October 1, 2025, and would also extend operation of those requirements until September 30, 2021. The bill would also make conforming changes and would require notices described above that are served on or after July 1, 2021, to include certain text. The bill would instead require the Department of Housing and Community Development (HCD) to make available, on or before July 15, 2021, the official translation described above.

(9) Existing law establishes a program for providing rental assistance, using funding made available pursuant to the federal Consolidated Appropriations Act, 2021 (Appropriations Act), administered by HCD. Existing law, among other things, provides for the allocation of block grant

funds to localities, as defined, that meet certain population requirements. Existing law requires an eligible grantee under these provisions to request an allocation from HCD by February 12, 2021, and requires HCD to complete the initial allocation of these funds no later than February 19, 2021. Existing law authorizes eligible uses of funds allocated to grantees under these provisions, consistent with the requirements of the Appropriations Act. Existing law provides that a grantee may provide assistance for rental arrears as a payment directly to a landlord on behalf of an eligible household by entering into an agreement with the landlord, subject to specified conditions, including that compensation be set at 80% of an eligible household's unpaid rental debt accumulated from April 1, 2020, to March 31, 2021. Existing law limits funds used to provide assistance for prospective rent payments for an eligible household to 25% of the eligible household's monthly rent.

This bill would revise and recast those provisions, including revisions to the state allocation of funds. The bill would specify requirements for Round 1 and Round 2 funds, as defined. This bill would, among other things, set the compensation for an eligible household's unpaid rental debt accumulated on or after April 1, 2020 at 100%. This bill would require funds used to provide assistance for prospective rent payments for an eligible household to be set at 100% of the eligible household's monthly rent. The bill would specify requirements for grantees and eligibility for rental assistance.

This bill would enact the COVID-19 Rental Housing Recovery Act, which would, until September 30, 2024, among other things, place certain restrictions on an unlawful detainer action pertaining to residential real property that is based, in whole or in part, on nonpayment of rental debt that accumulated due to COVID-19 hardship, including by prohibiting a court from issuing a summons on a complaint for unlawful detainer that seeks possession of residential real property based on nonpayment of rental debt that accumulated due to COVID-19 hardship unless the plaintiff also files a statement, under penalty of perjury, that the plaintiff attempted to obtain rental assistance pursuant to a program described above and was denied and a copy of a final decision, as defined, from the pertinent government rental assistance program denying a rental assistance application for the property at issue in the case.

Existing law, in a legal action to recover rent or other financial obligations under a lease that accrued between April 1, 2020, and June 30, 2021, requires, before entry of judgment in the plaintiff's favor, the plaintiff to verify certain information, under penalty of perjury, relating to state rental assistance.

This bill would apply those provisions to rent or other financial obligations under a lease that accrued between April 1, 2020, and September 30, 2021.

By expanding the scope of the crime of perjury, the bill would impose a state-mandated local program.

(10) 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.

(11) Existing constitutional provisions require that a statute that limits the right of access to the meetings of public bodies or the writings of public officials and agencies be adopted with findings demonstrating the interest protected by the limitation and the need for protecting that interest.

This bill would make legislative findings to that effect.

(12) This bill would declare that it is to take effect immediately as an urgency statute.

The people of the State of California do enact as follows:

SECTION 1. Section 789.4 of the Civil Code is amended to read:

789.4. (a) In addition to the damages provided in subdivision (c) of Section 789.3, a landlord who violates Section 789.3, if the tenant has provided a declaration of COVID-19 financial distress pursuant to Section 1179.03 of the Code of Civil Procedure, shall be liable for damages in an amount that is at least one thousand dollars (\$1,000) but not more than two thousand five hundred dollars (\$2,500), as determined by the trier of fact.

(b) This section shall remain in effect until October 1, 2021, and as of that date is repealed.

SEC. 2. Section 1788.65 of the Civil Code is amended to read:

1788.65. (a) Notwithstanding any other law, a person shall not sell or assign any unpaid COVID-19 rental debt, as defined in Section 1179.02 of the Code of Civil Procedure, for the time period between March 1, 2020, and September 30, 2021.

(b) This section shall remain in effect until October 1, 2021, and as of that date is repealed.

SEC. 3. Section 1788.66 of the Civil Code is amended to read:

1788.66. Notwithstanding any other law, a person shall not sell or assign any unpaid COVID-19 rental debt, as defined in Section 1179.02 of the Code of Civil Procedure, for the time period between March 1, 2020, and September 30, 2021, of any person who would have qualified for rental assistance funding provided by the Secretary of the Treasury pursuant to Section 501 of Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260) or Section 3201 of Subtitle B of Title III of the federal American Rescue Plan Act of 2021 (Public Law 117-2), if the person's household income is at or below 80 percent of the area median income for the 2020 or 2021 calendar year.

SEC. 4. Section 1942.5 of the Civil Code, as amended by Section 5 of Chapter 2 of the Statutes of 2021, is amended to read:

1942.5. (a) If the lessor retaliates against the lessee because of the exercise by the lessee of the lessee's rights under this chapter or because of the lessee's complaint to an appropriate agency as to tenantability of a dwelling, and if the lessee of a dwelling is not in default as to the payment of rent, the lessor may not recover possession of a dwelling in any action

or proceeding, cause the lessee to quit involuntarily, increase the rent, or decrease any services within 180 days of any of the following:

(1) After the date upon which the lessee, in good faith, has given notice pursuant to Section 1942, has provided notice of a suspected bed bug infestation, or has made an oral complaint to the lessor regarding tenantability.

(2) After the date upon which the lessee, in good faith, has filed a written complaint, or an oral complaint which is registered or otherwise recorded in writing, with an appropriate agency, of which the lessor has notice, for the purpose of obtaining correction of a condition relating to tenantability.

(3) After the date of an inspection or issuance of a citation, resulting from a complaint described in paragraph (2) of which the lessor did not have notice.

(4) After the filing of appropriate documents commencing a judicial or arbitration proceeding involving the issue of tenantability.

(5) After entry of judgment or the signing of an arbitration award, if any, when in the judicial proceeding or arbitration the issue of tenantability is determined adversely to the lessor.

In each instance, the 180-day period shall run from the latest applicable date referred to in paragraphs (1) to (5), inclusive.

(b) A lessee may not invoke subdivision (a) more than once in any 12-month period.

(c) To report, or to threaten to report, the lessee or individuals known to the landlord to be associated with the lessee to immigration authorities is a form of retaliatory conduct prohibited under subdivision (a). This subdivision shall in no way limit the definition of retaliatory conduct prohibited under this section.

(d) Notwithstanding subdivision (a), it is unlawful for a lessor to increase rent, decrease services, cause a lessee to quit involuntarily, bring an action to recover possession, or threaten to do any of those acts, for the purpose of retaliating against the lessee because the lessee has lawfully organized or participated in a lessees' association or an organization advocating lessees' rights or has lawfully and peaceably exercised any rights under the law. It is also unlawful for a lessor to bring an action for unlawful detainer based on a cause of action other than nonpayment of COVID-19 rental debt, as defined in Section 1179.02 of the Code of Civil Procedure, for the purpose of retaliating against the lessee because the lessee has a COVID-19 rental debt. In an action brought by or against the lessee pursuant to this subdivision, the lessee shall bear the burden of producing evidence that the lessor's conduct was, in fact, retaliatory.

(e) To report, or to threaten to report, the lessee or individuals known to the landlord to be associated with the lessee to immigration authorities is a form of retaliatory conduct prohibited under subdivision (d). This subdivision shall in no way limit the definition of retaliatory conduct prohibited under this section.

(f) This section does not limit in any way the exercise by the lessor of the lessor's rights under any lease or agreement or any law pertaining to the

hiring of property or the lessor's right to do any of the acts described in subdivision (a) or (d) for any lawful cause. Any waiver by a lessee of the lessee's rights under this section is void as contrary to public policy.

(g) Notwithstanding subdivisions (a) to (f), inclusive, a lessor may recover possession of a dwelling and do any of the other acts described in subdivision (a) within the period or periods prescribed therein, or within subdivision (d), if the notice of termination, rent increase, or other act, and any pleading or statement of issues in an arbitration, if any, states the ground upon which the lessor, in good faith, seeks to recover possession, increase rent, or do any of the other acts described in subdivision (a) or (d). If the statement is controverted, the lessor shall establish its truth at the trial or other hearing.

(h) Any lessor or agent of a lessor who violates this section shall be liable to the lessee in a civil action for all of the following:

(1) The actual damages sustained by the lessee.

(2) Punitive damages in an amount of not less than one hundred dollars (\$100) nor more than two thousand dollars (\$2,000) for each retaliatory act where the lessor or agent has been guilty of fraud, oppression, or malice with respect to that act.

(i) In any action brought for damages for retaliatory eviction, the court shall award reasonable attorney's fees to the prevailing party if either party requests attorney's fees upon the initiation of the action.

(j) The remedies provided by this section shall be in addition to any other remedies provided by statutory or decisional law.

(k) A lessor does not violate subdivision (c) or (e) by complying with any legal obligation under any federal government program that provides for rent limitations or rental assistance to a qualified tenant.

(l) This section shall remain in effect until October 1, 2021, and as of that date is repealed.

SEC. 5. Section 1942.5 of the Civil Code, as amended by Section 6 of Chapter 2 of the Statutes of 2021, is amended to read:

1942.5. (a) If the lessor retaliates against the lessee because of the exercise by the lessee of the lessee's rights under this chapter or because of the lessee's complaint to an appropriate agency as to tenantability of a dwelling, and if the lessee of a dwelling is not in default as to the payment of rent, the lessor may not recover possession of a dwelling in any action or proceeding, cause the lessee to quit involuntarily, increase the rent, or decrease any services within 180 days of any of the following:

(1) After the date upon which the lessee, in good faith, has given notice pursuant to Section 1942, has provided notice of a suspected bed bug infestation, or has made an oral complaint to the lessor regarding tenantability.

(2) After the date upon which the lessee, in good faith, has filed a written complaint, or an oral complaint which is registered or otherwise recorded in writing, with an appropriate agency, of which the lessor has notice, for the purpose of obtaining correction of a condition relating to tenantability.

(3) After the date of an inspection or issuance of a citation, resulting from a complaint described in paragraph (2) of which the lessor did not have notice.

(4) After the filing of appropriate documents commencing a judicial or arbitration proceeding involving the issue of tenantability.

(5) After entry of judgment or the signing of an arbitration award, if any, when in the judicial proceeding or arbitration the issue of tenantability is determined adversely to the lessor.

In each instance, the 180-day period shall run from the latest applicable date referred to in paragraphs (1) to (5), inclusive.

(b) A lessee may not invoke subdivision (a) more than once in any 12-month period.

(c) To report, or to threaten to report, the lessee or individuals known to the landlord to be associated with the lessee to immigration authorities is a form of retaliatory conduct prohibited under subdivision (a). This subdivision shall in no way limit the definition of retaliatory conduct prohibited under this section.

(d) Notwithstanding subdivision (a), it is unlawful for a lessor to increase rent, decrease services, cause a lessee to quit involuntarily, bring an action to recover possession, or threaten to do any of those acts, for the purpose of retaliating against the lessee because the lessee has lawfully organized or participated in a lessees' association or an organization advocating lessees' rights or has lawfully and peaceably exercised any rights under the law. In an action brought by or against the lessee pursuant to this subdivision, the lessee shall bear the burden of producing evidence that the lessor's conduct was, in fact, retaliatory.

(e) To report, or to threaten to report, the lessee or individuals known to the landlord to be associated with the lessee to immigration authorities is a form of retaliatory conduct prohibited under subdivision (d). This subdivision shall in no way limit the definition of retaliatory conduct prohibited under this section.

(f) This section does not limit in any way the exercise by the lessor of the lessor's rights under any lease or agreement or any law pertaining to the hiring of property or the lessor's right to do any of the acts described in subdivision (a) or (d) for any lawful cause. Any waiver by a lessee of the lessee's rights under this section is void as contrary to public policy.

(g) Notwithstanding subdivisions (a) to (f), inclusive, a lessor may recover possession of a dwelling and do any of the other acts described in subdivision (a) within the period or periods prescribed therein, or within subdivision (d), if the notice of termination, rent increase, or other act, and any pleading or statement of issues in an arbitration, if any, states the ground upon which the lessor, in good faith, seeks to recover possession, increase rent, or do any of the other acts described in subdivision (a) or (d). If the statement is controverted, the lessor shall establish its truth at the trial or other hearing.

(h) Any lessor or agent of a lessor who violates this section shall be liable to the lessee in a civil action for all of the following:

(1) The actual damages sustained by the lessee.

(2) Punitive damages in an amount of not less than one hundred dollars (\$100) nor more than two thousand dollars (\$2,000) for each retaliatory act where the lessor or agent has been guilty of fraud, oppression, or malice with respect to that act.

(i) In any action brought for damages for retaliatory eviction, the court shall award reasonable attorney's fees to the prevailing party if either party requests attorney's fees upon the initiation of the action.

(j) The remedies provided by this section shall be in addition to any other remedies provided by statutory or decisional law.

(k) A lessor does not violate subdivision (c) or (e) by complying with any legal obligation under any federal government program that provides for rent limitations or rental assistance to a qualified tenant.

(l) This section shall become operative on October 1, 2021.

SEC. 6. Section 3273.1 of the Civil Code is amended to read:

3273.1. For purposes of this title:

(a) (1) "Borrower" means any of the following:

(A) A natural person who is a mortgagor or trustor or a confirmed successor in interest, as defined in Section 1024.31 of Title 12 of the Code of Federal Regulations.

(B) An entity other than a natural person only if the secured property contains no more than four dwelling units and is currently occupied by one or more residential tenants.

(2) "Borrower" shall not include an individual who has surrendered the secured property as evidenced by either a letter confirming the surrender or delivery of the keys to the property to the mortgagee, trustee, beneficiary, or authorized agent.

(3) Unless the property securing the mortgage contains one or more deed-restricted affordable housing units or one or more affordable housing units subject to a regulatory restriction limiting rental rates that is contained in an agreement with a government agency, the following mortgagors shall not be considered a "borrower":

(A) A real estate investment trust, as defined in Section 856 of the Internal Revenue Code.

(B) A corporation.

(C) A limited liability company in which at least one member is a corporation.

(4) "Borrower" shall also mean a person who holds a power of attorney for a borrower described in paragraph (1).

(b) "Effective time period" means the time period between the operational date of this title and December 1, 2021.

(c) (1) "Mortgage servicer" or "lienholder" means a person or entity who directly services a loan or who is responsible for interacting with the borrower, managing the loan account on a daily basis, including collecting and crediting periodic loan payments, managing any escrow account, or enforcing the note and security instrument, either as the current owner of the promissory note or as the current owner's authorized agent.

(2) “Mortgage servicer” or “lienholder” also means a subservicing agent to a master servicer by contract.

(3) “Mortgage servicer” shall not include a trustee, or a trustee’s authorized agent, acting under a power of sale pursuant to a deed of trust.

SEC. 7. Section 116.223 of the Code of Civil Procedure is amended to read:

116.223. (a) The Legislature hereby finds and declares as follows:

(1) There is anticipated to be an unprecedented number of claims arising out of nonpayment of residential rent that occurred between March 1, 2020, and September 30, 2021, related to the COVID-19 pandemic.

(2) These disputes are of special importance to the parties and of significant social and economic consequence collectively as the people of the State of California grapple with the health, economic, and social impacts of the COVID-19 pandemic.

(3) It is essential that the parties have access to a judicial forum to resolve these disputes expeditiously, inexpensively, and fairly.

(4) It is the intent of the Legislature that landlords of residential real property and their tenants have the option to litigate disputes regarding rent which is unpaid for the time period between March 1, 2020, and September 30, 2021, in the small claims court. It is the intent of the Legislature that the jurisdictional limits of the small claims court not apply to these disputes over COVID-19 rental debt.

(b) (1) Notwithstanding paragraph (1) of subdivision (a) Section 116.220, Section 116.221, or any other law, the small claims court has jurisdiction in any action for recovery of COVID-19 rental debt, as defined in Section 1179.02, and any defenses thereto, regardless of the amount demanded.

(2) In an action described in paragraph (1), the court shall reduce the damages awarded for any amount of COVID-19 rental debt sought by payments made to the landlord to satisfy the COVID-19 rental debt, including payments by the tenant, rental assistance programs, or another third party pursuant to paragraph (3) of subdivision (a) of Section 1947.3 of the Civil Code.

(3) An action to recover COVID-19 rental debt, as defined in Section 1179.02, brought pursuant to this subdivision shall not be commenced before November 1, 2021.

(c) Any claim for recovery of COVID-19 rental debt, as defined in Section 1179.02, shall not be subject to Section 116.231, notwithstanding the fact that a landlord of residential rental property may have brought two or more small claims actions in which the amount demanded exceeded two thousand five hundred dollars (\$2,500) in any calendar year.

(d) This section shall remain in effect until October 1, 2025, and as of that date is repealed.

SEC. 8. Section 871.10 of the Code of Civil Procedure is amended to read:

871.10. (a) In any action seeking recovery of COVID-19 rental debt, as defined in Section 1179.02, the plaintiff shall, in addition to any other requirements provided by law, attach to the complaint documentation

showing that the plaintiff has made a good faith effort to investigate whether governmental rental assistance is available to the tenant, seek governmental rental assistance for the tenant, or cooperate with the tenant's efforts to obtain rental assistance from any governmental entity, or other third party pursuant to paragraph (3) of subdivision (a) of Section 1947.3 of the Civil Code.

(b) In an action subject to subdivision (a), the court may reduce the damages awarded for any amount of COVID-19 rental debt, as defined in Section 1179.02, sought if the court determines that the landlord refused to obtain rental assistance from the state rental assistance program created pursuant to Chapter 17 (commencing with Section 50897) of Part 2 of Division 31 of the Health and Safety Code, if the tenant met the eligibility requirements and funding was available.

(c) An action to recover COVID-19 rental debt, as defined in Section 1179.02, that is subject to this section shall not be commenced before November 1, 2021.

(d) Subdivisions (a) through (c), inclusive, shall not apply to an action to recover COVID-19 rental debt, as defined in Section 1179.02, that was pending before the court as of January 29, 2021.

(e) Except as provided in subdivision (g), any action to recover COVID-19 rental debt, as defined in Section 1179.02, that is subject to this section and is pending before the court as of January 29, 2021, shall be stayed until November 1, 2021.

(f) This section shall not apply to any unlawful detainer action to recover possession pursuant to Section 1161.

(g) (1) Actions for breach of contract to recover rental debt that were filed before October 1, 2020, shall not be stayed and may proceed.

(2) This subdivision does not apply to actions filed against any person who would have qualified under the rental assistance funding provided through the Secretary of the Treasury pursuant to Section 501 of Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260) if the person's household income is at or below 80 percent of the area median income for the 2020 or 2021 calendar year.

SEC. 9. Section 871.11 of the Code of Civil Procedure is amended to read:

871.11. (a) Notwithstanding any other law, in any action to recover COVID-19 rental debt, as defined in Section 1179.02, brought as a limited or unlimited civil case, the court shall not, under ordinary circumstances, award reasonable attorneys' fees to a prevailing party that exceed the following amounts:

- (1) If the matter is uncontested, five hundred dollars (\$500).
- (2) If the matter is contested, one thousand dollars (\$1,000).

(b) In determining whether a case was litigated under ordinary circumstances, the court may consider the following:

- (1) The number and complexity of pretrial and posttrial motions.
- (2) The nature and extent of any discovery performed.
- (3) Whether the case was tried by jury or by the court.

(4) The length of the trial.

(5) Any other factor the court, in its discretion, finds relevant, including whether the tenant or the landlord, or both the tenant and the landlord, would have been eligible to receive a rental assistance payment from the governmental entity, or other third party pursuant to paragraph (3) of subdivision (a) of Section 1947.3 of the Civil Code.

(c) Nothing in this section shall be interpreted to entitle the prevailing party to an award of reasonable attorneys' fees if that award is not otherwise provided for by law or agreement.

(d) This section shall remain in effect until October 1, 2025, and as of that date is repealed.

SEC. 10. Section 871.12 of the Code of Civil Procedure is amended to read:

871.12. This chapter shall remain in effect until October 1, 2027, and as of the date is repealed.

SEC. 11. Section 1161.2 of the Code of Civil Procedure, as amended by Section 11 of Chapter 2 of the Statutes of 2021, is amended to read:

1161.2. (a) (1) The clerk shall allow access to limited civil case records filed under this chapter, including the court file, index, and register of actions, only as follows:

(A) To a party to the action, including a party's attorney.

(B) To a person who provides the clerk with the names of at least one plaintiff and one defendant and the address of the premises, including the apartment or unit number, if any.

(C) To a resident of the premises who provides the clerk with the name of one of the parties or the case number and shows proof of residency.

(D) To a person by order of the court, which may be granted ex parte, on a showing of good cause.

(E) Except as provided in subparagraph (G), to any person by order of the court if judgment is entered for the plaintiff after trial more than 60 days since the filing of the complaint. The court shall issue the order upon issuing judgment for the plaintiff.

(F) Except as provided in subparagraph (G), to any other person 60 days after the complaint has been filed if the plaintiff prevails in the action within 60 days of the filing of the complaint, in which case the clerk shall allow access to any court records in the action. If a default or default judgment is set aside more than 60 days after the complaint has been filed, this section shall apply as if the complaint had been filed on the date the default or default judgment is set aside.

(G) (i) In the case of a complaint involving residential property based on Section 1161a as indicated in the caption of the complaint, as required in subdivision (c) of Section 1166, to any other person, if 60 days have elapsed since the complaint was filed with the court, and, as of that date, judgment against all defendants has been entered for the plaintiff, after a trial.

(ii) Subparagraphs (E) and (F) shall not apply if the plaintiff filed the action between March 4, 2020, and September 30, 2021, and the action is based on an alleged default in the payment of rent.

(2) This section shall not be construed to prohibit the court from issuing an order that bars access to the court record in an action filed under this chapter if the parties to the action so stipulate.

(b) (1) For purposes of this section, “good cause” includes, but is not limited to, both of the following:

(A) The gathering of newsworthy facts by a person described in Section 1070 of the Evidence Code.

(B) The gathering of evidence by a party to an unlawful detainer action solely for the purpose of making a request for judicial notice pursuant to subdivision (d) of Section 452 of the Evidence Code.

(2) It is the intent of the Legislature that a simple procedure be established to request the ex parte order described in subparagraph (D) of paragraph (1) of subdivision (a).

(c) Upon the filing of a case so restricted, the court clerk shall mail notice to each defendant named in the action. The notice shall be mailed to the address provided in the complaint. The notice shall contain a statement that an unlawful detainer complaint (eviction action) has been filed naming that party as a defendant, and that access to the court file will be delayed for 60 days except to a party, an attorney for one of the parties, or any other person who (1) provides to the clerk the names of at least one plaintiff and one defendant in the action and provides to the clerk the address, including any applicable apartment, unit, or space number, of the subject premises, or (2) provides to the clerk the name of one of the parties in the action or the case number and can establish through proper identification that the person lives at the subject premises. The notice shall also contain a statement that access to the court index, register of actions, or other records is not permitted until 60 days after the complaint is filed, except pursuant to an order upon a showing of good cause for access. The notice shall contain on its face the following information:

(1) The name and telephone number of the county bar association.

(2) The name and telephone number of any entity that requests inclusion on the notice and demonstrates to the satisfaction of the court that it has been certified by the State Bar of California as a lawyer referral service and maintains a panel of attorneys qualified in the practice of landlord-tenant law pursuant to the minimum standards for a lawyer referral service established by the State Bar of California and Section 6155 of the Business and Professions Code.

(3) The following statement:

“The State Bar of California certifies lawyer referral services in California and publishes a list of certified lawyer referral services organized by county. To locate a lawyer referral service in your county, go to the State Bar’s internet website at www.calbar.ca.gov or call 1-866-442-2529.”

(4) The name and telephone number of an office or offices funded by the federal Legal Services Corporation or qualified legal services projects that receive funds distributed pursuant to Section 6216 of the Business and Professions Code that provide legal services to low-income persons in the county in which the action is filed. The notice shall state that these telephone numbers may be called for legal advice regarding the case. The notice shall be issued between 24 and 48 hours of the filing of the complaint, excluding weekends and holidays. One copy of the notice shall be addressed to “all occupants” and mailed separately to the subject premises. The notice shall not constitute service of the summons and complaint.

(5) The following statement, for a notice sent out pursuant to this section between October 1, 2021 and March 31, 2022:

“IMPORTANT NOTICE FROM THE STATE OF CALIFORNIA – YOU MUST TAKE ACTION TO AVOID AN EVICTION: As part of the state’s COVID-19 relief plan, money has been set aside to help renters who have fallen behind on rent or utility payments.

If you are behind on rent or utility payments, YOU SHOULD COMPLETE A RENTAL ASSISTANCE APPLICATION IMMEDIATELY! It is free and simple to apply. Citizenship or immigration status does not matter.

You can find out how to start your application by calling 1-833-430-2122 or visiting <http://housingiskey.com> right away.”

(d) Notwithstanding any other law, the court shall charge an additional fee of fifteen dollars (\$15) for filing a first appearance by the plaintiff. This fee shall be added to the uniform filing fee for actions filed under this chapter.

(e) This section does not apply to a case that seeks to terminate a mobilehome park tenancy if the statement of the character of the proceeding in the caption of the complaint clearly indicates that the complaint seeks termination of a mobilehome park tenancy.

(f) This section does not alter any provision of the Evidence Code.

SEC. 12. Section 1161.2 of the Code of Civil Procedure, as amended by Section 12 of Chapter 2 of the Statutes of 2021, is repealed.

SEC. 13. Section 1161.2.5 of the Code of Civil Procedure is amended to read:

1161.2.5. (a) (1) Except as provided in Section 1161.2, the clerk shall allow access to civil case records for actions seeking recovery of COVID-19 rental debt, as defined in Section 1179.02, including the court file, index, and register of actions, only as follows:

(A) To a party to the action, including a party’s attorney.

(B) To a person who provides the clerk with the names of at least one plaintiff and one defendant.

(C) To a resident of the premises for which the COVID-19 rental debt is owed who provides the clerk with the name of one of the parties or the case number and shows proof of residency.

(D) To a person by order of the court, which may be granted ex parte, on a showing of good cause.

(2) To give the court notice that access to the records in an action is limited, any complaint or responsive pleading in a case subject to this section shall include on either the first page of the pleading or a cover page, the phrase “ACTION FOR RECOVERY OF COVID-19 RENTAL DEBT AS DEFINED UNDER SECTION 1179.02” in bold, capital letters, in 12 point or larger font.

(3) The Judicial Council shall develop forms for parties to utilize in actions brought pursuant to Section 116.223 and in civil actions for recovery of COVID-19 rental debt as defined in Section 1179.02. The forms shall provide prominent notice on the first page that access to the records in the case is limited pursuant to this section.

(b) (1) For purposes of this section, “good cause” includes, but is not limited to, both of the following:

(A) The gathering of newsworthy facts by a person described in Section 1070 of the Evidence Code.

(B) The gathering of evidence by a party to a civil action solely for the purpose of making a request for judicial notice pursuant to subdivision (d) of Section 452 of the Evidence Code.

(2) It is the intent of the Legislature that a simple procedure be established to request the ex parte order described in subparagraph (D) of paragraph (1) of subdivision (a).

(c) This section does not alter any provision of the Evidence Code.

SEC. 14. Section 1179.02 of the Code of Civil Procedure is amended to read:

1179.02. For purposes of this chapter:

(a) “Covered time period” means the time period between March 1, 2020, and September 30, 2021.

(b) “COVID-19-related financial distress” means any of the following:

(1) Loss of income caused by the COVID-19 pandemic.

(2) Increased out-of-pocket expenses directly related to performing essential work during the COVID-19 pandemic.

(3) Increased expenses directly related to the health impact of the COVID-19 pandemic.

(4) Childcare responsibilities or responsibilities to care for an elderly, disabled, or sick family member directly related to the COVID-19 pandemic that limit a tenant’s ability to earn income.

(5) Increased costs for childcare or attending to an elderly, disabled, or sick family member directly related to the COVID-19 pandemic.

(6) Other circumstances related to the COVID-19 pandemic that have reduced a tenant’s income or increased a tenant’s expenses.

(c) “COVID-19 rental debt” means unpaid rent or any other unpaid financial obligation of a tenant under the tenancy that came due during the covered time period.

(d) “Declaration of COVID-19-related financial distress” means the following written statement:

I am currently unable to pay my rent or other financial obligations under the lease in full because of one or more of the following:

1. Loss of income caused by the COVID-19 pandemic.
2. Increased out-of-pocket expenses directly related to performing essential work during the COVID-19 pandemic.
3. Increased expenses directly related to health impacts of the COVID-19 pandemic.
4. Childcare responsibilities or responsibilities to care for an elderly, disabled, or sick family member directly related to the COVID-19 pandemic that limit my ability to earn income.
5. Increased costs for childcare or attending to an elderly, disabled, or sick family member directly related to the COVID-19 pandemic.
6. Other circumstances related to the COVID-19 pandemic that have reduced my income or increased my expenses.

Any public assistance, including unemployment insurance, pandemic unemployment assistance, state disability insurance (SDI), or paid family leave, that I have received since the start of the COVID-19 pandemic does not fully make up for my loss of income and/or increased expenses.

Signed under penalty of perjury:

Dated:

(e) "Landlord" includes all of the following or the agent of any of the following:

- (1) An owner of residential real property.
- (2) An owner of a residential rental unit.
- (3) An owner of a mobilehome park.
- (4) An owner of a mobilehome park space or lot.

(f) "Protected time period" means the time period between March 1, 2020, and August 31, 2020.

(g) "Rental payment" means rent or any other financial obligation of a tenant under the tenancy.

(h) "Tenant" means any natural person who hires real property except any of the following:

- (1) Tenants of commercial property, as defined in subdivision (c) of Section 1162 of the Civil Code.
- (2) Those persons whose occupancy is described in subdivision (b) of Section 1940 of the Civil Code.

(i) "Transition time period" means the time period between September 1, 2020, and September 30, 2021.

SEC. 15. Section 1179.03 of the Code of Civil Procedure is amended to read:

1179.03. (a) (1) Any notice that demands payment of COVID-19 rental debt served pursuant to subdivision (e) of Section 798.56 of the Civil Code or paragraph (2) or (3) of Section 1161 shall be modified as required by this section. A notice which does not meet the requirements of this section, regardless of when the notice was issued, shall not be sufficient to establish a cause of action for unlawful detainer or a basis for default judgment.

(2) Any case based solely on a notice that demands payment of COVID-19 rental debt served pursuant to subdivision (e) of Section 798.56 of the Civil Code or paragraph (2) or (3) of Section 1161 may be dismissed if the notice does not meet the requirements of this section, regardless of when the notice was issued.

(3) Notwithstanding paragraphs (1) and (2), this section shall have no effect if the landlord lawfully regained possession of the property or obtained a judgment for possession of the property before the operative date of this section.

(b) If the notice demands payment of rent that came due during the protected time period, as defined in Section 1179.02, the notice shall comply with all of the following:

(1) The time period in which the tenant may pay the amount due or deliver possession of the property shall be no shorter than 15 days, excluding Saturdays, Sundays, and other judicial holidays.

(2) The notice shall set forth the amount of rent demanded and the date each amount became due.

(3) The notice shall advise the tenant that the tenant cannot be evicted for failure to comply with the notice if the tenant delivers a signed declaration of COVID-19-related financial distress to the landlord on or before the date that the notice to pay rent or quit or notice to perform covenants or quit expires, by any of the methods specified in subdivision (f).

(4) The notice shall include the following text in at least 12-point font:

“NOTICE FROM THE STATE OF CALIFORNIA: If you are unable to pay the amount demanded in this notice, and have decreased income or increased expenses due to COVID-19, your landlord will not be able to evict you for this missed payment if you sign and deliver the declaration form included with your notice to your landlord within 15 days, excluding Saturdays, Sundays, and other judicial holidays, but you will still owe this money to your landlord. If you do not sign and deliver the declaration within this time period, you may lose the eviction protections available to you. You must return this form to be protected. You should keep a copy or picture of the signed form for your records.

You will still owe this money to your landlord and can be sued for the money, but you cannot be evicted from your home if you comply with these requirements. You should keep careful track of what you have paid and any amount you still owe to protect your rights and avoid future disputes. Failure to respond to this notice may result in an unlawful detainer action (eviction) being filed against you.

For information about legal resources that may be available to you, visit lawhelpca.org.”

(c) If the notice demands payment of rent that came due during the transition time period, as defined in Section 1179.02, the notice shall comply with all of the following:

(1) The time period in which the tenant may pay the amount due or deliver possession of the property shall be no shorter than 15 days, excluding Saturdays, Sundays, and other judicial holidays.

(2) The notice shall set forth the amount of rent demanded and the date each amount became due.

(3) The notice shall advise the tenant that the tenant will not be evicted for failure to comply with the notice, except as allowed by this chapter, if the tenant delivers a signed declaration of COVID-19-related financial distress to the landlord on or before the date the notice to pay rent or quit or notice to perform covenants or quit expires, by any of the methods specified in subdivision (f).

(4) For notices served before February 1, 2021, the notice shall include the following text in at least 12-point type:

“NOTICE FROM THE STATE OF CALIFORNIA: If you are unable to pay the amount demanded in this notice, and have decreased income or increased expenses due to COVID-19, you may sign and deliver the declaration form included with your notice to your landlord within 15 days, excluding Saturdays, Sundays, and other judicial holidays, and your landlord will not be able to evict you for this missed payment so long as you make the minimum payment (see below). You will still owe this money to your landlord. You should keep a copy or picture of the signed form for your records.

If you provide the declaration form to your landlord as described above AND, on or before January 31, 2021, you pay an amount that equals at least 25 percent of each rental payment that came due or will come due during the period between September 1, 2020, and January 31, 2021, that you were unable to pay as a result of decreased income or increased expenses due to COVID-19, your landlord cannot evict you. Your landlord may require you to submit a new declaration form for each rental payment that you do not pay that comes due between September 1, 2020, and January 31, 2021.

For example, if you provided a declaration form to your landlord regarding your decreased income or increased expenses due to COVID-19 that prevented you from making your rental payment in September and October of 2020, your landlord could not evict you if, on or before January 31, 2021, you made a payment equal to 25 percent of September’s and October’s rental payment (i.e., half a month’s rent). If you were unable to pay any of the rental payments that came due between September 1, 2020, and January 31, 2021, and you provided your landlord with the declarations in response to each 15-day notice your landlord sent to you during that time period, your landlord could not evict you if, on or before January 31, 2021, you paid your landlord an amount equal to 25 percent of all the rental payments due from September through January (i.e., one and a quarter month’s rent).

You will still owe the full amount of the rent to your landlord, but you cannot be evicted from your home if you comply with these requirements. You should keep careful track of what you have paid and any amount you still owe to protect your rights and avoid future disputes. Failure to respond to this notice may result in an unlawful detainer action (eviction) being filed against you.

For information about legal resources that may be available to you, visit lawhelpca.org.”

(5) For notices served on or after February 1, 2021, and before July 1, 2021, the notice shall include the following text in at least 12-point type:

“NOTICE FROM THE STATE OF CALIFORNIA: If you are unable to pay the amount demanded in this notice, and have decreased income or increased expenses due to COVID-19, you may sign and deliver the declaration form included with your notice to your landlord within 15 days, excluding Saturdays, Sundays, and other judicial holidays, and your landlord will not be able to evict you for this missed payment so long as you make the minimum payment (see below). You will still owe this money to your landlord. You should keep a copy or picture of the signed form for your records.

If you provide the declaration form to your landlord as described above AND, on or before June 30, 2021, you pay an amount that equals at least 25 percent of each rental payment that came due or will come due during the period between September 1, 2020, and June 30, 2021, that you were unable to pay as a result of decreased income or increased expenses due to COVID-19, your landlord cannot evict you. Your landlord may require you to submit a new declaration form for each rental payment that you do not pay that comes due between September 1, 2020, and June 30, 2021.

If you were unable to pay any of the rental payments that came due between September 1, 2020, and June 30, 2021, and you provided your landlord with the declarations in response to each 15-day notice your landlord sent to you during that time period, your landlord could not evict you if, on or before June 30, 2021, you paid your landlord an amount equal to 25 percent of all the rental payments due from September 2020 through June 2021.

You will still owe the full amount of the rent to your landlord, but you cannot be evicted from your home if you comply with these requirements. You should keep careful track of what you have paid and any amount you still owe to protect your rights and avoid future disputes. Failure to respond to this notice may result in an unlawful detainer action (eviction) being filed against you.

YOU MAY QUALIFY FOR RENTAL ASSISTANCE. In addition to extending these eviction protections, the State of California, in partnership with federal and local governments, has created an emergency rental assistance program to assist renters who have been unable to pay their rent and utility bills as a result of the COVID-19 pandemic. This program may be able to help you get caught up with past-due rent. Additionally, depending on the availability of funds, the program may also be able to assist you with making future rental payments.

While not everyone will qualify for this assistance, you can apply for it regardless of your citizenship or immigration status. There is no charge to apply for or receive this assistance.

Additional information about the extension of the COVID-19 Tenant Relief Act and new state or local rental assistance programs, including more information about how to qualify for assistance, can be found by visiting <http://housingiskey.com> or by calling 1-833-422-4255.

(6) For notices served on or after July 1, 2021, the notice shall include the following text in at least 12-point type:

NOTICE FROM THE STATE OF CALIFORNIA – YOU MUST TAKE ACTION TO AVOID EVICTION. If you are unable to pay the amount demanded in this notice because of the COVID-19 pandemic, you should take action right away.

IMMEDIATELY: Sign and return the declaration form included with your notice to your landlord within 15 days, excluding Saturdays, Sundays, and other judicial holidays. Sign and return the declaration even if you have done this before. You should keep a copy or a picture of the signed form for your records.

BEFORE SEPTEMBER 30, 2021: Pay your landlord at least 25 percent of any rent you missed between September 1, 2020, and September 30, 2021. If you need help paying that amount, apply for rental assistance. You will still owe the rest of the rent to your landlord, but as long as you pay 25 percent by September 30, 2021, your landlord will not be able to evict you for failing to pay the rest of the rent. You should keep careful track of what you have paid and any amount you still owe to protect your rights and avoid future disputes.

AS SOON AS POSSIBLE: Apply for rental assistance! As part of California’s COVID-19 relief plan, money has been set aside to help renters who have fallen behind on rent or utility payments. If you are behind on rent or utility payments, **YOU SHOULD COMPLETE A RENTAL ASSISTANCE APPLICATION IMMEDIATELY!** It is free and simple to apply. Citizenship or immigration status does not matter. You can find out how to start your application by calling 1-833-430-2122 or visiting <http://housingiskey.com> right away.

(d) An unsigned copy of a declaration of COVID-19-related financial distress shall accompany each notice delivered to a tenant to which subdivision (b) or (c) is applicable. If the landlord was required, pursuant to Section 1632 of the Civil Code, to provide a translation of the rental contract or agreement in the language in which the contract or agreement was negotiated, the landlord shall also provide the unsigned copy of a declaration of COVID-19-related financial distress to the tenant in the language in which the contract or agreement was negotiated. The Department of Housing and Community Development shall make available an official translation of the text required by paragraph (4) of subdivision (b) and paragraphs (4) to (6), inclusive, of subdivision (c) in the languages specified in Section 1632 of the Civil Code by no later than July 15, 2021.

(e) If a tenant owes a COVID-19 rental debt to which both subdivisions (b) and (c) apply, the landlord shall serve two separate notices that comply with subdivisions (b) and (c), respectively.

(f) A tenant may deliver the declaration of COVID-19-related financial distress to the landlord by any of the following methods:

(1) In person, if the landlord indicates in the notice an address at which the declaration may be delivered in person.

(2) By electronic transmission, if the landlord indicates an email address in the notice to which the declaration may be delivered.

(3) Through United States mail to the address indicated by the landlord in the notice. If the landlord does not provide an address pursuant to subparagraph (1), then it shall be conclusively presumed that upon the mailing of the declaration by the tenant to the address provided by the landlord, the declaration is deemed received by the landlord on the date posted, if the tenant can show proof of mailing to the address provided by the landlord.

(4) Through any of the same methods that the tenant can use to deliver the payment pursuant to the notice if delivery of the declaration by that method is possible.

(g) Except as provided in Section 1179.02.5, the following shall apply to a tenant who, within 15 days of service of the notice specified in subdivision (b) or (c), excluding Saturdays, Sundays, and other judicial holidays, demanding payment of COVID-19 rental debt delivers a declaration of COVID-19-related financial distress to the landlord by any of the methods provided in subdivision (f):

(1) With respect to a notice served pursuant to subdivision (b), the tenant shall not then or thereafter be deemed to be in default with regard to that COVID-19 rental debt for purposes of subdivision (e) of Section 798.56 of the Civil Code or paragraphs (2) and (3) of Section 1161.

(2) With respect to a notice served pursuant to subdivision (c), the following shall apply:

(A) Except as provided by subparagraph (B), the landlord may not initiate an unlawful detainer action before October 1, 2021.

(B) A tenant shall not be guilty of unlawful detainer, now or in the future, based upon nonpayment of COVID-19 rental debt that came due during the transition period if, on or before September 30, 2021, the tenant tenders one or more payments that, when taken together, are of an amount equal to or not less than 25 percent of each transition period rental payment demanded in one or more notices served pursuant to subdivision (c) and for which the tenant complied with this subdivision by timely delivering a declaration of COVID-19-related financial distress to the landlord.

(h) (1) (A) Within the time prescribed in Section 1167, a tenant shall be permitted to file a signed declaration of COVID-19-related financial distress with the court.

(B) If the tenant files a signed declaration of COVID-19-related financial distress with the court pursuant to this subdivision, the court shall dismiss the case, pursuant to paragraph (2), if the court finds, after a noticed hearing on the matter, that the tenant's failure to return a declaration of COVID-19-related financial distress within the time required by subdivision (g) was the result of mistake, inadvertence, surprise, or excusable neglect, as those terms have been interpreted under subdivision (b) of Section 473.

(C) The noticed hearing required by this paragraph shall be held with not less than five days' notice and not more than 10 days' notice, to be given by the court, and may be held separately or in conjunction with any regularly noticed hearing in the case, other than a trial.

(2) If the court dismisses the case pursuant to paragraph (1), that dismissal shall be without prejudice as follows:

(A) If the case was based in whole or in part upon a notice served pursuant to subdivision (b), the court shall dismiss any cause of action based on the notice served pursuant to subdivision (b).

(B) Before October 1, 2021, if the case is based in whole or in part on a notice served pursuant to subdivision (c), the court shall dismiss any cause of action based on the notice served pursuant to subdivision (c).

(C) On or after October 1, 2021, if the case is based in whole or in part on a notice served pursuant to subdivision (c), the court shall dismiss any cause of action based upon the notice served pursuant to subdivision (c) if the tenant, within five days of the court's order to do so, makes the payment required by subparagraph (B) of paragraph (2) of subdivision (g), provided that if the fifth day falls on a Saturday, Sunday, or judicial holiday the last day to pay shall be extended to the next court day.

(3) If the court dismisses the case pursuant to this subdivision, the tenant shall not be considered the prevailing party for purposes of Section 1032, any attorney's fee provision appearing in contract or statute, or any other law.

(i) Notwithstanding any other law, a notice which is served pursuant to subdivision (b) or (c) that complies with the requirements of this chapter and subdivision (e) of Section 798.56 of the Civil Code or paragraphs (2) and (3) of Section 1161, as applicable, need not include specific language required by any ordinance, resolution, regulation, or administrative action adopted by a city, county, or city and county.

SEC. 16. Section 1179.03.5 of the Code of Civil Procedure is amended to read:

1179.03.5. (a) Before October 1, 2021, a court may not find a tenant guilty of an unlawful detainer unless it finds that one of the following applies:

(1) The tenant was guilty of the unlawful detainer before March 1, 2020.

(2) In response to service of a notice demanding payment of COVID-19 rental debt pursuant to subdivision (e) of Section 798.56 of the Civil Code or paragraph (2) or (3) of Section 1161, the tenant failed to comply with the requirements of Section 1179.03.

(3) (A) The unlawful detainer arises because of a termination of tenancy for any of the following:

(i) An at-fault just cause, as defined in paragraph (1) of subdivision (b) of Section 1946.2 of the Civil Code.

(ii) (1) A no-fault just cause, as defined in paragraph (2) of subdivision (b) of Section 1946.2 of the Civil Code, other than intent to demolish or to substantially remodel the residential real property, as defined in subparagraph (D) of paragraph (2) of subdivision (b) of Section 1946.2.

(II) Notwithstanding subclause (I), termination of a tenancy based on intent to demolish or to substantially remodel the residential real property shall be permitted if necessary to maintain compliance with the requirements of Section 1941.1 of the Civil Code, Section 17920.3 or 17920.10 of the Health and Safety Code, or any other applicable law governing the habitability of residential rental units.

(iii) The owner of the property has entered into a contract for the sale of that property with a buyer who intends to occupy the property, and all the requirements of paragraph (8) of subdivision (e) of Section 1946.2 of the Civil Code have been satisfied.

(B) In an action under this paragraph, other than an action to which paragraph (2) also applies, the landlord shall be precluded from recovering COVID-19 rental debt in connection with any award of damages.

(b) (1) This section does not require a landlord to assist the tenant to relocate through the payment of relocation costs if the landlord would not otherwise be required to do so pursuant to Section 1946.2 of the Civil Code or any other law.

(2) A landlord who is required to assist the tenant to relocate pursuant to Section 1946.2 of the Civil Code or any other law, may offset the tenant's COVID-19 rental debt against their obligation to assist the tenant to relocate.

SEC. 17. Section 1179.04 of the Code of Civil Procedure is amended to read:

1179.04. (a) On or before September 30, 2020, a landlord shall provide, in at least 12-point type, the following notice to tenants who, as of September 1, 2020, have not paid one or more rental payments that came due during the protected time period:

“NOTICE FROM THE STATE OF CALIFORNIA: The California Legislature has enacted the COVID-19 Tenant Relief Act of 2020 which protects renters who have experienced COVID-19-related financial distress from being evicted for failing to make rental payments due between March 1, 2020, and January 31, 2021.

“COVID-19-related financial distress” means any of the following:

1. Loss of income caused by the COVID-19 pandemic.
2. Increased out-of-pocket expenses directly related to performing essential work during the COVID-19 pandemic.
3. Increased expenses directly related to the health impact of the COVID-19 pandemic.
4. Childcare responsibilities or responsibilities to care for an elderly, disabled, or sick family member directly related to the COVID-19 pandemic that limit your ability to earn income.
5. Increased costs for childcare or attending to an elderly, disabled, or sick family member directly related to the COVID-19 pandemic.
6. Other circumstances related to the COVID-19 pandemic that have reduced your income or increased your expenses.

This law gives you the following protections:

1. If you failed to make rental payments due between March 1, 2020, and August 31, 2020, because you had decreased income or increased expenses due to the COVID-19 pandemic, as described above, you cannot be evicted based on this nonpayment.

2. If you are unable to pay rental payments that come due between September 1, 2020, and January 31, 2021, because of decreased income or increased expenses due to the COVID-19 pandemic, as described above, you cannot be evicted if you pay 25 percent of the rental payments missed during that time period on or before January 31, 2021.

You must provide, to your landlord, a declaration under penalty of perjury of your COVID-19-related financial distress attesting to the decreased income or increased expenses due to the COVID-19 pandemic to be protected by the eviction limitations described above. Before your landlord can seek to evict you for failing to make a payment that came due between March 1, 2020, and January 31, 2021, your landlord will be required to give you a 15-day notice that informs you of the amounts owed and includes a blank declaration form you can use to comply with this requirement.

If your landlord has proof of income on file which indicates that your household makes at least 130 percent of the median income for the county where the rental property is located, as published by the Department of Housing and Community Development in the Official State Income Limits for 2020, your landlord may also require you to provide documentation which shows that you have experienced a decrease in income or increase in expenses due to the COVID-19 pandemic. Your landlord must tell you in the 15-day notice whether your landlord is requiring that documentation. Any form of objectively verifiable documentation that demonstrates the financial impact you have experienced is sufficient, including a letter from your employer, an unemployment insurance record, or medical bills, and may be provided to satisfy the documentation requirement.

It is very important you do not ignore a 15-day notice to pay rent or quit or a notice to perform covenants or quit from your landlord. If you are served with a 15-day notice and do not provide the declaration form to your landlord before the 15-day notice expires, you could be evicted. You could also be evicted beginning February 1, 2021, if you owe rental payments due between September 1, 2020, and January 31, 2021, and you do not pay an amount equal to at least 25 percent of the payments missed for that time period.

For information about legal resources that may be available to you, visit lawhelpca.org.”

(b) On or before February 28, 2021, a landlord shall provide, in at least 12-point type, the following notice to tenants who, as of February 1, 2021, have not paid one or more rental payments that came due during the covered time period:

“NOTICE FROM THE STATE OF CALIFORNIA: The California Legislature has enacted the COVID-19 Tenant Relief Act which protects renters who have experienced COVID-19-related financial distress from

being evicted for failing to make rental payments due between March 1, 2020, and June 30, 2021.

“COVID-19-related financial distress” means any of the following:

1. Loss of income caused by the COVID-19 pandemic.
2. Increased out-of-pocket expenses directly related to performing essential work during the COVID-19 pandemic.
3. Increased expenses directly related to the health impact of the COVID-19 pandemic.
4. Childcare responsibilities or responsibilities to care for an elderly, disabled, or sick family member directly related to the COVID-19 pandemic that limit your ability to earn income.
5. Increased costs for childcare or attending to an elderly, disabled, or sick family member directly related to the COVID-19 pandemic.
6. Other circumstances related to the COVID-19 pandemic that have reduced your income or increased your expenses.

This law gives you the following protections:

1. If you failed to make rental payments due between March 1, 2020, and August 31, 2020, because you had decreased income or increased expenses due to the COVID-19 pandemic, as described above, you cannot be evicted based on this nonpayment.
2. If you are unable to pay rental payments that come due between September 1, 2020, and June 30, 2021, because of decreased income or increased expenses due to the COVID-19 pandemic, as described above, you cannot be evicted if you pay 25 percent of the rental payments missed during that time period on or before June 30, 2021.

You must provide, to your landlord, a declaration under penalty of perjury of your COVID-19-related financial distress attesting to the decreased income or increased expenses due to the COVID-19 pandemic to be protected by the eviction limitations described above. Before your landlord can seek to evict you for failing to make a payment that came due between March 1, 2020, and June 30, 2021, your landlord will be required to give you a 15-day notice that informs you of the amounts owed and includes a blank declaration form you can use to comply with this requirement.

If your landlord has proof of income on file which indicates that your household makes at least 130 percent of the median income for the county where the rental property is located, as published by the Department of Housing and Community Development in the Official State Income Limits for 2020, your landlord may also require you to provide documentation which shows that you have experienced a decrease in income or increase in expenses due to the COVID-19 pandemic. Your landlord must tell you in the 15-day notice whether your landlord is requiring that documentation. Any form of objectively verifiable documentation that demonstrates the financial impact you have experienced is sufficient, including a letter from your employer, an unemployment insurance record, or medical bills, and may be provided to satisfy the documentation requirement.

It is very important you do not ignore a 15-day notice to pay rent or quit or a notice to perform covenants or quit from your landlord. If you are served

with a 15-day notice and do not provide the declaration form to your landlord before the 15-day notice expires, you could be evicted. You could also be evicted beginning July 1, 2021 if you owe rental payments due between September 1, 2020, and June 30, 2021, and you do not pay an amount equal to at least 25 percent of the payments missed for that time period.

YOU MAY QUALIFY FOR RENTAL ASSISTANCE. In addition to extending these eviction protections, the State of California, in partnership with federal and local governments, has created an emergency rental assistance program to assist renters who have been unable to pay their rent and utility bills as a result of the COVID-19 pandemic. This program may be able to help you get caught up with past-due rent. Additionally, depending on the availability of funds, the program may also be able to assist you with making future rental payments.

While not everyone will qualify for this assistance, you can apply for it regardless of your citizenship or immigration status. There is no charge to apply for or receive this assistance.

Additional information about the extension of the COVID-19 Tenant Relief Act and new state or local rental assistance programs, including more information about how to qualify for assistance, can be found by visiting <http://housingiskey.com> or by calling 1-833-422-4255.”

(c) On or before July 31, 2021, a landlord shall provide, in at least 12-point type, the following notice to tenants who, as of July 1, 2021, have not paid one or more rental payments that came due during the covered time period:

“NOTICE FROM THE STATE OF CALIFORNIA: The California Legislature has extended the COVID-19 Tenant Relief Act. The law now protects renters who have experienced COVID-19-related financial distress from being evicted for failing to make rental payments due between March 1, 2020, and September 30, 2021.

“COVID-19-related financial distress” means any of the following:

1. Loss of income caused by the COVID-19 pandemic.
2. Increased out-of-pocket expenses directly related to performing essential work during the COVID-19 pandemic.
3. Increased expenses directly related to the health impact of the COVID-19 pandemic.
4. Childcare responsibilities or responsibilities to care for an elderly, disabled, or sick family member directly related to the COVID-19 pandemic that limit your ability to earn income.
5. Increased costs for childcare or attending to an elderly, disabled, or sick family member directly related to the COVID-19 pandemic.
6. Other circumstances related to the COVID-19 pandemic that have reduced your income or increased your expenses.

This law gives you the following protections:

1. If you failed to make rental payments due between March 1, 2020, and August 31, 2020, because you had decreased income or increased expenses

due to the COVID-19 pandemic, as described above, you cannot be evicted based on this nonpayment.

2. If you are unable to pay rental payments that come due between September 1, 2020, and September 30, 2021, because of decreased income or increased expenses due to the COVID-19 pandemic, as described above, you cannot be evicted if you pay 25 percent of the rental payments missed during that time period on or before September 30, 2021.

You must provide, to your landlord, a declaration under penalty of perjury of your COVID-19-related financial distress attesting to the decreased income or increased expenses due to the COVID-19 pandemic to be protected by the eviction limitations described above. Before your landlord can seek to evict you for failing to make a payment that came due between March 1, 2020, and September 30, 2021, your landlord will be required to give you a 15-day notice that informs you of the amounts owed and includes a blank declaration form you can use to comply with this requirement.

If your landlord has proof of income on file that indicates that your household makes at least 130 percent of the median income for the county where the rental property is located, as published by the Department of Housing and Community Development in the Official State Income Limits for 2020, your landlord may also require you to provide documentation that shows that you have experienced a decrease in income or increase in expenses due to the COVID-19 pandemic. Your landlord must tell you in the 15-day notice whether your landlord is requiring that documentation. Any form of objectively verifiable documentation that demonstrates the financial impact you have experienced is sufficient, including a letter from your employer, an unemployment insurance record, or medical bills, and may be provided to satisfy the documentation requirement.

It is very important you do not ignore a 15-day notice to pay rent or quit or a notice to perform covenants or quit from your landlord. If you are served with a 15-day notice and do not provide the declaration form to your landlord before the 15-day notice expires, you could be evicted. You could also be evicted beginning October 1, 2021 if you owe rental payments due between September 1, 2020, and September 30, 2021, and you do not pay an amount equal to at least 25 percent of the payments missed for that time period.

YOU MAY QUALIFY FOR RENTAL ASSISTANCE. In addition to extending these eviction protections, the State of California, in partnership with federal and local governments, has created an emergency rental assistance program to assist renters who have been unable to pay their rent and utility bills as a result of the COVID-19 pandemic. This program may be able to help you get caught up with past-due rent. Additionally, depending on the availability of funds, the program may also be able to assist you with making future rental payments.

While not everyone will qualify for this assistance, you can apply for it regardless of your citizenship or immigration status. There is no charge to apply for or receive this assistance.

Additional information about the extension of the COVID-19 Tenant Relief Act and new state or local rental assistance programs, including more

information about how to qualify for assistance, can be found by visiting <http://housingiskey.com> or by calling 1-833-430-2122.”

(d) The landlord may provide the notice required by subdivisions (a) to (c), inclusive, as applicable, in the manner prescribed by Section 1162 or by mail.

(e) (1) A landlord may not serve a notice pursuant to subdivision (b) or (c) of Section 1179.03 before the landlord has provided the notice required by subdivisions (a) to (c), inclusive, as applicable.

(2) The notice required by subdivision (a) may be provided to a tenant concurrently with a notice pursuant to subdivision (b) or (c) of Section 1179.03 that is served on or before September 30, 2020.

(3) The notice required by subdivision (b) may be provided to a tenant concurrently with a notice pursuant to subdivision (b) or (c) of Section 1179.03 that is served on or before February 28, 2021.

(4) The notice required by subdivision (c) may be provided to a tenant concurrently with a notice pursuant to subdivision (b) or (c) of Section 1179.03 that is served on or before September 30, 2021.

SEC. 18. Section 1179.05 of the Code of Civil Procedure is amended to read:

1179.05. (a) Any ordinance, resolution, regulation, or administrative action adopted by a city, county, or city and county in response to the COVID-19 pandemic to protect tenants from eviction is subject to all of the following:

(1) Any extension, expansion, renewal, reenactment, or new adoption of a measure, however delineated, that occurs between August 19, 2020, and March 31, 2022, shall have no effect before April 1, 2022.

(2) Any provision which allows a tenant a specified period of time in which to repay COVID-19 rental debt shall be subject to all of the following:

(A) If the provision in effect on August 19, 2020, required the repayment period to commence on a specific date on or before May 1, 2022, any extension of that date made after August 19, 2020, shall have no effect.

(B) If the provision in effect on August 19, 2020, required the repayment period to commence on a specific date after May 1, 2022, or conditioned commencement of the repayment period on the termination of a proclamation of state of emergency or local emergency, the repayment period is deemed to begin on May 1, 2022.

(C) The specified period of time during which a tenant is permitted to repay COVID-19 rental debt may not extend beyond the period that was in effect on August 19, 2020. In addition, a provision may not permit a tenant a period of time that extends beyond May 31, 2023, to repay COVID-19 rental debt.

(b) This section does not alter a city, county, or city and county’s authority to extend, expand, renew, reenact, or newly adopt an ordinance that requires just cause for termination of a residential tenancy or amend existing ordinances that require just cause for termination of a residential tenancy, consistent with subdivision (g) of Section 1946.2, provided that a provision

enacted or amended after August 19, 2020, shall not apply to rental payments that came due between March 1, 2020, and March 31, 2022.

(c) The one-year limitation provided in subdivision (2) of Section 1161 is tolled during any time period that a landlord is or was prohibited by any ordinance, resolution, regulation, or administrative action adopted by a city, county, or city and county in response to the COVID-19 pandemic to protect tenants from eviction based on nonpayment of rental payments from serving a notice that demands payment of COVID-19 rental debt pursuant to subdivision (e) of Section 798.56 of the Civil Code or paragraph (2) of Section 1161.

(d) It is the intent of the Legislature that this section be applied retroactively to August 19, 2020.

(e) The Legislature finds and declares that this section addresses a matter of statewide concern rather than a municipal affair as that term is used in Section 5 of Article XI of the California Constitution. Therefore, this section applies to all cities, including charter cities.

(f) It is the intent of the Legislature that the purpose of this section is to protect individuals negatively impacted by the COVID-19 pandemic, and that this section does not provide the Legislature’s understanding of the legal validity on any specific ordinance, resolution, regulation, or administrative action adopted by a city, county, or city and county in response to the COVID-19 pandemic to protect tenants from eviction.

SEC. 19. Section 1179.07 of the Code of Civil Procedure is amended to read:

1179.07. This chapter shall remain in effect until October 1, 2025, and as of that date is repealed.

SEC. 20. Chapter 6 (commencing with Section 1179.08) is added to Title 3 of Part 3 of the Code of Civil Procedure, to read:

CHAPTER 6. COVID-19 RENTAL HOUSING RECOVERY ACT

1179.08. This chapter shall be known, and may be cited, as the COVID-19 Rental Housing Recovery Act.

1179.09. For purposes of this chapter:

(a) “Approved application” means an application for which a government rental assistance program has verified applicant eligibility, and the requested funds have been obligated to the applicant for payment.

(b) “COVID-19 recovery period rental debt” means a rental debt of a tenant under a tenancy that came due between October 1, 2021, and March 31, 2022.

(c) “COVID-19 rental debt” has the same meaning as defined in Section 1179.02.

(d) (1) “Final decision” means either of the following determinations by a government rental assistance program regarding an application for rental assistance:

(A) The application is an approved application.

(B) The application is denied for any of the following reasons:

(i) The tenant is not eligible for government rental assistance.

(ii) The government rental assistance program no longer has sufficient rental assistance funds to approve the application.

(iii) The application for government rental assistance remains incomplete 15 days, excluding Saturdays, Sundays, and other judicial holidays, after the landlord properly completed the portion of the application that is the responsibility of the landlord because of failure on the part of the tenant to properly complete the portion of the application that is the responsibility of the tenant.

(2) “Final decision” does not include any of the following:

(A) The rejection of an application as incomplete or improperly completed by a landlord.

(B) Notification that an application is temporarily pending further action by the government rental assistance program or the applicant.

(C) Notification that the landlord or tenant applied to the wrong government rental assistance program for the property or rental debt at issue.

(e) “Government rental assistance program” means any rental assistance program authorized pursuant to Chapter 17 (commencing with Section 50897) of Part 2 of Division 31 of the Health and Safety Code.

(f) “Pertinent government rental assistance program” means a government rental assistance program for the city, county, or city and county in which the property at issue is located.

(g) “Rental debt” means an unpaid rent or other unpaid financial obligation of a tenant under the tenancy that has come due.

(h) (1) “Rental debt that accumulated due to COVID-19 hardship” means COVID-19 rental debt, COVID-19 recovery period rental debt, or a combination of both, if it accumulated during a tenancy initially established before October 1, 2021.

(2) (A) For purposes of this subdivision, a tenancy is initially established when the tenants first lawfully occupy the premises.

(B) Any of the following do not initially establish a tenancy:

(i) The renewal of a periodic tenancy.

(ii) The extension of an existing lease or rental agreement.

(iii) The execution of a new lease or rental agreement with one or more individuals who already lawfully occupy the premises.

1179.10. (a) A notice for a residential rental property that demands payment of COVID-19 recovery period rental debt and that is served pursuant to subdivision (e) of Section 798.56 of the Civil Code or paragraph (2) or (3) of Section 1161 shall be modified as follows:

(1) The time period in which the tenant may pay the amount due or deliver possession of the property shall be no shorter than three days, excluding Saturdays, Sundays, and other judicial holidays.

(2) The notice shall include all of the following:

(A) The amount of rent demanded and the date each amount became due.

(B) The telephone number and internet website address of the pertinent government rental assistance program.

(C) The following bold text in at least 12-point font:

“IMPORTANT NOTICE FROM THE STATE OF CALIFORNIA – YOU MUST TAKE ACTION TO AVOID AN EVICTION: As part of the state’s COVID-19 relief plan, money has been set aside to help renters who have fallen behind on rent or utility payments.

If you cannot pay the amount demanded in this notice, YOU SHOULD COMPLETE A RENTAL ASSISTANCE APPLICATION IMMEDIATELY! It is free and simple to apply. Citizenship or immigration status does not matter.

DO NOT DELAY! IF YOU DO NOT COMPLETE YOUR APPLICATION FOR RENTAL ASSISTANCE WITHIN 15 BUSINESS DAYS, YOUR LANDLORD MAY BE ABLE TO SUE TO OBTAIN A COURT ORDER FOR YOUR EVICTION.

You can start your application by calling 1-833-430-2122 or visiting <http://housingiskey.com>.

(D) If the landlord was required, pursuant to Section 1632 of the Civil Code, to provide a translation of the rental contract or agreement in the language in which the contract or agreement was negotiated, the landlord shall also provide the text of the notice in subparagraph (C) to the tenant in the language in which the contract or agreement was negotiated. The Business, Consumer Services, and Housing Agency shall make available on the <http://housingiskey.com> internet website an official translation of the text required by subparagraph (C) in the languages specified in Section 1632 of the Civil Code by no later than September 15, 2021.

(b) (1) A notice that demands payment of COVID-19 recovery period rental debt that does not meet the requirements of this section is not sufficient to establish a cause of action for unlawful detainer or a basis for default judgment.

(2) The court, upon its own motion or upon a motion by a defendant in the case, shall dismiss a cause of action for unlawful detainer that is based on a notice that demands payment of COVID-19 recovery period rental debt if the notice does not meet the requirements of this section.

(3) A defendant may raise the insufficiency of a notice pursuant to this section as a complete defense to an unlawful detainer.

1179.11. On or after October 1, 2021, and before March 31, 2022, in an unlawful detainer action pertaining to residential real property and based, in whole or in part, on nonpayment of rental debt that accumulated due to COVID-19 hardship, all of the following shall apply:

(a) A court shall not issue a summons on a complaint for unlawful detainer that seeks possession of residential real property based on nonpayment of rental debt that accumulated due to COVID-19 hardship unless the plaintiff, in addition to any other requirements provided by law, also files any of the following:

(1) Both of the following:

(A) A statement verifying, under penalty of perjury, that before filing the complaint, the landlord completed an application for government rental assistance to cover the rental debt demanded from the defendants in the case, but the application was denied.

(B) A copy of a final decision from the pertinent government rental assistance program denying a rental assistance application for the property at issue in the case.

(2) A statement, under penalty of perjury, verifying that all of the following are true:

(A) Before filing the complaint, the landlord submitted a completed application, as defined in Section 50897 of the Health and Safety Code, for rental assistance to the pertinent government rental assistance program to cover the rental debt demanded from the defendants in the case.

(B) Twenty days have passed since the later of the following:

(i) The date that the landlord submitted the application as described in subparagraph (A).

(ii) The date that the landlord served the tenant with the three-day notice underlying the complaint.

(C) The landlord has not received notice or obtained verification from the pertinent government rental assistance program indicating that the tenant has submitted a completed application for rental assistance to cover the rental debt demanded from the defendants in the case.

(D) The landlord has received no communication from the tenant that the tenant has applied for government rental assistance to cover the unpaid rental debt demanded from the defendants in the case.

(3) A statement, under penalty of perjury, that the rental debt demanded from the defendant in the complaint accumulated under a tenancy that was initially established, as described in paragraph (2) of subdivision (h) of Section 1179.09, on or after October 1, 2021.

(b) A statement under penalty of perjury described in subdivision (a) shall be made on a form developed or revised by the Judicial Council for this purpose if the Judicial Council determines that this requirement is necessary to accomplish the purpose of the statement.

(c) (1) A judgment or default judgment shall not issue in favor of the plaintiff unless the court finds, upon review of the pleadings and any other evidence brought before it, that both of the following are true:

(A) Before filing the complaint, the plaintiff completed an application to the pertinent government rental assistance program for rental assistance to cover the rental debt demanded in the complaint.

(B) The plaintiff's application for rental assistance was denied because of lack of eligibility, lack of funding, or the application remained incomplete due to the tenant's failure to properly complete the portion of the application that is the responsibility of the tenant for 15 days, excluding Saturdays, Sundays, and other judicial holidays, after the landlord properly completed the portion of the application that is responsibility of the landlord.

(2) In making its findings pursuant to this paragraph, the court may take judicial notice of information available to the court pursuant to Section 1179.12.

(d) In addition to the summons, the complaint, and any other required document, the plaintiff shall serve the defendant with copies of the statement and final decision filed with the court pursuant to subdivision (a). The absence of these copies shall be sufficient grounds to grant a motion to quash service of the summons.

(e) If the defendant contests whether the plaintiff has met the requirements of subdivision (c), the plaintiff shall bear the burden of proving to the court that the plaintiff has met those requirements.

(f) The Legislature finds and declares all of the following:

(1) For rental debt that accumulated due to COVID-19 hardship that was incurred on or after October 1, 2021, and before March 31, 2022, a landlord must be compensated for all of the unpaid rent demanded in the notice that forms the basis of the complaint in order to prevent an unlawful detainer judgment based on that complaint.

(2) That for rental debt that accumulated due to COVID-19 hardship that was incurred on or after September 1, 2020, and before September 30, 2021, a landlord must be provided 25 percent of the unpaid rent demanded in the notice that forms the basis of the complaint before October 1, 2021, in order to prevent an unlawful detainer judgment based on that complaint.

(g) A summons on a complaint issued pursuant to paragraph (3) of subdivision (a) shall not be construed to subject the complaint to the requirements of this chapter.

1179.12. (a) Each government rental assistance program shall, by no later than September 15, 2021, develop mechanisms, including, but not limited to, telephone or online access, through which landlords, tenants, and the court may do both of the following:

(1) Verify the status of an application for rental assistance based upon the property address and a unique application number.

(2) Obtain copies of any determination on an application for rental assistance. A determination shall indicate all of the following:

(A) The name of the tenant that is the subject of the application.

(B) The address of the property that is the subject of the application.

(C) Whether the application has been approved or denied.

(D) If the application has been approved, then the amount of the payment that has been approved and the period and type of rental debt to which the amount corresponds.

(E) If the application has been denied, the reason for the denial, which shall be any of the following:

(i) The tenant is ineligible for government rental assistance.

(ii) The government rental assistance program no longer has sufficient funds to approve the application.

(iii) The application remained incomplete 15 days, excluding Saturdays, Sundays, and other judicial holidays, after it was initially submitted because of failure on the part of the tenant to provide required information.

(b) A government rental assistance program that does not comply with this section shall be deemed ineligible to receive further block grant allocations pursuant to Section 50897.2 of, or 50897.2.1 of, the Health and Safety Code.

(c) It shall be unlawful for a person to access or use any information available pursuant to subdivision (a) for any purpose other than to determine the status of an application for assistance.

1179.13. (a) A court shall prevent the forfeiture of a lease or rental agreement, whether written or oral, and whether or not the tenancy has terminated, and restore the tenant to the former estate or tenancy, if necessary, if all of the following apply:

(1) The complaint for unlawful detainer is based on a demand for payment of rental debt that accumulated due to COVID-19 financial hardship.

(2) (A) The tenant submits verification to the court that a government rental assistance program has approved an application for rental assistance corresponding to part or all of the rental debt demanded in the complaint.

(B) The verification described in this paragraph shall be in the form of either of the following:

(i) A copy of a final decision from the government rental assistance program showing the property address, the amount of payment approved, and the time period for which assistance was provided.

(ii) The property address and a unique application number to enable the court to obtain confirmation of the final decision, the corresponding property address, the amount of the payment approved, and the time period for which assistance was provided.

(3) The approved payment from the rental assistance program, together with any additional payments made by the tenant, constitute full payment of the rental debt demanded in the complaint.

(b) An application pursuant to this section may be made only at any time before restoration of the premises to the landlord.

(c) (1) An application pursuant to this section shall consist of verification that a government rental assistance program has approved an application for rental assistance corresponding to the rental debt demanded in the complaint.

(2) The verification described in this subdivision shall consist of either of the following:

(A) A copy of the final decision from the government rental assistance program approving the application, showing the property address, and indicating the amount of payment approved.

(B) A property address and unique application number to enable the court to obtain confirmation of the final decision, the corresponding property address, and the amount of the payment approved.

(3) (A) Except as provided in subparagraph (B), a tenant shall not be required to file any documentation not described in paragraph (1) or pleading with the court in order to apply for relief pursuant to this section.

(B) The verification required by this subdivision shall be provided on or accompanied by a form developed or revised by the Judicial Council for

this purpose if the Judicial Council determines that this requirement is necessary to accomplish the purpose of the verification.

(d) Upon the filing of an application for relief pursuant to this section, the court shall do both of the following:

(1) Set a hearing on the matter on not less than 5 days' notice and not more than 10 days' notice to the parties, to be given by the court, and to be held separately or in conjunction with any regularly noticed hearing or trial in the case.

(2) Stay the action if no judgment has been entered in the case, immediately stay execution of any writ of possession issued in the case through the date of the hearing, and notify the sheriff accordingly.

(e) (1) At the hearing set pursuant to paragraph (1) of subdivision (d), the court shall rule upon the application for relief pursuant to this section in one of the following ways:

(A) If the tenant does not qualify for relief pursuant to subdivision (a), the court shall deny the application. A denial pursuant to this subparagraph may be used as evidence in an unlawful detainer action between the parties.

(B) If the tenant qualifies for relief pursuant to subdivision (a), and the plaintiff has received all of the payments described in paragraph (3) of subdivision (a), then the court shall grant the application, set aside any judgment issued in the case, and dismiss the case.

(C) If the tenant qualifies for relief pursuant to subdivision (a), and the plaintiff has not received all of the payments described in paragraph (3) of subdivision (a), the court shall do all of the following:

(i) Set a followup hearing to be held within 15 days, excluding Saturdays, Sundays, and other judicial holidays.

(ii) Extend the stay of the action through the date of that followup hearing.

(iii) Extend the stay of execution of any writ of possession in the case through the date of that followup hearing.

(D) At any followup hearing pursuant to subparagraph (C), the court shall issue one of the following orders:

(i) If the government rental assistance program has withdrawn the approval of rental assistance, then the court shall deny the application.

(ii) If the plaintiff has received all of the payments described in paragraph (3) of subdivision (a), then the court shall grant the application, set aside any judgment issued in the case, and dismiss the case.

(iii) If the government rental assistance program has not withdrawn the approval of rental assistance, but the landlord has not received all of the payments described in paragraph (3) of subdivision (a) because the rental assistance program has not yet issued its part of the payment, then the court shall order another followup hearing in accordance with this subparagraph.

(iv) If the government rental assistance program has not withdrawn the approval of rental assistance, but the landlord has not received all of the payments described in paragraph (3) of subdivision (a) because the tenant has not yet paid the tenant's part of the payment, then the court shall deny the application with prejudice.

(2) If a court grants an application for relief pursuant to this section, the tenant shall not be considered the prevailing party for purposes of Section 1032, any attorney's fee provision appearing in contract or statute, or any other law.

1179.14. If the criteria for issuance of a summons pursuant to subdivision (a) of Section 1179.11 have not been satisfied within 60 days of the complaint's filing, the court shall dismiss the action without prejudice.

1179.15. This chapter shall remain in effect until September 30, 2024, and as of that date is repealed.

SEC. 21. Section 50897 of the Health and Safety Code is amended to read:

50897. For purposes of this chapter:

(a) "City" means a city or a city and county. For purposes of this chapter, a city may be organized either under the general laws of this state or under a charter adopted pursuant to Section 3 of Article XI of the California Constitution.

(b) "County" means a county, including a county organized under a charter adopted pursuant to Section 3 of Article XI of the California Constitution, or a city and county.

(c) "Completed application" means an application for which a landlord or eligible household, as applicable, has provided all the necessary contact information and documentation required for a government rental assistance program to initiate a review of the application for eligibility.

(d) "Department" means the Department of Housing and Community Development.

(e) (1) "Eligible household" has the same meaning as defined in Section 501(k)(3) of Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260).

(2) Notwithstanding paragraph (1), for purposes of Round 2, "eligible household" has the same meaning as defined in Section 3201(f)(2) of Subtitle B of Title III of the American Rescue Plan Act of 2021 (Public Law 117-2).

(f) "Federally recognized tribe" means an Indian tribe, as described in Section 501(k)(2)(C) of Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260).

(g) "Grantee" means a city, including a charter city, a county, including a charter county, or a city and county, including a charter city and county, that participates in a rental assistance program pursuant to this chapter.

(h) "Option A" means the administrative option grantees utilize pursuant to subparagraphs (A) and (B) of paragraph (1) of subdivision (b) of Section 50897.3 or subparagraphs (A) and (B) of paragraph (1) of subdivision (b) of Section 50897.3.1, as applicable.

(i) "Option B" means the administrative option grantees utilize pursuant to Section 50897.2 or 50897.2.1, as applicable.

(j) "Option C" means the administrative option grantees utilize pursuant to paragraph (2) of subdivision (b) of Section 50897.3 or paragraph (2) of subdivision (b) of Section 50897.3.1, as applicable.

(k) “Program” means the process for awarding funds for state rental assistance pursuant to this chapter, as provided in Section 50897.2, 50897.2.1, 50897.3, or 50897.3.1, as applicable.

(l) “Program implementer” means the contracted vendor selected to administer emergency rental assistance under the program pursuant to paragraph (1) of subdivision (a) of Section 50897.3.

(m) “Prospective rent payment” means a rent payment eligible for financial assistance pursuant to Section 501(c)(2)(A) of Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260).

(n) “Rental arrears” means rental arrears eligible for financial assistance pursuant to Section 501(c)(2)(A) of Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260).

(o) “Round 1” means the state rental assistance program established by funds provided by Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260).

(p) “Round 2” means the state rental assistance program established by funds provided by Section 3201 of Subtitle B of Title III of the federal American Rescue Plan Act of 2021 (Public Law 117-2).

(q) “State reservation table” means the methodology for allocating the state’s portion of funding for Round 1 and Round 2 as follows:

(1) (A) With respect to funding received for Round 1, no more than 10 percent for state administration.

(B) Round 1 shall include one hundred fifty million dollars (\$150,000,000) total set aside for smaller counties with a population less than 200,000, allocated based on the proportional share of population from the 2019 federal census data.

(C) The remainder of the state allocation to be distributed to eligible grantees with a population 200,000 or greater, based on their proportional share of population from the 2019 federal census data.

(2) (A) With respect to funding for Round 2, no more than 15 percent shall be used for state administration.

(B) Subject to the requirements of this paragraph, Round 2 funding shall include one hundred twenty-five million dollars (\$125,000,000) total set aside for counties with a population less than 200,000, allocated based on their proportional share of the population from the 2019 federal census data.

(C) The remainder of the state allocation to be distributed to grantees with a population 200,000 or greater, based on their proportional share of population from the 2019 federal census data.

(D) The department shall pay all grantees an initial payment that is equal to an amount not less than 40 percent of each grantee’s total allocation provided under this paragraph.

(i) Subsequent payments shall be paid to grantees in tranches up to the full amount of each grantee’s total state allocation in accordance with a procedure established by the department that shall require that a grantee have obligated not less than 75 percent of funds provided pursuant to this subparagraph.

(ii) The department shall have the authority to reallocate unused funds and shall prioritize allocating funds based on factors that include a grantee's unmet need, rate of application submissions, rate of attrition, and rate of expenditures.

(r) "Utilities" means utilities and home energy costs eligible for financial assistance pursuant to Section 501(c)(2)(A) of Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260).

SEC. 22. Section 50897.1 of the Health and Safety Code is amended to read:

50897.1. (a) (1) Funds available for rental assistance pursuant to this chapter shall consist of state rental assistance funds made available pursuant to Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260) and Section 3201 of Subtitle B of Title III of the federal American Rescue Plan Act of 2021 (Public Law 117-2) and shall be administered by the department in accordance with this chapter and applicable federal law.

(2) Each grantee shall be eligible to receive an allocation of rental assistance funds, calculated in accordance with the state reservation table.

(3) The state high-need grantee set aside provided pursuant to Section 3201(a)(2)(D) of Subtitle B of Title III of the American Rescue Plan Act of 2021 (Public Law 117-2) shall be allocated or administered by the department, or program implementer, pursuant to applicable federal requirements.

(4) Additional rental assistance funds allocated to the state from the United States Treasury pursuant to Section 501(d) of Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260) or Section 3201(e) of Subtitle B of Title III of the federal American Rescue Plan Act of 2021 (Public Law 117-2) shall be allocated, at the department's discretion, with prioritization based on factors that include a grantee's unmet need, rate of application submissions, rate of attrition, and rate of expenditures.

(5) Except as otherwise provided in this chapter, funds available for rental assistance administered pursuant to Section 50897.3 or 50897.3.1 shall consist of state rental assistance funds calculated pursuant to the state reservation table.

(b) Funds provided for and administered pursuant to this chapter shall be used in a manner consistent with federal law, including the prioritization of assistance specified in Section 501(c)(4) of Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260). In addition, in providing assistance pursuant to this chapter, the department and, if applicable, the program implementer shall prioritize communities disproportionately impacted by COVID-19, as determined by the department. State prioritization shall be as follows:

(1) Priority one shall be eligible households, as specified in Section 501(c)(4) of Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260), to expressly target

assistance for eligible households with a household income that is not more than 50 percent of the area median or any eligible households that receive a notice described in Section 1179.10 of the Code of Civil Procedure or a summons described in Section 1179.11 of the Code of Civil Procedure.

(2) Priority two shall be communities disproportionately impacted by COVID-19, as determined by the department.

(3) Priority three shall be eligible households that are not otherwise prioritized as described in paragraphs (1) and (2), to expressly include eligible households with a household income that is not more than 80 percent of the area median income.

(c) (1) Except as otherwise provided in paragraph (2), eligible uses for funds made available to a grantee under this chapter shall be as follows:

(A) Rental arrears.

(B) Prospective rent payments.

(C) Utilities, including arrears and prospective payments for utilities.

(D) Any other expenses related to housing as provided in Section 501(c)(2)(A) of Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260).

(E) Any additional use authorized under federal law and guidance.

(2) For purposes of stabilizing households and preventing evictions, rental arrears shall be given priority for purposes of providing rental assistance pursuant to this chapter.

(3) Remaining funds not used as described in paragraph (2) may be used for any eligible use described in subparagraphs (B), (C), and (D) of paragraph (1).

(d) Assistance for rental arrears may be provided as a payment directly to a landlord on behalf of an eligible household by entering into an agreement with the landlord, subject to both of the following:

(1) Assistance for rental arrears shall be set at compensation of 100 percent of an eligible household's unpaid rental debt accumulated on or after April 1, 2020.

(2) (A) Acceptance of a payment made pursuant to this subdivision shall be conditioned on the landlord's agreement to accept the payment as payment in full of the rental debt owed by any tenant within the eligible household for whom rental assistance is being provided for the specified time period. The landlord's release of claims pursuant to this subparagraph shall take effect only upon payment being made to the landlord pursuant to this subdivision.

(B) The landlord's agreement to accept payment pursuant to this subdivision as payment in full, as provided in subparagraph (A), shall include the landlord's agreement to release any and all claims for nonpayment of rental debt owed for the specified time period, including a claim for unlawful detainer pursuant to paragraph (2) and (3) of Section 1161 of the Code of Civil Procedure, against any tenant within the eligible household for whom the rental assistance is being provided.

(e) (1) A member of an eligible household may directly apply for rental arrears assistance from the grantee. Assistance for rental arrears pursuant

to this subdivision shall be set at compensation of 100 percent of the eligible household's unpaid rental debt accumulated on or after April 1, 2020.

(2) (A) Upon receipt of assistance, the eligible household shall provide the full amount of rental arrears to the landlord within 15 days, excluding Saturdays, Sundays, and judicial holidays, of receipt of the funds.

(B) (i) If the household does not comply with subparagraph (A), the landlord may charge a late fee not to exceed the amount that the landlord may charge a tenant for one late rental payment under the terms of the lease or rental agreement.

(ii) Failure to pay a late fee charged by a landlord pursuant to this subparagraph shall not be grounds for an unlawful detainer action.

(C) A member of an eligible household described by this paragraph shall attest under penalty of perjury that the household will comply with the requirements of this paragraph.

(f) Funds used to provide assistance for prospective rent payments for an eligible household shall be set at 100 percent of the eligible household's monthly rent.

(g) (1) When a landlord or tenant submits a completed application, grantees shall provide notification to the respective parties included in the application.

(2) Upon approval of payment for a landlord or tenant application, as applicable, grantees shall provide notification to the respective parties included in the application.

(h) (1) Assistance provided under this chapter shall be provided to eligible households or, if applicable, to landlords on behalf of eligible households that are currently housed and occupying the residential unit for which the assistance is requested at the time of the application.

(2) (A) Notwithstanding paragraph (1), eligible households that no longer occupy the residential unit with respect to which rental assistance has been requested and have demonstrated rental arrears shall be eligible for assistance.

(B) (i) Subject to clause (ii), assistance provided pursuant to this paragraph shall be prioritized to participating landlords.

(ii) If the landlord does not participate, payments may be provided directly to the eligible household if the eligible household provides any amount received for rental assistance to the landlord. A member of the eligible household shall attest under penalty of perjury that the household will comply with the requirements of this clause.

(C) It is the intent of the Legislature for grantees to exercise maximum discretion within the limitations of federal law and guidance to establish eligibility and documentation requirements for households no longer occupying the unit in question to ensure funds administered pursuant to this paragraph are deployed in a streamlined manner.

(D) A payment made directly to a participating landlord pursuant to this paragraph shall be considered as payment in full and shall include the landlord's agreement to release any and all claims for nonpayment of rental debt owed for the specified time period, including a claim for unlawful

detainer pursuant to paragraphs (2) and (3) of Section 1161 of the Code of Civil Procedure.

(i) For purposes of the protections against housing discrimination provided under the California Fair Employment and Housing Act (Part 2.8 (commencing with Section 12900) of Division 3 of Title 2 of the Government Code), assistance provided under this chapter shall be deemed to be a “source of income,” as that term is defined in subdivision (i) of Section 12927 of the Government Code.

(j) (1) Notwithstanding any other law, except as otherwise provided in subdivision (i), assistance provided to an eligible household for a payment as provided in this chapter or as provided as a direct allocation to grantees from the Secretary of the Treasury pursuant to Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260) or Section 3201 of Subtitle B of Title III of the American Rescue Plan Act of 2021 (Public Law 117-2) shall not be deemed to be income for purposes of the Personal Income Tax Law (Part 10 (commencing with Section 17001) of Division 2 of the Revenue and Taxation Code) or used to determine the eligibility of an eligible household, or any member of an eligible household, for any state program or local program financed wholly or in part by state funds.

(2) Notwithstanding any other law, for taxable years beginning on or after January 1, 2020, and before January 1, 2025, gross income shall not include a tenant’s rent liability that is forgiven by a landlord as provided in this chapter or as rent forgiveness provided through funds grantees received as a direct allocation from the Secretary of the Treasury pursuant to Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260) or Section 3201 of Subtitle B of Title III of the American Rescue Plan Act of 2021 (Public Law 117-2).

(k) (1) The department may adopt, amend, and repeal rules, guidelines, or procedures necessary to carry out the purposes of this chapter, including guidelines regarding the administration of federal rental assistance funds received under Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260) or the administration of federal rental assistance funds received under Section 3201 of Subtitle B of Title III of the American Rescue Plan Act of 2021 (Public Law 117-2) that are consistent with the requirements of that federal law and any regulations promulgated pursuant to that federal law.

(2) The adoption, amendment, or repeal of rules, guidelines, or procedures authorized by this subdivision is exempt from the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).

(l) Any interest that the state, a grantee, or, if applicable, the program implementer derives from the deposit of funds made available pursuant to this chapter or pursuant to subdivision (e) of Section 925.6 of the Government Code shall be used to provide additional assistance under this chapter.

(m) Upon notification from the Director of Finance to the Joint Legislative Budget Committee that additional federal rental assistance resources have been obtained, that assistance may be deployed in a manner consistent with this chapter. Any statutory provision established by subsequent federal law specific to the administration of those additional resources shall supersede the provisions contained in this chapter to the extent that there is a conflict between those federal statutory provisions and this chapter. To implement future federal rental assistance, the department shall make corresponding programmatic changes to effectuate the program in compliance with federal law.

(n) Notwithstanding any other law, a third party shall be prohibited from receiving compensation for services provided to an eligible household in applying for or receiving assistance under this chapter, except that this prohibition shall not apply to any contracted entity that renders those services upon the express authorization by the department, the program implementer, or a grantee.

(o) Assistance provided under this chapter shall include a receipt that provides confirmation of payment that has been made. The receipt shall include, but not be limited to, the amount of payment or forgiveness, as applicable, and the time period for which assistance was provided. The receipt shall be provided to both the eligible household and the landlord.

(p) (1) The department, program implementer, or grantee, as applicable, that has completed rental assistance payments subject to the provisions of this section, as amended by Chapter 5 of the Statutes of 2021, shall provide additional assistance to previous recipients so that total assistance provided is equivalent to 100 percent of an eligible household's rental arrears or prospective rent for the period originally requested, as applicable.

(2) To make payments pursuant to this subdivision in a timely manner, additional assistance shall be executed without the counter signature from the eligible household or landlord.

(q) A grantee may request a change to its administrative option as provided in Round 1 or Round 2, as applicable, subject to the approval of the department.

(r) (1) A grantee that receives funds and administer rental assistance programs pursuant to this chapter shall meet the requirements of Chapter 6 (commencing with Section 1179.08) of Title 3 of Part 3 of the Code of Civil Procedure.

(2) A grantee shall provide notification to the landlord and tenant when either the landlord or the tenant submits a completed application for rental assistance.

(3) A grantee shall provide notification to the landlord and tenant once a final decision has been rendered. The notification shall include the total amount of assistance paid and the time period for which assistance was provided, as applicable.

(4) Failure to comply with the requirements of this subdivision may result in the grantee's share of funds received from the state pursuant to Section

50897.2 or 50897.2.1 reverted to the department for reallocation at the department's discretion.

(s) For purposes of this section:

(1) "Rental debt" includes rent, fees, interest, or any other financial obligation under a lease for use and occupancy of the leased premises, but does not include liability for torts or damage to the property beyond ordinary wear and tear.

(2) "Specified time period" means the period of time for which payment is provided, as specified in the agreement entered into with the landlord.

SEC. 23. Section 50897.2 of the Health and Safety Code is amended to read:

50897.2. (a) (1) A grantee that has a population of 500,000 or greater shall be eligible to receive a block grant allocation from the department.

(2) A grantee with a population of 499,999 or less, but greater than 200,000, may request an allocation of block grant funds pursuant to this section, in the form and manner prescribed by the department. The department shall grant a request for an allocation of block grant funds pursuant to this paragraph if the grantee attests and, in the department's judgment, demonstrates that it has established a program consistent with the requirements of this chapter and has the capability to implement the resources provided in accordance with applicable state and federal law, including this chapter and Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260).

(3) A grantee that is not eligible for, or does not receive, an allocation of block grant funds pursuant to this section shall receive its proportionate share of funds in accordance with the state reservation table, as provided in Section 50897.3.

(4) A grantee that receives a block grant pursuant to this section shall attest to the department, in the form and manner prescribed by the department, that it will distribute assistance equitably and consistent with demonstrated need within the jurisdiction.

(5) To receive funds pursuant to this section, an applicant shall agree to utilize its direct allocation of assistance from the Secretary of the Treasury pursuant to Section 501 of Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260) in a manner consistent with this chapter. Refusal to comply with this paragraph shall result in the applicant being prohibited from receiving state block grant funds and may result in the department recouping block grant funds that are spent in a manner inconsistent with this chapter.

(6) A grantee that receives funds pursuant to this section shall not institute additional programmatic requirements that may inhibit participation in the rental assistance program.

(7) A grantee that applies for assistance under this section may apply for an award allocation through an authorized representative, without its legislative body expressly adopting an ordinance or resolution authorizing that application, provided that it later authorizes a representative of the eligible grantee with legal authority to bind the eligible grantee to the terms

and conditions of the award before executing the agreement with the department.

(8) The department shall allocate all funds made available for purposes of this section, in consultation with the Department of Finance. The initial allocation shall be completed and shared no later than February 19, 2021.

(b) Block grant funds allocated pursuant to this section shall be used for those eligible uses and compensation requirements specified in, and subject to the applicable requirements of, Section 50897.1.

(c) The deadlines for the allocation and use of block grant funds pursuant to this section shall be as follows:

(1) A grantee shall request that allocation from the department no later than February 12, 2021. If a grantee fails to request the allocation by that date, the moneys that would have otherwise been allocated to that grantee shall instead be used to provide assistance in accordance with Section 50897.3.

(2) A grantee that receives block grant funds under this section shall contractually obligate at least 65 percent of those funds by August 1, 2021.

(d) (1) (A) Subject to subparagraph (B), if a grantee that receives block grant funds under this section fails to contractually obligate the minimum amount of those funds by the deadline specified in paragraph (2) of subdivision (c), the grantee shall repay to the department any unused amount of block grant funds allocated to it not contractually obligated or expended.

(B) The department may waive the requirement to repay funds pursuant to subparagraph (A) if the grantee demonstrates, to the satisfaction of the department, that it will contractually obligate and expend any unused block grant funds allocated to it within the timeframes specified in federal law.

(2) The department may reallocate any funds repaid pursuant to paragraph (1) for purposes of this section. In reallocating those funds, the department shall prioritize allocating additional funding to grantees based on factors that include unmet need, rate of application submissions, rate of attrition, and rate of expenditures.

(e) A grantee participating in the program pursuant to this section shall enter into a standard regulatory agreement with the department that includes terms and conditions consistent with the requirements set forth in this section.

(f) A grantee that receives an allocation of block grant funds pursuant to this section shall be solely responsible for compliance with all applicable management, implementation, and reporting requirements established under state and federal law.

(g) The requirements of this section shall apply only to the administration of Round 1 funds.

SEC. 24. Section 50897.2.1 is added to the Health and Safety Code, to read:

50897.2.1. (a) (1) A grantee that has a population of 500,000 or greater shall be eligible to receive a block grant allocation from the department.

(2) A grantee with a population of 499,999 or less, but greater than 200,000, may request an allocation of block grant funds pursuant to this section, in the form and manner prescribed by the department. The

department shall grant a request for an allocation of block grant funds pursuant to this paragraph if the grantee attests and, in the department's judgment, demonstrates that it has established a program consistent with the requirements of this chapter and has the capability to implement the resources provided in accordance with applicable state and federal law, including this chapter and Section 3201 of Subtitle B of Title III of the federal American Rescue Plan Act of 2021 (Public Law 117-2).

(3) A grantee that is not eligible for, or does not receive, an allocation of block grant funds pursuant to this section shall receive its proportionate share of funds in accordance with the state reservation table, and those funds shall be administered as provided in Section 50897.3.1.

(4) A grantee that receives a block grant pursuant to this section shall attest to the department, in the form and manner prescribed by the department, that it will distribute assistance equitably and consistent with demonstrated need within the jurisdiction.

(5) To receive funds pursuant to this section, an applicant shall agree to utilize its assistance made available from the Secretary of the Treasury pursuant to Section 3201 of Subtitle B of Title III of the federal American Rescue Plan Act of 2021 (Public Law 117-2) in a manner consistent with this chapter. Refusal to comply with this paragraph shall result in the applicant being prohibited from receiving state block grant funds and may result in the department recouping block grant funds that are spent in a manner inconsistent with this chapter.

(6) A grantee that receives funds pursuant to this section shall not institute additional programmatic requirements that may inhibit participation in the rental assistance program.

(7) A grantee that applies for assistance under this section may apply for an award allocation through an authorized representative, without its legislative body expressly adopting an ordinance or resolution authorizing that application, if it later authorizes a representative of the eligible grantee with legal authority to bind the eligible grantee to the terms and conditions of the award before executing the agreement with the department.

(b) Block grant funds allocated pursuant to this section shall be used for those eligible uses and compensation requirements specified in, and subject to the applicable requirements of, Section 50897.1 and, upon approval by the department, other eligible uses provided in Section 3201(d)(1)(D) of Subtitle B of Title III of the federal American Rescue Plan Act of 2021 (Public Law 117-2).

(c) The deadlines for the allocation and use of block grant funds pursuant to this section shall be as follows:

(1) A grantee shall request that allocation from the department no later than 30 calendar days after the operative date of this section. If a grantee fails to request the allocation by that date, the moneys that would have otherwise been allocated to that grantee shall instead be used to provide assistance in accordance with Section 50897.3.1.

(2) An Option B grantee that receives block grant funds under this section shall contractually obligate at least 75 percent of its first tranche of state funds by October 31, 2021.

(3) An Option B grantee that receives block grant funds under this section shall contractually obligate 50 percent of its total share of state funds by January 31, 2022.

(d) (1) (A) Subject to subparagraph (B), if a grantee that receives block grant funds under this section fails to contractually obligate the minimum amount of those funds by the deadline specified in paragraph (2) of subdivision (c), or to obligate the full amount of that allocation by the deadline specified in paragraph (3) of subdivision (c), the grantee shall repay to the department any unused amount of block grant funds allocated to it not contractually obligated or expended.

(B) The department may waive the requirement to repay funds pursuant to subparagraph (A) if the grantee demonstrates, to the satisfaction of the department, that it will contractually obligate and expend any unused block grant funds allocated to it within the timeframes specified in federal law.

(2) The department may reallocate any funds repaid pursuant to paragraph (1) for purposes of this section. In reallocating those funds, the department shall allocate funding to grantees based on factors that include unmet need, rate of application submissions, rate of attrition, and rate of expenditures.

(e) A grantee participating in the program pursuant to this section shall enter into a standard regulatory agreement with the department that includes terms and conditions consistent with the requirements of this section.

(f) An Option B grantee shall be solely responsible for compliance with all applicable management, implementation, and reporting requirements established under state and federal law.

(g) The requirements of this section shall apply only to the administration of Round 2 funds.

SEC. 25. Section 50897.3 of the Health and Safety Code is amended to read:

50897.3. (a) (1) (A) The department may contract with a vendor to serve as the program implementer to manage and fund services and distribute emergency rental assistance resources pursuant to this section. A vendor selected to serve as program implementer shall demonstrate sufficient capacity and experience to administer a program of this scope and scale.

(B) The program implementer shall have existing relationships with community-level partners to ensure all regional geographies and target communities throughout the state have access to the program.

(C) (i) The program implementer shall have the technological capacity to develop and to implement a central technology-driven application portal and system that serves landlords and tenants, has mobile and multilanguage capabilities, and allows an applicant track the status of their application. The application system shall have the capacity to handle the volume of expected use without disruption.

(ii) The system shall begin accepting applications no later than March 15, 2021 and be available 24 hours a day, seven days a week, with 99 percent planned uptime rating.

(iii) The system shall support, at minimum, a database of 1,000,000 application records.

(iv) The system shall support at minimum 20,000 concurrent full-access users, allowing users to create, read, update and delete transactions based upon their user role.

(D) (i) The program implementer shall demonstrate experience with developing and managing direct payment or grant programs, or direct payment and grant programs, including, but not limited to, program and application development, outreach and marketing, translation and interpretation, fraud protections and approval processes, secure disbursement, prioritizing the use of direct deposit, customer service, compliance, and reporting.

(ii) The program interface shall include, but not be limited to, the following:

(I) Capability such that either the landlord or the tenant may initiate an application for assistance and that both parties are made aware of the opportunity to participate in the rental assistance program and accept the program parameters.

(II) Appropriate notifications to ensure that both parties understand that rental assistance is awarded in rounds of funding based on eligibility and that the eligible household is reminded that payment is ultimately being provided directly to the landlord, but the payment will directly address the eligible household's rental arrears or prospective rent, as applicable.

(III) Notification to both parties, including the landlord and the eligible household, respectively, of the initiation and completion of the application process, whether the process is initiated by the landlord or the eligible household. Upon payment, the program implementer shall provide an electronic record that payment has been made and keep all records available for the duration of the program, or as otherwise provided under state or federal law.

(E) The program implementer shall be able to manage a technology-driven duplication of benefits process in compliance with federal law.

(F) The program implementer shall comply with all state protections related to the use of personally identifiable information, including providing any necessary disclosures and assuring the secure storage of any personally identifiable information generated, as part of the application process.

(G) The program implementer shall coordinate its program activities with education and outreach contractors and any affiliated service or technical assistance providers, including those that reach non-English speaking and hard-to-reach households, with considerations for racial equity and traditionally underserved populations.

(2) The department may establish a contract with one or more education and outreach contractors to conduct a multilingual statewide campaign to promote program participation and accessibility.

(3) In accordance with paragraphs (1) and (2), the department shall seek contracted solutions that minimize total administrative costs, such that savings may be reallocated for use as direct assistance.

(4) The department may receive rental assistance program funding from localities or federally recognized tribes to administer on their behalf in a manner consistent with this chapter.

(b) (1) (A) A county with a population less than or equal to 200,000 and any grantee that is eligible for, but did not receive, a direct allocation of assistance from the Secretary of the Treasury pursuant to Section 501 of Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260) shall receive assistance pursuant to the state reservation table, to be administered in accordance with this section.

(B) A grantee that was eligible for, but did not receive, a direct allocation of assistance from the Secretary of the Treasury pursuant to Section 501 of Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260) and was eligible for, but did not receive, block grant assistance under Section 50897.2 shall receive its proportionate share of assistance, as determined by the state reservation table, to be administered in accordance with this section.

(2) (A) A grantee that was eligible for, but did not receive, block grant funds pursuant to Section 50897.2, and has elected to administer its direct share of assistance provided under Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260), shall have its proportionate share of block grant funds administered pursuant to this section.

(B) (i) To minimize legal liability and potential noncompliance with federal law, specifically those violations described in Section 501(k)(3)(B) of Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260), the department, or, if applicable, the program implementer, shall request that grantees described in this paragraph enter into a data sharing agreement for the purpose of preventing unlawful duplication of rental assistance to eligible households.

(ii) Notwithstanding any other law, a grantee that enters into a data sharing agreement required by this subparagraph may disclose personally identifying information of rental assistance applicants to the department or the program implementer for the purposes described in this subparagraph.

(iii) A grantee described by clause (ii) shall provide all applicable data, as determined by the department, before the department or program implementer begins administering funds within the grantee's jurisdiction.

(C) Except as otherwise provided in subparagraph (B), a grantee that is subject to assistance provided under this paragraph and received a direct allocation from the Secretary of the Treasury pursuant to Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260) shall not be eligible for administrative and technical assistance provided by the department, including, but not limited to, support for long-term monitoring and reporting.

(D) The state, the department, or the program implementer acting on behalf of the department, shall be indemnified from liability in the administration of assistance pursuant to this paragraph, specifically any violation described in Section 501(k)(3)(B) of Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260).

(3) To the extent permitted by federal law, a grantee that elects to participate in the program as provided in this section, and that received rental assistance funding directly from the Secretary of the Treasury pursuant to Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260), shall add those funds received directly from the Secretary of the Treasury and any share of rental assistance funding provided pursuant to Section 50897.2 to the funds allocated to it pursuant to this section. Except as otherwise provided in paragraph (1) of subdivision (d), the total amount of funds described in this subparagraph shall be used by the grantee in accordance with this section. Participation shall be conditioned upon having an executed standard agreement with the Department.

(4) To the extent permitted by federal law, a federally recognized tribe that receives rental assistance funds directly from the Secretary of the Treasury pursuant to Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260) may add its direct federal allocation of funds to be administered pursuant to this section. Participation shall be conditioned upon having an executed standard agreement with the department.

(c) Funds allocated pursuant to this section shall be used for those eligible uses specified in, and subject to the applicable requirements of, Section 50897.1.

(d) (1) Except as otherwise provided in paragraph (3), a grantee that receives funds pursuant to this section shall contractually obligate 65 percent of those funds no later than August 1, 2021. The department may, in its discretion, reallocate any funds allocated to a grantee that are not contractually obligated by that date to other grantees based on factors that include unmet need, rate of application submissions, rate of attrition, and rate of expenditures.

(2) Funds administered on behalf of a federally recognized tribe as provided in paragraph (4) of subdivision (b) are not subject to the requirements of this subdivision.

(e) (1) In any legal action to recover rent or other financial obligations under the lease that accrued between April 1, 2020, and September 30, 2021, before entry of any judgment in the plaintiff's favor, the plaintiff shall verify both of the following under penalty of perjury:

(A) The landlord has not received rental assistance or other financial compensation from any other source corresponding to the amount claimed.

(B) The landlord does not have any pending application for rental assistance or other financial compensation from any other source corresponding to the amount claimed.

(2) In any unlawful detainer action seeking possession of residential rental property based on nonpayment of rent or any other financial obligation under the lease, the court shall not enter a judgment in favor of the landlord unless the landlord verifies all of the following under penalty of perjury:

(A) That the landlord has not received rental assistance or other financial compensation from any other source corresponding to the amount demanded in the notice underlying the complaint.

(B) That the landlord has not received rental assistance or other financial compensation from any other source for rent accruing after the date of the notice underlying the complaint.

(C) That the landlord does not have any pending application for rental assistance or other financial compensation from any other source corresponding to the amount demanded in the notice underlying the complaint.

(D) That the landlord does not have any pending application for rental assistance or other financial compensation from any other sources for rent accruing after the date of the notice underlying the complaint.

(f) Notwithstanding any other state or local law, policy, or ordinance, for purposes of ensuring the timely implementation of resources pursuant to this section a grantee that has a population greater than 200,000 may enter into an agreement with the department to have its share of funds administered pursuant to this section by the department and may redirect those funds to the department for that purpose.

(g) (1) Except as provided in paragraph (2), the requirements of this section shall apply only to the administration of Round 1 funds.

(2) Subdivision (e) shall apply to the administration of Round 1 and Round 2 funds.

SEC. 26. Section 50897.3.1 is added to the Health and Safety Code, to read:

50897.3.1. (a) (1) The department may contract with a vendor to serve as the program implementer to manage and fund services and distribute emergency rental assistance resources pursuant to this section and consistent with the requirements of Section 50897.3.

(2) The department may establish a contract with one or more education and outreach contractors to conduct a multilingual statewide campaign to promote program participation and accessibility.

(3) In accordance with paragraphs (1) and (2), the department shall seek contracted solutions that minimize total administrative costs so that savings may be reallocated for use as direct assistance.

(4) The department may receive rental assistance program funding from localities or federally recognized tribes to administer on their behalf in a manner consistent with this chapter.

(b) (1) (A) A county with a population less than or equal to 200,000 and any grantee that is eligible for, but did not receive, a direct allocation of assistance from the Secretary of the Treasury pursuant to Section 3201 of Subtitle B of Title III of the federal American Rescue Plan Act of 2021

(Public Law 117-2) shall receive assistance pursuant to the state reservation table to be administered pursuant to this section.

(B) A grantee that was eligible for, but did not receive, a direct allocation of assistance from the Secretary of the Treasury pursuant to Section 3201 of Subtitle B of Title III of the federal American Rescue Plan Act of 2021 (Public Law 117-2) and was eligible for, but did not receive, block grant assistance under Section 50897.2.1 shall receive its proportionate share of assistance pursuant to the state reservation table to be administered pursuant to this section.

(2) (A) A grantee that was eligible for, but did not receive, block grant funds pursuant to Section 50897.2.1 and has elected to administer its direct share of assistance provided under Section 3201 of Subtitle B of Title III of the federal American Rescue Plan Act of 2021 (Public Law 117-2) shall have its proportionate share of block grant funds administered pursuant to this section.

(B) (i) To minimize legal liability and potential noncompliance with federal law, specifically those violations described in Section 501(k)(3)(B) of Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260), the department, or, if applicable, the program implementer, shall request that Option C grantees enter into a data sharing agreement for the purpose of preventing unlawful duplication of rental assistance to eligible households.

(ii) Notwithstanding any other law, an Option C grantee that enters into a data sharing agreement as pursuant to this subparagraph may disclose personally identifying information of rental assistance applicants to the department or the program implementer for the purposes described in this subparagraph.

(iii) An Option C grantee described in clause (ii) shall provide all applicable data information, as determined by the department, before when the department, or program implementer, begins administering funds within the grantee jurisdiction.

(C) Except as otherwise provided in subparagraph (B), an Option C grantee shall not be eligible for administrative and technical assistance provided by the department, including, but not limited to, support for long-term monitoring and reporting.

(D) The state, the department, or the program implementer acting on behalf of the department shall be indemnified from liability in the administration of assistance pursuant to this paragraph, specifically with respect to a violation described in Section 501(k)(3)(B) of Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260).

(E) (i) An Option C grantee shall not be eligible to have assistance administered on its behalf if the department determines the structure of the grantee's local rental assistance program would put the state's share of funds at risk of being recouped by the United States Treasury pursuant to Section 3201(e) of Subtitle B of Title III of the federal American Rescue Plan Act of 2021 (Public Law 117-2).

(ii) If, within 90 days of the effective date of this section, the department determines that an Option C grantee cannot satisfy the requirements of this subparagraph, the grantee's share of state funds shall be reallocated by the department to grantees based on factors that include unmet need, rate of application submissions, rate of attrition, and rate of expenditures.

(iii) Option C grantees that have funds reallocated pursuant to clause (i) may be eligible to receive funds, up to their total share of the state reservation table, upon demonstrating to the department the grantee has unmet need and funds would not be at risk of being recouped by the United States Treasury pursuant to Section 3201(e) of Subtitle B of Title III of the federal American Rescue Plan Act of 2021 (Public Law 117-2).

(3) To the extent permitted by federal law, a grantee that elects to participate in the program as provided in this section and that received rental assistance funding directly from the Secretary of the Treasury pursuant to Section 3201 of Subtitle B of Title III of the American Rescue Plan Act of 2021 (Public Law 117-2) shall add those funds received directly from the Secretary of the Treasury and any share of rental assistance funding provided pursuant to Section 50897.2.1 to the funds allocated to it pursuant to this section. Except as provided in paragraph (1) of subdivision (d), the total amount of funds described in this paragraph shall be used by the grantee in accordance with this section. Participation shall be conditioned upon having an executed standard agreement with the department.

(4) To the extent permitted by federal law, a federally recognized tribe that receives rental assistance funds directly from the Secretary of the Treasury pursuant to Section 3201 of Subtitle B of Title III of the federal American Rescue Plan Act of 2021 (Public Law 117-2) may add its direct federal allocation of funds to be administered pursuant to this section. Participation shall be conditioned upon having an executed standard agreement with the department.

(c) Funds allocated pursuant to this section shall be used for those eligible uses specified in and subject to the applicable requirements of Section 50897.1 and other eligible uses provided in Section 3201(d)(1)(D) of Subtitle B of Title III of the federal American Rescue Plan Act of 2021 (Public Law 117-2).

(d) A grantee that receives funds administered pursuant to this section shall contractually obligate those funds as follows:

(1) (A) A grantee participating in the state rental assistance program pursuant to Option A shall contractually obligate at least 75 percent of its first tranche of state funds by October 31, 2021.

(B) A grantee participating in the state rental assistance program pursuant to Option A shall contractually obligate at least 50 percent of its total share of state funds by January 31, 2022.

(2) (A) A grantee participating in the state rental assistance program pursuant to Option C shall contractually obligate at least 75 percent of its first tranche of state funds by October 31, 2021.

(B) A grantee participating in the state rental assistance program pursuant to Option C shall contractually obligate at least 50 percent of its total share of state funds by January 31, 2022.

(3) In reallocating funds pursuant to this subdivision, the department or, if applicable, the program implementer acting on behalf of the department, shall allocate unused funds to eligible grantees based on factors that include unmet need, rate of application submissions, rate of attrition, and rate of expenditures.

(4) Funds administered on behalf of a federally recognized tribe, pursuant to paragraph (4) of subdivision (b), are not subject to the requirements of this subdivision.

(e) Notwithstanding any other law, for purposes of ensuring the timely implementation of resources pursuant to this section, a grantee that has a population greater than 200,000 may enter into an agreement with the department to have its share of funds administered pursuant to this section by the department and may redirect those funds to the department for that purpose.

(f) The requirements of this section shall apply only to the administration of Round 2 funds.

SEC. 27. Section 50897.4 of the Health and Safety Code is amended to read:

50897.4. (a) Each Round 1 and Round 2 grantee shall provide to the department information relating to all applicable performance metrics, as determined by the department.

(b) Funds provided to a grantee under this chapter shall be subject to the same reporting and verification requirements specified in Section 501(g) of Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260). The grantee shall, in addition, provide any other information that the department deems necessary for purposes of this chapter, including, but not limited to, weekly funding obligation, expenditure, and projection reports.

(c) To the extent feasible, each grantee shall ensure that any assistance provided to an eligible household under this chapter is not duplicative of any other state-funded rental assistance provided to that eligible household.

(d) (1) The department shall submit to the Joint Legislative Budget Committee, on a monthly basis for the duration of the program, a report that provides programmatic performance metrics for funds administered pursuant to this chapter. The report shall include, at minimum, the following information:

(A) Obligation of funds for assistance provided under this chapter.

(B) Expenditure of funds for assistance provided under this chapter.

(C) Expenditure by eligible uses for assistance provided pursuant to this chapter.

(D) Reallocation of funds, if any, for assistance provided pursuant to this chapter.

(E) Geographic distribution of funds provided pursuant to Section 50897.3.

(F) For the first monthly report submitted pursuant to this section only, an overview of which jurisdictions have elected to participate in the state rental assistance programs as provided in Sections 50897.2 and 50897.3, respectively.

(2) A report required to be submitted pursuant to this subdivision shall be submitted in compliance with Section 9795 of the Government Code.

SEC. 28. The provisions of this act are severable. If any provision of this act or its application is held invalid, that invalidity shall not affect other provisions or applications that can be given effect without the invalid provision or application.

SEC. 29. 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.

SEC. 30. The Legislature finds and declares that Sections 11 and 13 of this act, which amend Sections 1161.2 and 1161.2.5 of the Code of Civil Procedure, imposes a limitation on the public's right of access to the meetings of public bodies or the writings of public officials and agencies within the meaning of Section 3 of Article I of the California Constitution. Pursuant to that constitutional provision, the Legislature makes the following findings to demonstrate the interest protected by this limitation and the need for protecting that interest:

This act balances the public's right to access records of judicial proceedings with the need to protect the privacy and future housing needs of tenants facing financial distress due to COVID-19.

SEC. 31. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the California Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to address the hardships imposed by the COVID-19 pandemic on tenants and landlords in California as soon as possible, it is necessary that this act take immediate effect.



City Council Agenda Report

ITEM NO. 14

DATE: September 15, 2021

FROM: Arminé Chaparyan, City Manager *Ac*

PREPARED BY: Shahid Abbas, Public Works Director
H. Ted Gerber, Deputy Public Works Director
Anteneh Tesfaye, Water Operations Manager

SUBJECT: **Purchase and Replacement of Carbon Media from Calgon Carbon Corporation for the Wilson Wellhead Treatment System for a Total Not-to-Exceed Amount of \$450,000**

Recommendation Action

It is recommended that the City Council authorize the sole source purchase and replacement of carbon media from Calgon Carbon Corporation (Calgon) for a total not-to-exceed amount of \$450,000 for the Wilson Water Reservoir Wellhead Treatment System (\$438,380 for the proposed amount and \$11,620 for contingencies, namely, price fluctuations, testing, and acceptance testing).

Background

The Wilson Wellhead Treatment System consists of eight 20,000-pound Granulated Activated Carbon (GAC) vessels that remove pollutants, such as 1,2,3,-Trichloropropane (1,2,3-TCP), from the groundwater that is pumped, treated, and stored at the Wilson Reservoir. The GAC system ensures this water meets State Water Resources Control Board Division of Drinking Water (SWRCB-DDW) regulations and is safe to drink. The carbon media inside the GAC vessels must be replaced periodically in order for the system to continue providing a high level of treatment that exceeds minimum requirements. Over 90% of the City's water supply is pumped from the Wilson Wells through this treatment system.

Discussion/Analysis:

This purchase and replacement is a sole source procurement to Calgon, as the company is the only authorized manufacturer and supplier of GAC media for the Wilson treatment system approved for use by SWRCB-DDW. Therefore, the purchase qualifies for sole source exemption from the Public Works Contracts Code pursuant to SPMC § 2.99-37(a)(3). The proposed cost includes purchase of the material, delivery of the material to the site, removal of the existing material, disposal of the existing material to landfill, and loading of the new material into the GAC vessels. As stated in the proposal, the existing GAC media cannot be reactivated and therefore material must be disposed to a landfill. This is due to pollutants that originate from groundwater that become concentrated in the GAC media and prevents reuse of the material.

The City has recently received \$2.2 Million in Proposition 68 Grant funds, which can be applied to Wilson Wellhead Treatment System costs incurred from July 2018 through February 2023, upon execution of the contract.

Environmental Analysis

This item is exempt from any California Environmental Quality Act (CEQA) analysis based on State CEQA Guidelines Section 15301 Existing Facilities.

Fiscal Impact

This item is included in the City's adopted fiscal year FY 2021-2022 budget, and sufficient funds are available in Water Production Contract Services Account No. 500-6010-6711-8180-000 to fund this purchase.

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. Calgon Carbon Proposal

ATTACHMENT 1
Calgon Carbon Proposal



September 1, 2021

South Pasadena city of, CA

Dear Mr. Tesfaye ,

Thank you for your interest in the products and services of Calgon Carbon Corporation. We are pleased to respond to your request for quotation. We are quoting you 160,000 lbs or all eight of the 20,000 lb reactors. We are planning to do this exchange the same as the previous with sacking the material on site for landfilling since we are unable to reactivate this material.

160,000 lb Carbon Exchange:

Product/Packaging: FILTRASORB 400 - BULK

Quantity: 160,000 LBS

Price \$1.49 per pound

Total Price: \$238,400 USD

Sales Tax (@10.25%) \$24,436

Product/Packaging: Freight for virgin material delivery, freight for spent material to landfill, Field service to remove the spent material and bag it and field service to load the new material.

Price: \$175,544 USD

Total Price: \$438,380 USD

Standard lead time is 7-10 business days after receipt of a purchase order.

Quote is valid for 90 days from today

Shipment must take place within 90 days after receipt of a purchase order

Pricing beyond the terms stated above is subject to change. Calgon Carbon Corporation Terms and Conditions apply.

If you would like to proceed with this offer, please email or fax a purchase order or credit card information to customer relations at 412-787-6323 or customerrelations@calgoncarbon-us.com. **Be sure to include your shipping address, delivery date, and reference the above quotation number on your purchase order.** Please contact me with any additional questions.

Sincerely,

Timothy Brekke
Senior Technical Sales Representative

Terms and Conditions for the Sale of Carbon and Media

1) DEFINITIONS:

- (a) Seller: Calgon Carbon Corporation or its applicable subsidiary or affiliate
- (b) Buyer: The buyer named in the Documentation
- (c) Documentation: The proposal, confirmation, acknowledgement or other contract, as applicable, for the sale of the Products to which these Terms and Conditions are attached
- (d) Goods:: Any carbon cloth, carbon, resin, diatomaceous earth, and/or perlites sold pursuant to the terms of the Documentation
- (e) Products: The Goods and services, collectively, described in the Documentation
- (f) Agreement: The Documentation, these Terms and Conditions and any attachments referenced in the Documentation

2) GENERAL: Seller hereby offers for sale to Buyer the Products on the express condition that Buyer agrees to accept and be bound by the terms and conditions set forth herein. To the extent of a conflict between these Terms and Conditions and the express terms set forth in the Documentation, the terms set forth in the Documentation shall control. Any provisions

contained in any document issued by Buyer are expressly rejected and if the terms and conditions set forth herein differ from the terms in any document issued by Buyer, this document shall be construed as a counter offer and shall not be effective as an acceptance of Buyer's document. In ordering and delivery of the Products, the parties may employ their standard forms; provided, however, that nothing in those forms shall be construed to modify or amend the terms of this Agreement. In the event of a conflict between this Agreement and either party's standard forms, this Agreement shall govern.

3) Price and Payment: The price shall be as stated in the Documentation.

Unless otherwise stated in the Documentation: (a) The price is exclusive of any taxes, tariff, and duties of any kind which either party may be required to pay with respect to the sale of goods described in the Documentation, and Buyer shall be responsible for the payment of all taxes, tariffs and duties related hereto, except for income taxes imposed on Seller; (b) Sales tax will be added to the price based upon the Product destination unless tax exemption or direct pay documentation is provided; (c) Products will be billed for at the time of delivery; and (d) Payment terms shall be net thirty (30) days, or net forty-five (45) days if paid by Electronic Funds Transfer (EFT). A late payment fee of 1.25% per month, or the highest lawful rate, whichever is less, will apply to all amounts past due, and will be prorated per day.

Retainage may only be applied on the final invoice. Buyer agrees that Seller, at its discretion, may accelerate and make due and payable all remaining payments if Buyer shall fail to perform any of its obligations hereunder or under the Documentation, including without limitation Buyer's failure to pay any amount when due, subject to any applicable cure periods provided for herein.

4) PRICING CONDITIONS:

(a) Unless otherwise indicated within the Documentation, all pricing quoted in connection with the Documentation is valid for purchase for a sixty (60) day period beginning with the date of the Documentation.

(b) If this Agreement shall continue into the next calendar year, the fees payable pursuant hereto will be adjusted on January 1st of such calendar year as outlined in the Documentation; provided that if the Documentation is silent, the mechanism set forth in Section 4(c) below will apply.

(c) If the Documentation is silent regarding the mechanism for adjustment of fees, the fees will be adjusted on January 1st of such calendar year by the annual percentage change in the combined average of two Producer Price Indices, as published by the United States Department of Labor: (i) Producer Price Index of other Petroleum and Coal Products Manufacturing, and (ii) Producer Price Index of Basic Organic Chemicals. The percent adjustment shall be calculated by taking the percent difference for each index during the twelve month period from January 1st through December 31st of the last completed calendar year as compared to the twelve month period from January 1st through December 31st of the calendar year immediately preceding the last completed calendar year. These two percentages will then be averaged for calculating the final percent increase to which all Goods will be subject. If the calculation would result in a negative adjustment, no changes shall be made for such year.

5) SALE AND DELIVERY: Sale terms and pricing, unless otherwise specified in the Documentation, are F.O.B. Seller's point of shipment (Incoterms® 2020). If freight is to be prepaid by Seller and added to the amount due, Seller shall add up to a thirty-five percent (35%) surcharge to the freight charges. Seller will have the right, at its election, to make partial shipments of the Products and to invoice each shipment separately. Seller reserves the right to stop delivery of any Product in transit and to withhold shipments in whole or in part if Buyer fails to make any payment to Seller when due or otherwise fails to perform its obligations hereunder or under any other outstanding payment obligations of Buyer to Seller, whether related to the Documentation or otherwise.

6) TITLE AND RISK OF LOSS: Notwithstanding the trade terms indicated above and subject to Seller's right to stop delivery of any Goods in transit pursuant to Section 5 above, title to and risk of loss of the Goods will pass to Buyer upon delivery of the Goods by Seller to the carrier at Seller's point of shipment. Notwithstanding the foregoing or the provisions of the Uniform Commercial Code or Incoterms® 2020,

if Buyer is located outside of the United States of America, title to the Goods, and all accessions to or products of the Goods, shall remain with Seller until the later of (a) payment in full of the purchase price and of other amounts owing by Buyer and (b) delivery to Buyer.

7) AVAILABILITY: Shipment dates (and delivery and installation dates, if included in the scope of work) are not guaranteed, and Seller will not be liable for any loss or damage resulting from any delay in delivery or failure to deliver which is due to any cause beyond Seller's reasonable control. In the event of a delay due to any cause beyond Seller's reasonable control, Seller reserves the right to reschedule the shipment within a reasonable period of time, and Buyer will not be entitled to refuse delivery or otherwise be relieved of any obligations as the result of such delay. If any delivery is delayed for more than thirty (30) days beyond the originally scheduled delivery date and such delay is caused by Buyer, Buyer will be subject to storage charges from the scheduled shipment date of two percent (2%) of the sale price per month; and such storage charge shall be due monthly on the first day of each month. Storage by Seller shall be at Buyer's risk and expense.

8) SERVICES:

(a) All orders which include services (including installation, supervision, startup, training, testing, etc.) as stated in the Documentation will require the completion of the Pre-Visit Checklist and Service Request Form prior to scheduling the visit. If there are delays, cancellations, or failures by Buyer to meet service personnel at designated times, then fees will be assessed to the customer at Seller's then-applicable per hour rate for each hour of delay for each person. For domestic or international travel, additional fees will apply.

(b) Buyer shall make the premises, where services are to be performed (the "Premises"), available to Seller at all reasonable times as Seller may request, such that Seller shall be able to perform the services in a timely manner. Buyer shall bear all risk and liability associated with its inability to make the Premises available to Seller to perform the services. Prior to the commencement of services, Buyer shall ensure that the Premises are in good repair and in safe condition, and shall notify Seller of any dangerous, unsafe or hazardous conditions associated with the Premises, such that Seller can take the appropriate safeguards. Prior to the commencement of any work, Buyer shall notify Seller of any special workplace requirements, safety standards, operating procedures or other conditions imposed on persons performing work at the Premises.

(c) Any spent activated carbon covered by this Agreement will be subjected to reactivation acceptance testing by Seller as described in Seller's Guidelines for Return for Reactivation of Granular Activated Carbon, which Seller may update from time to time in its sole discretion. Buyer will provide any information required by Seller relative to evaluating carbon acceptance.

Seller reserves the right to reject any and all activated carbon if, in its judgment, it is unsuitable for reactivation. Further, Seller will periodically retest the spent activated carbon to assure it remains acceptable for reactivation and that it does not contain constituents that were not in the carbon acceptance sample and/or Adsorbate Profile Document. Seller reserves the right to apply a surcharge for reactivation of spent carbon with quality that creates excessive corrosion, slagging, exothermic reactions, or other operational problems including lower furnace operating rates. If the spent activated carbon becomes unacceptable for reactivation, disposal of the carbon will be the responsibility of Buyer. Seller reserves the right to reactivate the spent carbon at any of its reactivation facilities where carbon acceptance exists.

9) PERMITS, LICENSES AND FEES: Buyer shall be responsible, at its sole expense, for all environmental permits, applications, regulatory approvals, and other permits or licenses that may be required for installation and/or operation of the Products.

10) Termination: Seller may cancel this Agreement if any of the following occurs: (a) Buyer becomes insolvent; (b) Buyer ceases to conduct its operations in the normal course of business; (c) Buyer is unable to meet its obligations as they mature, or admit in writing such inability or fails to provide adequate assurances of its ability to perform its obligations hereunder; (d) Buyer files a voluntary petition in bankruptcy; (e) Buyer suffers the filing of an involuntary petition in bankruptcy and the same is not dismissed within thirty (30) days after filing; (f) a receiver, custodian or trustee is appointed for Buyer or for a substantial part of its property; (g) Buyer fails to make payment on the terms and within the time specified in this Agreement, or breaches any other obligations under this Agreement; or (h) Buyer executes an assignment for the benefit of its creditors. In the event of such cancellation, Seller shall have all rights and remedies set forth in the Uniform Commercial Code of any applicable jurisdiction and all other remedies available at law or in equity. Sections 2, 10, 11, 12, 14, 15, 16, 18, 19 and 20 shall survive termination or expiration of this Agreement.

11) LIMITED WARRANTIES:

(a) Unless otherwise specifically provided for in the Documentation, Seller warrants that all Products provided under this Agreement shall, at the time of delivery, conform to Seller's then-applicable specifications for such Products. Seller shall correct (by replacement of Goods or reperformance of services) any failure to conform to the foregoing warranty of which it is notified in writing within ninety (90) days from delivery. Any Goods removed in connection with such replacement may be reactivated or disposed of at Seller's sole discretion.

(b) THE OBLIGATIONS CREATED BY THIS WARRANTY TO REPAIR OR REPLACE DEFECTIVE GOODS OR TO PROVIDE CORRECTIVE SERVICES SHALL BE THE SOLE REMEDY OF BUYER IN THE

EVENT OF DEFECTIVE GOODS OR SERVICES. THERE ARE NO WARRANTIES MADE WITH REGARD TO THE PRODUCTS OTHER THAN THOSE CONTAINED IN THIS SECTION. ALL OTHER WARRANTIES, EITHER EXPRESS OR IMPLIED, ARE HEREBY DISCLAIMED, INCLUDING, WITHOUT LIMITATION, THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND ALL WARRANTIES ARISING FROM COURSE OF DEALING OR USAGE OF TRADE.

(c) The sale of any Products pursuant to this Agreement does not include any license, express or implied, to practice any intellectual property owned or licensed by any third party. Buyer agrees not to use the Products for any patented use not set forth expressly in this Agreement, absent a separate license from the holder of such patent. Additionally, Buyer agrees not to resell or sublicense the use of Products for any use not expressly granted hereunder. Any warranty obligations do not apply to any specific use of the Products, application of the Products, modification of the Products, or combination of the Products with any product manufactured by any third party. Seller, except as noted herein, does not and will not warrant, indemnify, or in any other way share responsibility for Buyer's use, application, modification, or combination of the Products.

12) LIMITATION OF LIABILITY: Notwithstanding any provision to the contrary herein, except with respect to a breach of the confidentiality obligations set forth in Section 15 hereof, the parties hereto agree that in no event shall either party be liable to the other party for any indirect, special, consequential, incidental or punitive damages, or lost profits, as a result of a breach of any provision of this Agreement or for any other claim of any kind arising out of or relating to this Agreement, whether in contract, in tort or otherwise. Notwithstanding any provision to the contrary herein, for all losses, damages, liabilities or expenses (including attorney's fees and costs), whether for indemnity or negligence, including errors, omissions or other acts, or willful misconduct, or based in contract, warranty (including any costs and fees for repairing, replacing or re-performing services or curing a breach hereof), or for any other cause of action (individually, a "Claim"; collectively, "Claims"), Seller's liability, including the liability of its insurers, employees, agents, directors, and officers and all other persons for whom Seller is legally responsible, shall not, to the maximum extent permitted by law, exceed in the cumulative aggregate with respect to all Claims arising out of or related to this Agreement, the lesser of (a) the total amount of compensation paid to Seller hereunder, and (b) One Million Dollars (\$1,000,000). All Claims of whatsoever nature shall be deemed waived unless made in writing within ninety (90) days of the occurrence giving rise to the Claim. Moreover, any failure of

Buyer to notify Seller of unsatisfactory operation or any improper or unauthorized installation, maintenance, use, repair, or adjustment shall relieve Seller of any further responsibilities hereunder.

13) FORCE MAJEURE: Notwithstanding any provision to the contrary herein, Seller shall have no liability to Buyer or its affiliates, and shall have the right to suspend performance (including, without limitation, shipments) hereunder, in the event of war, riot, terrorism, accident, explosion, sabotage, flood, acts of God, fire, court order, strike, labor disturbance, work stoppage, national defense requirements, act of governmental authority, pandemic, epidemic, extraordinary failure of equipment or apparatus, inability to obtain electricity or other type of energy, raw material, labor, equipment or transportation, or other causes beyond Seller's reasonable control. It is understood and agreed that settlement of strikes, lockouts and other labor disputes shall be entirely within the discretion of Seller and that nothing in this Agreement shall require the settlement of strikes, lockouts and labor disputes when such course is inadvisable in the sole discretion of Seller.

14) EXPORT CONTROLS: Buyer acknowledges that the Products and related technology are subject to U.S. export control and economic sanctions laws and regulations, which may include the International Traffic in Arms Regulations (ITAR), the Export Administration Regulations (EAR) and regulations promulgated by the U.S. Department of the Treasury Office of Foreign Assets Control (OFAC). Buyer further acknowledges that the re-export of the Products and/or related technology to a third country or retransfer to an unapproved end user may require a license or other authorization from the Government of the United States. Such licenses or other authorizations may impose further restrictions on the re-export or retransfer of the Products and/or related technology. U.S. law also restricts the re-export or retransfer of U.S.-origin goods, technology, or services to countries or persons subject to U.S. sanctions or embargoes. Buyer represents and warrants that it is in compliance with and agrees to comply with all such applicable export control and economic sanctions laws and regulations. It is the sole responsibility of Buyer to apply for and obtain any necessary licenses or other authorizations prior to any re-export or retransfer of the Products and/or related technology. Seller makes no warranty that any such licenses or other authorizations will be granted, and shall have no liability for Buyer's inability to obtain such licenses or other authorization or for any violation by Buyer of any applicable export control and/or economic sanctions laws and regulations. Buyer will indemnify Seller and hold it harmless from any liability resulting from Buyer's violation of this provision or applicable export laws or regulations. Notwithstanding any other provision in this Agreement, Seller shall have the right to terminate this Agreement immediately upon the determination by Seller, in Seller's sole discretion, that Buyer has breached, intends to breach, or insists upon breaching any of the provisions in the above clauses.

15) CONFIDENTIALITY: Other than in the performance of the terms of this Agreement, neither Buyer nor its agents, employees, or subcontractors shall use or disclose to any person or entity any confidential information of Seller (whether written, oral, electronic or other form) that is obtained or otherwise prepared or discovered in connection with this Agreement. Buyer agrees that all pricing, discounts, design drawings and technical information that Seller provides to Buyer are the confidential and proprietary information of Seller, whether or not otherwise identified as such. The obligations under this section continue perpetually and survive the termination or expiration of any underlying agreement between the parties. The provisions of this section relating to use and disclosure shall not apply to any information that: (a) is or becomes generally available to the public other than as a result of a disclosure by Buyer under this Agreement; (b) becomes available to Buyer from a source other than Seller without breach of any obligation of confidentiality; (c) was independently developed by Buyer without violation of Seller's rights and without reference to the confidential information, as evidenced by written records, maintained in the ordinary course of business by Buyer; (d) is used or disclosed with the prior written approval of Seller; (e) is information previously known to Buyer as evidenced by written records maintained by Buyer in the ordinary course of business, and not otherwise subject to any confidentiality restrictions; or (f) Buyer becomes legally compelled (by oral questions, interrogatories, requests for information or documents, subpoenas, investigative demands or similar process) to disclose. The burden of proof that the information resides within one of the exceptions set forth above shall be on Buyer. If Buyer becomes legally compelled (by oral questions, interrogatories, requests for information or documents, subpoenas, investigative demands or similar process) to disclose any of the confidential information, Buyer shall provide Seller with prompt written notice so that Seller may seek a protective order or other appropriate remedy or waive compliance with the provisions of this Agreement. If such protective order or other remedy is not obtained, or if Seller waives compliance with the provisions of this Agreement, Buyer shall furnish only that portion of the confidential information which Buyer is legally required to disclose and shall exercise its reasonable efforts to obtain reliable assurance that confidential treatment shall be accorded the confidential information. Buyer shall not undertake any qualitative or quantitative analysis, reverse engineering or replication of any of Seller's products, samples or prototypes without Seller's specific written authorization.

16) SECURITY INTEREST: Buyer hereby grants Seller a security interest in the Goods to secure the payment of the purchase price, and shall not sell, lease, transfer or encumber the Goods and will keep the Goods free from any and all liens and security interests until Seller has been paid in full. Buyer shall execute any and all documents reasonably requested by Seller to protect such security interests.

17) MANAGEMENT OF CHANGE: Seller is constantly striving to improve its products and capabilities and to provide the best product to its customers. Seller may from time to time develop product improvements or alterations with respect to the Products hereunder (the "Product Improvements"), and Seller may implement such Product Improvements without notice to Buyer so long as the performance of the Products will not be materially diminished, as determined in Seller's sole discretion, and so long as Seller has not separately agreed in writing to provide such notification to Buyer. In the event that Seller has agreed in writing to provide notice of Product Improvements to Buyer (the "Notice"), then Seller shall provide such Notice in accordance with the terms set forth in the separate writing.

18) APPLICABLE LAW AND JURISDICTION: This Agreement shall be governed by, construed and enforced in accordance with the laws of the Commonwealth of Pennsylvania, without regard to its conflict of law principles. The UN Convention on Contracts for the International Sale of Goods shall not apply to the transaction(s) represented hereby. The parties consent and submit to the exclusive jurisdiction and service of process of any state or federal court located in Allegheny County, Pennsylvania.

19) MISCELLANEOUS:

(a) Neither party may assign this Agreement, including without limitation any of its rights or obligations hereunder, without the express written consent of the other party hereto; provided that Seller may, without Buyer's consent, assign this Agreement, including without limitation any of its rights or obligations hereunder, to any of its parents, subsidiaries or affiliates or to any third party which merges with Seller or acquires all or substantially all of its business and assets or a substantial part of its assets or business relating to the Products. Seller may use subcontractors to fulfill its obligations pursuant to this Agreement.

(b) In the event of any legal proceeding between Seller and Buyer relating to this Agreement, neither party may claim the right to a trial by jury, and both parties waive any right they may have under applicable law or otherwise to a trial by jury.

(c) In the event that any one or more provisions (or portions thereof) contained herein shall be held by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions (or portions thereof) contained herein shall remain in full force and effect, unless the revision materially changes the bargain.

(d) Seller's failure to enforce, or Seller's waiver of a breach of, any provision contained in this Agreement shall not constitute a waiver of any other breach or of such provision.

(e) Seller reserves the right to correct clerical, arithmetical, or stenographic errors or omissions in this Agreement, invoices or other documents.

(f) Any notice or communication required or permitted hereunder shall be in writing and shall be deemed received when personally delivered or three (3) business days after being sent by certified mail, postage prepaid, to a party at the address specified in this Agreement, or at such other address as either party may from time to time designate in writing to the other.

(g) Buyer agrees that it will not use Seller's name(s), logo(s) or mark(s) in any public communication or press release, or for any other marketing or promotional purpose, without Seller's prior written consent.

(h) Terms used in this Agreement which are not defined herein and which are defined by the Uniform Commercial Code of the Commonwealth of Pennsylvania shall have the meanings contained therein.

20) ENTIRE AGREEMENT: With respect to the subject matter hereof, this Agreement constitutes the complete and exclusive statement of the contract between Seller and Buyer. No waiver, consent, modification, amendment or change of the terms contained in this Agreement shall be binding unless made in writing and signed by Seller and Buyer. Seller's failure to object to terms contained in any subsequent communication from Buyer (whether in a purchase order or other communication) will not be a waiver or modification of the terms set forth herein.



City Council Agenda Report

ITEM NO. 15

DATE: September 15, 2021

FROM: Arminé Chaparyan, City Manager *AC*

PREPARED BY: Shahid Abbas, Director of Public Works
H. Ted Gerber, Deputy Public Works Director

SUBJECT: **Award of Contract to EVGateway for the Installation of an Electric Vehicle Charging Station at City Hall for a not-to-exceed Amount of \$90,000.00 using Proposition C Funds and a Grant under Local Government Partnership Program from South Coast Air Quality Management District and Appropriation of Funds**

Recommendation

It is recommended that the City Council:

1. Accept a proposal from EVGateway for the installation of a direct-current fast charger (DCFC)/Level 3 electric vehicle (EV) charging station at City Hall;
2. Authorize the City Manager to execute the agreement with EVGateway for a not-to-exceed amount of \$90,000.00 (\$85,481.21 for the proposal amount and \$4,518.79 for a contingency);
3. Reject all other proposals received.
4. Authorize an appropriation of Proposition C funds to Account No. 207-9000-94022-9402-001 in the amount of \$60,000; and
5. Authorize an appropriation of Air Quality Management District (AQMD) Mobile Source Air Pollution Reduction Review Committee (MSRC) funds to Account No. 238-9000-9402-9402-001 in the amount of \$30,000, and appropriation of the grant revenue funds to AQMD MSRC Revenue Account No. 238-0000-0000-5071-014, upon reimbursement.

Background

In the City's Climate Action Plan (CAP) adopted in December 2020, one of the transportation-sector goals (CAP T.1) is to increase zero-emission vehicle and equipment to 13% by 2030 and 25% by 2045. Within this goal, the City has identified an action to earmark and identify funding for EV readiness, including public charging infrastructure in key locations (CAP T.1.g).

On, February 14, 2019, the City of South Pasadena (City) was awarded \$50,000 from the Local Government Partnership Program under AB 2766/MSRC Discretionary Fund from South Coast AQMD. Part of the funds, \$20,000, was utilized to assist the City in purchasing two electric Chevrolet Bolts in 2020. The remaining \$30,000 was designated to install a DCFC/Level 3 fast charge EV charging station in the City Hall employee parking lot.

DCFC/Level 3 chargers can charge an EV to a 100-mile range in less than 30 minutes, which would take several hours for Level 1 and Level 2 chargers. At present, there are two pay-for-use chargers located in the Mound Avenue parking lot, across from City Hall, however, there are no functioning EV chargers located with the City Hall parking lots to support City EVs and staff-owned EVs.

Discussion/Analysis

In 2020, City staff obtained three proposals for purchase and installation of the DCFC/Level 3 charging equipment, including electrical concrete work and five-years of warranty, maintenance, and network/data costs. The proposing vendors and their costs, including taxes and fees, are listed below:

	Vendors	Proposal Amount
1	EVGateway	\$85,481.21
2	BTC Power	\$99,251.30
3	ChargePoint	\$109,269.00

EVGateway is the lowest cost proposal (Attachment 1), and as such, City staff has completed the reference check for this vendor, and developed a Construction Services Agreement (Attachment 2) with the company.

The project was delayed due to operational changes to reduce the spread of COVID-19, and City staff requested an extension to the executed AQMD contract (Attachment 3) in March 2021. The contract was revised with a modified schedule, and received from AQMD at the end of July 2021.

The initial project effort will consist of preparing a site plan and obtaining City permits for electrical, architectural, and structural work. Trenching, electrical cable-laying and concrete installation will be required. The work is expected to be completed 2-3 months after City Council’s approval of this item. Once operational, the vendor will provide 5-years of network services to support payment and mobile app/portal access to the charger system. The charger will be primarily used by City staff during normal business hours, but is available for paid-access public use during all other times.

Environmental Analysis

The action being considered is categorically exempt from the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines section 15301(a) as the activity consists of the operation, repair, maintenance, or minor alteration of existing public structures or facilities, involving negligible or no expansion of existing or former use, including interior or exterior alterations involving electrical conveyances

Fiscal Impact

City funding for the EV Charging Station will be appropriated from Proposition C Local Return funds to Account No. 207-9000-9402-9402-001 in the amount of \$60,000. The remaining \$30,000 funding will come from AQMD MSRC Grant Revenues, and the funds will be appropriated to Account No. 238-9000-9402-9402-001. The grant funds will be reimbursed by AQMD once the City files a report after project completion, per the MSRC Clean Transportation Funding contract. The \$30,000 Revenue received from AQMD will be deposited in Account No. 238-0000-0000-5071-014.

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. Proposal submitted by EVGateway.
2. EVGateway Construction Services Agreement.
3. Executed Clean Transportation Funding Contract with South Coast AQMD MSRC
4. Modification to Clean Transportation Funding Contract with South Coast AQMD MSRC

ATTACHMENT 1

EV Gateway Proposal



EVSE NETWORK AND PUBLIC CHARGING

ABSTRACT

EvGateway offers Complete AC / DC Chargers & its network monitoring software and technical expertise as a service and proposes its solution for EVSE Network monitoring, Mobile Apps, Payment Gateways and Help Desk and 24 x 7 Support.

[marri reddy](#)



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1. Executive Summary

EVGateway is a vendor-agnostic electric vehicle network which provides turn-key solutions to the end customer. It works with EV manufacturers/owners to enhance their chargers into smart-chargers- so they can be remotely managed and monitored without human intervention.

EVGateway is head quartered in Irvine, California with operations in USA, India, Europe, Middle East and Latin America etc. The software is used presently to monitor 2000+ charging stations worldwide which includes public chargers operated under EVG, white labeled solutions and Fleet Operations.

EVGateway offers its state-of-the-art Network Monitoring Software and technical expertise as a service and proposes the following models to suit your business model and operations.

- EVGateway SAAS White Label – Dedicated Hosting
- EVGateway White Label – On Premise
- EVGateway for Fleet Operations – (Dedicated Hosting / On Premise)

Service Offering

Services	Dedicated Hosting	On Premise Hosting
Software White label	✓	✓
White Label Mobile Apps	✓	✓
Payment Gateway Integration	✓	✓
24 x 7 Helpdesk	✓	✓
Back up & Restoration Services	✓	✓
Ticket System - Incident Management	✓	✓
Data at Rest Security	✓	✓
Application and IT security	✓	✓
Hosting Charges	✓	x
White label Charges	✓	✓
Non-Recurring Charge	✓	✓
Fees / Charger (Port) / Month	✓	✓
Transaction Charges	✓	✓

Key Features of the EVG software

Portal

Dashboard
Reports
Administration
Power Management
Station Management
Customer Management
Site Management
Driver Management
Site Owner Management
RFID / FOB Management
Access Control Roles
Set Vending Price
Manage Curtailment
Fleet Management
Dealer or Reseller Management
Multi Language Support
Driver related help - FAQ, Manual

Mobile Application

Android
IOS
Navigation MAP
Favorites
Trip Planner
Charging Activity
Payments
Notifications and Alerts
Filter Options
Remote Start / Stop
Reserve Charging Sessions
Support - Driver
QR Scanner

Payment Gateway

STRIPE/Authorize.net/VANTIV(World Pay)/PAYPAL
BHIM UPI

Network

Monitor AC Chargers
Monitor DC Chargers
Monitor Ports
Monitor Station Signal
Monitor Hardware Related Faults

OCPP - 1.6 and above

OCPP Core Functionalities
Firmware Management
Reservation
Trigger Message
Smart Charging
Remote Diagnostics

Features

EvGateway Network Customization
Mobile App Customization
Driver Support
Station Owner Support
Network & Backend Support (IT)

Request Additional functionality

Public IP
Separate Database Instance
Customization
EvGateway Hosting
SSL Certificates
Domain Support
Hosting Support
Web Portal Support
Security Monitoring
Data at Rest Security

Compliance

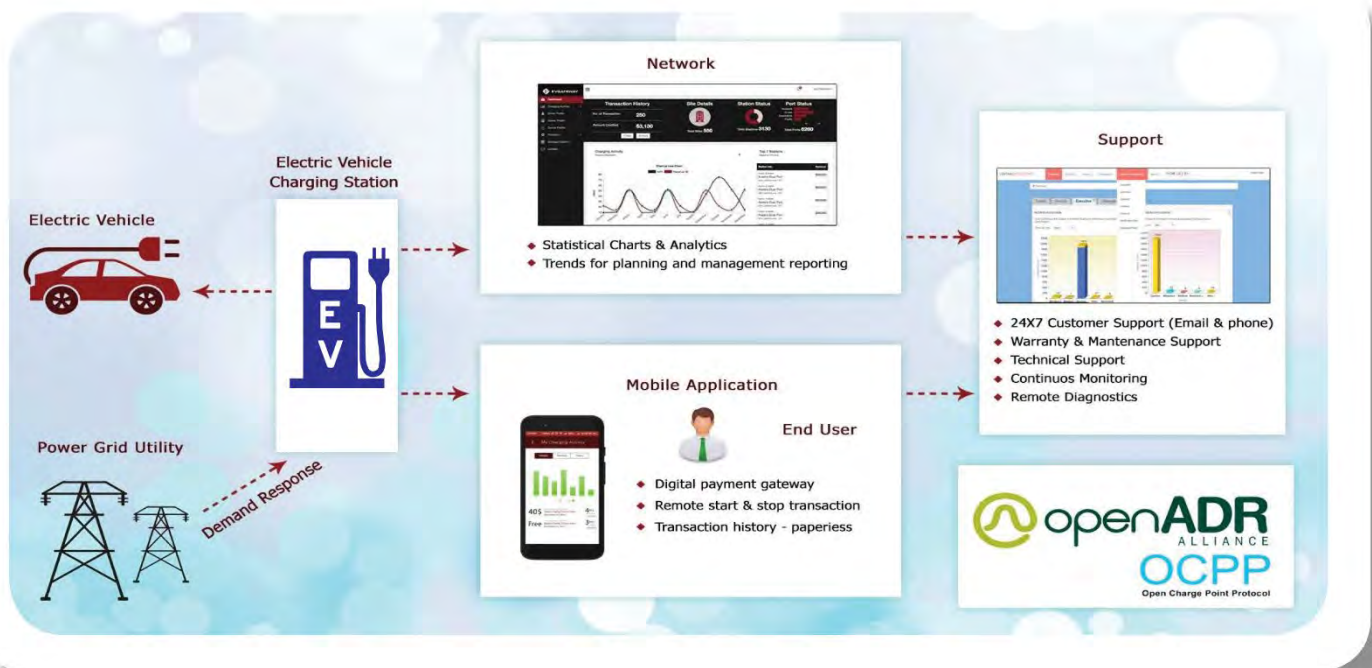
OPEN ADR 2.0b
OCPP 1.6 & above
PCI DSS
Data at Rest Security - FIPS 140.2

EVGateway operates 24x7 helpdesk with multilingual language support. The support team has expertise on basic and advanced diagnosis on the charger hardware and operations and network platform, payment gateway operations etc.

The subsequent sections of the proposal details the features and approach methodology of the EVGateway. Please refer to [Section 10](#) of this proposal for more details regarding our White Labeled offerings.

2. EVCN Introduction

EvGateway **Electric Vehicle Charging Network (EVCN)** Fleet and a Public charging network to monitors the health of the Charging Station equipment, activates and terminates charging events, initiates pay as you go transactions and collects usage data from charging stations.



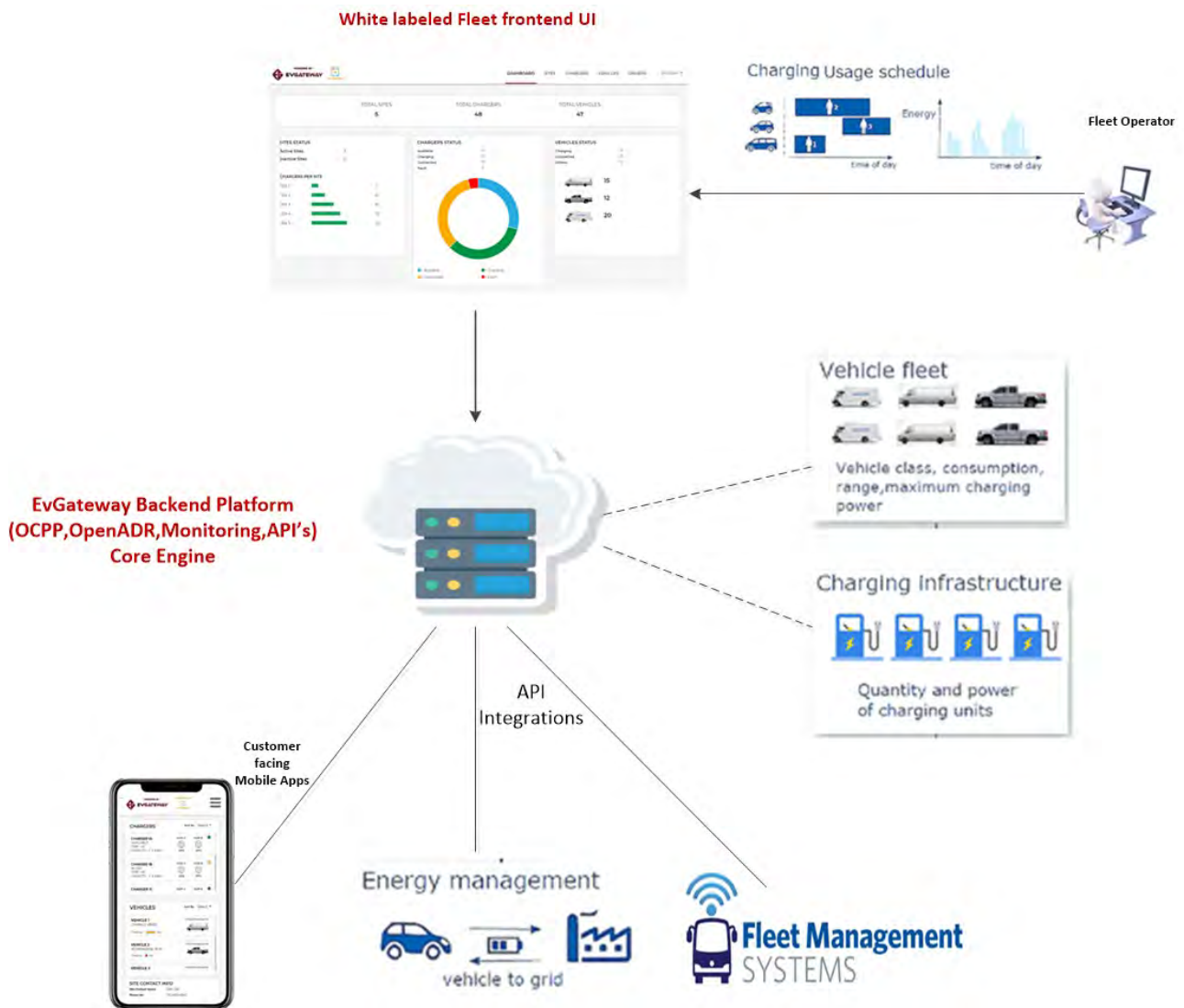


Figure 1: EvGateway Fleet Electric Vehicle Charging Network

EVCN fleet management network makes it simple for EV charging station owners to operate and customize charging stations to meet their specific requirements. Below are some of the most widely used features:

- **OCPP 1.6** compliant network enables you to add any OCPP 1.6 and above compliant charging stations to the network and start monitoring its activities. EvGateway is an open charge point protocol and an open ADR compliant network
 * (In order to learn more about the OCPP compliant network and protocol, please refer to the sections at the end of the white paper.)
- Set the price that drivers pay to use charging stations based on energy cost, duration, time of use. Funds collected from drivers are electronically transferred to a designated bank account. EvGateway network supports **Multiple Digital Payment gateways**.
- Advanced access controls manage which drivers can access stations and when.
- Statistical charts and analytics, available with a click, summarize important trends for planning and management reporting.
- Waitlist makes charging more convenient by notifying drivers when a charging spot becomes available for them and holding it until they can plug in their vehicle.

- A graphical dashboard shows real-time status and a detailed map, making it easy to manage stations from your desk or mobile phone.
- **Mobile Application** allows users to locate and navigate to the nearest charging stations and complete a paperless charging session.

3. How Can EvGateway Serve You?

EvGateway is a provider of the most secure EV charging station management network software. It is focused on helping reduce global CO2 emissions by accelerating the adoption and use of Electric Vehicles in cities around the world. It does so by taking various approaches to provide turnkey EV solutions. The three main aspects to EvGateway services are as follows:

EvGateway Electric Vehicle Charging Network (EVCN)

Monitors the health of the Charging Station equipment, activates and terminates charging events, initiates pay as you go transactions and collects usage data from charging stations. Some key features of the EVCN are: Statistical Charts and Analysis, Trends in planning and management reporting, PCI DSS compliance Payment Gateway, Remote Diagnostic and Remediation, and Provision Sites and Stations.

EvGateway Mobile Application:

allows users to locate and navigate to the nearest charging stations and complete a paperless charging session. EvGateway is an Android and IOS App that can be downloaded from the Google play or app store.

Registered drivers can Sign into the App to view their charging station, top up their Account Balance, send an Email to Support Team, find nearby charging station and add Stations to the list of Favorites if used frequently. Advanced Functionalities like Remote Start a transaction from a Mobile App or Reserve a charging station is also available.

EvGateway Support

EvGateway Support center serves as a global support center for charging stations being managed under the EvGateway Network. The EvGateway Services Team empowers its customers with 24x7 support. In addition to conventional telephone support process, they offer web-based support and online chat-based service assistance on mobile apps that allows users the flexibility to access the EvGateway technical team in a way most convenient to their needs.

4. Which Businesses does EVCN Benefit and How?

Sales of Electric Vehicles are soaring in the present times while the choice for consumers has been increasing rapidly. By 2020, there were around 45 models to choose from and many more are on their way- with Ford's plan to create 13 EV models by 2020, Mercedes saying it will produce 10 by 2025, and Volkswagen, which is at work on 30 different models. (Hotel Online, March 2018) A Bloomberg New Energy Finance Report, "Electric Vehicle Outlook 2018," predicts that's sales of electronic vehicles will increase from a record 1.1 million worldwide in 2017 to 11 million in 2025 and then to 30 million in 2030 as the price of manufacturing the vehicle falls. (Jena Fox, July 2018)

With the EV industry growing precipitously, due to an increase in EV usage and range, and the reduction of cost and maintenance; businesses like that of hotels, shopping malls, work places, cineplexes and more have begun to increasingly invest in EV chargers and charge networks for their customers to cash in on the growing demand for charging stations. There are various reasons and benefits for doing so and we will elaborate on it later in this section.

EvGateway's' EVCN is a vendor-agnostic electric vehicle network which provides turn-key solutions to the end customer. These end customers could comprise of:

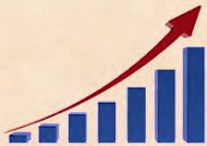
1. Businesses who use EvGateway as a cloud service or software service- such as shopping malls, pharmacies, hotels, department stores etc.
2. Utility Providers- businesses who use EvGateway's turn-key solution like a white label so as to completely manage customers and provide services.
3. Existing gas stations / Petrol bunks

We will now go into the details of how EVCN could benefit their end customers and why investing in EV chargers and network could be a good return on investment for their business models:

BENEFITS OF HAVING EV CHARGERS IN HOTELS



GUEST SATISFACTION
Boost guest satisfaction by providing the convenience of easy EV charging.



OCCUPANCY RATE/ VISITATION
Increase occupancy rates and visitations by added value and convenience



DIFFERENTIATE FROM COMPETITION
EV charging stations are today not very easily found and available and hence, not would differentiate you from competition.



INCREASE PROFITS
Increase RevPAR i.e. boost receipts for bars/ restaurants/ spas.



PROMOTE BRAND IMAGE
Enhance and promote brand image by being distinctive and adding green initiatives.

Businesses That Use EvGateway As A Cloud Service or Software Service:

HOTELS

For all types of hotels, big or small, the demand for EV charging stations has been at an all-time high. With an ever-increasing market for EVs and with a large population of affluent customers going for EVs such as Tesla, it has become imperative for hotels to accommodate to the changing needs of these vehicle users.

Charging stations boost corporate reputation
Customers these days are increasingly concerned with green initiatives and public sustainability. With charging stations at hotel parking lots, the impression of the hotel is that it is committed to greener surroundings, allowing for positive corporate reputation.

EV drivers could be high-value customers
In the present day, most EV owners go for high-end models like Tesla, and they are usually from affluent backgrounds. Such guests if given the proper convenience to charge their vehicles could lead to added profits and revenue through first-class accommodation, spas, bars and restaurants.

Installation is cheaper and easier
The infrastructure to support EVs is becoming more and more easy to use and install. Moreover, there are incentives like tax incentive by the US government and minimal set-up cost incentives by automakers like Tesla to promote EV charger installations and availability.

Figure 2: EVs for hotels

MOVIE THEATRES AND SHOPPING PLAZAS

EV owners or users usually depend on over-night home-charging in their garage, at work or whenever they aren't on the move and chargers are available, to sustain their vehicles. However, in the present day, "Multi-unit dwellings or MUDs" are more common wherein finding an open outlet overnight is becomingly increasingly difficult. Hence, it is a huge investment and competitive advantage for movie halls and shopping plazas to install EV chargers as more and more people are using electric vehicles and the demand for chargers for convenient locations is really high.

People with EVs are more likely to visit and stay longer if there are EV chargers available for them to charge their vehicles with ease.

DEPARTMENT STORES/ RETAILERS

Department stores and retailers like Target, Walmart, Walgreens, Kohls etc. have been increasingly investing in EV charging stations due to the fact that the benefits of the same are worth more than the cost of installation. Customers are more likely to spend more time navigating or shopping the stores and buying something while their cars are charging than when they have no charging options. For convenience stores that have gas stations, electric vehicle chargers could add considerable time to a customer's experience. (Katie Fehrenbacher, April 2018)

Moreover, the presence of EV chargers showcases a green brand image and gives the stores more goodwill and profits.

With increasing demand and advantages of installing EV chargers- EvGateway's EVCN allows for the most secure and vendor-agnostic electric charging network that enables EV chargers to be remotely managed and customized based on performance analytics and statistics. EVCN makes it simple for EV charging station owners to operate and customize charging stations to meet their specific requirements.

*For more information on the technical aspects and features of EVCN, please refer to the sections at the end of the White paper.

UTILITY PROVIDERS

Utility providers are those businesses that own EV chargers and use EvGateway's turn-key solution (EVCN) as a white label so as to manage customers completely and provide services. They can manage the load on the charging station with the help of automated demand response notification. They can also send advanced notifications to the customers for peak pricing and off-peak pricing so



that the customers can charge their vehicle at a low cost during off peak hours. This in turn helps the utility providers to balance the load on their grids.

EXISTING GAS STATIONS

Gas stations today that already provide gasoline and petroleum fueling stations, can really benefit from adding EV charging stations into their service lines. The ideal ratio of gasoline to EV charging stations based on the demand of EV chargers today, would be 80: 20. With 80% fueling stations of Gasoline and 20% of EV chargers- gas stations could seamlessly accommodate demand for both sectors and be more accommodating to the current market scenario. There is an ever- increasing demand for EV chargers and by responding to this demand, gas stations could gain competitive advantage and add to their customer pool.

FLEET CHARGING

EvGateway's smart, networked charging stations are customized by the EvGateway team according to your requirements to make your operations easy to manage with your workflow process. As a fleet white label Network, you can review real-time charging station information and generate detailed reports on energy use, gas emissions avoided, fuel savings and more, all from a single dashboard. We also continuously deliver automatic, over-the-air software updates for the charging stations, so you never have to wait for the latest features and improvements.

5. Mobile Application

EvGateway EVCN is powered by EvGateway Mobile Application. EvGateway is an Android and IOS App that can be downloaded from the Google play or app store.

Registered drivers can Sign into the App to view their charging station, top up their Account Balance, Send an Email to Support Team, find nearby Charging station and Add Stations to the List of Favorites if used frequently. Advanced Functionalities like Remote Start a transaction from a Mobile App or Reserve a charging station is also available.

A 24 X 7 Support Center will be Available to answer all the Customer Request such a Remote Unlocking a Connector or Remote Stop a Transaction and other General Request.

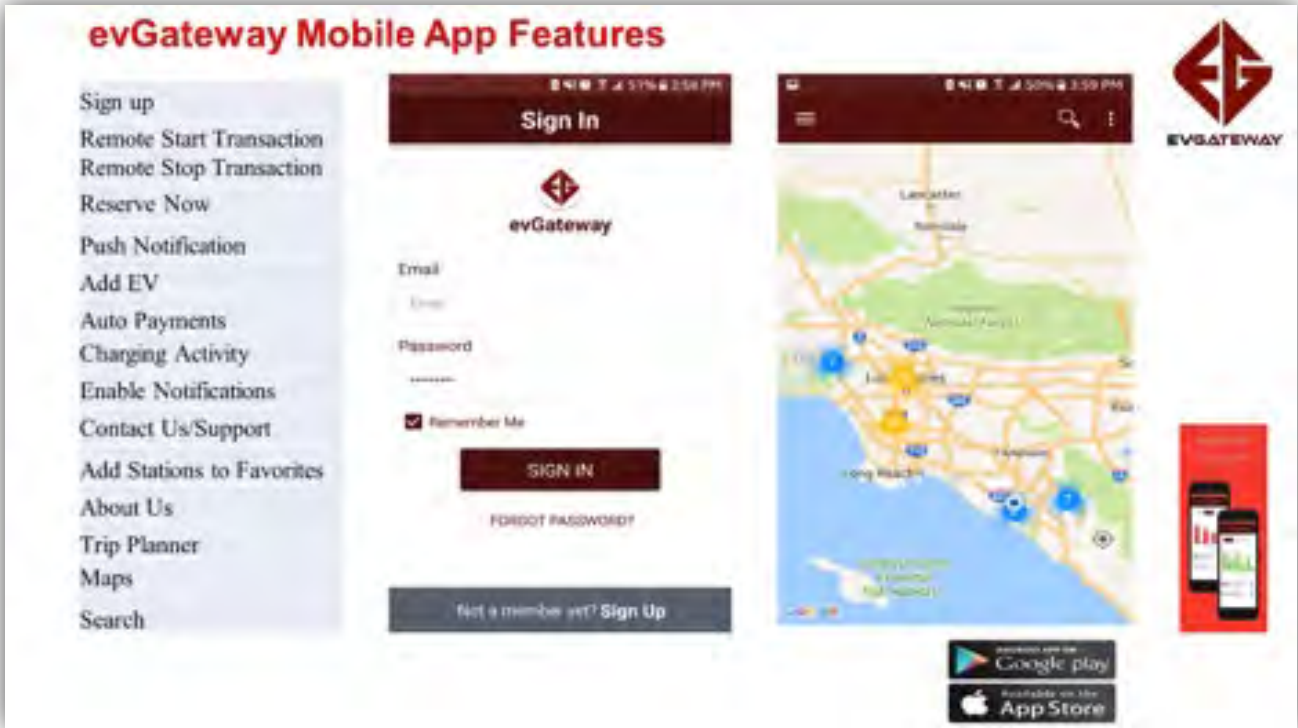


Figure 3: Mobile Application for IOS and Android users



KEY FEATURES

Real-time Availability

See if a station is available or in use to ensure you never navigate to a busy station.

Start a Charge

Start and stop charging with just one tap.

Notifications

Get real time updates about your charging status

Charging Status

See miles added based on your car model, the cost of your session and the amount of time and energy used since you've been plugged-in.

Filter-Only

See stations compatible with your EV.

Map-View

And navigate to thousands of charging stations from all major charging networks.

Get station details

Like real-time availability, pricing, power output

My favorites

Favorite charging locations and easily access recently visited stations.

Satellite View

Find stations down to the parking spot.

Navigate Your Way

Get turn-by-turn directions using the navigation app of your choice like Waze, Google Maps and Apple Maps.

Driver Tips

Leave and view tips about stations and their locations.

Predictive Search

Quickly and easily find available stations near your destination.

History

View a list of all your charging sessions including here you charged, time of the charging session and how much you spent.



Figure 4: Easy steps to use EvGateway application.

DIGITAL PAYMENT GATEWAYS

Payment gateways fulfill a vital role in the ecommerce transaction process, authorizing the payment between merchant and customer. Popular payment gateways that is integrated with EvGateway Network are:

- BHIM UPI Interface
- PayPal
- Stripe

EvGateway Architecture is compatible to Integrate with other existing Payment gateways popular in your region.

PREPAID ACCOUNTS (PAY AS YOU GO)

As a potential Host of a Charge Station, you must consider whether to bill your EV-driving staff or visitors for the use of the equipment. In some circumstances, you will not have a choice and must deploy a payment solution. Pay as You Go (or PAYG) is a general term that people associate with non-contract mobile phones. For clarity, the PAYG service provided by the Supplier or Network Operator includes a means of access to Charge Stations with an add-on of billing the EV driver for Charge Station use and a means of settlement with the Charge Station Host. This is a natural add-on to a Charge Station Management System that provides access to, and monitors, Charge Stations.

6. EvGateway Network Management Software

EvGateway Fleet Network is powered by EV charging station management software. This Software is hosted in Cloud and is powered by a scalable Database and analytics engine. EvGateway provides a white label solution for its enterprise customers.

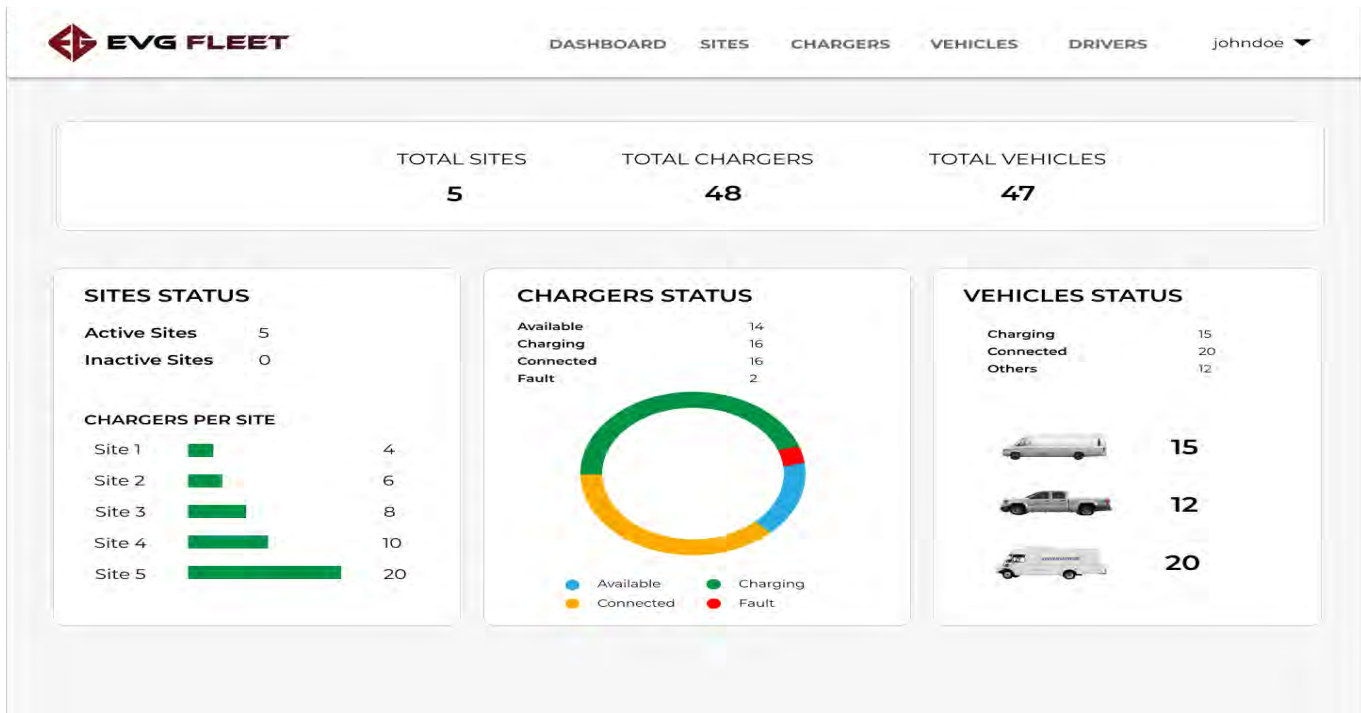
Fleet Charging

EvGateway's smart, networked charging stations are customized by the EvGateway team according to your requirements to make your operations easy to manage with your workflow process. As a fleet white label Network, you can review real-time charging station information and generate detailed reports on energy use, gas emissions avoided, fuel savings and more, all from a single dashboard. We also continuously deliver automatic, over-the-air software updates for the charging stations, so you never have to wait for the latest features and improvements. Some of the fleet customization and feature provided by EVG fleet solutions are

1. Complete control and statistical viewing of power consumption based on vehicle and stations
2. Remotely manage Fleet cards and assign them to specific stations, site or fleet driver
3. View which charging stations are most active and are highly been used. This will allow you to expand your fleet based on the usage

4. As we know no two fleets are alike, we provide fleet operators with Customized solution which includes UI, Workflows, Reporting and Integration with Fleet cards and various Fleet applications used by the fleet operators
5. Smart Grid Interface using Open ADR 2.0b

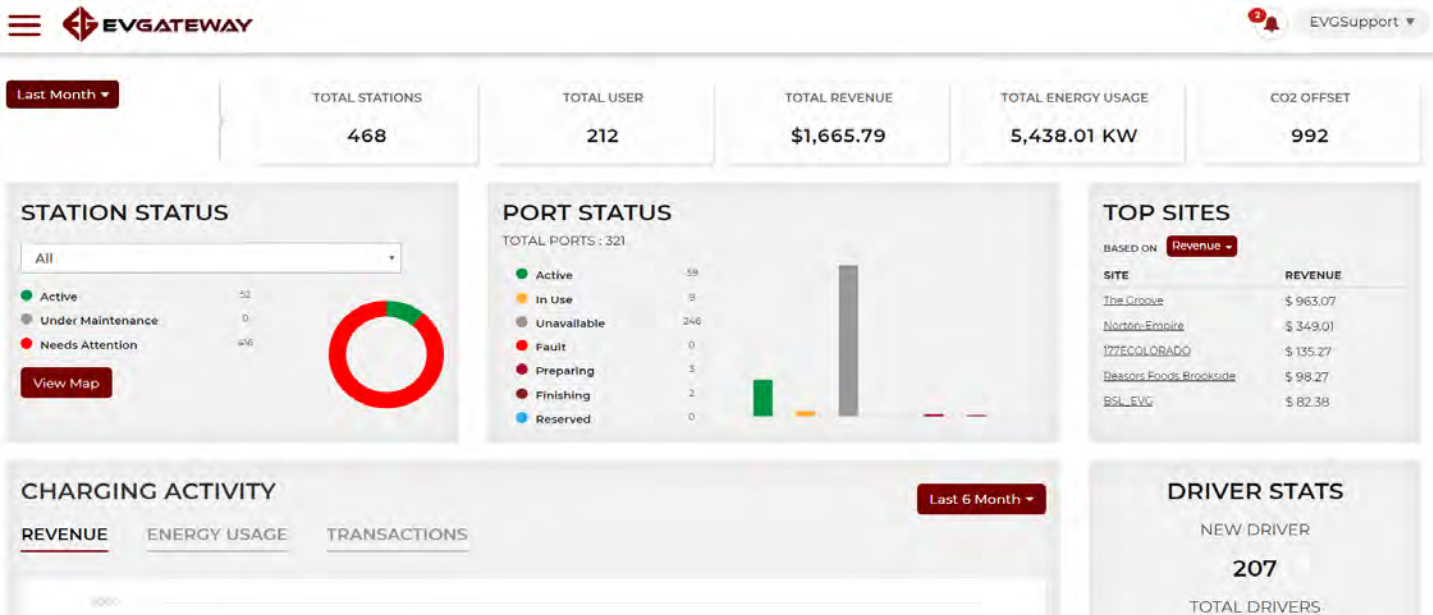
We offer various EV Fleet solutions for different needs such as offices, retails, MUD's, utilities, truck Rentals etc.



Fleet Management for UTILITY PROVIDERS

Utility providers are those businesses that own EV chargers and use EVGateway' fleet management application as a turn-key solution (EVCN) as a white label so as to manage customers completely and provide services to their fleet vehicle such as TOU charging, tracking the charging activity of the fleet vehicles etc. They can manage the load on the charging station with the help of automated demand response notification and can limit the charging to a set of fleet vehicle. This in turn helps the utility providers to balance the load on their grids. With the help of fleet dashboard, they are able to view the list of vehicles that are currently fully charged and available for use.

EV CHARGING STATION MANAGEMENT SOFTWARE



KNOWLEDGE BASE AND ANALYTICS

Knowledge base content evolves over time. It provides a list of events, so you can always be up to date with the latest changes, preserving the integrity of your content. Statistical charts and analytics are available with a click, summarizing important trends for planning and management reporting.

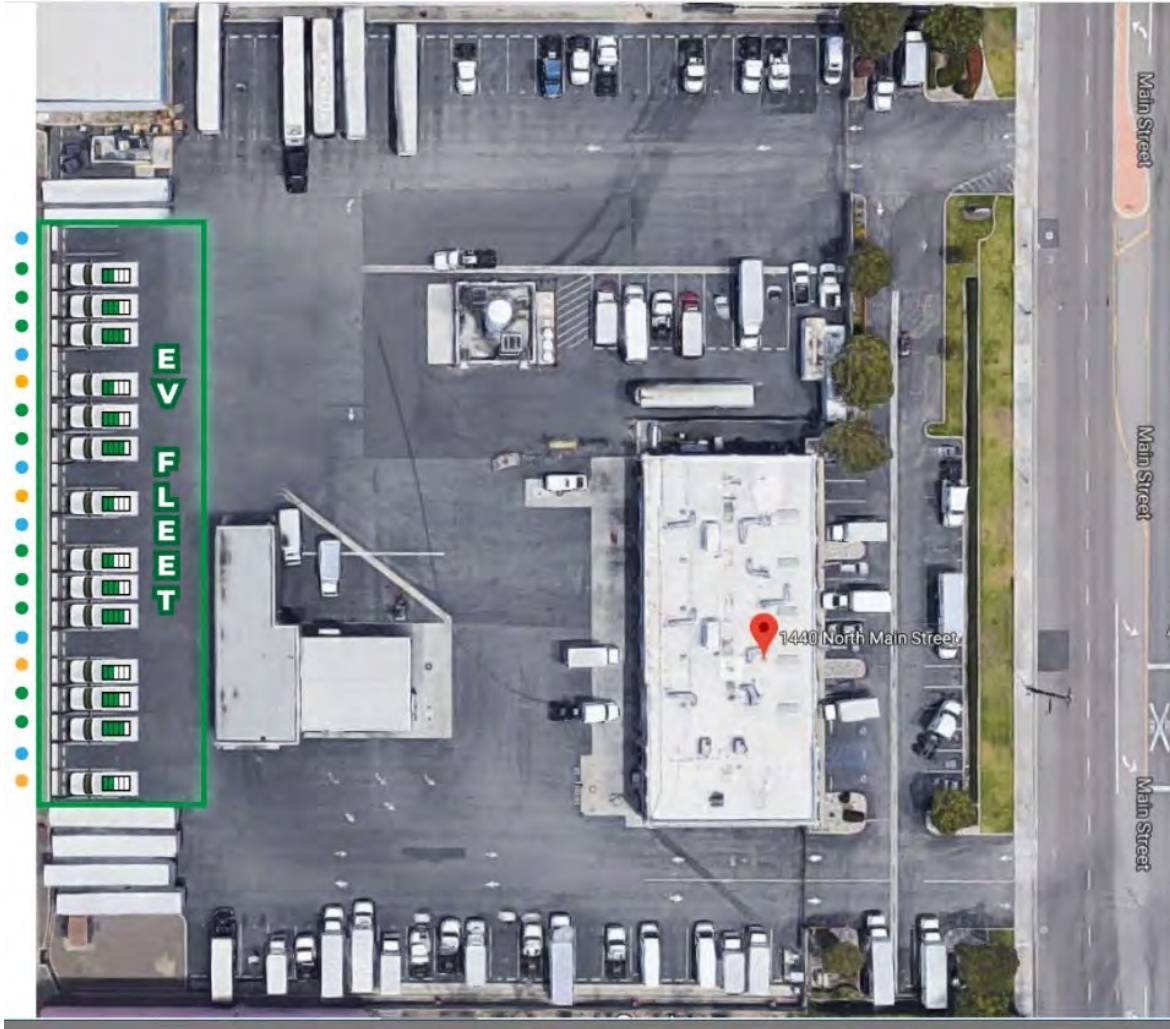
CHARGE FROM A FLEET CHARGING STATION

Search for Charging Station Embarking

Using Mobile Application or web Application location map to plan your journey based on where to obtain a charge. Ensure the Charge Station outlet you intend to use is compatible with your vehicle and operational. Ensure you have the correct charging cable in the vehicle and the appropriate RFID card, contactless payment solution or smartphone application on your phone (whichever is applicable at the site). Please note that you may need to register online to obtain an RFID card or set up payment for charging

VIEW CHARGERS

- Available
- Charging
- Connected
- Fault



Navigate to Charge Station and Park

Input the Charge Station location details into your navigation system and drive to the location (ensuring that you have enough charge to get there). Park in a dedicated EV charging bay denoted by bay markings/signage. Note the time limits and parking fee. Pay for parking and obey the parking rules (where applicable). Take the EV cable from vehicle (if applicable).

Authorization

RFID card and contactless payment method authorized charging

Present appropriate card or phone to the RFID reader on the Charge Station and follow the instructions provided. PAYG Charge Stations will require a payment method to be registered to the User's account when an RFID card is used.

SMS Authorized charging

Call or text the telephone number on the Charge Station or its signage. Use the instructions provided. You may be asked to input a debit or credit card if the Charge Station is Pay as you Go enabled.

Smartphone application

Search for the Charge Station using the application's map, or via postcode or unique Charge Station identifier number on the unit's sticker. Follow the instructions provided. PAYG Charge Stations will require a payment method to be registered to the User's account.

Plug in and Start charge

Plug vehicle in when prompted and wait for the vehicle and Charge Station to acknowledge charging has commenced (e.g. EV dashboard and Charge Station LED status lights change). If a problem occurs and the vehicle stops charging prematurely, please call the helpline on the Charge Station for instructions. If it is safe to do so, it may be worth repeating charging initiation to see if charging is possible (before calling the helpline).

Stop charge

Return to your vehicle and terminate charging utilizing the method you used to start charging. Please note that you must use the same card or phone that you started the charge with.

Unplug

Unplug your vehicle from the Charge Station when prompted by the onscreen instructions. Close the charging port on the EV, place the detachable charging cable in the vehicle and close the Charge Station socket or ensure the tethered Charge Station plug is safely stowed in its holster (whichever is applicable). In the unlikely event that you encounter a problem during charging, please call the helpline on the sticker on the Charge Station.

7. EvGateway Support

EvGateway Support center serves as a global support center for charging stations being managed under the EvGateway Network. EvGateway technical support model that provides business value throughout the product's lifecycle.

The EvGateway Services Team empowers our customers with 24 X 7 Support In addition to conventional Telephone support process, we offer web-based support and online chat-based service assistance on mobile apps that allows our users the flexibility to access our EvGateway technical team in a way most convenient to their needs

AVAILABILITY OF SUPPORT

EvGateway Support Team is available to the Customer via a Hotline telephone number on a 24 x 7 basis. In addition to that, EvGateway provides an email address to contact for any issues, questions and queries to the support team and a ticketing system giving the possibility to open and track tickets and see updates on on-going requests. Additional support features Include:

- 24 x 7 x 365 driver support available via Hotline number and all customers calls are handled by our First line support team.
- 24 x 7 x 365 monitoring and management of the charging stations. Team will be alerted in case of failures and issues by the system and an automated Email to ticket will be generated on our Monitoring system in-order to proactively address and fix the issues before it impacts the customers.
- 13 x 5 station owner support available. Station owners can call or email our support team anytime for any issues and concerns related to the charging stations, billing etc.
- Managing charging station through our centralized portal and providing the benefit to the owners of the charging station to change pricing on all or a group of charging stations.
- Track and report on station utilization, energy consumption, alerting, Top KPI's based on Sites, Stations etc.

ADVANCED SUPPORT (Optional Add-on)

Help Desk and technical support services help the sustenance and maintenance of a service or product for an end-user of the same. We provide helpdesks services which solve queries of the users through emails, voice chat, live web chats and other communication channels they might choose to connect through. These services include

- L0, L1, L2 & L3 Helpdesk/Technical support services
- Warranty Management
- Remote technical support for EV Charging Stations and networks

Product maintenance is an important part of after sales service for any customer. While being the most important phase of your product / service, it may not be your core competency. Therefore, an expert team maintenance support is important. Transform helps by carrying out these processes in a manner you specify until your next major product/service is out for all your customers.

- Software/Application support services
- Charging Station and Connector monitoring
- Day-to-day operations support
- Application upgrades and improvements (Web, Mobile)

SERVICE LEVEL AGREEMENTS

Sample SLA: This will be decided during contract signing

We fortify this agreement by guaranteeing service level agreements (SLAs) covering Maintenance and Technical Support response times, particularly for the critical issues.

To open a service request, please log in to your account either through web or the Mobile app and select contact us. EvGateway users will be asked to provide a description of the issue.

Providing details (Screenshots, way to reproduce, etc...) is strongly encouraged as it helps speeding up the resolution process.

ISSUES PRIORITY LEVELS AND GUARANTEED RESPONSE TIMES			
Priority Category	Access Method	Response Time	Recovery Time
Priority 1 "Major"	Phone, Email, Ticketing	30 minutes	6 hours*
Priority 2 "Moderate"	Phone, Email, Ticketing	4 hours	48 hours
Priority 3 "Minor"	Phone, Email, Ticketing	24 hours	N/A
Service Requests	Phone, Email, Ticketing	Best Effort	N/A

Figure 5: Service levels and response times

Level 0,1 Support

Tier 1 answers general product support tickets

The services provided in response to a Customer's notification of a suspected issue with the EvGateway Network. These services include but may not be limited to Qualify and acknowledge the Customer request (question or trouble report), Answer product usage questions and how to initiate charging session Etc.

Level 2 Support

Tier 2 answers technical support tickets

For trouble reports, undertake the following responsibilities:

- (a) Perform initial issue troubleshooting, isolation, and identification (for example Hardware vs Software fault triage)
- (b) Determine whether a solution is contained in the product, and, as necessary, perform a review of a symptoms-solutions database for known issue resolutions.
- (c) Work with the Customer to resolve single issues or escalate trouble ticket to Level 2 Maintenance/Support for resolution.
- (d) Escalate and manage the progress of trouble resolution through subsequent levels of support.
- (e) Provide updates to the Customer on the status of resolution on a basis agreed to with Customer.
- (f) Notify Customer of final resolution and verify the issue is resolved before closing the trouble tickets.

The services provided to a Customer to perform an in-depth analysis of the suspected issue, attempt to recreate the issue, and to provide an acceptable issue resolution. Nearly all issues are resolved at no higher than this Level. Level 2 support is also responsible for keeping Level 1 support (and, therefore, the Customer) informed of the status of trouble resolution on a regular basis.

Level 3 Support

Level 3 is the highest escalation point for trouble resolution and other technical support. Level 3 personnel are EvGateway's Tier-3 engineers who specialize in various components of the EvGateway Network, and third party (such as hardware or software vendor) engineering and application specialists. Their responsibility is to resolve issues in critical related to EvGateway platform that are determined to be, or are highly probable to be, the result of Hardware, Communication, manufacturing defect or the result of a complex interaction between the platform and another product not resolvable by Level 2 Support. They are able to bring their product knowledge and engineering knowledge and specialized expertise to bear on the trouble by analyzing the hardware level logs and diagnostics and provide a resolution within an acceptable time and in accordance with agreed upon SLAs. Also includes the issues that gets escalated by L1 and L2 teams.

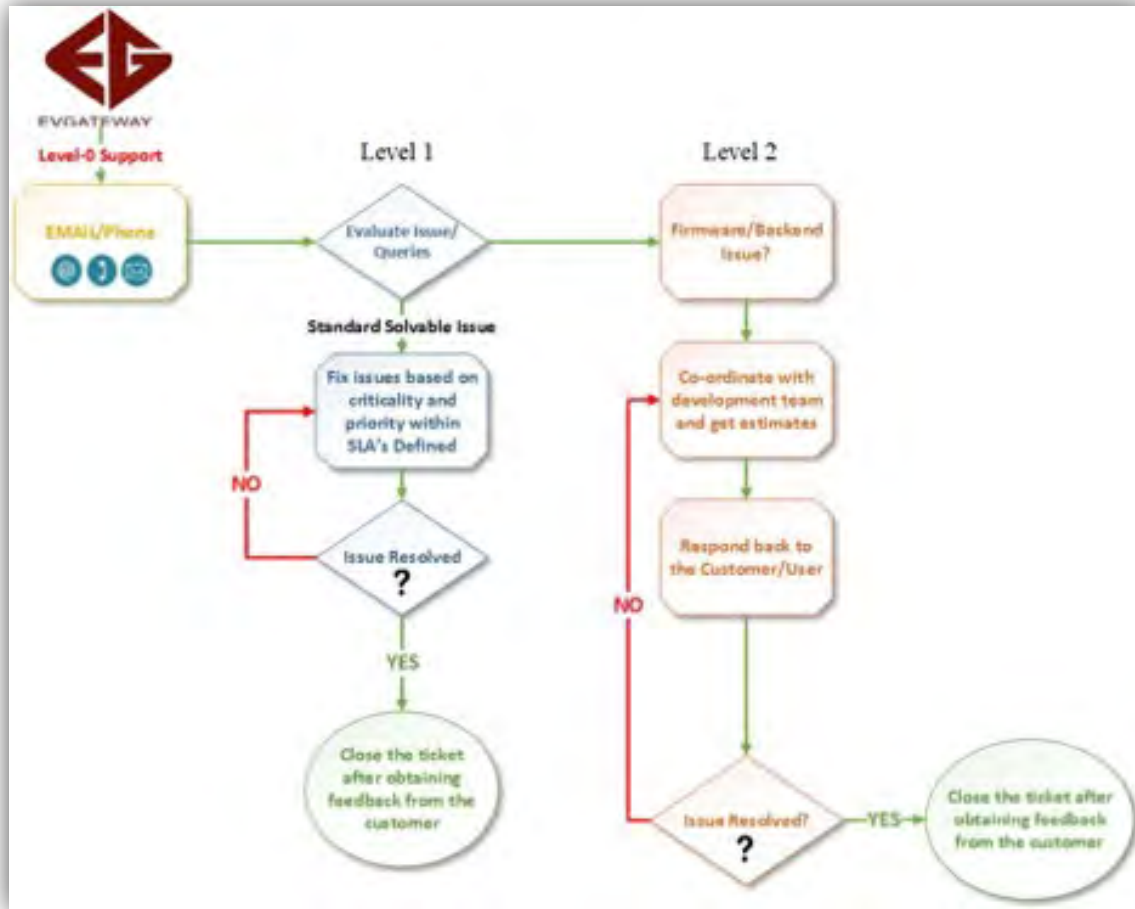


Figure 6: EvGateway levels of support

Help Desk and technical support services help the sustenance and maintenance of a service or product for an end-user of the same. We provide helpdesks services which solve queries of the users through emails, voice chat, live web chats and other communication channels they might choose to connect through. These services include

- L0, L1, L2 & L3 Helpdesk/Technical support services
- Warranty Management
- Remote technical support for EV Charging Stations and networks

Product maintenance is an important part of after sales service for any customer. While being the most important phase of your product / service, it may not be your core competency. Therefore, an expert team maintenance support is important. Transform helps by carrying out these processes in a manner you specify until your next major product/service is out for all your customers.

- Software/Application support services
- Charging Station and Connector monitoring
- Day-to-day operations support
- Application upgrades and improvements (Web, Mobile)

8. Open Charge Station Protocol

OCPP is simply a syntax (language) used to communicate between a networked charging station and a network management system such as EvGateway (EVCN). Open Charge Station Protocol (OCPP) was defined by an informal group known as the OCPP Forum led by two companies from the Netherlands.

- The OCPP Forum has over 50 members. EvGateway has been an active member of the OCPP Compliant network
- EVCN is OCPP 1.6 compliant
- OCPP has evolved over the last 5 years from its initial release to Version 1.2, which was the first version to be deployed in production charging stations, and then to the current Version, 1.6.

OCPP 1.6 introduces new features to accommodate the market: Smart Charging, OCPP using JSON over Web sockets, better diagnostics possibilities (Reason), more charging station Statuses and Trigger Message.

OCPP 1.6 is based on OCPP 1.5, with some new features and a lot of textual improvements, clarifications and fixes for all known ambiguities. Due to improvements and new features, OCPP 1.6 is not backward compatible with OCPP 1.5.

EVGATEWAY OCPP CORE FUNCTIONALITIES

Functionalities Initiated from Charging Station

- Authorize
- Boot Notification
- Heartbeat
- Meter Values
- Start Transaction
- Status Notification

Functionalities Initiated from EvGateway Network

- Change Availability
- Change Configuration
- Clear Cache
- Data transfer
- Get Configuration
- Remote Start Transaction
- Remote Stop Transaction
- Reset
- Unlock Connector

OCPP SECURITY

At public charge spots drivers authenticate themselves using an RFID card. Surprisingly, only the static ID (the so-called UID) of the card is used for authentication here. This means every customer is identified through a password that is transmitted plaintext through the air. This makes copying the cards extremely simple: on legitimate RFID cards the UID is fixed and cannot be changed, but counterfeit cards with a configurable UID and equipment that can spoof the RFID communication are readily available.

For this reason, we have made the transactions keyless (without RFID), a driver can use our Mobile App EvGateway or enter its registered cell phone number to initiate Transactions. Using QR reader, we eliminated the Use of RFID where a Driver can install the Mobile App, run it and scan the QR code displayed on the EV charging Station.

9. Automated Demand Response

Demand Response (DR) is action taken to reduce energy use when electricity demand outweighs supply or grid emergencies occur. Incentive programs to participating home and business help ease stress on the grid and prevent short-term energy shortages. You might also consider Automated Demand Response (Auto-DR). With Auto-DR, we typically connect directly to your energy management system (EMS) - a "smart" network (EvGateway Network-EVCN) that controls and communicates with your equipment — to reduce energy consumption during DR "events," peak-demand pricing, or emergencies. You can help reduce costs, conserve energy.

All the Communication between the Charging station and the Central server (EVCN) is by JSON over Web Sockets and is OCPP 1.6 compliant.

EVCN acts as an Aggregator Party that aggregates multiple customer Assets into a single Resource that it enrolls into the DR Programs.

10. EvGateway Turnkey White-Label Solution

EvGateway' turnkey customizable EV-charging solutions offers all that you may need to augment and deploy a personalized EV charging network program that fits your requirements and requests.

EvGateway is a one-stop shop for all your needs and provides start-to-end software solutions for all purposes. We offer the support required to develop a program that fits the needs for your business and customers. We also provide the software, support and services to ensure the efficacy of your charging infrastructure and needs.

EvGateway is a provider of an end-to-end Electric Vehicle Charging Station Management Software, also known as the Electric Vehicle Central Intelligence (EVCI). EVCI makes it simple for EV charging station owners to operate and manage charging stations to meet their specific requirements. EVCI supports various type of deployment white label models to support your business needs.

EvGateway provides its EVCI software and services in the form of three different and 'White label solutions' namely:

- SaaS and Hosted White label
- Full software white label

Each solution option has been prepared and customized to fit the needs and enable utility providers, cities, building or construction owners, hotels, shopping plazas and more to deploy and manage their own charging network. Consider the options and decide on which best suits your business needs. Below are the details and services of each white label solution offered by EvGateway. These allow you to use our services and network to your benefit and in turn, makes it relatively easier for your company.

SERVICES OFFERED	Standard SaaS	Hosted White Label
<i>One-time software license fee</i>		X
<i>Additional Yearly license for support</i>		X
<i>Management & maintenance of Network by EvGateway</i>	X	X
<i>Network fee based on per Port</i>	X	X
<i>Customization Fee</i>		X
<i>Datacenter Hosting - EvGateway</i>		X
<i>Dedicated Infrastructure, Hardware (servers)</i>		X
<i>Dedicated Database Instance</i>		X
<i>Shared Infrastructure - Virtualization</i>	X	
<i>Hosting Fee (EvGateway Datacenter)</i>		X
<i>Back up & Restoration Services</i>	X	X

<i>EvGateway Software as Service (Shared Services)</i>	<i>X</i>	
<i>EvGateway Software - Platform as Service in Virtualized Environment</i>		<i>X</i>
<i>EvGateway Software - Platform as Service dedicated Hardware</i>		<i>X</i>
<i>Customer branding logo for portal</i>		<i>X</i>
<i>White Label Mobile Apps</i>		<i>X</i>
<i>Software Customization for fleet management</i>		<i>X</i>
<i>Third Party Integration</i>		<i>Optional</i>
<i>Payment gateway (PayPal, Strip and Authorize.net)</i>	<i>X</i>	<i>X</i>
<i>Customer Specific Payment Gateway Integration</i>		<i>Optional</i>
<i>Dedicated Helpdesk Support on Customer name</i>		<i>Optional</i>
<i>Ticket System - Incident Management</i>	<i>X</i>	<i>X</i>
<i>Helpdesk Support by EvGateway (24/7-365)</i>	<i>X</i>	<i>X</i>
<i>Standard Support – Level 1 and Level 2</i>	<i>X</i>	<i>X</i>
<i>Premium Support – Standard + Level 3, Unlimited software changes and priority-based SLA</i>		<i>Optional</i>
<i>Managed and Maintained by EvGateway</i>	<i>X</i>	<i>X</i>
<i>Data at Rest Security (included)</i>	<i>X</i>	<i>X</i>
<i>Application and IT security Included</i>	<i>X</i>	<i>X</i>
<i>Ticket System - Incident Management</i>	<i>X</i>	<i>X</i>
<i>No Source Code access</i>	<i>X</i>	<i>X</i>

11. Scope

- Preparing the plan and submitting for electrical, architectural, structural, city permits.
- Carrying out the underground work and trench and laying out the input cables as per the charger installation requirement – Optional
- Preparing the base mount structure with concrete.
- Supply and Installation of
 - Distribution Box
 - Circuit Breakers
 - Conduit installation,
 - Pulling wires
 - Installing pull boxes
- Supply of DC fast charger of 60KW – CCS1 + CHAdeMO.
- Charger installation with required safety equipment and labeling, including fixing the charger to the concrete mount as per the OEMs recommendation.
- Providing the earthing to the charging station.
- Provisioning of the charger with Network and required configuration
- Commissioning of the charger and testing it.
- Misc equipment and deliveries
- Warranty of 5 years (parts only)
 - Replacement of the failed part with the same or equivalent component.
 - Remote updates for the software / firmware
 - Fixing of the errors / bugs
 - Remote troubleshooting of the charger as required on reporting of any issue.
 - Technician shall visit the charger to fix the hardware or any issue under warranty – Labor charges additional.
- Network Services
 - EVGateway Network Services
 - 24 x 7 Helpdesk support
 - Payment Gateways
 - Mobile App
 - Portal Access

12. Prices

Location - City Hall

Description	Part #	Type	Chademo / CCS1		Qty	BTC Price	BTC Extended
DC Charger - 50 KW	Chademo / CCS1	Dual	Y	Y	1	\$24,585.00	\$24,585.00
Warranty + Maintenance	5 Years - Onsite	5 Years	NA		1	\$10,800.00	\$ 10,800.00
Network Services	EvGateway	Per Port / 5 yrs	NA		10	\$225.00	\$2,250.00
Payment Gateway 8%							
Monthly Data Charges	EVG-DATA	5 Years	NA		5	\$120.00	\$600.00
Sales Tax	10.25%				1		\$2,519.96
						Total	\$40,754.96

Scope of work: Qty 1 - 50 KW DC Chargers		
Plan submitting electrical, architectural, structural, city permits	1	\$ 7,850.00
Underground work and trench	1	\$ 4,995.00
Pedestal installation (1)	1	\$ 5,950.00
Concrete installation, equipment safe guard, additional, labeling	1	\$ 3,650.00
Distribution, Breakers, Conduit installation, pulling wires,	1	\$ 12,500.00
Conduit Installation, Pulling wires, Installing pull boxes	1	\$ 7,000.00
Misc equipment, deliveries	1	\$ 1,500.00
Sub-total (Underground)		\$ 43,445.00
Sales Tax		\$ 1,281.25
	Total	\$ 85,481.21

ATTACHMENT 2

EVGateway Construction Services Agreement

**CONSTRUCTION SERVICES AGREEMENT
Providing Payment of Prevailing Wages**

(City of South Pasadena / EVGateway)

1. IDENTIFICATION

This CONSTRUCTION SERVICES AGREEMENT (“Agreement”) is entered into by and between the City of South Pasadena, a California municipal corporation (“City”), and EV Gateway, a corporation (“Contractor”).

2. RECITALS

- 2.1. City has determined that it requires the following construction services from a contractor: **Purchase and Installation of EV charging station at City Hall**
- 2.2. Contractor represents that it is fully qualified to perform such professional services by virtue of its experience and the training, education and expertise of its principals and employees. Contractor further represents that it is willing to accept responsibility for performing such services in accordance with the terms and conditions set forth in this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions herein contained, City and Contractor agree as follows:

3. DEFINITIONS

- 3.1. “Scope of Services”: Such professional services as are set forth in Contractor’s **February 4, 2021** proposal to City attached hereto as Exhibit A, as well as the designs and plans for the project attached hereto as Exhibit B, both of which are incorporated herein by this reference.
- 3.2. “City Reference Specifications”: The City’s set of Reference Specifications, including the State of California Department of Transportation Standard Specifications, Standard Plans, and Manual of Traffic Controls, latest edition of each, and the Los Angeles County Department of Public Works Standard Plans which are incorporated herein by reference and are hereby accepted as Reference Specifications. These specifications shall provide the technical standards for work as applicable, in the opinion of the Deputy Director of Public Works. Copies are available online, or at City Hall. To the extent any provisions in this Agreement or the Scope of Services are inconsistent with the City Reference Specifications, this Agreement’s terms shall prevail.

- 3.3. “Agreement Administrator”: The Agreement Administrator for this project is **H. Ted Gerber, Deputy Public Works Director**. The Agreement Administrator shall be the principal point of contact at the City for this project. All services under this Agreement shall be performed at the request of the Agreement Administrator. The Agreement Administrator will establish the timetable for completion of services and any interim milestones. City reserves the right to change this designation upon written notice to Contractor
- 3.4. “Maximum Amount”: The highest total compensation and costs payable to Contractor by City under this Agreement. The Maximum Amount under this Agreement is **Ninety thousand dollars (\$90,000), which includes Eighty-five thousand, four hundred eighty-one dollars and twenty-one cents (\$85,481.21) in overall costs (Exhibit B), with a contingency of four thousand, five-hundred and eighteen dollars and 79 cents (\$4,518.79).**
- 3.5. “Commencement Date”: **September 15, 2021**
- 3.6. “Termination Date”: **December 31, 2027**

4. TERM

The term of this Agreement shall commence at 12:00 a.m. on the Commencement Date and shall expire at 11:59 p.m. on the Termination Date unless extended by written agreement of the parties or terminated earlier under Section 18 (“Termination”) below. Contractor may request extensions of time to perform the services required hereunder. Such extensions shall be effective if authorized in advance by City in writing and incorporated in written amendments to this agreement.

5. CONTRACTOR’S DUTIES

- 5.1. **Services.** Contractor shall perform the services identified in the Scope of Services. City shall have the right to request, in writing, changes in the Scope of Services. Any such changes mutually agreed upon by the parties, and any corresponding increase or decrease in compensation, shall be incorporated by written amendment to this Agreement.
- 5.2. **Coordination with City.** In performing services under this Agreement, Contractor shall coordinate all contact with City through its Agreement Administrator.
- 5.3. **Budgetary Notification.** Contractor shall notify the Agreement Administrator, in writing, when fees and expenses incurred under this Agreement have reached eighty percent (80%) of the Maximum Amount. Contractor shall concurrently inform the Agreement Administrator, in writing, of Contractor’s estimate of total expenditures

required to complete its current assignments before proceeding, when the remaining work on such assignments would exceed the Maximum Amount.

- 5.4. Business License.** Contractor shall obtain and maintain in force a City business license for the duration of this Agreement.

Professional Standards. Contractor shall perform all work to the highest standards of Contractor's profession and in a manner reasonably satisfactory to City. Contractor shall keep itself fully informed of and in compliance with all local, state, and federal laws, rules, and regulations in any manner affecting the performance of this Agreement, including all Cal/OSHA requirements, the conflict of interest provisions of Government Code § 1090 and the Political Reform Act (Government Code § 81000 et seq.).

- 5.5. Appropriate Personnel.** Contractor has, or will secure at its own expense, all personnel required to perform the services identified in the Scope of Services. All such services shall be performed by Contractor or under its supervision or by subcontractor(s) of Contractor, and all personnel engaged in the work shall be qualified to perform such services. **Reddy Marri** shall be Contractor's project administrator and shall have direct responsibility for management of Contractor's performance under this Agreement. No change shall be made in Contractor's project administrator without City's prior written consent.

- 5.6. Prevailing Wages.** This Agreement is subject to the prevailing wage law as more fully set forth in Section 8 (Labor Code), for all work performed under this Agreement for which the payment of prevailing wages is required under the California Labor Code. In particular, Contractor acknowledges that prevailing wage determinations are available for work performed under this Agreement.

- 5.7. Unauthorized Delay.** In accordance with Government Code 53069.85, and all other applicable law, the Contractor agrees to forfeit and pay City the amount of Two Hundred Dollars (\$200.00) per day for each and every day of unauthorized delay beyond the Termination Date, which shall be deducted from any monies due to Contractor. This payment shall be considered liquidated damages. Contractor agrees that such liquidated damages are reasonable under the circumstances existing at the time of execution of the contract, that such liquidated damages are to compensate City for losses that are difficult to measure, and that such damages are not a penalty.

- 5.8. Unforeseeable Delay.** Contractor shall not be deemed in breach of this Agreement and no forfeiture due to delay shall be made because of any delays in the completion of the Scope of Services due to unforeseeable causes beyond the control and without the fault or negligence of Contractor provided Contractor requests from the Agreement Administrator an extension of time in writing. Unforeseeable causes of delay beyond the control of Contractor shall include acts of God, acts of a public enemy, acts of the government, acts of City, or acts of another contractor in the performance of a contract

with City, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and weather, or delays of subcontractors due to such causes, or delays caused by failure of the owner of a utility to provide for removal or relocation of existing utility facilities. Delays caused by actions or negligence of Contractor or its agents, servants, employees, officers, subcontractors, directors, or of any party contracting to perform part of all of the Scope of Services or to supply any equipment or materials shall not be unforeseeable delays. Unforeseeable delays (those beyond Contractor's control) shall not entitle Contractor to any additional compensation beyond the Maximum Amount. The sole recourse of Contractor shall be to seek an extension of time from the Agreement Administrator.

5.9. Defective Work. All work which is defective in its construction or deficient in any of the requirements set by City Reference Specifications shall be remedied or replaced by Contractor in an acceptable manner at its own expense. Defective work shall not entitle Contractor to any additional compensation beyond the Maximum Amount.

5.10. Permits and Approvals. Contractor shall obtain, at its sole cost and expense, all permits and regulatory approvals necessary for Contractor's performance of this Agreement. This includes, but shall not be limited to, professional licenses, encroachment permits and building and safety permits and inspections.

5.11. Notification of Organizational Changes. Contractor shall notify the Agreement Administrator, in writing, of any change in name, ownership or control of Contractor's firm or of any subcontractor. Change of ownership or control of Contractor's firm may require an amendment to this Agreement.

5.12. Records. Contractor shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to City under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to Contractor under this Agreement. All such documents shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of City. In addition, pursuant to Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars, all such documents and this Agreement shall be subject to the examination and audit of the State Auditor, at the request of City or as part of any audit of City, for a period of three (3) years after final payment under this Agreement.

6. SUBCONTRACTING AND ASSIGNMENT

6.1. General Prohibition of Assignment. This Agreement covers construction services of a specific and unique nature. Except as otherwise provided herein, Contractor shall not assign or transfer its interest in this Agreement or subcontract any services to be performed without amending this Agreement.

- 6.2. Contractor Responsible.** Contractor shall be responsible to City for all services to be performed under this Agreement.
- 6.3. Subcontracting.** Contractor shall not subcontract any portion of the performance contemplated and provided for herein unless (1) such subcontracting is specifically described in the proposal attached hereto or (2) the City provides prior written approval. In any event, Contractor shall supervise all work subcontracted by Contractor in performing the Services and shall be responsible for all work performed by a subcontractor as if Contractor itself had performed such work. The subcontracting of any work shall not relieve Contractor from any of its obligations under this Agreement with respect to the Services. Contractor is obligated to ensure that any and all subcontractors performing any Services shall be fully insured in all respects and to the same extent as set forth under Section 13, to City's satisfaction.
- 6.4. Compensation for Subcontractors.** Contractor shall be liable and accountable for any and all payments, compensation, and federal and state taxes to all subcontractors performing services under this Agreement. City shall not be liable for any payment, compensation, or federal and state taxes for any subcontractors.

7. COMPENSATION

- 7.1. General.** City agrees to compensate Contractor for the services provided under this Agreement, and Contractor agrees to accept payment, of the Maximum Amount in full satisfaction for such services. Compensation shall not exceed the Maximum Amount. Contractor shall not be reimbursed for any expenses unless provided for in this Agreement or authorized in writing by City in advance.
- 7.2. Retention.** City may retain up to 5% of each payment until project completion. Contractor may at its own expense substitute securities equivalent to the amount withheld as retention (or the retained percentage) in accordance with Public Contract Code 22300. At the request and expense of Contractor, securities equivalent to the amount withheld shall be deposited with City, or with a state or federally chartered bank in this state as the escrow agent, who shall then pay those moneys to City. Upon satisfactory completion of this Agreement, the securities shall be returned to Contractor.
- 7.3. Invoices.** Contractor shall submit to City an invoice, on a monthly basis or as otherwise agreed to by the Agreement Administrator, for services performed pursuant to this Agreement. Each invoice shall identify the Maximum Amount, the services rendered during the billing period, the amount due for the invoice, and the total amount previously invoiced. Contractor shall include a copy of each subcontractor invoice, if any, for which reimbursement is sought in the invoice.

- 7.4. Taxes.** City shall not withhold applicable taxes or other payroll deductions from payments made to Contractor except as otherwise required by law. Contractor shall be solely responsible for calculating, withholding, and paying all taxes.
- 7.5. Disputes.** The parties agree to meet and confer at mutually agreeable times to resolve any disputed amounts contained in an invoice submitted by Contractor.
- 7.6. Additional Work.** Contractor shall not be reimbursed for any expenses incurred for work performed outside the Scope of Services unless prior written approval is given by the City on a time-and-materials basis pursuant to a written change order. Contractor shall not undertake any such work without prior written approval of the City. A written change order may be issued without amendment to this Agreement, so long as such written change order does not cause the Maximum Amount to be exceeded. Contractor shall only be compensated for such additional work at the rates and costs for labor and materials included in the bid or proposal.

City-Initiated Changes - City may propose in writing changes to Contractor's work within the Scope of Services described. If Contractor is of the opinion that any proposed change causes an increase or decrease in the cost, or a change in the schedule for performance, of the services, Contractor shall notify City in writing of that fact within five (5) days after receipt of written proposal for changes.

Contractor-Initiated Changes – Contractor may propose in writing changes to the Scope of Services, upon identifying a condition which may change the Scope of Services as agreed at the time of execution of this Agreement. Contractor must notify the City's Agreement Administrator of any changed conditions upon discovery and before they are disturbed. The Deputy Public Works Director shall investigate, and if the Deputy Public Works Director determines that the conditions will materially affect costs, will issue a Change Order adjusting the compensation for such portion of the Scope of Services. If the Deputy Public Works Director determines that conditions are changed conditions and they will materially affect performance time, the Contractor, upon submitting a written request, will be granted an extension of time. If the Deputy Public Works Director determines that the conditions do not justify an adjustment in compensation or time, the Contractor will be notified in writing. This notice will also advise the Contractor of its obligation to notify the Deputy Public Works Director in writing if the Contractor disagrees.

When and if City and Contractor reach agreement on any such proposed change and its effect on the cost and time for performance, they shall confirm such agreement in writing as an amendment to this Agreement. Contractor may not cease work or delay progress on the original project pending negotiations over changes, and must continue to diligently complete the project.

Should the Contractor disagree with the decision, it may submit a written notice of potential claim to the Deputy Public Works Director before commencing the disputed

work. In the event of such a dispute, the Contractor shall not be excused from any scheduled completion date provided by the Contract and shall proceed with all work to be performed under the Contract. However, the Contractor shall retain any and all rights provided by either Contract or law which pertain to the resolution of disputes and protests between the contracting parties.

The Contractor's failure to give notice of changed conditions promptly upon their discovery and before they are disturbed shall constitute a waiver of all claims in connection therewith.

8. LABOR CODE

- 8.1. Prevailing Wage Law.** This Agreement is subject to the requirements of the prevailing wage laws, including, but not limited to, Labor Code Section 1720 et seq., and Labor Code Section 1770 et seq., as well as Code of Regulations, Title 8, Section 16000 et seq., which require payment of prevailing wage rates and the performance of other requirements on certain "public works" and "maintenance" projects. Contractor shall defend, indemnify, and hold harmless City, and its officers, employees, agents, and volunteers free and harmless from any claim or liability arising out of failure or alleged failure of Contractor to comply with such prevailing wage laws.
- 8.2. Payment of Prevailing Wages.** Contractor shall pay the prevailing wage rates for all work performed under this Agreement. When any craft or classification is omitted from the general prevailing wage determinations, the Contractor shall pay the wage rate of the craft or classification most closely related to the omitted classification.
- 8.3. Forfeiture.** Contractor shall forfeit as a penalty to City Two Hundred Dollars (\$200.00), or any greater penalty provided in the Labor Code, for each calendar day, or portion thereof, for each worker paid less than the prevailing wage rates for any work done under this Agreement employed in the performance of the Scope of Services by Contractor or by any subcontractor of Contractor in violation of the provisions of the Labor Code. In addition, the difference between such prevailing wage rates and the amount paid to each worker for each calendar day, or portion thereof, for which each worker was paid less than the prevailing wage rate shall be paid to each worker by Contractor.
- 8.4. Apprentices.** Contractor shall comply with the provisions of Labor Code 1777.5 concerning the employment of apprentices on public works projects. Contractor shall be responsible for ensuring compliance by its subcontractors with Labor Code 1777.5.
- 8.5. Payroll Records.** Pursuant to Labor Code 1776, Contractor and any subcontractor(s) shall keep accurate payroll records, showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by Contractor in connection with this Agreement. Each payroll

record shall contain or be verified by a written declaration that it is made under penalty of perjury, stating both of the following: (1) The information contained in the payroll record is true and correct; and (2) The employer has complied with the requirements of Labor Code 1811 and Labor Code 1815 for any work performed by his or her employees on the public works project. The payroll records shall be certified and shall be available for inspection at all reasonable hours as required by Labor Code 1776.

8.6. 8-Hour Work Day. This Agreement is subject to 8-hour work day and wage and hour penalty laws, including, but not limited to, Labor Code 1810 and Labor Code 1813. Contractor and any subcontractor(s) of Contractor shall strictly adhere to the provisions of the Labor Code regarding 8-hour work day and 40-hour work week requirements, and overtime, Saturday, Sunday, and holiday work. Pursuant to the Labor Code, eight hours' labor shall constitute a legal day's work. Work performed by Contractor's employees in excess of eight hours per day, and 40 hours during any one week, must include compensation for all hours worked in excess of eight hours per day, or 40 hours during any one week, at not less than one and one-half times the basic rate of pay. Contractor shall forfeit as a penalty to City \$25.00, or any greater penalty set forth in the Labor Code, for each worker employed in the execution of the work by Contractor or by any subcontractor(s) of Contractor, for each calendar day during which such worker is required or permitted to the work more than eight hours in one calendar day or more than 40 hours in any one calendar week in violation of the Labor Code.

8.7. Registration with DIR. Contractor and any subcontractor(s) of Contractor shall comply with the provisions of Labor Code 1771 and Labor Code 1725.5 requiring registration with the Department of Industrial Relations (DIR).

9. PUBLIC CONTRACT CODE.

9.1. Prompt Payment. This Agreement is subject to the provisions of Article 1.7 (commencing at § 20104.50) of Division 2, Part 3 of the Public Contract Code regarding prompt payment of contractors by local governments. Article 1.7 mandates certain procedures for the payment of undisputed and properly submitted payment requests within 30 days after receipt, for the review of payment requests, for notice to the contractor of improper payment requests, and provides for the payment of interest on progress payment requests which are not timely made in accordance with this Article. This Agreement hereby incorporates the provisions of Article 1.7 as though fully set forth herein.

9.2. Public Works Claims Less Than \$375,000. To the extent applicable, this Agreement is further subject to the provisions of Article 1.5 (commencing at Section 20104) of Division 2, Part 3 of the Public Contract Code regarding the resolution of public works claims of less than \$375,000. Article 1.5 mandates certain procedures for the filing of claims and supporting documentation by the contractor, for the response to such claims by the contracting public agency, for a mandatory meet and confer conference upon the request of the contractor, for mandatory nonbinding mediation in the event litigation is commenced, and for mandatory judicial arbitration if the parties fail to resolve the

dispute through mediation. This Agreement hereby incorporates the provisions of Article 1.5 as though fully set forth herein.

9.3. Ineligible Subcontractor(s). This Agreement is further subject to the provisions of Public Contracts Code 6109 which prohibits Contractor from performing work on this project with a subcontractor who is ineligible to perform work on the project pursuant to Labor Code 1777.1 or Labor Code 1777.7.

9.4. Assignment of Actions. Contractor and any and all subcontractors shall offer and agree to assign to City all rights, title, and interest in and to all causes of action it/they may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 4) or under the Cartright Act (Chapter 2 [commencing with Section 16700] of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services, or materials pursuant to this Agreement. This assignment shall be made and become effective at the time City tenders final payment to Contractor, without further acknowledgment by the parties.

10. OWNERSHIP OF WRITTEN PRODUCTS

All reports, documents or other written material (“written products” herein) developed by Contractor in the performance of this Agreement shall be and remain the property of City without restriction or limitation upon its use or dissemination by City except as provided by law. Contractor may take and retain copies of such written products as desired, but no such written products shall be the subject of a copyright application by Contractor.

11. RELATIONSHIP OF PARTIES

11.1. General. Contractor is, and shall at all times remain as to City, a wholly independent contractor.

11.2. No Agent Authority. Contractor shall have no power to incur any debt, obligation, or liability on behalf of City or otherwise to act on behalf of City as an agent. Neither City nor any of its agents shall have control over the conduct of Contractor or any of Contractor’s employees, except as set forth in this Agreement. Contractor shall not represent that it is, or that any of its agents or employees are, in any manner employees of City.

11.3. Independent Contractor Status. Under no circumstances shall Contractor or its employees look to the City as an employer. Contractor shall not be entitled to any benefits. City makes no representation as to the effect of this independent contractor relationship on Contractor’s previously earned California Public Employees Retirement System (“CalPERS”) retirement benefits, if any, and Contractor specifically assumes the responsibility for making such a determination. Contractor shall be responsible for all reports and obligations including, but not limited to: social

security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation, and other applicable federal and state taxes.

11.4. Indemnification of CalPERS Determination. In the event that Contractor or any employee, agent, or subcontractor of Contractor providing services under this Agreement claims or is determined by a court of competent jurisdiction or CalPERS to be eligible for enrollment in CalPERS as an employee of the City, Contractor shall indemnify, defend, and hold harmless City for the payment of any employee and/or employer contributions for CalPERS benefits on behalf of Contractor or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

12. INDEMNIFICATION

12.1. Definitions. For purposes of this Section 12, "Contractor" shall include Contractor, its officers, employees, servants, agents, or subcontractors, or anyone directly or indirectly employed by either Contractor or its subcontractors, in the performance of this Agreement. "City" shall include City, its officers, agents, employees and volunteers.

12.2. Contractor to Indemnify City. To the fullest extent permitted by law, Contractor shall indemnify, hold harmless, and defend City from and against any and all claims, losses, costs or expenses for any personal injury or property damage arising out of or in connection with Contractor's alleged negligence, recklessness or willful misconduct or other wrongful acts, errors or omissions of Contractor or failure to comply with any provision in this Agreement.

12.3. Scope of Indemnity. Personal injury shall include injury or damage due to death or injury to any person, whether physical, emotional, consequential or otherwise, Property damage shall include injury to any personal or real property. Contractor shall not be required to indemnify City for such loss or damage as is caused by the sole active negligence or willful misconduct of the City.

12.4. Attorneys' Fees. Such costs and expenses shall include reasonable attorneys' fees for counsel of City's choice, expert fees and all other costs and fees of litigation. Contractor shall not be entitled to any refund of attorneys' fees, defense costs or expenses in the event that it is adjudicated to have been non-negligent.

12.5. Defense Deposit. The City may request a deposit for defense costs from Contractor with respect to a claim. If the City requests a defense deposit, Contractor shall provide it within 15 days of the request.

12.6. Waiver of Statutory Immunity. The obligations of Contractor under this Section 12 are not limited by the provisions of any workers' compensation act or similar act. Contractor expressly waives its statutory immunity under such statutes or laws as to City.

- Fire Damage (any one fire) \$ 100,000
- Medical Expense (any 1 person) \$ 10,000
- Workers' Compensation:
 - Workers' Compensation Statutory Limits
 - EL Each Accident \$1,000,000
 - EL Disease - Policy Limit \$1,000,000
 - EL Disease - Each Employee \$1,000,000
- Automobile Liability
 - Any vehicle, combined single limit \$1,000,000

Any available insurance proceeds broader than or in excess of the specified minimum insurance coverage requirements or limits shall be available to the additional insured. Furthermore, the requirements for coverage and limits shall be the greater of (1) the minimum coverage and limits specified in this Agreement, or (2) the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the named insured

- 13.4. General Liability Insurance.** Commercial General Liability Insurance shall be no less broad than ISO form CG 00 01. Coverage must be on a standard Occurrence form. Claims-Made, modified, limited or restricted Occurrence forms are not acceptable.
- 13.5. Worker's Compensation Insurance.** Contractor is aware of the provisions of Section 3700 of the Labor Code which requires every employer to carry Workers' Compensation (or to undertake equivalent self-insurance), and Contractor will comply with such provisions before commencing the performance of the work of this Agreement. If such insurance is underwritten by any agency other than the State Compensation Fund, such agency shall be a company authorized to do business in the State of California.
- 13.6. Automobile Liability Insurance.** Covered vehicles shall include owned if any, non-owned, and hired automobiles and, trucks.
- 13.7. Professional Liability Insurance.** If the Contractor is performing any surveying, engineering, architectural, or other design work for the project, Contractor shall provide proof of Professional Liability insurance in the amounts described above. If such work is not included in the Scope of Services, or required by a change order, Professional Liability Insurance shall not be required.
- 13.8. Claims-Made Policies.** If any of the required policies provide coverage on a claims-made basis the Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work. Claims-Made Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the contract of work. If coverage is canceled or non-renewed, and not replaced with

another claims-made policy form with a Retroactive Date prior to the contract effective date, the Contractor must purchase “extended reporting” coverage for a minimum of five (5) years after completion of contract work.

- 13.9. Additional Insured Endorsements.** The City, its City Council, Commissions, officers, and employees of South Pasadena must be endorsed as an additional insured for each policy required herein, other than for Professional Liability if required, for liability arising out of ongoing and completed operations by or on behalf of the Contractor. Contractor’s insurance policies shall be primary as respects any claims related to or as the result of the Contractor’s work. Any insurance, pooled coverage or self-insurance maintained by the City, its elected or appointed officials, directors, officers, agents, employees, volunteers, or Contractors shall be non-contributory. All endorsements shall be signed by a person authorized by the insurer to bind coverage on its behalf. General liability coverage can be provided using an endorsement to the Contractor’s insurance at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10 and CG 20 37.
- 13.10. Failure to Maintain Coverage.** In the event any policy is canceled prior to the completion of the project and the Contractor does not furnish a new certificate of insurance prior to cancellation, City has the right, but not the duty, to obtain the required insurance and deduct the premium(s) from any amounts due the Contractor under this Agreement. Failure of the Contractor to maintain the insurance required by this Agreement, or to comply with any of the requirements of this section, shall constitute a material breach of this Agreement.
- 13.11. Notices.** Contractor shall provide immediate written notice if (1) any of the required insurance policies is terminated; (2) the limits of any of the required policies are reduced; (3) or the deductible or self-insured retention is increased. Contractor shall provide no less than 30 days’ notice of any cancellation or material change to policies required by this Agreement. Contractor shall provide proof that cancelled or expired policies of insurance have been renewed or replaced with other policies providing at least the same coverage. Such proof will be furnished at least two weeks prior to the expiration of the coverages. The name and address for Additional Insured Endorsements, Certificates of Insurance and Notices of Cancellation is covered in the Notices section.
- 13.12. Contractor’s Insurance Primary.** The insurance provided by Contractor, including all endorsements, shall be primary to any coverage available to City. Any insurance or self-insurance maintained by City and/or its officers, employees, agents or volunteers, shall be in excess of Contractor’s insurance and shall not contribute with it.
- 13.13. Waiver of Subrogation.** Contractor hereby waives all rights of subrogation against the City. Contractor shall additionally waive such rights either by endorsement to each policy or provide proof of such waiver in the policy itself.

13.14. Report of Claims to City. Contractor shall report to the City, in addition to the Contractor's insurer, any and all insurance claims submitted to Contractor's insurer in connection with the services under this Agreement.

13.15. Premium Payments and Deductibles. Contractor must disclose all deductibles and self-insured retention amounts to the City. The City may require the Contractor to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within retention amounts. Ultimately, City must approve all such amounts prior to execution of this Agreement.

City has no obligation to pay any premiums, assessments, or deductibles under any policy required in this Agreement. Contractor shall be responsible for all premiums and deductibles in all of Contractor's insurance policies. The amount of deductibles for insurance coverage required herein are subject to City's approval.

13.16. Duty to Defend and Indemnify. Contractor's duties to defend and indemnify City under this Agreement shall not be limited by the foregoing insurance requirements and shall survive the expiration of this Agreement.

14. MUTUAL COOPERATION

14.1. City Cooperation in Performance. City shall provide Contractor with all pertinent data, documents and other requested information as is reasonably available for the proper performance of Contractor's services under this Agreement.

14.2. Contractor Cooperation in Defense of Claims. If any claim or action is brought against City relating to Contractor's performance in connection with this Agreement, Contractor shall render any reasonable assistance that City may require in the defense of that claim or action.

15. NOTICES

Any notices, bills, invoices, or reports required by this Agreement shall be deemed received on: (i) the day of delivery if delivered by hand, facsimile or overnight courier service during Contractor's and City's regular business hours; or (ii) on the third business day following deposit in the United States mail if delivered by mail, postage prepaid, to the addresses listed below (or to such other addresses as the parties may, from time to time, designate in writing).

If to City:

H. Ted Gerber
City of South Pasadena
Public Works
1414 Mission Street
South Pasadena, CA 91030
Telephone: (626) 403-7240
Facsimile: (626) 403-7241

If to Contractor:

Reddy Marri
EVGATEWAY
5251 California Ave Unit 150
Irvine, CA 92617
Telephone: (949)-534-3000
Telephone: (949)-861-1001

With courtesy copy to:

Andrew L. Jared
South Pasadena City Attorney
Colantuono, Highsmith & Whatley, PC
790 E. Colorado Blvd., Ste. 850
Pasadena, CA 91101
Telephone: (213) 542-5700
Facsimile: (213) 542-5710

16. SURVIVING COVENANTS

The parties agree that the covenants contained in paragraph 5.12 (Records), paragraph 11.4 (Indemnification of CalPERS Determination), Section 12 (Indemnity), paragraph 13.8 (Claims-Made Policies), paragraph 14.2 (Contractor Cooperation in Defense of Claims), and paragraph 19.1 (Confidentiality) of this Agreement shall survive the expiration or termination of this Agreement, subject to the provisions and limitations of this Agreement and all otherwise applicable statutes of limitations and repose.

17. TERMINATION

- 17.1. City Termination.** City may terminate this Agreement for any reason on five calendar days' written notice to Contractor. Contractor agrees to cease all work under this Agreement on or before the effective date of any notice of termination. All City data, documents, objects, materials or other tangible things shall be returned to City upon the termination or expiration of this Agreement.
- 17.2. Contractor Termination.** Contractor may terminate this Agreement for a material breach of this Agreement upon 30 days' notice.
- 17.3. Compensation Following Termination.** Upon termination, Contractor shall be paid based on the work satisfactorily performed at the time of termination. In no event shall Contractor be entitled to receive more than the amount that would be paid to Contractor for the full performance of the services required by this Agreement. The City shall have

the benefit of such work as may have been completed up to the time of such termination.

- 17.4. Remedies.** City retains any and all available legal and equitable remedies for Contractor's breach of this Agreement.

18. INTERPRETATION OF AGREEMENT

- 18.1. Governing Law.** This Agreement shall be governed and construed in accordance with the laws of the State of California.
- 18.2. Integration of Exhibits.** All documents referenced as exhibits in this Agreement are hereby incorporated into this Agreement. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of any document incorporated herein by reference, the provisions of this Agreement shall prevail. This instrument contains the entire Agreement between City and Contractor with respect to the transactions contemplated herein. No other prior oral or written agreements are binding upon the parties. Amendments hereto or deviations herefrom shall be effective and binding only if made in writing and executed on by City and Contractor.
- 18.3. Headings.** The headings and captions appearing at the commencement of the sections hereof, and in any paragraph thereof, are descriptive only and for convenience in reference to this Agreement. Should there be any conflict between such heading, and the section or paragraph thereof at the head of which it appears, the language of the section or paragraph shall control and govern in the construction of this Agreement.
- 18.4. Pronouns.** Masculine or feminine pronouns shall be substituted for the neuter form and vice versa, and the plural shall be substituted for the singular form and vice versa, in any place or places herein in which the context requires such substitution(s).
- 18.5. Severability.** If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, then such term or provision shall be amended to, and solely to the extent necessary to, cure such invalidity or unenforceability, and shall be enforceable in its amended form. In such event, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.
- 18.6. No Presumption Against Drafter.** Each party had an opportunity to consult with an attorney in reviewing and drafting this agreement. Any uncertainty or ambiguity shall not be construed for or against any party based on attribution of drafting to any party.

19. GENERAL PROVISIONS

- 19.1. Confidentiality.** All data, documents, discussion, or other information developed or received by Contractor for performance of this Agreement are deemed confidential and Contractor shall not disclose it without prior written consent by City. City shall grant such consent if disclosure is legally required. All City data shall be returned to City upon the termination or expiration of this Agreement.
- 19.2. Conflicts of Interest.** Contractor maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Contractor, to solicit or secure this Agreement. Further, Contractor warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Contractor, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. Contractor further agrees to file, or shall cause its employees or subcontractor to file, a Statement of Economic Interest with the City's Filing Officer if required under state law in the performance of the services. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer, or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.
- 19.3. Non-assignment.** Contractor shall not delegate, transfer, subcontract or assign its duties or rights hereunder, either in whole or in part, without City's prior written consent, and any attempt to do so shall be void and of no effect. City shall not be obligated or liable under this Agreement to any party other than Contractor.
- 19.4. Binding on Successors.** This Agreement shall be binding on the successors and assigns of the parties.
- 19.5. No Third-Party Beneficiaries.** Except as expressly stated herein, there is no intended third-party beneficiary of any right or obligation assumed by the parties.
- 19.6. Time of the Essence.** Time is of the essence for each and every provision of this Agreement.
- 19.7. Non-Discrimination.** Contractor shall not discriminate against any employee or applicant for employment because of race, sex (including pregnancy, childbirth, or related medical condition), creed, national origin, color, disability as defined by law, disabled veteran status, Vietnam veteran status, religion, age (40 and above), medical condition (cancer-related), marital status, ancestry, or sexual orientation. Employment actions to which this provision applies shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; or in terms, conditions or privileges of employment, and selection for training. Contractor agrees to post in conspicuous places, available to employees and applicants for employment, the provisions of this nondiscrimination clause.

- 19.8. Waiver.** No provision, covenant, or condition of this Agreement shall be deemed to have been waived by City or Contractor unless in writing signed by one authorized to bind the party asserted to have consented to the waiver. The waiver by City or Contractor of any breach of any provision, covenant, or condition of this Agreement shall not be deemed to be a waiver of any subsequent breach of the same or any other provision, covenant, or condition.
- 19.9. Excused Failure to Perform.** Contractor shall not be liable for any failure to perform if Contractor presents acceptable evidence, in City's sole judgment that such failure was due to causes beyond the control and without the fault or negligence of Contractor.
- 19.10. Remedies Non-Exclusive.** Each right, power and remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise shall be cumulative and shall be in addition to every other right, power, or remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise. The exercise, the commencement of the exercise, or the forbearance from the exercise by any party of any one or more of such rights, powers or remedies shall not preclude the simultaneous or later exercise by such party of any or all of such other rights, powers or remedies.
- 19.11. Attorneys' Fees.** If legal action shall be necessary to enforce any term, covenant or condition contained in this Agreement, each party shall pay its own costs, including any accountants' and attorneys' fees expended in the action.
- 19.12. Venue.** The venue for any litigation shall be Los Angeles County, California and Contractor hereby consents to jurisdiction in Los Angeles County for purposes of resolving any dispute or enforcing any obligation arising under this Agreement.

TO EFFECTUATE THIS AGREEMENT, the parties have caused their duly authorized representatives to execute this Agreement on the dates set forth below.

“City”
City of South Pasadena

“Contractor”
Reddy Marri, EVGATEWAY

By: _____
Signature

By: _____
Signature

Printed: _____

Printed: _____

Title: _____

Title: _____

Date: _____

Date: _____

Attest:

By: _____
Lucie Colombo, City Clerk

Date: _____

Approved as to form:

By: _____
Andrew L. Jared, City Attorney

Date: _____

NON-COLLUSION AFFIDAVIT

The undersigned declares:

I am the _____ of _____, the party making the foregoing bid.

The bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation. The bid is genuine and not collusive or sham. The bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid. The bidder has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or to refrain from bidding. The bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder. All statements contained in the bid are true. The bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, to any corporation, partnership, company, association, organization, bid depository, or to any member or agent thereof, to effectuate a collusive or sham bid, and has not paid, and will not pay, any person or entity for such purpose.

Any person executing this declaration on behalf of a bidder that is a corporation, partnership, joint venture, limited liability company, limited liability partnership, or any other entity, hereby represents that he or she has full power to execute, and does execute, this declaration on behalf of the bidder.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed on _____ [date], at _____ [city], _____ [state].”

WORKER'S COMPENSATION INSURANCE ACKNOWLEDGEMENT

I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.' If any class of employees engaged in work under this contract at the site of the Project is not protected under any Worker's Compensation law, Contractor shall provide and shall cause each subcontractor to provide adequate insurance for the protection of employees not otherwise protected. Contractor shall indemnify and hold harmless City for any damage resulting from failure of either Contractor or any subcontractor to take out or maintain such insurance.

[Name and Title]

[Date]

Exhibit A

Scope of Work

- Prepare all construction plans and submit for electrical, architectural, structural, and all other required permits to be issued by City.
- Carry out all tasks and supply all materials and labor to complete the entire scope of work, including the following:
 - All underground work and trench and laying out input cables as per the charger installation requirement
 - Preparing the base mount structure with concrete.
 - Supply and installation of all required components and hardware, including the following:
 - o Distribution Box
 - o Circuit Breakers
 - o Conduit installation,
 - o Pulling wires
 - o Installing pull boxes
 - Supply of DC fast charger of 60KW – CCS1 + CHAdeMO.
- Charger installation with required safety equipment and labeling, including fixing the charger to the concrete mount as per the OEMs recommendation.
- Providing the earthing to the charging station.
- Provisioning of the charger with Network and required configuration
- Commissioning of the charger and testing
- Misc. equipment and deliveries
- Warranty of 5 years (parts only)
 - o Replacement of the failed part with the same or equivalent component.
 - o Remote updates for the software / firmware
 - o Fixing of the errors / bugs
 - o Remote troubleshooting of the charger as required on reporting of any issue.
 - o Technician shall visit the charger to fix the hardware or any issue under warranty – Labor charges additional.
- Network Services
 - o EVGateway Network Services
 - o 24 x 7 Helpdesk support
 - o Payment Gateways
 - o Mobile App
 - o Portal Access

**Exhibit B
Overall Cost**

Description	Part #	Type	Chademo/ CCS1	Qty	BTC Price	BTC Extended
DC Charger – 50 KW	Chademo/CCS1	Dual	Y	1	\$24,585.00	\$24,585.00
Warranty & Maintenance	5 years – Onsite	5 yrs	NA	1	\$10,800.00	\$10,800.00
Network Services (Payment Gateway 8%)	EvGateway	Per Port / 5 years	NA	10	\$225.00	\$2,250.00
Monthly Data Charges	EVG-DATA	5yrs	NA	5	\$120.00	\$600.00
Sales Tax	10.25%					\$2,519.96
Total					Total	\$40,754.96

Scope of Work: Qty 1-50 KW DC Charger	Qty.	Cost
Plan submitting electrical, structural, architectural and city permits	1	\$7,850.00
Underground work and trench	1	\$4,995.00
Pedestal installation (1)	1	\$5,950.00
Concrete installation, equipment safe guard, additional labeling	1	\$3,650.00
Distribution, breakers, conduit installation, pulling wire	1	\$12,500.00
Conduit installation, pulling wires and installing pull boxes	1	\$7,000.00
Misc equipment and deliveries	1	\$1,500.00
Sub Total (underground)		\$43,445.00
Sales Tax		\$1,281.25
Total		\$44,726.25

Overall Total	\$85,481.21
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ATTACHMENT 3

Executed Clean Transportation Funding Contract with
AQMD MSRC

February 14, 2019

Marisol Romero
City of South Pasadena
1414 Mission St.
South Pasadena, CA 91030

Dear Ms. Romero:

Enclosed is a fully executed AB 2766 Discretionary Fund contract for your records. The contract number is **ML18092**. Please include your contract number on ALL correspondence sent to the MSRC when referencing this project. Please address all correspondence to:

Leah Alfaro
South Coast Air Quality Management District / MSRC
21865 Copley Drive
Diamond Bar, CA 91765
(909) 396-2036
leah@cleantransportationfunding.org

Included in this letter you will find copies of the MSRC's policies and procedures for progress reporting and contract modifications, samples of progress reports and invoices you will be submitting during the contract term, and a copy of the final report format. **Please read this information carefully and keep it in your contract file for future reference.**

Progress Reports

Progress reports should contain all pertinent information related to contract performance during the specified period. Informative progress reports are critical as they are used to evaluate the overall performance under the contract. MSRC staff also uses them as a tool for determining if any MSRC action needs to be taken due to problems or delays. If for some reason you need to extend the term of your contract or change the scope of the project, it is very important that you record this in your progress reports and notify us immediately. **Do not change your project/contract without prior approval of the MSRC.**

Please refer to the Schedule of Deliverables in your contract to determine if your reporting frequency is monthly or quarterly. Quarterly reports are used for contracts with a long lead-time, for example, buying vehicles or the conversion of vehicles. This basically covers the Alternative Fuels categories, which includes Public Transit Fleets, School Bus Fleets, and Fleet Acquisitions. Monthly reporting is typically used for TCM and all other categories. Exceptions to the monthly reporting rule may be considered if contract milestones are not triggered for a long length of time.

Note: All heavy-duty contracts include a supplemental requirement for Annual Reports. Please refer to the Schedule of Deliverables for further details. This reporting requirement is in addition to the Monthly/Quarterly and Final Reports. All vehicle purchase and fueling station contracts include the requirement to apply MSRC decals to MSRC-funded vehicles and/or fueling stations. Decals will be provided by MSRC staff upon notification that subject fueling station equipment and/or vehicles are placed into service.

A spreadsheet is used by Contracts staff to track the timely submission of progress reports. This spreadsheet is submitted to the MSRC-TAC and the MSRC for their review on a monthly basis. Be aware that failure to provide the required documentation of progress will delay the payment of any invoices that are submitted on the contract and can result in termination of your contract. You will find the "Policy to Terminate Contracts Due to Lack of Progress/Response by Contractors" and a sample progress report attached. Please refer to the Contract for reporting guidelines.

Contract Modifications

Any requests for contract modifications must be submitted to the MSRC Contract Administration staff in writing. Requests must be submitted at least ten days prior to the monthly MSRC-TAC meeting (typically held on the first Thursday of each month). The procedure for presenting your request to the MSRC for approval and the processing of subsequent paperwork takes approximately six to eight weeks to complete.

Upon receipt, your request will be presented to a subcommittee for evaluation. The subcommittee will present its recommendation to the MSRC-TAC, and the TAC will make a recommendation to the MSRC. The MSRC will grant final approval or disapproval of the request. **Any contract changes made without prior approval of the MSRC will be at the contractor's own risk. If the MSRC does not approve the change, the contractor will not be reimbursed for any costs incurred as a result of the unapproved change.** The "Policy for Contract Modifications" is attached.

Invoicing

Funds are dispersed on a reimbursement basis. Invoices must be submitted on your company/agency letterhead. Supporting documentation of individual charges, including equipment, materials, supplies, subcontractors and other charges, is required for all AB 2766 expenditures. Contractor's failure to provide receipts shall be grounds for nonpayment of such charges.

If any billed expenses are for Contractor's direct labor, they must be detailed in terms of number of hours by task, hourly rate, and professional category. Co-funding expenditures for the billing period must also be tracked and documented when invoicing for AB 2766 funds. For projects that involve the purchase of vehicles, a Letter of Certification and a Delivery Receipt should be included. Refer to your agreement for specific guidelines.

Promotion

Your contract has an outreach requirement to promote the MSRC's co-funding of this project to the media and/or community. Please refer to your contract to determine what outreach requirements are necessary.

Final Reports

Per the contract, a comprehensive final report shall be provided to the MSRC **prior to the end of the contract term**. The final report shall follow the MSRC's Final Report Format and is subject to review and approval by the MSRC. You are required to submit the final report in hard copy, as well as electronically, in a single Microsoft Word or Adobe Portable Document Format document. Project photographs are also to be submitted electronically. The Final Report Format is enclosed with this letter and is also available on the Clean Transportation Funding website under Contractor Resources.

I hope this letter answers most of your questions. Please feel free to call me at (909) 396-3269 to discuss any problems or concerns you may have.

Sincerely,



Cynthia Ravenstein
MSRC Contracts Administrator

Encl: Executed Contract
Policy to Terminate Contracts
Progress Report Template
Policy on Contract Modification
AQMD Standard Photo Release Form
Sample Outreach Plan



AB 2766/MSRC LOCAL GOVERNMENT PARTNERSHIP PROGRAM CONTRACT

1. PARTIES

The parties to this contract ("Contract") are the South Coast Air Quality Management District (referred to here as "SCAQMD") whose address is 21865 Copley Drive, Diamond Bar, California 91765-4178, and the City of South Pasadena (referred to here as "CONTRACTOR") whose address is 1414 Mission Street, South Pasadena, California 91030.

2. RECITALS

- A. SCAQMD is the local agency with primary responsibility for regulating stationary source air pollution within the geographical boundaries of the South Coast Air Quality Management District in the State of California (State). SCAQMD is authorized under State Health & Safety Code Section 44225 (AB 2766) to levy a fee on motor vehicles for the purpose of reducing air pollution from such vehicles and to implement the California Clean Air Act.
- B. Under AB 2766, SCAQMD's Governing Board has authorized the imposition of the statutorily set motor vehicle fee. By taking such action, the State's Department of Motor Vehicles (DMV) is required to collect such fee and remit it periodically to SCAQMD.
- C. AB 2766 further mandates that thirty (30) percent of such vehicle registration fees be placed by SCAQMD into a separate account for the sole purpose of implementing and monitoring programs to reduce air pollution from motor vehicles.
- D. AB 2766 creates a regional Mobile Source Air Pollution Reduction Review Committee (MSRC) to develop a work program to fund projects from the separate account. Pursuant to approval of the work program by SCAQMD's Governing Board, SCAQMD authorized this Contract with CONTRACTOR for equipment or services described in Attachment 1 - Statement of Work, expressly incorporated herein by this reference and made a part hereof of this Contract.
- E. CONTRACTOR has met the requirements for receipt of AB 2766 Discretionary Funds as set forth in CONTRACTOR's Local Government Partnership Program Application dated July 19, 2018.
- F. CONTRACTOR is authorized to do business in the State of California and attests that it is in good tax standing with the California Franchise Tax Board.
- G. All parties to this Contract have had the opportunity to have this Contract reviewed by their attorney.

3. DMV FEES

CONTRACTOR acknowledges that SCAQMD cannot guarantee that the amount of fees to be collected under AB 2766 will be sufficient to fund this Contract. CONTRACTOR further acknowledges that payment under this Contract is contingent upon SCAQMD receiving sufficient funds from the DMV, and that SCAQMD assumes no responsibility for the collection and remittance of motor vehicle registration fees.

4. AUDIT AND RECORDS RETENTION

- A. CONTRACTOR shall, at least once every two years, or within two years of the termination of the Contract if the term is less than two years, be subject to an audit by SCAQMD or its authorized representative to determine if the revenues received by CONTRACTOR were spent for the reduction of pollution from motor vehicles pursuant to the Clean Air Act of 1988.
- B. CONTRACTOR agrees to maintain records related to this Contract during the Contract term and continue to retain these records for a period of two years beyond the Contract term, except that in no

case shall CONTRACTOR be required to retain more than the most recent five years' records. SCAQMD shall coordinate such audit through CONTRACTOR'S audit staff.

- C. If an amount is found to be inappropriately expended, SCAQMD may withhold funding, or seek reimbursement, from CONTRACTOR in the amount equal to the amount that was inappropriately expended. Such withholding shall not be construed as SCAQMD's sole remedy and shall not relieve CONTRACTOR of its obligation to perform under the terms of this Contract.

5. TERM

The term of this Contract is for seventy two (72) months from the date of execution by both parties, unless terminated earlier as provided for in the TERMINATION clause of this Contract, or the term is extended by amendment of this Contract in writing. No work shall commence prior to the Contract start date, except at CONTRACTOR's cost and risk, and no charges are authorized until this Contract is fully executed, subject to the provisions stated in the PRE-CONTRACT COSTS clause of this Contract.

6. SUCCESSORS-IN-INTEREST

This Contract, and the obligations arising under the Contract, shall be binding on and inure to the benefit of CONTRACTOR and their executors, administrators, successors, and assigns.

7. REPORTING

CONTRACTOR shall submit reports to SCAQMD as outlined in Attachment 1 - Statement of Work. SCAQMD reserves the right to review, comment, and request changes to any report produced as a result of this Contract.

8. TERMINATION

- A. In the event any party fails to comply with any term or condition of this Contract, or fails to provide services in the manner agreed upon by the parties, including, but not limited to, the requirements of Attachment 1 - Statement of Work, this failure shall constitute a breach of this Contract. The non-breaching party shall notify the breaching party that it must cure this breach or provide written notification of its intention to terminate this contract. Notification shall be provided in the manner set forth in the NOTICES clause of this Contract. The non-breaching party reserves all rights under law and equity to enforce this Contract and recover damages.
- B. SCAQMD reserves the right to terminate this Contract, in whole or in part, without cause, upon thirty (30) days' written notice. Once such notice has been given, CONTRACTOR shall, except as and to the extent or directed otherwise by SCAQMD, discontinue any Work being performed under this Contract and cancel any of CONTRACTOR's orders for materials, facilities, and supplies in connection with such Work, and shall use its best efforts to procure termination of existing subcontracts upon terms satisfactory to SCAQMD. Thereafter, CONTRACTOR shall perform only such services as may be necessary to preserve and protect any Work already in progress and to dispose of any property as requested by SCAQMD.
- C. CONTRACTOR shall be paid in accordance with this Contract for all Work performed before the effective date of termination under section B of the TERMINATION clause of this Contract. Before expiration of the thirty (30) days' written notice, CONTRACTOR shall promptly deliver to SCAQMD all copies of documents and other information and data prepared or developed by CONTRACTOR under this Contract with the exception of a record copy of such materials, which may be retained by CONTRACTOR.

9. STOP WORK

SCAQMD may, at any time, by written notice to CONTRACTOR, require CONTRACTOR to stop all or any part of the Statement of Work tasks in this Contract. A stop work order may be issued for reasons including, but not limited to, the project exceeding the budget, out of scope work, delay in project schedule, or misrepresentations. Upon receipt of the stop work order, CONTRACTOR shall immediately take all necessary steps to comply with the order. CONTRACTOR shall resume the work only upon receipt of written instructions from SCAQMD cancelling the stop work order. CONTRACTOR agrees and understands that CONTRACTOR will not be paid for performing work while the stop work order is in effect, unless SCAQMD agrees to do so in its written cancellation of the stop work order.

10. INSURANCE

CONTRACTOR represents that it is permissibly self-insured and will maintain such self-insurance in accordance with applicable provisions of California law throughout the term of this Contract. CONTRACTOR shall provide evidence of sufficient coverage during the term of this Contract and any extensions thereof that meet or exceed the minimum requirements set forth by the SCAQMD below. The certificate of self-insurance shall be mailed to: SCAQMD, 21865 Copley Drive, Diamond Bar, CA 91765-4178, Attention: Cynthia Ravenstein, MSRC Contracts Administrator. **The SCAQMD Contract Number must be included on the face of the certificate.** If CONTRACTOR fails to maintain the required insurance coverage, SCAQMD reserves the right to terminate the Contract or purchase such additional insurance and bill CONTRACTOR or deduct the cost thereof from any payments owed to CONTRACTOR. Minimum insurance coverages are as follows:

- A. Worker's compensation insurance in accordance with either California or other state's applicable statutory requirements.
- B. General Liability insurance with a limit of at least \$1,000,000 per occurrence, and \$2,000,000 in general aggregate.
- C. Automobile Liability insurance with limits of at least \$100,000 per person and \$300,000 per accident for bodily injuries and \$50,000 in property damage, or \$1,000,000 combined single limit for bodily injury or property damage.

11. INDEMNIFICATION

CONTRACTOR agrees to hold harmless, defend and indemnify SCAQMD, its officers, employees, agents, representatives, and successors-in-interest against any and all loss, damage, costs, lawsuits, claims, demands, causes of action, judgments, attorney's fees, or any other expenses arising from or related to any third party claim against SCAQMD, its officers, employees, agents, representatives, or successors in interest that arise or result in whole or in part, from any actual or alleged act or omission of CONTRACTOR, its employees, subcontractors, agents or representatives in the performance of this Contract. This Indemnification Clause shall survive the expiration or termination (for any reason) of the Contract and shall remain in full force and effect.

12. DISCLAIMER OF WARRANTY

The purchase or lease of funded vehicles/equipment is the CONTRACTOR's decision. The SCAQMD does not make any express or implied warranty of merchantability, fitness for a particular purpose or otherwise, quality or usefulness of the technology or product. Without limiting the foregoing, the SCAQMD will not be financially responsible, or otherwise liable, for the installation or performance of the vehicle/equipment.

13. PAYMENT

- A. SCAQMD shall reimburse CONTRACTOR up to a total amount of Fifty Thousand Dollars (\$50,000) in accordance with Attachment 2 - Payment Schedule expressly incorporated herein by this reference and made a part hereof of the Contract.
- B. A withhold amount or percentage (if any) shall be identified in the Payment Schedule, and such amount shall be withheld from each invoice. Upon satisfactory completion of project and final acceptance of work and the final report, CONTRACTOR's invoice for the withheld amount shall be released. Proof of project completion shall include a Final Report detailing the project goals and accomplishments, data collected during project performance, if any, documentation of significant results, and emissions reduction input data needed for calculation of emissions reductions.
- C. Any funds not expended upon early Contract termination or Contract completion shall revert to the AB 2766 Discretionary Fund. Payment of charges shall be made by SCAQMD to CONTRACTOR within thirty (30) days after approval by SCAQMD of an itemized invoice prepared and furnished by CONTRACTOR.
- D. An invoice submitted to SCAQMD for payment must be prepared in duplicate, on company letterhead, and list SCAQMD's contract number, period covered by invoice, and CONTRACTOR's social security number or Employer Identification Number and submitted to:

South Coast Air Quality Management District
 21865 Copley Drive
 Diamond Bar, CA 91765-4178
 Attn: Cynthia Ravenstein, MSRC Contracts Administrator

- 1. Charges for equipment, material, and supply costs, travel expenses, subcontractors, and other charges, as applicable, must be itemized by CONTRACTOR. Reimbursement for equipment, material, supplies, subcontractors, and other charges, as applicable, shall be made at actual cost. Supporting documentation must be provided for all individual charges (with the exception of direct labor charges provided by CONTRACTOR).
- 2. SCAQMD shall pay CONTRACTOR for travel-related expenses only if such travel is expressly set forth in Attachment 2 - Payment Schedule of this Contract or pre-authorized by SCAQMD in writing.
- 3. CONTRACTOR's failure to provide receipts shall be grounds for SCAQMD's non-reimbursement of such charges. CONTRACTOR may reduce payments on invoices by those charges for which receipts were not provided.
- 4. CONTRACTOR must submit final invoice no later than ninety (90) days after the termination date of this Contract or invoice may not be paid.

14. COMPLIANCE WITH APPLICABLE LAWS

CONTRACTOR agrees to comply with all federal, state, and local laws, ordinances, codes and regulations and orders of public authorities in the performance of this Contract. CONTRACTOR must also ensure that the vehicles and/or equipment to be purchased, leased or installed in the performance of this Contract are in compliance with all applicable federal, state, and local air quality rules and regulations, and that it will maintain compliance for the full Contract term. CONTRACTOR shall ensure that the provisions of this clause are included in all subcontracts.

15. MOBILE SOURCE EMISSION REDUCTION CREDITS (MSERCs)

- A. The MSRC has adopted a policy that no MSERCs resulting from AB 2766 Discretionary Funds may be generated and/or sold.

- B. CONTRACTOR has the opportunity to generate MSERCs as a by-product of the project if a portion of the air quality benefits attributable to the project resulted from funding sources other than AB2766. These MSERCs, which are issued by SCAQMD, are based upon the quantified vehicle miles traveled (VMT) by project vehicles or other activity data as appropriate. Therefore, a portion of prospective MSERCs, generated as a result of AB 2766 Funds, must be retired. The portion of prospective credits funded by the AB 2766 program, and which are subject to retirement, shall be referred to as "AB 2766-MSERCs."
- C. The determination of AB 2766-MSERC's is to be prorated based upon the AB 2766 program's contribution to the cost associated with the air quality benefits. In the case where AB 2766 Discretionary Funds are used to pay for the full differential cost of a new alternative fuel vehicle or for the retrofitting or repowering of an existing vehicle, all MSERCs attributable to AB 2766 Discretionary Funds must be retired. The determination of AB 2766-MSERCs for infrastructure and other ancillary items is to be prorated based upon the AB 2766 program's contribution to the associated air quality benefits. Determination of the project's overall cost will be on a case-by-case basis at the time an MSERC application is submitted. SCAQMD staff, at the time an MSERC application is submitted, will calculate total MSERCs and retire the AB 2766-MSERCs. CONTRACTOR would then receive the balance of the MSERCs not associated with AB 2766 funding.

16. NOTICES

All notices that are required under this Contract shall be provided in the manner set forth herein, unless specified otherwise. Notice to a party shall be delivered to the attention of the person listed below, or to such other person or persons as may hereafter be designated by that party in writing. Notice shall be in writing sent by email, U.S. Mail, express, certified, return receipt requested, or a nationally recognized overnight courier service. In the case of email communications, valid notice shall be deemed to have been delivered upon sending, provided the sender obtained an electronic confirmation of delivery. Email communications shall be deemed to have been received on the date of such transmission, provided such date was a business day (Tuesday-Friday) and delivered prior to 5:30pm Pacific Standard Time. Otherwise, receipt of email communications shall be deemed to have occurred on the following business day. In the case of U.S. Mail notice, notice shall be deemed to be received when delivered or five (5) business days after deposit in the U. S. Mail. In the case of a nationally recognized overnight courier service, notice shall be deemed received when delivered (written receipt of delivery).

SCAQMD:
 South Coast Air Quality Management District
 21865 Copley Drive
 Diamond Bar, CA 91765-4178
 Attn: Cynthia Ravenstein, MSRC Contracts Administrator, email: cravenstein@aqmd.gov

CONTRACTOR:
 City of South Pasadena
 1414 Mission Street
 South Pasadena, CA 91030
 Attn: Karen Aceves Nunez, email: KAceves@SouthPasadenaCA.gov

17. INDEPENDENT CONTRACTOR

CONTRACTOR is an independent contractor. CONTRACTOR, its officers, employees, agents, representatives, or subcontractors shall in no sense be considered employees or agents of SCAQMD, nor shall CONTRACTOR, its officers, employees, agents, representatives, or subcontractors be entitled to or

eligible to participate in any benefits, privileges, or plans, given or extended by SCAQMD to its employees. SCAQMD will not supervise, direct, or have control over, or be responsible for, CONTRACTOR's or subcontractor's means, methods, techniques, work sequences or procedures, or for the safety precautions and programs incident thereto, or for any failure by them to comply with any local, state, or federal laws, or rules or regulations, including state minimum wage laws and OSHA requirements.

18. SUBCONTRACTOR APPROVAL

If CONTRACTOR intends to subcontract all or a portion of the work under this Contract, then CONTRACTOR must first obtain written approval from SCAQMD's Executive Officer or designee prior to subcontracting any work. Such prior approval applies only to subcontractors not already included in Attachment 1, Statement of Work. Any material changes to the subcontract(s) that affect the scope of work, deliverable schedule, and/or payment/cost schedule shall also require the prior written approval of the Executive Officer or designee. No subcontract charges will be reimbursed unless the required approvals have been obtained from SCAQMD.

19. OWNERSHIP

Title and full ownership rights to any equipment purchased under this Contract shall at all times remain with CONTRACTOR.

20. SECURITY INTEREST

CONTRACTOR hereby grants SCAQMD a security interest in any and all equipment purchased, in whole or in part, with funding provided by SCAQMD pursuant to this Contract. CONTRACTOR acknowledges and agrees that SCAQMD shall have all lien rights as a secured creditor on any and all equipment purchased in whole or in part by the CONTRACTOR, under this Contract or any amendments thereto. The SCAQMD shall have lien rights in effect until the CONTRACTOR satisfies all terms under the Contract, including but not limited to, the use and reporting requirements. **Accordingly, CONTRACTOR further agrees that SCAQMD is authorized to file a UCC filing statement or similar security instrument to secure its interests in the equipment that is the subject of the Contract.** In the event CONTRACTOR files for bankruptcy protection, CONTRACTOR shall notify SCAQMD within 10 business days of such filing.

21. NON-DISCRIMINATION

In the performance of this Contract, CONTRACTOR shall not unlawfully discriminate, harass or allow harassment, against any employee or applicant for employment on the basis of race, religious creed, color, national origin, ancestry, sex, sexual orientation, age, mental status, medical condition, physical or mental disability, denial of family and medical care leave, denial of pregnancy disability leave, or reasonable accommodations. CONTRACTOR shall comply with the provisions of the California Fair Employment & Housing Act (Government Code Section 12900 et seq.), the Federal Civil Rights Act of 1964 (P.L. 88-352) and all amendments thereto, Executive Order No. 11246 (30 Federal Register 12319), and all administrative rules and regulations issued pursuant to said Acts and Order.

22. CITIZENSHIP AND ALIEN STATUS

A. CONTRACTOR warrants that it fully complies with all laws regarding the employment of aliens and others, and that its employees performing services hereunder meet the citizenship or alien status requirements contained in federal and state statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986 (P.L. 99-603). CONTRACTOR shall obtain from all covered employees performing services hereunder all verification and other documentation of employees' eligibility status required by federal statutes and regulations as they currently exist and as they may be hereafter amended. CONTRACTOR shall have a continuing obligation to verify and document the

continuing employment authorization and authorized alien status of employees performing services under this Contract to insure continued compliance with all federal statutes and regulations. Notwithstanding the above, CONTRACTOR, in the performance of this Contract, shall not discriminate against any person in violation of 8 USC Section 1324b.

- B. CONTRACTOR shall retain such documentation for all covered employees for the period described by law. CONTRACTOR shall indemnify, defend, and hold harmless SCAQMD, its officers and employees from employer sanctions and other liability which may be assessed against CONTRACTOR or SCAQMD, or both in connection with any alleged violation of federal statutes or regulations pertaining to the eligibility for employment of persons performing services under this Contract.

23. ASSIGNMENT AND TRANSFER OF EQUIPMENT

- A. The rights and responsibilities granted hereby may not be assigned, sold, licensed, or otherwise transferred by CONTRACTOR without the prior written consent of SCAQMD, and any attempt by CONTRACTOR to do so shall be void upon inception.
- B. CONTRACTOR agrees to obtain SCAQMD's written consent to any assignment, sale, license or transfer of Equipment, if any, prior to completing the transaction. CONTRACTOR shall inform the proposed assignee, buyer, licensee or transferee (collectively referred to here as "Buyer") of the terms of this Contract. CONTRACTOR is responsible for establishing contact between SCAQMD and the Buyer and shall assist SCAQMD in facilitating the transfer of this Contract's terms and conditions to the Buyer. **CONTRACTOR will not be relieved of the legal obligation to fulfill the terms and conditions of this Contract until and unless the Buyer has assumed responsibility of this Contract's terms and conditions through an executed contract with SCAQMD.**

24. NON-EFFECT OF WAIVER

The failure of CONTRACTOR or SCAQMD to insist upon the performance of any or all of the terms, covenants, or conditions of this Contract, or failure to exercise any rights or remedies hereunder, shall not be construed as a waiver or relinquishment of the future performance of any such terms, covenants, or conditions, or of the future exercise of such rights or remedies, unless otherwise provided for herein.

25. TAX IMPLICATIONS FROM RECEIPT OF MSRC FUNDS

CONTRACTOR is advised to consult a tax attorney regarding potential tax implications from receipt of MSRC funds.

26. ATTORNEYS' FEES

In the event any action is filed in connection with the enforcement or interpretation of this Contract, each party in said action shall pay its own attorneys' fees and costs.

27. FORCE MAJEURE

A party shall not be liable or deemed to be in default for any delay or failure in performance under this Contract or interruption of services resulting, directly or indirectly, from acts of God, civil or military authority, acts of public enemy, war, strikes, labor disputes, shortages of suitable parts, materials, labor or transportation, or any similar cause beyond the party's reasonable control.

28. SEVERABILITY

In the event that any one or more of the provisions contained in this Contract shall for any reason be held to be unenforceable in any respect by a court of competent jurisdiction, such holding shall not affect any other provisions of this Contract, and the Contract shall then be construed as if such unenforceable provisions are not a part hereof.

29. HEADINGS

Headings on the clauses of this Contract are for convenience and reference only, and the words contained therein shall in no way be held to explain, modify, amplify, or aid in the interpretation, construction, or meaning of the provisions of this Contract.

30. DUPLICATE EXECUTION

This Contract is executed in duplicate. Each signed copy shall have the force and effect of an original.

31. GOVERNING LAW

This Contract shall be construed and interpreted and the legal relations created thereby shall be determined in accordance with the laws of the State of California. Venue for resolution of any disputes under this Contract shall be Los Angeles County, California.

32. PRE-CONTRACT COSTS

Any costs incurred by CONTRACTOR prior to CONTRACTOR receipt of a fully executed Contract shall be incurred solely at the risk of the CONTRACTOR. In the event that this Contract is not executed, neither the MSRC nor the SCAQMD shall be liable for any amounts expended in anticipation of a fully executed Contract. If this Contract is fully executed, pre-contract cost expenditures authorized by the Contract will be reimbursed in accordance with the Payment Schedule and payment provision of the Contract.

33. CHANGE TERMS

Changes to any part of this Contract must be requested in writing by CONTRACTOR and approved by MSRC in accordance with MSRC policies and procedures. CONTRACTOR must make requests a minimum of 90 days prior to desired effective date of change. All modifications to this Contract shall be in writing and signed by the authorized representatives of the parties. Fueling station location changes shall not be approved under any circumstances.

34. PREVAILING WAGES

CONTRACTOR is alerted to the prevailing wage requirements of California Labor Code section 1770 et seq., and the compliance monitoring and enforcement of such requirements by the Department of Industrial Relations ("DIR"). CONTRACTOR and all of CONTRACTOR's subcontractors must comply with the California Public Works Contractor Registration Program and, where applicable, must be registered with the DIR to participate in public works projects. CONTRACTOR shall be responsible for determining the applicability of the provisions of California Labor Code and complying with the same, including, without limitation, obtaining from the Director of the Department of Industrial Relations the general prevailing rate of per diem wages and the general prevailing rate for holiday and overtime work, making the same available to any interested party upon request, paying any applicable prevailing rates, posting copies thereof at the job site and flowing all applicable prevailing wage rate requirements to its subcontractors. Proof of compliance with these requirements must be provided to SCAQMD upon request. CONTRACTOR shall indemnify, defend and hold harmless the South Coast Air Quality Management District against any and all claims, demands, damages, defense costs or liabilities based on failure to adhere to the above referenced statutes.

35. ENTIRE CONTRACT

This Contract represents the entire agreement between CONTRACTOR and SCAQMD. There are no understandings, representations, or warranties of any kind except as expressly set forth herein. No waiver, alteration, or modification of any of the provisions herein shall be binding on any party unless in writing and

signed by the authorized representative of the party against whom enforcement of such waiver, alteration, or modification is sought.

36. AUTHORITY

The signator hereto represents and warrants that he or she is authorized and empowered and has the legal capacity to execute this Contract and to legally bind CONTRACTOR both in an operational and financial capacity and that the requirements and obligations under this Contract are legally enforceable and binding on CONTRACTOR.

IN WITNESS WHEREOF, the parties to this Contract have caused this Contract to be duly executed on their behalf by their authorized representatives.

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

CITY OF SOUTH PASADENA


By: 
Dr. William A. Burke, Chairman, Governing Board

By: 
Name: Stephanie DeWolfe
Title: City Manager

Date: 2/1/19

Date: 1/9/19

ATTEST:
Denise Garzaro, Clerk of the Board

By: 

APPROVED AS TO FORM:
Bayron T. Gilchrist, General Counsel

By: 

//MSRC Master Boilerplate
Revised April 24, 2018

**Attachment 1
Statement of Work
City of South Pasadena
Contract Number ML18092**

1. Project Elements

- A. The City of South Pasadena (hereinafter referred to as “CONTRACTOR”) is to procure two on-road, light-duty (possessing a gross vehicle weight rating less than 8,501 pounds) zero emission vehicles (battery electric or fuel cell). Hybrid vehicles do not qualify as zero emission.
- B. CONTRACTOR is also to install a limited access “Level III/Fast Charge” type EV charging station at their Civic Center at 1414 Mission Street. This location is understood to be tentative; CONTRACTOR shall notify MSRC staff of any location changes.

CONTRACTOR shall be reimbursed according to Attachment 2 – Payment Schedule.

2. Operation Requirements and Reimbursement for Noncompliance: Light Duty Vehicles

Light-duty vehicles are required to operate for a minimum of three years. CONTRACTOR is obligated to comply with the geographical restriction requirements as follows:

- A. Each of the light-duty vehicles funded under this Contract must accrue at least 85% of its annual mileage or engine hours of operation within the geographical boundaries of the South Coast Air Quality Management District for a period of no less than three (3) years from the date the vehicle enters service (new vehicles). Should CONTRACTOR deviate from or fail to comply with this obligation, CONTRACTOR shall reimburse SCAQMD for a prorated share of the funds provided for the vehicle as indicated in the table below:

3 year Operational Availability Obligation Termination Occurs	Percentage of MSRC Funds to be Reimbursed
Within Year 1	100%
Between Years 1-2	66%
Between Years 2-3	33%
After Year 3	0%

- B. The appropriate reimbursable amount shall be paid to SCAQMD within sixty (60) days from the date the vehicle ceases to operate in accordance with the geographical restriction.
- C. Should CONTRACTOR sell, lease, transfer, assign or otherwise divest itself of the vehicles during the three year period referred to above, notice shall be provided to SCAQMD no less than 30 days preceding the day the sale, lease, transfer, or assignment is effectuated. The agreement effectuating the sale, lease, transfer or assignment shall state that the SCAQMD is an intended third-party beneficiary of the agreement and shall include the following requirement: the obligation to accrue mileage within the South Coast Air Quality Management District shall be a continuing obligation of the subsequent purchaser, lessee, transferee, successor in interest, heir or assign and shall remain in full force and effect until the expiration of the three year operation period. This obligation shall be passed down to any subsequent purchaser, lessee or transferee during this three

**Attachment 1
Statement of Work
City of South Pasadena
Contract Number ML18092**

year term and SCAQMD shall be an intended third-party beneficiary of any subsequent agreement. Upon receiving notice of any subsequent sale, lease, transfer, assignment or other divestiture, SCAQMD may elect to either require the reimbursement specified above, or require the subsequent purchaser, lessee, transferee or assignee to comply with the continuing obligation to operate the vehicle for a period of no less than three (3) years from the date the vehicle entered service (new vehicles). Notice of SCAQMD's election of remedies shall be provided to CONTRACTOR and any subsequent purchaser, lessee, transferee or assignee in a timely fashion.

3. Operation Requirements and Reimbursement for Noncompliance: Level III/Fast Charge EV Charging Stations

CONTRACTOR is obligated to comply with the Operational Availability requirements set forth as follows:

- A. CONTRACTOR commits to ensuring Level III/Fast Charge charging stations remain operational in the original location for a period of no less than five (5) years from the date the station begins operations in either its initial or expanded capacity. Should CONTRACTOR desire to deviate from this obligation, for reasons other than those stated in the EARLY TERMINATION clause of this Contract, CONTRACTOR shall reimburse SCAQMD for a prorated share of the funds provided for fueling/charging facilities as indicated in the table below:

5 year Operational Availability Obligation Occurs	Termination	Percentage of MSRC Funds to be Reimbursed
Within Year 1		100%
Between Years 1-2		80%
Between Years 2-3		60%
Between Years 3-4		40%
Between Years 4-5		20%
After Year 5		0%

- B. The appropriate reimbursable amount shall be paid to SCAQMD within sixty (60) days from the date the station ceases operation. CONTRACTOR shall not be responsible for any reimbursement to SCAQMD if the obligation is terminated as a result of one or more reasons set forth in the EARLY TERMINATION clause of this Contract.

4. Display of MSRC Logo

CONTRACTOR agrees to permanently display one MSRC decal in a prominent location on each vehicle purchased pursuant to this Contract. Decals will be provided by SCAQMD upon notification that each subject vehicle becomes operational. Decals are approximately twelve (12) inches in height and eighteen (18) inches in width (Note: a smaller decal may be provided if CONTRACTOR demonstrates that application of the standard decal is not feasible). CONTRACTOR shall maintain the decal for the life of the equipment subject to this Contract. Should any decal

**Attachment 1
Statement of Work
City of South Pasadena
Contract Number ML18092**

become damaged, faded, or otherwise unreadable, CONTRACTOR shall request a replacement decal from SCAQMD and apply the new decal in the same or other prominent location. SCAQMD shall not be responsible for damage to paint or other surfaces arising from application or removal of decals.

5. Promotion

CONTRACTOR shall prepare and submit a proposed Public Outreach Plan to promote the MSRC's co-funding of the vehicles and EV charging station. Acceptable outreach may include, but is not limited to, notices in CONTRACTOR mailings to residents, newspaper notices, flyers, and information items at CONTRACTOR Board meetings and community events. The Public Outreach Plan shall automatically be deemed approved 30 days following receipt by SCAQMD staff, unless SCAQMD staff notify CONTRACTOR in writing of a Public Outreach Plan deficiency. CONTRACTOR shall implement the approved Public Outreach Plan in accordance with the Project Schedule below.

6. Reports

Quarterly Reports: Until vehicles are placed into service and EV charging station commences operation, CONTRACTOR shall provide quarterly progress reports that summarize the project results to date including, but not limited to: tasks completed, issues or problems encountered, resolutions implemented, and progress to date. Progress reports that do not comply will be returned to the CONTRACTOR as inadequate.

Final Report: A Final Report shall be submitted by the CONTRACTOR in the format provided by SCAQMD staff. The Final Report shall include, at a minimum: a) an executive summary; and b) a detailed discussion of the results and conclusions about this project. CONTRACTOR will identify any barriers encountered and solutions developed to overcome the barriers, and the impact of the project on future electric vehicle projects.

**Attachment 1
Statement of Work
City of South Pasadena
Contract Number ML18092**

7. Project Schedule

CONTRACTOR shall comply with the increments of progress identified in the following chart. The completion month for each task is based on the date of Contract execution.

Task	Completion
Go out to bid for EV station	Month 3
Order light-duty zero-emission vehicles	Month 5
Submit Public Outreach Plan	Month 7
Place light-duty zero-emission vehicles into service	Month 8
Complete EV station installations and enter into service	Month 9
Implement Public Outreach Plan	Month 11
Quarterly reports	Quarterly beginning with Month 4, until all installations are complete and all vehicles are in service
Final Report	Month 12

**Attachment 2
Payment Schedule
City of South Pasadena
Contract Number ML18092**

Cost Breakdown

Purchase Category	Maximum AB2766 Discretionary Funds payable under this Contract	CONTRACTOR AB2766 Subvention Funds Applied	Other Funds Applied to Match	Total Cost
On-road light-duty zero emission vehicles	\$20,000	\$0	\$36,000	\$56,000
EV Charging Station – Limited Access	\$30,000	\$0	\$30,000	\$60,000
Totals	\$50,000	\$0	\$66,000	<u>\$116,000</u>

No funds shall be paid out to CONTRACTOR pursuant to this Contract, until the project described in Attachment 1 is completed and proof of completion is provided to SCAQMD. If the project described in Attachment 1 is not completed and satisfactory proof of completion is not provided to SCAQMD, no monies shall be due and payable to CONTRACTOR. However, reimbursement may be made for vehicles even if EV charging station installation is not yet complete, or vice versa. Proof of completion shall include:

- For vehicles:
 - Proof of vehicle delivery, vehicle acceptance, and placement of vehicle into service; and
 - Documentation of the specific vehicle purchased, including the year, manufacturer, engine (if applicable) and model.
- For EV charging station:
 - Representative photos of completed station;
 - A report signed by a responsible official certifying that the station has been completed as described in Attachment 1; and
 - Receipts for equipment and/or invoice(s) from subcontractor(s) performing the installations, if any.

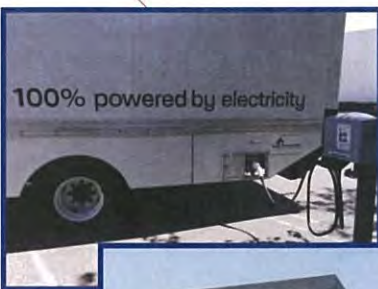
If, at the completion of the Project, the expenditures are less than the Total Cost amount above, the actual amount of AB 2766 Discretionary Funds reimbursed to CONTRACTOR shall be adjusted on a prorated basis, as follows:

**Attachment 2
Payment Schedule
City of South Pasadena
Contract Number ML18092**

- For vehicles, the amount reimbursed to CONTRACTOR shall not exceed the actual amount of AB 2766 Subvention and other funds applied, up to a maximum of \$10,000 per light-duty zero emission vehicle; and
- For the EV charging station, the amount reimbursed to CONTRACTOR shall not exceed the actual amount of AB 2766 Subvention and other funds applied for limited access station.

Additional AB 2766 Discretionary Match Funds will not be available to fund project cost overruns. Any project cost overruns must be funded from other than AB 2766 Discretionary Funds.

Let the Community know about your Clean Air Project



Sharing the news about your MSRC-funded clean air project is an important element of your project that helps demonstrate your commitment to cleaning our air to the public. To ensure that the benefits of your project are publicized, there is a public outreach requirement in your contract with the MSRC.

Making sure that people are aware about your investment in cleaning the air demonstrates your commitment to delivering a cleaner, healthier environment to your community. It also will inspire others to take their own actions to help clean up the community and creates public support for more publicly funded environmental programs.

The MSRC has resources available to help you publicly promote your project. Some promotional ideas could include:

- ◆ *Press releases and media outreach*
- ◆ *Articles for newsletters/websites*
- ◆ *Project informational flyers*
- ◆ *Promotional events such as groundbreakings, ribbon-cutting ceremonies or other community events to promote the program*
- ◆ *Utilization of our Digital Badge for your website or social media*

**Call Today
818-563-9111**

If you would like assistance with your outreach efforts, please contact our Outreach Coordinator, The Better World Group. Their services are complementary, but are only available on a first come-first served basis, so contact them early for support.

[PROJECT PARTNER LETTERHEAD]

[DATE]

Cynthia Ravenstein
Contracts Administrator
MSRC
21865 Copley Drive
Diamond Bar, CA 91765

**Re: MSRC Contract No. [#]
Public Outreach Plan**

Dear Ms. Ravenstein:

[PROJECT PARTNER] is pleased to submit our proposed Public Outreach Plan to satisfy the project requirements for the above-referenced contract.

Project Status

[PROVIDE A BRIEF SUMMARY ABOUT THE STATUS OF THE PROJECT]

Public Outreach Plan Components

After reviewing the attached Categories of Ideas for Public Outreach for Local Governments and evaluating possible outreach activities, [PROJECT PARTNER] will implement the following public outreach activities:

[List activities that will be undertaken, with explanation of planned implementation, including timing and potential MSRC involvement.]

[PROJECT PARTNER] will document our outreach activities and provide documentation in the form of photographs, hard-copies of flyers/public notices/news releases, etc., and other supporting information with our final project report.

[PROJECT PARTNER SIGNATURE and CONTACT INFORMATION]

Categories of Ideas for Public Outreach for Local Governments

This is a menu of **sample activities** that you can consider to reach out to the community to make them aware of your agency's clean air project. Other activities that involve promoting your project to the public also will satisfy the public outreach component of your contract, so try to be creative with your outreach plans.

The MSRC has an electronic badge available for download under the www.CleanTransportationFunding.org/contractor-resources tab on the MSRC website. Include this badge on your website, social media and printed materials to declare your commitment to reducing air pollution in the South Coast region.

Materials

Develop written/electronic materials that describe the project and how it will benefit your local government and your community. Examples of materials can include:

- Mailing notices to residents
- Submitting a notice or a news release to your local news media
- Distributing notices/flyers at Council/Supervisor meetings and/or community events
- Creating a brochure or flyer to distribute in conjunction with project
- Publishing an article in an agency or city/county newsletter
- Posting information about the project on your city/county's website
- Incorporate a short video or PowerPoint presentation into employee training materials

Events

Showcase your project at city/county or community events. If your project included the purchase of an alternative-fuel vehicle, display the vehicle at the event. If your project involved new infrastructure or something that cannot be easily transported to an event, take photos of the project and display them at the event. Have a spokesperson on-hand to talk about your project and to answer questions. Examples of events can include:

- Holding a ground-breaking ceremony/kick-off event
- Holding a grand-opening/ribbon cutting event once your project is completed
- Holding a press conference
- Participating in community Earth Day events

Partnership Opportunities

Partner with local environmental groups or community organizations to showcase your project. Look for local organizations and community members that might have a particular interest in your project because of the work that they do and use this opportunity to build relationships with them to further your community's interest in "going green" and improving air quality.

- Use clean air vehicles to support community events such as Clean Air Walks or 5K Runs

- Offer to showcase vehicle at local schools or talk to students about clean air technologies

Presentations

Look for opportunities to promote your project and to talk about how it will benefit your community. Designate a spokesperson to attend community events to discuss your project and to have photographs and other materials on-hand to showcase the project. Examples of presentations could include:

- Presentation to your city council/board of supervisors
- Presentation at local community meetings (e.g., Rotary, Chamber of Commerce)
- A piece about your project featured on your local government public affairs news channel
- A video or podcast posted on your city/county's website

POLICY ON CONTRACT MODIFICATIONS SCOPE CHANGES, EXTENSIONS, AND COST REALLOCATIONS

1. Contract extensions or scope changes may be requested on AB 2766 Discretionary Fund Contracts. Contractors should submit requests in writing, using the Modification Request Form, to the Contract Administrator's office. Reasons for the request should be well documented by the Contractor. The Contract Administrator will present the requests to both the MSRC-TAC and the MSRC for the consideration and approval.
2. Contract extensions and scope changes must be submitted by 9:00 a.m. on the first Monday of the month to be considered by the MSRC-TAC and MSRC for that month. Requests received after the first Monday of the month will be considered at the following month's MSRC-TAC and MSRC meetings. Late extension requests for contracts expiring prior to the following month's MSRC-TAC meeting, must include a discussion of the compelling reasons for the untimely submission of the request. Such requests will be considered on a case-by-case basis by the MSRC-TAC.
3. Extension requests and scope changes will be considered by the MSRC-TAC and MSRC on a case-by-case basis. An option clause shall be included in all contracts that will allow MSRC staff the ability to extend a contract an additional six months at no cost to the MSRC or the contractor. All subsequent extensions will be brought to the MSRC for its consideration.

If a contract extension or scope change is for **the contractor's convenience**, the MSRC shall have the discretion to request a downward adjustment in the contract price, an additional task, and additional report or seek other legal consideration as a condition of granting the extension or scope change. Situations defined as convenience are problems or delays caused by internal management or administration, for example, failure to submit progress reports or final reports in a timely manner, failure to aggressively monitor the project, and extensions merely to exhaust unexpected funds.

A delay due to problems with the delivery or manufacturing of equipment or vehicles and **circumstances beyond the control of the contractors** will not be considered as changes for the contractor's convenience. Documentation of delays will be required. The MSRC shall have the discretion to seek legal consideration for extension or requests granted under these circumstances.

4. Any contract changes made without prior approval of the MSRC will be at the contractor's own risk. If the MSRC does not approve the change, the contractor will not be reimbursed for any costs incurred as a result of the unapproved change.

5. The contractor is responsible for properly monitoring the project and should notify the Contract Administrator immediately if the Contractor feels the project is in jeopardy of falling behind schedule or problems arise.
6. Requests for extensions must be received in writing by the Contract Administrator 60 days prior to the close of the contract. The approval process for contract extensions and scope changes takes approximately six weeks. If a request is made within 60 days of end date of the contract, the contract may expire prior to review and approval of the request. If this situation occurs, the contractor must stop work until the time extension is approved. In the event the extension is not approved, the contractor must consider the end date of the contract term and may not bill for work done after this date.

Adopted May 25, 1995
Amended November 18, 1999

Policy to Terminate Contracts Due to Lack of Progress or Response by Contractors

The intent of this policy is to discourage Contractors from failing to provide documentation of progress made on AB 2766 Discretionary Fund projects. It is the intent of the MSRC to ensure that work is completed pursuant to the work statement set forth in the respective contracts. In the event that progress is not made without adequate justification by the Contractor and subsequent approval by the MSRC, the MSRC may recommend that the contract be terminated and funds be reallocated to other projects.

MSRC contracts require all contractors to submit progress reports within 15 days of the end of the reporting period (quarterly or monthly based upon the type of project). Under this policy, failure to submit progress reports within the allotted time may be considered a material breach and subject to termination. If the Contractor fails to submit progress reports as required by the contract, the following shall occur:

If after seven (7) days past the progress report due date, the Contractor fails to submit progress reports as required by the contract, Contract Staff will notify the Contractor in writing of the delinquency and request that the progress report be submitted within seven (7) days of the written notice.

For Monthly Reports: If the CONTRACTOR fails to submit a progress report for the second consecutive month, the Contracts Administrator shall send a second written notice indicating that two previous progress reports are due and that they must be submitted within 15 days. If the CONTRACTOR fails to provide a report for a third consecutive month, the AQMD's Contracts Manager shall provide written notice to the CONTRACTOR to cure the delinquency within 15 days of the notice or be subject to termination within 30 days.

For Quarterly Reports: If the CONTRACTOR fails to submit a progress report, the Contracts Administrator shall send a written notice indicating that the progress report is due and that it must be submitted within 15 days. If the CONTRACTOR does not respond within the allotted time, the AQMD's Contracts Manager shall provide written notice to the CONTRACTOR to cure the delinquency within 15 days of the notice or be subject to termination within 30 days.

Also, if the CONTRACTOR has a history of non-consecutive (three or more occasions) delinquent progress reports, this may be considered a material breach of the contract and be grounds for immediate termination of the contract. For example, if progress reports are submitted in such an inconsistent and sporadic fashion as to indicate a lack of compliance with this contract provision (e.g., progress report submitted one month, skipping several months thereafter).

In addition, if a contract is terminated as a result of this policy, the direct contractor involved will not be eligible to apply for AB 2766 Discretionary Funds for two program years.

Task 5 Bus Production

Contractor has in place an onsite manufacturing inspection team which monitors production quality and conformance to bus specifications. Once the production buses are completed and presented for acceptance, the inspection team will approve documents to allow for purchase and payment of buses.

Percent Completed this Reporting Period:	25%
Percent Complete	25%

Task 6 Service Preparation

Contractor has established a bus acceptance team to prepare new buses for service. Each new bus is safety checked, cleaned, and function tested prior to being placed into revenue service.

Percent Completed this Reporting Period:	13%
Percent Complete	13%

Task 7 Vehicle Performance Evaluation

New buses are assigned to designated service operating divisions for introduction into Contractors fleet. Performance of vehicles is monitored and warranty provisions of the contract are administered. This process is on-going throughout the life of the bus and has no completion date. The following percentages indicate buses presently in revenue service. While a number of new buses have been placed in service, any performance evaluation at this point would be premature. The buses, however, have not exhibited any evidence of major problems or concerns.

Percent Completed this Reporting Period:	2%
Percent Complete	2%

Issues During Current Reporting Period:

1. Engine performance issues related to stalling have been addressed by the manufacturer. The result has been a new engine electronic control module (ECM) software release. In addition, testing is underway on a prototype fuel pressure regulator.
2. Congestion at the fueling site was resolved by the addition and subsequent agreement for use of a new fueling site adjacent to the central terminal.

Work Planned for Next Reporting Period:

1. Operational Evaluation of the in-service fleet will begin.
2. Contractor will continue to work with bus manufacturer and the engine manufacturer to resolve any performance, reliability, or preventive maintenance issues that may arise.
3. Contractor will also continue to work with the bus manufacturer to resolve various issues related to the in-service fleet.
4. Engineering staff will continue with the full-time inspection and acceptance process at the production facility.

For additional information or questions, please contact:

Letter of Certification

This letter certifies that **(PLEASE TYPE IN YOUR ORGANIZATION)** has received the vehicles that have been partially funded through the above-mentioned AB2766 Discretionary Fund Contract and those vehicles have been tested and placed into regular service.

Signature

Date

Please submit with all invoices for vehicle reimbursement



PROJECT SUMMARY (FINAL REPORT) FORMAT For Selected AB 2766 Discretionary Fund Contracts

For contracts from Fiscal Year (FY) 2004-05 and earlier Work Programs, the Final Report must be submitted in both paper copy and electronic Microsoft Word formats. For contracts from FY 2005-06 and later Work Programs, the Final Report only needs to be submitted electronically. The first two numeric characters of the contract number indicate the FY Work Program (e.g. contract #ML04999 would be from FY 2003-04).

The paper copy, if required, must be bound in a three (3) ring binder. Each page of the report must be legible and suitable for photo production. All pages should be of standard size (8 ½ x 11). Photo reduction is not acceptable for tables or figures; these should be presented on consecutive 8 ½ x 11 pages with each page containing one portion of the larger chart. Color presentations are acceptable; printing should be in black. Do not include corporate identification on any page of the Final Report, except on the title page.

The Project Summary Report should include the following:

Title Page – Include contract number, project title, contractor organization, and date, and include the statement: ***“Prepared for the Mobile Source Air Pollution Review Committee (MSRC) under the AB 2766 Discretionary Fund Work Program.”***

Acknowledgements – Only this section shall contain acknowledgements of key personnel and organizations who were associated with the project. The last paragraph shall be as follows: ***“This report was submitted in fulfillment of _____ (contract number) and (project title) by (contractor organization) under the (partial) sponsorship of the Mobile Source Air Pollution Reduction Review Committee (MSRC). Work was completed as of (date)”***.

Disclaimer – The following statement is to appear near the front of the report:

“The statement and conclusions in this report are those of the contractor and not necessarily those of the Mobile Source Air Pollution Reduction Review Committee (MSRC) or the South Coast Air Quality Management District (SCAQMD). The mention of commercial products, their sources or their uses in

connection with material reported herein is not to be construed as either an actual or implied endorsement of such products.”

Summary and Conclusions

1. Scope, purpose and background of the project.
2. Detailed description and analysis of the work performed during the course of the project that led to the conclusions. Where appropriate, include a discussion of cost projections and economic analyses. A discussion must be included describing the emissions benefits derived from this contract. This must include quantitative benefits not simply a qualitative statement that benefits were achieved.
3. Use clear, concise statements to state recommended future actions and further study that may be required.
4. To document completed project, a picture or pictures of vehicles and/or infrastructure showing MSRC logo/decal must be included in the report. This section shall also include copies of any media/outreach materials and/or news clippings generated by the project.

Revised 7/2004
Revised 6/16/06



STANDARD PHOTO RELEASE FORM

I hereby authorize the MSRC and AQMD to photograph, copy, publish, broadcast or otherwise distribute photographs or likenesses of my place of business, vehicles, advertisements, promotional materials or other work whether or not these materials are copyrighted, for use in the public service MSRC brochure, placement on the MSRC website for informational purposes, and/or use in other MSRC outreach media.

I hold the copyright or I am the owner of the rights to the materials specified herein and am authorized to grant the rights to such publication, reprint, broadcast or other distribution of the materials specified herein.

If copyrighted, I grant this license and authorization for no fee and will not require any copyright attribution for the described use for a public service and informational purpose.

I do not intend to waive any other rights to the reprint or representation or distribution of these materials and reserve said rights.

If I require copyright attribution, I will provide notice of such copyright to AQMD/MSRC at the time this authorization is executed.

I am empowered by and on behalf of the entity herein to consent and authorize the above-specified.

Authorized Signature

Organization

Title

Date

ATTACHMENT 4

Modification to Clean Transportation Funding Contract with
AQMD MSRC



**South Coast
Air Quality Management District**



MODIFICATION TO CONTRACT

This modification consists of 6 pages.

1. RECITALS

- A. The South Coast Air Quality Management District (hereinafter "SCAQMD") and the City of South Pasadena (hereinafter "CONTRACTOR") have previously executed a Contract No. ML18092 to procure two (2) light-duty zero emission vehicles and install a Level III charging station.
- B. The CONTRACTOR has now indicated that in the early stages, limited staffing and changes in organizational structure delayed progress on the project. More recently, COVID-19 related delays have impacted the selection of a contractor and completing construction. CONTRACTOR estimates that the charger will be operational in April 2022. CONTRACTOR requests a 27-month term extension. Therefore, a modification to this Contract is necessary to extend the date by which performance must be completed and modify the Statement of Work.

2. MODIFICATION

The parties therefore agree to modify the existing Contract, at no additional cost to SCAQMD, as follows:

- A. The term of this Contract is extended for an additional period commencing February 1, 2025 and terminating April 30, 2027.
- B. Attachment 1A - Statement of Work, attached hereto and included herein by this reference, supersedes the original Statement of Work and any modifications thereof.
- C. All other provisions of the above-referenced Contract shall remain in full force and effect.

[THE REMAINDER OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK]

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

CITY OF SOUTH PASADENA

By: _____
Wayne Nastri, Executive Officer

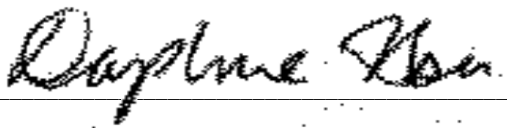
By: _____
Arminé Chaparyan, City Manager

Date: _____

Date: _____

APPROVED AS TO FORM:
Bayron T. Gilchrist, General Counsel

ATTEST:

By:  _____

By: _____
Lucie Colombo, CMC, CPMC
City Clerk

Date: _____

//MSRC Modification
Revised: November 20, 2020, May 4, 2021

APPROVED AS TO FORM:

By: _____
Teresa L. Highsmith, City Attorney

Date: _____

1. Project Elements

- A. The City of South Pasadena (hereinafter referred to as “CONTRACTOR”) is to procure two on-road, light-duty (possessing a gross vehicle weight rating less than 8,501 pounds) zero emission vehicles (battery electric or fuel cell). Hybrid vehicles do not qualify as zero emission.
- B. CONTRACTOR is also to install a limited access “Level III/Fast Charge” type EV charging station at their Civic Center at 1414 Mission Street. This location is understood to be tentative; CONTRACTOR shall notify MSRC staff of any location changes.

CONTRACTOR shall be reimbursed according to Attachment 2 – Payment Schedule.

2. Operation Requirements and Reimbursement for Noncompliance: Light Duty Vehicles

Light-duty vehicles are required to operate for a minimum of three years. CONTRACTOR is obligated to comply with the geographical restriction requirements as follows:

- A. Each of the light-duty vehicles funded under this Contract must accrue at least 85% of its annual mileage or engine hours of operation within the geographical boundaries of the South Coast Air Quality Management District for a period of no less than three (3) years from the date the vehicle enters service (new vehicles). Should CONTRACTOR deviate from or fail to comply with this obligation, CONTRACTOR shall reimburse SCAQMD for a prorated share of the funds provided for the vehicle as indicated in the table below:

3 year Operational Availability Obligation Termination Occurs	Percentage of MSRC Funds to be Reimbursed
Within Year 1	100%
Between Years 1-2	66%
Between Years 2-3	33%
After Year 3	0%

- B. The appropriate reimbursable amount shall be paid to SCAQMD within sixty (60) days from the date the vehicle ceases to operate in accordance with the geographical restriction.
- C. Should CONTRACTOR sell, lease, transfer, assign or otherwise divest itself of the vehicles during the three year period referred to above, notice shall be provided to SCAQMD no less than 30 days preceding the day the sale, lease, transfer, or assignment is effectuated. The agreement effectuating the sale, lease, transfer or assignment shall state that the SCAQMD is an intended third-party beneficiary of the agreement and shall include the following requirement: the obligation to accrue mileage within the South Coast Air Quality Management District shall be a continuing obligation of the subsequent purchaser, lessee, transferee, successor in interest, heir or assign and shall remain in full force and effect until the expiration of the three year operation period. This obligation shall be passed down to any subsequent purchaser, lessee or transferee during this three

year term and SCAQMD shall be an intended third-party beneficiary of any subsequent agreement. Upon receiving notice of any subsequent sale, lease, transfer, assignment or other divestiture, SCAQMD may elect to either require the reimbursement specified above, or require the subsequent purchaser, lessee, transferee or assignee to comply with the continuing obligation to operate the vehicle for a period of no less than three (3) years from the date the vehicle entered service (new vehicles). Notice of SCAQMD's election of remedies shall be provided to CONTRACTOR and any subsequent purchaser, lessee, transferee or assignee in a timely fashion.

3. Operation Requirements and Reimbursement for Noncompliance: Level III/Fast Charge EV Charging Stations

CONTRACTOR is obligated to comply with the Operational Availability requirements set forth as follows:

- A. CONTRACTOR commits to ensuring Level III/Fast Charge charging stations remain operational in the original location for a period of no less than five (5) years from the date the station begins operations in either its initial or expanded capacity. Should CONTRACTOR desire to deviate from this obligation, for reasons other than those stated in the EARLY TERMINATION clause of this Contract, CONTRACTOR shall reimburse SCAQMD for a prorated share of the funds provided for fueling/charging facilities as indicated in the table below:

5 year Operational Availability Obligation Occurs	Termination	Percentage of MSRC Funds to be Reimbursed
Within Year 1		100%
Between Years 1-2		80%
Between Years 2-3		60%
Between Years 3-4		40%
Between Years 4-5		20%
After Year 5		0%

- B. The appropriate reimbursable amount shall be paid to SCAQMD within sixty (60) days from the date the station ceases operation. CONTRACTOR shall not be responsible for any reimbursement to SCAQMD if the obligation is terminated as a result of one or more reasons set forth in the EARLY TERMINATION clause of this Contract.

4. Display of MSRC Logo

CONTRACTOR agrees to permanently display one MSRC decal in a prominent location on each vehicle purchased pursuant to this Contract. Decals will be provided by SCAQMD upon notification that each subject vehicle becomes operational. Decals are approximately twelve (12) inches in height and eighteen (18) inches in width (Note: a smaller decal may be provided if CONTRACTOR demonstrates that application of the standard decal is not feasible). CONTRACTOR shall maintain the decal for the life of the equipment subject to this Contract. Should any decal

become damaged, faded, or otherwise unreadable, CONTRACTOR shall request a replacement decal from SCAQMD and apply the new decal in the same or other prominent location. SCAQMD shall not be responsible for damage to paint or other surfaces arising from application or removal of decals.

5. Promotion

CONTRACTOR shall prepare and submit a proposed Public Outreach Plan to promote the MSRC's co-funding of the vehicles and EV charging station. Acceptable outreach may include, but is not limited to, notices in CONTRACTOR mailings to residents, newspaper notices, flyers, and information items at CONTRACTOR Board meetings and community events. The Public Outreach Plan shall automatically be deemed approved 30 days following receipt by SCAQMD staff, unless SCAQMD staff notify CONTRACTOR in writing of a Public Outreach Plan deficiency. CONTRACTOR shall implement the approved Public Outreach Plan in accordance with the Project Schedule below.

6. Reports

Quarterly Reports: Until vehicles are placed into service and EV charging station commences operation, CONTRACTOR shall provide quarterly progress reports that summarize the project results to date including, but not limited to: tasks completed, issues or problems encountered, resolutions implemented, and progress to date. Progress reports that do not comply will be returned to the CONTRACTOR as inadequate.

Final Report: A Final Report shall be submitted by the CONTRACTOR in the format provided by SCAQMD staff. The Final Report shall include, at a minimum: a) an executive summary; and b) a detailed discussion of the results and conclusions about this project. CONTRACTOR will identify any barriers encountered and solutions developed to overcome the barriers, and the impact of the project on future electric vehicle projects.

7. Project Schedule

CONTRACTOR shall comply with the increments of progress identified in the following chart. The completion month for each task is based on the date of Contract execution.

Task	Completion
Go out to bid for EV station	Month 3 <u>30</u>
Order light-duty zero-emission vehicles	Month 5
Submit Public Outreach Plan	Month 7 <u>34</u>
Place light-duty zero-emission vehicles into service	Month 8
Complete EV station installations and enter into service	Month 9 <u>36</u>
Implement Public Outreach Plan	Month 11 <u>38</u>
Quarterly reports	Quarterly beginning with Month 4, until all installations are complete and all vehicles are in service
Final Report	Month 12 <u>39</u>



City Council Agenda Report

ITEM NO. 16

DATE: September 15, 2021
FROM: Arminé Chaparyan, City Manager *AC*
PREPARED BY: Lucy Demirjian, Assistant to the City Manager
SUBJECT: **Direction Regarding Status of Animal Commission**

Recommendation

It is recommended that the City Council provide direction regarding the status of the Animal Commission.

Commission Review and Recommendation

This matter was discussed with members of the Animal Commission individually in order to prevent a violation of the Ralph M. Brown Act. The City Manager and staff also met with former commissioners Betty Emirhanian and Erin Fleming to receive their input on this matter.

Discussion/Analysis

A proposal to disband the Animal Commission was initially made in January of this year. Discussion was deferred until September in order for the new City Manager to have an opportunity to review the matter.

Should the commission be disbanded, staff has developed a plan to delegate any remaining functions and/or duties of the Animal Commission to the appropriate department and/or other standing commission(s).

- Police Department- the department oversees the contract for animal control services with the Pasadena Humane Society (PHS), they are the primary point of contact with residents on animal-related issues. The department will increase public outreach with a dedicated website on animal services and programming. They will work with PHS to provide education on living with wildlife and information on services such as vaccinations and pet licensing.
- Community Service Department – the department will continue to organize events including Doggy Day and coordination of vaccination clinics at City events. They will introduce a Pet Adoption Day as a future event.
- Public Safety Commission- the Commission can take on certain issues related to domestic animals and wildlife. In previous years, the Animal Commission was required to hold two of its six meetings jointly with the Public Safety Commission.
- Parks and Recreation Commission- issues related to the construction and maintenance of the dog park have been reviewed previously by the Parks and Recreation Commission. The Commission can continue to monitor issues related to the dog park.
- Youth Commission- the Commission has been instrumental in involving youth in civic activity. They can take the lead with the “Be Kind to Animals” arts contest in coordination with area schools.

Alternatives

The City Council can either:

- a) Maintain existing Animal Commission;
- b) Disband Commission and delegate duties to staff or other commissions as described in the staff report;
- c) Disband the Commission and form an ad hoc advisory commission to be called upon as necessary, when animal related issues arise.

Background

The City of South Pasadena Animal Commission was established in July 1983. The five-member volunteer commission is appointed by the City Council for three-year terms. The Commission holds a maximum of six regular meetings a year by ordinance.

The Animal Commission's primary role is to advise the City Council on all matters concerning animals, keep track of animal services that exist or may be needed and interpret the concerns of the public to the City. The Commission cooperates with other governmental agencies and civic groups in the advancement of sound animal planning and programming. It provides a conduit for public comment and awareness for residents to communicate their concerns related to animal. The Commission has been a resource to the community, providing information and educational material to city residents, including on living with wildlife and vector control.

The Commission has sponsored lectures, art contests for local children and other activities that help celebrate the diversity of natural life. The Commission has assisted City staff in researching various animal related issues and recommended the adoption of policies and ordinances to the City Council.

The Commission last met in March 2020, due to Covid-19. Currently, two members remain on the Commission. No new applications have been received by the City Clerk's Office.

The Commission adopted a 2020 workplan before taking a hiatus, which included examination of dog park restrictions, public awareness to wildlife interactions, coyote and peafowl management, and "Be Kind to Animals" event.

Fiscal Impact

There is no fiscal impact with this report. Providing support to City boards and commissions require a significant amount of staff time and resources to prepare agendas, reports, minutes and to attend meetings.

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. South Pasadena Municipal Code Section 2.51-2.53
2. Animal Commission Annual Report 2019

Attachment 1

SOUTH PASADENA MUNICIPAL CODE
ARTICLE IVE. ANIMAL COMMISSION

2.51 Creation.

There is hereby created an animal commission. (Ord. No. 2187, § 2, 2009.)

2.52 Meetings.

The animal commission shall hold a maximum of six regular meetings per calendar year. The commission shall adopt a schedule of meetings each year, consistent with this section. (Ord. No. 2279, § 2, 2014.)

2.53 Powers and duties.

The powers and duties of the animal commission shall be to:

- (a) Act in advisory capacity to the city council in all matters pertaining to animals and to cooperate with other governmental agencies and civic groups in the advancement of sound animal planning and programming;
- (b) Formulate and propose policies on animal services for approval by the city council;
- (c) Recommend the adoption of standards on organizations, personnel, areas and facilities, program and financial support;
- (d) Make periodic inventories of animal services that exist or may be needed and interpret the needs of the public to the city council;
- (e) Aid in coordinating the animal services with the programs of other governmental agencies and voluntary organizations;
- (f) Inform the public of the policies and functions of the animal program as directed by the city council. (Ord. No. 2187, § 2, 2009.)

Attachment 2

ANNUAL REPORT 2019

ANIMAL COMMISSION

City of South Pasadena



A Message from the Commission Chair

The Animal Commission for the City of South Pasadena represents the city council to the community's residents. It provides a conduit for public comment and awareness for residents to communicate their concerns related to animal affairs. It represents the best form of public communication to our representative form of government.

Sincerely,

Erin Fleming
Animal Commission, Acting Chair

PURPOSE: SPMC 2.53 (a), Act in advisory capacity to the city council in all matters pertaining to animals.

STATEMENT

The Animal Commission will act in an advisory capacity to the city council to propose policies on animal services and recommend the adoption of standards for organizations, personnel, areas and facilities, education programs, and financial support. The commission will interpret the needs of the public to the city council and aid in coordinating the animal services with the programs of other governmental and agencies and voluntary organizations. The commission will inform the public of the policies and functions of the animal program as directed by the city council.

Animal Commission

Erin Fleming	Commission A/Chair
Katherine Offenhauser	Commission Vice-Chair
Eavie Porter	Commission Secretary
Vacant	Commissioner
Vacant	Commissioner
Richard D. Schneider, M. D. Council Member	City Council Liaison
Lt. Thomas Jacobs	Staff Liaison
South Pasadena Police Department	

Animal Commission meetings are held seven times a year (1st Monday) of the month at (6:30 pm). Meetings are held at: (City Council Chambers, 1424 Mission Street, South Pasadena CA).

Animal Commissions' Public Education

Three public forum events were held in February, June, and August. February's event focused on public education for coyote and wildlife interactions.

Pasadena Humane Society was the keynote speaker and led discussions for public questions. Key elements showed coyote deterrence by eliminating food sources, specialty fencing, and hazing guidelines. The South Pasadena residents were responsive to the event with seventy people in attendance.

June's event brought public awareness to Vector Control's mission in the San Gabriel Valley to control mosquitoes. It provided public education to explain the life cycle of mosquitoes and types of diseases that they spread. It taught the public how to, and where to, eradicate water sources where mosquitoes breed. They provided chemical and homeopathic means of protecting people from mosquito's bites. Vector Control included pamphlets and contact information for future guidance to the South Pasadena residents.

In August, a public forum was held to discuss the peafowl interactions with South Pasadena residents. Pasadena Humane Society encouraged residents to discourage food sources and use landscape techniques to make their yards less conducive to peafowl. They instructed residents to hang shiny objects, wind chimes, and motion detector activated water sprinklers to scare off peafowl. PHS presented in the discussion, inclusion of other wildlife, such as coyotes, skunks, and raccoons. Residents were encouraged to share their animal interactions and how the community could respond to future encounters.

Be Kind To Animals Event

The Be Kind To Animals (BKTA) program presented on May 6, 2019 was held in the Community room of the Library. This was the twenty-ninth year that BKTA event was conducted in South Pasadena. It featured art work prepared by school age children from the numerous Elementary Schools in South Pasadena and the Middle School. The art work demonstrated children's interactions with animals and pets through audio, physical, and visual means. The art work was displayed so the community could walk, and touch, the exhibits. Councilmen Robert Joe was present to give certificates of appreciation to each of the students. News media featured pictures and stories of the children and parents enjoying the night of art. It is with this in mind that the animal commission would like to extend an invitation to other commissions to participate in this community event.

City Ordinance Revision

The Animal Commission held several meetings to discuss revisions to the current South Pasadena Municipal Code (SPMC) 5.22.2, for the restriction of dog and cat sales in the city, to further restrict the sales of reptiles, amphibians, and arachnids. The revised ordinance SPMC 5022.2, and 5.22.3, will be brought to the city council sometime in 2020.

The animal commission hopes to address the peafowl concerns of our residents by producing signage to be posted in the affected areas, to not feed the peafowl. A possible amendment to the existing ordinance SPMC 5.5 could include a provision to not willfully feed, or in any manner provide food to the peafowl.

The animal commission has addressed the needs for animal care in the City of South Pasadena. We invite the community-at-large to participate in the aspirations of the commission through public comment and volunteer service on the commission board.



City Council Agenda Report

ITEM NO. 17

DATE: September 15, 2021
FROM: Arminé Chaparyan, City Manager *AC*
PREPARED BY: Margaret Lin, Interim Planning and Community Development Director
SUBJECT: 2021-2029 Housing Element Update

Recommendation

It is recommended that the City Council receive and file an update regarding the 2021-2029 Housing Element.

Executive Summary

In accordance with State law, the City is required to update its housing element every eight years with new state-mandated housing targets, as allocated by the Southern California Council of Governments (SCAG) and the City's Regional Housing Needs Assessment (RHNA). According to State statutes, the City must submit an updated housing element by October 15, 2021 to the California Department of Housing and Community Development (HCD). There is a 120-day grace period that allows the City to adopt their Housing Element by February 11, 2021 to remain on the 8-year cycle. Failure to adopt would result in the City being obligated to update the Housing Element every 4 years. Due to unexpected staff turnover over the last few months, the Public Review Draft was not released in August as planned. The Public Review Draft is expected to be released later this month, after publication of this staff report.

The City of South Pasadena's RHNA allocation for the 6th Cycle (2021-2029) housing element is 2,067 housing units. The Draft 2021-2029 Housing Element will provide a framework for meeting the City's RHNA allocation by identifying and analyzing existing and projected housing needs and establishing policies and programs for the preservation, improvement, and development of housing over the next 8 years.

Commission Review and Recommendation

On August 10, 2021 the Planning Commission held a special study session to discuss the key strategies to be included in the 2021-2029 Housing Element.

Discussion/Analysis

For the 2021-2029 RHNA Cycle, the City is required to plan for 2,067 new housing units. The significant increase in the RHNA allocation worked with new legislative demands, necessitated a much more complex analysis of housing resources than the last cycle. In order to accommodate the additional units the Planning Commission has held several discussions regarding building up the sites inventory through rezoning and streamlined review processes in order to provide

adequate capacity. The Commission also discussed the role of accessory dwelling units (ADUs), which will play a strategic role in housing production. The Housing Element Public Review Draft will provide site-level detail on suitable sites and a full discussion on ADUs to support the quantified objectives of the housing element, consistent with the RHNA.

The 2021-2029 Housing Element will include the following sections:

- Housing Needs Assessment
 - Review of the City’s population profile, special needs groups, housing profile, and RHNA
- Housing Constraints
 - Analysis of the existing governmental, economic, physical and environmental constraints in the City
- Housing Development Resources
 - Identification of resources available for housing development
 - Sites inventory of vacant and underutilized properties suitable for housing development
- Review of 2001 Housing Element Performance
 - Review of the progress made on the 2001 Housing Element
- Housing Plan
 - Goals, policies, quantifiable objectives, and programs to implement the community’s vision for the build out of the City

Housing Needs Assessment

The Housing Needs Assessment is conducted by using data from the US Census and American Communities Survey. The data presents a picture of the socio-economic profile of the people in the community, and of the housing stock, cost and living conditions to be analyzed and addressed. With approximately 20% of all households in South Pasadena spending 30 percent or more of their income on housing. Based on the data, it is clear that maintaining housing at an affordable level for the city’s middle class and providing more affordable housing for households in lower economic groups will be a challenge.

Housing Constraints

Housing constraints include both governmental and non-governmental. Governmental constraints may include land use controls, site improvement requirements, building codes, fees, and other local programs intended to improve the overall quality of housing. Non-governmental constraints, such as market forces and financing are noted as they affect housing but are not within the control of local government. The 2021-2029 Housing Element will include commitments to promote affordable housing to create a place for lower-income households for all groups. The policies and programs will expand on recent measures adopted by the City Council, such as the Inclusionary Housing Ordinance which requires developers of multi-family units to produce affordable units or pay towards the creation of affordable units.

Housing Development Resources

The Housing Development Resources section of the 2021-2029 Housing Element will evaluate the zoning code and available land resources for the development, rehabilitation, and

preservation of housing. In addition, the sites inventory analysis will determine the realistic number of units that can be accommodated on vacant and underutilized sites for single and multi-family zoned properties. Based on the analysis there is an insufficient amount of available land resources to accommodate the RHNA. Therefore, the 2021-2029 Housing Element will include changes to the zoning and increases to the density of select parcels to allow both multi-family and mixed-use development at sufficient densities to help meet the State’s criteria as suitable sites.

Another opportunity to add housing units is through ADUs. The sites inventory projects that 297 ADUs will be produced between July 1, 2021 and December 31, 2029. While this number is more than HCD’s “safe harbor,” staff believes that the project is likely a low estimate based on recent increases in ADU applications. The analysis will include calculations based on recent permit application trends which indicate that the projection may be closer to 368 units. Based on the preliminary review with HCD, staff is recommending to use the more conservative estimate to address HCDs concerns. The table below, summarizes the RHNA and the sites inventory capacity, including projected ADUs:

Sites Inventory

Income Group	Projected Accessory Dwelling Units	Units on Vacant and Non-Vacant Sites with Suitable Zoning	Units on Vacant Sites Needing Zoning Changes	Units on Non-Vacant Sites Needing Zoning Changes	Total RHNA Capacity	Total RHNA Required	Surplus RHNA
Extremely Low	45	0	70	884	1,157	1,155	2
Very Low	27						
Low	131						
Moderate	6	42	0	383	431	334	97
Above Moderate	88	253	0	426	767	578	189
TOTAL	297	295	70	1,693	2,355	2,067	288

Housing Plan

The housing plan consists of goals, policies and programs to address the housing need:

- Goal 1 - Conserving the existing housing stock and maintain standards of livability
 - Policy 1.1 - Adopt and implement Zoning and Building Code standards and provide incentives for building owners to upgrade energy conservation in existing buildings including the use of solar energy, to reduce energy costs to residents.
 - Policy 1.2 - Promote rehabilitation, as that term is defined by the U.S. Department of Housing and Urban Development (HUD), and home improvement assistance to low- and moderate-income households.

- Policy 1.3 - Continue to use the City’s code enforcement program to bring substandard units into compliance with City codes and improve overall housing conditions in South Pasadena.
- Policy 1.4 - Prevent the encroachment of incompatible uses and/or densities into some established residential areas consistent with the goals and policies of the General Plan Land Use Element.
- Goal 2 - Encourage and assist in the provision of affordable housing
 - Policy 2.1 - Use local, regional, and state funding to assist in development of new multifamily housing for low- and moderate-income households.
 - Policy 2.2 - Provide information to developers regarding the City’s inclusionary housing requirements and the availability of streamlined density bonus opportunities in compliance with incentives for well-designed housing and implement approval processes that reflect the priority of providing housing in the community.
 - Policy 2.3 - Provide residents with information to receive rental assistance, including housing vouchers, from the County of Los Angeles and other support for tenants from the Housing Rights Center.
 - Policy 2.4 - Encourage the development of housing types that offer options for seniors to remain within the community when remaining in their existing homes is no longer viable.
 - Policy 2.5 - Provide adequate access to housing that supports educational and economic opportunities for all, as well as transit options and a walkable lifestyle.
- Goal 3 - Provide opportunities to increase housing production
 - Policy 3.1 - Promote mixed-use developments by continuing to allow development of residential uses in the Mixed-Use zoning district and the Downtown Specific Plan zoning districts and encourage on-site inclusionary housing units within the residential component of all residential and mixed-use projects and planned development permits, as required by the City’s Zoning Code. Conduct early consultations with developers of all residential and mixed-use projects to explain the requirements and design incentives.
 - Policy 3.2 - Maintain an inventory of vacant and underdeveloped properties in the City with potential for development of new residential dwelling units. Improve the City’s ability to monitor through introducing electronic permit system and other technology to facilitate research of property data.
 - Policy 3.3 - Consider declaring publicly-owned sites as “Surplus” and offering development opportunities on those sites to non-profit affordable housing developers.
 - Policy 3.4 - Rental and income-restricted affordable housing units shall be located across a geographically wide area of the City.
 - Policy 3.5 - Allow for and encourage new residential and/or mixed-use development in or near commercial districts, with access to services, transit and schools. Allow for employment centers to be located near housing developments to increase job opportunities.
- Goal 4 - Compliance with State Housing Laws

- Policy 4.1 - Educate City staff, property owners, and homebuilders about ADA accessibility and universal design principles. Encourage and/or incentivize the creation of homes with universal design features.
- Policy 4.2 - Require new medium- to large-scale residential and mixed-use projects to meet ADA accessibility standards and provide a sufficient number of ADA-accessible and/or ADA-ready units.
- Policy 4.3 - Establish transparent procedures for requesting reasonable accommodations, on a case-by-case basis to promote equal access to housing for disabled persons.
- Policy 4.4 - Include low-barrier navigation centers as a form of transitional and supportive housing allowed in residential zoning districts.
- Policy 4.5 - Review and revise the Zoning Code regulations for allowing emergency shelters to maintain compliance with State laws for such uses.
- Goal 5 - Promote Fair Housing
 - Policy 5.1 - Provide information on fair housing practices and resources on the City's website.
 - Policy 5.2 - Coordinate with the Housing Rights Center to provide referral and mediation services for tenants and property managers. Educate and assist landlords, housing managers, real estate professionals and tenants regarding fair housing issues and laws. Provide public information regarding the Housing Rights Center at City Hall. Take measures to quickly and fairly resolve fair housing complaints or conflicts as they are reported.
 - Policy 5.3 - Comply with all applicable federal, State, and local Fair Housing and anti-discrimination laws and regulations that make it illegal to discriminate with respect to housing against any person because of race, color, national origin, ancestry, religion, disability, familial status, marital status, gender or gender expression, sexual orientation, source of income, or age. This includes in the rental or sale, financing, advertising, appraisal, and/or provision of housing and associated real estate and financial services, as well as land-use practices.
 - Policy 5.4 - Proactively encourage community members to learn more about the social impacts of housing discrimination.
 - Policy 5.5 - Allow and encourage a variety of residential types and living arrangements. The combination of new and existing homes in South Pasadena should offer a variety of unit sizes, configurations, and contexts, including, but not limited to, single-family homes, efficiency apartments, multi-bedroom apartments, fourplexes, cooperative housing, group living, etc.

The Housing Element programs have been developed to implement each policy. During the Public Review Draft circulation period, members of the public are encouraged to provide comments on the proposed programs and their potential to adequately implement the.

All, except for one, of the 2014-2021 Housing Element policies are being continued or revised to reflect updated circumstances. The one exception was deletion of a program to adopt a zoning text amendment for planned unit development, which was adopted in 2013. In addition, many

new programs were developed to address the housing needs of the 6th Cycle housing element. As required, each program will include an eight-year objective, funding source, responsible agency and timeframe.

The following is a list of programs anticipated to be included under each Goal to meet the RHNA and comply with other housing element requirements:

- Goal 1 - Conserving the existing housing stock and maintain standards of livability
 - Program 1.a - Energy efficiency
 - Program 1.b - Housing acquisition
 - Program 1.c - Housing rehabilitation and code enforcement
 - Program 1.d - Assisted housing unit preservation
- Goal 2 - Encourage and assist in the provision of affordable housing
 - Program 2.a - Planning assistance and permit processing
 - Program 2.b - Affordable housing production
 - Program 2.c - CalHome Program
 - Program 2.d - Section 8 rental assistance
 - Program 2.e - Density Bonus
 - Program 2.f - Homeless services
 - Program 2.g - Expand senior housing
 - Program 2.h - Special-needs housing
 - Program 2.i - Planning staff resources
- Goal 3 - Provide opportunities to increase housing production
 - Program 3.a - Rezone and re-designate sites to meet RHNA
 - Program 3.b - Mixed-use developments and adaptive re-use
 - Program 3.c - Residential demolitions
 - Program 3.d - Parcel assemblage
 - Program 3.e - Inclusionary Housing regulations: monitor for effectiveness
 - Program 3.f - Allow and facilitate ADUs
 - Program 3.g - Monitor ADU production
 - Program 3.h - Address shortfall in anticipated ADUs
 - Program 3.i - ADU Amnesty Program
 - Program 3.j - Adjust ADU permit, utility connection and impact fees
 - Program 3.k - ADU education, promotion, and homeowner outreach
 - Program 3.l - General Plan affordable housing overlay
 - Program 3.m - Affordable housing overlay zone
 - Program 3.n - Facilitate housing on city-owned property
- Goal 4 - Compliance with State Housing Laws
 - Program 4.a - Land use controls: Emergency shelters
 - Program 4.b - Land use controls: Transitional and supportive housing
 - Program 4.c - Land use controls: Flexible zoning regulations
 - Program 4.d - ADA accessibility standards
 - Program 4.e - Universal design
 - Program 4.f - Land use controls: Low-barrier navigation centers
 - Program 4.g - Provision of technical assistance to developers of affordable housing

- Program 4.h - Senate Bill 35 procedure or policy
- Goal 5 - Promote fair housing
 - Program 5.a - Fair housing education, outreach, and services
 - Program 5.b - Encouraging a variety of housing types

The programs are the heart of the housing element, and the implementation of the adopted programs are proposed to be monitored through the Annual Housing Reports (APR), which are submitted each year to HCD in April for the previous year. In addition to a report of the number of units that either received planning approvals or were issued building permits, the APR contains a section regarding the City's progress on each housing element program.

Next Steps

- September 2021
 - Release of the Public Review Draft of the 2021 Housing Element and PEIR
- October 2021:
 - Submittal to HCD for 60-day review period
 - 60-day Public Review Period for the PEIR
 - Release of the Revised Public Draft of the GP/DTSUP Update for public review
- January 2022:
 - Planning Commission Meeting to Recommend to the City Council Adoption of the 2021-2029 Housing Element and Certification of the PEIR
- February 2022:
 - City Council Adoption of the 2021-2029 Housing Element and Certification of the PEIR
 - HCD deadline to adopt the Housing Element to stay on the 8-year cycle: February 11, 2022
- March 2022:
 - Planning Commission to Recommend to the City Council Adoption of the Final GP/DTSP Update
- April 2022: City Council Adoption of the Final GP/DTSP Update

Background

In April 2019, the City Council approved a PSA with PlaceWorks to finalize the City's GP/DTSP and a separate PSA with Psomas to complete the PEIR. In November 2019, the City released the revised Draft GP/DTSP. On March 4, 2020, the City Council approved a separate PSA with PlaceWorks to update the City's Housing Element and an amendment to Psomas to integrate the environmental study for Housing Element into the EIR for the GP/DTSP for costs savings and efficient coordination of the three planning documents. On March 3, 2021, SCAG finalized the RHNA Allocation with 2,067 housing units allocated to South Pasadena.

On May 26, 2021, the Planning Commission held a study session to discuss potential Housing Element programs and a suitable-sites inventory as required to comply with the RHNA in order to receive state certification. Staff also shared the working draft strategies and programs that were submitted for HCD's courtesy review and the memo that HCD sent to staff following a

virtual meeting to discuss their responses. In many cases, HCD recommended that City staff explore the preliminary strategies further and emphasized the need for accompanying data and evidence of existing trends; and if the City is forecasting future development patterns that deviate from past trends, that the City support such claims by showing how new ordinances and policies adopted by the City would make a difference and lead to increased housing production.

Fiscal Impact

The PSA with PlaceWorks to update the Housing Element has a total not-to-exceed amount of \$267,598. The City was awarded \$150,000 from the Local Early Action Planning Grants program through HCD for the Housing Element. On March 4, 2020, the City Council took action and appropriated the remaining \$117,598 from the Slater Designated General Fund Reserve.

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.

Attachment: 2021-2029 Housing Element Update Presentation

2021-2029 Housing Element Update

CITY COUNCIL MEETING

SEPTEMBER 15, 2021

Agenda

- Housing Element Requirements
- Sites Inventory
 - Range of Densities
 - Affordable Housing Overlay
 - City-Owned Sites
- Goals/Policies
- Next Steps

Housing Element Requirements

- Housing Needs Assessment
- Housing Constraints
- Housing Development Resources
- Review of 2001 Housing Element Performance
- Housing Plan

Sites Inventory

RHNA Requirement

Vacant Sites

Underutilized Sites

Density Increases

Zoning Changes

Accessory Dwelling Units

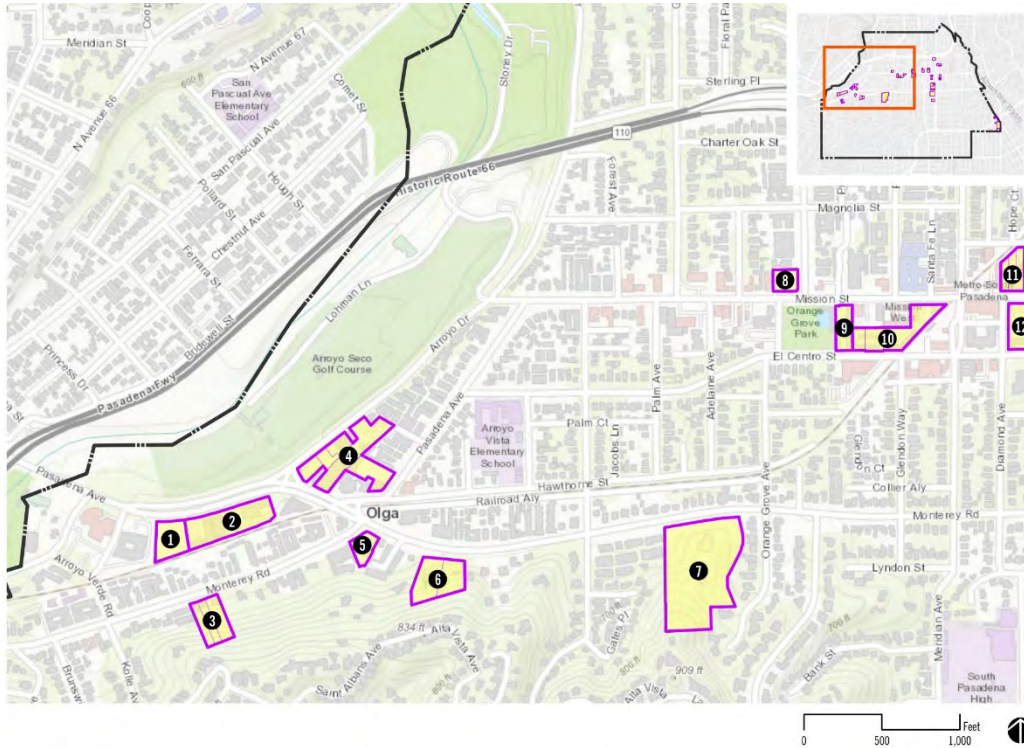
Sites Inventory

Income Group	Projected Accessory Dwelling Units	Units on Vacant and Non-Vacant Sites with Suitable Zoning	Units on Vacant Sites Needing Zoning Changes	Units on Non-Vacant Sites Needing Zoning Changes	Total RHNA Capacity	Total RHNA Required	Surplus RHNA
Extremely Low	45	0	70	884	1,157	1,155	2
Very Low	27						
Low	131						
Moderate	6	42	0	376	424	334	97
Above Moderate	88	253	0	415	756	578	189
TOTAL	297	295	70	1,542	2,134	2,067	137

Site Capacity Based on Changes in Density:

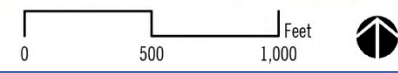
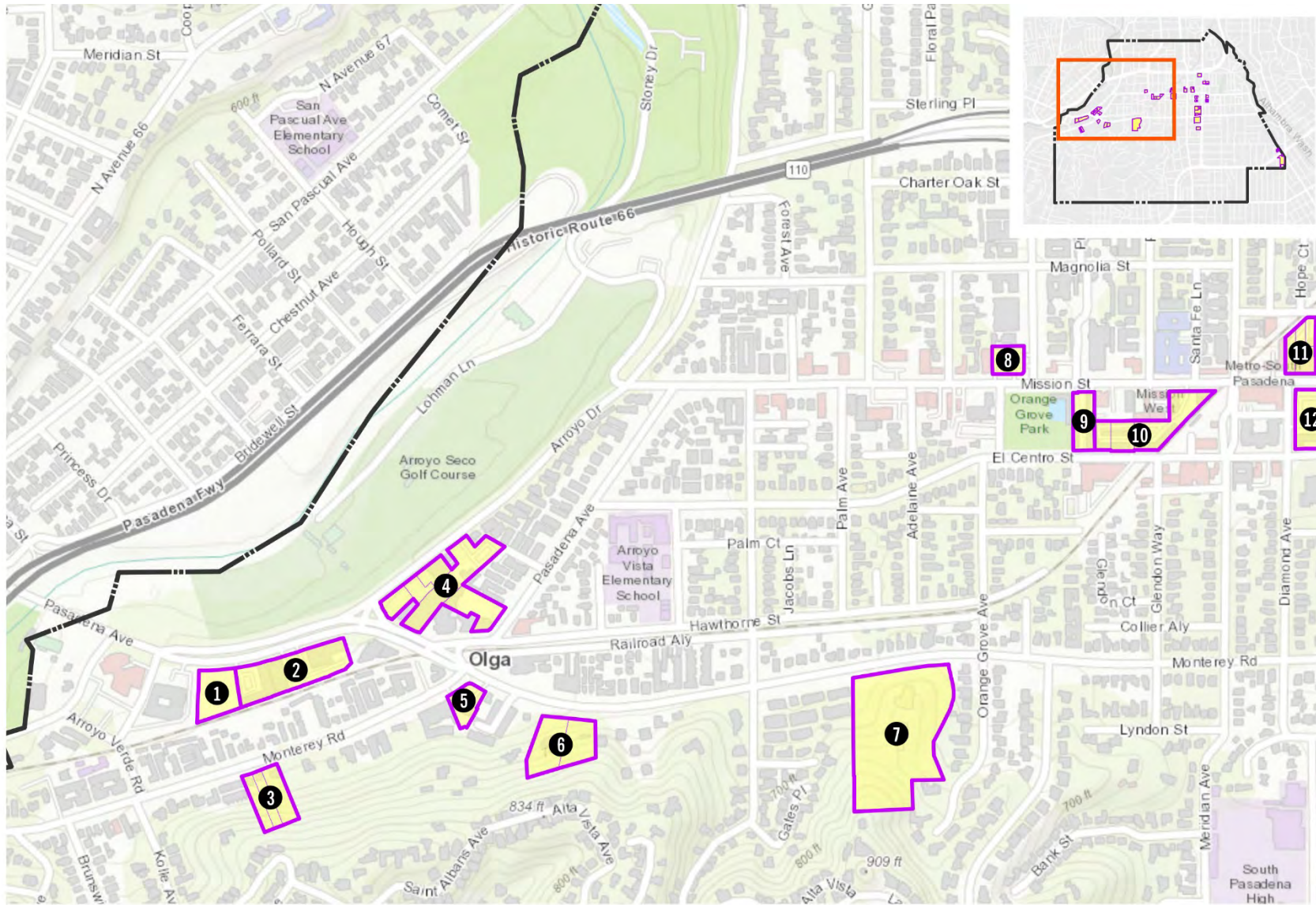
Income Group	Units on Vacant Sites with Lower Density Changes	Units on Vacant Sites with Higher Density Changes	Recommended Density Changes on Vacant Sites	Units on Non-Vacant Sites with Lower Density Changes	Units on Non-Vacant Sites with Higher Density Changes	Recommended Density Changes on Non-Vacant Sites
Extremely Low	60	70	70	789	961	884
Very Low						
Low						
Moderate	0	0	0	324	372	376
Above Moderate	0	0	0	337	426	415
TOTAL	60	70	70	1,490	1,759	1,542

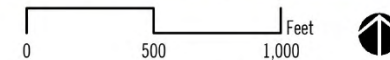
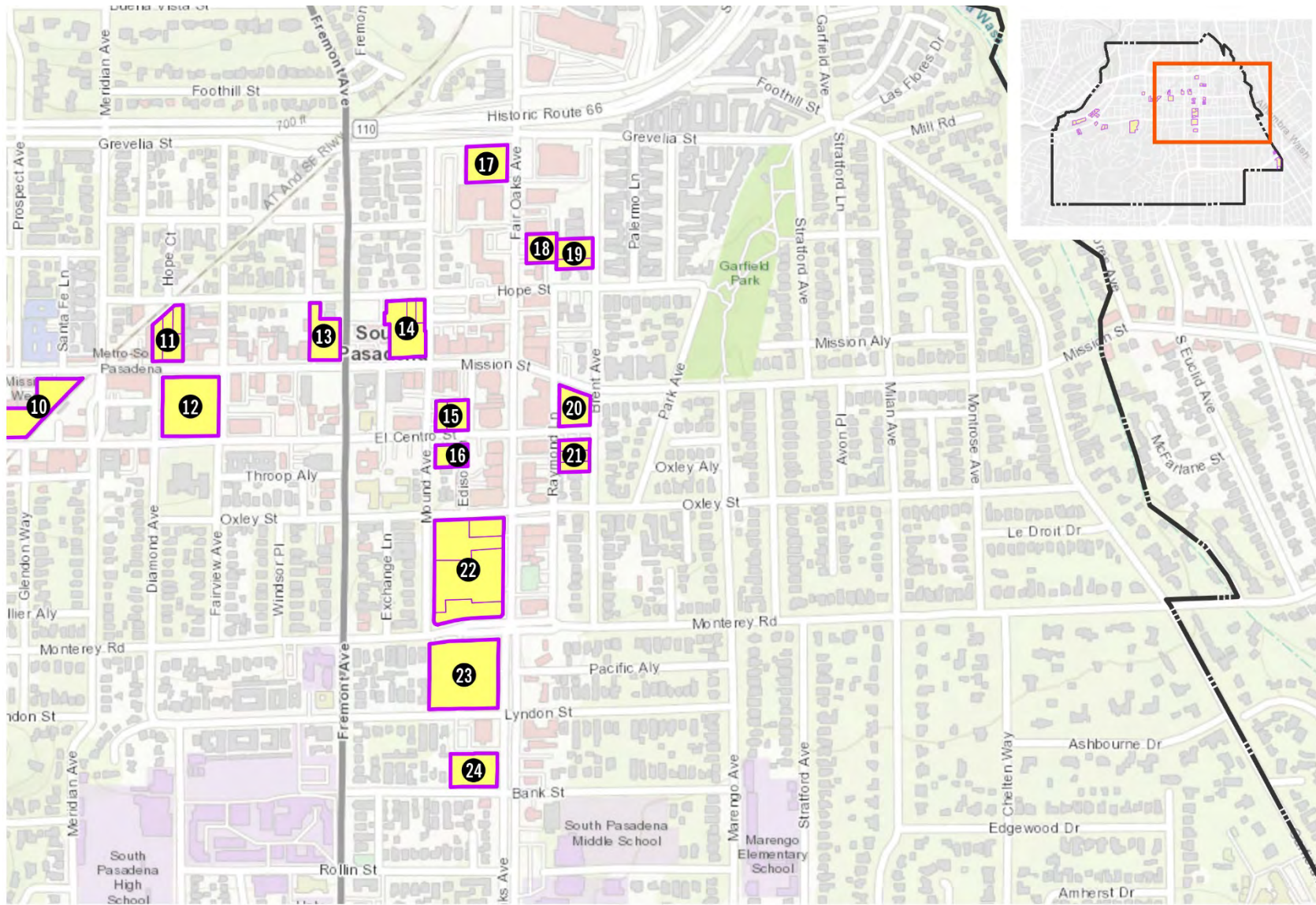
Range of Densities

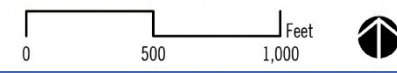
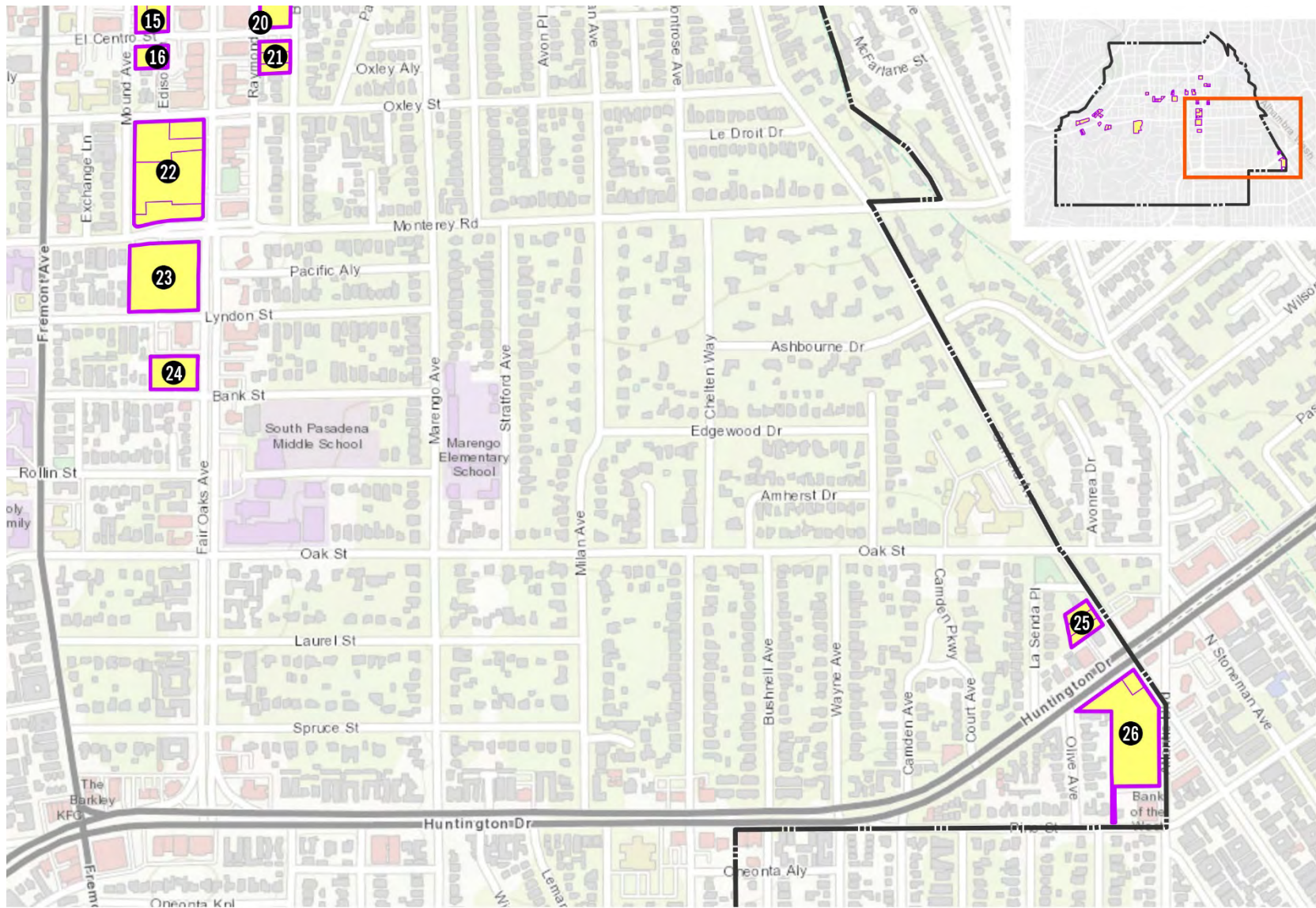


DISCUSSION POINTS

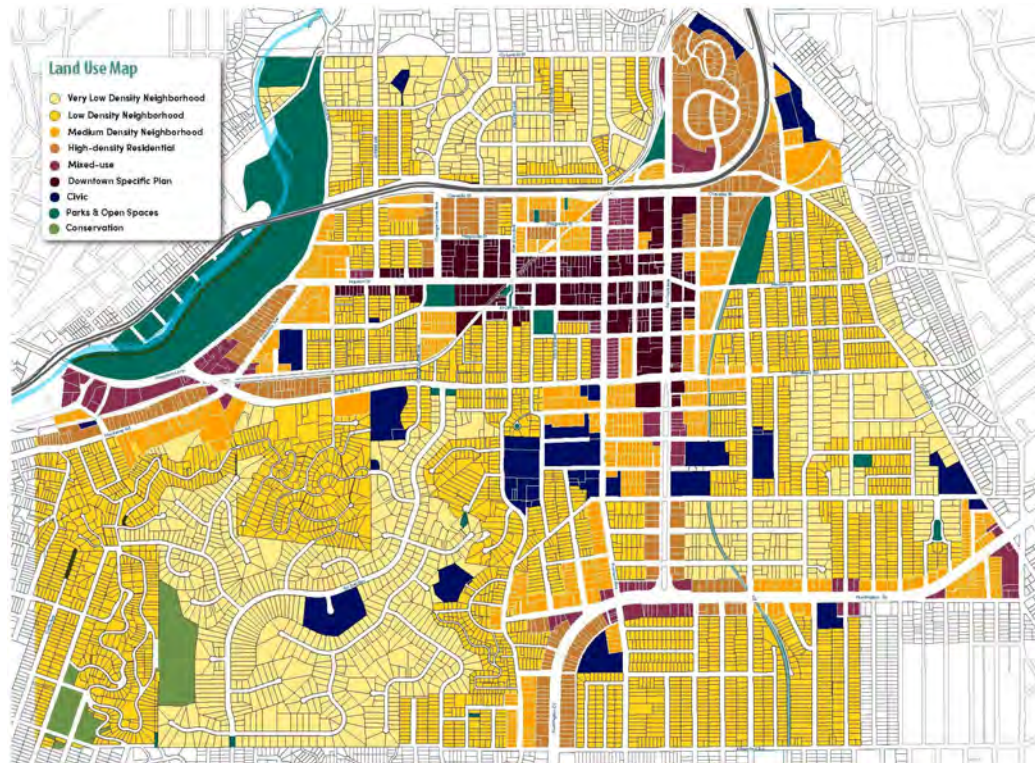
- Mission Street – 50 dwelling units/acre
- Fair Oaks Avenue – 60 dwelling units/acre
- Height Sites – 70 dwelling units/acre (12 potential sites identified)







Affordable Housing Overlay



DISCUSSION POINTS

- Affordable Housing Overlay – 30 dwelling units/acre (does not provide additional units in the Housing Element for certification, however, this will help with the implementation); we have additional time to refine overlay beyond the release of the public review draft
 - Adjacent to transit
 - Access to major arterials
 - Buffer between higher densities

City-Owned Sites



DISCUSSION POINTS

- 100% Affordable Housing

Goal 1: Conserve the Existing Housing Stock and Maintain Standards of Livability

- Policy 1.1 – “...provide incentives for building owners to upgrade energy conservation in existing buildings... to reduce energy costs to residents.”
- Policy 1.2 – “Promote rehabilitation... and home improvement assistance to low- and moderate-income households.”
- Policy 1.3 – “use the City’s code enforcement program to bring substandard units into compliance with City codes and improve overall housing conditions in South Pasadena.”
- Policy 1.4 – “Prevent the encroachment of incompatible uses and/or densities into some established residential areas consistent with the goals and policies of the General Plan Land Use Element. “

Goal 2: Assist in the Provision of Affordable Housing

- Policy 2.1 – “Use local, regional, and state funding to assist in development of new multifamily housing for low- and moderate-income households.”
- Policy 2.2 – “Provide information to developers regarding the City’s inclusionary housing requirements and the availability of streamlined density bonus opportunities... and implement approval processes that reflect the priority of providing housing in the community.”
- Policy 2.3 – “Provide residents with information to receive rental assistance... and other support for tenants from the Housing Rights Center.”
- Policy 2.4 – “Encourage the development of housing types that offer options for seniors to remain within the community...”
- Policy 2.5 – “Provide adequate access to housing that supports educational and economic opportunities for all, as well as transit options...”

Goal 3: Provide Opportunities to Increase Housing Production

- Policy 3.1 – “Promote mixed-use developments... and encourage on-site inclusionary housing units within the residential component of all residential and mixed-use projects and planned development permits...”
- Policy 3.2 – “Maintain an inventory of vacant and underdeveloped properties in the City with potential for development of new residential dwelling units.”
- Policy 3.3 – “Consider declaring publicly-owned sites as “Surplus” and offering development opportunities on those sites...”
- Policy 3.4 – “Rental and income-restricted affordable housing units shall be located across a geographically wide area of the City.”
- Policy 3.5 – “Allow for and encourage new residential and/or mixed-use development in or near commercial districts, with access to services, transit and schools.”

Goal 4: Remove Governmental Constraints

- Policy 4.1 – “Educate City staff, property owners, and homebuilders about ADA accessibility and universal design principles.”
- Policy 4.2 – “Require new medium- to large-scale residential and mixed-use projects to meet ADA accessibility standards and provide a sufficient number of ADA-accessible and/or ADA-ready units.”
- Policy 4.3 – “Establish transparent procedures for requesting reasonable accommodations, on a case-by-case basis to promote equal access to housing for disabled persons.”
- Policy 4.4 – “Include low-barrier navigation centers as a form of transitional and supportive housing allowed in residential zoning districts.”
- Policy 4.5 – “Review and revise the Zoning Code regulations for allowing emergency shelters to maintain compliance with State laws for such uses.”

Goal 5: Equal Housing Opportunity

- Policy 5.1 – “Provide information on fair housing practices and resources on the City’s website.”
- Policy 5.2 – “...provide referral and mediation services for tenants and property managers. Educate and assist landlords, housing managers, real estate professionals and tenants regarding fair housing issues and laws.”
- Policy 5.3 – “Comply with all applicable federal, State, and local Fair Housing and anti-discrimination laws and regulations...”
- Policy 5.4 – “Proactively encourage community members to learn more about the social impacts of housing discrimination.”
- Policy 5.5 – “Allow and encourage a variety of residential types and living arrangements.”

Schedule/Next Steps

September 2021

- Release of the Public Review Draft of the 2021 Housing Element and PEIR

October 2021:

- Submittal to HCD for 60-day review period
- 60-day Public Review Period for the PEIR
- Release of the Revised Public Draft of the GP/DTSUP Update for public review

January 2022:

- Planning Commission Meeting to Recommend to the City Council Adoption of the 2021-2029 Housing Element and Certification of the PEIR

February 2022:

- City Council Adoption of the 2021-2029 Housing Element and Certification of the PEIR
- HCD deadline to adopt the Housing Element to stay on the 8-year cycle: February 11, 2022

March 2022:

- Planning Commission to Recommend to the City Council Adoption of the Final GP/DTSP Update

April 2022:

- City Council Adoption of the Final GP/DTSP Update



City Council Agenda Report

ITEM NO. 18

DATE: September 15, 2021
TO: Honorable Mayor and City Council Members
FROM: Arminé Chaparyan, City Manager *AC*
PREPARED BY: Lucy Demirjian, Assistant to the City Manager
SUBJECT: **Receive and File Caltrans Surplus Properties Disposition Update**

Recommendation

It is recommended that the City Council receive and file updates from both the Legislative and Non-Legislative California Department of Transportation (Caltrans) Surplus Properties Disposition Ad Hoc Committees.

Summary

There is general consensus that the current Caltrans Affordable Sales Program is ambiguous and arduous. Two simultaneous efforts have been initiated to provide the City with more local control and expedite the property disposition process. The Legislative Ad Hoc Committee (Mayor Mahmud and Councilmember Donovan) seeks to accomplish this goal through Senate Bill 381 (Portantino); while the Non-Legislative Ad Hoc Committee (Mayor Pro Tem Cacciotti and Councilmember Primuth) is attempting to negotiate with Caltrans and the California Transportation Commission (CTC).

The City anticipates for a favorable legislative outcome or negotiated agreement in the next few months. Once there is a more definitive path forward, there will be many policy choices that require further investigation, research, and community input.

At this time, no further action is requested of the City Council, as both Ad Hoc Committees continue their simultaneous efforts to provide the City with more local control and expedite the property disposition process. Staff will bring forth a recommendation to Council in October to determine how to proceed with next steps, including inspection of the unoccupied properties and financing options.

Non-Legislative Update

No updates since the last report to City Council on August 18, 2021. City staff has reached out to Caltrans to schedule a meeting.

Legislative Update

Since the last update, the bill was amended on the Assembly floor on August 7 and approved by the Assembly. The amendments are required to be in print for 72 hours before receiving consensus by the Senate before the end of the session (September 10). The bill will become law unless vetoed by the

Governor before October 10, 2021 deadline. As an urgency measure, the bill will go into effect as soon as it is signed.

Any new information received after the posting of the City Council agenda will be provided orally during the meeting.

The amendments crossed on the Assembly floor were a result of efforts by the Senator’s office to negotiate with Caltrans to expedite the sale of properties and provide the City with more local control.

The bill would:

- Offer to current tenants of single-family and multi-family residences, the opportunity to purchase the property first.
- Expeditiously offer unoccupied properties to the City at the original acquisition price paid by Caltrans.
- Allow the City to purchase properties at their acquisition price after current tenants reject or do not qualify to purchase the properties in which they reside.
- Allow the City to establish and transfer ownership to a city-approved nonprofit housing related entity that would act as a steward over the portfolio of surplus properties and ensure high quality property maintenance and property management practices.
- All properties would be purchased at acquisition price with a 55-year for rentals and 45 year for homeownership covenant on the land.
- Proceeds from the subsequent sales would be reinvested into the City of South Pasadena to maintain affordable housing.

Amendments as of 9/7/21:

- Moves up fair market value sales to before HRE (Housing Related Entity).
- Allows for multifamily units to be purchased at fair market value.
- Includes locally-designated historical homes in definition of historic homes.
- South Pasadena can sell historical homes at fair market value and use the funds generated to reinvest in affordable housing in South Pasadena with a 3 to 1 ratio. South Pasadena must create 3 affordable housing units: either build new units or acquire rental units with a 55 year or 45 years covenant for sale of single-family homes.
- Sets timelines for Caltrans to start to sell unoccupied units by June 30, 2022 and to adopt emergencies regulations within 6 months.
- Funds generated by sell of single-family homes with 45-year covenant must be used for affordable housing in South Pasadena.
- Housing Related Entities can buy at acquisition price, with affordability covenant.

Background

Timeline of actions by City Council and the ad hoc committees related to the disposition of surplus properties:

March 17, 2021	City Council approved the sponsorship of draft legislation introduced by Senator Portantino, with the understanding that the bill would continue to evolve pursuant
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	to community input. To that end, Council directed staff and the Ad Hoc Caltrans Housing Subcommittee to engage the community and receive public input.
March 25, 2021	Legislative Ad Hoc and staff attended a community forum sponsored by the South Pasadena Preservation Foundation (SPPF) regarding the Foundation’s proposal to reach agreement with Caltrans on the disposition of surplus residential properties. The forum provided the opportunity to hear comments, questions, and suggestions from the community.
March 29, 2021	City and Senator Portantino hosted a community forum to explain SB 381 and answer questions from the community. After introductory remarks by Mayor Mahmud and Senator Portantino, a 15-minute presentation was delivered that provided an overview of SB 381 and provided a list of proposed amendments to SB 381 based on feedback received during the March 17 City Council meeting, correspondence to the City, and the March 25 SPPF community forum.
April 7, 2021	City Council considered the proposed amendments outlined in this report. After some discussion, there was consensus that additional public input was needed. The item was continued to April 21, 2021.
April 14, 2021	City hosted a community focus group discussion on, to hear different perspectives from a panel of 10 individuals discussing how to best meet the challenges associated with Caltrans’ disposition of its surplus properties.
April 21, 2021	Staff presented amendments to SB 381 in response to public input received from the Community Forum. The City Council 4, 1 (Zneimer), to approved the recommendation presented by staff concerning SB 381. The Council directed staff to bring back an agenda item to facilitate creation of a new ad hoc committee, with a different purpose from the “legislative” ad hoc committee.
April 21, 2021	City Council approved a contract with CivicStone, LLC to determine, prepare, and implement a surplus property acquisition and rehabilitation strategy. This effort will involve up to 68 properties currently owned by Caltrans within the City that have been identified and detailed in the attached list of surplus properties.
May 5, 2021	City Council appointed Mayor Pro Tem Cacciotti and Councilmember Primuth to a “non-legislative” ad hoc committee, discrete from the SB 381 ad hoc committee, which would among other tasks, engage in potential negotiations with Caltrans, research and recommend potential creation of a land trust, research and recommend financing strategies for purchase of surplus properties.
June 24, 2021	California Transportation Commission was presented with an action item on the sale of 626 Prospect and ultimately decided to delay action until their next meeting in August 18-19. Mayor Pro Tem Cacciotti and Councilmember Primuth provided testimony during the hearing.
June, 2021	Earlier in June, the City issued a Temporary Restraining Order (TRO) on behalf of the 12-unit residential property at 626 Prospect Avenue. The City won a preliminary injunction preventing Caltrans from selling 626 Prospect Avenue to Pasadena Friendship Church. A trial was set for May 2022, during which the city will make its case for why Caltrans violated the law when it offered the property to Friendship Pasadena Church and should instead be ordered to sell it to City’s housing authority.

July 21, 2021	The City Council received updates from both the Legislative and Non-Legislative Caltrans Surplus Properties Disposition Ad Hoc Committees.
August 14, 2021	The Non-Legislative Ad Hoc Committee met with Senator Portantino and CTC members to tour select Caltrans properties in the City and discuss various issues and concerns voiced by the community.
August 18, 2021	The City Council received updates from both the Legislative and Non-Legislative Caltrans Surplus Properties Disposition Ad Hoc Committees.
September 1, 2021	The City Council was briefed on anticipated amendments to SB 381 as a result of Senator Portantino’s discussions with Caltrans and HCD.

Next Steps

1. October 6, 2021 – next update.
2. October/November 2021 – City Council discussion of next steps including RFP for a Property Inspection and Repair Estimate for unoccupied properties and exploration of funding opportunities.

As the City moves forward on the two parallel fronts, it is important to reiterate for the community that there will be many opportunities for further discussion and decisions to be made that involve local policy choices that are not conditional upon Caltrans.

Legal Review

This report not was reviewed by the City Attorney.

Financial Review

There is no fiscal impact with this update.

Public Notification of Agenda Item

The public was made aware that this item 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 publication in the *South Pasadena Review* newspaper.

Attachments:

1. SB 381 Text, as amended September 7, 2021
2. Updated Factsheet

Attachment 1

AMENDED IN ASSEMBLY SEPTEMBER 7, 2021

AMENDED IN ASSEMBLY JULY 5, 2021

AMENDED IN SENATE MAY 20, 2021

AMENDED IN SENATE MAY 3, 2021

AMENDED IN SENATE MARCH 9, 2021

SENATE BILL

No. 381

Introduced by Senator Portantino

February 10, 2021

An act to amend Sections 54237 and 54237.7 of, and to add Sections 54239 and 54239.0.1 Section 54239.4 to, the Government Code, relating to local government, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 381, as amended, Portantino. Surplus residential property: priorities, procedures, price, and ~~fund~~. *fund: City of South Pasadena.*

(1) Existing law establishes priorities and procedures that any state agency disposing of surplus residential property is required to follow. Under existing law, specified single-family residences must first be offered to their present occupants, as specified. Existing law then requires the property to be offered to housing-related entities, as provided, prior to placing the property up for sale for fair market value, subject to specified priorities. ~~Existing law also requires historic homes, as defined, to be offered first to a housing-related public entity or to a nonprofit private entity, as described. Existing law requires, if a property that is not a historic home is sold to a private housing-related entity or a housing-related public entity, that the entity develop the property as~~

limited equity cooperative housing with first right of occupancy to present occupants, or use the property for low- and moderate-income rental or owner-occupied housing where the development of cooperative or cooperatives is not feasible. Existing law requires, if a property is a historic home, as defined, that the property be offered first to a housing-related entity, subject to the above-described requirements, or a nonprofit private entity dedicated to rehabilitating and maintaining the historic home for public and community access and use, as provided.

~~This bill would, with respect to surplus residential properties located within the State Route 710 corridor in the City of South Pasadena, require surplus single-family residential properties, which includes any applicable locally-designated historic home as defined, and any historic home to be offered to the City of South Pasadena after the properties are offered to present occupants, including present occupants who have occupied the property for 5 years or more and meet certain conditions, pursuant to specified provisions and the present occupants either decline to purchase or do not qualify and close on the property within 274 days of the Department of Transportation adopting emergency regulations. The bill would require a multifamily residential property in the State Route 710 corridor area of the city to first be offered to certain present occupants who have formed a limited equity cooperative housing entity or an entity for the ownership of common interest developments before offering those properties to the city. The bill would also require all other occupied, unoccupied, and unimproved surplus residential properties in the State Route 710 corridor area of the city to first be offered to the city. The bill would set forth procedures that apply to properties under the bill's provisions, including that each property be subject to a recorded covenant requiring the property remain available and affordable for ownership or rental by persons and families of low or moderate income, except as specified. The bill would require all proceeds from the city's sale of any property purchased pursuant to the bill's provisions to be reinvested into low- or moderate-income housing within its jurisdiction. The bill would require, following an offer of these properties to the City of South Pasadena, the properties to then be offered in accordance with the priorities and procedures in existing law relating to the sale of the property to a private housing-related entity or housing-related public entity and sale for fair market value.~~

This bill, with respect to surplus residential property that is located within the City of South Pasadena, would instead require that if the surplus residential property is not sold to a former owner or present

occupant, as described above, the property be offered at fair market value to present tenants who have occupied the property for 5 years or more and who are in good standing with all rent obligations current and paid in full, with first right of occupancy to the present occupants. If the surplus residential property has a historic home, as defined, not occupied by tenants, the bill would then require that the property be offered to the City of South Pasadena, subject to specified terms and conditions. Finally, the bill would require that surplus residential property be offered to the City of South Pasadena, as a housing-related entity, and then to another housing-related entity, subject to specified terms and conditions. The bill would require the Department of Housing and Community Development to determine compliance with certain of these terms and conditions, as provided. The bill would require a housing-related entity to cause the property to be used, under specified conditions, for low- and moderate-income rental housing for a term of at least 55 years, subject to a recorded covenant, to ensure use as affordable housing, as provided, and to provide a first right of occupancy to the present tenants. The bill, if the surplus residential property is a single-family residence, would authorize the surplus residential property to be used for owner-occupied affordable housing for a term of at least 45 years, subject to a covenant recorded against the property to ensure its use as affordable housing.

The bill, in the case of a historic home, would require the City of South Pasadena to monitor compliance with the covenant and require the Department of Transportation, in the case of surplus residential property sold to a housing-related entity, to monitor or designate a public agency to monitor a property's compliance with the recorded covenant, and would authorize the monitoring entity to charge the property owner a fee to cover the cost of monitoring and reporting. If the monitoring entity is not a state agency, the bill would require the monitoring entity to prepare and submit to the Legislature reports that describe how the purchasers complied with these provisions and how they were monitored for compliance, as specified. By imposing duties on a local agency monitoring compliance pursuant to these provisions, this bill would impose a state-mandated local program. The bill would also require the Department of Transportation to sell specified unimproved properties at the original acquisition price paid by the department to the City of South Pasadena, as a housing-related entity, and then to another housing-related entity, subject to specified terms and conditions. If the Department of Transportation does not commence

the sale of its unoccupied surplus residential property in the City of South Pasadena, as provided, by June 30, 2022, the bill would require the department to report by December 31, 2022, to the relevant policy and fiscal committees of the Legislature the reasons for not commencing sales and its plans for commencing them.

(2) Existing law generally requires that not less than the general prevailing rate of per diem wages, as specified, be paid to workers employed on a public work project that exceeds \$1,000.

The bill would require the housing-related entity to provide an enforceable commitment to the selling agency that it will comply with specified requirements, if a project on the property involves construction, regarding the payment of prevailing rate of per diem wages for construction work related to the project, except as provided.

(2)

(3) Existing law, known as the Administrative Procedure Act, governs the procedures for the adoption, amendment, or repeal of regulations by state agencies and for the review of those regulatory actions by the Office of Administrative Law. Existing law establishes procedures for the adoption of emergency regulations, including requiring that the state agency make a finding that the adoption of a regulation or order of repeal is necessary to address an emergency, as defined. Under existing law, a regulation, amendment, or repeal adopted as an emergency regulatory action may only remain in effect for up to 180 days, unless the adopting agency complies with specified requirements relating to notice of regulatory action and public comment.

This bill would authorize the Department of Housing and Community Development to review, adopt, amend, and repeal standards, forms, and definitions to implement specified provisions relating to the sale of surplus residential property that has a historic home within the City of South Pasadena, as described above, and exempt those standards, forms, or definitions from the rulemaking provisions of the Administrative Procedure Act. The bill would also require the Department of Transportation to ~~adopt emergency regulations within 60 days of the effective date of the bill's provisions, file proposed emergency regulations with the Office of Administrative Law for adoption to implement the above-described requirements relating to the disposal of surplus property. property no later than 6 months after the bill's provisions are enacted.~~ The bill would include findings that an emergency exists for purposes of specified provisions of the Administrative Procedure Act. The bill, notwithstanding the 180-day

limit for emergency regulations, would provide that emergency regulations adopted under its provisions would remain in effect for 2 years after ~~adoption~~, *their effective date*, or until the adoption of permanent regulations, whichever occurs sooner.

~~(3)~~

(4) Existing law creates the SR-710 Rehabilitation Account, which is continuously appropriated to the Department of Transportation, and into which proceeds from the sale of surplus residential property by the department are deposited. Existing law requires that the total funds maintained in the account not exceed \$500,000 and that funds exceeding that amount, less any reimbursements due to the federal government, be transferred to the State Highway Account in the State Transportation Fund to be used for allocation by the California Transportation Commission, as specified.

This bill would authorize an increase in the amount of the total funds maintained in the account up to \$1,200,000. By authorizing an increase in the funds held in a continuously appropriated fund, the bill would make an appropriation.

~~(4) Existing law requires a surplus residence or property to be sold to present occupants at an affordable price, as described.~~

~~This bill would require that a surplus residence or property located in the City of South Pasadena that is offered by a selling agency to a present occupant of the residence or property be offered at a price based on the appraisal of the residence or property in 2016 if certain conditions apply. The bill would require an offer made or accepted prior to January 1, 2022, that is not in compliance with this provision to be corrected so the price is based on the 2016 appraisal. The bill would provide that an offer made based on the 2016 appraisal shall only be effective until December 31, 2022.~~

(5) This bill would make findings regarding the public purpose served by the bill.

(6) This bill would make legislative findings and declarations as to the necessity of a special statute for the City of South Pasadena.

(7) 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.

~~(7)~~

(8) This bill would declare that it is to take effect immediately as an urgency statute.

Vote: 2/3. Appropriation: yes. Fiscal committee: yes.

State-mandated local program: ~~no~~-yes.

The people of the State of California do enact as follows:

1 SECTION 1. ~~Section 54237 of the Government Code is~~
2 ~~amended to read:~~

3 ~~54237. (a) Notwithstanding Section 11011.1, but subject to~~
4 ~~Section 54239 in the City of South Pasadena, an agency of the~~
5 ~~state disposing of surplus residential property shall do so in~~
6 ~~accordance with the following priorities and procedures:~~

7 (1) ~~First, all single-family residences presently occupied by~~
8 ~~their former owners shall be offered to those former owners at the~~
9 ~~appraised fair market value.~~

10 (2) ~~Second, all single-family residences shall be offered,~~
11 ~~pursuant to this article, to their present occupants who have~~
12 ~~occupied the property for two years or more and who are persons~~
13 ~~and families of low or moderate income.~~

14 (3) ~~Third, all single-family residences shall be offered, pursuant~~
15 ~~to this article, to their present occupants who have occupied the~~
16 ~~property for five years or more and whose household income does~~
17 ~~not exceed 150 percent of the area median income.~~

18 (4) ~~Fourth, a single-family residence shall not be offered,~~
19 ~~pursuant to this article, to present occupants who are not the former~~
20 ~~owners of the property if the present occupants have had an~~
21 ~~ownership interest in real property in the last three years.~~

22 (b) (1) ~~Subject to Section 54239.0.1, single-family residences~~
23 ~~offered to their present occupants pursuant to paragraphs (2) and~~
24 ~~(3) of subdivision (a) shall be offered to those present occupants~~
25 ~~at an affordable price. The price shall not be less than the price~~
26 ~~paid by the agency for original acquisition, unless the acquisition~~
27 ~~price was greater than the current fair market value, and shall not~~
28 ~~be greater than fair market value. When a single-family residence~~
29 ~~is offered to present occupants at a price that is less than fair market~~
30 ~~value, the selling agency shall impose terms, conditions, and~~
31 ~~restrictions to ensure that the housing will remain available to~~
32 ~~persons and families of low or moderate income and households~~
33 ~~with incomes no greater than the incomes of the present occupants~~

1 in proportion to the area median income. The Department of
2 Housing and Community Development shall provide to the selling
3 agency recommendations of standards and criteria for these prices,
4 terms, conditions, and restrictions. The selling agency shall provide
5 repairs required by lenders and government housing assistance
6 programs, as well as repairs required in paragraph (2), or, at the
7 option of the agency, provide the present occupants with a
8 replacement dwelling pursuant to Section 54237.5.

9 (2) For single-family residences, which includes any applicable
10 locally-designated historic homes as defined in Section 54239,
11 and historic homes that are located within the State Route 710
12 corridor in the City of South Pasadena and subject to the priorities
13 in Section 54239, the selling agency shall also provide repairs
14 identified by an independent licensed inspection company, which
15 shall include repairs typically required in real estate transactions,
16 and repairs required to ensure those residences are compliant with
17 federal, state, and local historic preservation laws.

18 (e) If single-family residences are offered to their present
19 occupants pursuant to paragraphs (2) and (3) of subdivision (a),
20 the occupants shall certify their income and assets to the selling
21 agency. When a single-family residence is offered to present
22 occupants at a price that is less than fair market value, the selling
23 agency may verify the certifications, in accordance with procedures
24 used for verification of incomes of purchasers and occupants of
25 housing financed by the California Housing Finance Agency and
26 with regulations adopted for the verification of assets by the United
27 States Department of Housing and Urban Development. The
28 income and asset limitations and term of residency requirements
29 of paragraphs (2) and (3) of subdivision (a) shall not apply to sales
30 that are described as mitigation measures in an environmental
31 study prepared pursuant to the Public Resources Code, if the study
32 was initiated before this measure was enacted.

33 (d) (1) Except as otherwise provided in paragraph (2), all other
34 surplus residential properties and all properties described in
35 paragraphs (1), (2), and (3) of subdivision (a) that are not purchased
36 by the former owners or the present occupants shall be then offered
37 as follows:

38 (A) Except as required by subparagraph (B), the property shall
39 be offered to a housing-related private or public entity at a
40 reasonable price, which is best suited to economically feasible use

1 of the property as decent, safe, and sanitary housing at affordable
 2 rents and affordable prices for persons and families of low or
 3 moderate income, on the condition that the purchasing entity shall
 4 cause the property to be rehabilitated and used as follows:

5 (i) If the housing-related entity is a public entity, the entity shall
 6 dedicate profits realized from a subsequent sale, as specified in
 7 subdivision (b) of Section 54237.7, to the construction of affordable
 8 housing within the Cities of Pasadena, South Pasadena, Alhambra,
 9 La Cañada Flintridge, and the 90032 postal ZIP Code.

10 (ii) If the entity is a private housing-related entity or a
 11 housing-related public entity, the entity shall cause the property
 12 to be developed as limited equity cooperative housing with first
 13 right of occupancy to present occupants, except that where the
 14 development of cooperative or cooperatives is not feasible, the
 15 purchasing entity shall cause the property to be used for low- and
 16 moderate-income rental or owner-occupied housing, with first
 17 right of occupancy to the present tenants. The price of the property
 18 in no case shall be less than the price paid by the entity for original
 19 acquisition unless the acquisition price was greater than current
 20 fair market value and shall not be greater than fair market value.
 21 Subject to the foregoing, it shall be set at the level necessary to
 22 provide housing at affordable rents and affordable prices for present
 23 tenants and persons and families of low or moderate income. When
 24 residential property is offered at a price that is less than fair market
 25 value, the selling agency shall impose terms, conditions, and
 26 restrictions that will ensure that the housing will remain available
 27 to persons and families of low or moderate income. The
 28 Department of Housing and Community Development shall provide
 29 to the selling agency recommendations of standards and criteria
 30 for prices, terms, conditions, and restrictions.

31 (B) (i) If the property is a historic home, the property shall be
 32 offered first to a housing-related public entity subject to clause (i)
 33 or (ii) of subparagraph (A) or to a nonprofit private entity dedicated
 34 to rehabilitating and maintaining the historic home for public and
 35 community access and use subject to clause (ii) of subparagraph
 36 (A).

37 (ii) For purposes of this subdivision, “historic home” means
 38 single-family surplus residential property that is listed on, or for
 39 which an application has been filed for listing on, at least one of
 40 the following by January 1, 2015:

1 ~~(I) The California Register of Historical Resources, as~~
2 ~~established pursuant to Article 2 (commencing with Section 5020)~~
3 ~~of Chapter 1 of Division 5 of the Public Resources Code.~~
4 ~~(II) The National Register of Historic Places, as established~~
5 ~~pursuant to Chapter 3021 of Title 54 of the United States Code.~~
6 ~~(III) The National Register of Historic Places, as previously~~
7 ~~established pursuant to the federal National Historic Preservation~~
8 ~~Act (54 U.S.C. Sec. 300101 et seq.).~~
9 ~~(2) This subdivision shall not apply to properties offered for~~
10 ~~sale pursuant to Section 54239, except as provided in that section.~~
11 ~~(e) A surplus residential property not sold pursuant to~~
12 ~~subdivisions (a) to (d), inclusive, or Section 54239, as applicable,~~
13 ~~shall then be sold at fair market value, with priority given first to~~
14 ~~purchasers who are present tenants in good standing with all rent~~
15 ~~obligations current and paid in full, second to former tenants who~~
16 ~~were in good standing at the time they vacated the premises, with~~
17 ~~priority given to the most recent tenants first, and then to purchasers~~
18 ~~who will be owner-occupants. The selling agency may commence~~
19 ~~the sale of property that former tenants may possess a right to~~
20 ~~purchase as provided by this subdivision 30 days after the selling~~
21 ~~agency has done both of the following:~~
22 ~~(1) Posted information regarding the sale under this subdivision~~
23 ~~on the selling agency's internet website.~~
24 ~~(2) Made a good faith effort to provide written notice, by~~
25 ~~first-class mail, to the last known address of each former tenant.~~
26 ~~(f) (1) Tenants in good standing of nonresidential properties~~
27 ~~shall be given priority to purchase, at fair market value, the~~
28 ~~property they rent, lease, or otherwise legally occupy.~~
29 ~~(2) (A) A tenant in good standing of a nonresidential property~~
30 ~~shall be given priority to purchase, at the lesser of fair market value~~
31 ~~or value in use, if the tenant is a city or a nonprofit organization~~
32 ~~qualified as exempt under Section 501(c)(3) of the Internal Revenue~~
33 ~~Code.~~
34 ~~(B) The Department of Transportation shall not sell a~~
35 ~~nonresidential property to a tenant described in subparagraph (A)~~
36 ~~at a value below the minimum sales price, as defined by Section~~
37 ~~1476 of Title 21 of the California Code of Regulations as that~~
38 ~~regulation read on July 1, 2019.~~

1 ~~(C) If a nonresidential property is offered at a price that is less~~
 2 ~~than fair market value, the selling agency shall impose appropriate~~
 3 ~~terms, conditions, and restrictions.~~

4 ~~(D) As used in this paragraph, “value in use” means the value~~
 5 ~~of a nonresidential property assuming a specific use, that may or~~
 6 ~~may not be the property’s highest and best use on the effective~~
 7 ~~date of the property’s appraisal.~~

8 *SECTION 1. Section 54237 of the Government Code is*
 9 *amended to read:*

10 54237. (a) Notwithstanding Section 11011.1, an agency of the
 11 state disposing of surplus residential property shall do so in
 12 accordance with the following priorities and procedures:

13 (1) First, all single-family residences presently occupied by
 14 their former owners shall be offered to those former owners at the
 15 appraised fair market value.

16 (2) Second, all single-family residences shall be offered,
 17 pursuant to this article, to their present occupants who have
 18 occupied the property for two years or more and who are persons
 19 and families of low or moderate income.

20 (3) Third, all single-family residences shall be offered, pursuant
 21 to this article, to their present occupants who have occupied the
 22 property for five years or more and whose household income does
 23 not exceed 150 percent of the area median income.

24 (4) Fourth, a single-family residence shall not be offered,
 25 pursuant to this article, to present occupants who are not the former
 26 owners of the property if the present occupants have had an
 27 ownership interest in real property in the last three years.

28 (b) Single-family residences offered to their present occupants
 29 pursuant to paragraphs (2) and (3) of subdivision (a) shall be
 30 offered to those present occupants at an affordable price. The price
 31 shall not be less than the price paid by the agency for original
 32 acquisition, unless the acquisition price was greater than the current
 33 fair market value, and shall not be greater than fair market value.
 34 When a single-family residence is offered to present occupants at
 35 a price that is less than fair market value, the selling agency shall
 36 impose terms, conditions, and restrictions to ensure that the housing
 37 will remain available to persons and families of low or moderate
 38 income and households with incomes no greater than the incomes
 39 of the present occupants in proportion to the area median income.
 40 The Department of Housing and Community Development shall

1 provide to the selling agency recommendations of standards and
2 criteria for these prices, terms, conditions, and restrictions. The
3 selling agency shall provide repairs required by lenders and
4 government housing assistance programs, or, at the option of the
5 agency, provide the present occupants with a replacement dwelling
6 pursuant to Section 54237.5.

7 (c) If single-family residences are offered to their present
8 occupants pursuant to paragraphs (2) and (3) of subdivision (a),
9 the occupants shall certify their income and assets to the selling
10 agency. When a single-family residence is offered to present
11 occupants at a price that is less than fair market value, the selling
12 agency may verify the certifications, in accordance with procedures
13 used for verification of incomes of purchasers and occupants of
14 housing financed by the California Housing Finance Agency and
15 with regulations adopted for the verification of assets by the United
16 States Department of Housing and Urban Development. The
17 income and asset limitations and term of residency requirements
18 of paragraphs (2) and (3) of subdivision (a) shall not apply to sales
19 that are described as mitigation measures in an environmental
20 study prepared pursuant to the Public Resources Code, if the study
21 was initiated before this measure was enacted.

22 (d) (1) Except as otherwise provided in paragraph (2), all other
23 surplus residential properties and all properties described in
24 paragraphs (1), (2), and (3) of subdivision (a) that are not purchased
25 by the former owners or the present occupants shall be then offered
26 as follows:

27 (A) Except as required by subparagraph (B), the property shall
28 be offered to a housing-related private or public entity at a
29 reasonable price, which is best suited to economically feasible use
30 of the property as decent, safe, and sanitary housing at affordable
31 rents and affordable prices for persons and families of low or
32 moderate income, on the condition that the purchasing entity shall
33 cause the property to be rehabilitated and used as follows:

34 (i) If the housing-related entity is a public entity, the entity shall
35 dedicate profits realized from a subsequent sale, as specified in
36 subdivision (b) of Section 54237.7, to the construction of affordable
37 housing within the Cities of Pasadena, South Pasadena, Alhambra,
38 La Cañada Flintridge, and the 90032 postal ZIP Code.

39 (ii) If the entity is a private housing-related entity or a
40 housing-related public entity, the entity shall cause the property

1 to be developed as limited equity cooperative housing with first
 2 right of occupancy to present occupants, except that where the
 3 development of cooperative or cooperatives is not feasible, the
 4 purchasing entity shall cause the property to be used for ~~low~~ *low-*
 5 ~~and moderate income~~ *moderate-income* rental or owner-occupied
 6 housing, with first right of occupancy to the present tenants. The
 7 price of the property in no case shall be less than the price paid by
 8 the entity for original acquisition unless the acquisition price was
 9 greater than current fair market value and shall not be greater than
 10 fair market value. Subject to the foregoing, it shall be set at the
 11 level necessary to provide housing at affordable rents and
 12 affordable prices for present tenants and persons and families of
 13 low or moderate income. When residential property is offered at
 14 a price that is less than fair market value, the selling agency shall
 15 impose terms, conditions, and restrictions that will ensure that the
 16 housing will remain available to persons and families of low or
 17 moderate income. The Department of Housing and Community
 18 Development shall provide to the selling agency recommendations
 19 of standards and criteria for prices, terms, conditions, and
 20 restrictions.

21 (B) (i) If the property is a historic home, the property shall be
 22 offered first to a housing-related public entity subject to clause (i)
 23 or (ii) of subparagraph (A) or to a nonprofit private entity dedicated
 24 to rehabilitating and maintaining the historic home for public and
 25 community access and use subject to clause (ii) of subparagraph
 26 (A).

27 (ii) For purposes of this subdivision, “historic home” means
 28 single-family surplus residential property that is listed on, or for
 29 which an application has been filed for listing on, at least one of
 30 the following by January 1, 2015:

31 (I) The California Register of Historical Resources, as
 32 established pursuant to Article 2 (commencing with Section 5020)
 33 of Chapter 1 of Division 5 of the Public Resources Code.

34 (II) The National Register of Historic Places, as established
 35 pursuant to Chapter 3021 of Title 54 of the United States Code.

36 (III) The National Register of Historic Places, as previously
 37 established pursuant to the federal National Historic Preservation
 38 Act (54 U.S.C. Sec. 300101 et seq.).

39 (2) This subdivision shall not apply to properties offered for
 40 sale pursuant to Section ~~54239.1~~ *54239.1 or 54239.4*.

1 (e) A surplus residential property not sold pursuant to
2 subdivisions (a) to (d), inclusive, or Section ~~54239.1~~, 54239.1 or
3 54239.4, as applicable, shall then be sold at fair market value, with
4 priority given first to purchasers who are present tenants in good
5 standing with all rent obligations current and paid in full, second
6 to former tenants who were in good standing at the time they
7 vacated the premises, with priority given to the most recent tenants
8 first, and then to purchasers who will be owner occupants. The
9 selling agency may commence the sale of property that former
10 tenants may possess a right to purchase as provided by this
11 subdivision 30 days after the selling agency has done both of the
12 following:

13 (1) Posted information regarding the sale under this subdivision
14 on the selling agency’s internet website.

15 (2) Made a good faith effort to provide written notice, by
16 first-class mail, to the last known address of each former tenant.

17 (f) (1) Tenants in good standing of nonresidential properties
18 shall be given priority to purchase, at fair market value, the
19 property they rent, lease, or otherwise legally occupy.

20 (2) (A) A tenant in good standing of a nonresidential property
21 shall be given priority to purchase, at the lesser of fair market value
22 or value in use, if the tenant is a city or a nonprofit organization
23 qualified as exempt under Section 501(c)(3) of the Internal Revenue
24 Code.

25 (B) The Department of Transportation shall not sell a
26 nonresidential property to a tenant described in subparagraph (A)
27 at a value below the minimum sales price, as defined by Section
28 1476 of Title 21 of the California Code of Regulations as that
29 regulation read on July 1, 2019.

30 (C) If a nonresidential property is offered at a price that is less
31 than fair market value, the selling agency shall impose appropriate
32 terms, conditions, and restrictions.

33 (D) As used in this paragraph, “value in use” means the value
34 of a nonresidential property assuming a specific use, that may or
35 may not be the property’s highest and best use on the effective
36 date of the property’s appraisal.

37 SEC. 2. Section 54237.7 of the Government Code is amended
38 to read:

39 54237.7. (a) Notwithstanding Section 183.1 of the Streets and
40 Highways Code, the Department of Transportation shall deposit

1 proceeds from the sale of surplus residential property from the
2 department to a new owner pursuant to this article into the SR-710
3 Rehabilitation Account, which is hereby created. Notwithstanding
4 Section 13340, funds in the account are hereby continuously
5 appropriated to the department without regard to fiscal years for
6 the purpose of providing repairs required pursuant to subdivision
7 (b) of Section 54237. The total funds maintained in the account
8 shall not exceed one million two hundred thousand dollars
9 (\$1,200,000). Funds exceeding that amount, less any
10 reimbursements due to the federal government, shall be transferred
11 to the State Highway Account in the State Transportation Fund to
12 be used for allocation by the California Transportation Commission
13 (commission) exclusively to fund projects located in Pasadena,
14 South Pasadena, Alhambra, La Cañada Flintridge, and the 90032
15 postal ZIP Code. Projects shall be selected and prioritized by the
16 affected communities in consultation with the Los Angeles County
17 Metropolitan Transportation Authority, pursuant to guidelines
18 developed by the commission. The Los Angeles County
19 Metropolitan Transportation Authority shall submit a proposed
20 program of projects and the commission shall have final authority
21 to approve the projects. Eligible projects may include, but are not
22 limited to: sound walls; transit and rail capital improvements;
23 bikeways; pedestrian improvements; signal synchronization; left
24 turn signals; and major street resurfacing, rehabilitation, and
25 reconstruction. The funds shall not be used to advance or construct
26 any proposed North State Route 710 tunnel. Any funds remaining
27 in the SR-710 Rehabilitation Account on the date that final payment
28 due for the last of the properties repaired has been made, less any
29 reimbursements due to the federal government, shall be transferred
30 to the State Highway Account in the State Transportation Fund,
31 to be used exclusively for the purposes described in this section.

32 (b) Notwithstanding any other law, the net proceeds from a
33 subsequent market sale of surplus residential property sold pursuant
34 to this article at an affordable or reasonable price, as specified in
35 regulations adopted by the department, shall be deposited into the
36 Affordable Housing Trust Account, which is hereby created within
37 the Housing Finance Fund and, notwithstanding Section 13340,
38 continuously appropriated to the California Housing Finance
39 Agency to carry out any activity authorized by Part 3 (commencing
40 with Section 50900) of Division 31 of the Health and Safety Code

1 for the benefit of persons and families of low and moderate income
2 residing exclusively in Pasadena, South Pasadena, Alhambra, La
3 Cañada Flintridge, and the 90032 postal ZIP Code. The priority
4 for the distribution of proceeds from subsequent sales shall be
5 established pursuant to regulations adopted by the department.

6 ~~SEC. 3.—Section 54239 is added to the Government Code, to~~
7 ~~read:~~

8 ~~54239.—(a) Notwithstanding Sections 54235 to 54237.8,~~
9 ~~inclusive, and Section 118 of the Streets and Highways Code, and~~
10 ~~except as provided in Section 54239.0.1, the following priorities~~
11 ~~and procedures shall apply:~~

12 ~~(1) (A) (i) A surplus single-family residential property, which~~
13 ~~includes any applicable locally-designated historic home, and any~~
14 ~~historic home located within the State Route 710 corridor in the~~
15 ~~City of South Pasadena shall be offered to present occupants~~
16 ~~pursuant to subdivisions (a) to (c), inclusive, of Section 54237.~~
17 ~~Those present occupants shall have 274 days from the date the~~
18 ~~Department of Transportation adopts emergency regulations~~
19 ~~pursuant to paragraph (2) of subdivision (b) to close on or decline~~
20 ~~to purchase the property. The Department of Transportation shall,~~
21 ~~when offering properties for sale pursuant to this clause, also~~
22 ~~provide the present occupants a complete offer package including~~
23 ~~purchase terms and conditions within 90 days of adoption of those~~
24 ~~emergency regulations.~~

25 ~~(ii) After the single-family residential property, including any~~
26 ~~applicable locally-designated historic home, or after the historic~~
27 ~~home is offered for sale pursuant to clause (i), the property shall~~
28 ~~then be offered at fair market value to purchasers who are present~~
29 ~~occupants who have occupied the property for five years or more~~
30 ~~and whose household income exceeds 150 percent of the area~~
31 ~~median income. The fair market value shall be the appraised value~~
32 ~~of the property following any customary repairs less the cost of~~
33 ~~the repairs. A present occupant under this clause shall have 274~~
34 ~~days from the date the Department of Transportation adopts~~
35 ~~emergency regulations pursuant to paragraph (2) of subdivision~~
36 ~~(b) to close on or to decline to purchase the property. The~~
37 ~~Department of Transportation shall, when offering properties for~~
38 ~~sale pursuant to this clause, also provide the present occupants a~~
39 ~~complete offer package including purchase terms and conditions~~
40 ~~within 90 days of adoption of those emergency regulations.~~

1 ~~(iii) After the single-family residential property, including any~~
2 ~~applicable locally-designated historic home, or after the historic~~
3 ~~home is offered for sale pursuant to clauses (i) and (ii), the property~~
4 ~~shall then be offered at fair market value to purchasers who are~~
5 ~~present occupants who have occupied the property for five years~~
6 ~~or more and who are in good standing with all rent obligations~~
7 ~~current and paid in full, with first right of occupancy to the present~~
8 ~~occupants. The fair market value shall be the appraised value of~~
9 ~~the property following any customary repairs less the cost of the~~
10 ~~repairs. A present occupant under this clause shall have 274 days~~
11 ~~of the Department of Transportation adopting emergency~~
12 ~~regulations pursuant to paragraph (2) of subdivision (b) to close~~
13 ~~on or to decline to purchase the property. The Department of~~
14 ~~Transportation shall, when offering properties for sale pursuant to~~
15 ~~this clause, also provide the present occupants a complete offer~~
16 ~~package including purchase terms and conditions within 90 days~~
17 ~~of adoption of those emergency regulations.~~

18 ~~(iv) After a surplus single-family residential property, including~~
19 ~~any applicable locally-designated historic home, or after the historic~~
20 ~~home located within the State Route 710 corridor in the City of~~
21 ~~South Pasadena is offered for sale pursuant to clauses (i) to (iii),~~
22 ~~inclusive, of this subparagraph and the present occupants in the~~
23 ~~property either decline to purchase or do not qualify and close on~~
24 ~~the property within the specified time periods, the surplus~~
25 ~~single-family residential property shall be offered to the City of~~
26 ~~South Pasadena in accordance with the procedures in paragraph~~
27 ~~(2) prior to being offered pursuant to paragraph (3).~~

28 ~~(v) For purposes of clauses (ii) and (iii), both of the following~~
29 ~~shall apply:~~

30 ~~(I) Customary repairs shall be identified by an independent~~
31 ~~licensed inspection company and shall include repairs typically~~
32 ~~required in real estate transactions, and repairs necessary to ensure~~
33 ~~compliance with federal, state, or local historic preservation laws,~~
34 ~~if applicable. The independent licensed inspection company shall~~
35 ~~prepare a line-item repair cost for all repairs identified by the~~
36 ~~company.~~

37 ~~(II) Notwithstanding any other law, properties that are historic~~
38 ~~homes or locally-designated historic homes shall be sold in a~~
39 ~~manner that permits the present occupant to accept a credit for~~
40 ~~repairs that are required to be made to the property pursuant to~~

1 federal, state, or local historic preservation laws, if the present
2 occupant agrees to enforcement, by lien, by the appropriate entities
3 to ensure the repair work is completed in a timely manner.

4 (B) (i) A multifamily residential property located within the
5 State Route 710 corridor in the City of South Pasadena shall be
6 offered to present occupants who are in good standing with all rent
7 obligations current and paid in full, who have formed a limited
8 equity cooperative housing entity or an entity for the ownership
9 of common interest developments, including a stock cooperative,
10 with first right of occupancy to the present occupants of the
11 property.

12 (I) Notwithstanding any other law, the multifamily residential
13 property shall be offered at a price that is determined by combining
14 the values of each individual housing unit in the property. The
15 value of each individual housing unit shall be determined in the
16 manner for valuing single-family residences as described in
17 paragraphs (a) to (e), inclusive, of Section 54237, and removes
18 the costs for any necessary repairs. In no case shall the price of
19 the property be less than the price paid by the selling agency for
20 original acquisition or be greater than fair market value for the
21 property.

22 (H) Notwithstanding any other law, when a unit within the
23 multifamily residential property is offered to a present occupant
24 at a unit price that is less than fair market value, the selling agency
25 shall impose terms, conditions, and restrictions to ensure that the
26 unit will remain available to persons and families of low or
27 moderate income.

28 (ii) After a multifamily residential property located within the
29 State Route 710 corridor in the City of South Pasadena is offered
30 for sale pursuant to clause (i) and those present occupants either
31 decline to purchase or do not qualify and close on the property
32 within the specified time periods, the property shall be offered to
33 the City of South Pasadena in accordance with the procedures in
34 paragraph (2) prior to being offered pursuant to paragraph (3).

35 (C) Notwithstanding any other law, net proceeds from the sale
36 of a property to a present occupant pursuant to subparagraph (A)
37 or (B) shall be transmitted to the City of South Pasadena, which
38 shall use those proceeds in the manner described in subparagraph
39 (E) of paragraph (2).

1 ~~(D) All other occupied, unoccupied, and unimproved surplus~~
2 ~~residential property not subject to the priorities and procedures of~~
3 ~~subparagraphs (A) to (C), inclusive, of this paragraph, shall be~~
4 ~~offered to the City of South Pasadena in accordance with the~~
5 ~~procedures in paragraph (2) prior to being offered pursuant to~~
6 ~~paragraph (3).~~

7 ~~(2) The following procedures shall apply to properties offered~~
8 ~~and sold to the City of South Pasadena pursuant to paragraph (1):~~

9 ~~(A) The property shall be offered to the City of South Pasadena~~
10 ~~for the original acquisition price, not adjusted for inflation, paid~~
11 ~~by the Department of Transportation.~~

12 ~~(B) Property sold pursuant to this paragraph shall be sold in the~~
13 ~~existing “as is” condition.~~

14 ~~(C) For each property purchased under paragraph (1), the city~~
15 ~~shall do all of the following:~~

16 ~~(i) (I) Cause the property to be used for low- or moderate~~
17 ~~income ownership or rental housing for a term of at least 55 years.~~
18 ~~The purchase and operation of the property shall be subject to a~~
19 ~~covenant recorded against the property that requires the property~~
20 ~~to remain available and affordable for ownership or rental by~~
21 ~~persons and families of low or moderate income, as defined in~~
22 ~~Section 50093 of the Health and Safety Code, for a term of at least~~
23 ~~55 years.~~

24 ~~(H) In the event that the property is sold prior to the expiration~~
25 ~~of the covenant, the covenant shall remain in effect until the time~~
26 ~~at which it expires. In the event that the property is sold to a~~
27 ~~housing-related private or public entity, pursuant to subparagraph~~
28 ~~(D), and that entity is no longer able to maintain, provide, or~~
29 ~~otherwise operate the property pursuant to this section, the entity~~
30 ~~shall sell and transfer title for the property to the City of South~~
31 ~~Pasadena, or to another city-approved housing-related private or~~
32 ~~public entity, that will maintain, provide, or otherwise operate the~~
33 ~~property in compliance with the covenant. The sale and transfer~~
34 ~~to the city or to another entity, as provided in this subclause, shall~~
35 ~~be for the cost the entity originally paid to the city for the property,~~
36 ~~not adjusted for inflation, plus the cost of rehabilitation or~~
37 ~~improvements made to the property.~~

38 ~~(ii) If the property is used for rental housing, provide first right~~
39 ~~of occupancy to the present occupants of the property. The rental~~
40 ~~amount shall be in accordance with income certification if the~~

1 current occupants qualify as low or moderate income. If the current
2 tenant's income exceeds the limits for that level, the rent for those
3 occupants shall be no less than their current rent, or adjusted no
4 higher than current market rates for the area.

5 (iii) ~~Cause any additional new units added to the property to be~~
6 ~~used only for ownership or rental by persons and families of low~~
7 ~~or moderate income, as defined by Section 50093 of the Health~~
8 ~~and Safety Code, for a term of at least 55 years.~~

9 (iv) ~~Construct one unit of new residential housing that meets~~
10 ~~the requirements of clauses (i) to (iii), inclusive, on a site that is~~
11 ~~outside of the State Route 710 corridor in the County of Los~~
12 ~~Angeles but within the city's jurisdiction, if either of the following~~
13 ~~apply to the property:~~

14 (I) ~~The purchase and use of the property pursuant to paragraph~~
15 ~~(1) and this paragraph requires the demolition of existing structures~~
16 ~~on the property, and the city determines by resolution that it is cost~~
17 ~~prohibitive for the city to construct a new residential structure on~~
18 ~~the property that meets the requirements of this paragraph.~~

19 (II) ~~The property purchased pursuant to paragraph (1) is~~
20 ~~unimproved property that was planned to be used for the public~~
21 ~~benefit, such as a park, community garden, or open space.~~

22 (D) (i) ~~In purchasing any property under paragraph (1), the City~~
23 ~~of South Pasadena shall close on all those properties pursuant to~~
24 ~~a single closing transaction, in a double escrow, or both. The city~~
25 ~~shall not close on the properties earlier than 274 days of the~~
26 ~~Department of Transportation adopting emergency regulations~~
27 ~~pursuant to paragraph (2) of subdivision (b). The Department of~~
28 ~~Transportation shall, when offering properties for sale to the City~~
29 ~~of South Pasadena pursuant to this section, provide the city a~~
30 ~~complete offer package including purchase terms and conditions~~
31 ~~within 90 days of adoption of those emergency regulations.~~

32 (ii) ~~The city is authorized to sell any property purchased under~~
33 ~~paragraph (1), for the cost paid by the city to acquire and, if~~
34 ~~applicable, to rehabilitate the property, to a city-approved~~
35 ~~housing-related private or public entity that will maintain the~~
36 ~~property and the operation of the property in compliance with the~~
37 ~~covenant required in subparagraph (C). The city is also authorized~~
38 ~~to close on the properties in a double escrow to be transferred to~~
39 ~~a city-approved housing-related private or public entity.~~

1 (iii) ~~Notwithstanding any law, the city may sell an unoccupied~~
 2 ~~historic home to any entity or individual without complying with~~
 3 ~~the requirements of subparagraph (C) if the net proceeds of the~~
 4 ~~sale are used in the manner described in subparagraph (E):~~

5 (E) ~~Notwithstanding any law, including Section 54237.7, the~~
 6 ~~City of South Pasadena shall reinvest all proceeds from the city's~~
 7 ~~sale of any property purchased under paragraph (1) and this~~
 8 ~~paragraph into housing for persons and families of low or moderate~~
 9 ~~income, as defined in Section 50093 of the Health and Safety Code,~~
 10 ~~within its jurisdiction:~~

11 (F) ~~For purposes of this subdivision, all of the following~~
 12 ~~definitions apply:~~

13 (i) ~~“Historic home” has the same meaning as in subparagraph~~
 14 ~~(B) of paragraph (1) of subdivision (d) of Section 54237.~~

15 (ii) ~~“Housing-related private entity” means any individual, joint~~
 16 ~~venture, partnership, limited partnership, trust, community land~~
 17 ~~trust, corporation, an entity for the ownership of common interest~~
 18 ~~developments, including a stock cooperative, as defined in Section~~
 19 ~~4100 of the Civil Code, cooperative, or other legal entity, or any~~
 20 ~~combination thereof, approved by the city as qualified to either~~
 21 ~~own, construct, acquire, or rehabilitate a housing development or~~
 22 ~~a residential structure pursuant to this section, whether for-profit,~~
 23 ~~nonprofit, or limited profit.~~

24 (iii) ~~“Housing-related public entity” means any county, city,~~
 25 ~~city and county, the duly constituted governing body of an Indian~~
 26 ~~reservation or rancheria, or housing authority organized pursuant~~
 27 ~~to Chapter 1 (commencing with Section 34200) of Part 2 of~~
 28 ~~Division 24 of the Health and Safety Code, and includes any state~~
 29 ~~agency, public district, or other political subdivision of the state,~~
 30 ~~and any instrumentality thereof, which is authorized to engage in~~
 31 ~~or assist in the development or operation of housing for persons~~
 32 ~~or families of low or moderate income, as defined in Section 50093~~
 33 ~~of the Health and Safety Code. “Housing-related public entity”~~
 34 ~~also includes two or more housing-related public entities acting~~
 35 ~~jointly.~~

36 (iv) ~~“Locally-designated historic home” means single-family~~
 37 ~~surplus residential property that meets both of the following~~
 38 ~~conditions:~~

39 (I) ~~Is not a historic home, as defined in clause (i).~~

40 (II) ~~Meets either of the following:~~

- 1 (ia) Has been identified, by January 1, 2022, in the City of South
2 Pasadena’s inventory of cultural resources that has been adopted
3 by the city pursuant to Section 2.63 of the city’s municipal code.
4 (ib) Has been designated, by January 1, 2022, by the City of
5 South Pasadena as a historic home.
6 ~~(3) After the surplus residential property is offered for sale
7 pursuant to subdivisions (a) to (e), inclusive, of Section 54237,
8 and paragraphs (1) and (2) of this subdivision, the property shall
9 then be offered in accordance with the priorities and procedures
10 specified in subparagraphs (A) and (B) of paragraph (1) of
11 subdivision (d) and subdivision (e) of Section 54237.~~
12 ~~(b) (1) The Legislature finds and declares that the state’s
13 homelessness crisis has compounded the need for affordable
14 housing described in Section 54235. To help mitigate the need for
15 affordable housing and to speed up sales pursuant to this article,
16 the Legislature further finds and declares that an emergency exists
17 for purposes of Sections 11342.545, 11346.1, and 11349.6.~~
18 ~~(2) The Department of Transportation shall adopt, within 60
19 days of the effective date of this section, emergency regulations
20 to implement this section.~~
21 ~~(3) Notwithstanding Section 11346.1, the emergency regulations
22 adopted pursuant to paragraph (2) shall remain in effect for two
23 years after adoption or until permanent regulations are adopted,
24 whichever is sooner.~~
25 ~~SEC. 4. Section 54239.0.1 is added to the Government Code,
26 to read:~~
27 ~~54239.0.1. (a) Notwithstanding any other law, including
28 Sections 54237 and 54239, a surplus residence or property located
29 in the City of South Pasadena that is offered by a selling agency
30 to a present occupant of the residence or property shall be offered
31 at a price based on the appraisal of the residence or property in
32 2016 if both of the following apply:~~
33 ~~(1) The present occupant was an occupant of the residence or
34 property in 2016.~~
35 ~~(2) The present occupant received a conditional offer of sale of
36 the residence or property in 2016 from the selling agency.~~
37 ~~(b) An offer made or accepted prior to January 1, 2022, that is
38 not in compliance with subdivision (a) shall be corrected so the
39 price complies with subdivision (a).~~

1 ~~(e) An offer made based on the 2016 appraisal under subdivision~~
 2 ~~(a) shall only be effective until December 31, 2022.~~

3 *SEC. 3. Section 54239.4 is added to the Government Code, to*
 4 *read:*

5 *54239.4. Notwithstanding subdivision (d) of Section 54237,*
 6 *after a surplus residential property located within the City of South*
 7 *Pasadena is offered for sale pursuant to subdivisions (a) to (c),*
 8 *inclusive, of Section 54237, the surplus residential property shall*
 9 *be offered for sale in accordance with all of the following priorities*
 10 *and procedures:*

11 *(a) After the surplus residential property is offered for sale*
 12 *pursuant to subdivisions (a) to (c), inclusive, of Section 54237,*
 13 *these properties shall then be offered at fair market value to present*
 14 *tenants who have occupied the property for five years or more and*
 15 *who are in good standing with all rent obligations current and*
 16 *paid in full, with first right of occupancy to the present tenants.*

17 *(b) (1) After the surplus residential property is offered for sale*
 18 *pursuant to subdivisions (a) to (c), inclusive, of Section 54237 and*
 19 *subdivision (a) of this section, and if the property has a historic*
 20 *home not occupied by tenants, the property shall be offered to the*
 21 *City of South Pasadena subject to all of the following:*

22 *(A) The sales price shall be the price paid by the Department*
 23 *of Transportation for original acquisition. The original acquisition*
 24 *price shall not be adjusted for inflation.*

25 *(B) Surplus residential property sold pursuant to this subdivision*
 26 *shall be sold in its existing “as is” condition.*

27 *(C) The City of South Pasadena shall, with the proceeds*
 28 *generated from the subsequent sale of unoccupied historic homes,*
 29 *finance the production or acquisition of affordable housing units.*
 30 *Units produced must have a regulatory agreement requiring an*
 31 *affordable sales price or an affordable rent, as defined in Sections*
 32 *50052.5 and 50053 of the Health and Safety Code, for a minimum*
 33 *of 55 years for rental and 45 years for owner-occupied affordable*
 34 *housing. Units acquired must have a regulatory agreement*
 35 *requiring an affordable rent, as defined in Section 50053 of the*
 36 *Health and Safety Code, for a minimum of 55 years for rental.*
 37 *Proceeds may be used to finance either or both of the following:*

38 *(i) The production of three housing units affordable to persons*
 39 *and families of very-low, low- and moderate-income, as defined*
 40 *in Section 50093 of the Health and Safety Code, for every*

1 *unoccupied historic home purchased by the City of South*
2 *Pasadena.*

3 *(ii) The acquisition of three existing units for use as rental*
4 *housing affordable to persons and families of very low, low, and*
5 *moderate income, as defined in Section 50093 of the Health and*
6 *Safety Code, for every unoccupied historic home purchased by the*
7 *City of South Pasadena.*

8 *(D) Prior to closing escrow on the purchase of the surplus*
9 *residential property from the Department of Transportation, the*
10 *City of South Pasadena shall demonstrate to the Department of*
11 *Housing and Community Development the zoned capacity on*
12 *parcels suitable for housing development to produce at least three*
13 *affordable units, as defined in subparagraph (C), for each housing*
14 *unit on the surplus residential property being purchased and*
15 *identify and analyze potential and actual governmental constraints*
16 *to the maintenance, improvement, or development of housing*
17 *affordable to persons and families of low income, including housing*
18 *for people with disabilities, on said parcels to the satisfaction of*
19 *the Department of Housing and Community Development. The*
20 *analysis must also demonstrate local efforts to remove constraints*
21 *that hinder development of the parcels and evaluate their impact*
22 *on the speed of delivery and depth of affordability of the necessary*
23 *affordable units prescribed in subparagraph (C).*

24 *(E) Units may be produced or acquired on a single site, or on*
25 *multiple sites.*

26 *(F) All units produced or acquired must be within the 91030*
27 *postal ZIP Code.*

28 *(G) The City of South Pasadena shall commence construction*
29 *or complete acquisition of all affordable units numbering at least*
30 *three times the total number of unoccupied historic homes acquired*
31 *by the city by December 31, 2025.*

32 *(H) Notwithstanding any other law, funds generated through*
33 *the sale of unoccupied historic homes by the City of South*
34 *Pasadena shall be held by the City of South Pasadena for the sole*
35 *purpose of the financing of these units.*

36 *(I) The City of South Pasadena shall include as an attachment*
37 *to its annual report required by paragraph (2) of subdivision (a)*
38 *of Section 65400 all of the following:*

39 *(i) Current ownership status of unoccupied historic homes in*
40 *the State Route 710 corridor purchased by the City of South*

1 *Pasadena, and an accounting of funds spent by the city on the*
2 *purchase of these homes and generated through their sale.*

3 *(ii) The City of South Pasadena shall provide documents that*
4 *evidence sale to the Department of Housing and Community*
5 *Development. These documents shall include purchase and sale*
6 *agreements, escrow instructions, and final HUD-1 form closing*
7 *statements.*

8 *(iii) Documentation of rezoning actions taken by the City of*
9 *South Pasadena to ensure the continued availability of sufficient*
10 *capacity for development of sufficient affordable housing to*
11 *accommodate all units prescribed in subparagraph (C).*

12 *(iv) Documentation of other actions taken by the City of South*
13 *Pasadena to support its compliance with subparagraph (C),*
14 *including the acquisition of homes for use as affordable housing,*
15 *rehabilitation of homes or apartment units for the same purpose,*
16 *or the extension of affordability restrictions on housing units*
17 *currently restricted to low- and moderate-income households.*

18 *(v) Other information requested by the Department of Housing*
19 *and Community Development regarding the City of South*
20 *Pasadena's compliance with this paragraph.*

21 *(J) At the end of the period defined in subparagraph (G), the*
22 *City of South Pasadena shall additionally report all of the following*
23 *information to the Department of Housing and Community*
24 *Development:*

25 *(i) A summary of all prior reporting.*

26 *(ii) Supporting documentation that evidences the acquisition or*
27 *commencement of construction on a sufficient number of units of*
28 *affordable housing to satisfy subparagraphs (C) and (G) in a form*
29 *agreeable to the Department of Housing and Community*
30 *Development.*

31 *(iii) An accounting of total funds spent to acquire unoccupied*
32 *historic homes from the Department of Transportation pursuant*
33 *to this paragraph.*

34 *(iv) An accounting of funds generated through the sale of these*
35 *homes.*

36 *(K) Failure to comply with any of subparagraphs (A) through*
37 *(J), inclusive, shall require the City of South Pasadena to pay a*
38 *fine of an amount equal to the funds generated through the sale*
39 *of unoccupied historic homes pursuant to this paragraph less the*
40 *city's acquisition cost. Fines shall be deposited into an account*

1 *held by the Department of Housing and Community Development*
2 *under the stipulations of Section 50470 and made accessible for*
3 *the development of housing for persons and families of low and*
4 *moderate income residing exclusively in the City of South*
5 *Pasadena.*

6 *(L) Terms of subparagraph (K) may be subject to up two*
7 *two-year extensions from the deadline specified in subparagraph*
8 *(G), provided the City of South Pasadena is able to demonstrate*
9 *sufficient progress on the development or acquisition of all*
10 *required affordable units. Sufficient progress may include, but is*
11 *not limited, to an executed option agreement or exclusive*
12 *negotiation agreement for purchase of property intended for*
13 *conversion to affordable units, completed project entitlements or*
14 *building permits, executed purchase agreements and draft*
15 *covenants for the acquisition or rehabilitation of market rate units*
16 *for the purpose of conversion to affordable units, a combination*
17 *thereof, or other proof of progress at the discretion of the Director*
18 *of the Department of Housing and Community Development.*

19 *(M) Any surplus funds remaining after the completion of the*
20 *construction of the required affordable units shall be used at the*
21 *discretion of the City of South Pasadena for the production or*
22 *acquisition of rental or for-sale housing affordable to persons and*
23 *families of very low, low, or moderate income, as defined in Section*
24 *50093 of the Health and Safety Code.*

25 *(N) Compliance with any clause in subparagraphs (C) through*
26 *(M), inclusive, shall be determined by the Department of Housing*
27 *and Community Development and is not subject to appeal.*

28 *(O) The Department of Housing and Community Development*
29 *may review, adopt, amend, and repeal the standards, forms, or*
30 *definitions to implement subparagraphs (C) through (N), inclusive.*
31 *Any standards, forms, or definitions adopted to implement this*
32 *article shall not be subject to Chapter 3.5 (commencing with*
33 *Section 11340) of Part 1 of Division 3 of Title 2.*

34 *(P) The Department of Transportation shall provide an*
35 *accounting of all historically designated properties in the State*
36 *Route 710 corridor in the City of South Pasadena by January 1,*
37 *2022, to the Department of Housing and Community Development.*
38 *This accounting shall include locations of all properties, addresses*
39 *of all properties, parcel numbers for all properties, current*
40 *occupancy status, and any other known building details.*

1 (Q) *The surplus residential property subject to this subdivision*
 2 *shall be subject to a covenant recorded against the property to*
 3 *ensure the property’s use as pursuant to this paragraph.*

4 (R) *Notwithstanding subparagraphs (C) through (P), inclusive,*
 5 *if the City of South Pasadena does not resell a surplus residential*
 6 *property sold to it by the Department of Transportation within two*
 7 *years of closure of the sale, the property shall be used as affordable*
 8 *housing pursuant to paragraphs (3) and (4) of subdivision (c).*

9 (S) *Terms of subparagraph (R) may be subject to up one*
 10 *two-year extension provided the City of South Pasadena is able*
 11 *to demonstrate sufficient progress on the sale of the surplus*
 12 *residential properties. Sufficient progress may include proof that*
 13 *the property has been listed for 180 days at a price that does not*
 14 *exceed fair market value based on comparable sales in the City*
 15 *of South Pasadena with no offers, unexpected structural damage*
 16 *due to a natural disaster or similar occurrence, or other proof of*
 17 *progress at the discretion of the Director of the Department of*
 18 *Housing and Community Development.*

19 (T) *The City of South Pasadena shall monitor compliance with*
 20 *the covenant required by subparagraph (Q). The City of South*
 21 *Pasadena may charge the property owner a fee to recover the cost*
 22 *of this monitoring.*

23 (2) *For purposes of this subdivision, “historic home” means*
 24 *either of the following:*

25 (A) *A surplus residential property that is listed on, or for which*
 26 *an application has been filed for listing on, at least one of the*
 27 *following by January 1, 2015:*

28 (i) *The California Register of Historical Resources, as*
 29 *established pursuant to Article 2 (commencing with Section 5020)*
 30 *of Chapter 1 of Division 5 of the Public Resources Code.*

31 (ii) *The National Register of Historic Places, as established*
 32 *pursuant to Chapter 3021 of Title 54 of the United States Code.*

33 (iii) *The National Register of Historic Places, as previously*
 34 *established pursuant to the federal National Historic Preservation*
 35 *Act (54 U.S.C. Sec. 300101 et seq.).*

36 (B) *A locally designated surplus residential property that meets*
 37 *either of the following requirements:*

38 (i) *The property has been identified before January 1, 2021, in*
 39 *the City of South Pasadena’s inventory of cultural resources that*

1 *has been adopted by the city pursuant to Section 2.63 of the Code*
2 *of the City of South Pasadena, California, 1958.*

3 *(ii) The property has been designated before January 1, 2021,*
4 *by the City of South Pasadena as a historic home.*

5 *(c) After the surplus residential property is offered for sale*
6 *pursuant to subdivisions (a) to (c), inclusive, of Section 54237 and*
7 *subdivisions (a) and (b) of this section, the surplus residential*
8 *property shall be offered to the City of South Pasadena, as a*
9 *housing-related entity, and then to another housing-related entity*
10 *as follows:*

11 *(1) The sales price shall be the price paid by the Department*
12 *of Transportation for original acquisition. The original acquisition*
13 *price shall not be adjusted for inflation.*

14 *(2) Surplus residential property sold pursuant to this subdivision*
15 *shall be sold in its existing “as is” condition.*

16 *(3) The surplus residential property shall be subject to a*
17 *covenant recorded against the property to ensure the property’s*
18 *use as affordable housing pursuant to this paragraph.*

19 *(A) In the event that the surplus residential property is sold*
20 *prior to the expiration of the covenant, the covenant shall remain*
21 *in effect until the time at which it expires according to the*
22 *provisions of this paragraph.*

23 *(B) Any housing-related entity purchaser shall comply with*
24 *monitoring requirements, as determined by the Department of*
25 *Transportation or the monitoring entity.*

26 *(C) For each surplus residential property purchased under this*
27 *subdivision, the housing-related entity shall cause the property to*
28 *be used for either of the following:*

29 *(i) (I) Low- or moderate-income rental housing for a term of*
30 *at least 55 years. The purchase and operation of the property shall*
31 *remain available and affordable for rental by lower income and*
32 *moderate-income households, as defined by Sections 50052.5 and*
33 *50079.5 of the Health and Safety Code, respectively, for a term*
34 *no shorter than 55 years.*

35 *(II) In the event the housing-related entity is no longer able to*
36 *provide affordable housing on the property, the housing-related*
37 *entity shall either sell the property to a successor housing-related*
38 *entity that will maintain the property and the operations in*
39 *compliance with the covenant or transfer the title to the city in*
40 *which the property is located, which shall subsequently transfer*

1 *the title and operations to a successor housing-related entity that*
2 *will maintain the property and the operations in compliance with*
3 *the covenant. The housing-related entity shall provide first right*
4 *of occupancy to the present tenants. The rental amount shall be*
5 *in accordance with income certification if the current tenants*
6 *qualify as low or moderate income. If the current tenant's income*
7 *exceeds the limits for that level, the rent for that tenant shall be*
8 *no less than the current rent, or adjusted no higher than current*
9 *market rates for the ZIP Code in which the surplus residential*
10 *property is located. The housing-related entity shall cause any*
11 *additional new units added to the property to be used only for low-*
12 *or moderate-income rental housing, and the new units shall remain*
13 *available and affordable for rental by lower income and*
14 *moderate-income households, as defined by Sections 50052.5 and*
15 *50079.5 of the Health and Safety Code, during the covenant period.*
16 *(ii) If the surplus residential property is a single-family*
17 *residence, it may be used for owner-occupied affordable housing*
18 *for a term of at least 45 years. The housing-related entity shall*
19 *sell the property to a person or family of low or moderate income*
20 *for ownership and occupancy as affordable housing, as defined*
21 *in Section 62250, and specifically as the primary residence of that*
22 *buyer. The housing-related entity shall dedicate profits realized*
23 *from the sale during the covenant period, as specified in*
24 *subdivision (b) of Section 54237.7, to the construction of affordable*
25 *housing within the City of South Pasadena. The housing-related*
26 *entity shall provide first right of refusal to present tenants if they*
27 *are a person or family of low or moderate income. All subsequent*
28 *sales of the property during the covenant period shall be to a*
29 *person or family of low or moderate income for ownership and*
30 *occupancy as affordable housing, as defined in Section 62250.*
31 *The property owner shall cause any additional new units added*
32 *to the property to be used only for low- or moderate-income rental*
33 *housing, and the new units shall remain available and affordable*
34 *for rental by lower income and moderate-income households, as*
35 *defined by Sections 50052.5 and 50079.5 of the Health and Safety*
36 *Code, during the covenant period. The monitoring entity shall*
37 *ensure that subsequent sales are made in compliance with this*
38 *paragraph by conducting and certifying the income qualifications*
39 *of the buyer(s) prior to purchase and sales contracts being*
40 *consummated and prior to the opening of escrow.*

1 (4) The Department of Transportation may designate in
2 regulations to, or delegate by agreement to, a public agency to
3 monitor the purchasers' compliance with the terms, conditions,
4 and restrictions required by this subdivision.

5 (A) If the monitoring is not performed by a state agency, the
6 monitoring entity shall prepare and submit to the Legislature
7 reports that describe how the purchasers complied with this
8 subdivision and how they were monitored for compliance. The
9 first report shall be submitted five years after the first property is
10 sold pursuant to this subdivision, and subsequent reports shall be
11 submitted every five years thereafter until the last covenant expires.
12 A report to be submitted pursuant to this subparagraph shall be
13 submitted in compliance with Section 9795.

14 (B) The monitoring entity may charge the property owner a fee
15 to recover the cost of this monitoring and reporting.

16 (d) After the surplus residential property is offered for sale
17 pursuant to subdivisions (a) to (c), inclusive, of Section 54237 and
18 subdivisions (a) to (c), inclusive, of this section, the property shall
19 be offered in accordance with the priorities and procedures
20 specified in subdivision (e) of Section 54237.

21 (e) Before selling unimproved property within the State Route
22 710 corridor in the City of South Pasadena pursuant to Section
23 118 of the Streets and Highways Code, the Department of
24 Transportation shall offer to sell the property at the price paid by
25 the Department of Transportation for original acquisition to the
26 City of South Pasadena, as a housing-related entity, for affordable
27 housing purposes, and then to another housing-related entity for
28 affordable housing purposes, pursuant to the terms and conditions
29 provided in subdivision (c).

30 (f) (1) The Legislature finds and declares that the state's
31 homelessness crisis has compounded the need for affordable
32 housing described in Section 54235. To help mitigate the need for
33 affordable housing and to speed up sales pursuant to this article,
34 the Legislature further finds and declares that an emergency exists
35 for purposes of Sections 11342.545, 11346.1, and 11349.6.

36 (2) The Department of Transportation shall file proposed
37 emergency regulations with the Office of Administrative Law for
38 adoption to implement this section not later than six months after
39 this section is enacted.

1 (3) Notwithstanding Section 11346.1, the emergency regulations
2 adopted pursuant to paragraph (2) shall remain in effect for two
3 years after their effective date or until permanent regulations are
4 adopted, whichever is sooner.

5 (g) If the Department of Transportation does not commence the
6 sale of its unoccupied surplus residential property in the City of
7 South Pasadena through a solicitation of interest in the first
8 relevant step in the sales process pursuant to subdivision (b) or
9 (c), as applicable, by June 30, 2022, the Department of
10 Transportation shall report by December 31, 2022, to the relevant
11 policy and fiscal committees of the Legislature the reasons for not
12 commencing the sales and its plans for commencing them. The
13 report required by this subdivision shall be submitted in
14 compliance with Section 9795.

15 (h) (1) As a condition of the sale of property to a
16 housing-related entity pursuant to subdivision (c) or (e), the
17 housing-related entity shall provide an enforceable commitment
18 to the selling agency that, if a construction project is undertaken
19 on the property, and the entirety of the project is not a public work
20 for which prevailing wages must be paid for purposes of Chapter
21 1 (commencing with Section 1720) of Part 7 of Division 2 of the
22 Labor Code, all construction workers employed on the project will
23 be paid at least the general prevailing rate of per diem wages for
24 the type of work and geographic area, as determined by the
25 Director of Industrial Relations pursuant to Sections 1773 and
26 1773.9 of the Labor Code, except that apprentices registered in
27 programs approved by the Chief of the Division of Apprenticeship
28 Standards may be paid at least the applicable apprentice prevailing
29 rate.

30 (2) If the project is subject to paragraph (1), then for those
31 portions of the project that are not a public work all of the
32 following shall apply:

33 (A) The housing-related entity shall ensure that the prevailing
34 wage requirement is included in all contracts for the performance
35 of all construction work.

36 (B) All contractors and subcontractors shall pay to all
37 construction workers employed in the execution of the work at
38 least the general prevailing rate of per diem wages, except that
39 apprentices registered in programs approved by the Chief of the

1 *Division of Apprenticeship Standards may be paid at least the*
2 *applicable apprentice prevailing rate.*

3 *(C) Except as provided in subparagraph (E), all contractors*
4 *and subcontractors shall maintain and verify payroll records*
5 *pursuant to Section 1776 of the Labor Code and make those*
6 *records available for inspection and copying as provided therein.*

7 *(D) Except as provided in subparagraph (E), the obligation of*
8 *the contractors and subcontractors to pay prevailing wages may*
9 *be enforced by the Labor Commissioner through the issuance of*
10 *a civil wage and penalty assessment pursuant to Section 1741 of*
11 *the Labor Code, which may be reviewed pursuant to Section 1742*
12 *of the Labor Code, within 18 months after the completion of the*
13 *project, or by an underpaid worker through an administrative*
14 *complaint or civil action, or by a joint labor-management*
15 *committee through a civil action under Section 1771.2 of the Labor*
16 *Code. If a civil wage and penalty assessment is issued, the*
17 *contractor, subcontractor, and surety on a bond or bonds issued*
18 *to secure the payment of wages covered by the assessment shall*
19 *be liable for liquidated damages pursuant to Section 1742.1 of the*
20 *Labor Code.*

21 *(E) Subparagraphs (C) and (D) shall not apply if all contractors*
22 *and subcontractors performing work on the project are subject to*
23 *a project labor agreement that requires the payment of prevailing*
24 *wages to all construction workers employed in the execution of*
25 *the project and provides for enforcement of that obligation through*
26 *an arbitration procedure. For purposes of this paragraph, “project*
27 *labor agreement” has the same meaning as set forth in paragraph*
28 *(1) of subdivision (b) of Section 2500 of the Public Contract Code.*

29 *(F) Notwithstanding subdivision (c) of Section 1773.1 of the*
30 *Labor Code, the requirement that employer payments not reduce*
31 *the obligation to pay the hourly straight time or overtime wages*
32 *found to be prevailing shall not apply if otherwise provided in a*
33 *bona fide collective bargaining agreement covering the worker.*
34 *The requirement to pay at least the general prevailing rate of per*
35 *diem wages does not preclude use of an alternative workweek*
36 *schedule adopted pursuant to Section 511 or 514 of the Labor*
37 *Code.*

38 ~~SEC. 5.~~

39 ~~SEC. 4.~~ The Legislature finds and declares that the addition of
40 ~~Sections 54239 and 54239.0.1~~ Section 54239.4 to the Government

1 Code by this act serves the public purpose of encouraging the
2 creation and maintenance of affordable rentals and homes, and
3 does not constitute a gift of public funds within the meaning of
4 Section 6 of Article XVI of the California Constitution.

5 ~~SEC. 6.~~

6 SEC. 5. The Legislature finds and declares that a special statute
7 is necessary and that a general statute cannot be made applicable
8 within the meaning of Section 16 of Article IV of the California
9 Constitution because of the unique circumstances in the City of
10 South Pasadena.

11 *SEC. 6. No reimbursement is required by this act pursuant to*
12 *Section 6 of Article XIII B of the California Constitution because*
13 *a local agency or school district has the authority to levy service*
14 *charges, fees, or assessments sufficient to pay for the program or*
15 *level of service mandated by this act, within the meaning of Section*
16 *17556 of the Government Code.*

17 SEC. 7. This act is an urgency statute necessary for the
18 immediate preservation of the public peace, health, or safety within
19 the meaning of Article IV of the California Constitution and shall
20 go into immediate effect. The facts constituting the necessity are:

21 In order to address the shortage of affordable housing and make
22 surplus residential properties owned by the state available as soon
23 as possible, it is necessary that this act take effect immediately.

O

Attachment 2

SB 381 (Portantino) Surplus residential property: priorities and procedures: City of South Pasadena.

BACKGROUND

California Department of Transportation (Caltrans) currently owns approximately 460 properties in the State Route 710 (SR 710) corridor, including 330 homes and 103 multi-family housing units. These properties were originally purchased in the corridor with the intent to eventually remove the structures and construct an extension to the existing SR 710 freeway to close a 4.5-mile unconstructed gap between the City of Alhambra and the City of Pasadena.

Early in 2017, Caltrans began dispensing of properties as required by SB 416 (Liu, 2013) and the Roberti Act. SB 416 and the Roberti Act govern the sale of surplus property and outline the priority order of who can purchase. In 2019, the Governor signed SB 7 (Portantino), which put the final nail in the coffin of the SR 710 extension project.

To date, Caltrans has sold less than 15 properties and will be looking to move forward with the disposition of the other approximately 445 properties this year.

These approximately 445 properties include both occupied and unoccupied (vacant) residential single-family units, multi-family units, and nonresidential/commercial properties.

PROBLEM

Now that it has been determined that the SR710 freeway gap between Alhambra and Pasadena can no longer be built, cities in the corridor have expressed a need for legislative changes to the current sales process, specifically, the City of South Pasadena. These changes will allow for a more direct intervention by South Pasadena in purchasing properties, thereby allowing them to increase the supply and quality affordable housing outcome in their jurisdiction.

Current statute allows cities to purchase only occupied and unoccupied multi-family units, but cities must still compete with other Housing Related Entities (HREs) to win the bid.

Additionally, current statute sets the sales price for cities at a “reasonable price”, determined by various factors. However, a substantial number of these homes need significant repairs and at the same time must be rented or sold at amounts based upon affordable income criteria.

SB 381 proposes changes in the disposition process to make it economically viable for the City of South Pasadena to purchase, substantially rehabilitate, maintain, and administer an affordable housing program and help address the local housing crisis and blight that has been going on in their communities for decades.

Office of Senator Anthony J. Portantino
SB 381– Fact Sheet

Contact: Kristi Lopez– (909) 599-7351 or Kristi.Lopez@sen.ca.gov

SUMMARY

This bill* would:

- 1) Offer to current tenants of single-family and multi-family residences, the opportunity to purchase the property first.
- 2) Expeditiously offer unoccupied properties to the City at the original acquisition price paid by Caltrans.
- 3) Allow the City to purchase properties at their acquisition price after current tenants reject or do not qualify to purchase the properties in which they reside.
- 4) Allow the City to establish and transfer ownership to a city-approved non-profit housing related entity that would act as a steward over the portfolio of surplus properties and ensure high-quality property maintenance and property management practices.
- 5) All properties would be purchased at acquisition price with a 55-year for rentals and 45 year for homeownership covenant on the land.
- 6) Proceeds from the subsequent sales would be reinvested into the City of South Pasadena to maintain affordable housing.

*includes urgency clause.

RECENT AMENDMENTS

- 1) Moves up fair market value sales to before HRE (Housing Related Entity)
- 2) Allows for multifamily units to be purchased at fair market value
- 3) South Pasadena can sell historical homes at fair market value and use the funds generated to reinvest in affordable housing in South Pasadena with a 3 to 1 ratio. South Pasadena must create 3 affordable housing units: either build new units or acquire rental units with a 55 year or 45 years covenant for sale of single family homes.
- 4) Sets timelines for Caltrans to start to sell unoccupied units by June 30, 2022 and to adopt emergencies regulations within 6 months
- 5) Funds generated by sell of single family homes with 45 year covenant must be used for affordable housing in South Pasadena
- 6) Housing Related Entities can buy at acquisition price

EXISTING LAW

Under existing law, specified single-family residences must first be offered to their former owners or present occupants, as specified. Existing law then requires the property to be offered to housing-related entities, as provided, prior to placing the property up for sale for fair-market value.

Existing law establishes priorities and procedures for the disposition of surplus residential properties in the SR 710 corridor, giving priority to current owners at fair market value, current occupants that meet certain income-qualifications “at an affordable price,” housing-related public and private affordable housing entities at a price necessary to maintain affordability, as specified, and then to occupants and persons who intend to be owner occupants at fair market value. With respect to properties offered to specified income-qualified buyers, Caltrans must provide repairs required by lenders and government housing assistance programs prior to the sale or provide the occupants with a replacement dwelling.

Existing law also requires Caltrans to give priority to purchase surplus nonresidential property at market value in use to tenants in good standing who currently rent, lease, or otherwise legally occupy the property.

Existing law, known as the Administrative Procedure Act, governs the procedures for the adoption, amendment, or repeal of regulations by state agencies and for the review of those regulatory actions by the Office of Administrative Law. Existing law establishes procedures for the adoption of emergency regulations, including requiring that the state agency make a finding that the adoption of a regulation or order of repeal is necessary to address an emergency, as defined. Under existing law, a

regulation, amendment, or repeal adopted as an emergency regulatory action may only remain in effect for up to 180 days, unless the adopting agency complies with specified requirements relating to notice of regulatory action and public comment.

SUPPORT

City of South Pasadena (Sponsor)
Heritage Housing Pasadena

OPPOSITION

3 Individuals

Version: 9/8/2021