



AMENDED AGENDA

**REGULAR MEETINGS
OF THE
SANTA FE SPRINGS
PUBLIC FINANCING AUTHORITY
WATER UTILITY AUTHORITY
HOUSING SUCCESSOR
SUCCESSOR AGENCY
AND CITY COUNCIL**

**March 26, 2020
6:00 P.M.**

VIA TELECONFERENCE

**Council Chambers
11710 Telegraph Road
Santa Fe Springs, CA 90670**

**Annette Rodriguez, Councilmember
Juanita Trujillo, Councilmember
Joe Angel Zamora, Councilmember
John M. Mora, Mayor Pro Tem
William K. Rounds, Mayor**

Public Comment: The public is encouraged to address City Council on any matter listed on the agenda or on any other matter within its jurisdiction. If you wish to address the City Council, please complete the card that is provided at the rear entrance to the Council Chambers and hand the card to the City Clerk or a member of staff. City Council will hear public comment on items listed on the agenda during discussion of the matter and prior to a vote. City Council will hear public comment on matters not listed on the agenda during the Oral Communications period.

Pursuant to provisions of the Brown Act, no action may be taken on a matter unless it is listed on the agenda, or unless certain emergency or special circumstances exist. The City Council may direct staff to investigate and/or schedule certain matters for consideration at a future City Council meeting.

Americans with Disabilities Act: In compliance with the ADA, if you need special assistance to participate in a City meeting or other services offered by this City, please contact the City Clerk's Office. Notification of at least 48 hours prior to the meeting or time when services are needed will assist the City staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service.

Please Note: Staff reports, and supplemental attachments, are available for inspection at the office of the City Clerk, City Hall, 11710 E. Telegraph Road during regular business hours 7:30 a.m. – 5:30 p.m., Monday – Thursday and every other Friday. Telephone (562) 868-0511.

******GOVERNOR'S EXECUTIVE ORDER N-29-20******
****REGARDING CORONAVIRUS COVID-19****

On March 4, 2020, Governor Newsom proclaimed a State of Emergency to exist in California as a result of the threat of COVID-19. The Governor has issued Executive Orders that temporarily suspend requirements of the Brown Act, including allowing the City Council to hold public meetings via teleconferencing and to make public meetings accessible telephonically or otherwise electronically to all members of the public. Please be advised that, until further notice, City Council meetings will be held by teleconference. City Hall, including Council Chambers, is closed to the public.

You may attend the City Council meeting telephonically or electronically using the following means:

Electronically using Zoom

Go to Zoom.us and click on "Join A Meeting" or use the following link:

<https://zoom.us/j/521620472?pwd=U3cyK1RuKzY1ekVGZFdKQXNZVzh4Zz09>

Zoom Meeting ID: 521620472

Password: 659847

Telephonically

Dial: 888-475-4499

Meeting ID: 521620472

You may submit public comments in writing by sending them to the City Clerk at cityclerk@santafesprings.org. To ensure that they are received for the meeting, please submit your written comments prior to 4:00 p.m. on the day of the City Council meeting. You may also contact the City Clerk's Office at (562) 868-0511 ext. 7314.

1. CALL TO ORDER

2. ROLL CALL

Annette Rodriguez, Councilmember
Juanita Trujillo, Councilmember
Joe Angel Zamora, Councilmember
John M. Mora, Mayor Pro Tem
William K. Rounds, Mayor

PUBLIC FINANCING AUTHORITY

3. CONSENT AGENDA

Consent Agenda items are considered routine matters which may be enacted by one motion and vote. Any item may be removed from the Consent Agenda and considered separately by the Public Financing Authority.

- a. Minutes of the February 27, 2020 Public Financing Authority (City Clerk)

Recommendation:

- Approve the minutes as submitted.

- b. Monthly Report on the Status of Debt Instruments Issued through the City of Santa Fe Springs Public Financing Authority (PFA) (Finance)

Recommendation:

- Receive and file the report.

WATER UTILITY AUTHORITY

4. CONSENT AGENDA

Consent Agenda items are considered routine matters which may be enacted by one motion and vote. Any item may be removed from the Consent Agenda and considered separately by the Water Utility Authority.

- a. Minutes of the February 27, 2020 Water Utility Authority (City Clerk)

Recommendation:

- Approve the minutes as submitted.

- b. Monthly Report on the Status of Debt Instruments Issued through the City of Santa Fe Springs Water Utility Authority (WUA) (Finance)

Recommendation:

- Receive and file the report.

- c. Status Update of Water-Related Capital Improvement Projects (Public Works)

Recommendation:

- Receive and file the report.

HOUSING SUCCESSOR

5. CONSENT AGENDA

Consent Agenda items are considered routine matters which may be enacted by one motion and vote. Any item may be removed from the Consent Agenda and considered separately by the Housing Successor.

Minutes of the February 27, 2020 Housing Successor (City Clerk)

Recommendation:

- Approve the minutes as submitted.

NEW BUSINESS

6. Amendment Number One ("Amendment") to the Exclusive Negotiating Agreement (ENA) by and between the Housing Successor to the Community Development Commission of the City of Santa Fe Springs ("Housing Successor"), The Whole Child, a California nonprofit public benefit corporation, Habitat for Humanity of Greater Los Angeles and The Richman Group of California Development Company, LLC (jointly known as "Developer") (Planning)

Recommendation:

- Approve the Amendment between the Housing Successor and Developer to extend Negotiation Period for an additional 120-day "extension period" commencing March 26, 2020, by mutual agreement; and
- Authorize the Mayor or designee to execute the Amendment between the Housing Successor and Developer to extend the Negotiation Period for an additional 120-day "extension period" commencing March 26, 2020, by mutual agreement.

SUCCESSOR AGENCY

7. CONSENT AGENDA

Consent Agenda items are considered routine matters which may be enacted by one motion and vote. Any item may be removed from the Consent Agenda and considered separately by the Successor Agency.

Minutes of the February 27, 2020 Successor Agency (City Clerk)

Recommendation:

- Approve the minutes as submitted.

CITY COUNCIL

8. CONSENT AGENDA

Consent Agenda items are considered routine matters which may be enacted by one motion and vote. Any item may be removed from the Consent Agenda and considered separately by the City Council.

a. Minutes of the February 27, 2020 Regular City Council Meetings (City Clerk)

Recommendation:

- Approve the minutes as submitted.

b. Rivera Road Street Improvements – Final Payment (Public Works)

Recommendation:

- Approve the Final Payment (less 5% Retention) to R.J. Noble Company of Orange, California in the amount of \$543,291.70 for the subject project.

c. Ann Street Improvements – Final Payment (Public Works)

Recommendation:

- Approve the Final Payment (less 5% Retention) to R.J. Noble Company of Orange, California in the amount of \$532,466.48 for the subject project.

NEW BUSINESS

9. Discussion of Possible Changes to City Council Meeting Agendas, Including Waiving of 6:30 p.m. Start Time (City Attorney)

Recommendation:

- Waive 6:30 p.m. start time for second portion of City Council meetings until further action.

10. 2019 General Plan Housing Element Annual Progress Report (Planning)

Recommendation:

- Find and determine that the Annual Progress Report is exempt from the California Environmental Quality Act (CEQA), pursuant to Section 15061(b) (3). The 2019 Annual Report was assessed in accordance with the authority and criteria contained in CEQA and the State CEQA Guidelines. It can be seen with certainty that there is no possibility that the report may have a significant effect on the environment. The report does not authorize construction and any future development proposed pursuant to the programs in the City's Housing Element will require separate environmental analysis when details of those proposals are known.
- Authorize staff to forward the 2019 General Plan Housing Element Annual Progress Report to the California Department of Housing and Community Development (HCD) and the Governor's Office of Planning and Research (OPR).

11. Authorize a Purchase from Toyota Material Handling Solutions of Santa Fe Springs for one (1) 8,000 lb. Capacity Toyota Forklift (Finance)

Recommendation:

- Award an order to Toyota Material Handling Solutions for one (1) Toyota Forklift in the amount of \$50,884.15.
- Authorize the Director of Purchasing to issue a purchase order for this transaction.

12. **CITY MANAGER'S AND EXECUTIVE TEAM REPORTS**

13. **PUBLIC COMMENTS**

14. **COUNCIL COMMENTS**

RECESS TO CLOSED SESSION [will not take place on Zoom or over telephone]

City of Santa Fe Springs
Regular Meetings

March 26, 2020

CLOSED SESSION

15. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Consideration of initiation of litigation pursuant to Government Code section 54956.9(d)(4): Two cases

CLOSED SESSION

16. THREAT TO PUBLIC SERVICES OR FACILITIES

(Pursuant to California Government Code Section 54957)

Consultation with: Fire Chief, Police Chief and Captain, Director of Police Services, City Attorney

CLOSED SESSION

17. PUBLIC EMPLOYMENT

(Pursuant to California Government Code Section 54957(b)(1))

TITLE: City Manager Evaluation

CLOSED SESSION

18. CONFERENCE WITH LABOR NEGOTIATORS

(Pursuant to California Government Code Section 54957.6)

Agency Designated Representatives: City Manager, Director of Finance, Human Resources Manager, City Attorney

Employee Organizations: Santa Fe Springs City Employees' Association and Santa Fe Springs Firefighters' Association

CLOSED SESSION

19. CONFERENCE WITH LABOR NEGOTIATORS

(Pursuant to California Government Code Section 54957.6)

Agency Designated Representatives: City Manager, City Attorney, Labor Negotiator

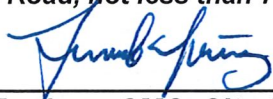
Employee Organization: Santa Fe Springs Executive, Management and Confidential Employees' Association

RECONVENE MEETING [on Zoom and over telephone]

20. CLOSED SESSION REPORT

21. ADJOURNMENT

I hereby certify under penalty of perjury under the laws of the State of California, that the foregoing agenda was posted at the following locations; Santa Fe Springs City Hall, 11710 Telegraph Road; Santa Fe Springs City Library, 11700 Telegraph Road; and the Town Center Plaza (Kiosk), 11740 Telegraph Road, not less than 72 hours prior to the meeting.



Janet Martinez, CMC, City Clerk

March 23, 2020

Date

**FOR ITEM NO. 3A
PLEASE SEE ITEM NO. 8A**



CONSENT CALENDAR

Monthly Report on the Status of Debt Instruments Issued through the City of Santa Fe Springs Public Financing Authority (PFA)

RECOMMENDATION

Receive and file the report.

BACKGROUND

The Santa Fe Springs Public Financing Authority (PFA) is a City entity that has periodically issued debt for the benefit of the Santa Fe Springs community. The following is a brief status report on the debt instruments currently outstanding that were issued through the PFA.

Consolidated Redevelopment Project 2006-A Tax Allocation Bonds

Financing proceeds available for appropriation at 02/29/20

None

Outstanding principal at 02/29/20

\$38,140,344

Bond Repayment

The former Community Development Commission (CDC) issued a number of tax allocation bonds before it was dissolved by State law effective February 1, 2012 which are administered by the City acting as Successor Agency under the oversight of the appointed Oversight Board. The Successor Agency no longer receives tax increment. Instead, distributions from the Redevelopment Property Tax Trust Fund (RPTTF) are received based on approved obligations. It is anticipated that sufficient allocations from the RPTTF will continue to be made to the Successor Agency to meet ongoing debt service obligations.

Unspent Bond Proceeds

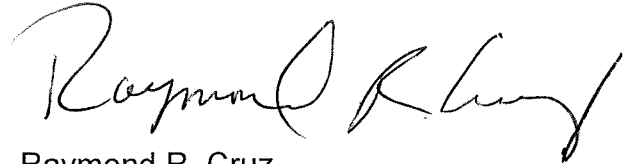
Under an approved Bond Expenditure Agreement, unspent bond proceeds of the former CDC in the amount of approximately \$19 million were transferred to the City in July 2014. The funds are to be spent in accordance with the original bond documents. The unspent proceeds continue to be a source of funding within the City's capital improvement program (CIP).

2016 Bond Refunding

In July 2016, the Successor Agency issued its 2016 Tax Allocation Refunding Bonds, which paid off several bond issuances of the former CDC. The bonds were originally issued through the Public Financing Authority and included the 2001 Series A, 2002 Series A, 2003 Series A, the current interest portion of the 2006 Series A, and 2006 Series B bond issuances.

2017 Bond Refunding

In December 2017, the Successor Agency issued its 2017 Tax Allocation Refunding Bonds, which paid off the 2007 Tax Allocation Bonds of the former CDC. The 2007 Bonds were originally issued through the Public Financing Authority.

A handwritten signature in black ink, appearing to read "Raymond R. Cruz". The signature is fluid and cursive, with the first name "Raymond" being more prominent than the last name "Cruz".

Raymond R. Cruz
City Manager/Executive Director

**FOR ITEM NO. 4A
PLEASE SEE ITEM NO. 8A**



CONSENT CALENDAR

Monthly Report on the Status of Debt Instruments Issued through the City of Santa Fe Springs Water Utility Authority (WUA)

RECOMMENDATION

Receive and file the report.

BACKGROUND

The Santa Fe Springs Water Utility Authority (WUA) is a City entity that has issued debt for the benefit of the Santa Fe Springs community. The following is a brief status report on the debt instruments currently outstanding that were issued through the WUA.

Water Revenue Bonds, 2013

Financing proceeds available for appropriation at 02/29/20	None
Outstanding principal at 02/29/20	\$6,890,000

Water Revenue Bonds, 2018

Financing proceeds available for appropriation at 02/29/20	None
Outstanding principal at 02/29/20	\$1,425,000

In May 2013 the Water Utility Authority issued the 2013 Water Revenue Bonds in the amount of \$6,890,000. The bonds refunded the existing 2003 Water Revenue Bonds (issued through the Public Financing Authority) and provided additional funds for water improvement projects in the amount of \$2,134,339. The funds were restricted for use on water system improvements. In August 2013 the Water Utility Authority Board appropriated the proceeds for the Equipping Water Well No. 12 Project and all proceeds were since used on this project.

In January 2018 the Water Utility Authority issued the 2018 Water Revenue Bonds in the amount of \$1,800,000. The bonds refunded the existing 2005 Water Revenue Bonds (issued through the Public Financing Authority). No additional funds were raised through the issuance of the 2018 Water Revenue Bonds.

The City budget includes sufficient appropriations and adequate revenues are expected to be collected to meet the debt service obligations associated with the 2013 and 2018 Water Revenue Bonds.

The WUA was formed in June of 2009. Water revenue bonds issued prior to this date were issued through the City of Santa Fe Springs Public Financing Authority.



Raymond R. Cruz
City Manager/Executive Director



City of Santa Fe Springs

Water Utility Authority Meeting

ITEM NO. 4C

March 26, 2020

CONSENT AGENDA

Status Update of Water-Related Capital Improvement Projects

RECOMMENDATION

- Receive and file the report.

BACKGROUND

This report is for informational purposes only. The following is a listing of current active water projects.

Whittier Water Connection Project

The City of Whittier has provided comments on the bid documents and Tetra Tech is incorporating those comments into the Plans and Specifications. City staff will review the submitted documents and finalize the bid documents by late March 2020. Staff anticipates requesting authorization to advertise from Council in late April 2020.

FISCAL IMPACT

The design of the Whittier Water Connection is fully funded from the Water CIP Fund. However, no funding has been allocated for the construction of the project. Staff estimates the construction to be approximately \$150,000 - \$200,000. At the time staff requests Award of Contract, staff will also request for construction funding for the project.

INFRASTRUCTURE IMPACT

The Whittier Water Connection Project will increase the water capacity into the City and reduce the dependency on the current connection with the Metropolitan Water District.


Raymond R. Cruz
Executive Director

Attachments:

None

Report Submitted By:

Noe Negrete
Director of Public Works



Date of Report: March 18, 2020

FOR ITEM NO. 5
PLEASE SEE ITEM NO. 8A



NEW BUSINESS

Amendment Number One ("Amendment") to the Exclusive Negotiating Agreement (ENA) by and between the Housing Successor to the Community Development Commission of the city of Santa Fe Springs ("Housing Successor"), The Whole Child, a California nonprofit public benefit corporation, Habitat For Humanity of Greater Los Angeles and The Richman Group of California Development Company, LLC (jointly known as "Developer").

RECOMMENDATIONS:

- Approve the Amendment between the Housing Successor and Developer to extend the Negotiation Period for an additional 120-day "extension period" commencing March 26, 2020, by mutual agreement; and
- Authorize the mayor or designee to execute the Amendment between the Housing Successor and Developer to extend the Negotiation Period for an additional 120-day "extension period" commencing March 26, 2020, by mutual agreement.

BACKGROUND

On March 28, 2019, the Housing Successor and Developer entered into an Exclusive Negotiating Agreement for certain real property, at the northeast and northwest corner of Lakeland Road and Laurel Avenue, comprised of several distinct parcels of land (APN's: 8011-012-912, 8011-011-902, 8011-011-906, and 8011-011-907). The Developer has proposed the redevelopment of the Property as an affordable mixed-use housing development.

Since the initial ENA in March, the Developer has submitted several development proposals and corresponding pro formas, all of which have been reviewed by the City's housing consultant. The latest development proposal (Version 3) consists of the following:

Residential Apartments Description

The courtyard style apartment includes three 2-3 story wood frame breezeway residential buildings and a clubhouse for residential amenities and service space. The preliminary concept includes ninety-nine (99) residential dwelling units with a mix of one, two, and three-bedroom apartments (including an on-site manager's unit). The residential units will range in size from an approximately 600 square foot one-bedroom to a 1,100 square foot three-bedroom. As proposed, thirty-one (31) units will target 30% Low and Moderate Income Housing Asset Fund (LMIHAF) area median income, forty-three (43) units will target 50% LMIHAF, and twenty-four (24) units will target 50% California Tax Credit Allocation Committee (TCAC) area median incomes.

Interim Housing Description

On the same parcel of the apartments, nineteen (19) units of interim housing for families experiencing homelessness are proposed. The interim housing will consist of one 2-3

story wood frame walk-up residential building, with space for management offices and supportive services. The Whole Child will manage the interim housing. The short-term stay units are designed to receive families of different sizes. As proposed, four (4) units are designed as one-bedroom(s), nine (9) units are designed as two-bedrooms, and six (6) units are designed as three- bedrooms. Many of the two-and three-bedroom units will house multiple families, known as co- housing. It is expected that the nineteen (19) units will house up to 40 families. This interim housing and accompanying amenity space will be 24-hour secured and include at least twenty-one (21) on-grade parking stalls.

For-Sale Homes Description

Habitat for Humanity is proposing several 3-story townhomes (21 units total) on separate parcels, at the northeast corner of Lakeland Road and Laurel Avenue. These 3-story townhomes units are for sale.

The City's housing consultant has informed the Developer that additional information is required for the for-sale housing and the interim housing components of the development. The consultant also recommended that the Housing Successor continue to engage with the Developer to adjust and refine the Project to meet LMIHAF requirements.

Staff has reviewed the latest development proposal and has provided the developer with comments reflecting specific issues, concerns, and/or clarifications that need to be addressed before the project could move forward.

The effective date of the Agreement was March 26, 2019, and the 365-day initial term is due to expire March 25, 2020. Pursuant to Section 2 (a) *Terms of Agreement* of the ENA, "The Parties may extend the Negotiation Period for an additional 120-day extension period, by mutual agreement." The Negotiation Period; however, may be extended only by written amendment to the Agreement executed by authorized representative(s) of the Parties.

The Developer has requested an extension of the Negotiation Period pursuant to Section 2 (a) of the Agreement. Amendment Number One would extend the Negotiation Period for an additional 120-day "extension period" commencing March 26, 2020, by mutual agreement.

LEGAL REVIEW

The City's Legal Counsel has reviewed the Amendment.

FISCAL IMPACT

The Amendment would have no impact on the general fund. It would, however, provide the Developer time to refine the plans, address Staffs' comments, the comments of the City's housing consultant, and to work on a draft disposition and development agreement.



Raymond R. Cruz.
City Manager

Attachment(s):

1. Amendment Number One
2. Exclusive Negotiating Agreement

**AMENDMENT NUMBER ONE
EXCLUSIVE NEGOTIATING AGREEMENT**

This **Amendment Number One** (“Amendment”) to **Section 2 (a) of the Exclusive Negotiating Agreement** (“Amendment”) dated **March 26, 2020**, by and between the **Housing Successor to the Community Development Commission of the city of Santa Fe Springs** (“Housing Successor”) **The Whole Child, A California nonprofit public benefit corporation, Habitat For Humanity of Greater Los Angeles and The Richman Group of California Development Company, LLC** (jointly known as “Developer”), is made and entered into this 26th day of March 2019 (“Effective Date”).

RECITALS

WHEREAS, on or about March 28, 2019, the Housing Successor and Developer entered into an Exclusive Negotiating Agreement for certain real property located at Lakeland Road and Laurel Avenue, comprised of two distinct parcels of land and more specifically described in the legal description attached to this Agreement as Exhibit ‘A’ (‘Property’) and incorporated into this Agreement by this reference; and

WHEREAS, The Developer has proposed the redevelopment of the Property as an affordable mixed-use housing development; and

WHEREAS, The intent of both the City and the Developer in entering into this Agreement is to establish a specific, limited period of time to negotiate a future agreement between them governing the potential development of the Project on the Property, all subject to mutually agreeable terms, conditions, covenants, restrictions and agreements to be documented in a DDA; and

WHEREAS, pursuant to Section 2 (a) Terms of Agreement: The effective date of the Agreement was March 26, 2019 and the 365 day initial term is due to expire March 25, 2020.

WHEREAS, Section 2 (a) Terms of Agreement: further provides that the Parties may extend the Negotiation Period for an additional 120-day extension period, by mutual agreement; and

WHEREAS, pursuant to Section 2 (a) Terms of Agreement: The Negotiation Period may be extended only by written amendment to this Agreement executed by authorized representative(s) of the Parties; and

WHEREAS, the Parties, by mutual consent, are desirous of amending the Agreement, pursuant to Section 2 (a), Terms of Agreement, for an additional 120-day extension period.

NOW THEREFORE, certain provision(s) of the Exclusive Negotiation Agreement is hereby amended as follows:

SECTION 1. . Section 2 (a), entitled “Terms of Agreement” is hereby amended to extend the Negotiation Period for an additional 120-day “extension period,” commencing March 26, 2020, by mutual agreement.

SECTION 2. Except as provided herein, Section 2 (a), entitled "Terms of Agreement" shall otherwise remain in full force and effect.

SECTION 3. Except as set forth herein, all other provisions of the Exclusive Negotiating Agreement, attached hereto as Exhibit B, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed by and through their respective authorized officers, as of the date and year first written above.

HOUSING SUCCESSOR
OF SANTA FE SPRINGS

By: _____ / _____
Signature Date

DEVELOPER

WHOLE CHILD

By: _____ / _____
Signature Date

HABITAT FOR HUMANITY

By: _____ / _____
Signature Date

THE RICHMAN GROUP OF
CALIFORNIA DEVELOPMENT
COMPANY, LLC

By: _____ / _____
Signature Date

APPROVED AS TO FORM:

Ivy M. Tsai, Legal Counsel
Housing Successor Attorney

EXHIBIT 'A'

Property Legal Description

A.P.N. 8011-012-912

LOT 13 OF TRACT 5309, IN THE CITY OF SANTA FE SPRINGS, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 64 PAGES 398 AND 39 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM THAT PORTION OF SAID LOT 13 DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID LOT 13' THENCE ALONG THE SOUTHERLY LINE OF SAID LOT, NORTH 89° 55' EAST 234.63 FEET; THENCE NORTH 405.55 FEET TO A POINT IN THE NORTHERLY LINE OF SAID LOT, DISTANT NORTH 89° 55' EAST 234.63 FEET FROM THE NORTHWEST CORNER OF SAID LOT, THENCE SOUTH 89° 55' WEST 234.63 FEET TO SAID NORTHWEST CORNER; THENCE SOUTH 405.55 FEET TO THE POINT OF BEGINNING.

ALSO EXCEPT ALL OIL, GAS OR OTHER HYDROCARBON SUBSTANCES IN SAID LAND AND ALSO EXCEPTING AND RESERVING ALL INTEREST UNDER THE COMMUNITY OIL AND GAS LEASE KNOWN AS "GAULDIN COMMUNITY OIL LEASE," DATED SEPTEMBER 7, 1951, EXECUTED IN VARIOUS COUNTERPARTS IN FAVOR OF T. & T. 011 COMPANY, A PARTNERSHIP, COMPOSED OF WALTER N. THOMPSON, HORACE W. THOMPSON AND JACK H. THOMPSON, PARTNERS, AS LESSEE; A COUNTERPART "ORIGINAL" THEREOF EXECUTED BY VERONICA CONDON NATHHORST, ET AL., WAS REGISTERED ON NOVEMBER 26, 1961 AS DOCUMENT NO. 31139-T AND RECORDED MARCH 12, 1952 AS INSTRUMENT NO 1615 IN BOOK 38460 PAGE 34 OFFICIAL RECORDS, AS EXCEPTED AND RESERVED BY VERONICA CONDON NATHHORST, A WIDOW B DEED RECORDED MARCH 11, 1959.

A.P.N. 8011-011-902

The land referred to herein is situated in the city of Santa Fe Springs, county of Los Angeles, state of California, and is described as follows:

Parcel 1 of Parcel Map No. 25238, Filed in book 288 pages 65 and 66 of Parcel Maps, in the office of the county recorder of said county.

A.P.N. 8011-011-906

The land referred to herein is situated in the city of Santa Fe Springs, county of Los Angeles, state of California, and is described as follows:

Parcel 2 of Parcel Map No. 24115, Filed in book 266 pages 94 and 95 of Parcel Maps, in the office of the county recorder of said county.

A.P.N. 8011-011-907

The land referred to herein is situated in the city of Santa Fe Springs, county of Los Angeles, state of California, and is described as follows:

Parcel 3 of Parcel Map No. 24115, Filed in book 266 pages 94 and 95 of Parcel Maps, in the office of the county recorder of said county.

HOUSING SUCCESSOR OF SANTA FE SPRINGS

EXCLUSIVE NEGOTIATION AGREEMENT

(Lakeland Road and Laurel Avenue Affordable Residential Project)

THIS EXCLUSIVE NEGOTIATION AGREEMENT ('Agreement') is dated as of March 28, 2019 for reference purposes only, and is entered into by and between the **Housing Successor to the Community Development Commission of the City of Santa Fe Springs** ("Housing Successor"), **The Whole Child**, a California nonprofit public benefit corporation **Habitat for Humanity of Greater Los Angeles**, a California nonprofit public benefit corporation, and The Richman Group of California Development Company, LLC (jointly known as "Developer") to provide a specified period of time to negotiate a disposition and development agreement ("DDA"). The City and Developer are sometimes referred to in this Agreement individually, as a 'Party' and, collectively, as the 'Parties.' This Agreement is entered into by the Parties with reference to the following recited facts (each, a 'Recital'):

RECITALS

A. The Housing Successor is the current owner of certain real property located at Lakeland Road and Laurel Avenue, in the City of Santa Fe Springs ("City") comprised of four distinct parcels of land and more specifically described in the legal description attached to this Agreement as Exhibit 'A' ('Property') and incorporated into this Agreement by this reference; and

B. The Developer has proposed the redevelopment of the Property as an affordable mixed-use housing development ("Project"), and

C. The intent of both the Housing Successor and the Developer in entering into this Agreement is to establish a specific, limited period of time to negotiate a future agreement between them governing the potential development of the Project on the Property, all subject to mutually agreeable terms, conditions, covenants, restrictions and agreements to be documented in a DDA.

NOW, THEREFORE, IN VIEW OF THE GOALS AND OBJECTIVES OF THE HOUSING SUCCESSOR RELATING TO THE IMPLEMENTATION OF THE PROJECT AND THE PROMISES OF THE HOUSING SUCCESSOR AND THE DEVELOPER SET FORTH IN THIS AGREEMENT, THE HOUSING SUCCESSOR AND THE DEVELOPER AGREE, AS FOLLOWS:

1. **Incorporation of Recitals.** The Recitals of fact set forth above are true and correct and are incorporated into this Agreement, in their entirety, by this reference.

2. **Term of Agreement.**

(a) The rights and duties of the Housing Successor and the Developer established by this Agreement shall commence on the first date on which all of the following have occurred (the 'Effective Date'): (1) execution of this Agreement by the authorized representative(s) of the Developer and delivery of such executed Agreement to the Housing

Successor and (2) execution of this Agreement by the authorized representative(s) of the Housing Successor and delivery of such executed Agreement to the Developer. The Housing Successor shall deliver a fully executed counterpart original of this Agreement to the Developer, within five (5) business days following the execution of this Agreement by the authorized representative(s) of the Housing Successor. This Agreement shall continue in effect for the period of 365 consecutive calendar days immediately following the Effective Date ('Negotiation Period'). Notwithstanding the foregoing, if the Parties have not executed and delivered the DDA within such 365-day period, the Parties may extend the Negotiation Period for an additional 120-day extension period, by mutual agreement. The Negotiation Period may be extended only by written amendment to this Agreement executed by authorized representative(s) of the Parties.

(b) This Agreement shall automatically expire and be of no further force or effect at the end of the Negotiation Period, unless, prior to that time, both the Housing Successor staff and the Developer approve an extension of the ENA for an additional period of time acceptable to both the Housing Successor and the Developer.

3. Obligations of the Parties.

(a) Obligations of Developer. During the Negotiation Period, the Developer shall proceed diligently and in good faith to develop and present to Housing Successor staff and, subsequently, to the Housing Successor Board, for review, all of the following:

(i) A proposed conceptual development plan for the Project on the Property that describes and depicts: (1) the location and placement of proposed buildings and (2) the architecture and elevations of the proposed buildings;

(ii) Proposed zoning change or changes to the City's General Plan, if any, necessary to accommodate the Project on the Property;

(iii) A proposed time schedule and cost estimates for the development of the Project on the Property; and

(iv) A proposed financing plan identifying financing sources for all private and public improvements proposed for the Project.

(v) A preliminary project proforma which includes development costs, including, but not limited to, construction and non-construction costs, and project income and return.

(b) Obligations of Housing Successor. During the Negotiation Period, the Housing Successor shall proceed diligently and in good faith to perform the following:

(i) Enter into a Right of Entry Agreement with Developer substantially in the form attached as Exhibit D hereto within five (5) days of the Effective Date;

(ii) Provide the Developer with access to the Property during the Negotiation Period for the purpose of performing due diligence activities in accordance therewith; and

(iii) Provide Developer with a preliminary title report for the Property in accordance with the Timeline.

5. **Milestone Schedule.** Housing Successor and Developer acknowledge and agree that all submittals required by this Agreement shall be made pursuant to the time schedule attached hereto as Exhibit C, as may be amended administratively by Executive Director of the Housing Successor with the concurrence of Developer; provided that the timeline does not exceed the Negotiation Period.

6. **Negotiation of DDA.** During the Negotiation Period, the Housing Successor and the Developer shall negotiate diligently and in good faith to negotiate a DDA between them. The Housing Successor shall not negotiate with any entity other than the Developer regarding the development of the Property or solicit or entertain bids or proposals to do so. The Housing Successor and the Developer shall generally cooperate with each other and supply such documents and information as may be reasonably requested by the other to facilitate the conduct of the negotiations. Both the Housing Successor and the Developer shall exercise reasonable efforts to complete discussions relating to the terms and conditions of a DDA and such other matters, as may be mutually acceptable to both the Housing Successor and the Developer, in their respective sole discretion. The exact terms and conditions of a DDA, if any, shall be determined during the course of these negotiations. Nothing in this Agreement shall be interpreted or construed to be a representation or agreement by either the Housing Successor or the Developer that a mutually acceptable DDA will be produced from negotiations under this Agreement. Nothing in this Agreement shall impose any obligation on either Party to agree to a definitive DDA in the future. Nothing in this Agreement shall be interpreted or construed to be a guaranty, warranty or representation that any proposed DDA that may be negotiated by Housing Successor staff and the Developer will be approved by the Housing Successor governing body. The Developer acknowledges and agrees that the City consideration of any DDA is subject to the sole and absolute discretion of the City governing body and all legally required public hearings, public meetings, notices, factual findings and other determinations required by law.

7. **Restrictions Against Change in Ownership, Management and Control of Developer and Assignment of Agreement.**

(a) The qualifications and identity of the Developer and its principals are of particular concern to the Housing Successor. It is because of these qualifications and identity that the Housing Successor has entered into this Agreement with the Developer. During the Negotiation Period, no voluntary or involuntary successor-in-interest of the Developer shall acquire any rights or powers under this Agreement, except as provided in Section 7(c).

(b) The Housing Successor shall consider additional resources requested by the Developer, financial or institutional, for the successful execution of the Project.

(c) The Developer shall promptly notify the Housing Successor in writing of any and all additions or changes whatsoever in the identity of the business entities or individuals either comprising or in Control (as defined in Section 7(d)) of the Developer, as well as any and all changes in the interest or the degree of Control of the Developer by any such person, of which information the Developer or any of its shareholders, partners, members, directors, managers or

officers are notified or may otherwise have knowledge or information. Upon the occurrence of any significant or material change, whether voluntary or involuntary, in ownership, management or Control of the Developer (other than such changes occasioned by the death or incapacity of any individual) that has not been approved by the Housing Successor, prior to the time of such change, the Housing Successor may terminate this Agreement, without liability to the Developer or any other person, by sending written notice of termination to the Developer, referencing this Section 7(b).

(d) The Developer may assign its rights under this Agreement to an Affiliate (as defined in Section 7(d)), on the condition that such Affiliate expressly assumes all of the obligations of the Developer under this Agreement in writing reasonably satisfactory to the Housing Successor.

(e) For purposes of this Agreement, the term 'Affiliate' means any person, directly or indirectly, controlling or controlled by or under common control with the Developer, whether by direct or indirect ownership of equity interests, by contract, or otherwise. For the purposes of this agreement, 'Control' means possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of an entity, whether by ownership of equity interests, by contract, or otherwise.

8. Obligations to Review Draft Agreements and Attend Meetings.

(a) During the Negotiation Period, the Developer shall diligently review and comment on drafts of a DDA prepared by the Housing Successor's legal counsel and, if the terms and conditions of such a DDA are agreed upon between Housing Successor staff and the Developer, submit the DDA fully executed by the authorized representative(s) of the Developer to the Housing Successor's Executive Director for submission to the Housing Successor governing body for review and approval or disapproval. Any future DDA shall consist of terms and conditions acceptable to both the Developer and the Housing Successor governing body, in their respective sole and absolute discretion.

(b) During the Negotiation Period, the Developer shall also keep the Housing Successor governing body and staff advised on the progress of the Developer in performing its obligations under this Agreement, on a regular basis or as requested by Housing Successor staff, including, without limitation, having one or more of the Developer's employees or consultants who are knowledgeable regarding this Agreement, the design and planning of the Project and the progress of negotiation of a DDA, such that such person(s) can meaningfully respond to Housing Successor questions regarding the progress of the design and planning of the Project or the negotiation of a DDA attend both: (1) weekly meetings or conference calls with Housing Successor staff, as reasonably scheduled by Housing Successor staff during the Negotiation Period (each, a 'Weekly Meeting'), and (2) meetings of the Housing Successor governing body, when reasonably requested to do so by Housing Successor staff.

(c) Developer and Housing Successor shall use commercially reasonable best efforts to perform the tasks set forth in the Timeline within the times set forth therein.

9. **Developer to Pay All Costs and Expenses.** All fees or expenses of engineers, architects, financial consultants, legal, planning or other consultants or contractors, retained by the Developer for any study, analysis, evaluation, report, schedule, estimate, environmental review, planning and/or design activities, drawings, specifications or other activity or matter relating to the Property or the Project or negotiation of a DDA that may be undertaken by the Developer during the Negotiation Period, pursuant to or in reliance upon this Agreement or in the Developer's discretion, regarding any matter relating to a DDA, the Property or the Project, shall be the sole responsibility of and undertaken at the sole cost and expense of the Developer and no such activity or matter shall be deemed to be undertaken for the benefit of, at the expense of or in reliance upon the Housing Successor. The Developer shall also pay all fees, charges and costs, make all deposits and provide all bonds or other security associated with the submission to and processing by the Housing Successor and/or the City of any and all applications and other documents and information to be submitted to the Housing Successor and/or the City by the Developer pursuant to this Agreement or otherwise associated with the Project, including, but not limited to, any study, analysis, evaluation, report, schedule, estimate, environmental review, planning and/or design activities, drawings, specifications or other activity or matter relating to the Property or the Project or negotiation of a DDA that may be undertaken by the Housing Successor during the Negotiation Period. The Housing Successor shall not be obligated to pay or reimburse any expenses, fees, charges or costs incurred by the Developer in pursuit of any study, analysis, evaluation, report, schedule, estimate, environmental review, planning and/or design activities, drawings, specifications or other activity or matter relating to the Property or the Project or negotiation of a DDA that may be undertaken by the Developer during the Negotiation Period, whether or not this Agreement is, eventually, terminated or extended or a DDA is entered into between the Housing Successor and the Developer, in the future.

10. **Hazardous Materials and Development Assessment.** During the Negotiating Period, Developer may conduct such inspections, tests, surveys, and other analyses ("Inspections") as Developer deems reasonably necessary to determine the condition of the Property or the feasibility of designing, developing, constructing, leasing and financing the Project but shall not be obligated to complete such Inspections within the Negotiating Period. However, failure to complete the inspections shall not be grounds for extension of the Negotiating Period, unless both Parties agree. Housing Successor shall make available to Developer, upon Developer's written request, existing information and plans in its possession regarding the Property. The Developer at its sole cost and expense shall conduct or cause to be conducted environmental assessments, audits and/or testing and any other activities, audits, tests and assessments to determine the feasibility of the Project ("Tests") of the Property. The Developer shall have the right to terminate this Agreement if the Developer is not reasonably satisfied with the findings and the recommendations made in the Tests, or if the Project is determined not to be feasible in the sole discretion of the Developer. However, both Parties acknowledge and agree that specific representations or warranties, agreements, obligations, liabilities or responsibilities pertaining to the condition or title of the Property and/or the Project may be the subject of negotiations between the Parties in connection with the negotiations of any DDA or other agreement entered into by the Parties.

11. **Housing Successor Not To Negotiate With Others.**

(a) During the Negotiation Period, the Housing Successor shall not negotiate with any other person regarding the sale or redevelopment of the Property. The term 'negotiate,'

as used in this Agreement, means and refers to engaging in any discussions with a person other than the Developer, regardless of how initiated, with respect to that person's redevelopment of the Property to the total or partial exclusion of the Developer from redeveloping the Property, without the Developer's written consent, subject to the provisions of Section 10(b) and further provided that the Housing Successor may receive and retain unsolicited offers regarding redevelopment of the Property, but shall not negotiate with the proponent of any such offer during the Negotiation Period; provided, however, that the Housing Successor may discuss the fact that the Housing Successor is a party to this Agreement.

(b) Nothing in this Agreement shall limit, prevent, restrict or inhibit the Housing Successor from providing any information in its possession or control that would customarily be furnished to persons requesting information from the Housing Successor concerning the Housing Successor's activities, goals, matters of a similar nature relating to implementation of the project as required by law to be disclosed, upon request or otherwise.

12. Acknowledgments and Reservations.

(a) The Housing Successor and the Developer agree that, if this Agreement expires or is terminated for any reason, or a future DDA is not approved and executed by both the Housing Successor and the Developer, for any reason, neither the Housing Successor nor the Developer shall be under any obligation, nor have any liability to each other or any other person regarding the sale or other disposition of the Property or the redevelopment of the Property.

(b) The Developer acknowledges and agrees that no provision of this Agreement shall be deemed to be an offer by the Housing Successor, nor an acceptance by the Housing Successor of any offer or proposal from the Developer for the Housing Successor to convey any estate or interest in the Property to the Developer or for the Housing Successor to provide any financial or other assistance to the Developer for redevelopment of the Project or the Property.

(c) The Developer acknowledges and agrees that the Developer has not acquired, nor will acquire, by virtue of the terms of this Agreement, any legal or equitable interest in real or personal property from the Housing Successor.

(d) Certain development standards and design controls for the Project may be established between the Developer and the Housing Successor, but it is understood and agreed between the Housing Successor and the Developer that the Project and the redevelopment of the Property must conform to all Housing Successor, City and other applicable governmental development, land use and architectural regulations and standards. Drawings, plans and specifications for the Project shall be subject to the approval of the Housing Successor and the City, through the standard development application process in the community. Nothing in this Agreement shall be considered approval of any plans or specifications for the Project or of the Project itself by the Housing Successor.

(e) The Housing Successor reserves the right to reasonably obtain further information, data and commitments to ascertain the ability and capacity of the Developer to develop the Property and/or the Project. The Developer acknowledges that it may be requested to

make certain financial disclosures to the Housing Successor, its staff, legal counsel or other consultants, as part of the financial due diligence investigations of the Housing Successor relating to the potential sale of the Property and redevelopment of the Project on the Property by the Developer and that any such disclosures may become public records. The Housing Successor shall maintain the confidentiality of financial information of the Developer to the extent allowed by law, as determined by the Housing Successor Legal Counsel.

(f) The Housing Successor shall not be deemed to be a Party to any agreement for the acquisition of, lease of or disposition of real or personal property, the provision of financial assistance to the Developer or development of the Project on the Property or elsewhere, until the terms and conditions of a complete future DDA are considered and approved by both the City Council and the Housing Successor governing body, in their respective sole and absolute discretion, following the conclusion of one or more duly noticed public hearings, as required by law. The Developer expressly acknowledges and agrees that the Housing Successor will not be bound by any statement, promise or representation made by Housing Successor staff or representatives during the course of negotiations of a future DDA and that the Housing Successor shall only be legally bound upon the approval of a complete DDA by both the City Council and the Housing Successor Board, in their respective sole and absolute discretion, following one or more duly noticed public hearings, as required by law.

(g) Each Party represents that it has not engaged any broker, agent or finder in connection with this transaction and each party agrees to hold the other party harmless from any claim by any broker, agenda or finder retained by or claimed through such Party.

13. **Nondiscrimination.** The Developer shall not discriminate against nor segregate any person, or group of persons on account of race, color, creed, religion, sex, marital status, handicap, national origin or ancestry in undertaking its obligations under this Agreement.

14. **Default.**

(a) Failure or delay by either Party to perform any material term or provision of this Agreement shall constitute a default under this Agreement. If the Party who is claimed to be in default by the other Party cures, corrects or remedies the alleged default within fifteen (15) calendar days after receipt of written notice specifying such default, such Party shall not be in default under this Agreement. The notice and cure period provided in the immediately preceding sentence shall not, under any circumstances, extend the Negotiation Period. If there are less than fifteen (15) days remaining in the Negotiation Period, the cure period allowed pursuant to this Section 14(a) shall be automatically reduced to the number of days remaining in the Negotiation Period.

(b) The Party claiming that a default has occurred shall give written notice of default to the Party claimed to be in default, specifying the alleged default. Delay in giving such notice shall not constitute a waiver of any default nor shall it change the time of default. However, the injured Party shall have no right to exercise any remedy for a default under this Agreement, without first delivering written notice of the default.

(c) Any failure or delay by a Party in asserting any of its rights or remedies as to any default shall not operate as a waiver of any default or of any rights or remedies associated with a default.

(d) If a default of either Party remains uncured for more than fifteen (15) calendar days following receipt of written notice of such default, a 'breach' of this Agreement by the defaulting Party shall be deemed to have occurred. In the event of a breach of this Agreement, the sole and exclusive remedy of the Party who is not in default shall be to terminate this Agreement by serving written notice of termination on the Party in breach and, in the case of a breach by the Housing Successor, the Developer shall also be entitled to receive the Liquidated Damages Amount.

15. **Compliance with Law.** The Developer acknowledges that any future DDA, if approved by the governing body of the Housing Successor, will require the Developer (among other things) to carry out the development of the Project in conformity with all applicable laws, including all applicable building, planning, housing and zoning laws, environmental laws, safety laws and federal and state labor and wage laws.

16. **Press Releases.** The Developer agrees to obtain the approval of the Housing Successor Executive Director or his or her designee or successor in function of any press releases Developer may propose relating to the redevelopment of the Property or negotiation of a DDA with the Housing Successor, prior to publication.

17. **Notice.** All notices required under this Agreement shall be presented in person, by nationally recognized overnight delivery service or by facsimile and confirmed by first class certified or registered United States Mail, with return receipt requested, to the address and/or fax number for the Party set forth in this Section 17. Notice shall be deemed confirmed by United States Mail effective the third (3rd) business day after deposit with the United States Postal Service. Notice by personal service or nationally recognized overnight delivery service shall be effective upon delivery. Either Party may change its address for receipt of notices by notifying the other Party in writing. Delivery of notices to courtesy copy recipients shall not be required for valid notice to a Party.

TO DEVELOPER:

The Whole Child
10155 Colima Road
Whittier, CA 90603
Attention: Constanza Pachon

Habitat for Humanity of
Greater Los Angeles
8739 Artesia Blvd.
Bellflower, CA 90706
Attention: Darrell Simien

The Richman Group of California Development
Company, LLC
420 31st Street Suite B1
Newport Beach, CA 92663
Attn: Rick Westberg

TO HOUSING
SUCCESSOR:

City of Santa Fe Springs
11710 E. Telegraph Road
Santa Fe Springs, CA 90670
Attention: Wayne Morrell

18. **Warranty against Payment of Consideration for Agreement.** The Developer warrants that it has not paid or given, and will not pay or give, any third party any money or other consideration for obtaining this Agreement. Third parties, for the purposes of this Section 18, shall not include persons to whom fees are paid for professional services, if rendered by attorneys, financial consultants, accountants, engineers, architects and other consultants, when such fees are considered necessary by the Developer.

19. **Acceptance of Agreement by Developer.** The Developer shall acknowledge its acceptance of this Agreement by delivering to the Housing Successor three (3) original counterpart executed copies of this Agreement signed by the authorized representative(s) of the Developer.

20. **Counterpart Originals.** This Agreement may be executed by the Housing Successor and the Developer in multiple counterpart originals, all of which together shall constitute a single agreement.

21. **No Third-Party Beneficiaries.** Nothing in this Agreement is intended to benefit any person or entity other than the Housing Successor or the Developer.

22. **Indemnity.** Developer agrees to defend (with counsel approved by City), hold harmless and indemnify the Housing Successor, City, and each of their officers, agents and employees (the "Indemnified Parties") from and against any and all claims, causes of action, liabilities, damages, judgments, losses, costs or expenses (including, without limitation, attorneys' fees) actually caused by or resulting from Developer's acts or omissions pursuant to this Agreement; provided that the obligation to defend does not apply to actions arising solely from Indemnified Parties' acts or omissions; and provided, further, that the obligation to hold harmless applies only to the extent damages are the result of negligent acts or omissions or willful misconduct of Developer or Developer's agents, officers, owners or employees. Notwithstanding this limitation, Developer agrees to defend or pay the cost of defense of any action brought by any third party challenging the City's or Authority's ability to enter into this Exclusive Negotiation Agreement on any grounds whatsoever.

23. **Non-Liability of City Officials.** No member, official, officer, employee, agent, representative, volunteer, or consultant of the Housing Successor shall be personally liable to Developer, or any successor in interest of Developer, in the event of any default or breach by City or for any amount which may become due to Developer or to its successor, or on any obligations under the terms of this Agreement.

24. **Governing Law.** The Housing Successor and the Developer acknowledge and agree that this Agreement was negotiated, entered into and is to be fully performed in the City of Santa Fe Springs, California. The Housing Successor and the Developer agree that this Agreement shall be governed by, interpreted under, and construed and enforced in accordance with the laws of the State of California, without application of such laws' conflicts of laws principles.

25. **Waivers.** No waiver of any breach of any term or condition contained in this Agreement shall be deemed a waiver of any preceding or succeeding breach of such term or condition, or of any other term or condition contained in this Agreement. No extension of the time for performance of any obligation or act, no waiver of any term or condition of this Agreement, or any modification of this Agreement shall be enforceable against the Housing Successor or the Developer, unless made in writing and executed by both the Housing Successor and the Developer.

26. **Construction.** Headings at the beginning of each section and sub-section of this Agreement are solely for the convenience of reference of the Housing Successor and the Developer and are not a part of this Agreement. Whenever required by the context of this Agreement, the singular shall include the plural and the masculine shall include the feminine and vice versa. This Agreement shall not be construed as if it had been prepared by one or the other of the Housing Successor or the Developer, but rather as if both the Housing Successor and the Developer prepared this Agreement. Unless otherwise indicated, all references to sections are to this Agreement. All exhibits referred to in this Agreement are attached to this Agreement and incorporated into this Agreement by this reference. If the date on which the Housing Successor or the Developer is required to take any action pursuant to the terms of this Agreement is not a business day of the Housing Successor, the action shall be taken on the next succeeding business day of the City.

24. **Attorneys' Fees.** If either Party hereto files any action or brings any action or proceeding against the other arising out of this Agreement, then the prevailing Party shall be entitled to recover as an element of its costs of suit, and not as damages, its reasonable attorneys' fees and costs as fixed by the court, in such action or proceeding or in a separate action or proceeding brought to recover such attorneys' fees and costs. For the purposes hereof the words 'reasonable attorneys' fees' mean and include, in the case of Housing Successor, salaries and expenses of the lawyers employed by Housing Successor (allocated on an hourly basis) who may provide legal services to Housing Successor in connection with the representation of the Housing Successor in any such matter.

25. **Entire Agreement.** This Agreement contains the entire understanding and agreement of the Parties, integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the Parties or their predecessors in interest with respect to all or any part of the subject matter hereof.

[Signatures on following page]

IN WITNESS WHEREOF, the Housing Successor and the Developer have executed this Negotiation Agreement on the dates indicated next to each of the signatures of their authorized representatives, as appear below.

DEVELOPER:

THE WHOLE CHILD

Dated: 4/12/19

By: 

Constanza Pachon, CEO

HABITAT FOR HUMANITY OF GREATER LOS ANGELES

By: 

Erin Rank, President & CEO

THE RICHMAN GROUP OF CALIFORNIA
DEVELOPMENT COMPANY, LLC

By: 

Rick Westberg, Executive VP

HOUSING SUCCESSOR:

HOUSING SUCCESSOR TO THE COMMUNITY
DEVELOPMENT COMMISSION OF THE CITY
OF SANTA FE SPRINGS

Dated: 4/30/19

By: 

Juanita Trujillo, Mayor

ATTEST:

By: 

Janet Martinez, City Clerk

APPROVED AS TO FORM:

By: _____

Housing Successor Legal
Counsel

EXHIBIT 'A'
TO
NEGOTIATION AGREEMENT

Property Legal Description

A.P.N. 8011-012-912

LOT 13 OF TRACT 5309, IN THE CITY OF SANTA FE SPRINGS, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 64 PAGES 398 AND 39 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM THAT PORTION OF SAID LOT 13 DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID LOT 13' THENCE ALONG THE SOUTHERLY LINE OF SAID LOT, NORTH 89° 55' EAST 234.63 FEET; THENCE NORTH 405.55 FEET TO A POINT IN THE NORTHERLY LINE OF SAID LOT, DISTANT NORTH 89° 55' EAST 234.63 FEET FROM THE NORTHWEST CORNER OF SAID LOT, THENCE SOUTH 89° 55' WEST 234.63 FEET TO SAID NORTHWEST CORNER; THENCE SOUTH 405.55 FEET TO THE POINT OF BEGINNING.

ALSO EXCEPT ALL OIL, GAS OR OTHER HYDROCARBON SUBSTANCES IN SAID LAND AND ALSO EXCEPTING AND RESERVING ALL INTEREST UNDER THE COMMUNITY OIL AND GAS LEASE KNOWN AS "GAULDIN COMMUNITY OIL LEASE," DATED SEPTEMBER 7, 1951, EXECUTED IN VARIOUS COUNTERPARTS IN FAVOR OF T. & T. 011 COMPANY, A PARTNERSHIP, COMPOSED OF WALTER N. THOMPSON, HORACE W. THOMPSON AND JACK H. THOMPSON, PARTNERS, AS LESSEE; A COUNTERPART "ORIGINAL" THEREOF EXECUTED BY VERONICA CONDON NATHHORST, ET AL., WAS REGISTERED ON NOVEMBER 26, 1961 AS DOCUMENT NO. 31139-T AND RECORDED MARCH 12, 1952 AS INSTRUMENT NO 1615 IN BOOK 38460 PAGE 34 OFFICIAL RECORDS, AS EXCEPTED AND RESERVED BY VERONICA CONDON NATHHORST, A WIDOW B DEED RECORDED MARCH 11, 1959.

A.P.N. 8011-011-912

The land referred to herein is situated in the city of Santa Fe Springs, county of Los Angeles, state of California, and is described as follows:

Parcel 1 of Parcel Map NO. 25238, Filed in book 288 pages 65 and 66 of Parcel Maps, in the office of the county recorder of said county.

A.P.N. 8011-011-906

The land referred to herein is situated in the city of Santa Fe Springs, county of Los Angeles, state of California, and is described as follows:

Parcel 2 of Parcel Map NO. 24115, Filed in book 266 pages 94 and 95 of Parcel Maps, in the office of the county recorder of said county.

A.P.N. 8011-011-907

The land referred to herein is situated in the city of Santa Fe Springs, county of Los Angeles, state of California, and is described as follows:

Parcel 3 of Parcel Map NO. 24115, Filed in book 266 pages 94 and 95 of Parcel Maps, in the office of the county recorder of said county.

EXHIBIT 'B'
TO
NEGOTIATION AGREEMENT

Project Description

Developer is proposing to build a multi-use, affordable housing development.

All work described above shall be performed in accordance with all applicable laws.

EXHIBIT 'C'

Exclusive Negotiating Agreement Timeline

Within 90 Days of Effective Date of ENA (April 30, 2019) of ENA
Title Report. Housing Successor to provide preliminary title report on property; Developer to commence physical due diligence on Property.
<p>Preliminary Development Concept Package. Developer shall submit to the Housing Successor a "Preliminary Development Concept Package," consisting of the following:</p> <ul style="list-style-type: none">a. a preliminary development proposal generally describing the Project for the site subject to Housing Successor review and approval.b. an initial estimate of development costs, including construction and non-construction costs, such as the proposed purchase price for land;c. a preliminary description of the proposed method of financing;d. a proposed construction and operating pro forma which identifies all sources and uses of funds;e. submittal of preliminary design(s) (including a scaled site plan indicating building and parking layout) for the purpose of demonstrating compliance with the design requirements of the City of Santa Fe Springs and to assist the Housing Successor in conducting a review under the California Environmental Quality Act ("CEQA"); andf. evidence reasonably acceptable to the Housing Successor that the Developer have the significant financial resources necessary for development. <p>Housing Successor staff may solicit proposals and select independent financial or design consulting firms to verify and further analyze the Preliminary Development Concept Package at the Housing Successor's sole expense.</p>
Within 180 Days of Effective Date of ENA as such time may be extended by the Parties
<p>Preliminary Agency Evaluation. Within thirty (90) days of the date of receipt of the Preliminary Development Concept Package, the Housing Successor will provide its evaluation ("Preliminary Housing Successor Evaluation") to the Developer of the Preliminary Development Concept Package. Such evaluation will include:</p> <ul style="list-style-type: none">a. The Housing Successor's evaluation of items addressed in the Preliminary Development Concept Package. The Preliminary Housing Successor Evaluation shall indicate Housing Successor's preliminary determinations as to the appropriate level of review under CEQA and local planning approvals (e.g., DPA, CUP, TPM, TTM, MOD, etc).b. The Housing Successor will identify the amount of local City of Santa Fe Springs funding sources for infrastructure and affordable housing development
<p>Draft Disposition & Development Agreement ("DDA"). The Housing Successor will provide the Developer with a 1st draft of the DDA and exhibits.</p>

Within 300 Days of Effective Date of ENA as such time may be extended by the Parties
<p>Finalize DDA. Within one hundred and twenty (120) days of receipt of the 1st draft of the DDA, Developer and Housing Successor will conclude negotiations on a final form of DDA. It is expected that this negotiation will require multiple rounds of review and comment by Developer and Housing Successor, and will also be dependent on identifying and pursuing other funding sources outside of the City of Santa Fe Springs.</p>
<p>Outreach. During the finalization of the DDA, in coordination with City staff and the Housing Successor, the Developer will perform necessary community outreach to garner support for the development and the DDA.</p>
<p>Procurement of Other Funding Sources. Developer will work with the Housing Successor and other affordable housing agencies at the County, State and Federal levels, with industry advocates, to identify, plan for, apply for and secure other funding sources.</p>
Within 365 Days of Effective Date of ENA as such time may be extended by the Parties
<p>Impact of and timing of Disparate Funding Sources. The above timing commitments and subsequent DDA will be impacted by the identification, pursuit and attainment of funding for the agreed upon affordable housing development. The remainder of the ENA period (365 days of effective date of ENA plus any mutually agreed upon extensions, if any) allows further time for the Housing Successor and Developer to gain these commitments to ensure a feasible execution.</p>

EXHIBIT 'D'
TO
NEGOTIATION AGREEMENT

Right of Entry Agreement

[To Be Attached Behind This Cover Page]

EXHIBIT "D"
RIGHT OF ENTRY AGREEMENT
(Lakeland Road and Laurel Avenue Affordable Residential Project)

This Right of Entry Agreement ("Agreement") is made and entered into this 12th day of April, 2019, by and between the HOUSING SUCCESSOR TO THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF SANTA FE SPRINGS ("Housing Successor") and THE WHOLE CHILD, a California nonprofit public benefit corporation HABITAT FOR HUMANITY OF GREATER LOS ANGELES, a California nonprofit public benefit corporation, and THE RICHMAN GROUP OF CALIFORNIA DEVELOPMENT COMPANY, LLC (jointly known as "Developer") and its employees, officers, members, agents, representatives, invitees, affiliates, and its contractors, including their consultants, subcontractors and suppliers (collectively, the "Affiliated Parties").

RECITALS

WHEREAS, the Housing Successor owns certain real property ("Property") located at Lakeland Road and Laurel Avenue, in the City of Santa Fe Springs ("City") comprised of four distinct parcels of land and more specifically described in the legal description attached to this Agreement as Exhibit 'A' ('Property') and incorporated into this Agreement by this reference; and

WHEREAS, The Developer has proposed the redevelopment of the Property as an affordable mixed-use housing development ("Project"); and

WHEREAS, The Developer and its Affiliated Parties have requested access to the Property that they may conduct such inspections, tests, surveys, and other analyses ("Inspections") as Developer deems reasonably necessary to determine the condition of the Property or the feasibility of designing, developing, constructing, leasing and financing the Project; and

WHEREAS, the Housing Successor desires to provide access to Property the Developer and its Affiliated Parties for the purposes of Inspections.

NOW THEREFORE, in consideration of the mutual covenants herein set forth and the mutual benefits to be derived therefrom, the parties agree as follows:

1. **Grant.** Housing Successor, the owner of the Property, hereby grants a right of entry ("Right of Entry") to the Developer and its Affiliated Parties to enter upon the Property. Use of the Property is for the purpose of conducting Inspections.

2. **Permitted Activities.** The Developer and the Affiliated Parties shall use the Right of Entry to perform the aforementioned Inspections.

3. **Term.** This Agreement will be effective on the date first written above. The Developer and its Affiliated Parties shall have the Right of Entry for a period of 52 weeks commencing on April 30, 2019 to April 30, 2020 unless this Agreement is earlier terminated as set forth in this Agreement.

4. **Condition of Property.** During the term of this Agreement, the Developer and its Affiliated Parties shall not cause physical damage, create dangerous conditions on the property or otherwise cause any other damage to the Property and shall take all reasonable steps to maintain the Property in an orderly and appealing manner. In addition, the Developer and its Affiliated Parties shall interfere with the peaceful enjoyment of the Property by the current tenant of the Property.

5. **Termination.** This Agreement may be terminated by City if the City determines using its sole discretion that the Developer and its Affiliated Parties' use of the Property is in violation of this Agreement, creates any kind of health and safety hazard, or would impose any liability upon the City.

6. **Access to the Property.** The City shall make a reasonable effort to keep access to the Property open to the Developer and its Affiliated Parties at all times and shall not unreasonably interfere with the Developer and its Affiliated Parties' access to the Property. The Developer and its Affiliated Parties shall not interfere with the City's access to or use of the Property, including the current tenant's use of the property.

7. **Indemnification.** Except as to sole negligence or willful misconduct of the City, the Developer and its Affiliated Parties agree to indemnify, defend, and hold the City and its officers and employees, harmless from and against all claims, damages, losses, liability, cost or expense, including attorney's fees and costs, which arises out of or is in any way connected with the performance of Inspections or use of the Property under this Agreement by the Developer and its Affiliated Parties, any of the Developer and its Affiliated Parties. The Developer and its Affiliated Parties shall also be responsible for any attorneys' fees and costs the Housing Successor may incur in the event the Housing Successor has to file any action in connection with this Agreement.

8. **Workers' Compensation Insurance.** By executing this Agreement, the Developer and its Affiliated Parties certify that they are aware of and will comply with Section 3700 of the Labor Code of the State of California requiring every employer to be insured against liability for workers' compensation, or to undertake self-insurance before commencing any of the work. The Developer and its Affiliated Parties shall carry the insurance or provide for self-insurance required by California law to protect Housing Successor from claims under the Workers' Compensation Act. Prior to Housing Successor's execution of this Agreement, the Developer and its Affiliated Parties shall file with Housing Successor either a certificate of insurance showing that such insurance is in effect, or that they are self-insured for such coverage. Any certificate filed with Housing Successor shall provide that Housing Successor will be given thirty (30) days prior written notice before modification or cancellation thereof.

9. **General Liability Insurance.** Prior to the Housing Successor's execution of this Agreement, Developer and its Affiliated Parties shall provide proof of general liability insurance as required to insure the Housing Successor against damages for personal injury, including accidental death, as well as from claims for property damage, which may arise from or which may concern operations by anyone directly or indirectly employed by, connected with, or acting for or on behalf of the Developer and its Affiliated Parties. The Housing Successor, and its officers, employees and agents, shall be named as additional insureds under the Developer's and its Affiliated Parties'

insurance policies. Said policies shall be in the usual form of commercial general liability insurance policies, but shall include the following provisions:

It is agreed that the Housing Successor, the City and its officers, employees and agents are added as additional insureds under this policy, solely for the inspections done by and on behalf of the named insured.

All liability insurance shall be issued by insurance companies authorized to transact liability insurance business in the State of California with a policy holder's rating of A or higher and a Financial Class of VII or higher.

General liability insurance policies shall cover both bodily injury (including death) and property damage (including, but not limited to, premises operations liability, products-completed operations liability, independent contractor's liability, personal injury liability, and contractual liability) in an amount not less than \$1,000,000 per occurrence and a general aggregate limit in the amount of not less than \$2,000,000, unless otherwise approved or reduced by the Housing Successor.

These minimum amounts of coverage shall not constitute any limitation or cap on the Developer's and its Affiliated Parties' indemnification obligations under Section 7 hereof.

Any policies shall not be canceled unless thirty (30) days prior written notification of intended cancellation has been given to the Housing Successor by certified or registered mail, postage prepaid. Any policies shall include an endorsement stating that any applicable insurance coverage maintained by the Housing Successor shall be excess in relation to the Developer and its Affiliated parties insurance policies.

10. **Venue and Attorneys' Fees.** Any action at law or in equity brought by any of the parties hereto for the purpose of enforcing a right or rights provided for by this Agreement shall be tried in a court of competent jurisdiction in the County of Los Angeles, State of California, and the parties hereby waive all provisions of law providing for a change of venue in such proceedings to any other county. In the event any party hereto shall bring suit to enforce any term of this Agreement or to recover any damage for and on account of the breach of any term or condition of this Agreement, it is mutually agreed that the prevailing party in such action shall recover all costs thereof, including reasonable attorneys' fees, to be set by the court in such action.

11. **Compliance with Law.** The Developer's and its Affiliated Parties' performance under this Agreement shall comply with all applicable local, state, and federal laws, regulations, and ordinances.

12. **Notices.** Service of any notices, bills, invoices or other documents required or permitted under this Agreement shall be sufficient if sent by one party to the other by United States mail, postage prepaid and addressed as follows:

Housing Successor**The Developer and its Affiliated Parties**

Director of Planning
Housing Successor of Santa Fe Springs
11710 E. Telegraph Rd.
Santa Fe Springs, CA 90670
(562) 868-0511

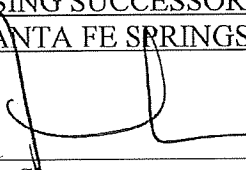
13. **Assignment.** It is mutually understood and agreed that this Agreement is personal to both parties and may not be assigned or transferred in any way. Any transfer shall be void and of no effect.

14. **Authority.** The individuals executing this Agreement each represent and warrant that they have the legal power, right and actual authority to bind their respective entities to the terms and conditions hereof and thereof.

15. **Severability.** Each provision, term, condition, covenant, and/or restriction, in whole and in part, in this Agreement shall be considered severable. In the event any provision, term, condition, covenant, and/or restriction, in whole and/or in part, in this Agreement is declared invalid, unconstitutional, or void for any reason, such provision or part thereof shall be severed from this Agreement and shall not affect any other provision, term, condition, covenant, and/or restriction, of this Agreement and the remainder of the Agreement shall continue in full force and effect.


IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the date and year first written above.

HOUSING SUCCESSOR
OF SANTA FE SPRINGS

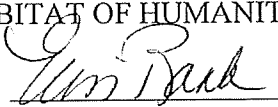
By:  4/12/19
Signature Date

DEVELOPER

WHOLE CHILD

By:  4/12/19
Signature Date

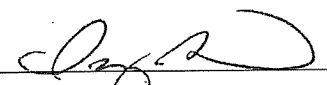
HABITAT OF HUMANITY

By:  4/12/19
Signature Date

THE RICHMAN GROUP OF CALIFORNIA
DEVELOPMENT COMPANY, LLC

By:  4/12/19
Signature Date

Approved as to Form:


Ivy M. Tsai, Legal Counsel
Housing Successor Attorney

FOR ITEM NO. 7
PLEASE SEE ITEM NO. 8A



City of Santa Fe Springs

City Council Meeting

ITEM NO. 8A

March 26, 2020

CONSENT AGENDA

Minutes of the February 27, 2020 Regular City Council Meetings

RECOMMENDATION(S)

- Approve the minutes as submitted.

BACKGROUND

Staff has prepared minutes for the following meeting:

- February 27, 2020 Meeting Minutes

Staff hereby submits the minutes for Council's approval.


Raymond R. Cruz
City Manager

Attachments:

1. February 27, 2020 Meeting Minutes



APPROVED:

MINUTES OF THE MEETINGS OF THE CITY COUNCIL

February 27, 2020

1. **CALL TO ORDER**

Mayor Rounds called the meeting to order at 6:01 p.m.

2. **ROLL CALL**

Members present: Councilmembers/Directors: Rodriguez, Trujillo, Zamora, Mayor Pro Tem/Vice Chair Mora and Mayor/Chair Rounds.

Members absent: None

Fernando N. Muñoz, City Clerk Technician announced that members of the Public Financing Authority and Water Utility Authority receive \$150 for their attendance at meetings.

PUBLIC FINANCING AUTHORITY

3. **CONSENT AGENDA**

- a. Minutes of the January 23, 2020 Public Financing Authority (City Clerk)

Recommendation:

- Approve the minutes as submitted.

- b. Monthly Report on the Status of Debt Instruments Issued through the City of Santa Fe Springs Public Financing Authority (PFA) (Finance)

Recommendation:

- Receive and file the report.

It was moved by Councilmember Trujillo, seconded by Councilmember Rodriguez, to approve Item Nos. 3A and 3B, by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds

Nayes: None

Absent: None

WATER UTILITY AUTHORITY

4. **CONSENT AGENDA**

- a. Minutes of the January 23, 2020 Water Utility Authority (City Clerk)

Recommendation:

- Approve the minutes as submitted.

- b. Monthly Report on the Status of Debt Instruments Issued through the City of Santa Fe Springs Water Utility Authority (WUA) (Finance)

Recommendation:

- Receive and file the report.

- c. Status Update of Water-Related Capital Improvement Projects (Public Works)

Recommendation:

- Receive and file the report.

It was moved by Mayor Pro Tem Mora, seconded by Councilmember Trujillo, to approve Item Nos. 4A, 4B, and 4C, by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds

Nayes: None

Absent: None

HOUSING SUCCESSOR

5. CONSENT AGENDA

Minutes of the January 23, 2020 Housing Successor (City Clerk)

Recommendation:

- Approve the minutes as submitted.

It was moved by Councilmember Rodriguez, seconded by Mayor Pro Tem Mora, to approve the minutes as submitted, by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds

Nayes: None

Absent: None

SUCCESSOR AGENCY

6. CONSENT AGENDA

Minutes of the January 23, 2020 Successor Agency (City Clerk)

Recommendation:

- Approve the minutes as submitted.

It was moved by Councilmember Zamora, seconded by Councilmember Rodriguez, to approve the minutes as submitted, by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds

Nayes: None

Absent: None

CITY COUNCIL

7. CONSENT AGENDA

- a. Minutes of the January 23, 2020 Special and Regular City Council Meetings (City Clerk)

Recommendation:

- Approve the minutes as submitted.

b. Resolution No. 9662 – Acknowledge Receipt of a Fire-Rescue Report Regarding the Annual Inspection of Certain Properties (Fire)

Recommendation:

- Acknowledge Receipt of Department of Fire-Rescue Report Regarding the Annual Inspection of Certain Properties.

c. Marquardt Avenue 16" Water Main Relocation – Final Payment (Public Works)

Recommendation:

- Approve the Final Payment (less 5% Retention) to J.A. Salazar Construction & Supply Corp., of La Habra, California, in the amount of \$92,845.90 for the subject project.

It was moved by Councilmember Trujillo, seconded by Councilmember Rodriguez, to approve Items Nos. 7A, 7B, and 7C, by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds

Nayes: None

Absent: None

PUBLIC HEARING

8. Annual Weed Abatement Program (City Clerk)

Recommendation:

- Conduct a Public Hearing on Weed Abatement and direct the Agricultural Commissioner to abate the nuisance by having weeds, rubbish, and refuse removed.

Mayor Rounds opened the Public Hearing at 6:03 p.m.

There was no one present wishing to speak.

Mayor Rounds closed the Public Hearing at 6:03 p.m.

It was moved by Councilmember Zamora, seconded by Councilmember Rodriguez, to conduct a Public Hearing on Weed Abatement and direct the Agricultural Commissioner to abate the nuisance by having weeds, rubbish, and refuse removed, by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds

Nayes: None

Absent: None

NEW BUSINESS

9. FY 2018-19 Preliminary Year-End Review (Finance)

Recommendation:

- Authorize the transfer of \$5,900,000 from the FY 2018-19 increase in available General Fund balance to the following reserves and/or funds:

- \$1,475,000 (25%) of available balance to the Unfunded Liability Reserve
- \$1,475,000 (25%) of available balance to the Economic Contingency Reserve
- \$1,475,000 (25%) of available balance to the Capital Improvement Program (CIP) Fund
- \$885,000 (15%) of available balance to the Equipment Replacement Fund
- \$295,000 (5%) of available balance to the Employee Benefits Fund for Compensated Absences liability
- \$295,000 (5%) of available balance to the Insurance/Risk Management Reserve
- Authorize the transfer of the FY 2018-19 increase in available Water Fund balance to the Water CIP Reserve Fund (approximately \$787,000).

It was moved by Councilmember Rodriguez, seconded by Mayor Pro Tem Mora, to authorize the transfer of \$5,900,000 from the FY 2018-19 increase in available General Fund balance to the following reserves and/or funds: \$1,475,000 (25%) of available balance to the Unfunded Liability Reserve, \$1,475,000 (25%) of available balance to the Economic Contingency Reserve, \$1,475,000 (25%) of available balance to the Capital Improvement Program (CIP) Fund, \$885,000 (15%) of available balance to the Equipment Replacement Fund, \$295,000 (5%) of available balance to the Employee Benefits Fund for Compensated Absences liability, \$295,000 (5%) of available balance to the Insurance/Risk Management Reserve, and authorize the transfer of the FY 2018-19 increase in available Water Fund balance to the Water CIP Reserve Fund (approximately \$787,000), by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds
Nayes: None
Absent: None

10. Resolution No. 9663 – Ordering the Preparation of the Engineer’s Report for Fiscal Year 2020-21 in Conjunction with the Annual Levy of Assessments for Street Lighting District No. 1 (Public Works)

Recommendation:

- Adopt Resolution No. 9663, ordering the preparation of the Engineer’s Report for Fiscal Year 2020/21 in conjunction with the annual levy of assessments for Street Lighting District No. 1.

It was moved by Councilmember Trujillo, seconded by Councilmember Zamora, to adopt Resolution No. 9663, ordering the preparation of the Engineer’s Report for Fiscal Year 2020/21 in conjunction with the annual levy of assessments for Street Lighting District No. 1, by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds
Nayes: None
Absent: None

11. Resolution No. 9664 – Ordering the Preparation of the Engineer's Report for Fiscal Year 2020/21 in Conjunction with the Annual Levy of Assessments for Heritage Springs Assessment District No. 2001-01 (Hawkins Street and Palm Drive) (Public Works)

Recommendation:

- Adopt Resolution No. 9664, ordering the preparation of the Engineer's Report for Fiscal Year 2020/21 in conjunction with the annual levy of assessments for Heritage Springs Assessment District No. 2001-01 (Hawkins Street and Palm Drive).

It was moved by Councilmember Zamora, seconded by Councilmember Rodriguez, to adopt Resolution No. 9664, ordering the preparation of the Engineer's Report for Fiscal Year 2020/21 in conjunction with the annual levy of assessments for Heritage Springs Assessment District No. 2001-01 (Hawkins Street and Palm Drive), by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds

Nayes: None

Absent: None

12. Initiation of Proceedings for Amendment of Water Rates and Related Charges (Public Works)

Recommendation:

- Direct staff to initiate proceedings per Proposition 218 to consider implementing a four-year increase to water rates effective June 1, 2020.

Director of Public Works, Noe Negrete provided a presentation on Item No. 12.

Jeremy Gerber from Safeway-Albertsons in Norwalk spoke in support of the uniform rate structure.

It was moved by Mayor Pro Tem Mora, seconded by Councilmember Trujillo, to direct staff to initiate proceedings per Proposition 2018 to consider implementing a four-year increase to water rates effective June 1, 2020, by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds

Nayes: None

Absent: None

13. Facility Fee Waiver Final Appeal for Masters of Harmony (Community Services)

Recommendation:

- Affirm, modify, or overrule the decision to deny Continual Use status as defined by the City of Santa Fe Springs Facility Park and Equipment Use Policy.

Kurt Thiesmeyer and Joe D'Amore from Masters of Harmony provided a presentation to the City Council.

Mayor Rounds spoke in regards to the status of the City and the purpose behind the City's Facility Park and Equipment Use Policy.

Resident Janie Aguirre spoke about having to pay fees as a resident despite being a volunteer. She did not agree with waiving the fee for the Masters of Harmony.

City Manager Ray Cruz stated that other governmental agencies are required to pay fees to utilize the facilities.

It was moved by Councilmember Zamora, seconded by Councilmember Trujillo, to affirm the decision to deny Continual Use status as defined by the City of Santa Fe Springs Facility Park and Equipment Use Policy, by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds
Nayes: None
Absent: None

CLOSED SESSION

14. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Consideration of initiation of litigation pursuant to Government Code section 54956.9(d)(4): Two cases

CLOSED SESSION

15. CONFERENCES WITH LABOR NEGOTIATORS

(Pursuant to California Government Code Section 54957.6)

Agency Designated Representatives: City Manager, Director of Finance, Human Resources Manager, City Attorney

Employee Organizations: Santa Fe Springs City Employees' Association and Santa Fe Springs Firefighters' Association

CLOSED SESSION

16. CONFERENCES WITH LABOR NEGOTIATORS

(Pursuant to California Government Code Section 54957.6)

Agency Designated Representatives: City Manager, City Attorney, Labor Negotiator

Employee Organization: Santa Fe Springs Executive, Management and Confidential Employees' Association

Mayor Rounds stated that Item Nos. 14, 15, and 16 would be considered after Item No. 25 on the agenda.

17. INVOCATION

Invocation was led by Councilmember Zamora.

18. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by the Girl Scouts from St. Pius X to help leads the Pledge of Allegiance.

19. INTRODUCTIONS

- Representative from the Chamber of Commerce: Lisa Boyajian from Ansa Insurance

Services and Mary Ann Railey from PIH Health.

20. ANNOUNCEMENTS

- The Youth Leadership Committee Members made the following announcements:
 - The Children's Boutique – March 26, 2020 at 2:00 P.M.
 - Art Walk – March 28, 2020 at 10:00 A.M.
 - Spring Adventure Camp – March 23 and 27, 2020 at 9:00 A.M.
 - 5K Family Fun Bubble Run – April 4, 2020 at 7:00 A.M.

21. CITY MANAGER AND EXECUTIVE TEAM REPORTS

- City Manager, Ray Cruz spoke about Mayor Pro Tem Mora, Planning Director Wayne Morrell, and resident Jay Sarno to speak alongside with elected officials of Cities of Commerce, Pico Rivera, and Montebello before the Metro Board to select the Gold Line Extension to Washington Blvd. The Metro Board approved the recommendation and will now seek funding for the project with a completion goal before the 2028 Olympics.
- Director of Public Works, Noe Negrete provided an update on Dunning St. and Ann St. paving. He also spoke about the Florence Avenue widening project beginning in late March/April. Lastly, he spoke about possibly receiving additional Measure R funding for city streets affected by the I-5 construction.
- Director of Planning, Wayne Morrell called on Vince Velasco from the Planning Department to give a presentation on the Census 2020. He highlighted the procedures on Census Day, which is April 1, 2020. He also spoke about the efforts by the Complete Count Committee to increase participation.
- Director of Police Services, Dino Torres spoke about two items: 1) The entire Santa Fe High School Sophomore Class will be attending the Museum of Tolerance between March 2 – 6, 2020, and 2) the Cesar E. Chavez Day of Service 2020 will be on March 11, 2020 at the National Chavez Center.
- Fire Chief Brent Hayward spoke about the Audit of Certified Unified Provider Agency – CUPA. He also spoke about being awarded the 2018 SHSGP grants and how it will be used.
- Director of Finance and Administrative Services, Travis Hickey spoke about the preparations for the upcoming budget season. He also spoke about Human Resources staff attending workshops for recruitment in the current age and how to deal with so-called "1st Amendment Audits".
- Director of Community Services, Maricela Balderas, spoke about the success of the 2020 Presidents Day Penny Carnival. She also spoke about the Annual Family Camp and the incorrect reservations for the event weekend. The City of Commerce offered to rectify the issue by paying for next year's excursion.

22. PRESENTATIONS

- a. Recognition of the 2020 Lake Center Middle School Boys Basketball Team

- b. Introduction of New Santa Fe Springs Policing Team Members

23. APPOINTMENTS TO BOARDS, COMMITTEES, COMMISSIONS

- a. Selection of Liaisons to Various City Committees and Representatives to Governmental Organizations
- b. Advisory Committee Appointments

There were no appointments made.

24. ORAL COMMUNICATIONS

No one in the audience wished to speak during Oral Communications.

25. COUNCIL COMMENTS

Councilmember Rodriguez spoke about the great work done by the staff on the Presidents Day Penny Carnival. She also thanked Captain Miller for his participation at the Silver Shield Awards. She thanked the Family and Humans Services Committee and also highlighted the upcoming L.A. CADA event. She thanked staff for their hard work.

Councilmember Trujillo spoke about Dr. Seuss Week and the Silver Shield Awards. She encouraged everyone to attend Quarter-mania that is hosted by the Women's Club. She asked for Captain Miller to provide a brief on the trial program in Los Angeles County where low-level offenders are released after 4 hours.

Councilmember Zamora thanked staff for their hard work and welcomed the new employees. He also asked if there could be more information circulated in regards to the coronavirus (COVID-19) and what precautions people can take.

Mayor Pro Tem Mora agreed with Councilmember Zamora and asked for the information to be circulated as well. He highlighted the Silver Shield Awards and shared his experience in visiting Los Nietos Middle School. He thanked staff and volunteers for attending the council meeting.

Mayor Rounds talked about the Read Across America events at the schools. He talked about attending the grand opening of the Santa Fe Springs/Norwalk Metrolink Station Parking Lot. He acknowledged the President's Day Carnival and wished everyone a good evening.

CLOSED SESSION

26. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Consideration of initiation of litigation pursuant to Government Code section 54956.9(d)(4): Two cases

CLOSED SESSION

27. CONFERENCES WITH LABOR NEGOTIATORS

(Pursuant to California Government Code Section 54957.6)

Agency Designated Representatives: City Manager, Director of Finance, Human Resources Manager, City Attorney

Employee Organizations: Santa Fe Springs City Employees' Association and Santa Fe Springs Firefighters' Association

CLOSED SESSION

28. CONFERENCES WITH LABOR NEGOTIATORS

(Pursuant to California Government Code Section 54957.6)

Agency Designated Representatives: City Manager, City Attorney, Labor Negotiator

Employee Organization: Santa Fe Springs Executive, Management and Confidential Employees' Association

Mayor Rounds recessed the meeting at 7:28 p.m.

Mayor Rounds reconvened the meeting at 8:47 p.m.

City Attorney, Ivy M. Tsai provided a report on the closed session item: Direction was given to staff and no reportable action was taken.

29. ADJOURNMENT

Mayor Rounds adjourned the meeting at 8:47 p.m.

ATTEST:

Janet Martinez
City Clerk

William K. Rounds
Mayor

Date



City of Santa Fe Springs

City Council Meeting

ITEM NO. 8B

March 26, 2020

CONSENT AGENDA

Rivera Road Street Improvements - Final Payment

RECOMMENDATION

- Approve the Final Payment (less 5% Retention) to R. J. Noble Company of Orange, California in the amount of \$543,291.70 for the subject project

BACKGROUND

The City Council, at their meeting of January 23, 2020, awarded a contract to R.J. Noble Company of Orange, California, in the amount of \$624,591.00 for the Rivera Road Street Improvements project. The project encompasses the boundaries from Sorensen Avenue to Chetle Avenue. The project consists of the removal of existing asphalt concrete pavement surface and the placement of new 10.5" asphalt concrete pavement on compacted subgrade/base thereon. The proposed paving supports heavy repetitive loads and will increase the pavement service life. Additionally, the project includes the removal and replacement of curb and gutter, sidewalks, curb ramps, driveways as needed, as well as the installation of stormwater screen covers.

The following payment detail represents the Final Payment (less 5% Retention) due per terms of the contract for the work which has been completed and found to be satisfactory.

The final construction cost of \$571,866.00 represents a savings of approximately \$52,000. The final project costs include construction, engineering, inspection, and contingency is within the budgeted amount of \$792,000.

FISCAL IMPACT

The Rivera Road Street Improvements project is an approved Capital Improvement Plan (CIP) Bond funded project.


Raymond R. Cruz
City Manager

Attachment:

Attachment No. 1: Final Payment Detail

Report Submitted By:

Noe Negrete
Director of Public Works



Date of Report: March 16, 2020

Payment Detail:
RIVERA ROAD STREET IMPROVEMENTS
 (Sorensen Avenue to Chetle Avenue)

Contractor: R. J. Noble Company
 15505 E. Lincoln Avenue
 Orange, CA 92856

Final Payment: \$ 543,291.70

Item No.	Description	Contract			Completed This Period		Completed To Date		
		Quantity	Units	Unit Price	Total	Quantity	Amount	Quantity	Amount
Contract Work									
1.	Mobilization.	1	L.S.	\$ 26,000.00	\$ 26,000.00	100%	\$ 26,000.00	100%	\$ 26,000.00
2.	Traffic Control.	1	L.S.	\$ 20,000.00	\$ 20,000.00	100%	\$ 20,000.00	100%	\$ 20,000.00
3.	Preparation, Implementation and Modification of the SWPPP.	1	L.S.	\$ 4,000.00	\$ 4,000.00	100%	\$ 4,000.00	100%	\$ 4,000.00
4.	Thermoplastic Traffic Markings and Striping, Markers and Repaint Red Curb.	1	L.S.	\$ 4,500.00	\$ 4,500.00	100%	\$ 4,500.00	100%	\$ 4,500.00
5.	Remove Existing and Construct New 8" PCC Curb Gutter on 4" CMB, Per Santa Fe Springs Std No. R-7, A2.	161	L.F	\$ 140.00	\$ 22,540.00	170.5	\$ 23,870.00	170.5	\$ 23,870.00
6.	Remove Existing and Construct New 8" PCC Commercial Driveway on 6" CMB, Per Santa Fe Springs Std No. R-6.4, and R-6.4D.	558	S.F.	\$ 48.00	\$ 26,784.00	557.5	\$ 26,760.00	557.5	\$ 26,760.00
7.	Remove existing and construct New 4" PCC sidewalk on 4" CMB per Santa Fe Springs Std. No. R-2, R-2.1, and R-2.2.	35	S.F.	\$ 30.00	\$ 1,050.00	34	\$ 1,020.00	34	\$ 1,020.00
8.	Remove Existing and Construct New 3' Wide Longitudinal Gutter on 6" CMB per Modified SPPWC Standard Plan 122-2.	9	L.F.	\$ 150.00	\$ 1,350.00	9	\$ 1,350.00	9	\$ 1,350.00
9.	Roadway Unclassified Excavation.	2,551	C.Y.	\$ 42.00	\$ 107,142.00	2,422	\$ 101,724.00	2,422	\$ 101,724.00
10.	Construct Asphalt Concrete Surface Course Type III C3 PG-64-10 (6-1/2 inches thick).	3,045	TON	\$ 75.00	\$ 228,375.00	2,696.19	\$ 202,214.25	2,696.19	\$ 202,214.25
11.	Construct Asphalt Concrete Base Course Type III B2 PG-64-10 (4 inches thick).	1,874	TON	\$ 75.00	\$ 140,550.00	1,676.37	\$ 125,727.75	1,676.37	\$ 125,727.75
12.	Sewer Manhole Repair Per Detail.	9	EA.	\$ 1,200.00	\$ 10,800.00	9	\$ 10,800.00	9	\$ 10,800.00
13.	Adjust Water Valve Cover to Grade.	10	EA.	\$ 1,000.00	\$ 10,000.00	9	\$ 9,000.00	9	\$ 9,000.00
14.	Furnish and Install Catch Basin United Storm Water Wing-Gate ARS Cover or Approved Equivalent and Catch Basin Stencil.	2	EA.	\$ 3,000.00	\$ 6,000.00	2	\$ 6,000.00	2	\$ 6,000.00
15.	Place CMB / Overexcavation.	200	C.Y.	\$ 35.00	\$ 7,000.00	12	\$ 420.00	12	\$ 420.00
16.	Construction Surveying	1	L.S.	\$ 8,500.00	\$ 8,500.00	100%	\$ 8,500.00	100%	\$ 8,500.00
Contract Total:					\$ 624,591.00		\$ 571,886.00		\$ 571,886.00
						Total Completed Items to Date:			\$ 571,886.00

CONTRACT PAYMENTS:

Total Items Completed to Date: \$ 571,886.00
 Less 5% Retention: \$ 28,594.30
Final Payment: \$ 543,291.70

Invoice Date	Invoice No.	Warrant Billing Period		Amount	Retention Amount
		Invoice Due Date	Invoice Pay Date		
02/29/2020	170450	04/07/2020	04/16/2020	\$ 543,291.70	\$ 28,594.30

	Amount	Account
Finance Please Pay:	\$ 543,291.70	PW190501
5% Retention Completed this Period:	\$ 28,594.30	205
Recommended by Project Manager:	Robert Garcia	RS 3/12/20
Approved by PW Director:	Noe Negrete	ZN 3/16/20



City of Santa Fe Springs

City Council Meeting

ITEM NO. 8C

March 26, 2020

CONSENT AGENDA

Ann Street Improvements - Final Payment

RECOMMENDATION

- Approve the Final Payment (less 5% Retention) to R.J. Noble Company of Orange, California in the amount of \$532,466.48 for the subject project

BACKGROUND

The City Council, at their meeting of January 9, 2020, awarded a contract to R.J. Noble Company of Orange, California in the amount of \$511,650.80 for the Ann Street Improvements project. The project is from Sorensen Avenue to Santa Fe Springs Road, and from Sorensen Avenue to the southerly Cul-De-Sac. The project consists of the removal of existing asphalt concrete pavement surface and the placement of new asphalt concrete pavement thereon. Additionally, the project includes the removal and replacement of curb and gutter, sidewalks, curb ramps, driveways as needed, as well as the installation of Stormwater screen covers.

The following payment detail represents the Final Payment (less 5% Retention) due per terms of the contract for the work which has been completed and found to be satisfactory.

The final construction cost is \$560,491.03. The final project costs include construction, engineering, inspection, and contingency is within the budgeted amount of \$890,340.

FISCAL IMPACT

The Ann Street Improvement project is an approved Capital Improvement Plan (CIP) project with an original budget of \$890,340.00. City staff modified the pavement structural section to avoid potentially shallow utility infrastructures and still provide the necessary strength for the roadway. This yielded a savings to the project.


Raymond R. Cruz
City Manager

Attachment:

Attachment No. 1: Final Payment Detail

Report Submitted By:

Noe Negrete
Director of Public Works



Date of Report: March 18, 2020

Payment Detail:
ANN STREET IMPROVEMENTS
(Santa Fe Springs Road to Sorensen Avenue)

Contractor: **R. J. Noble Company**
15505 E. Lincoln Avenue
Orange, CA 92856

Final Payment: \$ 532,466.48

Item No.	Description	Contract				Completed This Period		Completed To Date	
		Quantity	Units	Unit Price	Total	Quantity	Amount	Quantity	Amount
Contract Work									
1.	Mobilization.	1	LS	\$ 18,000.00	\$ 18,000.00	100%	\$ 18,000.00	100%	\$ 18,000.00
2.	Construction surveying.	1	LS	\$ 8,500.00	\$ 8,500.00	100%	\$ 8,500.00	100%	\$ 8,500.00
3.	Traffic control.	1	LS	\$ 17,000.00	\$ 17,000.00	100%	\$ 17,000.00	100%	\$ 17,000.00
4.	Preparation, implementation and modification of the SWPPP.	1	LS	\$ 4,000.00	\$ 4,000.00	100%	\$ 4,000.00	100%	\$ 4,000.00
5.	Roadway unclassified excavation.	1,564	CY	\$ 41.00	\$ 64,124.00	1,502	\$ 61,582.00	1,502	\$ 61,582.00
6.	Cold mill 2" thick asphalt concrete (AC) pavement.	22,280	SF	\$ 0.21	\$ 4,678.80	21,864	\$ 4,591.44	21,864	\$ 4,591.44
7.	Construct 2" ARHM GG-C surface course.	279	TON	\$ 88.00	\$ 24,552.00	280	\$ 24,640.00	280	\$ 24,640.00
8.	Construct 3" ARHM GG-C surface course.	1,584	TON	\$ 88.00	\$ 139,392.00	1,475.97	\$ 129,885.36	1,475.97	\$ 129,885.36
9.	Construct 3" type III C3 PG 64-10 asphalt concrete.	1,584	TON	\$ 71.00	\$ 112,464.00	1,441.63	\$ 102,355.73	1,441.63	\$ 102,355.73
10.	Remove existing and construct 4" thick PCC curb ramp, case and type per plan with truncated domes, retaining curb and match existing sidewalk per Caltrans Standard Plan.	1	EA	\$ 8,100.00	\$ 8,100.00	1	\$ 8,100.00	1	\$ 8,100.00
11.	Remove existing and construct 4" PCC sidewalk on 4" CMB.	185	SF	\$ 37.00	\$ 6,845.00	181	\$ 6,697.00	181	\$ 6,697.00
12.	Remove existing and construct PCC curb and gutter on 4" CMB per City of Santa Fe Springs Std. plan, curb face to match existing.	85	LF	\$ 102.00	\$ 8,670.00	81	\$ 8,262.00	81	\$ 8,262.00
13.	Remove and construct PCC commercial driveway on 6" CMB.	1,425	SF	\$ 25.00	\$ 35,625.00	1,442	\$ 36,050.00	1,442	\$ 36,050.00
14.	Traffic signing, thermoplastic striping, pavement markers and thermoplastic pavement markings.	1	LS	\$ 7,500.00	\$ 7,500.00	100%	\$ 7,500.00	100%	\$ 7,500.00
15.	Adjust water valve frame and cover to grade.	6	EA	\$ 1,000.00	\$ 6,000.00	6	\$ 6,000.00	6	\$ 6,000.00
16.	Adjust sewer and storm drain manhole frame and cover to grade.	16	EA	\$ 950.00	\$ 15,200.00	16	\$ 15,200.00	16	\$ 15,200.00
17.	Furnish and install catch basin United Storm Water Wing-Gate ARS Cover or approved equivalent (sized to fit each unique catch basin) and catch basin stencil.	6	EA	\$ 2,500.00	\$ 15,000.00	7	\$ 17,500.00	7	\$ 17,500.00
18.	Place CMB/overexcavation.	200	CY	\$ 80.00	\$ 16,000.00	3	\$ 240.00	3	\$ 240.00
Contract Total:					\$ 511,650.80		\$ 476,103.53		\$ 476,103.53
	Contract Change Order No.1	1	LS	\$ 84,387.50	\$ 84,387.50	100%	\$ 84,387.50	100%	\$ 84,387.50

Total Completed Items to Date: \$ 560,491.03

CONTRACT PAYMENTS:

Total Items Completed to Date: \$ 560,491.03

Less 5% Retention: \$ 28,024.55

Final Payment: \$ 532,466.48

Invoice Date	Invoice No.	Warrant Billing Period		Amount	Retention Amount
		Invoice Due Date	Invoice Pay Date		
02/29/2020	170455	04/07/2020	04/16/2020	\$ 532,466.48	\$ 28,024.55

	Amount	Account
Finance Please Pay:	\$ 532,466.48	PW190501
5% Retention Completed this Period:	\$ 28,024.55	205
Recommended by Project Manager:	Robert Garcia	RS 3/13/20
Approved by PW Director:	Noe Negrete	RS 3/16/20



City of Santa Fe Springs

City Council Meeting

ITEM NO. 9

March 26, 2020

COUNCIL MEMBER REQUESTED ITEM

Discussion of Possible Changes to City Council Meeting Agendas, Including Waiving of 6:30 p.m. Start Time

RECOMMENDATION

- Waive 6:30 p.m. start time for second portion of City Council meetings until further action.

BACKGROUND

On October 8, 2019, the City Council took action to change the start time for the second portion of City Council meetings from 7:00 p.m. to 6:30 p.m. On March 4, 2020, Governor Newsom proclaimed a State of Emergency to exist in California as a result of the threat of COVID-19. The Governor has issued Executive Orders that temporarily suspend requirements of the Brown Act, including allowing the City Council to hold public meetings via teleconferencing and to make public meetings accessible telephonically or otherwise electronically to all members of the public.

In light of the State of Emergency and the Governor's Executive Orders, City Council meetings are being held telephonically or electronically, and certain regular agenda items involving in-person participation such as presentations and recognitions are not taking place at this time. In order to facilitate the City Council meetings being held by teleconference or web conference, the City Council is asked to take action to waive the 6:30 p.m. start time for the second portion of City Council meetings until further action is taken.

A handwritten signature in blue ink, appearing to read "Raymond R. Cruz".

Raymond R. Cruz
City Manager



NEW BUSINESS

2019 General Plan Housing Element Annual Progress Report

City of Santa Fe Springs General Plan Housing Element Annual Progress Report.

RECOMMENDATIONS:

- Find and determine that the Annual Progress Report is exempt from The California Environmental Quality Act (CEQA), pursuant to Section 15061(b) (3). The 2019 Annual Report was assessed in accordance with the authority and criteria contained in CEQA and the State CEQA Guidelines. It can be seen with certainty that there is no possibility that the report may have a significant effect on the environment. The report does not authorize construction and any future development proposed pursuant to the programs in the City's Housing Element will require separate environmental analysis when details of those proposals are known.
- Authorize staff to forward the 2019 General Plan Housing Element Annual Progress Report to the California Department of Housing and Community Development (HCD) and the Governor's Office of Planning and Research (OPR).

BACKGROUND

The purpose of this item is for the City Council to consider the status of the General Plan Housing Element Annual Progress Report (APR) for 2019, and the progress of its implementation, which needs to be reported to the California Department of Housing Community Development (HCD) and the Governor's Office of Planning and Research (OPR). Government Code Section 65400 establishes the requirement that each city and county prepare an annual report on the status of the Housing Element, and the actions taken towards completion of the programs and status of the local government's compliance with the deadlines in its Housing Element.

Except for the Land Use Element of the City's General Plan which was adopted in 1993, all other elements (Open Space/Conservation, Safety Element, Circulation Element, Noise Element, and Environmental Element) of the General Plan were adopted in 1994. Local governments are required to keep their General Plans current and internally consistent. There is no specific requirement that a local government update its General Plan on any particular timeline, with the exception of the Housing Element, which is required to be updated as prescribed by State Law. Notwithstanding, the City recently hired MIG for a General Plan and Targeted Zoning Code update.

The City of Santa Fe Springs Housing Element 2014-2021(5th Cycle) was adopted by the City Council on January 30, 2014 and certified by HCD on February 18, 2014. The Housing Element establishes the City's strategy for meeting community housing needs and is one of seven integral and interrelated elements of the General Plan.

The 2019 Annual Report reflects the City's progress during the fifth year of the Regional Housing Need Allocation (RHNA) planning period (January 1, 2014 - October 1, 2021) for the 5th cycle Housing Element. The RHNA allocates the amount of housing growth each jurisdiction must plan for in their housing element by providing "adequate sites" through zoning. So long as a jurisdiction provides sufficient sites and does not impose constraints to development, it is not penalized for falling short of its RHNA target. However, pursuant to Government Code Section 65863, jurisdictions are required to maintain an adequate sites inventory throughout the planning period¹. For example, to the extent that high density sites identified as accommodating the lower income RHNA are developed with fewer units or developed with market rate units, the jurisdiction will need to make up any shortfall on other sites at suitable densities to accommodate lower income units, including rezoning as necessary.

As presented in Table 1 below, Santa Fe Springs was allocated a total RHNA of 324 units for the planning period. During 2019, the City received applications for eleven accessory (second) dwelling units, the most ever received. Ten accessory dwelling units were issued building permits in 2019, and can be counted towards the City's RHNA. A survey of guest houses and studio apartments for rent in Santa Fe Springs and surrounding communities indicates that market rents for accessory dwelling units fall within the level of affordability for low income households.

During the first six years of the planning period (2014-2019), a total of 234 residential building permits have been issued in Santa Fe Springs, with all but thirteen accessory dwelling units addressing the City's above moderate income needs. As depicted in the last column of the Table below, while the City has fulfilled its RHNA needs for above moderate income households, it has an unmet need for a total of 172 lower and moderate income units. The current proposal for approximately 130 affordable units on City-owned land at 13231 Lakeland Road will make an important contribution towards addressing Santa Fe Springs' outstanding RHNA needs.

Table 1: Regional Housing Needs Allocation Progress

Income Level	RHNA Allocation	Building Permits 2019	Building Permits 2014 – 2018	Remaining RHNA by Income Level
Very Low	82	0	0	82
Low	50	10	3	37
Moderate	53	0	0	53
Above Moderate	139	0	221	0
Total	324	10	224	172

¹ "No Net Loss" planning law (Gov Code 65863) requires an adequate sites inventory to be maintained throughout the RHNA planning period. Jurisdictions are not permitted to approve projects at a lower residential density or at a higher income level than identified in the sites inventory unless the remaining sites in the housing element are adequate to address the outstanding RHNA by income category.

The City of Santa Fe Springs continues to actively implement the policies of the General Plan including the goals, policies and programs of the Housing Element. The APR represents the progress the City has made towards implementing the General Plan and Housing Element during the Calendar Year 2019 reporting period.

FISCAL IMPACT

No fiscal impacts are associated with the submittal of the 2019 General Plan Housing Element Annual Progress Report to HCD and OPR.



Raymond R. Cruz
City Manager

Attachment(s):

1. 2019 APR

Table A

Housing Development Applications Submitted

[illegible]

[illegible]

New Construction, Entitled, Permits and Completed Units

[illegible]

[illegible]

[illegible]

Table B													
Regional Housing Needs Allocation Progress													
Permitted Units Issued by Affordability													
		1	2									3	4
Income Level		RHNA Allocation by Income Level	2013	2014	2015	2016	2017	2018	2019	2020	2021	Total Units to Date (all years)	Total Remaining RHNA by Income Level
Very Low	Deed Restricted	82											82
	Non-Deed Restricted												
Low	Deed Restricted	50					1	2	10			13	37
	Non-Deed Restricted												
Moderate	Deed Restricted	53											53
	Non-Deed Restricted												
Above Moderate		139		156	51		14					221	
Total RHNA		324											
Total Units 44				156	51		15	2	10			234	172

Note: units serving extremely low-income households are included in the very low-income permitted units totals
Cells in grey contain auto-calculation formulas

Table D			
Program Implementation Status pursuant to GC Section 65583			
Housing Programs Progress Report			
Describe progress of all programs including local efforts to remove governmental constraints to the maintenance, improvement, and development of housing as identified in the housing element.			
1	2	3	4
Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
1. Home Improvement Rebate Program	Pursue outside funding to support re-initiation of program. Seek to assist 100 homeowners.	Re-initiate program in 2014	Given funding constraints, the City has not re-initiated the program and has been re-evaluating the viability of the program over the long term.
2. Property Maintenance Program	Continue to bring properties into compliance; provide information on available rehabilitation assistance. Seek to complete 60 residential inspections on an annual basis.	2014-2021	During calendar year 2019, the City had a total of 94 residential code enforcement cases, exceeding its annual goal for 60 inspections.
3. Residential Rental Inspection Program	Continue the annual inspection of units; bring substandard units into compliance.	2014-2021	The Residential Rental Inspection Program was suspended in February 2016. There is discussion of bringing the program back.
4. Sale of HARP Properties	Transfer ownership of HARP properties to a non-profit for provision of first-time buyer units. Seek to provide two moderate income units.	2014-2015	In January 2019, the HARP home at 9735 Bartley Avenue was sold at an affordable price to a very low income household. The City is working to gift the last remaining HARP parcel at 9257 Millergrove to Habitat for Humanity to develop with an affordable ownership unit.
5. County Homeownership Program (HOP)	Advertise the availability of the HOP program and LACDC bi-lingual homebuyer seminars.	Update advertising materials by 2014	The City provides a description of the HOP program on its website, along with a link to the County LACDC program with application information and dates for homebuyer seminars.
6. Southern California Home Financing Authority (SCHFA)	Advertise the availability of the SCHFA program, along with a listing of participating lenders.	Update advertising materials by 2014	The City provides a description of the SCHFA program on its website, along with a link to the County LACDC program application information.
7. Mortgage Credit Certificate	Advertise the availability of the MCC program, along with a listing of participating lenders.	Update advertising materials by 2014	The City provides a description of the MCC program on its website, along with a link to the County LACDC website with program application information.
8. Affordable Housing Development Assistance	Enter into a DDA(s) on two City-owned sites for development with affordable housing. Seek to achieve a minimum of 100 affordable units, and waive application processing fees for projects with 10% ELI units.	For the Lakeland/Laurel site, enter into a DDA in 2014 and complete construction by 2016. For 10934 Laurel, enter into a DDA by 2015 and complete construction by 2017.	On March 28 2019, the City entered into a one-year Exclusive Negotiating Agreement (ENA) with Habitat for Humanity, The Whole Child and The Richmond Group, collectively "The Richmond Group", to develop both parcels. In January 2020, the development team submitted a development concept package to include: 99 affordable apartments (31 ELI, 43 VL, and 24 Low); 19 transitional housing units housing up to 40 families; and 21 for-sale townhomes. The City will assist through a land write-down and contribution of housing funds.
9. Housing Element Monitoring/Annual Report	Submit an annual Housing Element progress report to HCD. Monitor to ensure adequate sites to address RHNA throughout the planning period. Monitor redevelopment of R-3 properties.	First annual report due April 1, 2014. Ongoing monitoring of sites and R-3 properties in conjunction with project applications.	City has submitted its Annual Report for each year of the 2014-2021 Housing Element. City has entered into an ENA with a non-profit development team to provide approximately 130 lower income units on two City-owned R-3 parcels. In addition, in April 2018 the City expanded its multi-family sites by rezoning 5.1 acres of Public Institutional to R-3-PD to accommodate a 128 unit apartment complex.
10. Second Dwelling Unit	Implement City's ordinance to accommodate second units. Seek to achieve at least 3 new second units.	2014-2021	The City issued building permits for ten second dwelling units in 2019, the most applications ever received and twice as many as the prior year. A March 2020 rent survey of ten guest houses and studio apartments for rent in Santa Fe Springs and surrounding communities identified listings ranging from \$950 - \$1,450, within the maximum affordable housing cost of \$1,461 for a single person, low income household. At unit sizes of 360 - 625 square feet, the second units approved in Santa Fe Springs are smaller than most units advertised in the rent survey.
11. Sustainability and Green Building	Provide education/outreach to residents and development community on CALGREEN. Advertise available energy conservation programs to residents.	Update advertising materials by 2014	The City website provides information on CALGREEN, along with links to a number of websites for sustainability tips and resources, including information about recycling, proper disposal of electronic waste, energy and water conservation rebates.
12. Section 8 Rental Assistance	Continue participation in program and advertise through City Newsletter and dissemination of brochures; encourage landlords to register units.	Advertise program quarterly in City newsletter. Discuss with landlords in conjunction with annual Rental Inspection.	The City provides a description of the Section 8 program on its website, along with a link to the program on the HaCOLA website with program application information. As of February 2020, HaCOLA reports a total of 219 Santa Fe Springs households participating in the Section 8 Housing Choice Voucher Program, including 4 tenants receiving Veterans Assistance vouchers and 3 tenants receiving Continuum of Care vouchers.
13. Preservation of Assisted Rental Housing	Monitor at-risk properties; as necessary, pursue alternative funding for rent subsidies and provide tenant education.	Contact at-risk property owners within one year of potential expiration.	No projects were at risk of conversion to market rate, with the earliest potential expiration not until 2025.
14. Zoning Ordinance Revisions	Amend the Zoning Code to make explicit provisions for transitional and supportive housing, emergency shelters, manufactured housing, community care facilities and SROs.	Adopt SB 2 related amendments in 2013, with the balance of Code amendments in 2014.	In March 2017, the city adopted a package of Zoning Code amendments to address zoning for a variety of housing types, as specified in the Housing Element. The city is currently working with Habitat for Humanity and The Whole Child to develop a continuum of affordable housing (approximately 130 units) on City owned sites, including transitional housing and supportive housing components.
15. Density Bonus	Adopt and maintain a density bonus ordinance and advertise on the City's website.	Adopt a local density bonus ordinance in 2013.	City Council updated its density bonus in 2017 for consistency with recent changes in State law.
16. CEQA Exemptions for Infill Projects	Continue to utilize categorical exemptions where appropriate, on a case-by-case basis.	2014-2021	All residential development applications received in 2019 were for accessory dwelling units which are not subject to CEQA.
17. Fee Deferrals and/or Waivers for Affordable Housing	Inform affordable housing developers that fee deferrals, reductions and waivers may be requested as an incentive. Amend the Code to waive application processing fees for projects with 10% ELI units.	Provide information on available fee incentives in conjunction with affordable projects. By the end of 2014, amend Code for ELI units.	City's density bonus ordinance identifies fee reductions as an eligible incentive. In addition, Section 155.739 of the Municipal Code provides for a waiver of Planning Department entitlement fees for projects with a minimum of 10% extremely low income units.
18. Zoning for Small Employees (6 or fewer)	Amend Zoning Code consistent with Employee Housing Act	Within two years of Housing Element adoption.	The City's Zoning Code provides zoning for small employee housing, consistent with the Employee Housing Act.
19. Fair Housing Programs	Promote the fair housing program through advertisement in the City newsletter, and through program brochures placed at public locations.	Advertise in City newsletter quarterly.	Brochures about fair housing services provided in Santa Fe Springs through the Housing Rights Center are provided at City Hall. In addition, the City provides links to the following fair housing resources on its website: California Department of Fair Employment and Housing; Los Angeles County Housing Resource Center; The Housing Rights Center; Neighborhood Legal Services of Los Angeles County; and Inner City Law Center.
20. Social Service Programs for Special Needs Groups	Maintain a proactive social service program; augment services as directed by the Social Services and Senior Citizens Advisory Committees.	2014-2021	The City has maintained an active social services program for its residents.
21. Reasonable Accommodation	Adopt and implement reasonable accommodation procedures; disseminate information on the City's website and at the public counter.	Adopt Code procedures in 2013, and begin disseminating information in 2014.	City Council adopted procedures for Reasonable Accommodation in 2013. The City has placed information on its website and has developed a handout on reasonable accommodation procedures.

[illegible]



City of Santa Fe Springs

City Council Meeting

ITEM NO. 11

March 26, 2020

NEW BUSINESS

Authorize a Purchase from Toyota Material Handling Solutions of Santa Fe Springs for one (1) 8,000 lb. Capacity Toyota Forklift

RECOMMENDATION

- Award an order to Toyota Material Handling Solutions for one (1) Toyota Forklift in the amount of \$50,884.15.
- Authorize the Director of Purchasing to issue a purchase order for this transaction.

BACKGROUND

The City Council approved in the Fiscal Year 2019/20 Budget \$60,000 for the replacement of one 8,000 lb. capacity forklift. The current Unit 373 is a 1990 White forklift used at the Municipal Services Yard. The City purchased the same model Toyota forklift several years ago, which is currently in use at Fire Headquarters. The Fleet Supervisor is satisfied with the performance of the Toyota lift and would like to standardize the equipment with Fire.

The Director of Purchasing Services requests approval to award an order of one (1) Toyota Model 8FG35U Forklift to Toyota Material Handling Solutions of Santa Fe Springs. This is a negotiated purchase; Toyota Material Handling Solutions of Santa Fe Springs is the single source distributor in our geographic area for Toyota lifts. Confirmation of single source purchase was made with Toyota Lift Corporate.

FISCAL IMPACT

The City Council approved in the Fiscal Year 2019-20 Budget \$60,000 for the acquisition of this forklift. The cost to purchase the replacement forklift totals \$50,884.15, a savings of \$9,115.85 compared to the budgeted amount.

A handwritten signature in black ink, appearing to read "Raymond R. Cruz".

Raymond R. Cruz
City Manager

Attachment

1. Vendor Quote



Toyota Material Handling Solutions
12907 Imperial Hwy
Santa Fe Springs, CA 90670-4715
Phone: 562-941-4155
Fax: 562-941-4414
www.toyota-lift.com

To: City of Santa Fe Springs - City Yard
12636 Emmens Way
Santa Fe Springs, CA 90670-3942
Attn: Paul Martinez

Date: March 5, 2020
Our Ref: 40931996
Phone: 562-409-7535

We respectfully submit this quotation for the following NEW Toyota Internal Combustion Lift Truck (1 each):

TOYOTA MODEL 8FG35U, Internal Combustion Lift Truck, quality engineered with the following specification:

- Pneumatic Tires
- LP Gas Powered - UL Type "LP" Rating

This forklift is equipped with a 3-Way Catalytic Muffler System as standard equipment, and conforms to current Federal EPA and California ARB regulations for off-road large spark ignited engines.

- **SYSTEM OF ACTIVE STABILITY™ (SAS)**
Toyota's industry exclusive System of Active Stability (SAS) helps reduce lift truck instability by electronically monitoring and controlling various functions of the lift truck.
 - Active Control Rear Stabilizer
 - Active Mast Function Controller (AMC)
- **2-SPEED AUTOMATIC (POWERSHIFT) TRANSMISSION**
- **AUTOMATIC FORK LEVELING**
- **FULL FLOATING PLANETARY DRIVE AXLE**
- **LCD MULTI-FUNCTION DISPLAY II**



Model 8FD35U Shown

Photo may portray optional equipment not included in your quotation.

Mast 3-Stage (FSV) mast with full free lift. Mast specifications:
Maximum Fork Height - 171.5"
Overall Lowered Height - 85.0" (Overhead Guard Height - 87.00")
Free Lift - 37.0" with standard Load Backrest

Lifting Capacity Base Model Capacity - 8,000 lbs. @ 24" load center
Actual Capacity, based on quoted specifications, - 8,000 lbs. @ 24" load center to 171.5" MFH

Actual capacity ratings stated above are based on standard features, options, and attachments available through Toyota at the time of quoting. Non-standard features, options, and attachments may affect actual capacity ratings. Please contact your Toyota sales representative for additional information.

<i>Tilt</i>	6 degrees forward and 6 degrees backwards
<i>Carriage</i>	ITA Hook Type, 46" Carriage
<i>Forks</i>	Forks 60" x 6" x 2" - Class III
<i>Load Backrest</i>	48" High Load Backrest
<i>Attachments</i>	3 Way Valve (With 3rd Function Hosing)
<i>Speeds</i>	Travel Speed: 15 mph Lift Speed: 102 fpm
<i>Engine</i>	Toyota 3.7L 1FS 4 cylinder Industrial Engine Overhead valve (OHV) Distributor less ignition system Net Horsepower Rating: 87 @ 2350 rpm SAE HP Net Torque Rating: 200 @ 1600 rpm SAE ft-lb
<i>Transmission</i>	2-Speed Automatic (Powershift) Transmission 2 speed forward, 2 speed reverse standard.
<i>Steering</i>	Load Sensing Hydrostatic Power Steering with Tilt Steering Column
<i>Wheels and Tires</i>	Front Tires: 250-15 (Solid Pneumatic) Rear Tires: 7.00-12 (Solid Pneumatic)
<i>Additional Equipment</i>	Side Hosing Termination Back-Up Alarm Rear View Mirrors (Left & Right Sides) Polycarbonate Overhead Guard Cover - Tinted (Gray) Strobe Light - Yellow LED Rear Combination Lights LED Reverse Activated Rear Work Light Rear Assist Grip with Horn Button Fire Extinguisher (Mounted on rear Overhead Guard Leg) Solid Pneumatic Drive Tires Solid Pneumatic Steer Tires UL Approved Model Type "LP" (tank not included) 33 Lbs. Steel LP Tank (Qty 2)

<i>Warranty</i>	12 Months or 2,000 hours whichever occurs first: Basic 36 Months or 6,000 hours whichever occurs first: Powertrain
------------------------	---

Warranty coverage for non-standard option components will be covered by the manufacturer of that component and not covered under the Toyota forklift standard or powertrain warranty.

We offer a Toyota factory authorized warranty on all new Toyota Industrial Equipment.



UPGRADE TO TOYOTA 360 SUPPORT PLUS!

Includes 1 year of scheduled planned maintenance (up to 4) and additional product assurance.

*Not applicable to all models. See here for more details: www.toyotaforklift.com/360-support

Investment

Price-Toyota Model 8FG35U as specified above: \$49,349 Each
Special Factory & Dealer Discount – Good until April 15th 2020 -\$3,300

Net Price: \$46,049 Each
10.5% 4,835.15 Plus tax
TOTAL 50,884.15

Financing and Maintenance

A broad range of competitive and flexible financing options are available through Toyota. Financing requires credit approval. Terms and conditions are subject to change.

In addition, Full Maintenance and Planned Maintenance programs are available.

1. **60-month Operating Lease.** Total monthly payments of **\$631.51** plus applicable taxes. First payment is due in advance.

Usage Hours: 2000 per Year Quantity: _____ Initial Selected Option _____

2. **60-month Full purchase Lease.** Total monthly payments of **\$862.33** plus applicable taxes. First payment is due in advance. An end of term purchase option of \$1.00 is available at contract signing.

Quantity: _____ Initial Selected Option _____

Terms and Conditions

Payment: Net 10 days / Cash or Financed

Delivery: Will advise at time of order.

F.O.B.: Delivered

Prices are exclusive of any sales or use taxes now in force or which may be made effective in the future by any federal, state, or local governments.

Lease offerings subject to credit approval.

This quote is valid for 30 days from the quote date above and pricing, lease rates, and specifications are subject to change

Performance and specifications stated are based on specific testing and operating conditions.

Actual performance and specifications may vary based on application, option configuration, operating conditions, and environmental factors.

Some options and configurations may void UL.

A storage fee of \$5.00 per day, per unit, will be charged for units held 30 days beyond the agreed delivery date.

CANCELLATION AFTER ORDER IS PLACED WILL RESULT IN A RESTOCKING CHARGE OF 20% OF THE SALE PRICE.

Shipping and delivery dates are estimates based upon conditions prevailing at the time of quotation. Seller shall not be liable for delays due to: changes made by Purchaser, Acts of God, supplier delays, strikes, floods, epidemics, war and all other causes beyond Seller's control. In the

event of such delay, the delivery shall be extended by the amount of time incurred as a result of the delay. If delivery is delayed as a result of acts by Purchaser, Seller shall have the option of requesting payment from Purchaser on such date as delivery was to have occurred as provided in the Proposal. Purchaser shall pay any and all expenses incurred by Seller due to Purchaser's postponement of delivery, including among other expenses, Seller's storage expenses.

Sincerely,
Toyota Material Handling Solutions

Accepted:
City of Santa Fe Springs - City Yard

Cash Price \$ _____
Financed Payment \$ _____ Per Month _____ Months

By: _____

By: _____

Name: Eric Marseglia

Name: _____

Title: Sales Representative

Title: _____

Date: _____

Quantity of units: _____

Email: _____

Purchase order number (if required) : _____

Delivery Hours: _____ Ground or Dock Delivery: _____

If financing provide Insurance Name: _____ Phone: _____

If Electric unit provide Building voltage: _____

Planned Maintenance Authorization:

Yes _____ I would like Planned Maintenance

Planned Maintenance Authorization: Yes _____ No _____ Price \$90 + \$32 MFC

Choose Interval 30 Day _____ 60 Day _____ 90 Day _____

No _____ I am not interested in Planned Maintenance

If No Please Provide # of Explanation Listed Below _____

1. Service Already Provided by TLA
2. Service Being Provided by 3rd. Party
3. Service is Handled In-house
4. Service is On-Call

Optional Equipment
(not included in this Quotation)

<u>Item</u>	<u>Price</u>	<u>Accepted*</u>
1. Toyota 360 Support Plus 5 Carriage-to-Counterweight Service Agreement T360 Class V 5yr or 10000hr Carriage to Counterweight - With 1 Yr PM schedule. Includes 1 st 4PM's in 1 st year of service	\$1,332	<hr/>

** Customer: please signify acceptance of an option by initialing in the space provided.*