



CITY OF SANTA FE SPRINGS
SPECIAL MEETINGS OF THE HOUSING SUCCESSOR,
SUCCESSOR AGENCY, AND CITY COUNCIL
AGENDA

THURSDAY, JANUARY 11, 2024
AT 6:00 P.M.

CITY HALL COUNCIL CHAMBERS
11710 TELEGRAPH ROAD
SANTA FE SPRINGS, CA 90670

CITY COUNCIL

Jay Sarno, Mayor
William K. Rounds, Mayor Pro Tem
Juanita Martin, Councilmember
Annette Rodriguez, Councilmember
Joe Angel Zamora, Councilmember

CITY MANAGER

René Bobadilla, P.E.

CITY ATTORNEY

Ivy M. Tsai

CITY STAFF

Assistant City Manager
Fire Chief
Police Chief
Director of Community Services
Director of Finance
Director of Planning
Director of Police Services
Director of Public Works
City Clerk

Nicholas Razo
Chad Van Meeteren
Aviv Bar
Maricela Balderas
Lana Dich
Wayne Morrell
Dino Torres
James Enriquez
Janet Martinez

NOTICES

This City Council Meeting ("Council") will be held in person and will meet at City Hall – City Council Chambers, 11710 E. Telegraph Road, Santa Fe Springs, California. The meeting will be live streamed on the City's YouTube Channel and can be accessed on the City's website via the following link:

https://santafesprings.org/city_council/city_council_meetings/index.php

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.

SB 1439: Effective January 1, 2023, City Council Members are subject to SB 1439 and cannot participate in certain decisions for a year after accepting campaign contributions of more than \$250 from an interested person. The Council Member would need to disclose the donation and abstain from voting.

Public Comments: 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 on the day of the meeting, please fill out a speaker card provided at the door and submit it to City Clerk staff. You may also submit comments in writing by sending them to the City Clerk's Office at cityclerk@santafesprings.org. All written comments received by 12:00 p.m. the day of the City Council Meeting will be distributed to the City Council and made a part of the official record of the meeting. Written comments will not be read at the meeting, only the name of the person submitting the comment will be announced. 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.

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

CALL TO ORDER

ROLL CALL

INVOCATION

PLEDGE OF ALLEGIANCE

INTRODUCTIONS

PRESENTATIONS

1. 2023 HOLIDAY HOME DECORATING CONTEST WINNERS (COMMUNITY SERVICES)
2. TREE LIGHTING & SANTA FLOAT PROGRAMS RECAP (COMMUNITY SERVICES)
3. HOLIDAY BASKET PROGRAMS RECAP (COMMUNITY SERVICES)
4. 2023 COMMUNITY SERVICES DEPARTMENT END OF YEAR RECAP OF EVENTS (COMMUNITY SERVICES)

CHANGES TO AGENDA

PUBLIC COMMENTS ON NON-AGENDA AND AGENDA ITEMS

At this time, the general public may address the City Council on both non-agenda *and* agenda items. Please be aware that the maximum time allotted for members of the public to speak shall not exceed three (3) minutes per speaker. State Law prohibits the City Council from taking action or entertaining extended discussion on a topic not listed on the agenda. Please show courtesy to others and direct all of your comments to the Mayor.

STAFF COMMUNICATIONS ON ITEMS OF COMMUNITY INTEREST

HOUSING SUCCESSOR AGENDA – NONE

CITY COUNCIL AGENDA

PUBLIC HEARING

5. PUBLIC HEARING TO CONSIDER THE PROPOSED ZONE TEXT AMENDMENTS TO ENSURE THAT THE CITY'S ZONING ORDINANCE IS ALIGNED WITH THE STATE'S ACCESSORY DWELLING UNIT (ADU) AND JUNIOR ACCESSORY DWELLING UNIT (JADU) STATUTES AND FIND THAT THE AMENDMENTS ARE EXEMPT FROM CEQA (PLANNING)

RECOMMENDATION: It is recommended that the City Council:

- 1) Open the Public Hearing and receive the written and oral staff report and any comments from the public regarding the proposed zone text amendments related to ADU and JADU regulations; and
 - 2) Find and determine that the proposed zone text amendments are consistent with the goals, policies, and program of the City's General Plan; and
 - 3) Find and determine that the proposed zone text amendments are consistent with the State's ADU and JADU regulations; and
 - 4) Find and determine that this Project is exempt from California Environmental Quality Act (CEQA) pursuant to Public Resource Code (PRC) Section 21080.17 which provides an exemption for the adoption of an ordinance by a city or county to implement the provisions of Section 65852.2 of the Government Code (the state ADU law); and
 - 5) Waive further reading and introduce Ordinance No. 1134 by title, adopting Zone Text Amendments to ensure that the City's Zoning Ordinance is aligned with the State's Accessory Dwelling Unit (ADU) and Junior Accessory Dwelling Unit (JADU) statutes; and
 - 6) Take such additional, related action that may be desirable.
6. **A PUBLIC HEARING TO CONSIDER AN APPEAL OF THE PLANNING COMMISSION'S DECISION TO APPROVE ZONE DETERMINATION CASE NO. 2023-01: A REQUEST TO DETERMINE THAT A BATTERY ENERGY STORAGE SYSTEM USE WITH DIRECT CONNECTION TO A PUBLIC UTILITY GRID IS A SIMILAR AND COMPATIBLE USE WITH OTHER SIMILARLY PRINCIPALLY PERMITTED USES LISTED IN THE M-2, HEAVY MANUFACTURING, ZONE; AND ADOPT A NOTICE OF EXEMPTION UNDER CEQA SECTION 15061(B)(3) (COMMON SENSE EXEMPTION) (PLANNING)**

RECOMMENDATION: It is recommended that the City Council:

- 1) Open the public hearing, receive public testimony from anyone in the audience or on Zoom wishing to speak; and
- 2) Consider the information presented in the written and oral staff reports, in combination with the November 13, 2023 Planning Commission staff report and summary, which collectively provides the necessary background and context; and
- 3) Deny the appeal by Bridgeland Resources LLC; and
- 4) Find and determine that the project is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Section 15061(b)(3) (Common Sense Exemption) and;

- 5) Adopt City Council Resolution No. 9892, which incorporates the City Council's findings and actions regarding the matter, which include to ratify the Planning Commission's decision and to approve Zone Determination Case No. 2023-01 determining that a battery energy storage system use with direct connection to a public utility grid is similar to and compatible with other similarly principally permitted uses listed in the M-2, Heavy Manufacturing, Zone and will not be inconsistent with the purpose of the M-2 Zone; and
- 6) Take such additional, related action that may be desirable.

OLD BUSINESS

7. APPOINTMENTS TO CITY COMMISSIONS/COMMITTEES AND EXTERNAL ORGANIZATIONS (CITY CLERK)

RECOMMENDATION: It is recommended that the City Council:

- 1) Review and make appointments to City commissions and committees as desired; and
- 2) Review and make appointments to City Council liaisons to advisory committees as desired; and
- 3) Review and make appointments to City Council subcommittees as desired; and
- 4) Review and make appointments to external organizations as desired; and
- 5) Take such additional, related action that might be desirable.

REGULAR BUSINESS

8. AMENDMENT NO. 2 TO THE COOPERATIVE AND FUNDING AGREEMENT WITH METRO FOR THE ROSECRANS/MARQUARDT GRADE SEPARATION PROJECT (PUBLIC WORKS)

RECOMMENDATION: It is recommended that the City Council:

- 1) Authorize the Mayor to sign Amendment No. 2 to the Cooperative and Funding Agreement for the Rosecrans/Marquardt Grade Separation Project between the Los Angeles County Metropolitan Transportation Authority and the City of Santa Fe Springs; and
- 2) Approve a Professional Services Agreement with RailPros, Inc. to provide rail road flagging services for the Rosecrans Marquardt Grade Separation Project; and
- 3) Take such additional, related action that may be desirable.

CONSENT CALENDAR

All matters listed under the Consent Calendar are considered to be routine. Any items a Councilmember wishes to discuss should be designated at this time. All other items may be approved in a single motion. Such approval will also waive the reading of any Ordinance.

SUCCESSOR AGENCY

- 9. ADOPT RESOLUTION SA-2024-001 APPROVING THE SUCCESSOR AGENCY'S RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS 24-25) AND ADMINISTRATIVE BUDGET FOR THE PERIOD JULY 1, 2024 THROUGH JUNE 30, 2025 (FINANCE)**

RECOMMENDATION: It is recommended that the Successor Agency:

- 1) Adopt Resolution SA-2024-001 Approving the Successor Agency's Recognized Obligation Payment Schedule (ROPS 24-25) and Administrative Budget for the Period July 1, 2024 through June 30, 2025.

CITY COUNCIL

- 10. LISTING AGREEMENT TO APPOINT COLLIER INTERNATIONAL GREATER LOS ANGELES, INC., THE EXCLUSIVE RIGHT TO NEGOTIATE THE RENEWAL OF A GROUND LEASE WITH THE UNITED STATES POSTAL SERVICE AT 11760 TELEGRAPH ROAD (PLANNING)**

RECOMMENDATION: It is recommended that the City Council:

- 1) Approve the Listing Agreement appointing Colliers International Greater Los Angeles, Inc. ("Colliers") as the City's sole agent and granting to Colliers the exclusive right to negotiate the renewal of a ground lease with the United States Postal Services (USPS) for the real property located at 11760 Telegraph Road; and
- 2) Authorize the Mayor to execute the Listing Agreement; and
- 3) Take such additional, related action that may be desirable.

- 11. TRAFFIC ENFORCEMENT AGREEMENT WITH THE CALIFORNIA HIGHWAY PATROL SANTA FE SPRINGS AREA (CHP) (POLICE SERVICES)**

RECOMMENDATION: It is recommended that the City Council:

- 1) Authorize the Director of Police Services to enter into an agreement with the California Highway Patrol Santa Fe Springs Area (CHP) for traffic enforcement in an amount not to exceed \$50,000 on a recurring fiscal year basis.

12. REVISION TO PERSONNEL POLICIES AND PROCEDURES MANUAL, SECTION 6-3.7 HOURLY NON-BENEFITTED SICK LEAVE TO COMPLY WITH THE HEALTHY WORKPLACE/HEALTHY FAMILIES ACT OF 2014 (PAID SICK LEAVE) (HUMAN RESOURCES)

RECOMMENDATION: It is recommended that the City Council:

- 1) Approve the revision to Personnel Policies and Procedures Manual (PPPM), Section 6-3.7 Hourly Non-Benefitted Sick Leave to comply with the Healthy Workplace/Healthy Families Act of 2014 (Paid Sick Leave).

13. CLARKE ESTATE PARKING LOT PAVING IMPROVEMENTS – AWARD OF CONTRACT (PUBLIC WORKS)

RECOMMENDATION: It is recommended that the City Council:

- 1) Accept the bids; and
- 2) Award a contract to Prestige Paving Company, Inc. of La Mirada, California in the amount of \$129,197.81; and
- 3) Take such additional, related action that may be desirable.

14. CALRECYCLE GRANT AND PAYMENT PROGRAMS (CITY MANAGER)

RECOMMENDATION: It is recommended that the City Council:

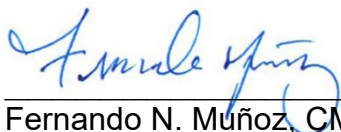
- 1) Adopt a resolution authorizing the submittal of application(s) for all CalRecycle Grant and Payment Programs for which the City is eligible.

COUNCIL COMMENTS/AB1234 COUNCIL CONFERENCE REPORTING

Council member announcements; requests for future agenda items; conference/meetings reports. Members of the City Council will provide a brief report on meetings attended at the expense of the local agency as required by Government Code Section 53232.3(d).

ADJOURNMENT

I, Fernando N. Muñoz, Deputy City Clerk for the City of Santa Fe Springs hereby certify that a copy of this agenda has been posted no less than 24 hours at the following locations; City's website at www.santafesprings.org; 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.



Fernando N. Muñoz, CMC, Deputy City Clerk



CITY OF SANTA FE SPRINGS

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: René Bobadilla, P.E., City Manager

BY: Wayne Morrell, Director of Planning and Development

SUBJECT: **PUBLIC HEARING TO CONSIDER THE PROPOSED ZONE TEXT AMENDMENTS TO ENSURE THAT THE CITY'S ZONING ORDINANCE IS ALIGNED WITH THE STATE'S ACCESSORY DWELLING UNIT (ADU) AND JUNIOR ACCESSORY DWELLING UNIT (JADU) STATUTES AND FIND THAT THE AMENDMENTS ARE EXEMPT FROM CEQA**

DATE: January 11, 2024

RECOMMENDATION(S):

It is recommended that the City Council:

- 1) Open the Public Hearing and receive the written and oral staff report and any comments from the public regarding the proposed zone text amendments related to ADU and JADU regulations; and
- 2) Find and determine that the proposed zone text amendments are consistent with the goals, policies, and program of the City's General Plan; and
- 3) Find and determine that the proposed zone text amendments are consistent with the State's ADU and JADU regulations; and
- 4) Find and determine that this Project is exempt from California Environmental Quality Act (CEQA) pursuant to Public Resource Code (PRC) Section 21080.17 which provides an exemption for the adoption of an ordinance by a city or county to implement the provisions of Section 65852.2 of the Government Code (the state ADU law); and
- 5) Waive further reading and introduce Ordinance No. 1134 by title, adopting Zone Text Amendments to ensure that the City's Zoning Ordinance is aligned with the State's Accessory Dwelling Unit (ADU) and Junior Accessory Dwelling Unit (JADU) statutes; and

- 6) Take such additional, related action that may be desirable.

FISCAL IMPACT

Adoption of the proposed Ordinance No. 1134, which implement zoning text amendments to the City's Zoning Ordinance is not expected to have any immediate fiscal impact.

PLANNING COMMISSION PUBLIC HEARING AND RECOMMENDATION

On November 13, 2023, the Planning Commission conducted a duly noticed public hearing to review and consider the proposed Zone Text Amendment (ZTA). The purpose of the amendment was to align the City's Zoning Ordinance with the State's Accessory Dwelling Unit (ADU) and Junior Accessory Dwelling Unit (JADU) statutes. Following a thorough evaluation of written and oral reports, input from the Southern California Association of Government (SCAG) ADU consultant, and public discussions during the Planning Commission meeting on November 13, 2023, the Commissioners voted 4-1, with Commissioner Flores voting 'nay', to approve and adopt Resolution No. 252-2023. This resolution recommends that the City Council approve and adopt Ordinance No. 1134 to effectuate the proposed amendments to the text of the City's Zoning Ordinance; and determined that the proposed ZTA is exempt from the California Environmental Quality Act (CEQA) pursuant to Public Resource Code (PRC) Section 21080.17. (See Attachment E)

BACKGROUND

On March 9, 2017, in response to changes in the State's ADU and JADU regulations, the City Council adopted Ordinance No. 1084, which updated the City's Zoning Ordinance to comply with the State's regulations at that time.

Since the adoption of Ordinance No. 1084 in March of 2017, a new set of State ADU laws (SB-897, AB-2221, and AB-916) took effect on January 1, 2023, as well as AB 1033 which took effect on January 1, 2024, which invalidated certain provisions of the City's Zoning Ordinance related to ADUs and JADUs.

In 2021, the City of Santa Fe Springs the City was selected to participate in Southern California Association of Government (SCAG) Regional Early Action Program (REAP) for Advanced ADU Implementation. City staff collaborated closely with SCAG consultant, Woodsong Associates, and the City Attorney's Office to develop a proposed ZTA that aligns the City's Zoning Ordinance regulations for ADUs and JADUs with recent State Laws. This update will amend the City's Zoning Ordinance regulations for both ADUs and JADUs.

ANALYSIS

According to California Government Code Section 65852.2, local ordinances failing to meet the requirements of State ADU/JADU Laws may be deemed null and void in their

entirety. Subsequently, the local jurisdiction will be limited to applying only State Law standards without local refinements to all local ADU and JADU development projects.

The proposed ZTA will establish updated City procedures and development standards for ADUs and JADUs that align with recent State Laws. This serves to protect the City from legal challenges to the validity of its ADU ordinance while maintaining local control in regulating these projects. For a detailed analysis, please refer to the November 13, 2023, Planning Commission staff report's analysis section (see Attachment B).

ENVIRONMENTAL

Pursuant to California Public Resources Code (PRC) Section 21080.17, adoption of the Zone Text Amendment and Ordinance is exempt from the California Environmental Quality Act (CEQA). Under PRC Section 21080.17, CEQA does not apply to the adoption of an Ordinance by a city or county to implement the provisions of Section 65852.2 of the Government Code (State ADU law). The ZTA implements California Government Code Sections 65852.2 and 65852.22 within the City of Santa Fe Springs in a manner that is consistent with the requirements of State ADU/JADU Laws. As such, the proposed ZTA and Ordinance is exempt from CEQA.

DISCUSSION

As mentioned previously, the City was selected to participate in SCAG REAP for Advanced ADU Implementation. City staff collaborated closely with SCAG consultant, Woodsong Associates, and the City Attorney's Office to develop a proposed Zone Text Amendment aligning the City's Zoning Ordinance regulations for ADUs and JADUs with recent State Laws. This update will enhance the City's Zoning Ordinance regulations for both ADUs and JADUs.

In addition to the essential updates mandated by State Laws, Woodsong Associates proposed further amendments to the City's Zoning Ordinance to promote the production of ADUs and JADUs. After careful review, City staff determined that certain amendments proposed by Woodsong Associates did not align with the goals and policies of the residential land-use designations in Santa Fe Springs. Consequently, these changes were not included in the final draft Zone Text Amendment recommended by staff and the Planning Commission. Detailed descriptions of the proposed ZTA can be found in the November 13, 2023, Planning Commission staff report (see Attachment D).

LEGAL NOTICE OF PUBLIC HEARING

Legal notice was posted at Santa Fe Springs City Hall, the City's Town Center Kiosk, the City's Library, and also published in a newspaper of general circulation (Whittier Daily News) on December 21, 2023, as required by the State Zoning and Development Laws. As of the date of this report, staff has not received any further inquiry regarding the proposed project.

SUMMARY

Staff and the Planning Commission are therefore recommending that the City Council approve and adopt Ordinance No. 1134 to effectuate the proposed amendments to the text of the City's Zoning Ordinance and determined that the proposed ZTA is exempt from the California Environmental Quality Act (CEQA) pursuant to Public Resource Code (PRC) Section 21080.17.

ATTACHMENT(S):

- A. Public Hearing Notice
- B. November 13, 2023 Planning Commission Staff Report
- C. Planning Commission Resolution No. 252-2023
- D. Ordinance No. 1134
 - a. Exhibit A – Definitions Text Amendment
 - b. Exhibit B – Accessory Dwelling Unit Text Amendment

<u>ITEM STATUS:</u>	
APPROVED:	<input type="checkbox"/>
DENIED:	<input type="checkbox"/>
TABLED:	<input type="checkbox"/>
DIRECTION GIVEN:	<input type="checkbox"/>

Attachment A: Public Hearing Notice

Whittier Daily News

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whittierdailynews.com

181 W. Huntington Drive Suite#209
Monrovia, California 91016
(626) 544-0885
ealmeida@scng.com

City of Santa Fe Springs
Attn: Linda Guerrero
Santa Fe Springs, California 90670

Account Number:	5007848
Ad Order Number:	0011638176
Customer's Reference/PO Number:	
Publication:	Whittier Daily News
Publication Dates:	12/21/2023
Total Amount:	\$612.96
Payment Amount:	\$0.00
Amount Due:	\$612.96
Notice ID:	dRbpaGU3AWQr0A5kj6YO
Invoice Text:	<p>CITY OF SANTA FE SPRINGS NOTICE OF PUBLIC HEARING ZONE TEXT AMENDMENT TO ENSURE THAT THE CITY'S ZONING ORDINANCE IS ALIGNED WITH THE STATE'S ACCESSORY DWELLING UNIT (ADU) AND JUNIOR ACCESSORY DWELLING UNIT (JADU) REGULATIONS NOTICE IS HEREBY GIVEN that the City Council of the City of Santa Fe Springs will hold a Public Hearing to consider the following: PROJECT: The City of Santa Fe Springs is proposing a Zone Text Amendment (ZTA) related to Section 155.003 (Definitions), Section 155.644 (Accessory Dwelling Unit), and Section 155.644.1 (Junior Accessory Dwelling Unit) of the City's Zoning Ordinance to align it with the State's ADU and JADU Regulations. CEQA STATUS: Pursuant to California Public Resources Code (PRC) Section 21080.17, adoption of the subject ZTA and Ordinance is exempt from the California Environmental Quality Act (CEQA). Under PRC Section 21080.17, CEQA does not apply to the adoption of an ordinance by a city or county to implement the provisions of Section 65852.2 of the Government Code (State ADU law). The ZTA implements California Government Code Sections 65852.2 and 65852.22 within the City of Santa Fe Springs in a manner that is consistent with the requirements of State ADU/JADU Laws. As such, the proposed ZTA and Ordinance is exempt from CEQA. PLANNING COMMISSION RECOMENDATION: After receiving the written and oral reports, input from the Southern California Association of Government (SCAG) ADU consultant, and public discussions during the Planning Commission meeting on November 13, 2023, the Commissioners voted 4-1, with Commissioner Flores voting 'nay', to approve and adopt Resolution No. 252-2023.</p>

Whittier Daily News

Local. News. Matters.
whittierdailynews.com

Whittier Daily News

181 W. Huntington Drive Suite#209
Monrovia, California 91016
(626) 544-0885

FILE NO. 0011638176

PROOF OF PUBLICATION (2015.5 C.C.P.)

STATE OF CALIFORNIA County of Los Angeles County

I am a citizen of the United States and a resident of the county aforesaid; I am over the age of eighteen years, and not party to or interested in the above-entitled matter. I am the principal clerk of the printer of WHITTIER DAILY NEWS, a newspaper of general circulation for the City of Whittier, by the Superior Court of the County of Los Angeles County, State of California, on the date of October 10, 1960, Case Number 369393. The notice, of which the annexed is a true printed copy, has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to wit:

12/21/2023

I declare under the penalty of perjury that the foregoing is true and correct.

Executed at Monrovia, California
On this 21st day of December, 2023.



Signature

CITY OF SANTA FE SPRINGS NOTICE OF PUBLIC HEARING ZONE TEXT AMENDMENT TO ENSURE THAT THE CITY'S ZONING ORDINANCE IS ALIGNED WITH THE STATE'S ACCESSORY DWELLING UNIT (ADU) AND JUNIOR ACCESSORY DWELLING UNIT (JADU) REGULATIONS

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CEQA STATUS: Pursuant to California Public Resources Code (PRC) Section 21080.17, adoption of the subject ZTA and Ordinance is exempt from the California Environmental Quality Act (CEQA). Under PRC Section 21080.17, CEQA does not apply to the adoption of an ordinance by a city or county to implement the provisions of Section 65852.2 of the Government Code (State ADU law). The ZTA implements California Government Code Sections 65852.2 and 65852.22 within the City of Santa Fe Springs in a manner that is consistent with the requirements of State ADU/JADU Laws. As such, the proposed ZTA and Ordinance is exempt from CEQA.

PLANNING COMMISSION RECOMENDATION: After receiving the written and oral reports, input from the Southern California Association of Government (SCAG) ADU consultant, and public discussions during the Planning Commission meeting on November 13, 2023, the Commissioners voted 4-1, with Commissioner Flores voting 'nay', to approve and adopt Resolution No. 252-2023. This resolution recommends that the City Council approve and adopt Ordinance No. 1134 to effectuate the proposed amendments to the text of the City's Zoning Ordinance; and determined that the proposed ZTA is exempt from the California Environmental Quality Act (CEQA) pursuant to Public Resource Code (PRC) Section 21080.17.

Project Location: All parcels zoned residential or mixed-use within the City of Santa Fe Springs' city boundaries.

THE HEARING will be held before the City Council of the City of Santa Fe Springs in the Council Chambers of the City Hall, 11710 Telegraph Road, Santa Fe Springs, on **Thursday, January 11, 2024 at 6:00 p.m.**

ALL INTERESTED PERSONS are invited to participate in the Public Hearing and express their opinion on the item listed above. Please note that if you challenge the afore-mentioned item in court, you may be limited to raising only those issues raised at the Public Hearing described in this notice, or in written correspondence delivered to the City Clerk's office, or prior to the Public Hearing.

PUBLIC COMMENTS may be submitted in writing to the City Clerk at CityClerk@santafesprings.org. Please submit your written comments by 12:00 p.m. on the day of the City Council meeting. You may also contact the City Clerk at: (562) 868-0511.

FURTHER INFORMATION on this item may be obtained from Jimmy Wong, Associate Planner, via e-mail at: jimmywong@santafesprings.org or otherwise by phone at: (562) 868-0511 ext. 7451.
Whittier Daily News
Published: 12/21/23

**CITY OF SANTA FE SPRINGS
NOTICE OF PUBLIC HEARING
ZONE TEXT AMENDMENT TO ENSURE THAT THE CITY'S ZONING ORDINANCE IS
ALIGNED WITH THE STATE'S ACCESSORY DWELLING UNIT (ADU) AND JUNIOR
ACCESSORY DWELLING UNIT (JADU) REGULATIONS**

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CEQA STATUS: Pursuant to California Public Resources Code (PRC) Section 21080.17, adoption of the subject ZTA and Ordinance is exempt from the California Environmental Quality Act (CEQA). Under PRC Section 21080.17, CEQA does not apply to the adoption of an ordinance by a city or county to implement the provisions of Section 65852.2 of the Government Code (State ADU law). The ZTA implements California Government Code Sections 65852.2 and 65852.22 within the City of Santa Fe Springs in a manner that is consistent with the requirements of State ADU/JADU Laws. As such, the proposed ZTA and Ordinance is exempt from CEQA.

PLANNING COMMISSION RECOMENDATION: After receiving the written and oral reports, input from the Southern California Association of Government (SCAG) ADU consultant, and public discussions during the Planning Commission meeting on November 13, 2023, the Commissioners voted 4-1, with Commissioner Flores voting 'nay', to approve and adopt Resolution No. 252-2023. This resolution recommends that the City Council approve and adopt Ordinance No. 1134 to effectuate the proposed amendments to the text of the City's Zoning Ordinance; and determined that the proposed ZTA is exempt from the California Environmental Quality Act (CEQA) pursuant to Public Resource Code (PRC) Section 21080.17.

PROJECT LOCATION: All parcels zoned residential or mixed-use within the City of Santa Fe Springs' city boundaries.

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PUBLIC COMMENTS may be submitted in writing to the City Clerk at CityClerk@santafesprings.org. Please submit your written comments by 12:00 p.m. on the day of the City Council meeting. You may also contact the City Clerk at: (562) 868-0511.

FURTHER INFORMATION on this item may be obtained from Jimmy Wong, Associate Planner, via e-mail at: jimmywong@santafesprings.org or otherwise by phone at: (562) 868-0511 ext. 7451.

Attachment B: November 13, 2023 Planning Commission Staff Report



CITY OF SANTA FE SPRINGS

PLANNING COMMISSION AGENDA STAFF REPORT

TO: Members of the Planning Commission

FROM: Wayne M. Morrell, Director of Planning

BY: Jimmy Wong, Associate Planner

SUBJECT: **PUBLIC HEARING TO CONSIDER THE PROPOSED ZONE TEXT AMENDMENTS TO ENSURE THAT THE CITY'S ZONING ORDINANCE IS ALIGNED WITH THE STATE'S ACCESSORY DWELLING UNIT (ADU) AND JUNIOR ACCESSORY DWELLING UNIT (JADU) STATUTES.**

DATE: November 13, 2023

RECOMMENDATION(S):

It is recommended that the Planning Commission:

- 1) Open the Public Hearing and receive the written and oral staff report and any comments from the public regarding the proposed zone text amendments related to ADU and JADU regulations; and
- 2) Find and determine that the proposed zone text amendments are consistent with the goals, policies, and program of the City's General Plan; and
- 3) Find and determine that the proposed zone text amendments are consistent with the State's ADU and JADU regulations; and
- 4) Find and determine that this Project is exempt from California Environmental Quality Act (CEQA) pursuant to Public Resource Code (PRC) Section 21080.17 which provides an exemption for the adoption of an ordinance by a city or county to implement the provisions of Section 65852.2 of the Government Code (the state ADU law); and
- 5) Adopt Resolution No. 252-2023, which incorporates the Planning Commission's findings and actions regarding this matter; and
- 6) Recommend that the City Council approve and adopt Ordinance No. 1134 to effectuate the proposed amendments to the text of the City's Zoning Ordinance;

and

- 7) Take such additional, related action that may be desirable.

FISCAL IMPACT

Adoption of the proposed Ordinance No. 1134 ,which implement zoning text amendments to the City's Zoning Ordinance is not expected to have any immediate fiscal impact.

BACKGROUND/DISCUSSION

Background

On March 9, 2017, in response to changes in the State's ADU and JADU regulations, the City Council adopted Ordinance No. 1084, which updated the City's Zoning Ordinance to comply with the State's regulations at that time.

In 2021, the City of Santa Fe Springs applied for and was selected by the Southern California Association of Government (SCAG) and the State of California Department of Housing and Community Development (CA HCD) to participate in the SCAG 2020/2021 Sustainable Communities Program (SCP) as part of the Regional Early Action Program (REAP). The SCP is a multi-year program designed to support and implement the policies and initiatives of Connect SoCal, the 2020 Regional Transportation Plan, and the Sustainable Communities Strategy (RTP/SCS) and continues the themes of the previous round of funded projects.

The project type that the City had applied for was Advance Accessory Dwelling Unit Implementation. Its goal is to provide planning assistance to develop effective ADU implementation policies and programs, accelerating housing production and serving as best practices for other cities in the region. One of the project's primary deliverables is the update of the City's ADU and JADU ordinance to align with State laws and promote ADU and JADU productivity within the City.

Since the adoption of Ordinance No. 1084 in March of 2017, a new set of State ADU laws (SB-897, AB-2221, and AB-916) took effect on January 1, 2023, which invalidated certain provisions of the City's Zoning Ordinance related to ADUs and JADUs. (Attachment B)

According to California Government Code Section 65852.2, local ordinances failing to meet the requirements of State ADU/JADU Laws may be deemed null and void in their entirety. Subsequently, the local jurisdiction will be limited to applying only State Law standards without local refinements to all local ADU and JADU development projects. The proposed Zoning Text Amendment (ZTA) will establish updated City procedures and development standards for ADUs and JADUs that align with recent State Laws.

ANALYSIS

As previously mentioned, the City was selected to participate in SCAG REAP for Advanced ADU Implementation. City staff collaborated closely with SCAG consultant, Woodsong Associates, and the City Attorney's Office to develop a proposed Zone Text Amendment that aligns the City's Zoning Ordinance regulations for ADUs and JADUs with recent State Laws. This update will update the City's Zoning Ordinance regulations for both ADUs and JADUs.

In addition to the essential updates mandated by State Laws, Woodsong Associates proposed further amendments to the City's Zoning Ordinance, aimed at promoting the production of ADUs and JADUs. After careful review, City staff decided that certain amendments proposed by Woodsong Associates did not align with the goals and policies of the residential land-use designations in Santa Fe Springs. Consequently, these changes were not included in the final draft Zone Text Amendment (Attachment D) recommended by staff.

ZTA A (Attachment C) is proposed by the Woodsong Associates, and ZTA B (Attachment D) is proposed by staff. It should be noted that both proposed ZTAs align with State Law and have been reviewed by the City's attorney.

The table below provides a summary of both versions.

Category	ZTA A (Woodsong Associates)	ZTA B (Staff)
Section 155.003 (Definition)	Updated term related to Accessory Dwelling Unit (ADU) under Section 155.003 (Definition). Here's the list of updated terms: <i>Accessory Dwelling Unit (ADU)</i> <i>Accessory Dwelling Unit, Junior (JADU)</i> <i>Living Area</i>	Staff recommends accepting all the updates suggested by the consultant.

Category	ZTA A (Woodsong Associates)	ZTA B (Staff)
Section 155.003 (Definition)	<p>Added several new terms associated with ADUs to Section 155.003 (Definition). These terms will enhance our understanding and communication regarding ADU-related topics.</p> <p>Here's the list of new terms: <i>Carriage House</i> <i>Efficiency Kitchen</i> <i>Impact Fee</i> <i>Nonconforming Zoning Condition</i> <i>Objective Standards</i> <i>Permit Fees</i> <i>Permitting Agency</i> <i>Proposed Dwelling</i> <i>Public Transit</i> <i>Tandem Parking, Residential</i></p>	<p>Staff recommends accepting all of the new terms.</p> <p>Staff recommends editing the terms 'Permit Fee' and 'Impact Fee' to apply to both homeowners and developers, rather than exclusively to ADU projects.</p>
Section 155.644. Accessory Dwelling Units	Updated the "Intent" subsection under Section 155.644 to align more closely with State ADUs and JADUs Law.	Staff recommends accepting all the consultant's revisions. Additionally, the 'Applications' subsection has been updated to align more closely with State Law.
Section 155.644 (D). Accessory Dwelling Unit Standards	Updated the "Allowable zones" subsection under Section 155.644 to include single family residential, multifamily residential and mixed use zone	Staff recommends accepting all updates suggested by the consultant
	Updated the "Number of ADUs" subsection under Section 155.644 to be consistent with the State Law. Furthermore, the consultant is recommending allowing two ADUs per parcel zoned for single-family residential use instead of the State minimum of one ADU per parcel.	<p>Staff recommends accepting all other revision suggested by the consultant beside the number of ADU per parcel.</p> <p>Staff recommends allowing only one ADU and one JADU per parcel. This decision is in response to the ongoing parking issues raised by residents. Allowing an additional ADU could exacerbate the existing parking problem in the City. Furthermore, with the passage of SB9, residents will have the ability to construct one additional unit on top of the allowable ADU and JADU.</p>
	Updated the "Allowable forms" subsection under Section 155.644 to be consistent with the State Law.	Staff recommends accepting all the updates suggested by the consultant.

Category	ZTA A (Woodsong Associates)	ZTA B (Staff)
Section 155.644 (D). Accessory Dwelling Unit Standards	Updated the "Floor area standards" subsection under Section 155.644 by increasing the allowable square footage of an accessory dwelling unit with more than one bedroom from 1,000 sf to 1,200 sf. Additionally, consultant suggest eliminated the floor area restriction on attached accessory dwelling units.	Staff recommends accepting all the updates suggested by the consultant.
Section 155.644.1 Junior Accessory Dwelling Unit	Updated the "Setback standards" subsection under Section 155.644 by: 1. Allowing accessory dwelling unit under 16' in height to have zero side and rear setback. 2. Allow for carriage houses in the front setback area 3. Accessory dwelling units can be constructed within the front setback, provided they are set back at least four feet from the sidewalk line.	Staff recommends rejecting all proposed updates from the consultant. Instead, we recommend updating the setback standards to meet the minimum requirements of State Law: 1. Retain the applicable front setback standard for the specific zone unless it would prohibit the construction of at least an 850 square foot accessory dwelling unit. 2. Maintain the 4-foot setback from the side and rear property lines. 3. Keep the existing setback requirement for the conversion of an existing accessory structure into an accessory dwelling unit. Staff believes that encroaching into the front yard should only be considered as a last resort for constructing an accessory dwelling unit. Additionally, having no setback requirements for the rear and sides could pose building health and safety concerns to the neighboring property.

Category	ZTA A (Woodsong Associates)	ZTA B (Staff)
Section 155.644.1 Junior Accessory Dwelling Unit	<p>Updated the 'Height standards' subsection under Section 155.644 as follows:</p> <ol style="list-style-type: none"> 1. Detached accessory dwelling units can have a maximum height of 25 feet. 2. Attached accessory dwelling units must not exceed the maximum allowable height of the base zone. 	<p>Staff recommend rejecting all proposed updates from the consultant. Instead, we recommend updating the setback standards to meet the minimum requirements of State Law:</p> <ol style="list-style-type: none"> 1. Retain the maximum 16 feet height for detach accessory dwelling unit. 2. As required by State law, staff recommends allowing detached accessory dwelling units on a lot within one-half mile walking distance of a major transit stop or high-quality transit corridor, as defined in Public Resources Code Section 21155, are allowed a maximum height of 18 feet. An additional two feet in height is permitted to align with the roof pitch of the primary dwelling unit. 3. As required by State law, staff recommends allowing for an accessory dwelling unit that is attached to a primary dwelling to not exceed 25 feet in height or the height of the primary dwelling, whichever is lower. <p>Staff is concerned that allowing two-story ADUs may result in privacy issues for neighboring properties, particularly in light of the minimum setback requirement of 4 feet from both side and rear property lines. Consequently, staff recommends updating the height standard to align with the State law's minimum requirement.</p>
	Remove the 'Location' subsection under Section 155.644.	Staff recommends retaining the 'Location' subsection to clearly identify the preferred location of the proposed ADU.
	Updated the 'Manufacturing ADU' subsection under Section 155.644 to include factory-built ADUs, and modular ADUs, as required by State laws.	Staff recommends accepted all updates suggested by the consultant
	Remove the 'Parking' subsection under Section 155.644.	Staff recommends retaining the 'Parking' subsection. This decision is in response to the ongoing parking issues raised by residents. By removing this section, no parking will be required for any type of ADU or JADU development.

Category	ZTA A (Woodsong Associates)	ZTA B (Staff)
Section 155.644.1 Junior Accessory Dwelling Unit	<p>Combine and update the 'Replacement parking' subsection with 'Parking' subsection under Section 155.644 as follows:</p> <ol style="list-style-type: none"> 1. Remove the parking requirement for ADUs and JADUs. 2. Eliminate the need for replacement parking, irrespective of the parcel's distance from a transit stop. 	<p>Staff recommends keeping the 'Replacement parking' subsection in response to the parking issues raised by residents. Without this section, no parking would be required for any ADU or JADU development, even when existing parking is removed.</p>
	<p>Updated the 'Owner occupancy' subsection under Section 155.644 to not require owner occupancy for any of the unit in the parcel.</p>	<p>Staff recommends accepting all the updates suggested by the consultant.</p>
	<p>Updated the 'Rentals and separate sale of ADUs' subsection under Section 155.644 to align with State Laws. This update permits the sale of ADUs under specific provisions and requirements. Furthermore, the consultant recommends allowing ADUs to be sold or conveyed separately from the primary home as condominiums, subject to the following requirements listed Section 155.644 (D)(12)(b), irrespective of income level.</p>	<p>Staff recommends accepting only the updates mandated by State Laws and rejecting updates that allow ADUs to be sold separately, irrespective of income level.</p> <p>With the passage of SB9, residents already have the ability to sell a second dwelling through an urban lot split irrespective of income level. Additionally, the new condominium provision in state law applies only if a city adopts an ordinance allowing for it. Therefore, the City is not required to adopt this provision.</p>
		<p>Staff recommends updating the language in the 'Utility connection or capacity charges' subsection in accordance with the City's attorney recommendations to be consistent with State Laws.</p>

Category	ZTA A (Woodsong Associates)	ZTA B (Staff)
	Updated the 'Impact fee' subsection under Section 155.644 to be consistent with State law.	Staff recommends accepting all the updates suggested by the consultant.
	Removed the 'Deed restriction' subsection and requirement under Section 155.644.	Staff recommends accepting all the updates suggested by the consultant.
	Updated the 'Design standard' subsection under Section 155.644 to align with State law on objective design standards.	Staff recommends accepting all the updates suggested by the consultant.
	Updated the 'Mandatory application approvals' subsection under Section 155.644 to 'ADU application approvals'. Updated the language to align the language with State law regarding application approval.	Staff recommends accepting most of the updates proposed by the consultant. However, we advise against adopting subsection (2) at this time because the City is still in the process of creating the pre-approved ADU plans, and this subsection is not required to be adopted until 2025
	Updated the 'Existing unit' subsection under Section 155.644 to align with State law on existing ADUs constructed prior to 2018.	Staff recommends accepting all the updates suggested by the consultant.
		Staff recommends updating the language under the 'Intent' and 'Administrative review' subsections, as recommended by the City's attorney.
Section 155.644.1 (C) Junior Accessory Dwelling Unit Standards	Updated the 'Number allowed' subsection to allow for two ADUs and one JADU per residential parcel.	Staff recommends allowing only one ADU and one JADU per parcel. As mentioned previously, this decision is in response to the ongoing parking issues raised by residents. Allowing an additional ADU could exacerbate the existing parking problem in the City. Furthermore, with the passage of SB9, residents will have the ability to construct one additional unit on top of the allowable ADU and JADU.

Category	ZTA A (Woodsong Associates)	ZTA B (Staff)
Section 155.644.1 (C) Junior Accessory Dwelling Unit Standards		Staff recommends updating the language in the 'Allowable location' subsections to clarify that residents can convert their attached garage into a JADU.
	Updated the 'Kitchen required' subsection to provide a clearer definition of what constitutes a kitchen within a JADU.	Staff recommends accepting all the updates suggested by the consultant.
		Staff recommends updating the language under the 'Enforcement' subsections, as recommended by the City's attorney.

ENVIRONMENTAL

Pursuant to California Public Resources Code (PRC) Section 21080.17, adoption of the Zone Text Amendment and Ordinance is exempt from the California Environmental Quality Act (CEQA). Under PRC Section 21080.17, CEQA does not apply to the adoption of an Ordinance by a city or county to implement the provisions of Section 65852.2 of the Government Code (State ADU law). The ZTA implements California Government Code Sections 65852.2 and 65852.22 within the City of Santa Fe Springs in a manner that is consistent with the requirements of State ADU/JADU Laws. As such, the proposed ZTA and Ordinance is exempt from CEQA.

DISCUSSION

Authority of the Planning Commission

The Planning Commission hearing to consider the proposed Zone Text Amendment related to Section 155.003 (Definitions), Section 155.644 (Accessory Dwelling Unit), and Section 155.644.1 (Junior Accessory Dwelling Unit), are required by State Statute and provides an opportunity for the community and interested parties to provide their comments regarding the Project. Furthermore, because the Project is an amendment to the City's Municipal Code, the Planning Commission's recommendation regarding the proposed updates will be forwarded to the City Council for their consideration at a subsequent public hearing, tentatively scheduled for December 5, 2023.

SUMMARY

Reports Received

On August 31, 2023, the Planning Department staff submitted a draft Zone Text Amendment (ZTA) and the proposed ZTA by Woodsong Associates (Attachment C) to the City Attorney's Office for review and comments. Staff has incorporated the City's Attorney's recommendations into the final proposed ZTA, as outlined in Attachment D.

Public Notification

This matter was set for Public Hearing in accordance with the requirements of Sections 65090 and 65091 of the State Planning, Zoning, and Development Laws and the requirements of Sections 155.860 through 155.864 of the City's Municipal Code.

The legal notice was posted at Santa Fe Springs City Hall, the City's Town Center Kiosk, the City's Library, and also published in a newspaper of general circulation (Whittier Daily News) on November 2, 2023, as required by the State Zoning and Development Laws. As of the date of this report, staff has not received any further inquiry regarding the proposed project.

ATTACHMENT(S):

- A. Attachment A – Public Hearing Notice
- B. Attachment B – New ADU State Laws
- C. Attachment C – ZTA A by Woodsong Associate
- D. Attachment D – ZTA B by Staff
- E. Attachment E – Resolution No. 252-2023
- F. Attachment F – Draft Ordinance No. 1134

<u>ITEM STATUS:</u>	
APPROVED:	<input type="checkbox"/>
DENIED:	<input type="checkbox"/>
TABLED:	<input type="checkbox"/>
DIRECTION GIVEN:	<input type="checkbox"/>

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**CITY OF SANTA FE SPRINGS
NOTICE OF PUBLIC HEARING**

**ZONE TEXT AMENDMENT TO ENSURE THAT THE CITY'S ZONING ORDINANCE IS
ALIGNED WITH THE STATE'S ACCESSORY DWELLING UNIT (ADU) AND JUNIOR
ACCESSORY DWELLING UNIT (JADU) REGULATIONS**

NOTICE IS HEREBY GIVEN that the Planning Commission of the City of Santa Fe Springs will hold a Public Hearing to consider the following:

PROJECT: The City of Santa Fe Springs is proposing a Zone Text Amendment (ZTA) related to Section 155.003 (Definitions), Section 155.644 (Accessory Dwelling Unit), and Section 155.644.1 (Junior Accessory Dwelling Unit) of the City's Zoning Ordinance to align it with the State's ADU and JADU Regulations.

PROJECT LOCATION: All parcels zoned residential or mixed-use within the City of Santa Fe Springs' city boundaries.

THE HEARING will be held before the Planning Commission of the City of Santa Fe Springs in the Council Chambers of the City Hall, 11710 Telegraph Road, Santa Fe Springs, on **Monday, November 13, 2023 at 6:00 p.m.**

You may attend the 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/558333944?pwd=b0FqbKv2aDZneVRnQ3BjYU12SmJIQT09>

Zoom Meeting ID: 558 333 944

Password: 554545

Telephonically

Dial: 888-475-4499

Meeting ID: 558 333 944

CEQA STATUS: Pursuant to California Public Resources Code (PRC) Section 21080.17, adoption of the subject ZTA and Ordinance is exempt from the California Environmental Quality Act (CEQA). Under PRC Section 21080.17, CEQA does not apply to the adoption of an ordinance by a city or county to implement the provisions of Section 65852.2 of the Government Code (State ADU law). The ZTA implements California Government Code Sections 65852.2 and 65852.22 within the City of Santa Fe Springs in a manner that is consistent with the requirements of State ADU/JADU Laws. As such, the proposed ZTA and Ordinance is exempt from CEQA.

ALL INTERESTED PERSONS are invited to participate in the Public Hearing and express their opinion on the item listed above. Please note that if you challenge the aforementioned item in court, you may be limited to raising only those issues raised at the

US POSTAGE

Public Hearing described in this notice, or in written correspondence delivered to the office of the Commission at, or prior to the Public Hearing.

PUBLIC COMMENTS may be submitted in writing to the Planning Department at City Hall, 11710 Telegraph Road, Santa Fe Springs CA 90670 or, otherwise, e-mail the Planning Secretary Teresa Cavallo at teresacavallo@santafesprings.org. Please submit your written comments by 12:00 p.m. on the day of the Planning Commission meeting. You may also contact the Planning Department at: (562) 868-0511 ext. 7550.

FURTHER INFORMATION on this item may be obtained from Jimmy Wong, Associate Planner, via e-mail at: jimmywong@santafesprings.org or otherwise by phone at: (562) 868-0511 ext. 7451.

FAQS about new ADU Laws for 2023

On September 28, 2022, Governor Newsom signed new laws into effect impacting ADUs: **SB 897**, **AB 2221**, and **AB 916**. Taking effect as of January 2023, these laws made changes to the statewide regulatory standards that apply to ADUs, including providing a height allowance for two-story ADUs statewide, and further clarified the expected processes for issuance of a building permit within 60 days of the submittal of an application to build an ADU.



How to construct an ADU on YOUR property

ADUs are a rather unique **homeowner-initiated** housing type. You can expect that the ADU process will follow these general steps:

SECURE FINANCING: Common sources of financing for ADUs include home equity loans, savings, second mortgages, and/or funds from family members.

HIRE A DESIGNER: A full set of professionally drawn site and floor plans by an architect or design team are needed for approval of ADUs.

APPLY FOR PERMITS: Site plans and floor plans are preliminarily reviewed by the Planning Division. A site visit is conducted to evaluate the accuracy of the submitted plans. Planning approval, full-scale construction drawings, and an administrative action form are submitted to the Building and Safety Division for plan check review. The application is approved and a building permit is issued or the applicant is given another list of corrections to address before approval.

CONSTRUCTION: Once the building permit is approved and issued, a licensed contractor can execute the approved ADU plans. Inspections will be conducted and a Permit Final will be issued.

The final step is to **ENJOY YOUR ADU!**

Please contact the Planning Department at (562) 868-0511, ext. 7550 or waynemorrell@santafesprings.org for more information.

How tall of an ADU can be built under new State laws?

Attached ADUs that are affixed to the primary dwelling are allowed to be up to two stories with a height of up to 25 feet, or the height limit in the underlying zoning, whichever is lower. If there is an existing or proposed garage attached to the primary dwelling, this would allow for an ADU to be built above the attached garage.

Detached ADUs within ½ mile walking distance of transit are allowed up to 18 feet in height, plus an additional two feet in height allowance to accommodate a roof pitch on the ADU that is aligned with the roof pitch of the primary dwelling. Transit is defined as either a major transit stop or a High-Quality Transit Corridor (HQTC); however, currently, Santa Fe Springs is not served by any such qualifying transit service.

On a property with an existing or proposed **multifamily, multi-story dwelling**, an ADU height allowance is provided of 18 feet. This applies to all lots that allow multifamily residential uses, regardless of relative proximity to transit.

The existing height allowance of 16 feet is maintained for **all ADUs not covered by one of the previous three exemption categories** above. This height is generally considered insufficient to allow for two-story ADUs.

What is the new ADU approval process, under State law? The new 2022 ADU bills clarify that within 60 days of receiving a completed application for an ADU, the local agency must approve or deny the permit application.

If the local agency denies the application, then it must, within the 60-day period, provide a full set of comments to the applicant with a list of items that are defective or deficient and a description of how the application can be remedied by the applicant to be approved upon submittal. The 60-day clock is paused if the application is returned to the applicant with this set of comments. Once the applicant has submitted a corrected application, then the 60-day clock resumes.

If the local agency has not approved or denied the completed application within 60 days, then **the application shall be deemed approved**. This applies to all "Permitting Agencies" defined as "any entity that is involved in the review of a permit for an ADU". Examples include, but are not limited to, the Planning Division, Building and Safety Division, Public Works Department, Los Angeles County Fire Department, utilities, and special districts.



Can an attached ADU be built on the second story of a home? Yes. Two-story attached ADUs are allowed as part of the new height exemptions. Existing State law already allowed livable space on the second floor of a residence to be converted to an ADU or JADU.

With changes to the height allowance regulations, can a detached garage be converted to a two-story ADU? In most cases, yes, the conversion of an existing accessory structure to a two-story ADU is allowed. ADUs built within the footprint of existing accessory structures are not required to comply with several ADU regulations including maximum size restrictions, setbacks, or lot coverage requirements. However, the conversion of an existing garage to an ADU is not always the most quick, simple or cost-effective method to construct an ADU on a property. Converting a single-story garage to a two-story ADU will most likely require deeper footings to reinforce the existing foundation. Building a two-story ADU also may require approval from Southern California Edison, as there may be easements of up to 10 feet to accommodate power lines. Even with an approved building permit, homeowners are encouraged to delay construction until final approval from Edison is granted.

Can an ADU be built within the front setback between a house and the public street? In certain situations, yes. The new legislation stressed that every lot that allows residential uses has a right to construct at least an 800 sf ADU. If such an ADU does not fit within the rear or side yard, then the ADU is allowed within the front setback.

If a property has a nonconforming building, should the applicant be worried about applying to build an ADU? This should no longer be a barrier to constructing an ADU. AB-2221 and SB-897 clarify that local agencies shall not deny a permit to create an ADU due to the presence of nonconforming zoning conditions, building code violations, or unpermitted structures, as long as they do not present a threat to public health or safety, and are not affected by the construction of the ADU. However, these conditions would need to be corrected in the future, and most owners choose to address them with the ADU project.

If the applicant wants to replace a detached garage with an ADU, do any special processes need to be followed? The 2023 updates to State law state that local agencies must review and issue demolition permits for detached garages to be replaced with an ADU at the same time as the application to create the ADU. Further, any requirement for the ADU applicant to provide written notice or post a placard for the demolition of a detached garage is prohibited, unless the property is located within an architecturally and historically significant historic district.

If a property has an unpermitted ADU built prior to 2018, can it be legalized? Yes. The updated State ADU regulations state that local jurisdictions must provide a pathway to legalization of unpermitted ADUs constructed prior to 2018. Additionally, a local agency must approve any permit to legalize an unpermitted ADU built prior to 2018, even if it is in violation of building standards, State ADU code, or local ADU ordinances, unless the structure is deemed substandard, or if the local agency finds that correcting the violation is necessary to protect the health and safety of the public or of occupants of the structure. When a record of the issuance of a building permit for the construction of an existing ADU does not exist, the building official shall determine when the residential unit was constructed, apply the building standards in effect on that date, and issue a retroactive building permit for that construction. However, any new alteration, remodeling, and/or addition to the existing unpermitted work is required to comply with the current California building codes, and other regulations.

If the current home does not have fire sprinklers, but fire sprinklers would now be required in a new structure due to updates to the fire code, is there a requirement to install sprinklers in a new ADU? No. The updated State ADU regulations strengthened language around this issue. Fire sprinklers are not required in an ADU unless already installed in the existing home. Also, the installation of fire sprinklers cannot be required for the primary dwelling as a condition of approval for an ADU.



Key:

Normal Text = Existing unmodified Code language

Strikethrough Text = Proposed language to be removed from existing Code

Underline Text = Proposed language to be added to Code

***** = Existing unmodified Code language not included in exhibit for sake of brevity Code of Ordinances of the City of Santa Fe Springs Chapter 155, Section 155.003 DEFINITIONS is hereby amended as follows:

§ 155.003 DEFINITIONS.

ACCESSORY DWELLING UNIT (ADU). Either a detached or attached dwelling unit which provides complete independent living facilities for one or more persons and is located on a lot with a proposed or existing primary residence. It shall include permanent provisions for living, sleeping, eating, cooking and sanitation. An ~~**ACCESSORY DWELLING UNIT**~~ ADU may also be located within an existing or proposed primary dwelling unit. An ~~**ACCESSORY DWELLING UNIT**~~ ADU also includes the following:

- (1) An efficiency unit, as defined in Cal. Health and Safety Code § 17958.1.
- (2) ~~A manufactured home, as defined in California Health and Safety Code § 18007. A~~ factory-built ADU, such as manufactured homes as defined in California Health and Safety Code § 18007, or in the Code of Federal Regulations governing manufactured homes: Code of Federal Regulations Title 24, Housing and Urban Development, Part 3280, Manufactured Home Construction and Safety Standards, Subsection 3280.2, "Definitions."
- (3) A factory-built modular ADU that complies with the standards of Chapter 155.644 (D).

ACCESSORY DWELLING UNIT, JUNIOR (JADU). ~~A junior accessory dwelling unit is a unit that is no more than 500 square feet in size and contained entirely within a single-family residence~~

- (1) Is no more than 500 square feet in size;
- (2) Is contained entirely within an existing or proposed single-family structure;
- (3) Has or shares sanitation facilities within the existing or proposed single-family structure;
- (4) Includes an efficiency kitchen.

CARRIAGE HOUSE. An ADU that is located above a detached garage.

EFFICIENCY KITCHEN. A kitchen that includes each of the following:

- (1) An area used for cooking, with kitchen appliances;
- (2) A food preparation counter that is adequate for the size of the unit; and
- (3) Food storage cabinets that are adequate for the size of the unit.

IMPACT FEE. A monetary exaction that is charged by the City to a homeowner in connection with approval of a development project for the purpose of defraying all or a portion of the cost of public facilities, public improvements, public services, and community amenities; this does not include fees for processing applications for governmental regulatory actions or approvals or any connection fee or capacity charge charged by a local agency, special district, or water corporation.

LIVING AREA. The interior habitable area of a dwelling unit including basements and attics meeting habitable space requirements of the California Building Code with Los Angeles County amendments but not including a garage or any accessory structure.

NONCONFORMING ZONING CONDITION. A physical improvement on a property that does not conform with current zoning standards.

OBJECTIVE STANDARDS. Standards that involve no personal or subjective judgment by a public official and are uniformly verifiable by reference to an external and uniform benchmark or criterion available and knowable by both the development applicant or proponent and the public official prior to submittal.

PERMIT FEES. A monetary exaction charged to a homeowner in connection with an application for a permit for the reimbursement of expenses incurred during the processing and review of the application, but not fees otherwise classified as impact fees.

PERMITTING AGENCY. Any entity that is involved in the review of a permit for an accessory dwelling unit or junior accessory dwelling unit and for which there is no substitute, including, but not limited to, applicable planning departments, building departments, fire departments, utilities, and special districts.

PROPOSED DWELLING. A dwelling that is the subject of a permit application and that meets the requirements for permitting.

PUBLIC TRANSIT. A location, including, but not limited to, a bus stop or train station, where the public may access buses, trains, subways, and other forms of transportation that charge set fares, run on fixed routes, and are available to the public.

TANDEM PARKING, RESIDENTIAL. Two or more automobiles parked on a permitted parking are lined up behind one another.

Key:

Normal Text = Existing unmodified Code language

Strikethrough Text = Proposed language to be removed from existing Code

Underline Text = Proposed language to be added to Code

***** = Existing unmodified Code language not included in exhibit for sake of brevity Code of Ordinances of the City of Santa Fe Springs Chapter 155, Section 155.644 ACCESSORY DWELLING UNITS is hereby amended as follows:

§ 155.644 ACCESSORY DWELLING UNITS.

(A) Intent. In enacting this section, it is the intent of the city to encourage the provision of accessory dwelling units to meet a variety of economic needs within the city and to implement the goals, objectives, and policies of the housing element of the general plan. Accessory dwelling units provide housing for extended family members, students, the elderly in-home health care providers, the disabled, and others, ~~additional housing~~ at below market prices within existing neighborhoods. Homeowners who create accessory dwelling units can benefit from added income, and an increased sense of security. Allowing accessory dwelling units in residential zones provides needed additional rental housing. This section provides the requirements for the establishment of accessory dwelling units consistent with Cal. Government Code § 65852.2.

(B) Interpretation. In cases of conflict between this section and any other provision of this title, the provisions of this section shall prevail. To the extent that any provision of this section is in conflict with State law, the mandatory requirement of State law shall control, but only to the extent legally required.

(C) Applications.

(1) *Administrative Review.* All accessory dwelling unit applications shall be ministerially approved by the Director of Planning and Development and a permit issued within 60 days upon presentation of a complete application to build an accessory dwelling unit if the plans conform to the standards and criteria provided in subsection (D) and (E) of this section. If the accessory dwelling unit is being proposed in conjunction with a new single-family dwelling, the Director may delay acting on the permit application until the City acts on the permit application for the new single-family dwelling. The City shall grant a delay if requested by the applicant.

(2) *Fees.* Applications for an accessory dwelling unit shall be accompanied by an application fee and shall be subject to applicable inspection and permit fees.

(D) Accessory dwelling unit standards. The following standards and criteria shall apply to the creation of an accessory dwelling unit:

(1) Allowable zones. The accessory dwelling unit shall be allowed only on a lot or parcel that is zoned for single family residential, multifamily residential or mixed use with an existing or proposed residential dwelling.

(2) Number of ADUs. ~~There shall not be more than one accessory dwelling unit per lot or parcel, except as provided for in § 155.644(F)(1)(a).~~

(a) There shall not be more than two ADUs, and one JADU within the walls of the existing or proposed residence, per lot or parcel that is zoned for single family residential use.

(b) On a lot with existing multifamily dwelling structures, at least one unit and up to 25% of the total multifamily dwelling units are allowed within the portions of the existing structure that are not used as livable space, including, but not limited to, storage rooms, boiler rooms, passageways, attics, basements, or garages, provided that each unit complies with state building standards for dwellings.

(c) On a lot with an existing or proposed multifamily dwelling, not more than two detached units, subject to the height limitation set forth in subsection (D)(7), and at least a four-foot side and rear yard setback. The maximum square footage shall comply with the limits set forth in § 155.644(D)(5). The city shall not require any modifications to an existing multifamily dwelling that has a rear or side yard setback of less than four feet if the proposed accessory dwelling unit satisfies the provisions of this subsection.

(3) Conformance with zoning and General Plan. An accessory dwelling unit that conforms to the development standards of this section is deemed to be an accessory use and/or structure and will not be considered to exceed the allowable density for the lot upon which it is located and shall be deemed to conform to the zoning and General Plan.

(4) Allowable forms. The accessory dwelling unit may be attached to or detached from the primary residential dwelling or located within an existing or proposed single-family residence, including a garage, or within an accessory structure.

(5) *Floor area standards.*

(a) The detached or attached accessory dwelling unit with one or less bedroom shall not exceed a total floor area of 850 square feet.

(b) The detached or attached accessory dwelling unit with more than one bedroom shall not exceed a total floor area of 1,000 1,200 square feet.

~~(c) If there is an existing primary dwelling, the total floor area of an attached accessory dwelling unit shall not exceed 50% of the existing primary dwelling.~~

~~(d)~~ The minimum floor area for an accessory dwelling unit shall be 150 square feet.

(6) *Setback standards.*

(a) The accessory dwelling unit shall comply with the front setback standard applicable to the specific zone in which it is located, unless otherwise modified by this section.

(b) Any portion of the accessory dwelling unit that is above 16 feet in height shall be set back no less than four feet from the side and rear property line.

(c) Notwithstanding any other provision of this section, no setback shall be required for an existing permitted living area or accessory structure or a structure constructed in the same location and to the same dimensions as an existing structure that is converted to an accessory dwelling unit or to a portion of an accessory dwelling unit. ~~A setback of no more than four feet from the side and rear lot lines shall be required for an accessory dwelling unit that is not converted from an existing structure or a new structure constructed in the same location and to the same dimensions as an existing structure.~~

(d) Carriage houses are allowed in the front setback.

(e) An ADU may be constructed within the front setback, provided it is set back at least four feet from the sidewalk line.

~~(7) The accessory dwelling unit shall not be greater than 16 feet in height. Allowable ADU Height. Detached accessory dwelling units shall not be greater than 25 feet in height; attached ADUs shall not exceed the maximum allowable height of the base zone.~~

~~(8) The attached or detached accessory dwelling unit shall be located within, to the rear, or to the side of the existing or proposed primary residence unless the accessory dwelling unit is being constructed in the exact location and to the same dimensions as a previously existing approved accessory structure, including an attached or detached garage.~~

(98) *Regulating code.* The accessory dwelling unit shall comply with all building, safety, fire and health codes, and all other applicable laws and regulations. Accessory

dwelling units are not required to provide fire sprinklers if sprinklers are not required for the primary dwelling unit.

~~(109)~~ Manufactured ADUs. Manufactured housing, factory-built accessory dwelling units, and modular accessory dwelling units ~~is are~~ allowed in compliance with the provisions herein and Health and Safety Code § 18007; however, mobile homes, trailers and recreational vehicles shall not be used as accessory dwelling units.

~~(1110)~~ Parking. ~~In addition to all other required off-street parking, parking requirements for accessory dwelling units shall not exceed one space per unit. Parking may also be located in setback areas in locations determined by the city or through tandem parking, unless specific findings are made that such parking is infeasible based upon specific site or regional topographical or fire and life safety conditions, or that it is not permitted anywhere else in the city. Mechanical parking lifts may also be used for replacement parking.~~

~~(12)~~ ~~When a garage, carport, or covered parking structure is demolished in conjunction with the construction of or conversion to an accessory dwelling unit, no replacement parking shall be required. Additionally, no parking shall be required for an accessory dwelling unit in any of the following instances:~~

~~(a) Off-street parking is not required for an ADU or JADU. The accessory dwelling unit is located within one-half mile walking distance of public transit.~~

~~(b) When a garage, carport or covered parking structure is demolished in conjunction with the construction of or conversion to an ADU, no replacement parking shall be required. The accessory dwelling unit is located within an architecturally and historically significant historic district.~~

~~(c) If an applicant chooses to add parking when adding an ADU, parking may be located in setback areas, or through tandem parking, unless specific findings are made that such parking is infeasible based upon specific site or regional topographical or fire and life safety conditions. Mechanical parking lifts may also be used. The accessory dwelling unit is part of the existing primary residence or an existing permitted accessory structure.~~

~~(d) When on-street parking permits are required but has not offered to the occupant of the accessory dwelling unit.~~

~~(e) When there is a car share vehicle located within one block of the accessory dwelling unit.~~

~~(1311)~~ The owner of the property on which the accessory dwelling unit is located shall reside in either of the dwelling units on the property as his/her/their principal residence. This is a perpetual requirement that runs with the land, and a restrictive covenant establishing this requirement shall be recorded prior to occupancy of the accessory dwelling unit. This provision shall not apply to an accessory dwelling unit approved between January 1, 2020, and January 1, 2025. Owner occupancy. Owner-

occupancy is not required of the primary residence with an attached or detached ADU, or the ADU on the same lot as the primary residence.

(1412)Rentals and separate sale of ADUs. The accessory dwelling unit and the primary residential dwelling may be rented concurrently, provided that the term of the rental is at least 31 days or more. ,but the accessory dwelling unit shall not be sold or owned separately from the primary dwelling, An accessory dwelling unit may be sold or conveyed separately from the primary residence, only if:

(a) The accessory dwelling unit is sold to a qualified buyer, including persons and families of low or moderate income, as that term is defined in Section 50093 of the Health and Safety Code, and all of the following apply:

(I) The accessory dwelling unit or the primary dwelling was built or developed by a qualified nonprofit corporation, one that is organized pursuant to Section 501(c)(3) of the Internal Revenue Code that has received a welfare exemption under Section 214.15 of the Revenue and Taxation Code for properties intended to be sold to low-income families who participate in a special no-interest loan program.

(II) There is an enforceable restriction on the use of the land pursuant to a recorded contract between the qualified buyer and the qualified nonprofit corporation that satisfies all of the requirements specified in paragraph (10) of subdivision (a) of Section 402.1 of the Revenue and Taxation Code.

(III)The property is held pursuant to a recorded tenancy in common agreement that includes all of the following:

(A)The agreement allocates to each qualified buyer an undivided, unequal interest in the property based on the size of the dwelling that each qualified buyer occupies.

(B)A repurchase option that requires the qualified buyer to first offer the qualified nonprofit corporation to buy the accessory dwelling unit or primary dwelling if the buyer desires to sell or convey the property.

(C)A requirement that the qualified buyer occupy the accessory dwelling unit or primary dwelling as the buyer's principal residence.

(D)Affordability restrictions on the sale and conveyance of the accessory dwelling unit or primary dwelling that ensure the accessory dwelling unit and primary dwelling will be preserved for low-income housing for 45 years for owner-occupied housing units and will be sold or resold to a qualified buyer.

(E) The tenancy in common agreement shall include all of the following:

(i) Delineation of all areas of the property that are for the exclusive use of a cotenant. Each cotenant shall agree not to claim a right of occupancy to an area delineated for the exclusive use of another cotenant, provided that the latter cotenant's

obligations to each of the other cotenants have been satisfied.

(ii) Delineation of each cotenant's responsibility for the costs of taxes, insurance, utilities, general maintenance and repair, improvements, and any other costs, obligations, or liabilities associated with the property. This delineation shall only be binding on the parties to the agreement, and shall not supersede or obviate the liability, whether joint and several or otherwise, of the parties for any cost, obligation, or liability associated with the property where such liability is otherwise established by law or by agreement with a third party.

(iii) Procedures for dispute resolution among the parties before resorting to legal action.

(IV) A grant deed naming the grantor, grantee, and describing the property interests being transferred shall be recorded in the county in which the property is located. A Preliminary Change of Ownership Report shall be filed concurrently with this grant deed pursuant to Section 480.3 of the Revenue and Taxation Code.

(V) Notwithstanding subparagraph (A) of paragraph (2) of subdivision (f) of Section 65852.2, if requested by a utility providing service to the primary residence, the accessory dwelling unit has a separate water, sewer, or electrical connection to that utility.

(b) An ADU may be sold or conveyed separately from the primary home as a condominium, subject to the following requirements:

(I) The condominiums shall be created pursuant to the Davis-Stirling Common Interest Development Act (Part 5 (commencing with Section 4000) of Division 4 of the Civil Code).

(II) The condominiums shall be created in conformance with all applicable objective requirements of the Subdivision Map Act (Division 2 (commencing with Section 66410)) and all objective requirements of a local subdivision ordinance.

(III) Before recordation of the condominium plan, a safety inspection of the accessory dwelling unit shall be conducted, as evidenced either through a certificate of occupancy from the local agency, or a housing quality standards report from a building inspector certified by the United States Department of Housing and Urban Development.

(IV) The following requirements must be met prior to recordation of the condominium plan with the county recorder:

(A) Neither a subdivision map nor a condominium plan shall be recorded with the county recorder in the county where the real property is located without each lienholder's consent. The following shall apply to the consent of a lienholder:

(i) A lienholder may refuse to give consent.

(ii) A lienholder may consent, provided that any terms and conditions required by the lienholder are satisfied.

(B) Prior to recordation of the initial or any subsequent modifications to the condominium plan, written evidence of the lienholder's consent shall be provided to the county recorder, along with a signed statement from each lienholder that states as follows:

(i) (Name of lienholder) hereby consents to the recording of this condominium plan in their sole and absolute discretion, and the borrower has or will satisfy any additional terms and conditions the lienholder may have."

(C) The lienholder's consent shall be included on the condominium plan, or on a separate form attached to the condominium plan, that includes the following information:

(i) The lienholder's signature.

(ii) The name of the record owner or ground lessee.

(iii) The legal description of the real property.

(iv) The identities of all parties with an interest in the real property, as reflected in the real property records.

(D) The lienholder's consent shall be recorded in the office of the county recorder of the county in which the real property is located.

(c) An ADU on a property that is zoned for single family residential may be conveyed separately from the primary unit using a lot split, subject to the provisions of Senate Bill 9.

(1513) Utility connection or capacity charges. Accessory dwelling units shall not be considered new residential uses for the purposes of calculating local agency connection fees or capacity charges for utilities, including water and sewer service.

(a) For attached units or units located within the ~~living area of~~ proposed or the existing single-family dwelling and meeting the definition of § 155.644(F)(1)(a) below, the city shall not require the applicant to install a new or separate utility connection between the accessory dwelling unit and the utility or impose a related connection fee or capacity charge. Such requirements and charges may be imposed when the accessory dwelling unit is being constructed in connection with a proposed single-family residential dwelling.

(b) For all other accessory dwelling units other than those described in § 155.644(D)(~~1614~~)(a) below, the city may require a new or separate utility connection directly between the accessory dwelling unit and the utility. The connection fee or capacity charge shall be proportionate to the burden of the proposed ADU upon the water or sewer system based upon either its size or the number of its plumbing fixtures, and may not exceed the reasonable cost of providing the water or sewer service.

~~(1614)~~ *Impact fees.*

(a) No impact fee shall be imposed on any accessory dwelling unit less than 750 square feet in size, except for impact fees used to fund schools, which shall not be imposed on any ADU of or less than 500 square feet in size.

(b) For accessory dwelling units 750 square feet or greater, impact fees shall be charged proportionately in relation to the square footage of the primary dwelling.

(c) All applicable public service and recreation impact fees shall be paid prior to occupancy in accordance with Cal. Government Code §§ 66000 et seq. and 66012 et seq.

(d) For purposes of this section, "impact fee" shall have the same meaning as set forth in Cal. Government Code § 65852.2(f).

~~(1715)~~ *Prior approvals.* The provisions of this section shall not apply to any accessory dwelling units for which the city issued conditional use permits prior to the effective date of this section.

~~(18) Prior to obtaining a building permit for the accessory dwelling unit, a deed restriction, in a form satisfactory to the City Attorney, shall be recorded with the County Recorder to evidence and give notice of the requirements of this section.~~

(E) Design standards.

~~(1) The accessory dwelling unit shall be designed to be architecturally compatible with the primary dwelling. A site plan, elevations and floor plan depicting said architectural compatibility shall be submitted to the Director of Planning and Development for ministerial review and approval prior to the issuance of any building permits. A site plan, elevations and floor plan depicting the location of the accessory dwelling unit in relation to the primary dwelling shall be submitted to the Director of Planning and Development for ministerial review and approval prior to the issuance of any building permits.~~

~~(2) When feasible, windows facing an adjoining residential property shall be designed to protect the privacy of neighbors. If window placement does not protect privacy, then fencing or landscaping might be used to provide screening. Windows and doors of an ADU shall not have a direct line of sight to an adjoining residential property. Fencing, landscaping, or privacy glass may be used to provide screening and prevent a direct line of sight. Windows and glass doors that face an adjoining property and are within fifteen (15) feet of a property line that is not a right-of-way line must either be (for windows) clerestory with the bottom of the glass at least six (6) feet above the finished floor, or (for windows and for doors) utilize frosted or obscure glass.~~

(3) An accessory dwelling unit shall have a separate exterior entrance from the primary dwelling unit.

~~(4) To the maximum extent feasible, the accessory dwelling unit shall not alter the appearance of the primary single-family dwelling unit.~~

~~(5) When feasible, no more than one exterior entrance on the front or on any street-facing side of the primary dwelling unit and accessory dwelling unit combined.~~

~~(6) No exterior stairway shall be located on the front or on any street-facing side of the accessory dwelling unit.~~

(F) ~~Mandatory~~ ADU Application Approvals.

~~(1) Notwithstanding any other provision of this chapter, the city shall ministerially approve an application for any of the following accessory dwelling units within a residential or mixed-use zone:~~

~~(a) A junior or accessory dwelling unit within the existing or proposed space of a single-family dwelling or accessory structure subject to the following requirements:~~

~~1. An expansion of up to 150 square feet shall be allowed in an accessory structure that is converted to an ADU solely for the purposes of accommodating ingress and egress.~~

~~2. The junior or accessory dwelling unit shall have exterior access separate from the existing or proposed single-family dwelling.~~

~~3. The side and rear setbacks shall be sufficient for fire and building and safety.~~

~~4. If the unit is a junior accessory dwelling unit, it shall comply with the requirements of § [155.644.1](#) below.~~

~~(b) One detached or attached accessory dwelling unit subject to the following requirements:~~

~~1. The accessory dwelling unit shall be set back no less than four feet from the side and rear property line.~~

~~2. The accessory dwelling unit shall be on a lot or parcel with an existing or proposed single-family dwelling.~~

~~3. The accessory dwelling unit shall not exceed 800 square feet in size.~~

~~4. The accessory dwelling unit shall not exceed 16 feet in height.~~

~~5. A junior accessory dwelling unit may be developed with this type of detached accessory dwelling unit, it shall comply with all requirements of § [155.644.1](#) below.~~

~~(c) On a lot with a multifamily dwelling structure, up to 25% of the total multifamily dwelling units, but no less than one unit, shall be allowed within the portions of the existing structure that are not used as livable space, including, but no limited to, storage rooms, boiler rooms, passageways, attics, basements, or garages, provided that each unit complies with state building standards for dwellings.~~

~~(d) On a lot with a multifamily dwelling structure, up to two detached units, provided that neither unit is greater than 16 feet in height, is provided with at least a four foot side and rear yard setback. The maximum square footage shall comply with the limits set forth in § [155.644\(D\)\(5\)](#).~~

~~(2) For those accessory dwelling units which require mandatory approval, the city shall not require the correction of legal, nonconforming zoning conditions.~~

(1) A permit application for an ADU or a JADU shall be considered and approved ministerially without discretionary review or a hearing. The City and any associated permitting agencies including, but not limited to, applicable planning departments, building departments, consultants or contractors working as agents of the City, utilities, and special districts, shall approve and issue a building permit or deny the application to create or serve an ADU or a JADU within 60 calendar days after receiving a completed application if there is an existing primary dwelling on the lot and if it meets the minimum ADU and/or JADU standards of this chapter.

(a) If the City and any associated permitting agencies has not approved or denied the completed application within 60 days, the application shall be deemed approved and a building permit issued for its construction.

(b) If the City or any associated permitting agencies denies an application for an ADU or JADU pursuant to paragraph (a), the City and any associated permitting agencies shall, within the 60 day time period, transmit to the applicant a list of items that are defective or deficient and a description of how the application can be remedied.

(c) If the permit application to create an ADU or a JADU is submitted with a permit application to create a new single-family or multifamily dwelling on the lot, the City and any associated permitting agencies may delay approving or denying the permit application for the ADU or JADU until the City approves or denies the permit application to create the new dwelling, but the application to create the ADU or JADU shall be considered without discretionary review or hearing.

(d) If the applicant requests a delay, the 60-day time period shall be paused for the period of the delay. If the permit application is returned to the applicant with a list of corrections requested to comply with applicable codes and regulations, any accounting of the 60-day time period shall be paused for the period of time until the applicant re-submits a corrected application.

(e) A demolition permit for a detached garage that is to be replaced with an ADU shall be reviewed with the application for the ADU, and a building permit for the ADU shall be issued at the same time as the demolition permit; the applicant shall not be required

to provide written notice or post a placard for the demolition of a detached garage that is to be replaced with an ADU.

(2) The City and any associated permitting agencies including, but not limited to, applicable planning departments, building departments, consultants or contractors working as agents of the City, utilities, and special districts, shall approve and issue a building permit or deny the application to create or serve an accessory dwelling unit plan within 30 calendar days after receiving a completed application, if:

(a) The plan been pre-approved by the City within the current triennial California Building Standards Code rulemaking cycle, or

(b) The plan is identical to a plan used in an application for a detached accessory dwelling unit approved by the City within the current triennial California Building Standards Code rulemaking cycle.

(3) The City shall not require the correction of existing legal, nonconforming zoning conditions prior to issuing a permit for an ADU.

~~(G) **Enforcement.** Until January 1, 2030, the city shall issue a statement along with a notice to correct a violation of any provision of any building standard relating to an accessory dwelling unit that substantially provides as follows: Existing Units.~~

~~(1) You have been issued an order to correct violations or abate nuisances relating to your accessory dwelling unit. If you believe that this correction or abatement is not necessary to protect the public health and safety you may file an application with the City Planning Department. If the city determines that enforcement is not required to protect the health and safety, enforcement shall be delayed for a period of five years from the date of the original notice. Existing ADUs that have not been approved by the City are required to obtain approval in order to be considered a lawful use. An application for an unpermitted ADU that was constructed before January 1, 2018 shall not be denied due to violations of building standards, or if the unpermitted ADU does not comply with Chapter 155 of the Santa Fe Springs Municipal Code, unless it is found that correcting the violation is necessary to protect the health and safety of the public or occupants of the structure pursuant to Section 17920.3 of the Health and Safety Code. An application for an unpermitted ADU for which a building permit does not exist shall be approved based the version of the applicable Building Standards Code in effect when the residential unit was determined to be constructed for the purposes of issuing a building permit; the appropriate enforcement official may make a determination of the date of construction, and issue a retroactive building permit for that construction.~~

~~(2) This provision shall only apply if the accessory dwelling unit was built before January 1, 2020 and after July 25, 2020. The City shall delay enforcement of building standards that are not a matter of public health and safety for existing ADUs upon request of the ADU owner, as follows:~~

(a) ADUs built prior to January 1, 2020 are eligible, or ADUs built on or after January 1, 2020 at a time that the City had a noncompliant ADU ordinance.

(b) Until January 1, 2030, the City shall issue a statement along with a notice to correct a violation of any provision of any building standard relating to an ADU that substantially provides as follows:

(i) You have been issued an order to correct violations or abate nuisances relating to your ADU. If you believe that this correction or abatement is not necessary to protect the public health and safety you may file an application with the City Planning Department. If the city determines that enforcement is not required to protect the health and safety, enforcement shall be delayed for a period of five years from the date of the original notice.

Key:

Normal Text = Existing unmodified Code language

Strikethrough Text = Proposed language to be removed from existing Code

Underline Text = Proposed language to be added to Code

***** = Existing unmodified Code language not included in exhibit for sake of brevity Code of Ordinances of the City of Santa Fe Springs Chapter 155, Section 155.644.1 JUNIOR ACCESSORY DWELLING UNITS is hereby amended as follows:

§ 155.644.1 JUNIOR ACCESSORY DWELLING UNITS.

(A) *Intent.* In enacting this section, it is the intent of the city to encourage the provision of junior accessory dwelling units to meet a variety of economic needs within the city and to implement the goals, objectives, and policies of the housing element of the general plan. Junior accessory dwelling units provide housing for extended family members, students, the elderly in-home health care providers, the disabled, and others, at below market prices within existing neighborhoods. Homeowners who create junior accessory dwelling units can benefit from added income, and an increased sense of security. Allowing junior accessory dwelling units in residential zones provides needed additional rental housing. This section provides the requirements for the establishment of junior accessory dwelling units consistent with Cal. Government Code § 65852.22.

(B) *Administrative review.* All junior accessory dwelling unit applications shall be ministerially approved by the Director of Planning and Development and a permit issued within 60 days upon presentation of a complete application to provide a junior accessory dwelling unit if the plans conform to the standards and criteria provided in § 155.644.1(C) and (D). If the junior accessory dwelling unit is being proposed in conjunction with a new single-family dwelling, the Director may delay acting on the permit application until the city acts on the permit application for the new single-family dwelling. The city shall grant a delay if requested by the applicant.

(C) *Junior Accessory Dwelling Unit Standards.* The following standards and criteria shall apply to the creation of a junior accessory dwelling unit:

(1) Number allowed. ~~A maximum of one junior accessory dwelling unit shall be permitted~~ No more than two ADUs, and one JADU within the wall of the existing or proposed residence, are allowed per residential lot containing an existing or proposed single-family dwelling. Junior accessory dwelling units do not count towards the density requirements of the general plan or zoning ordinance.

(2) Owner occupancy. The property owner shall occupy either the main single-family dwelling or the junior accessory dwelling unit.

(3) Tenure. The junior accessory dwelling unit or the main single-family dwelling may be rented, provided the rental term is at least 31 days or more, but the junior accessory dwelling unit shall not be sold or owned separately from the single-family dwelling

(4) Allowable location. The junior accessory dwelling unit must be created within the existing walls of an existing single-family dwelling.

(5) Size. The junior accessory dwelling unit shall not exceed 500 square feet in size.

(6) Entrance. The junior accessory dwelling unit shall include a separate exterior entrance from the main entrance to the single-family home. An interior entry to the main living area shall be required if the junior accessory dwelling unit shares sanitary facilities with the single-family home. The junior accessory dwelling unit may include a second interior doorway for sound attenuation.

(7) Kitchen required. The junior accessory dwelling unit shall include a food preparation area, requiring and limited to the following components:

(a) ~~A cooking facility with appliances~~ An area used for cooking, with kitchen appliance; and

(b) A food preparation counter and storage cabinets, which may not be required to exceed six feet in length.

(8) Parking. No additional off-street parking is required beyond that required for the main single-family dwelling.

(9) Utility service. A separate water connection or meter, and a separate sewer service connection are not required for a junior accessory dwelling unit. Water and sewer service for the junior accessory dwelling unit is shared with the main single-family dwelling unit.

(10) Applicable codes. The junior accessory dwelling unit shall comply with all applicable building standards and shall be subject to permit and inspection fees to ensure

such compliance. Fire sprinklers shall only be required if they are required in the existing or proposed single-family residence.

(11) Regulations and connection fees. For the purposes of applying any fire or life protection ordinance or regulation, or providing service water, sewer, or power, including a connection fee, a junior accessory dwelling unit shall not be considered to be a separate or new dwelling unit.

(12) Deed restriction. Prior to obtaining a building permit for the junior accessory dwelling unit, a deed restriction, in a form satisfactory to the City Attorney, shall be recorded with the County Recorder to evidence and give notice of the requirements of this section.

(D) Enforcement. The city shall not require the correction of a legal, nonconforming zoning conditions for approval of a junior accessory dwelling unit.

Key:

Normal Text = Existing unmodified Code language

Strikethrough Text = Proposed language to be removed from existing Code Underline Text = Proposed language to be added to Code

***** = Existing unmodified Code language not included in exhibit for sake of brevity Code of Ordinances of the City of Santa Fe Springs Chapter 155, Section 155.003 DEFINITIONS is hereby amended as follows:

§ 155.003 DEFINITIONS.

ACCESSORY DWELLING UNIT (ADU). Either a detached or attached dwelling unit which provides complete independent living facilities for one or more persons and is located on a lot with a proposed or existing primary residence. It shall include permanent provisions for living, sleeping, eating, cooking and sanitation. An **ACCESSORY DWELLING UNIT ADU** may also be located within an existing or proposed primary dwelling unit. An **ACCESSORY DWELLING UNIT ADU** also includes the following:

(1) An efficiency unit, as defined in Cal. Health and Safety Code § 17958.1.

(2) A manufactured home, as defined in California Health and Safety Code § 18007. A factory-built ADU, such as manufactured homes as defined in California Health and Safety Code § 18007, or in the Code of Federal Regulations governing manufactured homes: Code of Federal Regulations Title 24, Housing and Urban Development, Part 3280, Manufactured Home Construction and Safety Standards, Subsection 3280.2, "Definitions."

(3) A factory-built modular ADU that complies with the standards of Chapter 155.644 (D).

ACCESSORY DWELLING UNIT, JUNIOR (JADU). ~~A junior accessory dwelling unit is a unit that is no more than 500 square feet in size and contained entirely within a single-family residence~~

(1) Is no more than 500 square feet in size;

(2) Is contained entirely within an existing or proposed single-family structure;

(3) Has or shares sanitation facilities within the existing or proposed single-family structure;

(4) Includes an efficiency kitchen.

CARRIAGE HOUSE. An ADU that is located above a detached garage.

EFFICIENCY KITCHEN. A kitchen that includes each of the following:

- (1) An area used for cooking, with kitchen appliances;
- (2) A food preparation counter that is adequate for the size of the unit; and
- (3) Food storage cabinets that are adequate for the size of the unit.

IMPACT FEES. A monetary exaction that is charged by the City to a property owner and/or project applicant in connection with approval of a project for the purpose of defraying all or a portion of the cost of public facilities, public improvements, public services, and community amenities; this does not include fees for processing applications for governmental regulatory actions or approvals or any connection fee or capacity charge charged by a local agency, special district, or water corporation.

LIVING AREA. The interior habitable area of a dwelling unit including basements and attics meeting habitable space requirements of the California Building Code with Los Angeles County amendments but not including a garage or any accessory structure.

OBJECTIVE STANDARDS. Standards that involve no personal or subjective judgment by a public official and are uniformly verifiable by reference to an external and uniform benchmark or criterion available and knowable by both the development applicant or proponent and the public official prior to submittal.

PERMIT FEES. A monetary exaction charged to a property owner and/or project applicant in connection with an application for a permit for the reimbursement of expenses incurred during the processing and review of the application, but not fees otherwise classified as impact fees.

PERMITTING AGENCY. Any entity that is involved in the review of a permit and for which there is no substitute, including, but not limited to, applicable planning departments, building departments, fire departments, utilities, and special districts.

PROPOSED DWELLING. A dwelling that is the subject of a permit application and that

meets the requirements for permitting.

PUBLIC TRANSIT. A location, including, but not limited to, a bus stop or train station, where the public may access buses, trains, subways, and other forms of transportation that charge set fares, run on fixed routes, and are available to the public.

TANDEM PARKING, RESIDENTIAL. Two or more automobiles parked on a permitted parking are lined up behind one another.

Key:

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***** = Existing unmodified Code language not included in exhibit for sake of brevity Code of Ordinances of the City of Santa Fe Springs Chapter 155, Section 155.644 ACCESSORY DWELLING UNITS is hereby amended as follows:

§ 155.644 ACCESSORY DWELLING UNITS.

(A) Intent. In enacting this section, it is the intent of the city to encourage the provision of accessory dwelling units to meet a variety of economic needs within the city and to implement the goals, objectives, and policies of the housing element of the general plan. Accessory dwelling units provide housing for extended family members, students, the elderly in-home health care providers, the disabled, and others, ~~additional housing~~ at below market prices within existing neighborhoods. Homeowners who create accessory dwelling units can benefit from added income, and an increased sense of security. Allowing accessory dwelling units in residential zones provides needed additional rental housing. This section provides the requirements for the establishment of accessory dwelling units consistent with Cal. Government Code § 65852.2.

(B) Interpretation. In cases of conflict between this section and any other provision of this title, the provisions of this section shall prevail. To the extent that any provision of this section is in conflict with State law, the mandatory requirement of State law shall control, but only to the extent legally required.

(C) Applications.

(1) *Administrative Review.* All accessory dwelling unit applications shall be ministerially approved by the Director of Planning and Development, or his/her designee, and a permit issued within 60 days upon ~~presentation~~ receipt of a completed application ~~to build an accessory dwelling unit if the plans conform to the~~ complying with the

standards and criteria ~~provided set forth in § 155.644(D) and (E)~~ this section. If an application for accessory dwelling unit is denied within those 60 days, the applicant will be provided with a list of defective items and description of how the deficiencies can be remedied. If the application is neither approved nor denied within the 60 days after a complete application is submitted, the application is deemed approved. If the accessory dwelling unit is being proposed in conjunction with a new single-family dwelling, the Director may delay acting on the accessory dwelling unit permit application until the city acts on the permit application for the new single-family dwelling. If the applicant requests a delay, ~~the city shall grant a delay if requested by the applicant and the city's 60-day period for consideration will be tolled during that~~ for the period of the requested delay.

(2) *Fees.* Applications for an accessory dwelling unit shall be accompanied by an application fee and shall be subject to applicable inspection and permit fees.

(D) Accessory dwelling unit standards. The following standards and criteria shall apply to the creation of an accessory dwelling unit:

(1) Allowable zones. The accessory dwelling unit shall be allowed only on a lot or parcel that is zoned for single family residential, multifamily residential or mixed use with an existing or proposed residential dwelling.

(2) Number of ADUs. ~~There shall not be more than one accessory dwelling unit per lot or parcel, except as provided for in § 155.644(F)(1)(a).~~

(a) There shall not be more than one ADU, and one JADU within the walls of the existing or proposed residence, per lot or parcel that is zoned for single family residential use.

(b) On a lot with existing multifamily dwelling structures, at least one unit and up to 25% of the total multifamily dwelling units are allowed within the portions of the existing structure that are not used as livable space, including, but not limited to, storage rooms, boiler rooms, passageways, attics, basements, or garages, provided that each unit complies with state building standards for dwellings.

(c) On a lot with an existing or proposed multifamily dwelling, not more than two detached units, subject to the height limitation set forth in subsection (D)(7), and at least a four-foot side and rear yard setback. The maximum square footage shall comply with the limits set forth in § 155.644(D)(5). The city shall not require any modifications to an existing multifamily dwelling that has a rear or side yard setback of less than four feet if the proposed accessory dwelling unit satisfies the provisions of this subsection.

(3) Conformance with zoning and General Plan. An accessory dwelling unit that conforms to the development standards of this section is deemed to be an accessory use and/or structure and will not be considered to exceed the allowable density for the lot upon which it is located and shall be deemed to conform to the zoning and General Plan.

(4) Allowable forms. The accessory dwelling unit may be attached to or detached

from the primary residential dwelling or located within an existing or proposed single-family residence, including a garage, or within an accessory structure.

(5) Floor area standards.

(a) The detached or attached accessory dwelling unit with one or less bedroom shall not exceed a total floor area of 850 square feet.

(b) The detached or attached accessory dwelling unit with more than one bedroom shall not exceed a total floor area of ~~1,000~~ 1,200 square feet.

~~(c) If there is an existing primary dwelling, the total floor area of an attached accessory dwelling unit shall not exceed 50% of the existing primary dwelling.~~

~~(d)~~ (e) The minimum floor area for an accessory dwelling unit shall be 150 square feet.

(6) Setback standards.

(a) The accessory dwelling unit shall comply with the front setback standard applicable to the specific zone in which it is located, unless doing so would prohibit the construction of at least an 850 square foot accessory dwelling unit. The first priority placement shall be in the rear of a property, developed in compliance with the required setbacks. If proposed at the front of a property, the front setback shall be maximized to the extent allowed within these requirements. Notwithstanding any other provision in this section, an accessory dwelling unit that encroaches into the front yard setback shall be limited to a total of eight hundred square feet ~~otherwise modified by this section.~~

(b) The accessory dwelling unit shall be set back no less than four feet from the side and rear property lines.

(c) Notwithstanding any other provision of this section, no setback shall be required for an existing permitted living area or accessory structure or a structure constructed in the same location and to the same dimensions as an existing structure that is converted to an accessory dwelling unit or to a portion of an accessory dwelling unit. A setback of no more than four feet from the side and rear lot lines shall be required for an accessory dwelling unit that is not converted from an existing structure or a new structure constructed in the same location and to the same dimensions as an existing structure.

~~(7) The accessory dwelling unit shall not be greater than 16 feet in height~~ The height of an accessory dwelling unit shall be as follows:

(a) A detached accessory dwelling unit on a lot with an existing or proposed single family or multifamily dwelling unit shall not be greater than 16 feet in height.

(b) A detached accessory dwelling unit on a lot with an existing or proposed single family or multifamily dwelling unit that is within one-half mile walking distance of a major transit stop or a high-quality transit corridor, as defined in Public Resources Code

Section 21155, shall not be greater than 18 feet in height. Two additional feet in height is allowed to accommodate roof pitch of the accessory dwelling unit to align with the roof pitch of the primary dwelling unit.

(c) A detached accessory dwelling unit on a lot with an existing or proposed multifamily multistory dwelling shall not be greater than 18 feet in height.

(d) For an accessory dwelling unit that is attached to a primary dwelling, an accessory dwelling unit shall not be higher than 25 feet or the height of the primary dwelling, whichever is lower.

(e) An accessory dwelling unit shall not exceed two stories.

(8) Location. The attached or detached accessory dwelling unit shall be located within, or if outside of the existing walls of the existing or proposed primary residence, preferably to the rear, or to the side of the existing or proposed primary residence unless the accessory dwelling unit is being constructed in the exact location and to the same dimensions as an previously existing approved accessory structure, including an attached or detached garage.

(9) Regulating code. The accessory dwelling unit shall comply with all building, safety, fire and health codes, and all other applicable laws and regulations. Accessory dwelling units are not required to provide fire sprinklers if sprinklers are not required for the primary dwelling unit.

(10) Manufacturing ADUs. Manufactured housing, factory-built ADUs, and modular ADUs is are allowed in compliance with the provisions herein and Cal. Health and Safety Code § 18007; however, mobile homes, trailers and recreational vehicles shall not be used as accessory dwelling units.

(11) Parking. In addition to all other required off-street parking, parking requirements for accessory dwelling units shall not exceed one space per unit. Parking may also be located in setback areas in locations determined by the city or through tandem parking, unless specific findings are made that such parking is infeasible based upon specific site or regional topographical or fire and life safety conditions, ~~or that it is not permitted anywhere else in the city.~~ Mechanical parking lifts may also be used for replacement parking.

(12) Replacement parking. When a garage, carport, or covered parking structure is demolished in conjunction with the construction of or conversion to an accessory dwelling unit, no replacement parking shall be required. Additionally, no parking shall be required for an accessory dwelling unit in any of the following instances:

(a) The accessory dwelling unit is located within one-half mile walking distance of public transit.

(b) The accessory dwelling unit is located within an architecturally and historically significant historic district.

(c) The accessory dwelling unit is part of the proposed or existing primary residence or an ~~existing-permitted~~ accessory structure.

(d) When on-street parking permits are required but ~~has~~ not offered to the occupant of the accessory dwelling unit.

(e) When there is a car share vehicle located within one block of the accessory dwelling unit.

(f) When a permit application for an accessory dwelling unit is submitted with a permit application to create a new single-family dwelling or a new multifamily dwelling on the same lot, provided that the accessory dwelling unit or the parcel satisfies any other criteria listed in this subsection.

(13)–Rentals and separate sale of ADUs. The accessory dwelling unit and the primary residential dwelling may be rented concurrently, provided that the term of the rental is at least 31 days or more. ~~, but the accessory dwelling unit shall not be sold or owned separately from the primary dwelling.~~ An accessory dwelling unit may be sold or conveyed separately from the primary residence, only if:

(a) The accessory dwelling unit is sold to a qualified buyer, including persons and families of low or moderate income, as that term is defined in Section 50093 of the Health and Safety Code, and all of the following apply:

(I) The accessory dwelling unit or the primary dwelling was built or developed by a qualified nonprofit corporation, one that is organized pursuant to Section 501(c)(3) of the Internal Revenue Code that has received a welfare exemption under Section 214.15 of the Revenue and Taxation Code for properties intended to be sold to low-income families who participate in a special no-interest loan program.

(II) There is an enforceable restriction on the use of the land pursuant to a recorded contract between the qualified buyer and the qualified nonprofit corporation that satisfies all of the requirements specified in paragraph (10) of subdivision (a) of Section 402.1 of the Revenue and Taxation Code.

(III)The property is held pursuant to a recorded tenancy in common agreement that includes all of the following:

(A)The agreement allocates to each qualified buyer an undivided, unequal interest in the property based on the size of the dwelling that each qualified buyer occupies.

(B)A repurchase option that requires the qualified buyer to first offer the qualified nonprofit corporation to buy the accessory dwelling unit or primary dwelling if the buyer desires to sell or convey the property.

(C)A requirement that the qualified buyer occupy the accessory dwelling unit or primary dwelling as the buyer's principal residence.

(D) Affordability restrictions on the sale and conveyance of the accessory dwelling unit or primary dwelling that ensure the accessory dwelling unit and primary dwelling will be preserved for low-income housing for 45 years for owner-occupied housing units and will be sold or resold to a qualified buyer.

(E) The tenancy in common agreement shall include all of the following:

(i) Delineation of all areas of the property that are for the exclusive use of a cotenant. Each cotenant shall agree not to claim a right of occupancy to an area delineated for the exclusive use of another cotenant, provided that the latter cotenant's obligations to each of the other cotenants have been satisfied.

(ii) Delineation of each cotenant's responsibility for the costs of taxes, insurance, utilities, general maintenance and repair, improvements, and any other costs, obligations, or liabilities associated with the property. This delineation shall only be binding on the parties to the agreement, and shall not supersede or obviate the liability, whether joint and several or otherwise, of the parties for any cost, obligation, or liability associated with the property where such liability is otherwise established by law or by agreement with a third party.

(iii) Procedures for dispute resolution among the parties before resorting to legal action.

(IV) A grant deed naming the grantor, grantee, and describing the property interests being transferred shall be recorded in the county in which the property is located. A Preliminary Change of Ownership Report shall be filed concurrently with this grant deed pursuant to Section 480.3 of the Revenue and Taxation Code.

(V) Notwithstanding subparagraph (A) of paragraph (2) of subdivision (f) of Section 65852.2, if requested by a utility providing service to the primary residence, the accessory dwelling unit has a separate water, sewer, or electrical connection to that utility.

(14) *Rentals and tenure.* The accessory dwelling unit and the primary residential dwelling may be rented concurrently provided that the term of the rental is at least 31 days or more, but the accessory dwelling unit shall not be sold or owned separately from the primary dwelling, unless the owner is another governmental agency, land trust, housing organization, or qualified non-profit.

(15) *Utility connection or capacity charges.* Accessory dwelling units shall not be considered new residential uses for the purposes of calculating local agency connection fees or capacity charges for utilities, including water and sewer service.

(a) For attached units or units located within the ~~living area of~~ proposed or the existing single-family dwelling and meeting the definition of § 155.644(F)(1)(a) below, the city shall not require the applicant to install a new or separate utility connection between the accessory dwelling unit and the utility or impose a related connection fee or capacity charge. Such requirements and charges may be imposed when the accessory dwelling

unit is being constructed in connection with a ~~proposed~~ new single-family residential dwelling.

(b) For all other accessory dwelling units other than those described in § 155.644(D)(15)(a) above, the city may require a new or separate utility connection directly between the accessory dwelling unit and the utility. The connection fee or capacity charge shall be proportionate in relation to the square footage of the primary dwelling unit. ~~burden of the proposed accessory dwelling unit upon the water or sewer system based upon either its size or the number of its plumbing fixtures,~~ and may not exceed the reasonable cost of providing the water or sewer service.

(16) Impact fees.

(a) No impact fee shall be imposed on any accessory dwelling unit less than 750 square feet in size, except for impact fees used to fund school, which shall not be imposed on any ADU of or less than 500 square feet in size.

(b) For accessory dwelling units 750 square feet or greater, impact fees shall be charged proportionately in relation to the square footage of the primary dwelling.

(c) All applicable public service and recreation impact fees shall be paid prior to occupancy in accordance with Cal. Government Code §§ 66000 et seq. and 66012 et seq.

(d) For purposes of this section, "impact fee" shall have the same meaning as set forth in Cal. Government Code § 65852.2(f).

~~(17)~~ (16) Prior approvals. The provisions of this section shall not apply to any accessory dwelling units for which the city issued conditional use permits prior to the effective date of this section.

~~(18) Prior to obtaining a building permit for the accessory dwelling unit, a deed restriction, in a form satisfactory to the City Attorney, shall be recorded with the County Recorder to evidence and give notice of the requirements of this section.~~

(E) Design standards.

~~(1) The accessory dwelling unit shall be designed to be architecturally compatible with the primary dwelling. A site plan, elevations and floor plan depicting said architectural compatibility shall be submitted to the Director of Planning and Development for ministerial review and approval prior to the issuance of any building permits.~~ A site plan, elevations and floor plan depicting the location of the ADU in relation to the primary dwelling shall be submitted to the Director of Planning and Development for ministerial review and approval prior to the issuance of any building permits.

~~(2) When feasible, windows facing an adjoining residential property shall be designed to protect the privacy of neighbors. If window placement does not protect privacy, then fencing or landscaping might be used to provide screening.~~ Windows and

doors of an ADU shall not have a direct line of sight to an adjoining residential property. Fencing, landscaping, or privacy glass may be used to provide screening and prevent a direct line of sight. Windows and glass doors that face an adjoining property and are within fifteen (15) feet of a property line that is not a right-of-way line must either be (for windows) clerestory with the bottom of the glass at least six (6) feet above the finished floor, or (for windows and for doors) utilize frosted or obscure glass.

(3) An accessory dwelling unit shall have a separate exterior entrance from the primary dwelling unit.

~~(4) To the maximum extent feasible, the accessory dwelling unit shall not alter the appearance of the primary single-family dwelling unit.~~

~~(5) When feasible, no more than one exterior entrance on the front or on any street-facing side of the primary dwelling unit and accessory dwelling unit combined.~~

(64) No exterior stairway shall be located on the front or on any street-facing side of the accessory dwelling unit.

(F) ~~Mandatory~~ ADU application approvals.

~~(1) Notwithstanding any other provision of this chapter, the city shall ministerially approve an application for any of the following accessory dwelling units within a residential or mixed-use zone:~~

~~(a) A junior or accessory dwelling unit within the existing or proposed space of a single-family dwelling or accessory structure subject to the following requirements:~~

~~1. An expansion of up to 150 square feet shall be allowed in an accessory structure that is converted to an ADU solely for the purposes of accommodating ingress and egress.~~

~~2. The junior or accessory dwelling unit shall have exterior access separate from the existing or proposed single-family dwelling.~~

~~3. The side and rear setbacks shall be sufficient for fire and building and safety.~~

~~4. If the unit is a junior accessory dwelling unit, it shall comply with the requirements of § [155.644.1](#) below.~~

~~(b) One detached or attached accessory dwelling unit subject to the following requirements:~~

~~1. The accessory dwelling unit shall be set back no less than four feet from the side and rear property line.~~

~~2. The accessory dwelling unit shall be on a lot or parcel with an existing or proposed single-family dwelling.~~

~~3. The accessory dwelling unit shall not exceed 800 square feet in size.~~

~~4. The accessory dwelling unit shall not exceed 16 feet in height.~~

~~5. A junior accessory dwelling unit may be developed with this type of detached accessory dwelling unit, it shall comply with all requirements of § 155.644.1 below.~~

~~(c) On a lot with a multifamily dwelling structure, up to 25% of the total multifamily dwelling units, but no less than one unit, shall be allowed within the portions of the existing structure that are not used as livable space, including, but no limited to, storage rooms, boiler rooms, passageways, attics, basements, or garages, provided that each unit complies with state building standards for dwellings.~~

~~(d) On a lot with a multifamily dwelling structure, up to two detached units, provided that neither unit is greater than 16 feet in height, is provided with at least a four foot side and rear yard setback. The maximum square footage shall comply with the limits set forth in § 155.644(D)(5).~~

~~(2) For those accessory dwelling units which require mandatory approval, the city shall not require the correction of legal, nonconforming zoning conditions.~~

(1) A permit application for an ADU or a JADU shall be considered and approved ministerially without discretionary review or a hearing. The City and any associated permitting agencies including, but not limited to, applicable planning departments, building departments, consultants or contractors working as agents of the City, utilities, and special districts, shall approve and issue a building permit or deny the application to create or serve an ADU or a JADU within 60 calendar days after receiving a completed application if there is an existing primary dwelling on the lot and if it meets the minimum ADU and/or JADU standards of this chapter.

(a) If the City and any associated permitting agencies has not approved or denied the completed application within 60 days, the application shall be deemed approved and a building permit issued for its construction.

(b) If the City or any associated permitting agencies denies an application for an ADU or JADU pursuant to paragraph (a), the City and any associated permitting agencies shall, within the 60 day time period, transmit to the applicant a list of items that are defective or deficient and a description of how the application can be remedied.

(c) If the permit application to create an ADU or a JADU is submitted with a permit application to create a new single-family or multifamily dwelling on the lot, the City and any associated permitting agencies may delay approving or denying the permit application for the ADU or JADU until the City approves or denies the permit application

to create the new dwelling, but the application to create the ADU or JADU shall be considered without discretionary review or hearing.

(d) If the applicant requests a delay, the 60-day time period shall be paused for the period of the delay. If the permit application is returned to the applicant with a list of corrections requested to comply with applicable codes and regulations, any accounting of the 60-day time period shall be paused for the period of time until the applicant re-submits a corrected application.

(e) A demolition permit for a detached garage that is to be replaced with an ADU shall be reviewed with the application for the ADU, and a building permit for the ADU shall be issued at the same time as the demolition permit; the applicant shall not be required to provide written notice or post a placard for the demolition of a detached garage that is to be replaced with an ADU.

(2) The City shall not require the correction of existing legal, nonconforming zoning conditions prior to issuing a permit for an ADU.

~~(G) *Enforcement.* Until January 1, 2030, the city shall issue a statement along with a notice to correct a violation of any provision of any building standard relating to an accessory dwelling unit that substantially provides as follows:~~ Existing Units.

~~(1) You have been issued an order to correct violations or abate nuisances relating to your accessory dwelling unit. If you believe that this correction or abatement is not necessary to protect the public health and safety you may file an application with the City Planning Department. If the city determines that enforcement is not required to protect the health and safety, enforcement shall be delayed for a period of five years from the date of the original notice.~~ Existing ADUs that have not been approved by the City are required to obtain approval in order to be considered a lawful use. An application for an unpermitted ADU that was constructed before January 1, 2018 shall not be denied due to violations of building standards, or if the unpermitted ADU does not comply with Chapter 155 of the Santa Fe Springs Municipal Code, unless it is found that correcting the violation is necessary to protect the health and safety of the public or occupants of the structure pursuant to Section 17920.3 of the Health and Safety Code. An application for an unpermitted ADU for which a building permit does not exist shall be approved based the version of the applicable Building Standards Code in effect when the residential unit was determined to be constructed for the purposes of issuing a building permit; the appropriate enforcement official may make a determination of the date of construction, and issue a retroactive building permit for that construction.

~~(2) This provision shall only apply if the accessory dwelling unit was built before January 1, 2020 and after July 25, 2020.~~ The City shall delay enforcement of building standards that are not a matter of public health and safety for existing ADUs upon request of the ADU owner, as follows:

(a) ADUs built prior to January 1, 2020 are eligible, or ADUs built on or after January 1, 2020 at a time that the City had a noncompliant ADU ordinance.

(b) Until January 1, 2030, the City shall issue a statement along with a notice to correct a violation of any provision of any building standard relating to an ADU that substantially provides as follows:

(i) You have been issued an order to correct violations or abate nuisances relating to your ADU. If you believe that this correction or abatement is not necessary to protect the public health and safety you may file an application with the City Planning Department. If the city determines that enforcement is not required to protect the health and safety, enforcement shall be delayed for a period of five years from the date of the original notice.

Key:

Normal Text = Existing unmodified Code language

Strikethrough Text = Proposed language to be removed from existing Code Underline Text = Proposed language to be added to Code

***** = Existing unmodified Code language not included in exhibit for sake of brevity Code of Ordinances of the City of Santa Fe Springs Chapter 155, Section 155.644.1 JUNIOR ACCESSORY DWELLING UNITS is hereby amended as follows:

§ 155.644.1 JUNIOR ACCESSORY DWELLING UNITS.

(A) *Intent.* In enacting this section, it is the intent of the city to encourage the provision of junior accessory dwelling units to meet a variety of economic needs within the city and to implement the goals, objectives, and policies of the housing element of the general plan. Junior accessory dwelling units provide housing for ~~extended family members, students, the elderly in home health care providers, the disabled, and others~~ at below market prices within existing neighborhoods. Homeowners who create junior accessory dwelling units can benefit from added income, and an increased sense of security. Allowing junior accessory dwelling units in single-family residential zones provides needed additional rental housing. This section provides the requirements for the establishment of junior accessory dwelling units consistent with Cal. Government Code § 65852.22.

(B) *Administrative review.* All junior accessory dwelling unit applications shall be ministerially approved by the Director of Planning and Development, or his/her designee, and a permit issued within 60 days upon ~~presentation~~ receipt of a completed application ~~to provide a junior accessory dwelling unit if the plans conform to~~ complying with the standards and criteria provided in ~~§ 155.644.1(C) and (D)~~ this section. If an application for a junior accessory dwelling unit is denied within those 60 days, the applicant will be provided with a list of defective items and description of how the deficiencies can be remedied. If the application is neither approved nor denied within the 60 days after a complete application is submitted, the application is deemed approved. If the junior

accessory dwelling unit is being proposed in conjunction with a new single-family dwelling, the Director may delay acting on the permit application until the city acts on the permit application for the new single-family dwelling. If the applicant requests a delay, the city shall grant a delay if requested by the applicant and the city's 60-day period will be tolled for the period of the requested delay ~~for consideration will be tolled during that requested delay.~~

(C) *Junior accessory dwelling unit standards.* The following standards and criteria shall apply to the creation of a junior accessory dwelling unit:

(1) Number Allowed. A maximum of one junior accessory dwelling unit shall be permitted per residential lot containing an existing or proposed single-family dwelling. Junior accessory dwelling units do not count towards the density requirements of the general plan or zoning ordinance.

(2) Owner occupancy. The property owner shall occupy either the main single-family dwelling or the junior accessory dwelling unit.

(3) Tenure. The junior accessory dwelling unit or the main single-family dwelling may be rented, provided the rental term is at least 31 days or more, but the junior accessory dwelling unit shall not be sold or owned separately from the single-family dwelling

(4) Allowable location. The junior accessory dwelling unit must be created within the existing walls of an existing single-family dwelling, which includes an attached garage.

(5) Size. The junior accessory dwelling unit shall not exceed 500 square feet in size.

(6) Entrance. The junior accessory dwelling unit shall include a separate exterior entrance from the main entrance to the single-family home. An interior entry to the main living area shall be required if the junior accessory dwelling unit shares sanitary facilities with the single-family home. The junior accessory dwelling unit may include a second interior doorway for sound attenuation.

(7) Kitchen required. The junior accessory dwelling unit shall include a food preparation area, requiring and limited to the following components:

(a) ~~A cooking facility with appliances~~ An area used for cooking, with kitchen appliance; and

(b) A food preparation counter and storage cabinets that are of reasonable size in relation to the size of the junior accessory dwelling ~~which do not exceed six feet in length.~~

(8) Parking. No additional off-street parking is required beyond that required for the main single-family dwelling.

(9) Utility service. A separate water connection or meter, and a separate sewer service connection are not required for a junior accessory dwelling unit. Water and sewer service for the junior accessory dwelling unit is shared with the main single-family dwelling unit.

(10) Applicable codes. The junior accessory dwelling unit shall comply with all applicable building standards and shall be subject to permit and inspection fees to ensure such compliance. Fire sprinklers shall be required if they are required in the existing or proposed single-family residence.

(11) Regulations and connection fees. For the purposes of applying any fire or life protection ordinance or regulation, or providing service water, sewer, or power, including a connection fee, a junior accessory dwelling unit shall not be considered to be a separate or new dwelling unit.

(12) Deed restriction. Prior to obtaining a building permit for the junior accessory dwelling unit, a deed restriction, in a form satisfactory to the City Attorney, shall be recorded with the County Recorder to evidence and give notice of the requirements of this section.

(D) Enforcement. The city shall not require the correction of a ~~legal~~, nonconforming zoning conditions, building code violations, or unpermitted structures that do not present a threat to public health and safety and that are not affect by the construction of the junior accessory dwelling unit in the for approval of a junior accessory dwelling unit.

Attachment C: Planning Commission Resolution 252-2023

CITY OF SANTA FE SPRINGS
RESOLUTION NO. 252-2023

**A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF
SANTA FE SPRINGS RECOMMENDING THAT THE CITY COUNCIL
APPROVE AND ADOPT ZONE TEXT AMENDMENT TO ENSURE THAT
THE CITY'S ZONING ORDINANCE IS ALIGNED WITH THE STATE'S
ACCESSORY DWELLING UNIT (ADU) AND JUNIOR ACCESSORY
DWELLING UNIT (JADU) STATUTES**

WHEREAS, on March 9, 2017, the City Council adopted Ordinance No. 1084, which updated the City's Zoning Ordinance to comply with the State's statutes in connection with Accessory Dwelling Units (ADU) and Junior Accessory Dwelling Units (JADU); and

WHEREAS, in 2021, the City of Santa Fe Springs applied for and was selected by the Southern California Association of Government (SCAG) and the State of California Department of Housing and Community Development (CA HCD) to participate in the SCAG 2020/2021 Sustainable Communities Program (SCP) as part of the Regional Early Action Program (REAP) for Advance Accessory Dwelling Unit Implementation; and

WHEREAS, one of the project's primary deliverables is the update of the City's ADU and JADU ordinance to align with State Laws and promote ADU and JADU productivity within the City; and

WHEREAS, new State ADU Laws (SB-897 and AB-2221) amending Government Code Sections 65852.2 and 65852.22 became effective on January 1, 2023, amending the existing requirement for the development of ADUs and JADUs; and

WHEREAS, an additional new law (AB 1033) amending Government Code Section 65852.2, which will go into effect on January 1, 2024, eliminates the owner occupancy requirements for ADUs; and

WHEREAS, pursuant to Government Code Section 65852.2, if a local ordinance conflicts with state law, state law supersedes the conflicting local ordinance; and

WHEREAS, SCAG consultant Woodsong Associates assisted the City with developing a Zone Text Amendment to align with the State ADUs and JADUs statutes; and

WHEREAS, the City has prepared a Zone Text Amendment to the City's Zoning Ordinance, as codified in Title 15 of the Santa Fe Springs Municipal Code, which updates Section 155.003 (Definitions), Section 155.644 (Accessory Dwelling Unit), and Section 155.644.1 (Junior Accessory Dwelling Unit); and

WHEREAS, pursuant to California Public Resources Code (PRC) Section 21080.17, the California Environmental Quality Act (CEQA) does not apply to the adoption of an ordinance by a city or county to implement the provisions of Section 65852.2 of the Government Code (State ADU Law); and

WHEREAS, on November 2, 2023, the City of Santa Fe Springs Department of Planning and Development published a legal notice in the *Whitter Daily News*, a local paper of general circulation, indicating the date and time of the public hearing; and

WHEREAS, on November 4, 2023, a public hearing notice was also posted in the Santa Fe Springs City Hall window, the City's Town Center kiosk, and the City's Library; and

WHEREAS, the City of Santa Fe Springs Planning Commission has reviewed and considered the written and oral staff report, the testimony, written comments, and other materials presented at the public hearing on November 13, 2023; and

WHEREAS, on November 13, 2023, the City of Santa Fe Springs Planning Commission conducted a duly noticed public hearing and considered public testimony concerning amendments to the text of the City's Zoning Regulations.

NOW, THEREFORE, BE IT RESOLVED THAT THE PLANNING COMMISSION OF THE CITY OF SANTA FE SPRINGS DOES HEREBY FIND, DETERMINE AND RESOLVE AS FOLLOWS:

SECTION I: The Planning Commission recommends that the following findings be made by the City Council regarding the Zone Text Amendment:

1. The above recitals are true and correct and are a substantial part of this Resolution.
2. The Exhibits attached to this Resolution are each incorporated by reference and made a part of this Resolution.
3. The proposed Zone Text Amendment meets or exceeds the minimum provisions outlined in Section 65852.2 of the Government Code (State ADU Law).
4. The proposed Zone Text Amendment is consistent with the Santa Fe Springs General Plan.
5. That pursuant to California Public Resources Code (PRC) Section 21080.17, CEQA does not apply to the adoption of an ordinance by a city or county to implement the provisions of Section 65852.2 of the Government Code (State ADU Law).
6. That the Planning Commission recommends that the City Council approve and adopt Ordinance No. 1134, amending the text of the City's Zoning Ordinance.

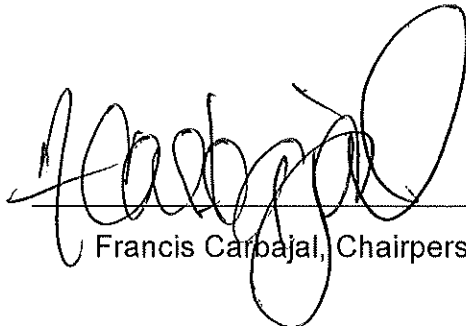
SECTION II. ENVIRONMENTAL FINDINGS AND DETERMINATION

Pursuant to California Public Resources Code (PRC) Section 21080.17, California Environmental Quality Act (CEQA) does not apply to the adoption of an ordinance by a city or county to implement the provisions of Section 65852.2 of the Government Code (State ADU Law). The ZTA implements California Government Code Sections 65852.2 and 65852.22, as amended, within the City of Santa Fe Springs in a manner that is consistent with the requirements of State ADU/JADU Laws. As such, the proposed ZTA and Ordinance is exempt from CEQA.

SECTION III. PLANNING COMMISSION ACTION

The Planning Commission hereby adopts Resolution No. 252-2023 to determine that the Zoning Text Amendment is exempt pursuant to the PRC Section 21080.17, and to recommend that the City Council adopt Ordinance No. 1134 amending Title 15, Sections 155.003 (Definitions), 155.644 (Accessory Dwelling Unit), and 155.644.1 (Junior Accessory Dwelling Unit); of the Santa Fe Springs Municipal Code.

ADOPTED and APPROVED this 13th day of November 2023 BY THE PLANNING COMMISSION OF THE CITY OF SANTA FE SPRINGS.



Francis Carbajal, Chairperson

ATTEST:



Teresa Cavallo, Planning Secretary

Exhibit A – Ordinance No. 1134

CITY OF SANTA FE SPRINGS
ORDINANCE NO. 1134

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS ADOPTING ZONE TEXT AMENDMENT TO ENSURE THAT THE CITY'S ZONING ORDINANCE IS ALIGNED WITH THE STATE'S ACCESSORY DWELLING UNIT (ADU) AND JUNIOR ACCESSORY DWELLING UNIT (JADU) STATUTES

WHEREAS, on March 9, 2017, the City Council adopted Ordinance No. 1084, which updated the City's Zoning Ordinance to comply with the State's statutes in connection with Accessory Dwelling Units (ADU) and Junior Accessory Dwelling Units (JADU); and

WHEREAS, in 2021, the City of Santa Fe Springs applied for and was selected by the Southern California Association of Government (SCAG) and the State of California Department of Housing and Community Development (CA HCD) to participate in the SCAG 2020/2021 Sustainable Communities Program (SCP) as part of the Regional Early Action Program (REAP) for Advance Accessory Dwelling Unit Implementation; and

WHEREAS, one of the project's primary deliverables is the update of the City's ADU and JADU ordinance to align with State Laws and promote ADU and JADU productivity within the City; and

WHEREAS, new State ADU Laws (SB-897 and AB-2221) amending Government Code Sections 65852.2 and 65852.22 became effective on January 1, 2023, amending the existing requirements for the development of ADUs and JADUs; and

WHEREAS, an additional new law (AB 1033) amending Government Code Section 65852.2, which will go into effect on January 1, 2024, eliminates the owner occupancy requirements for ADUs; and

WHEREAS, according to Government Code Section 65852.2, if a local ordinance conflicts with state law, state law supersedes the conflicting local ordinance; and

WHEREAS, SCAG consultant Woodsong Associates assisted the City with developing a Zone Text Amendment to align with the State ADUs and JADUs statutes; and

WHEREAS, the City has prepared a Zone Text Amendment to the City's Zoning Ordinance, as codified in Title 15 of the Santa Fe Springs Municipal Code, which updates Section 155.003 (Definitions), Section 155.644 (Accessory Dwelling Unit), and Section 155.644.1 (Junior Accessory Dwelling Unit); and

WHEREAS, pursuant to California Public Resources Code (PRC) Section 21080.17, the California Environmental Quality Act (CEQA) does not apply to the adoption of an ordinance by a city or county to implement the provisions of Section 65852.2 of the Government Code (State ADU Law); and

WHEREAS, on November 2, 2023, the City of Santa Fe Springs Department of Planning and Development published a legal notice in the *Whitter Daily News*, a local paper of general circulation, indicating the date and time of the public hearing; and

WHEREAS, on November 4, 2023, a public hearing notice was also posted in the Santa Fe Springs City Hall window, the City's Town Center kiosk, and the City's Library; and

WHEREAS, on November 13, 2023, the Planning Commission of the City of Santa Fe Springs adopted Resolution 252-2023 recommending that the City Council adopt an Ordinance amending the Zoning Code in relation to ADUs and JADUs; and

WHEREAS, on December 4, 2023, the City Council of the City of Santa Fe Springs considered the Zone Text Amendment, the staff report, and all testimony, written and spoken, at a duly noticed public hearing.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS DOES HEREBY FIND, DETERMINE AND ORDAIN AS FOLLOWS:

SECTION I. Findings:

1. The above recitals are true and correct and are a substantial part of this Ordinance.
2. The Exhibits attached to this Ordinance are each incorporated by reference and made a part of this Ordinance.
3. The proposed Zone Text Amendment meets or exceeds the minimum provisions outlined in Section 65852.2 of the Government Code (State ADU Law).
4. The proposed Zone Text Amendment is consistent with the Santa Fe Springs General Plan.
5. The Zone Text Amendment meets the requirements as contained in Planning and Zoning Law (Government Code sections 65800-65912).
6. The Zone Text Amendment has been prepared and will be adopted in accordance with the requirements of Planning and Zoning Law (Government Code sections 65853-65860).

SECTION II. The City Council hereby finds with respect to CEQA:

Pursuant to California Public Resources Code (PRC) Section 21080.17, California Environmental Quality Act (CEQA) does not apply to the adoption of an Ordinance by a city or county to implement the provisions of Section 65852.2 of the Government Code (State ADU Law). The ZTA implements California Government Code Sections 65852.2 and 65852.22, as amended, within the City of Santa Fe Springs in a manner that is consistent with the requirements of State ADU/JADU Laws. As such, the proposed ZTA and Ordinance is exempt from CEQA.

SECTION III. Amendments:

1. Code of Ordinances of the City of Santa Fe Springs Chapter 155, Section 155.003 DEFINITIONS is hereby amended as provided in Exhibit "A" attached hereto and incorporated herein by reference.
2. Code of Ordinances of the City of Santa Fe Springs Chapter 155, Sections 155.644 (Accessory Dwelling Unit) and 155.644.1 (Junior Accessory Dwelling Unit) is hereby amended as provided in Exhibit "B" attached hereto and incorporated herein by referenc.

Section IV. If any section, subsection, subdivision, paragraph, sentence, clause or phrase in this Ordinance, or any part thereof, is held invalid or unconstitutional, such decision shall not affect the validity of the remaining sections or portions of this Ordinance or of Chapter 155, or any part thereof. The City Council hereby declares that it would have adopted each section, subsection, subdivision, paragraph, sentence, clause or phrase in this Ordinance irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases may be declared invalid or unconstitutional.

Section V. The City Clerk shall certify to the adoption of this Ordinance and shall cause the same to be posted in at least three (3) public places in the City, such posting to be completed not later than fifteen (15) days after passage thereof.

PASSED and ADOPTED this ____ day of _____, 2023, by the following roll call vote:

AYES:

NOES:

ABSENT:

Jay Sarno, Mayor

ATTEST:

Janet Martinez, CMC, City Clerk

Exhibit A – Definitions Text Amendments

Exhibit B – Accessory Dwelling Unit and Junior Accessory Dwelling Unit Text Amendments

Key:

Normal Text = Existing unmodified Code language

Strikethrough Text = Proposed language to be removed from existing Code Underline Text = Proposed language to be added to Code

***** = Existing unmodified Code language not included in exhibit for sake of brevity Code of Ordinances of the City of Santa Fe Springs Chapter 155, Section 155.003 DEFINITIONS is hereby amended as follows:

§ 155.003 DEFINITIONS.

ACCESSORY DWELLING UNIT (ADU). Either a detached or attached dwelling unit which provides complete independent living facilities for one or more persons and is located on a lot with a proposed or existing primary residence. It shall include permanent provisions for living, sleeping, eating, cooking and sanitation. An **ACCESSORY DWELLING UNIT ADU** may also be located within an existing or proposed primary dwelling unit. An **ACCESSORY DWELLING UNIT ADU** also includes the following:

(1) An efficiency unit, as defined in Cal. Health and Safety Code § 17958.1.

(2) A manufactured home, as defined in California Health and Safety Code § 18007. A factory-built ADU, such as manufactured homes as defined in California Health and Safety Code § 18007, or in the Code of Federal Regulations governing manufactured homes: Code of Federal Regulations Title 24, Housing and Urban Development, Part 3280, Manufactured Home Construction and Safety Standards, Subsection 3280.2, "Definitions."

(3) A factory-built modular ADU that complies with the standards of Chapter 155.644 (D).

ACCESSORY DWELLING UNIT, JUNIOR (JADU). ~~A junior accessory dwelling unit is a unit that is no more than 500 square feet in size and contained entirely within a single-family residence~~

(1) Is no more than 500 square feet in size;

(2) Is contained entirely within an existing or proposed single-family structure;

(3) Has or shares sanitation facilities within the existing or proposed single-family structure;

(4) Includes an efficiency kitchen.

CARRIAGE HOUSE. An ADU that is located above a detached garage.

EFFICIENCY KITCHEN. A kitchen that includes each of the following:

- (1) An area used for cooking, with kitchen appliances;
- (2) A food preparation counter that is adequate for the size of the unit; and
- (3) Food storage cabinets that are adequate for the size of the unit.

IMPACT FEES. A monetary exaction that is charged by the City to a property owner and/or project applicant in connection with approval of a project for the purpose of defraying all or a portion of the cost of public facilities, public improvements, public services, and community amenities; this does not include fees for processing applications for governmental regulatory actions or approvals or any connection fee or capacity charge charged by a local agency, special district, or water corporation.

LIVING AREA. The interior habitable area of a dwelling unit including basements and attics meeting habitable space requirements of the California Building Code with Los Angeles County amendments but not including a garage or any accessory structure.

NONCONFORMING ZONING CONDITION. A physical improvement on a property that does not conform with current zoning standards.

OBJECTIVE STANDARDS. Standards that involve no personal or subjective judgment by a public official and are uniformly verifiable by reference to an external and uniform benchmark or criterion available and knowable by both the development applicant or proponent and the public official prior to submittal.

PERMIT FEES. A monetary exaction charged to a property owner and/or project applicant in connection with an application for a permit for the reimbursement of expenses incurred during the processing and review of the application, but not fees otherwise classified as impact fees.

PERMITTING AGENCY. Any entity that is involved in the review of a permit and for which there is no substitute, including, but not limited to, applicable planning departments,

building departments, fire departments, utilities, and special districts.

PROPOSED DWELLING. A dwelling that is the subject of a permit application and that meets the requirements for permitting.

PUBLIC TRANSIT. A location, including, but not limited to, a bus stop or train station, where the public may access buses, trains, subways, and other forms of transportation that charge set fares, run on fixed routes, and are available to the public.

TANDEM PARKING, RESIDENTIAL. Two or more automobiles parked on a permitted parking are lined up behind one another.

Key:

Normal Text = Existing unmodified Code language

Strikethrough Text = Proposed language to be removed from existing Code Underline Text = Proposed language to be added to Code

***** = Existing unmodified Code language not included in exhibit for sake of brevity Code of Ordinances of the City of Santa Fe Springs Chapter 155, Section 155.644 ACCESSORY DWELLING UNITS is hereby amended as follows:

§ 155.644 ACCESSORY DWELLING UNITS.

(A) Intent. In enacting this section, it is the intent of the city to encourage the provision of accessory dwelling units to meet a variety of economic needs within the city and to implement the goals, objectives, and policies of the housing element of the general plan. Accessory dwelling units provide housing for extended family members, students, the elderly in-home health care providers, the disabled, and others, additional housing at below market prices within existing neighborhoods. Homeowners who create accessory dwelling units can benefit from added income, and an increased sense of security. Allowing accessory dwelling units in residential zones provides needed additional rental housing. This section provides the requirements for the establishment of accessory dwelling units consistent with Cal. Government Code § 65852.2.

(B) Interpretation. In cases of conflict between this section and any other provision of this title, the provisions of this section shall prevail. To the extent that any provision of this section is in conflict with State law, the mandatory requirement of State law shall control, but only to the extent legally required.

(C) Applications.

(1) *Administrative Review.* All accessory dwelling unit applications shall be ministerially approved by the Director of Planning and Development, or his/her designee, and a permit issued within 60 days upon presentation receipt of a completed application ~~to build an accessory dwelling unit if the plans conform to the~~ complying with the standards and criteria ~~provided set forth in § 155.644(D) and (E)~~ this section. If an application for accessory dwelling unit is denied within those 60 days, the applicant will be provided with a list of defective items and description of how the deficiencies can be remedied. If the application is neither approved nor denied within the 60 days after a complete application is submitted, the application is deemed approved. If the accessory dwelling unit is being proposed in conjunction with a new single-family dwelling, the Director may delay acting on the accessory dwelling unit permit application until the city acts on the permit application for the new single-family dwelling. If the applicant requests a delay, the city shall grant a delay if requested by the applicant and the city's 60-day period for consideration will be tolled during that for the period of the requested delay.

(2) *Fees.* Applications for an accessory dwelling unit shall be accompanied by an application fee and shall be subject to applicable inspection and permit fees.

(D) Accessory dwelling unit standards. The following standards and criteria shall apply to the creation of an accessory dwelling unit:

(1) Allowable zones. The accessory dwelling unit shall be allowed only on a lot or parcel that is zoned for single family residential, multifamily residential or mixed use with an existing or proposed residential dwelling.

(2) Number of ADUs. ~~There shall not be more than one accessory dwelling unit per lot or parcel, except as provided for in § 155.644(F)(1)(a).~~

(a) There shall not be more than one ADU, and one JADU within the walls of the existing or proposed residence, per lot or parcel that is zoned for single family residential use.

(b) On a lot with existing multifamily dwelling structures, at least one unit and up to 25% of the total multifamily dwelling units are allowed within the portions of the existing structure that are not used as livable space, including, but not limited to, storage rooms, boiler rooms, passageways, attics, basements, or garages, provided that each unit complies with state building standards for dwellings.

(c) On a lot with an existing or proposed multifamily dwelling, not more than two detached units, subject to the height limitation set forth in subsection (D)(7), and at least a four-foot side and rear yard setback. The maximum square footage shall comply with the limits set forth in § 155.644(D)(5). The city shall not require any modifications to an existing multifamily dwelling that has a rear or side yard setback of less than four feet if the proposed accessory dwelling unit satisfies the provisions of this subsection.

(3) Conformance with zoning and General Plan. An accessory dwelling unit that conforms to the development standards of this section is deemed to be an accessory use and/or structure and will not be considered to exceed the allowable density for the lot upon which it is located and shall be deemed to conform to the zoning and General Plan.

(4) Allowable forms. The accessory dwelling unit may be attached to or detached from the primary residential dwelling or located within an existing or proposed single-family residence, including a garage, or within an accessory structure.

(5) Floor area standards.

(a) The detached or attached accessory dwelling unit with one or less bedroom shall not exceed a total floor area of 850 square feet.

(b) The detached or attached accessory dwelling unit with more than one bedroom shall not exceed a total floor area of ~~1,000~~ 1,200 square feet.

~~(c) If there is an existing primary dwelling, the total floor area of an attached~~

~~accessory dwelling unit shall not exceed 50% of the existing primary dwelling.~~

(d~~c~~) The minimum floor area for an accessory dwelling unit shall be 150 square feet.

(6) Setback standards.

(a) The accessory dwelling unit shall comply with the front setback standard applicable to the specific zone in which it is located, unless doing so would prohibit the construction of at least an 850 square foot accessory dwelling unit. The first priority placement shall be in the rear of a property, developed in compliance with the required setbacks. If proposed at the front of a property, the front setback shall be maximized to the extent allowed within these requirements. Notwithstanding any other provision in this section, an accessory dwelling unit that encroaches into the front yard setback shall be limited to a total of eight hundred square feet ~~otherwise modified by this section.~~

(b) The accessory dwelling unit shall be set back no less than four feet from the side and rear property lines.

(c) Notwithstanding any other provision of this section, no setback shall be required for an existing permitted living area or accessory structure or a structure constructed in the same location and to the same dimensions as an existing structure that is converted to an accessory dwelling unit or to a portion of an accessory dwelling unit. A setback of no more than four feet from the side and rear lot lines shall be required for an accessory dwelling unit that is not converted from an existing structure or a new structure constructed in the same location and to the same dimensions as an existing structure.

~~(7) The accessory dwelling unit shall not be greater than 16 feet in height~~ The height of an accessory dwelling unit shall be as follows:

(a) A detached accessory dwelling unit on a lot with an existing or proposed single family or multifamily dwelling unit shall not be greater than 16 feet in height.

(b) A detached accessory dwelling unit on a lot with an existing or proposed single family or multifamily dwelling unit that is within one-half mile walking distance of a major transit stop or a high-quality transit corridor, as defined in Public Resources Code Section 21155, shall not be greater than 18 feet in height. Two additional feet in height is allowed to accommodate roof pitch of the accessory dwelling unit to align with the roof pitch of the primary dwelling unit.

(c) A detached accessory dwelling unit on a lot with an existing or proposed multifamily multistory dwelling shall not be greater than 18 feet in height.

(d) For an accessory dwelling unit that is attached to a primary dwelling, an accessory dwelling unit shall not be higher than 25 feet or the height of the primary dwelling, whichever is lower.

(e) An accessory dwelling unit shall not exceed two stories.

(8) Location. The attached or detached accessory dwelling unit shall be located within, or if outside of the existing walls of the existing or proposed primary residence, preferably to the rear, or to the side of the existing or proposed primary residence unless the accessory dwelling unit is being constructed in the exact location and to the same dimensions as an previously existing approved accessory structure, including an attached or detached garage.

(9) Regulating code. The accessory dwelling unit shall comply with all building, safety, fire and health codes, and all other applicable laws and regulations. Accessory dwelling units are not required to provide fire sprinklers if sprinklers are not required for the primary dwelling unit.

(10) Manufacturing ADUs. Manufactured housing, factory-built ADUs, and modular ADUs is are allowed in compliance with the provisions herein and Cal. Health and Safety Code § 18007; however, mobile homes, trailers and recreational vehicles shall not be used as accessory dwelling units.

(11) Parking. In addition to all other required off-street parking, parking requirements for accessory dwelling units shall not exceed one space per unit. Parking may also be located in setback areas in locations determined by the city or through tandem parking, unless specific findings are made that such parking is infeasible based upon specific site or regional topographical or fire and life safety conditions, ~~or that it is not permitted anywhere else in the city.~~ Mechanical parking lifts may also be used for replacement parking.

(12) Replacement parking. When a garage, carport, or covered parking structure is demolished in conjunction with the construction of or conversion to an accessory dwelling unit, no replacement parking shall be required. Additionally, no parking shall be required for an accessory dwelling unit in any of the following instances:

(a) The accessory dwelling unit is located within one-half mile walking distance of public transit.

(b) The accessory dwelling unit is located within an architecturally and historically significant historic district.

(c) The accessory dwelling unit is part of the proposed or existing primary residence or an ~~existing permitted~~ accessory structure.

(d) When on-street parking permits are required but ~~has~~ not offered to the occupant of the accessory dwelling unit.

(e) When there is a car share vehicle located within one block of the accessory dwelling unit.

(f) When a permit application for an accessory dwelling unit is submitted with a permit application to create a new single-family dwelling or a new multifamily dwelling on the same lot, provided that the accessory dwelling unit or the parcel satisfies any other

criteria listed in this subsection.

(13)–Rentals and separate sale of ADUs. The accessory dwelling unit and the primary residential dwelling may be rented concurrently, provided that the term of the rental is at least 31 days or more. ~~, but the accessory dwelling unit shall not be sold or owned separately from the primary dwelling.~~ An accessory dwelling unit may be sold or conveyed separately from the primary residence, only if:

(a) The accessory dwelling unit is sold to a qualified buyer, including persons and families of low or moderate income, as that term is defined in Section 50093 of the Health and Safety Code, and all of the following apply:

(I) The accessory dwelling unit or the primary dwelling was built or developed by a qualified nonprofit corporation, one that is organized pursuant to Section 501(c)(3) of the Internal Revenue Code that has received a welfare exemption under Section 214.15 of the Revenue and Taxation Code for properties intended to be sold to low-income families who participate in a special no-interest loan program.

(II) There is an enforceable restriction on the use of the land pursuant to a recorded contract between the qualified buyer and the qualified nonprofit corporation that satisfies all of the requirements specified in paragraph (10) of subdivision (a) of Section 402.1 of the Revenue and Taxation Code.

(III)The property is held pursuant to a recorded tenancy in common agreement that includes all of the following:

(A)The agreement allocates to each qualified buyer an undivided, unequal interest in the property based on the size of the dwelling that each qualified buyer occupies.

(B)A repurchase option that requires the qualified buyer to first offer the qualified nonprofit corporation to buy the accessory dwelling unit or primary dwelling if the buyer desires to sell or convey the property.

(C)A requirement that the qualified buyer occupy the accessory dwelling unit or primary dwelling as the buyer's principal residence.

(D)Affordability restrictions on the sale and conveyance of the accessory dwelling unit or primary dwelling that ensure the accessory dwelling unit and primary dwelling will be preserved for low-income housing for 45 years for owner-occupied housing units and will be sold or resold to a qualified buyer.

(E) The tenancy in common agreement shall include all of the following:

(i) Delineation of all areas of the property that are for the exclusive use of a cotenant. Each cotenant shall agree not to claim a right of occupancy to an area delineated for the exclusive use of another cotenant, provided that the latter cotenant's obligations to each of the other cotenants have been satisfied.

(ii) Delineation of each cotenant's responsibility for the costs of taxes, insurance, utilities, general maintenance and repair, improvements, and any other costs, obligations, or liabilities associated with the property. This delineation shall only be binding on the parties to the agreement, and shall not supersede or obviate the liability, whether joint and several or otherwise, of the parties for any cost, obligation, or liability associated with the property where such liability is otherwise established by law or by agreement with a third party.

(iii) Procedures for dispute resolution among the parties before resorting to legal action.

(IV) A grant deed naming the grantor, grantee, and describing the property interests being transferred shall be recorded in the county in which the property is located. A Preliminary Change of Ownership Report shall be filed concurrently with this grant deed pursuant to Section 480.3 of the Revenue and Taxation Code.

(V) Notwithstanding subparagraph (A) of paragraph (2) of subdivision (f) of Section 65852.2, if requested by a utility providing service to the primary residence, the accessory dwelling unit has a separate water, sewer, or electrical connection to that utility.

(14) *Rentals and tenure.* The accessory dwelling unit and the primary residential dwelling may be rented concurrently provided that the term of the rental is at least 31 days or more, but the accessory dwelling unit shall not be sold or owned separately from the primary dwelling, unless the owner is another governmental agency, land trust, housing organization, or qualified non-profit.

(15) *Utility connection or capacity charges.* Accessory dwelling units shall not be considered new residential uses for the purposes of calculating local agency connection fees or capacity charges for utilities, including water and sewer service.

(a) For attached units or units located within the ~~living area of~~ proposed or the existing single-family dwelling and meeting the definition of § 155.644(F)(1)(a) below, the city shall not require the applicant to install a new or separate utility connection between the accessory dwelling unit and the utility or impose a related connection fee or capacity charge. Such requirements and charges may be imposed when the accessory dwelling unit is being constructed in connection with a ~~proposed~~ new single-family residential dwelling.

(b) For all other accessory dwelling units other than those described in § 155.644(D)(15)(a) above, the city may require a new or separate utility connection directly between the accessory dwelling unit and the utility. The connection fee or capacity charge shall be proportionate in relation to the square footage of the primary dwelling unit. ~~burden of the proposed accessory dwelling unit upon the water or sewer system based upon either its size or the number of its plumbing fixtures,~~ and may not exceed the reasonable cost of providing the water or sewer service.

(16) Impact fees.

(a) No impact fee shall be imposed on any accessory dwelling unit less than 750 square feet in size, except for impact fees used to fund school, which shall not be imposed on any ADU of or less than 500 square feet in size.

(b) For accessory dwelling units 750 square feet or greater, impact fees shall be charged proportionately in relation to the square footage of the primary dwelling.

(c) All applicable public service and recreation impact fees shall be paid prior to occupancy in accordance with Cal. Government Code §§ 66000 et seq. and 66012 et seq.

(d) For purposes of this section, "impact fee" shall have the same meaning as set forth in Cal. Government Code § 65852.2(f).

~~(1716)~~ Prior approvals. The provisions of this section shall not apply to any accessory dwelling units for which the city issued conditional use permits prior to the effective date of this section.

~~(18) Prior to obtaining a building permit for the accessory dwelling unit, a deed restriction, in a form satisfactory to the City Attorney, shall be recorded with the County Recorder to evidence and give notice of the requirements of this section.~~

(E) Design standards.

~~(1) The accessory dwelling unit shall be designed to be architecturally compatible with the primary dwelling. A site plan, elevations and floor plan depicting said architectural compatibility shall be submitted to the Director of Planning and Development for ministerial review and approval prior to the issuance of any building permits. A site plan, elevations and floor plan depicting the location of the ADU in relation to the primary dwelling shall be submitted to the Director of Planning and Development for ministerial review and approval prior to the issuance of any building permits.~~

~~(2) When feasible, windows facing an adjoining residential property shall be designed to protect the privacy of neighbors. If window placement does not protect privacy, then fencing or landscaping might be used to provide screening. Windows and doors of an ADU shall not have a direct line of sight to an adjoining residential property. Fencing, landscaping, or privacy glass may be used to provide screening and prevent a direct line of sight. Windows and glass doors that face an adjoining property and are within fifteen (15) feet of a property line that is not a right-of-way line must either be (for windows) clerestory with the bottom of the glass at least six (6) feet above the finished floor, or (for windows and for doors) utilize frosted or obscure glass.~~

(3) An accessory dwelling unit shall have a separate exterior entrance from the primary dwelling unit.

~~(4) To the maximum extent feasible, the accessory dwelling unit shall not alter the appearance of the primary single-family dwelling unit.~~

~~(5) When feasible, no more than one exterior entrance on the front or on any street-facing side of the primary dwelling unit and accessory dwelling unit combined.~~

~~(64) No exterior stairway shall be located on the front or on any street-facing side of the accessory dwelling unit.~~

~~(F) Mandatory ADU application approvals.~~

~~(1) Notwithstanding any other provision of this chapter, the city shall ministerially approve an application for any of the following accessory dwelling units within a residential or mixed-use zone:~~

~~(a) A junior or accessory dwelling unit within the existing or proposed space of a single-family dwelling or accessory structure subject to the following requirements:~~

~~1. An expansion of up to 150 square feet shall be allowed in an accessory structure that is converted to an ADU solely for the purposes of accommodating ingress and egress.~~

~~2. The junior or accessory dwelling unit shall have exterior access separate from the existing or proposed single-family dwelling.~~

~~3. The side and rear setbacks shall be sufficient for fire and building and safety.~~

~~4. If the unit is a junior accessory dwelling unit, it shall comply with the requirements of § [155.644.1](#) below.~~

~~(b) One detached or attached accessory dwelling unit subject to the following requirements:~~

~~1. The accessory dwelling unit shall be set back no less than four feet from the side and rear property line.~~

~~2. The accessory dwelling unit shall be on a lot or parcel with an existing or proposed single-family dwelling.~~

~~3. The accessory dwelling unit shall not exceed 800 square feet in size.~~

~~4. The accessory dwelling unit shall not exceed 16 feet in height.~~

~~5. A junior accessory dwelling unit may be developed with this type of detached accessory dwelling unit, it shall comply with all requirements of § [155.644.1](#) below.~~

~~(c) On a lot with a multifamily dwelling structure, up to 25% of the total multifamily dwelling units, but no less than one unit, shall be allowed within the portions of the existing structure that are not used as livable space, including, but no limited to, storage rooms,~~

~~boiler rooms, passageways, attics, basements, or garages, provided that each unit complies with state building standards for dwellings.~~

~~(d) On a lot with a multifamily dwelling structure, up to two detached units, provided that neither unit is greater than 16 feet in height, is provided with at least a four foot side and rear yard setback. The maximum square footage shall comply with the limits set forth in § 155.644(D)(5).~~

~~(2) For those accessory dwelling units which require mandatory approval, the city shall not require the correction of legal, nonconforming zoning conditions.~~

(1) A permit application for an ADU or a JADU shall be considered and approved ministerially without discretionary review or a hearing. The City and any associated permitting agencies including, but not limited to, applicable planning departments, building departments, consultants or contractors working as agents of the City, utilities, and special districts, shall approve and issue a building permit or deny the application to create or serve an ADU or a JADU within 60 calendar days after receiving a completed application if there is an existing primary dwelling on the lot and if it meets the minimum ADU and/or JADU standards of this chapter.

(a) If the City and any associated permitting agencies has not approved or denied the completed application within 60 days, the application shall be deemed approved and a building permit issued for its construction.

(b) If the City or any associated permitting agencies denies an application for an ADU or JADU pursuant to paragraph (a), the City and any associated permitting agencies shall, within the 60 day time period, transmit to the applicant a list of items that are defective or deficient and a description of how the application can be remedied.

(c) If the permit application to create an ADU or a JADU is submitted with a permit application to create a new single-family or multifamily dwelling on the lot, the City and any associated permitting agencies may delay approving or denying the permit application for the ADU or JADU until the City approves or denies the permit application to create the new dwelling, but the application to create the ADU or JADU shall be considered without discretionary review or hearing.

(d) If the applicant requests a delay, the 60-day time period shall be paused for the period of the delay. If the permit application is returned to the applicant with a list of corrections requested to comply with applicable codes and regulations, any accounting of the 60-day time period shall be paused for the period of time until the applicant re-submits a corrected application.

(e) A demolition permit for a detached garage that is to be replaced with an ADU shall be reviewed with the application for the ADU, and a building permit for the ADU shall be issued at the same time as the demolition permit; the applicant shall not be required to provide written notice or post a placard for the demolition of a detached garage that is to be replaced with an ADU.

(2) The City shall not require the correction of existing legal, nonconforming zoning conditions prior to issuing a permit for an ADU.

~~(G) *Enforcement.* Until January 1, 2030, the city shall issue a statement along with a notice to correct a violation of any provision of any building standard relating to an accessory dwelling unit that substantially provides as follows: Existing Units.~~

~~(1) You have been issued an order to correct violations or abate nuisances relating to your accessory dwelling unit. If you believe that this correction or abatement is not necessary to protect the public health and safety you may file an application with the City Planning Department. If the city determines that enforcement is not required to protect the health and safety, enforcement shall be delayed for a period of five years from the date of the original notice. Existing ADUs that have not been approved by the City are required to obtain approval in order to be considered a lawful use. An application for an unpermitted ADU that was constructed before January 1, 2018 shall not be denied due to violations of building standards, or if the unpermitted ADU does not comply with Chapter 155 of the Santa Fe Springs Municipal Code, unless it is found that correcting the violation is necessary to protect the health and safety of the public or occupants of the structure pursuant to Section 17920.3 of the Health and Safety Code. An application for an unpermitted ADU for which a building permit does not exist shall be approved based the version of the applicable Building Standards Code in effect when the residential unit was determined to be constructed for the purposes of issuing a building permit; the appropriate enforcement official may make a determination of the date of construction, and issue a retroactive building permit for that construction.~~

~~(2) This provision shall only apply if the accessory dwelling unit was built before January 1, 2020 and after July 25, 2020. The City shall delay enforcement of building standards that are not a matter of public health and safety for existing ADUs upon request of the ADU owner, as follows:~~

~~(a) ADUs built prior to January 1, 2020 are eligible, or ADUs built on or after January 1, 2020 at a time that the City had a noncompliant ADU ordinance.~~

~~(b) Until January 1, 2030, the City shall issue a statement along with a notice to correct a violation of any provision of any building standard relating to an ADU that substantially provides as follows:~~

~~(i) You have been issued an order to correct violations or abate nuisances relating to your ADU. If you believe that this correction or abatement is not necessary to protect the public health and safety you may file an application with the City Planning Department. If the city determines that enforcement is not required to protect the health and safety, enforcement shall be delayed for a period of five years from the date of the original notice.~~

Key:

Normal Text = Existing unmodified Code language

Strikethrough Text = Proposed language to be removed from existing Code Underline Text = Proposed language to be added to Code

***** = Existing unmodified Code language not included in exhibit for sake of brevity Code of Ordinances of the City of Santa Fe Springs Chapter 155, Section 155.644.1 JUNIOR ACCESSORY DWELLING UNITS is hereby amended as follows:

§ 155.644.1 JUNIOR ACCESSORY DWELLING UNITS.

(A) *Intent.* In enacting this section, it is the intent of the city to encourage the provision of junior accessory dwelling units to meet a variety of economic needs within the city and to implement the goals, objectives, and policies of the housing element of the general plan. Junior accessory dwelling units provide housing for ~~extended family members, students, the elderly in-home health care providers, the disabled, and others~~ at below market prices within existing neighborhoods. Homeowners who create junior accessory dwelling units can benefit from added income, and an increased sense of security. Allowing junior accessory dwelling units in single-family residential zones provides needed additional rental housing. This section provides the requirements for the establishment of junior accessory dwelling units consistent with Cal. Government Code § 65852.22.

(B) *Administrative review.* All junior accessory dwelling unit applications shall be ministerially approved by the Director of Planning and Development, or his/her designee, and a permit issued within 60 days upon ~~presentation receipt~~ of a completed application ~~to provide a junior accessory dwelling unit if the plans conform to complying with the standards and criteria provided in § 155.644.1(C) and (D)~~ this section. If an application for a junior accessory dwelling unit is denied within those 60 days, the applicant will be provided with a list of defective items and description of how the deficiencies can be remedied. If the application is neither approved nor denied within the 60 days after a complete application is submitted, the application is deemed approved. If the junior accessory dwelling unit is being proposed in conjunction with a new single-family dwelling, the Director may delay acting on the permit application until the city acts on the permit application for the new single-family dwelling. If the applicant requests a delay, The the city shall grant a delay if requested by the applicant and the city's 60-day period will be tolled for the period of the requested delay for consideration will be tolled during that requested delay.

(C) *Junior accessory dwelling unit standards.* The following standards and criteria shall apply to the creation of a junior accessory dwelling unit:

(1) Number Allowed. A maximum of one junior accessory dwelling unit shall be permitted per residential lot containing an existing or proposed single-family dwelling. Junior accessory dwelling units do not count towards the density requirements of the general plan or zoning ordinance.

(2) Owner occupancy. The property owner shall occupy either the main single-family dwelling or the junior accessory dwelling unit.

(3) Tenure. The junior accessory dwelling unit or the main single-family dwelling may be rented, provided the rental term is at least 31 days or more, but the junior accessory dwelling unit shall not be sold or owned separately from the single-family dwelling

(4) Allowable location. The junior accessory dwelling unit must be created within the existing walls of an existing single-family dwelling, which includes an attached garage.

(5) Size. The junior accessory dwelling unit shall not exceed 500 square feet in size.

(6) Entrance. The junior accessory dwelling unit shall include a separate exterior entrance from the main entrance to the single-family home. An interior entry to the main living area shall be required if the junior accessory dwelling unit shares sanitary facilities with the single-family home. The junior accessory dwelling unit may include a second interior doorway for sound attenuation.

(7) Kitchen required. The junior accessory dwelling unit shall include a food preparation area, requiring and limited to the following components:

(a) ~~A cooking facility with appliances~~An area used for cooking, with kitchen appliance; and

(b) A food preparation counter and storage cabinets that are of reasonable size in relation to the size of the junior accessory dwelling~~which do not exceed six feet in length.~~

(8) Parking. No additional off-street parking is required beyond that required for the main single-family dwelling.

(9) Utility service. A separate water connection or meter, and a separate sewer service connection are not required for a junior accessory dwelling unit. Water and sewer service for the junior accessory dwelling unit is shared with the main single-family dwelling unit.

(10) Applicable codes. The junior accessory dwelling unit shall comply with all applicable building standards and shall be subject to permit and inspection fees to ensure such compliance. Fire sprinklers shall be required if they are required in the existing or proposed single-family residence.

(11) Regulations and connection fees. For the purposes of applying any fire or life protection ordinance or regulation, or providing service water, sewer, or power, including a connection fee, a junior accessory dwelling unit shall not be considered to be a separate or new dwelling unit.

(12) Deed restriction. Prior to obtaining a building permit for the junior accessory dwelling unit, a deed restriction, in a form satisfactory to the City Attorney, shall be recorded with the County Recorder to evidence and give notice of the requirements of this section.

(D) Enforcement. The city shall not require the correction of a ~~legal~~, nonconforming zoning conditions, building code violations, or unpermitted structures that do not present a threat to public health and safety and that are not affect by the construction of the junior accessory dwelling unit in the ~~for approval of a junior accessory dwelling unit.~~



CITY OF SANTA FE SPRINGS
CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: René Bobadilla, P.E., City Manager

BY: Wayne M. Morrell, Director of Planning
Alejandro De Loera, AICP, Contract Planner

SUBJECT: **A PUBLIC HEARING TO CONSIDER AN APPEAL OF THE PLANNING COMMISSION'S DECISION TO APPROVE ZONE DETERMINATION CASE NO. 2023-01: A REQUEST TO DETERMINE THAT A BATTERY ENERGY STORAGE SYSTEM USE WITH DIRECT CONNECTION TO A PUBLIC UTILITY GRID IS A SIMILAR AND COMPATIBLE USE WITH OTHER SIMILARLY PRINCIPALLY PERMITTED USES LISTED IN THE M-2, HEAVY MANUFACTURING, ZONE; AND ADOPT A NOTICE OF EXEMPTION UNDER CEQA SECTION 15061(B)(3) (COMMON SENSE EXEMPTION)**

DATE: January 11, 2024

RECOMMENDATION:

It is recommended that the City Council:

- 1) Open the public hearing, receive public testimony from anyone in the audience or on Zoom wishing to speak; and
- 2) Consider the information presented in the written and oral staff reports, in combination with the November 13, 2023 Planning Commission staff report and summary, which collectively provides the necessary background and context; and
- 3) Deny the appeal by Bridgeland Resources LLC; and
- 4) Find and determine that the project is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Section 15061(b)(3) (Common Sense Exemption) and;

Consideration of an appeal of the Planning Commission's decision to approve Zone Determination Case No. 2023-01

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- 5) Adopt City Council Resolution No. 9892 , which incorporates the City Council's findings and actions regarding the matter, which include to ratify the Planning Commission's decision and to approve Zone Determination Case No. 2023-01 determining that a battery energy storage system use with direct connection to a public utility grid is similar to and compatible with other similarly principally permitted uses listed in the M-2, Heavy Manufacturing, Zone and will not be inconsistent with the purpose of the M-2 Zone; and
- 6) Take such additional, related action that may be desirable.

FISCAL IMPACT

N/A

BACKGROUND

On November 13, 2023, after receiving the written and oral staff reports and considering the public testimony, the Planning Commission took action to approve Zone Determination Case No. 2023-01 (ZD 2023-01). This determination concluded that a battery energy storage system use, with direct connection to a public utility grid, is similar to and compatible with other similarly principally permitted uses listed in the M-2, Heavy Manufacturing, Zone and will not be inconsistent with the purpose of the M-2 Zone. Additionally, the Planning Commission determined that ZD 2023-01 was exempt from the California Environmental Quality Act (CEQA) under the CEQA Guidelines Section 15061(B)(3)(Common Sense Exemption). The findings and actions of the Planning Commission are incorporated within Resolution No. 250-2023, which passed and was adopted with a 3-2 vote.

On November 21, 2023, in accordance with Section 155.865 of the Santa Fe Springs Municipal Code, the City Clerk's office received a formal appeal from Bridgeland Resources LLC, represented by the law firm Elkins Kalt, regarding the Planning Commission's decision to approve ZD 2023-01 and adopt the related CEQA determination. The appeal outlined the reasons why the appellant is in opposition to the Planning Commission's approval of ZD 2023-01 and the related CEQA Determination (see Attachment D).

The subject appeal was noticed in the Whittier Daily News on December 26, 2023 in anticipation of presenting the matter to the City Council at the adjourned meeting on Thursday, January 11, 2024. Legal notice of the public hearing was also posted at Santa Fe Springs City Hall, the City Library and City's Town Center Kiosk, and sent to the appellant.

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To assist the City Council in its deliberation, this report includes the city's response to comments presented by the appellant. Since the subject appeal was publicly noticed, it is recommended that the City Council receive comments from any members of the public wishing to speak on the matter and subsequently take action.

November 13, 2023 Planning Commission Public Hearing Summary

Project Planner, Alejandro De Loera delivered an oral presentation to the Planning Commission regarding the Zone Determination. De Loera presented staff's recommendation to approve the Zone Determination and determine that the project be exempt from the California Environmental Quality Act (CEQA).

The Planning Commission proceeded to open public comment.

Jackson McNeil of Elkins Kalt, representing Bridgeland Resources LLC, stated concerns about staff's recommendation to liken battery energy storage system uses to electrical distribution substation uses. McNeil expressed concern about the size of the battery energy storage systems and the scale of potential future developments. McNeil stated that there are safety risks that are unique to batteries that are not present within a typical substation. McNeil acknowledged other jurisdiction in Southern California that have made a similar determination to liken battery energy storage uses to substations and then cited examples of cities in New York and Tennessee that have banned or put a moratorium on the use. McNeil suggested that the Planning Commission deny the Zone Determination.

Justin Trujillo of Elkins Kalt, representing Bridgeland Resources LLC, disagreed with the staff's recommendation to find the Zone Determination exempt from the California Environmental Quality Act (CEQA). Trujillo stated that the CEQA Common Sense Exemption should not apply because the Planning Commission would not be interpreting the Zoning Code, but rather making a discretionary action to allow or not allow battery energy storage system uses, which would have a foreseeable impact on the environment. Justin stated battery energy storage systems uses are a safety risk citing that the California Public Utilities Commission (CPUC) has created additional guidelines and regulation for energy storage uses that are not found within their regulations for a substation.

Ernest Guadiana of Elkins Kalt, representing Bridgeland Resources LLC noted that there had been 21 letters in support of denying the Zone Determination, from residents of the Heritage Springs community. Guidiana stated that by approving the Zone Determination, that the Planning Commission would effectively be approving a prospective project site by the applicant and other potential projects, without further discretionary review. Guidiana questioned the benefits of battery energy storage system uses to the city. Guidiana stated that the property owner of the prospective project site would not be affected by the determination, since there are other uses that could be permitted on the

Consideration of an appeal of the Planning Commission's decision to approve Zone Determination Case No. 2023-01

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site. Guidiana then requested that the Planning Commission deny the Zone Determination.

Phillip Babich of Reed Smith, representing the applicant, GridStor, stated that the benefits to the City include being a contributor to the development of green energy projects and California's goal in the reduction of greenhouse gas emissions. Babich stated that Bridgeland's safety concerns were not as extreme as they were portraying. Babich cites the Valley Vista battery energy storage system fire that Bridgeland had previously referenced in a comment letter as an example of the system properly utilizing its built in safety measures to contain the fire within the individual units, with no injuries. Babich stated that several City departments, including the Planning, Fire and Building Departments would need to review and approve any future projects.

The Planning Commission then closed the public hearing.

Kristi Smith of the City Attorney's office reminded the Planning Commission that it was not reviewing a specific project or location, but rather making an interpretation of the Zoning Code and as such staff's recommended CEQA exemption is appropriate.

Commissioner John Mora expressed concern about bringing a potential safety risk to the City. Mora stated that he acknowledges that clean energy is important for the future, but that such clean energy projects should be located away from people.

The Planning Commission then took action to approve the Zone Determination and find the project exempt from CEQA, according to staff's recommendation by a vote of 3-2 in favor of approving the Zone Determination.

ANALYSIS

N/A

ENVIRONMENTAL

The Zone Determination is an activity not subject to the California Environmental Quality Act (CEQA) under the CEQA Guidelines Section 15060(c)(2) as it will not result in a direct or reasonably foreseeable indirect physical change in the environment. Specifically, the Zone Determination will fall under the exemption provided by Section 15061(b)(3) (Common Sense Exemption) of the CEQA Guidelines. The Common Sense Exemption affirms that CEQA applies only to projects that have the potential for causing a significant effect on the environment. If it can be seen with certainty that there is no possibility that the activity in question will have a significant effect on the environment, the activity is not subject to CEQA. A zone determination that a battery energy storage system with a direct connection to a public utility grid is a similar and compatible use with other similarly principally permitted uses listed in the M-2, Heavy Manufacturing, Zone will not have a

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significant effect on the environment. This determination is solely an interpretation of the Zoning Code and lacks the site specificity or detailed aspects of any future project for analysis. No project is being approved with the zoning determination. Therefore, with certainty, this Zone Determination cannot have a significant effect on the environment.

Any proposed projects meeting the criteria of a battery energy storage system use with direct connection to a public utility grid will undergo individual CEQA review based on the site and components of that particular project. Any analysis for a potential project at this stage would be speculative as to the location, size, specific components, etc. such that a meaningful environmental evaluation as to a project would not occur.

DISCUSSION

The requested appeal identifies five (5) key areas of concern, which can be found in further detail in the appeal letter. The five points have been listed below with staff responses indicated beneath each point:

1. *Staff has indicated battery storage uses would be allowed by right without a development plan or any discretionary review.*

Response: Battery energy storage system uses with a direct connection to a public utility grid are being likened to the “electrical distribution substation” use listed in the Zoning Ordinance, which is principally permitted in the M-2 Zone. Consequently, if battery energy storage system uses were deemed analogous to other principally permitted uses within the M-2 zone, they would be allowed by right. However, any future developments proposed under this use would still be required to go through the City’s plan check process. This process includes comprehensive reviews from the City’s Planning, Building, Fire, and Engineering Departments, along with approval from the California Public Utilities Commission.

It is worth noting that various jurisdictions within Los Angeles County, including the County of Los Angeles and the City of Lancaster, allow battery energy storage system projects by-right in Industrial zones. These projects require only a ministerial (non-discretionary) site plan review, which aligns with the recent determination made by the City’s Planning Commission.

2. *Battery Storage Facilities are not similar to electric distribution substations.*

Response: The proposed battery energy storage system use shares substantial similarities with a typical electrical distribution substation. These similarities are based on the following features and operations:

1. Receiving transmission of electricity from transmission towers; and
2. Distributing received electricity into a public utility grid; and

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3. Require on-site supplemental equipment for operational control (i.e. circuit breakers, disconnects, safety systems, etc.); and
4. Being equipped with advanced safety features to prevent and mitigate high voltage electricity risks; and
5. Operating as unmanned and unattended operations, with the exception of occasional maintenance.

A battery energy storage system necessitates connection to electrical transmission lines for energy and subsequent distribution back into a public utility grid. This process is identical to that of a typical electric substation, with the exception that the received energy may also be stored temporarily in batteries before redistribution into the public utility grid.

Moreover, the emergence of energy storage projects in California is tied to an energy storage mandate outlined in Assembly Bill 2868. This mandate compelled certain electricity providers, including Southern California Edison, to construct energy storage projects to support their substations and provide clean, renewable energy to consumers. These battery storage systems serve as a modern extension to substations and contribute to the overall electrical grid.

The Los Angeles County Department of Regional Planning prepared and published a memorandum titled "Subdivision and Zoning Ordinance Interpretation No. 2021-03 – Battery Electric Storage Systems," dated October 18, 2021. Within this memorandum, it stated that, for the land use purposes, battery energy storage systems are most akin to electric distribution substations – a conclusion consistent with the determination made in ZD 2023-01.

3. *At a minimum, battery storage uses should require a Conditional Use Permit.*

Response: Reiterating the points made earlier in items 1 and 2, a battery energy storage use with a direct connection to a public utility grid aligns with the classification of an "electrical distribution substation" as listed in the City's Zoning Ordinance. This classification falls under the principal permitted uses in the M-2 Zone. The use demonstrates similarity and compatibility to other principal permitted uses in the M-2 zone; therefore, it would not be required to obtain a Conditional Use Permit (CUP) or any further discretionary approval.

However, it is important to note that any proposed development involving this use must comply with all requirements set by the City's Planning, Building, Fire, and Engineering Departments. Additionally, it requires approval from the California Public Utilities Commission.

4. *The community opposes the battery storage projects.*

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Response: Staff received 21 signed petition letters from residents of the nearby Villages at Heritage Springs, all sharing identical content emphasizing safety concerns associated with battery energy storage projects. While acknowledging the inherent risks involved in battery technologies and the transmission of high-voltage electricity, it is crucial to highlight the rigorous safety measures mandated for a battery energy storage system before it becomes operational.

Outlined below are some key safety reviews that are standard practice:

- Each battery must be thoroughly tested and certified before deployment; and
- Approval from the California Public Utilities Commission is mandatory for any storage project connected to the grid; and
- The local electrical provider's endorsement and approval is necessary to connect the project to the grid; and
- Comprehensive reviews by City Staff, including Planning, Building Fire, and Engineering departments, are requisite for project approval.

The safety technology encompassing battery energy storage systems is continually advancing, particularly in addressing the risks associated with lithium-ion batteries. These safety measures primarily focus on fire prevention and mitigation, particularly in cases of thermal runaway. Battery energy storage systems are meticulously monitored down to the level of individual battery cells. If any irregular behavior is detected, the system is designed to automatically disconnect the affected battery from the system and pass an inspection before reconnection. Additionally, in the unlikely event of a fire risk, entire sections of battery storage units can be deactivated to prevent further spread.

Moreover, battery energy storage systems are equipped with standard fire prevention and suppression mechanisms within every battery storage unit. For example, each unit is equipped with air conditioning to regulate temperatures, while the enclosure structures themselves are engineered to contain any potential fires that might occur within the individual unit. The built-in fire suppression systems within each unit means that even in the rare event of isolated fires, they can typically be effectively contained within a single battery storage unit.

The attached Planning Commission staff report further details the standard safety protocols and precautions that would need to be adhered to before any battery energy storage project may operate.

In addition to these standard protocols, GridStor LLC intends to partner with the City's Fire Department to provide specialized training to first responders as they have done for other agencies where their battery energy storage systems have been installed. The training aims to educate first responders on appropriate procedures during battery energy storage system emergencies, including fire or thermal events mitigation.

5. The project violates the California Environmental Quality Act.

Consideration of an appeal of the Planning Commission's decision to approve Zone Determination Case No. 2023-01

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Response: A zone determination that a battery energy storage system with direct connection to a public utility grid is a similar and compatible use with other similarly principally permitted uses listed in the M-2, Heavy Manufacturing, Zone, will not significantly impact the environment. This determination solely involves interpreting the Zoning Ordinance and is not site specific to any site, nor does it include details of any future projects for analysis. Further, no project is being approved with this zoning determination. Therefore, ZD 2023-01, with certainty, cannot have a significant effect on the environment.

Any proposed projects meeting the criteria of a battery energy storage system use with direct connection to a public utility grid will be individually subject to CEQA review concerning the specific site and components of that particular project. Any analysis for a potential project would be speculative as to the location, size, specific components, etc. such that the any potential project would not be well defined thus preventing a meaningful environmental evaluation.

Please note that further details on each of these points can be found in the Staff's report and presentation to the Planning Commission (Attachments B and C).

SUMMARY

Public Notification

This matter was set for a Public Hearing in accordance with the requirements of Sections 65090 through 65096 of the State Planning, Zoning, and Development Laws and the requirements of Sections 155.861 through 155.862 and 155.864 through 155.866 of the City's Municipal Code.

The subject appeal was published in a newspaper of general circulation (Whittier Daily News) on December 26, 2023 in anticipation of presenting the matter to the City Council at its adjourned meeting on Thursday, January 11, 2024. In addition, legal notice of the public hearing was also posted at Santa Fe Springs City Hall, the City Library and City's Town Center Kiosk as required by the State Zoning and Development Laws and by the City's Zoning Ordinance. The appellant was also sent notice of this public hearing. As of the date of this report, no inquiries regarding the appeal has been received by staff.

ATTACHMENT(S):

- A. Attachment A – Planning Commission Agenda – November 13, 2023
- B. Attachment B – Planning Commission Staff Report with Attachments
- C. Attachment C – Staff PowerPoint Presentation to the Planning Commission
- D. Attachment D – Appeal Letter from Bridgeland Resources LLC
- E. Attachment E – November 21st E-mail from Elkins Kalt to City Clerk and Planning Staff
- F. Attachment F – City Council Resolution No. 9892

**Consideration of an appeal of the Planning Commission's decision to approve
Zone Determination Case No. 2023-01**

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ITEM STATUS:

APPROVED: ☐

DENIED: ☐

TABLED: ☐

DIRECTION GIVEN: ☐



CITY OF SANTA FE SPRINGS
REGULAR MEETING OF THE PLANNING COMMISSION
MONDAY, NOVEMBER 13, 2023
AT 6:00 P.M.

CITY HALL COUNCIL CHAMBERS
11710 TELEGRAPH ROAD
SANTA FE SPRINGS, CA 90670

PLANNING COMMISSION

Francis Carbajal, Chairperson
David Ayala, Vice Chairperson
Joseph Flores, Commissioner
Gabriel Jimenez, Commissioner
John Mora, Commissioner

PLANNING DIRECTOR

Wayne M. Morrell

CITY ATTORNEY

Kristi J. Smith

CITY STAFF

Assistant Director of Planning
Associate Planner
Associate Planner
Assistant Planner
Planning Intern
Planning Intern
Planning Consultant
Planning Consultant
Planning Secretary

Cuong Nguyen
Vince Velasco
Jimmy Wong
Claudia Jimenez
Rudy Lopez
Pablo Castilla
Laurel Reimer
Alejandro De Loera
Teresa Cavallo

NOTICES

Public Comment: The public is encouraged to address Planning Commission on any matter listed on the agenda or on any other matter within its jurisdiction. If you wish to address the Planning Commission, please use the "Raise Hand" function via Zoom once the Chairperson opens Public Comment during the meeting. You may also submit comments in writing by sending them to the Planning Secretary's Office at teresacavallo@santafesprings.org. All written comments received by 12:00 p.m. the day of the Planning Commission Meeting will be distributed to the Planning Commission and made a part of the official record of the meeting. Written comments will not be read at the meeting, only the name of the person submitting the comment will be announced.

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 Planning Commission may direct staff to investigate and/or schedule certain matters for consideration at a future Planning Commission 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 Planning Secretary'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.

SB 1439: Effective January 1, 2023 Planning Commission Members are subject to SB 1439 and cannot participate in certain decisions for a year after accepting campaign contributions of more than \$250 from an interested person. The Planning Commission would need to disclose the donation and abstain from voting.

Please Note: Staff reports, and supplemental attachments, are available for inspection at the office of the Planning Secretary, 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.

You may attend the Planning Commission meeting telephonically or electronically using the following means:

Electronically using Zoom: Go to [Zoom.us](https://zoom.us) and click on "Join A Meeting" or use the following link:

<https://zoom.us/j/558333944?pwd=b0FqbKv2aDZneVRnQ3BjYU12SmJlQT09>

Zoom Meeting ID: 558 333 944

Password: 554545

Telephonically: Dial: 888-475-4499

Meeting ID: 558 333 944

CALL TO ORDER**ROLL CALL****PLEDGE OF ALLEGIANCE****EX PARTE COMMUNICATIONS****PUBLIC COMMENTS ON NON-AGENDA AND AGENDA ITEMS**

At this time, the general public may address the Planning Commission on both non-agenda and agenda items. Please be aware that the maximum time allotted for members of the public to speak shall not exceed three (3) minutes per speaker. State Law prohibits the Planning Commission from taking action or entertaining extended discussion on a topic not listed on the agenda. Please show courtesy to others and direct all of your comments to the Chairperson.

PLANNING COMMISSION AGENDA**PUBLIC HEARING**

1. **PUBLIC HEARING (Continued from September 11, 2023)**
ZONE DETERMINATION (“ZD”) CASE NO. 2023-01 – TO DETERMINE THAT A BATTERY ENERGY STORAGE SYSTEM WITH DIRECT CONNECTION TO A PUBLIC UTILITY GRID IS A SIMILAR AND COMPATIBLE USE WITH OTHER SIMILARLY PRINCIPALLY PERMITTED USES LISTED IN THE M-L, LIMITED MANUFACTURING, ZONE, AND ADOPTING A NOTICE OF EXEMPTION UNDER CEQA SECTION 15061(B)(3) (COMMON SENSE EXEMPTION). (GRIDSTOR LLC)

RECOMMENDATION: That the Planning Commission:

- 1) Continue with the Public Hearing and receive the written and oral staff report and any comments from the public regarding ZD Case No. 2023-01, related Environmental Exemption, and thereafter, close the Public Hearing; and
- 2) Find and determine that a battery energy storage system use with direct connection to a public utility grid is similar to and compatible with other similarly principally permitted uses listed in the M-2, Heavy Manufacturing, Zone and will not be inconsistent with the purpose of the M-2 Zone; and
- 3) Find and determine that the project is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) (Common Sense Exemption); and
- 4) Approve ZD Case No. 2023-01, determining that a battery energy storage system use with direct connection to a public utility grid is similar to and compatible with other similarly principally permitted uses listed in the M-2, Heavy Manufacturing, Zone and will not be inconsistent with the purpose of the M-2 Zone; and

- 5) Adopt Resolution No. 250-2023, which incorporates the Planning Commission's findings and actions regarding the matter; and
- 6) Take such additional, related action that may be desirable.

2. **PUBLIC HEARING**

ALCOHOL SALES CONDITIONAL USE PERMIT CASE NO. 86 AND ADOPTION OF RESOLUTION NO. 251-2023: A REQUEST TO ALLOW THE OPERATION AND MAINTENANCE OF THE STORAGE, WHOLESALE SALES, AND DISTRIBUTION OF ALCOHOL BEVERAGES.

RECOMMENDATION(S): That the Planning Commission:

- 1) Open the Public Hearing and receive the written and oral report and any comments from the public regarding Alcohol Sales Conditional Use Permit (ASCUP) Case No. 86, and thereafter, close the Public Hearing; and
- 2) Find that the applicant's ASCUP request meets the criteria set forth in §§155.628 and 155.716 of the City's Zoning Ordinance, for the granting of a Conditional Use Permit; and
- 3) Find and determine that pursuant to Section 15301, Class 1 (Existing Facility) of the California Environmental Quality Act (CEQA), the project Categorically Exempt; and
- 4) Recommend to the City Council the approval of Alcohol Sales Conditional Use Permit Case No. 86 subject to the conditions of approval as contained within Resolution No. 251-2023; and
- 5) Adopt Resolution No. 251-2023, which incorporates the Planning Commission's findings and actions regarding this matter.

3. **PUBLIC HEARING**

PUBLIC HEARING TO CONSIDER THE PROPOSED ZONE TEXT AMENDMENTS TO ENSURE THAT THE CITY'S ZONING ORDINANCE IS ALIGNED WITH THE STATE'S ACCESSORY DWELLING UNIT (ADU) AND JUNIOR ACCESSORY DWELLING UNIT (JADU) STATUTES.

RECOMMENDATION(S): That the Planning Commission:

- 1) Open the Public Hearing and receive the written and oral staff report and any comments from the public regarding the proposed zone text amendments related to ADU and JADU regulations; and
- 2) Find and determine that the proposed zone text amendments are consistent with the goals, policies, and program of the City's General Plan; and

- 3) Find and determine that the proposed zone text amendments are consistent with the State's ADU and JADU regulations; and
- 4) Find and determine that this Project is exempt from California Environmental Quality Act (CEQA) pursuant to Public Resource Code (PRC) Section 21080.17 which provides an exemption for the adoption of an ordinance by a city or county to implement the provisions of Section 65852.2 of the Government Code (the state ADU law); and
- 5) Adopt Resolution No. 252-2023, which incorporates the Planning Commission's findings and actions regarding this matter; and
- 6) Recommend that the City Council approve and adopt Ordinance No. 1134 to effectuate the proposed amendments to the text of the City's Zoning Ordinance; and
- 7) Take such additional, related action that may be desirable.

OLD BUSINESS

4. PARKWAY TREE REMOVAL APPEAL DECISION - RESIDENT REQUEST FOR REMOVAL OF PARKWAY TREE AT 10318 HARVEST AVENUE

RECOMMENDATION: That the Planning Commission:

- 1) Reaffirm the decision of the Director of Public Works to deny the request by the property owner to have the City remove the parkway tree in front of 10318 Harvest Avenue; and
- 2) Deny the property owner at 10318 Harvest Avenue a permit to remove the parkway tree at his or her own expense.

CONSENT CALENDAR

All matters listed under the Consent Calendar are considered to be routine. Any items a Planning Commissioner wishes to discuss should be designated at this time. All other items may be approved in a single motion. Such approval will also waive the reading of any ordinance.

5. COMPLIANCE REVIEW REPORT FOR ALCOHOL SALES CONDITIONAL USE PERMIT CASE NO. 31 – FANTIS FOODS CALIFORNIA, INC.

RECOMMENDATION: That the Planning Commission:

- 1) That the Planning Commission, based on staff's findings provided within this report, find that the subject use is in compliance with all of the conditions of approval set forth in the initial approval of Alcohol Sales Conditional Use Permit Case No. 31; and

- 2) Request that this matter be brought back before November 13, 2028, for another compliance review report. The Planning Commission shall note that this matter may be brought back to the Commission at any time should the applicant violate any conditions of approval or any City Codes, or should there be a need to modify, add, or remove a condition of approval.
6. **COMPLIANCE REVIEW REPORT FOR ALCOHOL SALES CONDITIONAL USE PERMIT CASE NO. 57 – CHIPOTLE GRILL**
RECOMMENDATION: That the Planning Commission:
 - 1) That the Planning Commission, based on staff's findings provided within this report, find that the subject use is in compliance with all of the conditions of approval set forth in the initial approval of Alcohol Sales Conditional Use Permit Case No. 57; and
 - 2) Request that this matter be brought back before November 13, 2028, for another compliance review report. The Planning Commission shall note that this matter may be brought back to the Commission at any time should the applicant violate any conditions of approval or any City Codes, or should there be a need to modify, add, or remove a condition of approval.
7. **CONDITIONAL USE PERMIT ("CUP") CASE NO. 542-5 - A COMPLIANCE REVIEW OF A CHURCH USE AT 12227 FLORENCE AVENUE, WITHIN THE M-2-PD, HEAVY MANUFACTURING – PLANNED DEVELOPMENT, ZONE. (CALVARY CHAPEL SANTA FE SPRINGS)**
RECOMMENDATION: That the Planning Commission:
 - 1) Find that the continued operation and maintenance of the subject church use, if conducted in strict compliance with the conditions of approval, will be harmonious with adjoining properties and surrounding uses in the area and will be in conformance with the overall purposes and objectives of the City's Zoning Ordinance and consistent with the goals, policies, and programs of the City's General Plan; and
 - 2) Require that CUP Case No. 542-5 be subject to a compliance review in five (5) years on, or before, November 13, 2028, to ensure that the use is still operating in strict compliance with the conditions of approval as contained within this staff report.
 - 3) Take such additional, relation action that may be desirable.
8. **CONDITIONAL USE PERMIT ("CUP") CASE NO. 730-3 - A COMPLIANCE REVIEW TO ALLOW THE CONTINUED OPERATION AND MAINTENANCE OF A RESIDENTIAL-TREATMENT FACILITY LOCATED AT 11121 BLOOMFIELD**

AVENUE, WITHIN THE M-2-BP, HEAVY MANUFACTURING – BUFFER PARKING, ZONE. (LA CADA)

RECOMMENDATION: That the Planning Commission:

- 1) Find that the continued operation and maintenance of the subject residential-treatment facility, if conducted in strict compliance with the conditions of approval, will be harmonious with adjoining properties and surrounding uses in the area and will be in conformance with the overall purposes and objectives of the City's Zoning Ordinance and consistent with the goals, policies, and programs of the City's General Plan; and
- 2) Require that CUP Case No. 730-3 be subject to a compliance review in five (5) years on, or before, November 13, 2028, to ensure that the use is still operating in strict compliance with the conditions of approval as contained within this staff report.
- 3) Take such additional, relation action that may be desirable.

9. **CONDITIONAL USE PERMIT ("CUP") CASE NO. 775-3 – A COMPLIANCE REVIEW OF A DIRECT TRANSFER FACILITY AT 12739 LAKELAND ROAD, WITHIN THE M-2, HEAVY MANUFACTURING, ZONE. (CR & R, INC.)**

RECOMMENDATION: That the Planning Commission:

- 1) Find that the continued operation and maintenance of the subject direct transfer facility, if conducted in strict compliance with the conditions of approval, will be harmonious with adjoining properties and surrounding uses in the area and will be in conformance with the overall purposes and objectives of the City's Zoning Ordinance and consistent with the goals, policies, and programs of the City's General Plan; and
- 2) Require that CUP Case No. 775 be subject to a compliance review in five (5) years on, or before, November 13, 2028, to ensure that the use is still operating in strict compliance with the conditions of approval as contained within this staff report.
- 3) Take such additional, relation action that may be desirable.

10. **CONDITIONAL USE PERMIT ("CUP") CASE NO. 797-2 - A COMPLIANCE REVIEW OF AN INDOOR BADMINTON FACILITY AT 11323 SHOEMAKER AVENUE, WITHIN THE M-1-PD, LIGHT MANUFACTURING – PLANNED DEVELOPMENT, ZONE. (SFS BADMINTON CLUB)**

RECOMMENDATION: That the Planning Commission:

- 1) Find that the continued operation and maintenance of the subject indoor badminton facility, if conducted in strict compliance with the conditions of approval,

will be harmonious with adjoining properties and surrounding uses in the area and will be in conformance with the overall purposes and objectives of the City's Zoning Ordinance and consistent with the goals, policies, and programs of the City's General Plan; and

- 2) Require that CUP Case No. 797-2 be subject to a compliance review in five (5) years on, or before, November 13, 2028, to ensure that the use is still operating in strict compliance with the conditions of approval as contained within this staff report.
- 3) Take such additional, relation action that may be desirable.

STAFF ANNOUNCEMENTS

COMMISSIONER COMMENTS/AB1234 COUNCIL CONFERENCE REPORTING

Commissioner announcements; requests for future agenda items; conference/meetings reports. Members of the Planning Commission will provide a brief report on meetings attended at the expense of the local agency as required by Government Code Section 53232.3(d).

ADJOURNMENT

I, Teresa Cavallo, Planning Secetary Clerk for the City of Santa Fe Springs hereby certify that a copy of this agenda has been posted no less than 72 hours at the following locations; City's website at www.santafesprings.org; 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.



Teresa Cavallo
Planning Secretary



CITY OF SANTA FE SPRINGS

PLANNING COMMISSION AGENDA STAFF REPORT

TO: Members of the Planning Commission

FROM: Wayne M. Morrell, Director of Planning

BY: Alejandro De Loera, Contract Planner

SUBJECT: **PUBLIC HEARING (Continued from the September 11, 2023 Planning Commission Meeting) – ZONE DETERMINATION (“ZD”) CASE NO. 2023-01 – TO DETERMINE THAT A BATTERY ENERGY STORAGE SYSTEM USE WITH DIRECT CONNECTION TO A PUBLIC UTILITY GRID IS A SIMILAR AND COMPATIBLE USE WITH OTHER SIMILARLY PRINCIPALLY PERMITTED USES LISTED IN THE M-2, HEAVY MANUFACTURING, ZONE, AND ADOPTING A NOTICE OF EXEMPTION UNDER CEQA SECTION 15061(B)(3) (COMMON SENSE EXEMPTION). (GRIDSTOR LLC)**

DATE: November 13, 2023

RECOMMENDATION(S):

It is recommended that the Planning Commission:

- 1) Continue with the Public Hearing and receive the written and oral staff report and any comments from the public regarding ZD Case No. 2023-01, related Environmental Exemption, and thereafter, close the Public Hearing; and
- 2) Find and determine that a battery energy storage system use with direct connection to a public utility grid is similar to and compatible with other similarly principally permitted uses listed in the M-2, Heavy Manufacturing, Zone and will not be inconsistent with the purpose of the M-2 Zone; and
- 3) Find and determine that the project is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) (Common Sense Exemption); and
- 4) Approve ZD Case No. 2023-01, determining that a battery energy storage system use with direct connection to a public utility grid is similar to and compatible with

other similarly principally permitted uses listed in the M-2, Heavy Manufacturing, Zone and will not be inconsistent with the purpose of the M-2 Zone; and

- 5) Adopt Resolution No. 250-2023, which incorporates the Planning Commission's findings and actions regarding the matter; and
- 6) Take such additional, related action that may be desirable.

FISCAL IMPACT:

N/A

BACKGROUND:

On July 24, 2023, GridStor LLC submitted a request for a Zone Determination for the Planning Commission review and determination that a battery energy storage system use with direct connection to a public utility grid is a similar and compatible use with other similarly principally permitted uses listed in the M-L, Limited Manufacturing, Zone. It should be noted that following an in-depth review of the proposed use, staff is recommending that the proposed battery energy storage system use with direct connection to a public utility grid be considered similar to and compatible with other similarly principally permitted uses listed in the M-2, Heavy Manufacturing, Zone, in which all uses principally permitted in the M-L, Limited Manufacturing, Zone are also principally permitted uses.

Project/Applicant Information

Project Location:	Citywide
Project Applicant:	GridStor LLC

GridStor is a battery energy storage developer, owner, and operator backed by the Sustainability and Infrastructure Investing groups within Goldman Sachs Asset Management (Goldman Sachs), a leading clean energy investor. GridStor has assembled a team of experienced professionals with over 125 years of combined energy experience to develop, design, construct and operate battery energy storage systems at scale. GridStor's portfolio consists of multiple projects representing over 500 megawatts/2,000 megawatt hours of capacity, or enough to power approximately 375,000 California homes, with proposed on-line dates between 2024-2026.

Project Description

The Zone Determination request requires the review and determination of whether or not a battery energy storage system use with direct connection to a public utility grid is a similar and compatible use with other similarly principally permitted uses listed in the M-2, Heavy Manufacturing, Zone. A finding that the subject use is not inconsistent with the purpose of the M-2, Heavy Manufacturing, Zone is also required.

Previous Planning Commission Public Hearings

The subject Zone Determination was scheduled and duly noticed to be considered by the Planning Commission on September 11, 2023 (Attachment A & B).

On September 7, 2023, a comment letter (Attachment D) from Bridgeland Resources LLC, in opposition of the Project, was received by city staff.

On September 8, 2023, the Applicant submitted a request (Attachment E) to defer the Planning Commission's consideration of the Project to the next regularly scheduled Planning Commission meeting on October 9, 2023.

On September 22, 2023, the Applicant submitted a response letter to staff addressing the concerns that were raised by Bridgeland Resources LLC's comment letter.

Upon staff recommendation, the Planning Commission granted a continuance of the subject Zone Determination to the next regularly held Planning Commission meeting on October 9, 2023.

On October 5, 2023 the Applicant submitted a subsequent request to defer the Planning Commission consideration of the project to the next regularly scheduled Planning Commission meeting on November 13, 2023.

Upon staff recommendation, the Planning Commission granted a continuance of the subject Zone Determination to the next regularly held Planning Commission meeting on November 13, 2023. The continuances provided Staff and the Applicant time to properly respond to and conduct additional research necessary to address any concerns raised within Attachment D before they were provided to the Planning Commission for consideration with the requested Zone Determination.

ANALYSIS:

Battery Energy Storage

A utility scaled battery energy storage system is comprised of lithium ion batteries and control equipment housed in a series of purpose-built, free standing enclosure units. The batteries, together with related control equipment, including inverters, transformers, and onsite substation, would connect to a public utility grid. The system would receive electricity from transmission towers, store the energy in batteries and distribute the electricity back into the grid.

California Senate Bill 100 (SB 100) "The 100 Percent Clean Energy Act of 2018" outlines the state's goal of powering all retail electricity sold in California with renewable and zero-carbon resources by 2045. SB100 mandates that electrical utility providers must have 100% of their energy generation from renewable sources by 2045. These electricity

providers are faced with the challenge of making a variable resource consistent, dependable, and predictable to meet energy users' needs. Battery energy storage systems provide critical infrastructure for reliable energy as the grid becomes increasingly dependent on intermittent renewable energy sources such as solar and wind. A 2021 assessment regarding SB100 progress identified energy storage systems as crucial in providing flexibility to the electrical grid. The report suggested that battery storage build rates need to increase by nearly eightfold to achieve 100% clean energy by the target year. Currently, peak renewable energy generation and peak demand for that energy occur at different times of the day. This disconnect between renewable energy generation and demand means that fossil fuels are used to supply the grid, rather than renewable sources. By storing generated renewable energy during peak times and distributing the energy back into the grid when and where needed, these systems help bridge the gap between peak clean energy generation and peak demand.

These systems are also key in building energy resiliency in the instances of power outages or rolling blackouts. By storing already generated energy, a battery energy storage system can be used as part of a backup plan to continue providing electricity to key users during a blackout. The energy storage systems can also help to stabilize demand (time of use) based electricity prices. By storing energy when there is overgeneration (when generation exceeds demand) of energy and distributing when the demand is higher, utility providers can pull from the stored energy rather than charge for energy being generated during off-peak generation times.

Site Design

As new battery storage projects are submitted, staff will review each project to ensure that the battery enclosures are arranged in an array along with inverters and transformers to convert voltage and current between the batteries and the onsite substation. Electrical equipment would be mounted on concrete foundations accessible by aggregate-base roads, which will be reviewed to ensure that they meet the Department of Fire-Rescue's access requirements. Other areas on-site, not dedicated to electrical equipment or access roads, would be finished with an approved gravel or other groundcover as approved by the Planning Department.

Since the Zone Determination specifically identifies these battery storage systems as having a direct connect to a utility grid, an on-site substation in conjunction with the battery system with a switchyard and step-up transformer would be required to convert medium voltage power to the compatible voltage to be distributed to the electric grid. For added safety and security, staff will ensure that the substation area is securely fenced.

There is no site currently associated with this Zone Determination. One was originally shown as a potential location, however, until it is finally determined under this case as to the similar use and proper zone determination, a specific site is not being analyzed. If the Planning Commission approves this Zone Determination case, then any subsequent application will go through the standard process and review as to a specific site development.

Similarity to Electric Distribution Substation

All principally permitted uses in the M-L Zone and the M-1 Zone are also principally permitted uses in the M-2 Zone per SFSMC Sections 155.211(A) and 155.241(A).

After a thorough review of the proposed battery storage use and researching how they are classified in other cities, Staff finds that a battery energy storage system with direct connection to a public utility grid is similar to the following principally permitted use currently listed within the City's M-L Zone:

Code Section:	Principal Permitted Uses
155.181	(N) Electric Distribution substation, electric transmission substation and public utility buildings.

The proposed use is similar to a typical electrical distribution substation in that they both involve the following features and operations:

1. Receiving transmission of electricity from transmission towers; and
2. Distributing received electricity into a public utility grid; and
3. Require supplemental equipment on-site to monitor and control the use's operation (i.e. circuit breakers, disconnects, safety systems, etc.); and
4. Are equipped with advanced safety features to prevent and mitigate the risk associated with high voltage electricity; and
5. Are unmanned and unattended operations with the exception of occasional maintenance.

A battery energy storage system use would be required to be connected to electrical transmission lines and then distribute the received energy back into a public utility grid. This process is identical to that of a typical electric substation with the exception that the received energy may also be stored for a period of time in the batteries prior to being distributed back into the public utility grid.

Jurisdictions within Los Angeles County, including the County of Los Angeles and the City of Lancaster, permit battery energy storage system projects by-right in Industrial zones with only a ministerial (non-discretionary) site plan review. This means that approvals are granted without significant discretionary review.

The Los Angeles County Department of Regional Planning prepared and posted a memorandum titled "Subdivision and Zoning Ordinance Interpretation No. 2021-03 – Battery Electric Storage Systems," dated October 18, 2021. In this memorandum, it stated that for the purposes of land use, battery energy storage systems are most similar to electric distribution substations.

In addition to jurisdictions making the determination that energy storage systems are likened to electric distribution substations, the California Public Utilities Commission (CPUC) recognizes that energy storage systems distribute energy, much like an electrical

distribution substation would. The CPUC is the regulatory agency that oversees privately owned public utilities in the state of California.

To clarify, California Public Utilities Code section 2835(a)(1) defines an “energy storage system” to mean a commercially available technology that is capable of absorbing energy, storing it for a period of time, and thereafter dispatching the energy (Cal. Pub. Util. Code, § 2835(a)(1)). In other words, an energy storage system is designed to absorb, store, and release energy, which aligns with the functionality of a battery energy storage system.

Because a proposed battery energy storage system use is similar to an electric distribution substation, which is a permitted use in the M-2 Zone with other heavy industrial uses, it should be principally permitted in the M-2 Zone without a CUP.

Compatibility with uses listed as permitted in the M-2, Heavy Manufacturing, Zone

A proposed battery energy storage system use is not any more intense than a typical electric distribution substation. There are several other electrical distribution substations currently within the City including at 14127 Carmenita Road, 12714 Los Nietos Road, and another at the southeast corner of Pioneer Boulevard and Rivera Road. The battery energy storage system process is similar to that of a typical electric substation with the exception that the received energy may also be stored for a period of time in the batteries prior to being distributed back into the public utility grid.

Screening, setbacks, landscaping and other development standards typical with an electrical distribution substation will be required for any battery energy storage system. Strict compliance to the development standards and state regulatory procedures will ensure that battery energy storage system uses with direct connection to a public utility grid will be compatible with other uses permitted in the zone.

Noise and visual impacts associated with the use will be minimized by utilizing enclosure units and proper screening throughout the site. All construction and permitting related to the project will be reviewed by the Planning, Building, and Fire Department. As such, all Zoning, Building, and Fire safety codes will be met. Additionally, the battery energy storage system will be monitored and controlled at a level similar to a typical electric substation.

Not inconsistent with the purpose of the M-2, Heavy Manufacturing, Zone

The purpose of the M-2, Heavy Manufacturing, Zone as stated in Section 155.240 of the City of Santa Fe Springs Zoning Ordinance is for heavy industrial uses and, among other things, to promote uniform and orderly industrial development. A proposed battery energy storage system use is not inconsistent with other industrial uses permitted in the M-2 Zone such as an electrical distribution substation. A battery storage system use is no more intense than other principally permitted uses in the M-2 Zone and is compatible with the uses of that zone. The subject use is not expected to interfere with any portion of the purpose of the M-2 Zone to create an aesthetically pleasing and desirable industrial

environment. Battery energy storage system uses with direct connection to a public utility grid are well suited to comply with the aesthetic and operational requirements to fulfill and further the purpose of the M-2 Zone.

Safety of Battery Energy Storage Systems

Even though safety issues are not part of the similar use analysis and this Zone Determination, because a public comment letter raised some concerns, Staff would like to address them in the report.

Battery energy storage systems and their associated safety technology continue to evolve rapidly. Understanding the risk of lithium-ion batteries, safety technologies primarily revolve around fire prevention and mitigation, particularly in the context of thermal runaway. Battery energy storage systems are meticulously monitored down to an individual battery cell level. If a battery exhibits irregular behavior, it is designed to automatically disconnect from the system and pass an inspection before reconnection. In the unlikely event of a fire risk, entire sections of battery storage units can be turned off to prevent further spread.

Furthermore, the design of each individual battery storage unit includes measures to ensure that fires are contained within the individual units. For example, an incident on September 19, 2023, when a battery storage facility in San Diego, California, caught on fire, the facility's fire suppression systems successfully contained the fire within a specific battery storage unit, as designed, and it did not spread to other parts of the facility or the surrounding area.

In addition, battery energy storage systems are equipped with standard fire prevention and suppression systems within each battery storage unit. Each unit is equipped with air conditioning to regulate temperatures, and the enclosure units themselves are engineered to contain any fires that might occur within the unit. Having built in fire repression systems within each unit means that even in the rare event of isolated fires, they can typically be effectively contained within a single battery storage unit.

In addition to the safety monitoring, detection, prevention and suppression systems discussed above, the following are typical battery energy storage system development and operation protocols:

- **Engineering Standards and Testing:** Batteries are rigorously designed, manufactured, tested, and certified to adhere with the highest safety standards. They must pass large-scale fire testing under Underwriters Laboratory certification.
- **Proper Temperature Management:** Projects are equipped with thermal management systems including ventilation, heating equipment, and cooling equipment, to maintain safe operating temperatures and humidity for the batteries.
- **Battery Health Sensors:** Projects are equipped with sensors that monitor battery voltage, current, temperatures and health to ensure early detection and mitigation of issues.

- **Fire Safety Equipment:** Energy storage facilities include equipment and systems designed to detect thermal events, vent gasses, and mitigate propagation of any fire or thermal event.
- **24/7 Monitoring by Trained Personnel:** Energy storage facilities are continuously monitored 24/7 by trained personnel prepared to ensure safety and respond to emergency events.
- **Protected Access:** Access to these facilities is restricted to authorized personnel only, similar to the practices of local utilities for their facilities.
- **Emergency Response Plans:** A project-specific emergency response plan is created to ensure that, if there is an emergency, it is handled safely and in accordance with best practices.

The following are standard codes and requirements for battery energy storage systems:

Built Environment

- International Fire Code (IFC) and the International Building Code (IBC)
- The IFC and IBC reference other codes including National Fire Protection Association (NFPA) codes
- The California Fire and Building codes are based on the IFC and IBC

Battery Energy Storage System (BESS)

- Underwriters Laboratories (UL) 9540 – Energy Storage System Safety Standards
- NFPA 855 - Standard for the Installation of Stationary Energy Storage Systems

Installation

- NFPA 70 - National Electrical Code (NEC)
- UL 9540A - Battery Energy Storage System Test Method

BESS Components

- UL 1973 - Standard for Batteries for Use in Stationary, Vehicle Auxiliary Power and Light Electric Rail(LER) Applications
- UL 1741 - Standard for Safety Inverters, Converters, Controllers and Interconnection System Equipment for Use With Distributed Energy Resources

These standard codes and requirements, along with reviews by the City's Planning, Building, and Fire Departments will ensure that all future battery energy storage systems proposed within the City will be in full compliance with all applicable city, state, and federal regulations. The California Public Utilities Commission (CPUC) would also be required to provide approval of a commissioning and decommissioning plan for each battery storage project with direct connection to the public utility grid prior to operation.

In addition to these standard protocols, GridStor LLC intends to partner with the City's Fire Department to provide specialized training to first responders. The training will cover appropriate responses to battery energy storage system emergencies, including the mitigation of any fire or thermal event.

Concerns Raised by Bridgeland Comment Letter

The following table consists of collaborative responses to specific issues raised by Bridgeland’s Comment Letter (Attachment D). For GridStor LLC’s specific responses to the concerns, please see Exhibit A of Attachment F.

	Concern	Response
1	Battery storage uses create a unique and well-documented hazard that includes the risk of fires, toxic gas releases, and explosions.	While there are potential hazards associated with battery storage systems, these risks are effectively mitigated through industry standards for battery energy storage systems, as detailed in the “Safety of Battery Energy Storage Systems” section of this report.
2	[I]f the City determines that battery storage uses should be allowed anywhere in the M-2 zone, then the City should, at the very least, require a conditional use permit (“ CUP ”) to ensure that battery storage uses remain safe, suitably located, and appropriately conditioned to protect the community.	Battery energy storage with a direct connection to a public utility grid are being likened to an “electrical distribution substation,” which is principally permitted in the M-2 zone. Safety concerns regarding the use are appropriately addressed within the required review of City Departments, the industry standards of such a use, and the California Public Utilities Commission. Further, if deemed similar to other permitted uses within the M-2 zone, it would be permitted and a CUP would not be required. As this is also being equated to an electrical substation, which is permitted in the M-2 zone without a CUP, this similar use would also be permitted without a CUP.
3	GridStor proposes siting battery facilities directly on top of portions of the Romandel Site on which Bridgeland has surface rights for future oil extraction. If constructed, the Project will both endanger Bridgeland’s existing operations and interfere with Bridgeland’s surface rights.	Though this concern is site-specific, any site proposed to be developed with a battery energy storage system would be required to identify and be compliant with any and all easements and surface rights.
4	Battery storage uses are not similar to the other principally permitted uses in the M-2 zone. Notably, the code fails to list any other energy storage-type use as a principally permitted or even conditionally	Battery energy storage systems with direct connection to a public utility grid uses are being likened to an electrical distribution substation use, which is principally permitted within the M-2 zone, as detailed in the “Similarity to Electric Distribution

	permitted use. At best, the code allows “public utility service yards.” See SFSMC § 155.241(X).	Substation” section of this report. Further, based on analysis in this staff report, such use is not inconsistent with the purpose of the M-2 zone and, as staff has stated, fits best with the other such permitted uses in the M-2 zone.
5	The Federal Emergency Management Agency (“ FEMA ”) states that the “lithium cells in [battery storage projects] can experience thermal runaway which causes them to release very hot flammable, toxic gases. In large storage systems, failure of one lithium cell can cascade to include hundreds of individual cells. The hot flammable gases can result in an explosion, or a very difficult to extinguish fire.”	Though there are potential hazards to battery storage systems, these hazards are properly mitigated through industry standards for battery energy storage systems, as detailed in the “Safety of Battery Energy Storage Systems” section of this report. Further information is provided in Exhibit A of Attachment F.
6	A recent American Chemical Society publication, for instance, states that “[l]ithium ion batteries are prone to overheating, swelling, electrolyte leakage venting, fires, smoke, and explosions in worst-cases scenarios involving thermal runaway.... [T]he gases produced as a result of a fire, smoke, and/or thermal runaway can accumulate to a combustible level in the installation location and cause an explosion (detonation).”	The prevention and mitigation of potential hazards including thermal runaway and detonation are appropriately addressed within the required review of City Departments, the industry standards of such a use, and the California Public Utilities Commission. Further information is provided in Exhibit A of Attachment F.
7	This risk is not theoretical. Consider the following news articles detailing recent battery storage fires and fire-related injuries in California, Arizona, and New York, among others [.]” Bridgeland cites seven articles.	The articles detail isolated incidents of failure in battery energy storage projects. The California example listed includes a fire that was actually effectively contained within the battery storage unit that caught fire. The articles also detail how Fire Codes are being updated to adequately address concerns that have come from earlier issues of battery storage technology. Though there are potential hazards to battery storage systems, these hazards are properly mitigated through industry standards for battery energy storage systems, as detailed in the “Safety of

		Battery Energy Storage Systems” section of this report. Further information is provided in Exhibit A of Attachment F.
8	[I]f the City believes that some battery storage uses should be allowed in the M-2 zone, such use that should not be permitted by right. At minimum, the City should require a CUP for battery storage uses in the M-2 zone.	Battery energy storage system with direct connection to a public utility grid uses are being likened to an electrical distribution substation use, which is principally permitted, without a CUP, within the M-2 zone, as detailed in the “Similarity to Electric Distribution Substation” section of this report. As stated above, such use is not inconsistent with the purpose of the M-2 zone and, fits best with the other such permitted uses in the M-2 zone.
9	The City already requires various potentially hazardous uses to obtain a CUP, including the manufacture of chlorine and other chemicals (see SFSMC § 155.243(A)(1-31), the storage of large quantities of oil, flammable gases, or flammable liquids (see SFSMC § 155.243(B)(1), (3)), the storage of explosives or black powder (SFSMC § 155.243(B)(5)), and petroleum refining (SFSMC § 155.243(F)(1)). In fact, the City also requires a CUP in the M-2 zone for a variety of mostly benign activities, such as ambulance services (SFSMC § 155.243(J)(1), dog kennels (SFSMC § 155.243(J)(11), and motorcycle sales (SFSMC § 155.243(J)(16)). High-risk battery storage should not escape the same scrutiny.	Though there are potential hazards to battery storage systems, these hazards are properly mitigated through industry standards for battery energy storage systems, as detailed in the “Safety of Battery Energy Storage Systems” section of this report.
10	Conditional use permits ... explicitly require the Commission to determine whether the use would “be detrimental to persons or property in the immediate vicinity” or would “adversely affect the city in general.” SFSMC § 155.716. And conditional use permits specifically allow the Commission to condition the project to ensure “proper	A site-specific project for a battery energy storage system with direct connection to a public utility grid is not under consideration by the Planning Commission nor is an application for a Conditional Use Permit (CUP), therefore the findings for granting a CUP are not required as part of this request. However, to grant the Zone Determination, the Planning Commission is still required to find that a battery energy

	<p>integration of the [use] into the community, which may only be suitable in specific locations....” SFSMC § 155.711; <i>see also</i> SFSMC § 155.718 (allowing for conditions of approval). Given the clear risks presented by battery storage uses, the City should require a CUP in order to ensure that any proposed battery storage project will be safe, suitably located, and appropriately conditioned to protect the community.</p>	<p>storage system use is not inconsistent with the purpose of the M-2 Zone, is similar to other permitted uses in that zone, and is compatible with those uses.</p>
11	<p>Allowing battery storage uses by CUP is a legislative task for the City Council, not the Commission.</p>	<p>A site-specific battery energy storage system project with direct connection to a public utility grid is not under consideration by the Planning Commission or other approving or advisory body for a Conditional Use Permit (CUP). The action under this ZD case is to determine whether it is a use similar to an electrical substation and the appropriate zone, which is within the Planning Commission’s authority.</p>
12	<p>The Romandel Site’s extremely close proximity to Bridgeland’s oil operations and facilities not only increases the inherent risks associated with battery storage uses but also adds additional risks to Bridgeland’s oil operations. A fire, explosion, or expulsion of toxic gas at the Project could cause additional fires or dangers at Bridgeland’s oil facilities. Although Bridgeland takes all precautions in operating its oil facilities, and although oil and gas operations are dramatically less risky than battery storage uses, oil and gas operations nevertheless present their own risks; and these should not be compounded by locating a battery storage use at the Romandel Site.</p>	<p>Though this is a site specific questions, any battery energy storage system with direction connection to a public utility grid would be required to comply with fire, health, and safety laws and regulation and industry standards which means the use would not pose a risk to adjacent operations.</p>

13	<p>In addition to Bridgeland's existing operations and facilities, pursuant to the Unit Agreement and Bridgeland's role as unit operator, Bridgeland holds rights that allow it to expand its oil production operations and construct new facilities on the Bridgeland-owned parcel, the Romandel Site, and other lands in the vicinity. Should Bridgeland choose to exercise these rights, the Project's associated risks would be increased even further by close proximity to additional oil operations and facilities. For example, Bridgeland may redrill or rework the existing idle oil well so that it actively produces oil. Moreover, the Project would significantly impede and interfere with Bridgeland's rights to use portions of the surface of the Romandel Site for oil operations and facilities. Consequently, the Project could increase the danger associated with Bridgeland's oil operations in the event use of portions of the Romandel Site becomes necessary.</p>	<p>Though this concern is site specific, any site proposed to be developed with a battery energy storage system would be required to identify and be compliant with any and all easements and surface rights. Additionally, any battery energy storage system with direction connection to a public utility grid would be required to comply with fire, health, and safety laws and regulation and industry standards which means the use would not pose a risk to adjacent operations.</p>
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ENVIRONMENTAL

The proposed Zone Determination is an activity, but not subject to CEQA under California Environmental Quality Act (CEQA) Section 15060(c)(2), because the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment. The Zone Determination is exempt from CEQA pursuant to Section 15061(b)(3) (Common Sense Exemption) of the CEQA Guidelines. The Common Sense Exemption affirms that CEQA applies only to projects which have the potential for causing a significant effect on the environment. If it can be seen with certainty that there is no possibility that the activity in question will have a significant effect on the environment, the activity is not subject to CEQA. A zone determination that a battery energy storage system with direct connection to a public utility grid is a similar and compatible use with other similarly principally permitted uses listed in the M-2, Heavy Manufacturing, Zone will not have a significant effect on the environment in that the only action being taken is an interpretation of the Zoning Code. It is not site specific, nor is there any aspect or details of the future project

to be analyzed. Thus, with certainty this Zone Determination cannot possibly have a significant effect on the environment.

Any proposed projects that meet the criteria of a battery energy storage system use with direct connection to a public utility grid will be individually subject to CEQA review as to the site and the components of that individual project.

DISCUSSION:

Criteria for a Zone Determination

Pursuant to Section 155.241(Y) of the City of Santa Fe Springs Zoning Ordinance, the Planning Commission may, after study and deliberation, allow other similar uses as a principally permitted use if they are found not to be inconsistent with the purpose of the M-2 zone, they are similar to the uses listed as permitted uses, and they would be compatible with those uses.

It is therefore recommended that, before approving a Zone Determination, the Commission shall find that all of the following apply:

- (A) *That the subject use is not inconsistent with the purpose of the M-2, Heavy Manufacturing, Zone.*
- (B) *That the subject use would be similar to the uses listed as permitted in the M-2, Heavy Manufacturing, Zone.*
- (C) *That the subject use would be compatible with the uses listed as permitted in the M-2, Heavy Manufacturing, Zone.*

Upon review of the proposed use and background materials provided along with the application, staff finds the applicant's request meets the criteria set forth in the City's Zoning Ordinance. Recommended findings to support this conclusion may be found in the attached Resolution No. 250-2023 (see Attachment I). Staff is therefore recommending that the Planning Commission approve ZD Case No. 2023-01.

SUMMARY

Public Notification

This matter was set for Public Hearing in accordance with the requirements of Sections 65090 through 65096 of the State Planning, Zoning, and Development Laws and the requirements of Sections 155.860 through 155.864 of the City's Municipal Code.

Legal notice of the Public Hearing for the proposed project was sent by first class mail to all property owners whose names and addresses appear on the latest County Assessor's Roll within 500 feet of the exterior boundaries of what was used as a subject property on

August 31, 2023. The legal notice was also posted at City Hall and the City's Town Center kiosk on August 31, 2023. Said notice was also published in a newspaper of general circulation (Whittier Daily News) on August 31, 2023 as required by the State Zoning and Development Laws and by the City's Zoning Ordinance. On September 7, 2023 a comment letter submitted by Bridgeland (Attachment D) in opposition of the project was submitted to Staff. On September 11, 2023, the Planning Commission of the City of Santa Fe Springs opened the public hearing for this item and continued the item to the next scheduled public hearing. Responses to the comments raised by the letter have been included as part of this report. On October 9, 2023, six (6) petition letters were sent to staff from residents of the Villages at Heritage Springs in opposition of the project. As of the date of this report, staff has not received any further inquiry regarding the proposed project.

As previously stated, there is no specific site proposed, however, notice was provided to property owners surrounding the potential site out of an abundance of caution.

ATTACHMENT(S):

1. Attachment A – Public Hearing Notice
2. Attachment B – Radius Map for Public Hearing
3. Attachment C – GridStor Fact Sheet
4. Attachment D – Bridgeland Comment Letter dated September 7, 2023
5. Attachment E – GridStor LLC Request for Continuation dated September 8, 2023
6. Attachment F – GridStor LLC Response Letter dated September 22, 2023
 - a. Exhibit A – Table of GridStor LLC Responses
7. Attachment G – Resident Opposition Letters
8. Attachment H – CEQA Notice of Exemption
9. Attachment I – Resolution No. 250-2023

<u>ITEM STATUS:</u>	
APPROVED:	<input type="checkbox"/>
DENIED:	<input type="checkbox"/>
TABLED:	<input type="checkbox"/>
DIRECTION GIVEN:	<input type="checkbox"/>

ATTACHMENT A: PUBLIC HEARING NOTICE

**CITY OF SANTA FE SPRINGS
NOTICE OF PUBLIC HEARING
ZONE DETERMINATION CASE NO. 2023-01**

NOTICE IS HEREBY GIVEN that the Planning Commission of the City of Santa Fe Springs will hold a Public Hearing to consider the following:

ZONE DETERMINATION CASE NO. 2023-01 – A request that the Planning Commission determine that a battery energy storage system with direct connection to a public utility grid is a similar and compatible use with other similarly principally permitted uses listed in the M-2, Heavy Manufacturing, Zone.

APPLICANT: GridStor, LLC, Attention: Matrell Everett, 7 SE Stark Street Suite 8, Portland, OR 97201

THE HEARING will be held before the Planning Commission of the City of Santa Fe Springs in the Council Chambers of the City Hall, 11710 Telegraph Road, Santa Fe Springs, on **Monday, September 11, 2023 at 6:00 p.m.**

You may attend the 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/558333944?pwd=b0FqbKV2aDZneVRnQ3BjYU12SmJIQT09>

Zoom Meeting ID: 558 333 944
Password: 554545

Telephonically

Dial: 888-475-4499
Meeting ID: 558 333 944

CEQA STATUS: After staff review and analysis, staff finds the proposed Zone Determination is not subject to the California Environmental Quality Act (CEQA) pursuant to Section 15060(c)(2) of the CEQA Guidelines, because it will not result in a direct or reasonably foreseeable indirect physical change in the environment. Additionally, the project site is not listed

on the Hazardous Waste and Substance Site List (Cortese List) as set forth in Government Code Section 65962.5.

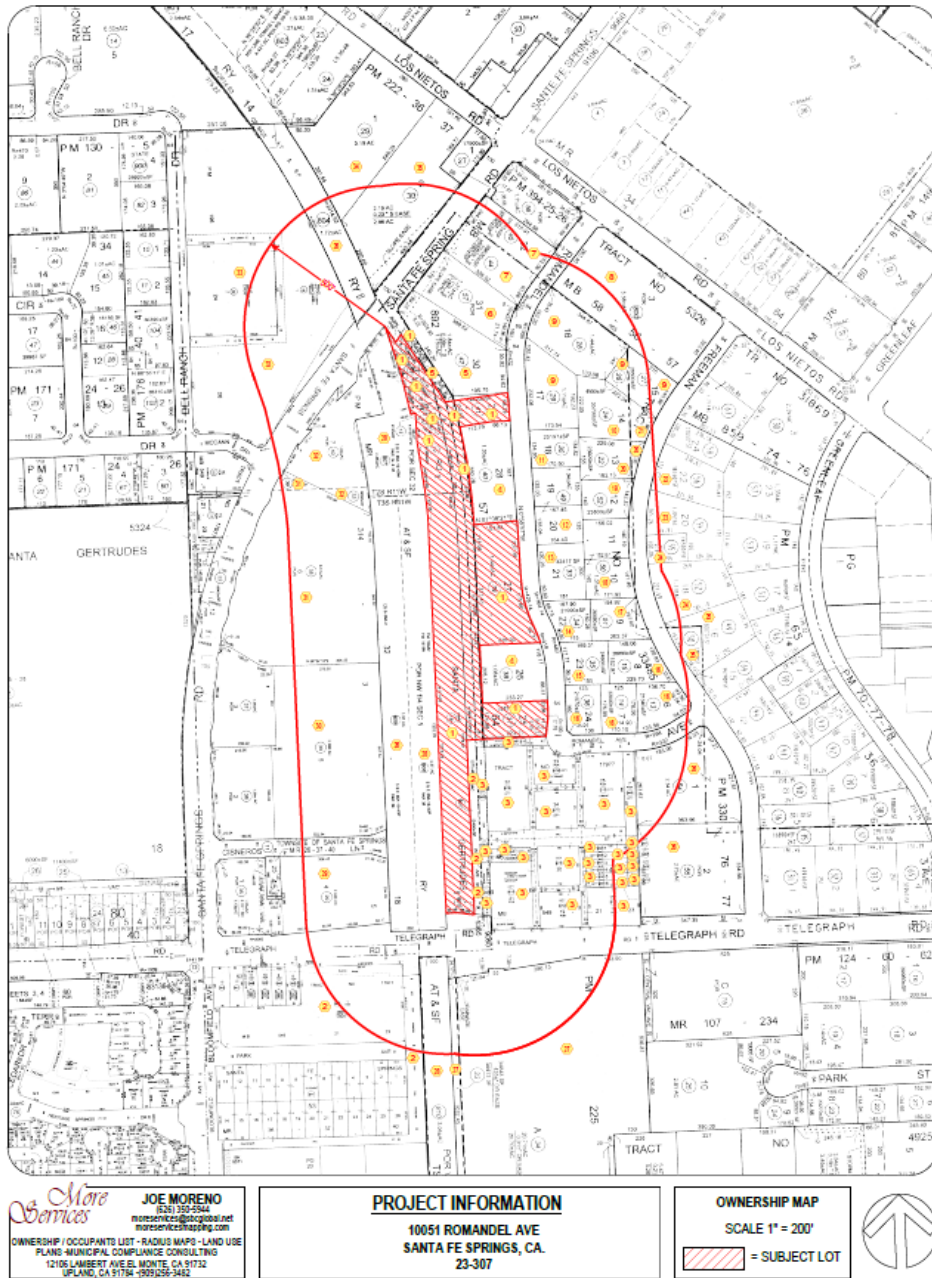
ALL INTERESTED PERSONS are invited to participate in the Public Hearing and express their opinion on the item listed above. Please note that if you challenge the afore-mentioned item in court, you may be limited to raising only those issues raised at the Public Hearing, or in written correspondence to the office of the Commission at, or prior to the Public Hearing.

PUBLIC COMMENTS may be submitted in writing to the Planning Department at City Hall, 11710 Telegraph Road, Santa Fe Springs CA 90670 or, otherwise, e-mail the Planning Secretary Teresa Cavallo at teresacavallo@santafesprings.org. Please submit your written comments by 12:00 p.m. on the day of the Planning Commission meeting. You may also contact the Planning Department at: (562) 868-0511 ext. 7550.

FURTHER INFORMATION on this item may be obtained from Alejandro De Loera, Planning Consultant, via e-mail at: alejandrolloera@santafesprings.org or otherwise by phone at: (562) 868-0511 ext. 7354.

End of document ■

ATTACHMENT B:
RADIUS MAP FOR PUBLIC HEARING



**ATTACHMENT C:
GRIDSTOR FACT SHEET**

GRIDSTOR



**A partnership
for the future of
clean energy.**

Santa Fe Springs Energy Storage

Located in Santa Fe Springs, California, the proposed Santa Fe Springs (SFS) Energy Storage project is a 90-megawatt (MW) battery energy storage facility designed to reduce statewide greenhouse gas emissions and improve the resilience of the local and regional electric system. This critical new infrastructure will allow the community to more readily access reliable, renewable energy when it is needed most.



90

Megawatt Battery
Energy Storage.

67k

Homes and
Businesses Powered
by Clean Energy.

2.7^{MM}

Estimated Local Sales
and Use Tax Revenue.

68

Potential Construction
Jobs Created.

How the project will benefit Santa Fe Springs:

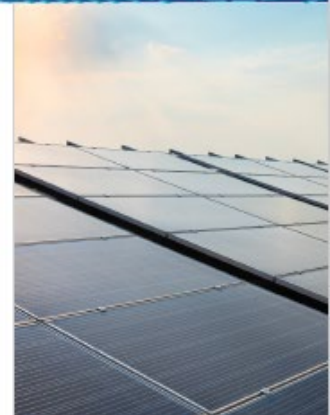
This project offers Santa Fe Springs the opportunity to be an integral part of the renewable energy solution and will have many positive impacts on the community, both during construction and future operation.

- Increase the resilience of the local electric grid, helping avoid blackouts.
- Revitalize a previously contaminated site into a productive, positive use.
- Generate substantial capital investments on previously underutilized land.
- Bring sustainable energy closer to urban electric infrastructure where it can be more readily accessed.
- Support local, state, and federal clean energy goals.
- Create skilled, union construction jobs in the clean energy industry.
- Substantial financial contributions to the local economy via sales and property taxes.
- Establish Santa Fe Springs as a pivotal contributor in the clean energy movement.



Empowering local communities.

GridStor is committed to developing clean energy solutions that empower local communities and increase their resilience for the future. With every project, our goal is to better the communities in which we operate by actively supporting local organizations that focus on improving education, health, and social outcomes. We respect and prioritize the safety and wellbeing of our employees, contractors, neighbors, and the environment, taking great care to sustainably source, construct, and operate every project.



ATTACHMENT D:
BRIDGELAND COMMENT LETTER DATED SEPTEMBER 7, 2023

ATTACHMENT E:
GRIDSTOR LLC REQUEST FOR CONTINUANCE DATED SEPTEMBER 8, 2023

ATTACHMENT F:
GRIDSTOR LLC RESPONSE LETTER DATED SEPTEMBER 22, 2023

ATTACHMENT G:
RESIDENT OPPOSITION LETTERS

ATTACHMENT H:
CEQA NOTICE OF EXEMPTION

ATTACHMENT I:
RESOLUTION NO. 250-2023



PLANNING COMMISSION MEETING

NOVEMBER 13, 2023

By: Alejandro De Loera

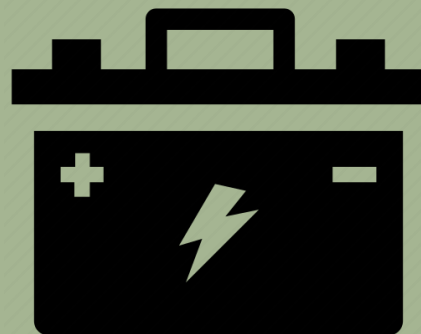
Zone Determination 2023-01

Use to be Determined: Battery Energy Storage System (BESS)

Location: Citywide (M-2 Zone)

Applicant: GridStor LLC

Purpose of Request: Battery energy storage systems are not currently a listed use in the Zoning Ordinance. As a result, a determination as to which zone they shall be allowed



Zone Determination

- This Zone Determination allows the Planning Commission to make a decision of where a battery energy storage system shall be allowed
- Similar uses are generally examined to show how the proposed use is similar to other uses currently listed within the Zoning Ordinance.
- Based on existing listed uses, a BESS use is most similar to an electric distribution substation use



Request

A request to determine that a Battery Energy Storage System with direct connection to a public utility grid is a similar and compatible use with other similarly principally permitted uses listed in the M-2, Heavy Manufacturing, Zone.

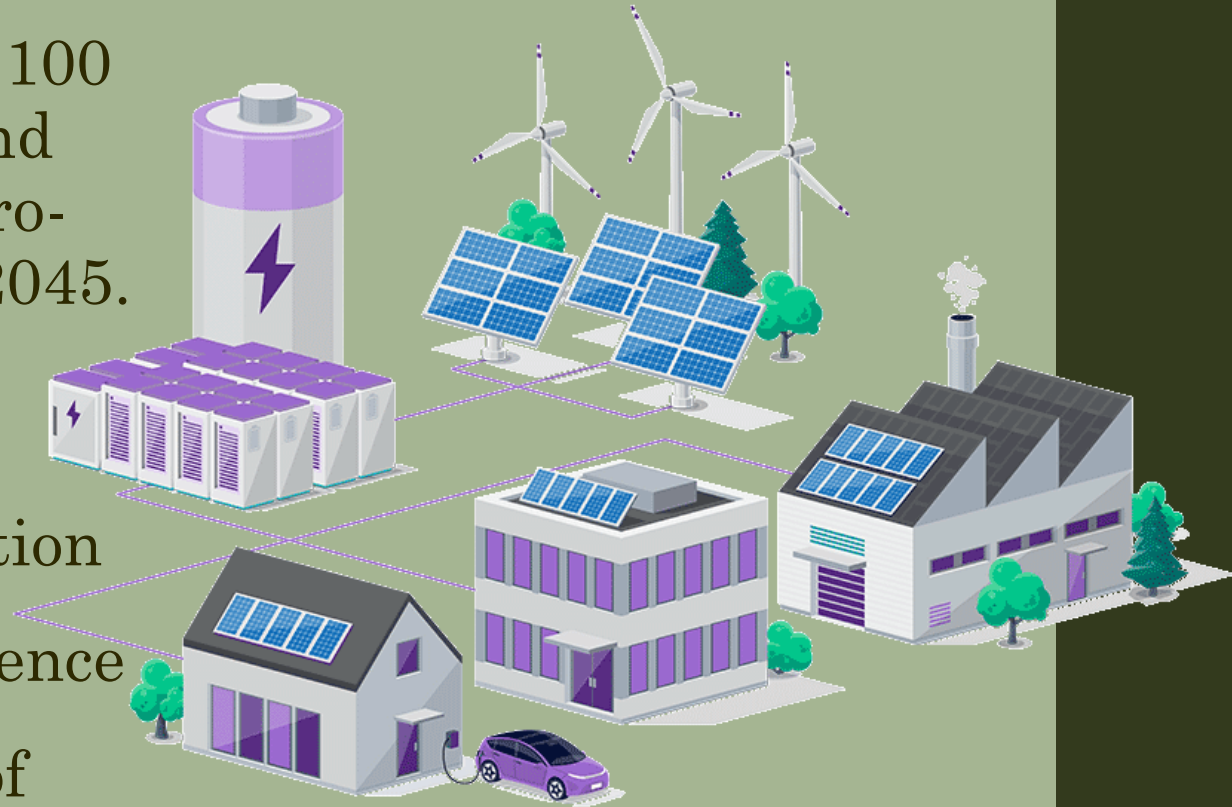
Battery Energy Storage System

SB 100: California goal to achieve 100 percent of electricity retail sales and state loads from renewable and zero-carbon resources in California by 2045. Includes 48,600 MW new battery storage installed in 2020–2045

Public good: Utility scaled operation

Blackouts: Energy and grid resilience

Pricing: Long term stabilization of demand based electricity



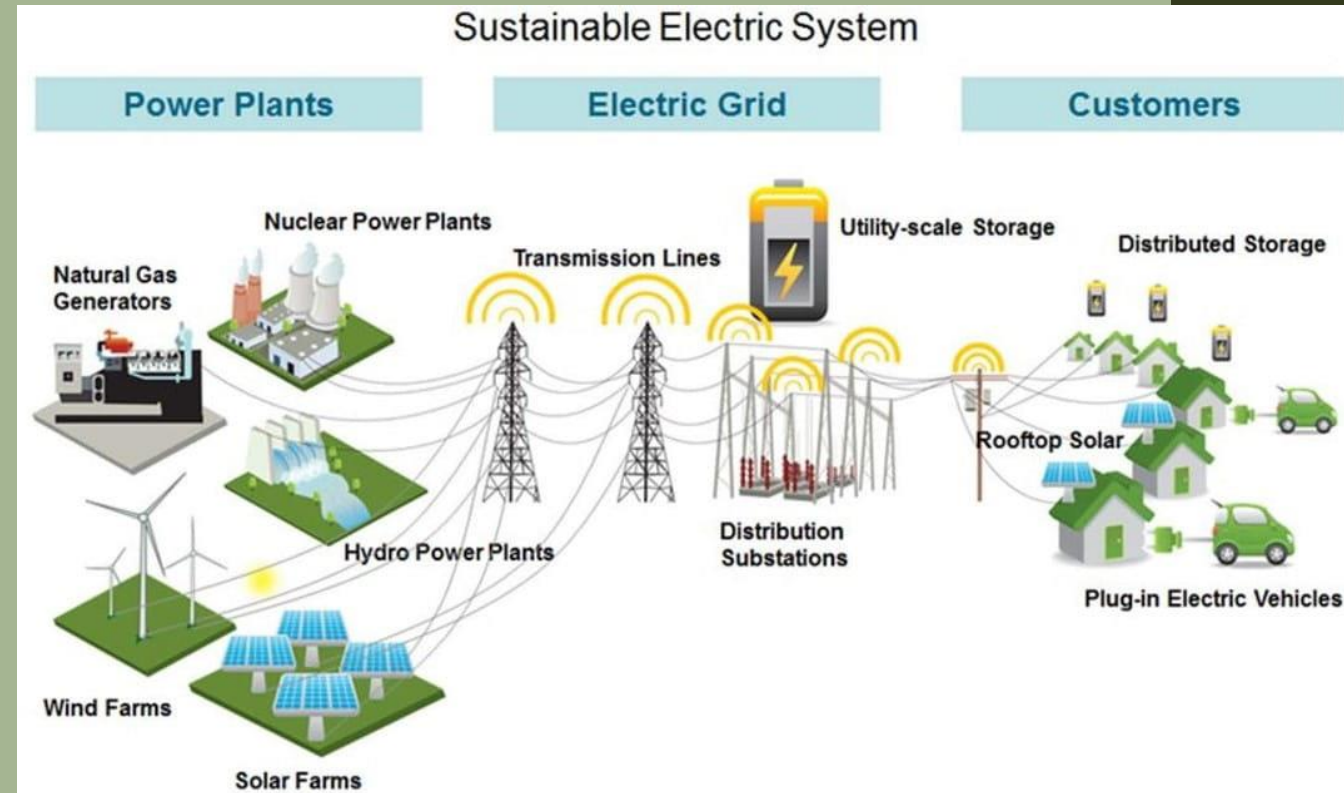
Battery Energy Storage System

- A utility scaled BESS is comprised of **lithium ion batteries within enclosure units**
- The batteries, together with related equipment and onsite substation, would **connect to a public utility grid**
- BESS **receive electricity** from transmission towers, **store the energy** in batteries and **distribute the electricity** back into the grid



Similarity to Substation

1. Transmission
 2. Distribution
 3. Equipment on-site to monitor and control the use's operation
 4. Safety features for high voltage electricity
 5. Unmanned and unattended
- **Modern substation**
 - **AB 2868**



Substation Interpretation

Los Angeles County: “For purposes of defining energy storage devices as a land use, energy storage devices shall be considered most similar to EDS [Electric Distribution Substation.]”

City of Lancaster: BESS is permitted by-right in Industrial zones

California Public Utilities Commission: Defines an “energy storage system” to mean a commercially available technology that is capable of absorbing energy, storing it for a period of time, and thereafter dispatching the energy, California Public Utilities Code section 2835(a)(1)

Public Hearing



- Published in the Whittier Daily News on August 31, 2023
- Posted in City Hall, Town Center Kiosk, and the City Library
- Noticed to property owners in 500' radius
- Opposition letters were received on September 8, October 9, and November 13
- The item was continued on the September 11 and October 9 Planning Commission meetings to allow staff additional time to respond to comment letters that were received by the public

Public Comments

Bridgeland Letter

1. Battery Energy Storage Uses are dissimilar and incompatible to other principally permitted uses in the M-2 Zone
2. The use should require a CUP at a minimum
3. Proposed project highlights risk of allowing battery storage systems



Resident Opposition Letters

4. Battery energy storage uses present a unique risk – a full safety and environmental review should be completed

There were several site specific questions, however this project is only a zone determination and no specific site is under review at this time

Public Comments

I. Similar and Compatible

II. Principally Permitted

III. Safety – Typical BESS



I. Similar and Compatible

- Similar to substation with the exception that BESS can store received energy for a period of time
- There are currently **several substations in the City** including 14127 Carmenita Rd and 12714 Los Nietos Rd
- Proven compatibility within the M-2 Zone
 - Substation is listed as a permitted use in the M-L Zone
 - Substations are permitted in the ML, M-1, and M-2 Zones by right

II. Principally Permitted

- Electrical distribution substations are permitted by right in the ML Zone and are also therefore permitted by right in the M-1 and M-2 Zones
- In addition to a substation, a BESS use could be found similar to a public utilities service yard, which is permitted by right within the M-2 Zone
- These similar uses would indicate that BESS uses should also be permitted by right

III. Safety – Typical BESS

- BESS are remotely monitored at an individual battery cell level
- Should a battery exhibit irregular behavior, it is designed to automatically disconnect from the system
 - Must pass an inspection before reconnection
- Enclosures are designed to ensure that fires are contained within the individual units
- Enclosures, batteries, installation and equipment must meet state and local safety standards
- All future BESS projects will be required to be reviewed by the City's Planning, Building, and Fire Departments

Environmental

- The Zone Determination is exempt from CEQA pursuant to Section 15061(b)(3) (Common Sense Exemption) of the CEQA Guidelines.
- This Zone Determination will not have a significant effect on the environment in that the only action being taken is **an interpretation of the Zoning Ordinance**
- Any future projects would be individually subject to CEQA



CALIFORNIA ENVIRONMENTAL
QUALITY ACT

Considerations

- **Zone Determination** – not a site specific review
- BESS is part of the **public utility grid**
- Meet California **renewable energy goals**
- **Similarity to substation and public utility service yards**, both of which are permitted by right
- Proposed to be **permitted by right in the M-2 Zone**, as per 155.241(Y)
- **Safety measures** associated with BESS uses will be reviewed by the City for all future projects

Recommendations

- **Approve ZD Case No. 2023-01**, determining that a battery energy storage system use with direct connection to a public utility grid is similar to and compatible with other similarly principally permitted uses listed in the M-2, Heavy Manufacturing, Zone and will not be inconsistent with the purpose of the M-2 Zone; and
- Find and determine that the **project is exempt from the CEQA** pursuant to Section 15061(b)(3) (Common Sense Exemption); and
- **Adopt Resolution No. 250-2023**, which incorporates the Planning Commission's findings and actions regarding the matter

November 21, 2023

VIA E-MAIL & FEDEX

Santa Fe Springs
City Council
11710 E. Telegraph Road
Santa Fe Springs, CA 90670

Re: Battery Storage Uses in M-2 Zone; Appeal of Zone Determination Case No. 2023-01.

Dear Councilmembers:

We start with two news excerpts from two real-world battery storage fires:

On April 19, 2019, one male career Fire Captain, one male career Fire Engineer, and two male career Firefighters received serious injuries as a result of cascading thermal runaway within a 2.16 MWh lithium-ion battery energy storage system (ESS) that led to a deflagration event.

CHANDLER, AZ (3TV/CBS 5) – A fire at a battery storage facility has been burning for nearly two weeks. As firefighters monitored the situation, businesses within a quarter-mile were urged to evacuate Friday. That order ended around 7 p.m.

Santa Fe Springs could be next.

Our client, Bridgeland Resources LLC (“**Bridgeland**”) owns a number of properties throughout Santa Fe Springs (“**City**”) and has surface rights for oil operations at several others. Through this letter, Bridgeland appeals the Planning Commission’s contested, 3-2 approval of Zone Determination No. 2023-01 establishing that a “battery energy storage system” constitutes a principally permitted use in the M-2 zone.

Make no mistake: **Staff has indicated that no other discretionary approvals would be required for battery storage uses. Applicant GridStor, Inc. (“Gridstor”), meanwhile, seeks to construct an enormous, 9.3-acre, 10-parcel, 90-megawatt battery storage use surrounding Bridgeland’s property (“Project”). Accordingly, if this Council approves the Zone**

Determination, this and other even larger battery storage uses would be allowed in Santa Fe Springs without any discretionary review whatsoever.

As explained below, the findings for a Zone Determination cannot be made because battery storage uses are **not** similar or compatible with the other principally permitted uses in the M-2 zone. At the Planning Commission hearing, City staff and GridStor, disagreed, arguing that battery storage uses are sufficiently analogous to electrical distribution substations, which are permitted in the M-2 zone. This analogy fails. Besides being physically and conceptually dissimilar, battery storage uses present unique dangers that electric distribution substations do not. Notably, battery storage uses present an unacceptable risk of fire, toxic gas release, and explosion—a risk borne out by recent fires and explosions at battery storage facilities in California, Arizona, and New York, among others.

Over twenty-one community members have submitted letters opposing the Zone Determination; respectfully, this Council should too. While the Council should prohibit battery storage uses in the M-2 zone altogether, at minimum, the City should not authorize battery storage uses by right. Instead, if the Council determines that battery storage uses should be allowed anywhere in the M-2 Zone, then the City should, at the very least, require a conditional use permit (“CUP”) to ensure that battery storage uses remain safe, suitably located, and appropriately conditioned to protect the community.

I. Staff Has Indicated Battery Storage Uses Would Be Allowed By Right Without a Development Plan or Any Discretionary Review.

Staff has stated that it has no intention of requiring a development plan approval or any other discretionary review (e.g., CUP) for battery storage uses in the City. We understand that this is because the City has sometimes historically not required development plan approvals for electric distribution substations. The below email from City Planner Alejandro De Loera to GridStor representative Matrell Everett confirms that “No Development Plan Approval is required” for GridStor’s proposed 9.3-acre battery storage use:

From: [Alejandro De Loera](#)
To: [Matrell Everett](#)
Subject: RE: Question from today's meeting.
Date: Thursday, August 17, 2023 10:49:31 AM
Attachments: [image001.png](#)
[image002.png](#)
[image003.png](#)
[image004.png](#)
[image005.png](#)
[image007.png](#)
[image008.png](#)

Hi Matrell,

1. I will check with Public Works to see their perspective on the lot covenant, but I think we'll make a determination as we see what the proposed lots end up looking like.
2. No Development Plan Approval is required. You'll just get site plan approval when you submit for plan check.

Best,

Alejandro De Loera, AICP Candidate | Planning Consultant
City of Santa Fe Springs | Planning and Development
11710 Telegraph Road | Santa Fe Springs, CA 90670
(562) 868-0511, Ext 7519 | (562) 868-7112 Fax
AlejandroDeLoera@santafesprings.org | www.santafesprings.org

During the Planning Commission hearing, Staff and GridStor downplayed this result, noting that any project will still have to go through the plan check process, which requires projects to be reviewed by the City's planning, fire, building & safety, and other departments.

This Council should not be misled: Plan check review is, by definition, ministerial—meaning that the City has **no** discretion to deny a project (i.e., it must approve the project and issue a building permit) as long as the project complies with the building code, development standards, etc. But City and State codes do not address or discuss or mitigate the potential impacts of battery storage uses. More importantly, the City would **not** have the ability to deny a project due to the type of use, the dangerousness of the use, the incompatibility with surrounding uses, concerns about the operator, or any of the other factors normally considered as part of the development plan and/or CUP process.

This result makes no sense: The City requires a CUP for dangerous uses (e.g., ammunition storage) or potentially incompatible uses (e.g., dog kennels), even in the M-2 zone. And it requires a development plan approval for nearly all development in the City. The purpose of the discretionary review process is to allow the Planning Commission (and City Council on appeal) to craft conditions of approval in order to ensure that all such uses are appropriate and pose no risk to the community. Here, no conditions of approval would be allowed.

The City Attorney and Planning Director further attempted to downplay this result by stating that the Zone Determination would not approve any particular project, such as the GridStor project (which the Planning Commissioners clearly opposed). But again, this ignores the fact that a future project will be subject only to ministerial, by-right review. Which means that approving the Zone Determination **does** effectively approve the GridStor project—and any other battery storage use sited in the M-2 Zone, no matter how large. This City Council knows better. The City should not allow battery storage uses without a discretionary review process.

II. Battery Storage Facilities are Not Similar to Electric Distribution Substations.

When the Zone Determination came before the Planning Commission, GridStor and Staff argued that the City could approve the Zone Determination because battery storage uses are similar to electric distribution substations, which are permitted in the M-2 zone. SFSMC, § 155.181(N); *see* Reed Smith’s September 22, 2023, letter sent on behalf of GridStor (“**GridStor Letter**”), p. 2; Staff Report, p. 5. A battery storage use, they argued, is similar to an electric distribution substation “in size, bulk, and components including: switchgears, breakers, transformers, meters, circuits, and SCADA equipment.” GridStor Letter, p. 2; *see also* Staff Report, p. 5 (making similar claims).

This argument makes no sense. While electric substations and battery storage share a handful of superficially similar physical components (e.g., transformers, circuits, etc.), they are not remotely comparable in size or bulk. A small distribution substation, for example, may be as little as 500 square feet and may contain little more than a transformer and associated switches. While exceptions exist, even the largest distribution substations typically do not occupy more than a couple of acres. (And on larger parcels, setbacks and unoccupied space make up the majority of the parcel—indeed, this is the case for substations in Santa Fe Springs.)

GridStor, by contrast, proposes a 9.3-acre, 10-parcel project with edge-to-edge battery energy storage system (BESS) units. Further, battery storage uses and electric distribution substations remain physically and conceptually distinct uses. To state the obvious: Battery storage uses use batteries to store electricity; electric distribution substations do not. Distribution substations transform electric voltages from high to low in order to distribute electricity for use by

end use customers. Indeed, the Project requires distribution substations to work, highlighting the conceptually distinct purposes of these uses. *See* Plans, Sheets C-01 and C-02.

More importantly, these superficial physical similarities have little bearing on whether uses are “similar” or “compatible.” By GridStor’s logic, an adult entertainment store and a Barnes & Noble are analogous because they both sell magazines to customers within a brick and mortar retail space. **In reality, having similar physical components or being similar in size or bulk does not mean that two uses are compatible or have similar impacts.**

Here, battery storage uses present unique and undeniable hazards virtually unseen at electrical substations, including the high risk of fires, explosions, and the release of toxic gases. *See Emerging Hazards of Battery Energy System Fires*, FEMA, October 27, 2020 (available at: <https://www.fema.gov/case-study/emerging-hazards-battery-energy-storage-system-fires>). A multitude of scientific literature and trade publications agree. A recent American Chemical Society publication, for instance, states that “[l]ithium ion batteries are prone to overheating, swelling, electrolyte leakage venting, fires, smoke, and explosions in worst-cases scenarios involving thermal runaway.... [T]he gases produced as a result of a fire, smoke, and/or thermal runaway can accumulate to a combustible level in the installation location and cause an explosion (detonation).” *Battery Hazards for Large Energy Storage Systems*, ACS Energy Letters 2022 7 (8), 2725-2733, p. 2726.

GridStor has attempted to evade these risks by pointing to the safety measures they will employ to reduce these risks. *See* GridStor September 22, 2023 Letter, pp. 4-5. Staff likewise noted in its staff report to the Planning Commission that battery storage uses may be “equipped with advanced safety features to prevent and mitigate the risk associated with high voltage electricity....” Staff Report, p. 5; *see also* Staff Report, pp. 9-13 (discussing safety issues). We question these measure’s effectiveness. While Bridgeland appreciates the safety measures outlined in GridStor’s letter and the Planning Commission’s Staff Report, **respectfully, this position fundamentally ignores that catastrophic battery storage failure can occur and have frequently occurred—including by well-meaning operators taking similar safety precautions—in a way basically unheard of in electric distribution substations, the purportedly similar use.**

Further, **even assuming GridStor’s project would be perfectly safe, this Zone Determination would authorize battery storage uses throughout the M-2 zone without the need (in Staff’s opinion) for any other discretionary review at all; no guarantee exists that other operators will be as prudent or cautious.**

This risk remains real. Consider the following news articles detailing recent battery storage fires and fire-related injuries in California, Arizona, and New York, among others:

- ***Recent California Energy Storage Battery Fire Draws Renewed Attention to Storage Safety Issues***, American Public Power Association, October 17, 2022 (available at: <https://www.publicpower.org/periodical/article/recent-california-energy-storage-battery-fire-draws-renewed-attention-storage-safety-issues>):
- ***Four Firefighters Injured in Lithium-Ion Battery Energy Storage System Explosion—Arizona***, Fire Safety Research Institute, July 29, 2020 (available at: <https://fsri.org/research-update/report-four-firefighters-injured-lithium-ion-battery-energy-storage-system>).
- ***Fire Smolders at Chandler Battery Storage Facility Nearly Two Weeks Later***, Arizona Family, April 29, 2022 (available at: <https://www.azfamily.com/2022/04/30/fire-smolders-chandler-battery-storage-facility-nearly-two-weeks-later/>).
- ***Burning Concern: Energy Storage Industry Battles Battery Fires***, S&P Global Market Intelligence, May 24, 2019 (available at: <https://www.spglobal.com/marketintelligence/en/news-insights/latest-news-headlines/burning-concern-energy-storage-industry-battles-battery-fires-51900636>).
- ***Fires at New York Battery Energy Storage System Facilities Ignite State Response***, JDSupra, August 14, 2023 (available at: <https://www.jdsupra.com/legalnews/fires-at-new-york-battery-energy-2554545/>).

Given these distinct risks, the City cannot find that battery storage uses are “similar to the uses listed as permitted uses and ... compatible to those uses.” As such, it cannot permit them by right.

III. At Minimum, Battery Storage Uses Should Require a Conditional Use Permit

Battery storage uses present unique risks, including the risk of fire, explosion, and the expulsion of toxic gases. For these reasons, the City should prohibit battery storage uses in the M-2 zone. However, if the City believes that some battery storage uses should be allowed in the M-2 zone, such uses should ***not*** be permitted by right. At minimum, the City should require a CUP for battery storage uses in the M-2 Zone.

This result makes sense: Conditional use permits specifically allow the Planning Commission (or City Council on appeal) to condition the project to ensure “proper integration of the [use] into the community, which may only be suitable in specific locations....” SFSMC § 155.711; *see also* SFSMC § 155.718 (allowing for conditions of approval). Given the clear risks presented by battery storage uses, the City should require a CUP in order to ensure that any proposed battery storage project will be safe, suitably located, and appropriately conditioned to protect the community.

Indeed, a CUP is even more important because **City Staff has taken the position that no other discretionary approvals would be required beyond this Zone Determination—not even a Development Plan Approval (“DPA”).** *See* August 17, 2023 email from City Staff (stating “No Development Plan Approval is required. You’ll just get site plan approval when you submit for plan check.”). In Staff’s view, even a 9.3-acre, 10-parcel, project with tens of thousands of square feet of development can be approved ministerially. *Id.* Instead, a CUP should be required to review each battery storage project, issue appropriate conditions, and mitigate potential deleterious impacts. Any other result makes no sense.

Finally, we note that, because battery storage uses are not listed within the conditionally-permitted use chart, a text amendment or similar legislative change must be made to the municipal code in order to allow battery storage uses by CUP. While the Planning Commission (or City Council on appeal) can allow certain additional conditionally-permitted uses in the M-2 zone not already listed in the chart (i.e., without a text amendment or legislative action), the code specifically limits this ability to “commercial and service type uses.” SFSMC § 155.243(K). Battery storage uses, however, are not a commercial or service type use (unlike, for example, a bank, department store, office, supermarket, or restaurant, etc.). Accordingly, the City Council does not have the authority to allow it as a conditionally-permitted use through this or any other Zone Determination. A change to the municipal code is required first.

IV. The Community Opposes Battery Storage Projects.

At least twenty one (21) community members have submitted letters opposing the Project. These neighbors remain rightfully concerned that the Project presents unique risks dissimilar from other uses allowed in the M-2 Zone. The City Council should take these concerns to heart.

We note that there are over a hundred permitted uses in the M-2 zone. As GridStor has previously admitted, the M-2 zone conditionally permits 98 other uses as well. GridStor Letter, p. 3. Thus, any number of beneficial uses exists for this site. Thus, no hardship will be worked by denying a Zone Determination for a use that neither the law nor the community support.

V. The Project Violates the California Environmental Quality Act

The Planning Commission approved the Zone Determination in violation of the California Environmental Quality Act (“CEQA”). At the Planning Commission hearing, Staff claimed that the Zone Determination is not subject to the California Environmental Quality Act (“CEQA”) because the Zone Determination qualifies for the “common sense” exemption from CEQA. *See* CEQA Guidelines § 15061(c)(3). Staff and the City attorney argued that the Zone Determination merely constitutes an “interpretation of the existing code” and therefore does not result in a foreseeable impact on the environment.

This argument borders on the ridiculous. This is not a mere interpretation of the Code. That’s the City’s Attorney’s job. This is a discretionary hearing in which the City Planning Commission (and City Council on appeal) gets to apply discretionary findings to decide for itself whether to authorize a new use in the M-2 zone. This has all of the hallmarks of a discretionary action subject to CEQA.

More importantly, the common sense exemption only applies “[w]here it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.” CEQA Guidelines § 15061(c)(3). In the case of the commonsense exemption, the burden of proof is on the lead agency, which must support its determination with evidence in the record demonstrating that it considered the probable environmental consequences. *Muzzy Ranch Co. v. Solano Cnty. Airport Land Use Com.*, 41 Cal. 4th 372, 386 (2007). Here, staff has provided no analysis at all. Courts have found that a City’s rote, conclusory recital that the common sense exception applies does not satisfy CEQA. *Davidon Homes v. City of San Jose*, 54 Cal. App. 4th 106, 116 (1997).

In addition, the Zone Determination very much *will* have a significant effect on the environment: It will lead to the development of battery storage uses in the City. To wit: GridStor has already proposed an enormous project to take advantage of this change. No credible argument can be made that the Zone Determination will not lead to a significant effect on the environment. Accordingly, the common sense exception does not apply. Indeed, courts have struck down the use of the common sense exemption for even more speculative development. *See, e.g., Rominger v. Cnty. of Colusa*, 229 Cal. App. 4th 690, 704 (2014) (common sense exemption did not apply to tentative map subdividing parcels where new parcels would theoretically be easier to sell, lease, and develop).

VI. GridStor's Proposed Project Violates Bridgeland's Property Rights.

Bridgeland owns certain rights to use portions of the surface and subsurface of the property underlying the Project for oil and gas operations. Additionally, Bridgeland serves as the "Unit Operator" of oil and gas wells and facilities on the lands unitized for oil and gas production as the Santa Fe Springs Unit ("SFS Unit") and has certain duties that may necessitate Bridgeland's use of the Project surface or subsurface in the future. Bridgeland's rights to use the surface and subsurface of the Project are derived from certain instruments of public record.

Approving the Zone Determination would allow battery storage uses by right without any need for any additional discretionary approval. This would essentially allow GridStor to trample on Bridgeland's property rights without any City oversight at all. This cannot and should not be the law. This highlights that, at minimum, a conditional use permit should be required for battery storage uses in the City.

VII. Conclusion

Battery storage are not like electric distribution substations; nor are they similar to or compatible with any other principally permitted uses in the M-2 zone. Indeed, they are uniquely dangerous and unsafe. Bridgeland and the community agrees: the City Council should not allow battery storage uses in the M-2 zone at all, much less by right. If the City nevertheless believes that battery storage uses may be appropriate, a CUP should be required. If so, the applicant must seek a text amendment to allow battery storage as a conditionally permitted use in the M-2 zone.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'ERNEST J. GUADIANA', with a long horizontal stroke extending to the right.

ERNEST J. GUADIANA
Elkins Kalt Weintraub Reuben Gartside LLP

EJG:jdm




Tue 11/21/2023 2:31 PM

Jackson D. McNeill <JMcNeill@elkinskalt.com>

Re: Appeal of Zone Determination Case No. 2023-01

To City Clerk

Cc Alejandro De Loera; Ernest J. Guadiana; Wayne M. Morrell

 Follow up. Completed on Wednesday, November 22, 2023.



Ltr to City Council Appealing Zone Determination(5229795.3).pdf
338 KB

To Whom It May Concern:

Attached, please find our letter submitted on behalf of Bridgeland Resources LLC timely appealing the Planning Commission's approval of Zone Determination Case No. 2023-1. A paper copy will follow via overnight mail. Should you need anything else to deem this appeal complete, please let me know as soon as possible. Thank you.

Best,

Jackson D. McNeill

JMcNeill@elkinskalt.com

Direct Dial: (310) 746-4424 | Fax: (310) 746-4499 | [Download VCard](#)

Elkins Kalt Weintraub Reuben Gartside LLP

10345 W. Olympic Boulevard, Los Angeles, CA 90064

www.elkinskalt.com



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RESOLUTION NO. 9892

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS DENYING THE APPEAL OF THE PLANNING COMMISSION'S DECISION REGARDING ZONE DETERMINATION CASE NO. 2023-01 AND APPROVING ZONE DETERMINATION CASE NO. 2023-01 DETERMINING THAT A BATTERY ENERGY STORAGE SYSTEM WITH DIRECT CONNECTION TO A PUBLIC UTILITY GRID IS A SIMILAR AND COMPATIBLE USE WITH OTHER SIMILARLY PRINCIPALLY PERMITTED USES LISTED IN THE M-2, HEAVY MANUFACTURING, ZONE, AND ADOPTING A NOTICE OF EXEMPTION UNDER CEQA SECTION 15061 (B)(3) (COMMON SENSE EXEMPTION)

WHEREAS, A Zone Determination ("ZD") (Case No. 2023-01) request has been received and accepted; and

WHEREAS, on July 24, 2023, the City of Santa Fe Springs received a request from GridStor LLC for a ZD to determine that a battery energy storage system with direct connection to a public utility grid is a similar and compatible use with other similarly principally permitted uses listed in the M-2, Heavy Manufacturing, Zone ("Project"); and

WHEREAS, per Section 155.241(Y) of the City's Zoning Ordinance, the Planning Commission may, after study and deliberation, allow other similar uses as a principally permitted use if they are found not to be inconsistent with the purpose of the M-2, Heavy Manufacturing, Zone, they are similar to the uses listed as permitted uses, and they would be compatible to those uses; and

WHEREAS, the ZD (Case No. 2023-01), is an activity, but not subject to CEQA under California Environmental Quality Act (CEQA) Section 15060(c)(2), because the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment; and

WHEREAS, the ZD (Case No. 2023-01), is considered a "project" as defined by CEQA, Article 20, Section 15378(a); and

WHEREAS, the Project is exempt per CEQA Section 15061(b)(3) (Common Sense Exemption) because it can be seen with certainty that there is no possibility that a determination that a battery storage system with direct connection to a public utility grid is similar to and compatible with other permitted uses within the M-2 Zone will have a significant effect on the environment and further, the action is not an approval of a specific project; and

WHEREAS, on November 13, 2023, the Planning Commission of the City of Santa Fe Springs considered the application, the written and oral staff report, and all testimony, written and spoken, at a duly noticed public hearing; and

WHEREAS, on November 13, 2023, the Planning Commission at a duly noticed public hearing, by a 3-2 vote, approved ZD Case No. 2023-01 and determined the project was exempt from the CEQA pursuant to CEQA Section 15061(b)(3); and

WHEREAS, on November 21, 2023, in accordance with Section 155.865 of the Santa Fe Springs Municipal Code, the City Clerk's office received a formal appeal from Bridgeland Resources LLC, represented by law firm Elkins Kalt, regarding the Planning Commission's decision to approve ZD 2023-01 and the related CEQA Determination ("Appeal"); and

WHEREAS, on December 26, 2023, the City of Santa Fe Springs City Clerk's Office published a legal notice in the *Whitter Daily News*, a local paper of general circulation, indicating the date and time of the public hearing for the Appeal; and

WHEREAS, on January 11, 2024, the City Council of the City of Santa Fe Springs considered the Appeal letter, the written and oral staff report, and all testimony, written and spoken, at a duly noticed public hearing; and

WHEREAS, the City Council denied the Appeal;

WHEREAS, the City Council ratified the Planning Commission's decision to approve the Project; and

WHEREAS, the City Council determined that the Project was exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Section 15061(b)(3) (Common Sense Exemption); and

WHEREAS, the City Council approved Zone Determination Case No. 2023-01 determining that a battery energy storage system use with direct connection to a public utility grid is similar to and compatible with other similarly principally permitted uses listed in the M-2, Heavy Manufacturing, Zone and will not be inconsistent with the purpose of the M-2 Zone.

NOW THEREFORE, the City Council of the City of Santa Fe Springs hereby finds, declares and resolves as follows:

SECTION I. RECITALS

Based on staff presentations, testimony, and all other evidence presented to the City Council during the noticed public hearing of this matter, the City Council hereby finds and declares that the foregoing recitals are true and correct, and expressly incorporates them as substantive findings into this Resolution.

SECTION II. ENVIRONMENTAL FINDINGS AND DETERMINATION

The City Council find and determine that the ZD (Case No. 2023-01) is considered a “project” under the California Environmental Quality Act (CEQA); and as a result, the Project is subject to the City’s environmental review process. The Project, however, meets the criteria covered by the Common Sense Exemption found under CEQA Section 15061(b)(3).

Pursuant to Section 15061(b)(3) (Common Sense Exemption) of the California Environmental Quality Act (CEQA), the City Council hereby finds and determines that the project is exempt. The Common Sense Exemption affirms that CEQA applies only to projects that have the potential for causing a significant effect on the environment. If it can be seen with certainty that there is no possibility that the activity in question will have a significant effect on the environment, the activity is not subject to CEQA. A zone determination that a battery energy storage system with a direct connection to a public utility grid is a similar and compatible use with other similarly principally permitted uses listed in the M-2, Heavy Manufacturing, Zone will not have a significant effect on the environment. This determination is solely an interpretation of the Zoning Code and lacks the site specificity or detailed aspects of any future project for analysis. No project is being approved with the zoning determination. Therefore, with certainty, this Zone Determination cannot have a significant effect on the environment.

SECTION III. ZONE DETERMINATION FINDINGS

Pursuant to Section 155.241(Y) of the City of Santa Fe Springs Zoning Ordinance, the Planning Commission made, after study and deliberation, the findings below:

(A) That the subject use is not inconsistent with the purpose of the M-2, Heavy Manufacturing, Zone.

The purpose of the M-2, Heavy Manufacturing, Zone as stated in Section 155.240 of the City of Santa Fe Springs Zoning Ordinance is for heavy industrial uses and, among other things, to promote uniform and orderly industrial development. A proposed battery energy storage system use is not inconsistent with other industrial uses permitted in the M-2 Zone such as an electrical distribution substation. A battery storage system use is no more intense than other principally permitted uses in the M-2 Zone and is compatible with the uses of that zone. The subject use is not expected to interfere with any portion of the purpose of the M-2 Zone to create an aesthetically pleasing and desirable industrial environment. Battery energy storage system uses with direct connection to a public utility grid are well suited to comply with the aesthetic and operational requirements to fulfill and further the purpose of the M-2 Zone.

(B) That the subject use would be similar to the uses listed as permitted in the M-2, Heavy Manufacturing, Zone.

All principally permitted uses in the M-L Zone and the M-1 Zone are also principally permitted uses in the M-2 Zone per Sections 155.211(A) and 155.241(A) of the City of Santa Fe Springs Zoning Ordinance.

A proposed battery energy storage system with direct connection to a public utility grid has been determined to be similar to the following principally permitted use currently listed within the City's ML Zone:

Code Section:	Principal Permitted Uses
155.181	<u>Section 155.181</u> (N) Electric Distribution substation, electric transmission substation and public utility buildings.

The proposed use is similar to a typical electrical distribution substation in that they both involve the following features and operations:

1. Receiving transmission of electricity from transmission towers; and
2. Distributing received electricity into a public utility grid; and
3. Require supplemental equipment on-site to monitor and control the substation (i.e. circuit breakers, disconnects, safety systems, etc.); and
4. Are equipped with advanced safety features to prevent and mitigate the risk associated with high voltage electricity; and
5. Are primarily unmanned operations with the exception of occasional maintenance.

A battery energy storage system necessitates connection to electrical transmission lines for energy and subsequent distribution back into a public utility grid. This process is identical to that of a typical electric substation, with the exception that the received energy may also be stored temporarily in batteries before redistribution into the public utility grid.

Jurisdictions within Los Angeles County, including the County of Los Angeles and the City of Lancaster, permit battery energy storage system projects by-right in Industrial zones with only a ministerial (non-discretionary) site plan review. This means that approvals are granted without significant discretionary review.

The Los Angeles County Department of Regional Planning prepared and posted a memorandum titled "Subdivision and Zoning Ordinance Interpretation No. 2021-03 – Battery Electric Storage Systems," dated October 18, 2021. In this memorandum, it stated that for the purposes of land use, battery energy storage systems are most similar to electric distribution substations.

In addition to jurisdictions making the determination that energy storage systems are likened to electric distribution substations, the California Public Utilities Commission (CPUC) recognizes that energy storage systems distribute energy, much like an

electrical distribution substation would. The CPUC is the regulatory agency that oversees privately owned public utilities in the state of California.

To clarify, California Public Utilities Code section 2835(a)(1) defines an “energy storage system” to mean a commercially available technology that is capable of absorbing energy, storing it for a period of time, and thereafter dispatching the energy (Cal. Pub. Util. Code, § 2835(a)(1)). In other words, an energy storage system is designed to absorb, store, and release energy, which aligns with the functionality of a battery energy storage system.

Because a proposed battery energy storage system use is similar to an electric distribution substation, which is a permitted use in the M-2 Zone with other heavy industrial uses, it should be principally permitted in the M-2 Zone without a CUP.

(C) That the subject use would be compatible with the uses listed as permitted in the M-2, Heavy Manufacturing, Zone.

A proposed battery energy storage system is not any more intense than a typical electric distribution substation. There are several other electrical distribution substations currently within the City including at 14127 Carmenita Road, 12714 Los Nietos Road, and another at the southeast corner of Pioneer Boulevard and Rivera Road. The battery energy storage system process is similar to that of a typical electric substation with the exception that the received energy may also be stored for a period of time in the batteries prior to being distributed back into the public utility grid.

Screening, setbacks, landscaping and other development standards typical with an electrical distribution substation will be required for any battery energy storage system. Strict compliance to the development standards and state regulatory procedures will ensure that battery energy storage system uses with direct connection to a public utility grid will be compatible with other uses permitted in the zone.

Noise and visual impacts associated with the use will be minimized by utilizing enclosure units and proper screening throughout any site. All construction and permitting related to the project will be reviewed by the Planning, Building, and Fire Department. As such, all Zoning, Building, and Fire safety codes will be met. Additionally, the battery energy storage system will be monitored and controlled at a level similar to a typical electric substation.

SECTION IV. CITY COUNCIL ACTION

The City Council hereby adopts this Resolution No. 9892 ratifying the Planning Commission’s decision, determining that the Project is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) (Common Sense Exemption), and approving ZD Case No. 2023-01 determining that a battery energy storage system with direct

connection to a public utility grid is a similar and compatible use with other similarly principally permitted uses listed in the M-2, Heavy Manufacturing, Zone.

APPROVED and ADOPTED this **11th** day of **January, 2024**, by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Jay Sarno, Mayor

ATTEST:

Janet Martinez, CMC, City Clerk



CITY OF SANTA FE SPRINGS

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: René Bobadilla, P.E., City Manager

BY: Fernando N. Muñoz, Deputy City Clerk

SUBJECT: APPOINTMENTS TO CITY COMMISSIONS/COMMITTEES AND EXTERNAL ORGANIZATIONS

DATE: January 11, 2024

RECOMMENDATION(S):

It is recommended that the City Council:

- 1) Review and make appointments to City commissions and committees as desired; and
- 2) Review and make appointments to City Council liaisons to advisory committees as desired; and
- 3) Review and make appointments to City Council subcommittees as desired; and
- 4) Review and make appointments to external organizations as desired; and
- 5) Take such additional, related, action that may be desirable.

FISCAL IMPACT

None.

BACKGROUND AND DISCUSSION

Each year upon City Council reorganization, the City Council is presented with an opportunity to make appointments to City commissions and committees, City Council liaisons to advisory committees, City Council subcommittees, and external organizations.

Appointments to City Commissions/Committees and External Organizations

Page 2 of 3

City Commissions and Committees

Attachment A is a chart of City commissions and committees and their current membership. The City Council may review and revise or appoint additional members as indicated on the chart.

Liaisons to Advisory Committees

A City Council member has been designated to serve as a liaison to each City commission or committee. The purpose of a liaison is to facilitate communication and connection between the City Council and the commission or committee.

Council Subcommittees

Council subcommittees are created to discuss ongoing items under their jurisdiction which are standing committees or temporary specific to a topic and limited in duration, which are ad hoc committees. Subcommittees consist of no more than two Council members. Attachment C is a chart of the subcommittees for 2023 for the City Council's review.

Regarding the ad hoc committees relating to the budget for Fiscal Year 2024-2025, one or more budget study sessions will be held for the full City Council. Additionally, the billboard ad hoc committee has fulfilled its scope and is no longer needed.

Appointments to External Organizations

Attachment D is a chart of external organizations to which a Council member may be appointed as a delegate and another Council member as an alternate, as indicated in the chart. Certain external appointments require the Mayor to be appointed as the delegate.

ENVIRONMENTAL

None.

SUMMARY/NEXT STEPS

Appointments are effective immediately.

ATTACHMENT(S):

- Attachment A – City Advisory Commissions and Committees
- Attachment B – City Council Liaisons to Advisory Committees
- Attachment C – 2023 City Council Subcommittees
- Attachment D – External Organizations

Appointments to City Commissions/Committees and External Organizations

Page 3 of 3

ITEM STATUS:

APPROVED: ☐

DENIED: ☐

TABLED: ☐

DIRECTION GIVEN: ☐

Prospective Members for Various Committees/Commissions

Historical & Community Preservation

Family & Human Services

Heritage Arts

Personnel Advisory Board

Parks & Recreation

Planning Commission

Senior

Traffic Commission

Youth Leadership

HISTORICAL & COMMUNITY PRESERVATION COMMITTEE

Meets the fourth Wednesday of each month

9:30 a.m., Library Community Room

Qualifications: 18 Years of age, reside or active in the City

Membership: 20 Residents appointed by City Council

Council Liaison: Vacant

APPOINTED BY	NAME	TERM EXPIRES DEC 31, 2024
Rounds	Vacant Vacant Vacant Vacant	
Zamora	Hilda Zamora* Marina Gurrola Mary Arias Vacant	
Sarno	Vacant Sally Gaitan* Jeannette Lizarraga Vacant	
Rodriguez	Elena Lopez* Mark Scoggins Gloria Maghame Vacant	
Martin	Vacant Vacant Vacant Vacant	

FAMILY & HUMAN SERVICES ADVISORY COMMITTEE

Meets the third Wednesday of the month, except Jun., Sept., and Dec., at 5:45 p.m.,
Gus Velasco Neighborhood Center

Qualifications: 18 Years of age, reside or active in the City

Membership: 15 Residents Appointed by City Council
5 Social Service Agency Representatives Appointed by the
Committee

Council Liaison: Sarno

APPOINTED BY	NAME	TERM EXPIRES DEC 31, 2024
Rounds	Vacant Gilbert Aguirre Vacant	
Zamora	Francis Carbajal* Gabriela Garcia Christina Colón	
Sarno	Janie Aguirre Peggy Radoumis Dolores Duran	
Rodriguez	Adrianne Karnofel Elena Lopez* Vacant	
Martin	Bonnie Fox Laurie Rios* Kerry Ann Cobos	

**Indicates person currently serves on three committees*

HERITAGE ARTS ADVISORY COMMITTEE

Meets the Last Tuesday of the month, except Dec., at 9:00 a.m., at the Gus Velasco Neighborhood Center Room 1

Qualifications: 18 Years of age, reside or active in the City

Membership: 9 Voting Members
 6 Non-Voting Members

APPOINTED BY	NAME	TERM EXPIRES DEC 31, 2024
Rounds	John Mora*	
Zamora	Hilda Zamora*	
Sarno	Peggy Radoumis	
Rodriguez	Francis Carbajal*	
Martin	Sally Gaitan*	

Committee Representatives

Family and Human Services Committee
Historical & Comm. Preservation Committee
Planning Commission
Chamber of Commerce

Elena Lopez*
Gloria Maghame
Gabriel Jimenez
Debbie Baker

Council/Staff Representatives

Council Liaison
Council Alternate
City Manager
Director of Community Services
Director of Planning

Bill Rounds
Vacant
René Bobadilla
Maricela Balderas
Wayne Morrell

**Indicates person currently serves on three committees*

PARKS & RECREATION ADVISORY COMMITTEE

Meets the First Wednesday of the month, except Jul., Aug., and Dec., 6:30 p.m.,
Town Center Hall, Meeting Room #1

Subcommittee Meets at 5:30 p.m.

Qualifications: 18 Years of age, reside or active in the City

Membership: 25

Council Liaison: Rounds

APPOINTED BY	NAME	TERM EXPIRES DEC 31, 2024
Rounds	David (Kurt) Hamra Joe Avila Vacant Vacant Vacant	
Zamora	Vacant John Mora* Vacant Vacant Vacant	
Sarno	Dani Cook Kerry Ann Cobos Vacant Mark Scoggins Vacant	
Rodriguez	Priscilla Rodriguez Lisa Garcia Johnny Hernandez Isabel Cervantes Vacant	
Martin	Elizabeth Ford Andrea Lopez Nancy Krueger Dolores Romero Mary Anderson	

**Indicates person currently serves on three committees*

PLANNING COMMISSION

Meets the second Monday of every Month at 4:30 p.m.,
Council Chambers
Qualifications: 18 Years of age, reside or active in the City
Membership: 5

APPOINTED BY		NAME
Rounds		David Ayala
Sarno		Joseph Flores
Rodriguez		Francis Carbajal*
Martin		John Mora*
Zamora		Gabriel Jimenez

SENIOR ADVISORY COMMITTEE

Meets the Second Tuesday of the month, except Jun., Sep., and Dec., at 9:30 a.m.,
Gus Velasco Neighborhood Center

Qualifications: 18 Years of age, reside or active in the City

Membership: 25

Council Liaison: Sarno

APPOINTED BY	NAME	TERM EXPIRES DEC 31, 2024
Rounds	Astrid Shesterkin Dolores Romero Paul Nakamura Yoko Nakamura Vacant	
Zamora	Hilda Zamora* Josefina Lara Vacant Vacant Vacant	
Sarno	Gilbert Aguirre Janie Aguirre Bonnie Fox Vacant Vacant	
Rodriguez	Johnny Hernandez Vacant Vacant Vacant Vacant	
Martin	Dolores Duran Vacant Nancy Krueger Vacant Vacant	

**Indicates person currently serves on three committees*

TRAFFIC COMMISSION

Meets the Third Thursday of every month, at 6:00 p.m., Council Chambers

Membership: 5

Qualifications: 18 Years of age, reside or active in the City

APPOINTED BY

NAME

Rounds

Sally Gaitan*

Sarno

Johana Coca

Rodriguez

Felix Miranda

Martin

Vacant

Zamora

Blake Carter

YOUTH LEADERSHIP COMMITTEE

Meets the First Monday of every month, at 6:30 p.m., Gus Velasco Neighborhood Center

Qualifications: Ages 13-18, reside in Santa Fe Springs

Membership: 20

Council Liaison: Martin

APPOINTED BY	NAME	TERM EXPIRES DEC 31, 2024
Rounds	Jilliana Casillas Jaeleen Casillas Sophie Pantoja Vacant	
Zamora	Vanessa Doss Valerie Gamboa Vacant Vacant	
Sarno	Vacant Valerie Bojorquez Vacant Vacant	
Rodriguez	Zulema Gamboa Jisel Morales Mikaela Oliva Vacant	
Martin	Alan Duque Vacant Vacant Vacant	

Ineligible Members for Various Committees/Commissions

Historical & Community Preservation

Julie Garcia (*until December 2023*)

Blake Carter (*until April 2024*)

Maria Salazar (*until April 2024*)

Family & Human Services

Miriam Herrera (*until April 2024*)

Heritage Arts

Maria Salazar (*until February 2024*)

Laurie Rios (*until March 2024*)

Personnel Advisory Board

Parks & Recreation

Jeannette Lizarraga (*until May 2024*)

Ralph Aranda (*until March 2024*)

Eddie Barrios(*until April 2024*)

William Logan (*until May 2024*)

Planning Commission

Senior

Traffic Commission

Linda Vallejo (*until March 2024*)

Youth Leadership

2023 Council Appointed City Committees/Commissions

Organization	Council Liaison	Executive Secretary	Meeting Frequency	Meeting Date	Meeting Time	Meeting Location
Historical & Community Preservation	Vacant	Deborah Raia Sec. - Gladys Magaña	Monthly except July, Aug, Dec	4th Wed	9:30 AM	Town Center
Family & Human Services Advisory Committee	Sarno	Ed Ramirez/ Jose Carrillo Sec. - Jasmine Oregel	Monthly except Sept/Dec.	3rd Wed of the month	5:45 PM	Gus Velasco Neighborhood Center
Heritage Arts Advisory Committee	Rounds	Ed Ramirez Sec. - Immanuel C.	Monthly except Dec	Last Tues	9:00 AM	Gus Velasco Neighborhood Center
Parks & Recreation Advisory Committee	Rounds	Gustavo Hernandez/Leanne Iezza/ Sec. - Esmeralda Elise	Monthly except Jul, Aug, Dec	1st Wed	6:30 PM Subcom 6:00 pm	Town Center Hall Mtg Room #1
Senior Advisory Committee	Sarno	Jose Carillo/Ed Ramirez Sec. - Jasmine Oregel	Monthly except Sept./Dec.	2nd Tues of the month	9:30 AM	Gus Velasco Neighborhood Center
Youth Leadership Committee	Martin	Wayne Bergeron/ Manny Cantu Sec. - Esmeralda Elise	Monthly except July	1st Mon	6:30 PM	Town Center

2023 Council Sub-Committees		
NAME	TYPE	MEMBERS
Audit/Finance Committee	Standing	Sarno Rounds
Billboards	Ad Hoc	Rounds Sarno
Budget Events and Programs	Ad Hoc	Rounds Rodriguez
Budget Revenue and Fees	Ad Hoc	Sarno Zamora
Capital Improvements Projects	Standing	Rounds Sarno
Whittier PD Contract	Ad Hoc	Rounds Sarno
Parcel Tax on 2024 Ballot (formed in November 2023)	Ad Hoc	Martin Sarno

2023 External Organizations

Organization	Council Liaison	Staff Representative	Meeting Day	Meeting Time	Stipend	Meeting Location
California Contract Cities Association	Martin	N/A	3rd Wed	6:00pm	N/A	17315 Studebaker Rd, Suite 210, Cerritos CA
Chamber Youth Enrichment Fund Board	Rounds	N/A	2nd Wed bi-month	1:00pm	N/A	Chamber Office
City Selection Committee (League of Cal Cities) (Mayor is Rep)	Mayor Vacant - Alt	N/A			N/A	
Gateway Cities Council of Governments	Martin Alt-Sarno	N/A	1st Wed	6:00pm	\$125.00 per mtg.	16401 Paramount, 2nd Floor, Board Room, Paramount
91/605/405 Committee (Subcommittee of COG)	Martin	N/A	4th Wed	6:00pm	\$100.00 per mtg.	Gateway COG, 16401 Paramount Bl, Paramount
I-5 Consortium Policy Board	Sarno Alt-Rounds	CM for Admin Meeting (2nd Wednesday)	4th Mon	2:00pm	\$150.00 per mtg.	Norwalk City Hall, 12700 Norwalk Blvd, Norwalk
Joint Powers Insurance Authority	Sarno Vacant - Alt	N/A	3rd Wed in Jul	6:00pm Dinner 7:00pm Meeting	\$100.00 per mtg.	JPIA Offices, 8081 Moody, La Palma
LA CADA	Vacant	N/A	Last Wed	7:00pm	N/A	Allen House, 10425 Painter Ave, SFS
League of California Cities	Martin Alt-Sarno	N/A	1st Thur	6:30pm	N/A	MWD Courtyard Café, 700 N. Alameda, LA
Sanitation District (Mayor is Rep)	Mayor Martin Alt-Rounds	N/A	4th Wed	1:30pm	\$125.00 per mtg.	1955 Workman Mill Rd, Whittier
SFHS Education Foundation	Sarno	N/A	Twice a year	Varies	N/A	SFHS

2023 External Organizations

Organization	Council Liaison	Staff Representative	Meeting Day	Meeting Time	Stipend	Meeting Location
SASSFA	Rounds Alt - Vacant	Maricela Balderas	4th Thur	12:00pm	N/A	10400 Pioneer Blvd. #9 SFS
SEAACA	Martin Alt- Rounds	Dino Torres	3rd Thur	2:00pm	\$225.00 per mtg.	9777 SEAACA Way, Downey
Southeast Water Coalition Board	Sarno	N/A	1st Thur of every even mo.	6:30pm Dinner 7:00pm	\$150.00 per mtg.	City of Vernon City Hall
Southern California Association of Governments (SCAG)	Martin Alt - Vacant	N/A	Annual Meeting in May or June	May	N/A	900 Wilshire Blvd Ste. 1700 Los Angeles, CA 90017
Vector Control Appt can be for 2 or 4 yrs.	Rounds	N/A	Mar 2021- Mar 2025		\$100.00 per mtg.	12545 Florence Ave SFS, CA 90670



CITY OF SANTA FE SPRINGS
CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: René Bobadilla, P.E., City Manager

BY: James Enriquez, P.E., Director of Public Works

SUBJECT: AMENDMENT NO. 2 TO THE COOPERATIVE AND FUNDING AGREEMENT WITH METRO FOR THE ROSECRANS / MARQUARDT GRADE SEPARATION PROJECT

DATE: January 11, 2024

RECOMMENDATION:

It is recommended that the City Council:

- 1) Authorize the Mayor to sign Amendment No. 2 to the Cooperative and Funding Agreement for the Rosecrans/Marquardt Grade Separation Project between the Los Angeles County Metropolitan Transportation Authority and the City of Santa Fe Springs; and
- 2) Approve a Professional Services Agreement with RailPros, Inc. to provide rail road flagging services for the Rosecrans Marquardt Grade Separation Project; and
- 3) Take such additional, related action that may be desirable.

FISCAL IMPACT

The City will be reimbursed by Metro up to \$1,000,000 for BNSF related flagging costs to the Project. Costs that exceed this amount may be reimbursed with written justification by the City and approval by Metro.

BACKGROUND

As per BNSF Guidelines, a flagman is required when performing any work within 25 feet of the centerline of any track. Construction work is prohibited within 50 feet of the track centerline during the passage of a train, and all personnel must clear the area within 25 feet of the track centerline and secure all equipment in the presence of trains.

CITY COUNCIL AGENDA REPORT – MEETING OF JANUARY 11, 2024
**METRO COOPERATIVE AND FUNDING AGREEMENT AMENDMENT NO. 2 FOR
THE ROSECRANS / MARQUARDT GRADE SEPARATION PROJECT**
Page 2 of 3

As per the executed Construction & Maintenance (C&M) Agreement for the project between BNSF, LA Metro, and the City of Santa Fe Springs dated March 22, 2018, BNSF committed to providing Metro's Contractor with the services of one or more BNSF flagmen during each workday of the construction phase, as required by Metro's Contractor. However, BNSF notified Metro via an email dated October 2, 2022, that BNSF had transitioned from performing railroad flagging to contracted flagging with RailPros Inc. Consequently, Metro needed to engage RailPros through the Metro Regional Rail On-call Services to perform flagging services during the construction of the Rosecrans/Marquardt Overpass at BNSF's San Bernardino Subdivision, M.P. 157.81, U.S. D.O.T No. 967635B.

Metro Regional Rail, under their On-Call Program, had been issuing task orders to RailPros and AECOM to carry out railroad flagging services for the Rosecrans project. Both companies received a Notice to Proceed to provide flagging services in support of assigned construction tasks. RailPros commenced operations on January 9, 2023, with their flagging support anticipated to conclude by the first week of May 2023. Subsequently, AECOM sought BNSF's approval to initiate flagging services, but BNSF declined to approve AECOM or their subconsultant (Kleinfelder) for providing railroad flagging on BNSF property, stipulating that only RailPros would be permitted to conduct flagging services within BNSF's railroad right-of-way.

Since BNSF withheld approval for AECOM to proceed with flagging services, Metro continued with RailPros, extending their period of performance for flagging services until November 17, 2023. As of now, the entire flagging budget under Metro's contract has been exhausted and Metro can no longer utilize RailPros services via their Regional Rail On-call Services contract. They will be required to rebid the services and the time for the bidding process will result in a construction delay. Metro has requested that the city contract directly with RailPros and will reimburse the city.

Amendment No. 2 to the Metro Cooperative and Funding Agreement for the project allows for the City to take over the flagging scope of services for the project, along with the ability to be 100% reimbursed by Metro for the services that are required for the project.

The Professional Services Agreement (PSA) with RailPros allows for a seamless transition of services for the project. RailPros will continue with the work, and the City of Santa Fe Springs will be 100% reimbursed via the Metro Rosecrans Marquardt MOU Amendment 2, which allows up to \$1 million in total reimbursement.

ENVIRONMENTAL

Not applicable.

DISCUSSION

Metro has requested that the City contract directly with RailPros for the rail road flagging services for the project in order to ensure uninterrupted flagging services in support of the construction of the project. The City will be reimbursed by Metro 100% of this cost. Contracting directly by the City will ensure no interruption in services that would likely occur if Metro is required to solicit bids for these services.

SUMMARY/NEXT STEPS

Upon the approval of the City Council of the recommended actions, City staff will coordinate with Metro and the Project Team the delivery uninterrupted rail road flagging services for the project.

ATTACHMENT(S):

- A. Attachment A – Cooperative Agreement
- B. Attachment B – Amendment No. 2
- C. Attachment C – Professional Services Agreement between the City and RailPros

<u>ITEM STATUS:</u>	
APPROVED:	<input type="checkbox"/>
DENIED:	<input type="checkbox"/>
TABLED:	<input type="checkbox"/>
DIRECTION GIVEN:	<input type="checkbox"/>



Metro

Los Angeles County
Metropolitan Transportation Authority

One Gateway Plaza
Los Angeles, CA 90012-2952

213.922.2000 Tel
metro.net

ATTACHMENT A

July 13, 2018

Mr. Noe Negrete
Director of Public Works
City of Santa Fe Springs
11710 E. Telegraph Road
Los Angeles, CA 90670

SUBJECT: Cooperative and Funding Agreement
Rosecrans/Marquardt Grade Separation Project

Dear Noe:

Enclosed please find the fully executed set of agreements for your records

For further information or additional questions regarding this item, please do not hesitate to contact me at (213) 418-3219.

Best regards,

Dan Mahgerefth
Director, Engineering
Los Angeles County Metropolitan Transportation Authority

Attachment – Cooperative and Funding Agreement
Rosecrans/Marquardt Grade Separation Project

COOPERATIVE AND FUNDING AGREEMENT
FOR
THE ROSECRANS/MARQUARDT GRADE SEPARATION PROJECT

BY AND BETWEEN
LOS ANGELES COUNTY
METROPOLITAN TRANSPORTATION AUTHORITY

AND
THE CITY OF SANTA FE SPRINGS

Dated July 13, 2018

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**COOPERATIVE AND FUNDING
AGREEMENT FOR
THE ROSECRANS/MARQUARDT GRADE SEPARATION PROJECT**

BY AND BETWEEN
THE CITY OF SANTA FE SPRINGS
AND
LOS ANGELES COUNTY
METROPOLITAN TRANSPORTATION AUTHORITY

THIS COOPERATIVE AND FUNDING AGREEMENT FOR THE ROSECRANS/MARQUARDT GRADE SEPARATION PROJECT ("**Agreement**") dated July 13, 2018 is made by and between the City of Santa Fe Springs, a California municipal corporation in the State of California (the "**City**"), and the Los Angeles County Metropolitan Transportation Authority, a local public entity in the State of California ("**LACMTA**"). As used in this Agreement, terms identified by initial capital letters shall have the meanings set forth in Article 1, or as elsewhere provided in this Agreement.

RECITALS

- A. LACMTA is a public entity created pursuant to California Public Utilities Code Section 130050.2 et. seq. by the California State Legislature for the purpose of design, construction, and operation of rail and bus transit systems and facilities in Los Angeles and the public entity responsible for transportation planning and programming in Los Angeles County.
- B. In collaboration with several southern California agencies and with a combination of funds and funding sources including, but not limited to, Measure R, Proposition 1A through the California High Speed Rail Authority ("**CHSRA**"), Burlington Northern Santa Fe (BNSF) Railway ("**BNSF**"), CPUC Section 190 program through City, Transportation Investment Generating Economic Recovery (TIGER) funds, and California Department of Transportation Division of Rail ("**Caltrans**") (collectively, the "**Funding Entities**") LACMTA proposes to oversee and manage the design and construction of facilities necessary and convenient for the grade separation of the intersection of Rosecrans Avenue and Marquardt Avenue and the BNSF owned railroad corridor located in City and more particularly described below (the "**Project**") with the understanding that the Project is not part of the LACMTA system.
- C. The Project will include the construction of certain improvements (the "**Overpass**") to grade separate Rosecrans Avenue, Marquardt Avenue, and the BNSF owned railroad corridor in the City of Santa Fe Springs. The goals of the Project include the following:
 - (1) Improve safety by separating vehicular and pedestrian traffic from rail traffic to

alleviate the current and potential impacts at the railroad crossing; (2) Enhance mobility and quality of life for the community; and (3) Minimize disruption to residents, businesses, and the community during construction by designing and building an elevated overpass for Rosecrans Avenue. The Project is located at milepost 157.8 on the BNSF San Bernardino Subdivision and BNSF owns and operates the railroad corridor that crosses through City as more particularly described in Exhibit A.

The existing Rosecrans Avenue, Marquardt Avenue grade crossing, U.S. D.O.T. No. 027656A, C.P.U.C. Crossing No. 002-157.80, will be closed permanently and removed upon completion of construction and installation of the Grade Separation.

- D. The City is a California municipal government created pursuant to the California State Constitution for many purposes including, but not limited to, the design, construction and operation of transportation facilities in the City. The City intends, by this Agreement, to facilitate the implementation of the Project, and the design and construction of all Project facilities located within the City or otherwise subject to its jurisdiction, including possible rearrangement of some portions of City Facilities.
- E. BNSF, City and LACMTA will concurrently herewith enter into that certain Rosecrans Marquardt Grade Separation Construction and Maintenance Agreement (the "**C&M Agreement**"), which describes each party's roles and responsibilities in the design, construction and implementation of the Project and the City's operation and maintenance obligations with respect to the Overpass; as a result, the Parties acknowledge and agree that the C&M Agreement governs the subject matter thereof, and this Agreement is intended solely to authorize LACMTA to acquire property and design and construct the Project on behalf of the City, and to govern certain funding obligations of the City (to the extent the City receives CPUC Section 190 funds from the State of California) with respect to the Project, and to address certain matters relating to cooperation between LACMTA and the City with respect to the Project. Therefore, City's and LACMTA's requirements with respect to the design and construction of the Project, City rights with respect to review and approval of the design of the Project, inspection of the construction of the Project, and ongoing maintenance and repair obligations of the City with respect to the completed Project, among other things, are set forth in the C&M Agreement and not in this Agreement.
- F. The construction of the Project may require the Rearrangement of all or portions of certain City Facilities. City and LACMTA desire to cooperate so that such Rearrangements are consistent with City requirements and facilitate the construction of the Project. City acknowledges that it has rights of review and approval of the Plans and Specifications for the Project pursuant to, and subject to the terms and conditions of, the C&M Agreement.

NOW, THEREFORE, in consideration of the covenants contained herein and for other good and valuable consideration, the receipt and adequacy of which are hereby

acknowledged, City and LACMTA agree to the terms and conditions of this Agreement, as follows:

ARTICLE 1 GENERAL PROVISIONS

1.1 Scope of Agreement

This Agreement specifies certain procedures that LACMTA and City will follow in identifying, planning, designing and effecting the Project in the City, including (a) the Rearrangements of City Facilities and other impacts of the Project in order for LACMTA to design and construct the Project within the City, (b) the manner in which both LACMTA and City will cooperate and coordinate with the other in activities covered by this Agreement and any supplemental agreements hereto, and (c) the City's funding obligations with respect to the Project (to the extent of CPUC Section 190 Funds). Further, City agrees to assist LACMTA by providing engineering, technical, analytical, and administrative support services with respect to building and safety, landscaping, street lighting, transportation, civil engineering, public works inspection, fire/life safety, police protection and other areas deemed necessary by the City and LACMTA to successfully implement construction of the Project within the terms provided herein. LACMTA agrees to secure all required permits and approvals, and make all arrangements for the relocation and/or installation of all facilities owned by private persons, companies, corporations, political subdivisions or public utilities which may be necessary for the construction of the Project. Finally, City agrees to designate the Project as comprising a high priority public works project under the City, and to provide LACMTA with expedited review and approval procedures in connection with design, permitting, and other project services to be exercised by the City with respect to the portions of the Project within the City Right-of-Way or Conflicting Facilities.

The terms and conditions of this Agreement shall not negate or otherwise modify the terms and conditions of any existing easements, licenses or other use and/or occupancy agreements between City and any former owner of real property now or hereafter owned by LACMTA, and to which LACMTA has become or hereafter becomes a successor either by assignment or by operation of law.

1.2 Duration of Agreement

The initial term of this Agreement (the "**Initial Term**") shall commence on the Effective Date and shall continue in effect until the completion of each Party's obligations hereunder. The Parties shall have no right to terminate this Agreement prior to the completion of their respective duties and responsibilities hereunder except in connection with a termination of the C&M Agreement in accordance with the terms

thereof. If either Party fails to perform its obligations hereunder for the term of this Agreement, the other Party shall have all of its rights and remedies under law or in equity. Neither the termination nor expiration of this Agreement will release any party from any liability or obligation under this Agreement, whether of indemnity or otherwise, resulting from any acts, omissions or events happening prior to the date of termination or expiration.

1.3 Conditions Precedent

It shall be a condition precedent to the obligations of LACMTA and its performance hereunder that LACMTA has received the necessary appropriations, subsidies, grants, payments and/or contractual commitments from the Funding Entities necessary for it to perform such obligations under this Agreement.

1.4 Definitions

For the purpose of this Agreement, the following terms shall have the meanings set forth below:

1.4.1 Abandonment is defined as the permanent termination of service or removal of an existing City Facility or portion thereof, and, if the City Facility or portion thereof is not being removed from its existing location, the work necessary to safely permit such City Facility to remain in place in accordance with applicable Law and/or City Standards.

1.4.2 Betterment(s) means (i) any upgrading of the facility in the course of a Rearrangement that is not incorporated into the Design as defined in Section 1.4.11 and as more thoroughly described in Article 4 of this Agreement, attributable to the Construction of the Project and is made solely for the benefit of and at the election of the City, including an increase in the capacity, capability, efficiency or function of a Conflicting Facility over that which was provided by the corresponding Conflicting Facility; or (ii) any enhancement or upgrade to the Project from the requirements set forth in the Approved Plans that City requests. Betterments shall be entirely financed at the expense of City, subject to the provisions herein regarding reimbursement to the City from the Project budget. LACMTA shall not unreasonably withhold its consent for Betterments provided there is no impact on the schedule or cost of completing the Project. Notwithstanding the foregoing, none of the following shall be considered Betterments:

(a) An upgrade, to which the Parties mutually agree, is necessary for the Construction, operation or maintenance of the Project;

(b) An upgrade required by applicable Law;

(c) Measures to mitigate environmental or other impacts of the Project arising from the construction or operation or maintenance of the Project, including measures identified in the Project's Environmental Assessment (EA) or any supplemental or addenda environmental reports or any kind ("Environmental Documents"), and also including any other measures agreed to by LACMTA as appropriate for the construction or operation or maintenance of the Project, regardless of whether they are identified in the Environmental Documents;

(d) Replacement devices or materials that are used for reasons of economy (e.g., non-stocked items may be uneconomical to purchase);

(e) Replacement of devices or materials no longer regularly manufactured with the next highest grade or size; or

(f) Any upgrade required by applicable City Standards.

1.4.3 City is defined as the City of Santa Fe Springs, California, including, but not limited to, City Council members, its officers, boards, commissions, departments, divisions, employees, staff and agents.

1.4.4 City Facility is defined as any real or personal property located within or immediately adjacent to the Right-of-Way or other locations that is owned or under the exclusive operation of City and that impact the functionality of the system. City Facility includes, but is not limited to, structures, improvements, and other properties, which are under the ownership or operating jurisdiction of City, and shall include, but not be limited to, public streets, parkways, curbs, curb ramps, sidewalks, highways, bridges, retaining walls, alleys, storm drains, sanitary sewers, water distribution systems, utilities, street poles, street lights, signals, signs, markers, water lines, survey monuments, parking lots, parking spaces, parks, public landscaping and trees, traffic control devices, lighting equipment, fiber optic and other telecommunication or related facilities, fire hydrant and fire suppression systems and all other City owned or operated sub-structures of any kind.

1.4.5 City Representative is defined as the person designated by the City Manager to represent the City and shall manage and coordinate interactions between the City and LACMTA and who has the power to conduct meetings and reviews and approves actions, as required by this Agreement, on behalf of the City.

1.4.6 City Right-of-Way is defined as public streets and public easements as per applicable legal documents owned by the City, whether title is held in fee, easement, right-of way, or otherwise authorized by law.

1.4.7 City Standards is defined as the City's published rules, codes and ordinances in effect on the effective date of this Agreement that affect the design and construction of the Project, including but not limited to the provisions of Section 2.1 below and:

- (a) The Standard Specifications for Public Works Construction (SSPWC);
- (b) The Special Provisions and Standard Drawings for the Installation and Modification of Traffic Signals, including amendments;
- (c) The California Manual on Uniform Traffic Control Devices (MUTCD) and the American National Standard Practice for Roadway Lighting, ANSI/IESNA RP8-2000;
- (d) The latest Caltrans Standard Plans and Standard Specifications and all applicable Caltrans directives;
- (e) Applicable Caltrans Traffic Operations Policy Directives;
- (f) Caltrans Highway Design Manual;
- (g) City of Santa Fe Springs Standard Plans; and
- (h) BNSF's Standard Plans & Requirements (to the extent applicable pursuant to the C&M Agreement).

1.4.8 Conflicting Facility is defined as an existing City Facility which City and LACMTA determine is so situated within or immediately adjacent to the Right-of-Way as to require Rearrangement in order to construct, operate or maintain the Project without adversely impacting the access, use and maintenance of that City Facility.

1.4.9 Construction is defined as work of removal, demolition, replacement, restoration, alteration, realignment, building, fabrication, landscaping, support or relocation, of all new and existing facilities to be constructed, systems, and equipment to be procured and installed that are necessary to build, operate and maintain the Project.

1.4.10 Days is defined as calendar business days unless specified otherwise in this Agreement.

1.4.11 Design is defined as the engineering and architectural, and other design work and the resulting maps, plans, drawings, computer software, estimates, specifications, special provisions, calculations, computer software and estimates related to the design of the Replacement Facilities, which are necessary for the Construction of the Project.

1.4.12 Design Review is defined as the process of evaluation of Design documents, plans and specifications by the City and LACMTA that are developed by consultants which are necessary for the construction of Betterments, a Replacement Facility or portions of the Project within City Right-of-Way.

Design Reviews shall be conducted at the following Plan Specifications & Engineering (PS&E) critical milestones:

- (i) 65% PS&E Design (65% complete);
- (ii) 90% PS&E Design (90% complete); and
- (iii) 100% Final Design (100% complete and issued for Construction).

City may be asked by LACMTA from time to time to review Advanced Partial Design Submittals. City shall make all pertinent comments to the Design documents at the critical milestones and verify the Final Design.

Construction of Replacement Facilities shall not begin until the City verifies the Final Design submittal for such applicable Rearrangement work within City Right-of-Way or with respect to Replacement Facilities. City has made all pertinent comments to the Design documents at the Initial Design and Pre-Final Design stages and will verify at the Final Design stage that such comments have been satisfactorily addressed by LACMTA.

1.4.13 Design Freeze is the date and stage of Design when Design is frozen for the purpose of procuring the contractor who will construct the Project (which is the date on which the 65% PS&E Design was completed). The 65% PS&E Design has been completed prior to the date hereof and such 65% PS&E Design has reflected all current applicable City ordinances and laws, and has incorporated all City comments on such Design. All standards, laws or applicable criteria by the City or other local jurisdiction shall be frozen at the Design Freeze date so that the Design does not need to comply with any subsequent changes in such standards, laws or criteria.

1.4.14 Dispute has the meaning set forth in Article 13.

1.4.15 Effective Date is defined as the date on which this Agreement has been fully executed on behalf of both LACMTA and City, after having been approved by the City Council of the City and the Board of Directors of LACMTA.

1.4.16 Facility is defined as real or personal property now or in the future to be located within the City Right-of-Way of the Project for the purpose of providing service to the public, including but not limited to, public streets, highways, bridges and alleys, storm drains, sanitary sewers, parking lots, parks, public landscaping and trees, traffic control devices/systems, street lighting systems, easements, recreational facilities, and any equipment, apparatus and/or structure and substructures appurtenant thereto or

associated therewith.

1.4.17 General Contract is defined as the general contract between LACMTA and LACMTA's general contractor with respect to the Construction of the Project.

1.4.16 Governmental Authority is defined as any government or political subdivision, whether federal, state, or local, or any agency or instrumentality of any such government or political subdivision, or any federal, state, or local court or arbitrator, other than City and/or LACMTA.

1.4.17 LACMTA is defined as a public entity created pursuant to California Public Utilities Code Section 130050.2 et. seq. by the California State including but not limited to, its officers, boards, commissions, departments, divisions, employees, staff and agents.

1.4.18 LACMTA Representative is defined as the person designated by the Chief Executive Officer for LACMTA, or his/her representative who has been authorized in writing by the Chief Executive Officer, to conduct meetings, execute work orders, and reviews and approves actions, as required by this Agreement.

1.4.19 Laws is defined as any law, rule, regulation, ordinance, statute, code or other requirement of City, LACMTA, or any Governmental Authority.

1.4.20 Parties is defined as LACMTA and City, collectively, and a "Party" is defined as LACMTA or City, individually.

1.4.21 Project has the meaning set forth in Recital C.

1.4.22 Rearrangement is defined as the removal, replacement, encasement, restoration, alteration, reconstruction, support or relocation of a Conflicting Facility or portion thereof, whether permanent or temporary, which LACMTA and City determine must be rearranged in order to construct or maintain the Project.

1.4.23 Replacement Facility is defined as a facility, which, if determined by City to be necessary, shall be constructed as a consequence of the Rearrangement of a Conflicting Facility or portion thereof.

1.4.24 Right-of-Entry (ROE) is defined as the process through which the City will grant LACMTA and its contractors the right to enter the City's right of way areas required to construct, operate and maintain the Facilities and systems that comprise the Project.

1.4.25 Street Lighting System is defined as a complete lighting system to illuminate City, bus and rail right-of-way, including, but not limited to, public roadways, detour roadways, parkways, alleys, sidewalks, detour sidewalks, bridges, underpasses,

overpasses, walkways and other public improvements to meet applicable City Standards as set forth herein. Street Lighting System components include, but are not limited to, poles, foundations, luminaries, lamps, pull boxes, conduit, wires, power service points and other related equipment.

1.4.26 Substantial Completion is defined as the point at which LACMTA and the City Representative make the determination that the public can occupy or utilize the Project for the use for which it is intended and Project construction is sufficiently complete for benefit of the public.

1.4.27 Substantial Completion Effective Date is defined as the date at which LACMTA and the City Representative make the determination that the public can occupy or utilize the Project for the use for which it is intended and Project construction is sufficiently complete for benefit of the public, regardless of the length of the Punch List or the existence of incomplete items.

1.4.28 Temporary Facility is defined as a facility constructed for the purpose of ensuring continued service while a Conflicting Facility is taken out of full or partial service while it undergoes its permanent Rearrangement and/or any work on a City Facility to accommodate the Construction of the Project, but which will be removed or restored to its original condition after such Construction activities are completed.

1.4.29 Traffic Management Plan is defined as a plan that addresses traffic control requirements in Construction areas through a Temporary Traffic Control Plan ("TTCP"), and along detour routes through a Construction Detour Plan ("CDP"). A TTCP is a site-specific design for temporary traffic control and diversion of vehicular and pedestrian traffic through or adjacent to a work area, incorporating base conditions, temporary conditions, construction impact areas, and all temporary/permanent traffic controls and advisory signage. On a larger scale, a CDP addresses operation along an alternate route which bypasses a work area, or multiple intersections affected by concurrent Construction, by means of striping, signing, signals, delineators, barricades, advanced warning signs, warning lights changeable message signs ("CMS") or other traffic control devices. The operation of a Traffic Management Plan is affected by Construction phasing plans and Construction schedules and shall be consistent with the requirements of the General Contract. The Traffic Management Plan will be submitted to City and LACMTA for their review and approval.

1.4.30 Work Order is defined as that document which LACMTA issues to City authorizing City to perform a defined scope of work and services with respect to the Design and/or Construction of the Project or a Rearrangement to be funded by LACMTA under the terms and conditions of this Agreement.

1.4.31 Punch List means an itemized list of construction work or components

thereof which remains to be completed after the issuance of a notice of substantial completion. The Punch List items will include incomplete items, the existence, correction and completion of which will have no material or adverse effect on the normal and safe use and operation of the Replacement Facility.

1.5 Representatives

1.5.1 City Representatives. For the Project, the City's designated representative is the Director of Public Works. The City Representative shall assist LACMTA in the delivery of the Project and each designated component thereof in a timely manner. The City Representative will have the responsibility to:

- (i) Manage and coordinate interaction of City with LACMTA,
- (ii) Undertake reviews and make final decisions and approvals as required by this Agreement.
- (iii) Coordinate among the City departments and other constituent entities as necessary for the City Representative to make the designated decision or approval.

The City may change its designated City Representative by providing ten (10) Days prior written notification to LACMTA; provided, however, that any such change in a City Representative shall not relieve City of timely meeting its obligations under this Agreement. LACMTA shall have the right to request the City Representative to be replaced if it is reasonably determined by LACMTA that performance of such individual is unsatisfactory and/or adverse to the timely completion of the design and construction of the Project.

1.5.2 LACMTA Representative. The Project Manager for LACMTA shall designate a person, or the holder of a specified office or position, to act as LACMTA's Representative. LACMTA's Representative will have the responsibility to manage and coordinate LACMTA's interaction with the City, and to produce the necessary Design and Construction documents for City review and/or approval, and make approvals as required by this Agreement. LACMTA may change its designated LACMTA Representative by providing ten (10) Days prior written notification to the City. However, that any such change in a LACMTA Representative shall not relieve LACMTA of timely meeting its obligations under this Agreement. LACMTA's Representative shall have the full and requisite authority to make final decisions with respect to approvals and/or disapprovals of the specified subject matter. LACMTA's Representative shall assist the City as appropriate and whenever necessary so that the City can carry out its obligations under this Agreement. Among other things, LACMTA's Representative will have the responsibility (i) to manage and coordinate the work of its design and/or construction consultants and contractors; (ii) to manage and coordinate interaction of authority with the City, (iii) to produce the necessary work documents and reports required by this Agreement, (iv) to undertake

reviews and make final decisions and approvals as required by this Agreement or the C&M Agreement and (v) to coordinate among the applicable LACMTA representatives and contractors or other entities as necessary for the LACMTA Representative to make the designated decision or approval.

ARTICLE 2 DESIGN

2.1 Coordination of Design; Mitigation

LACMTA is responsible to coordinate all designs of the Project with the City and those community groups that are affected by the Project. LACMTA is responsible to work with the communities neighboring the Project to seek consensus of these design elements impacting the traffic circulation, safety, appearance, and quality of life. These design elements include but are not limited to architecture, aesthetic quality of the stations, noise and vibration controls, lighting and sound walls in accordance with the approved environmental documents. LACMTA is responsible for collaborating with City to determine proper and effective mitigation measures to address community concerns.

2.2 Coordination

LACMTA Representative and the City Representatives shall work in good faith pursuant to the established guidelines and procedures set forth herein with respect to Design Review and coordination of Construction, right-of-entry, right-of-way acquisition and Rearrangement of City Facilities pursuant to this Agreement in order to permit the timely design, construction and operation of the Project. All such guidelines and procedures shall be considered part of this Agreement. LACMTA shall consult with the City Representative in establishing the schedule for Design of Rearrangements; however, the schedule shall be consistent with LACMTA's Construction schedule for the Project, as mutually agreed upon by LACMTA and the City. The City Representative(s) shall attend regularly scheduled coordination meetings to stay apprised of the Project schedule and activities within the City. City shall also attend and participate in the Project regular technical, traffic management, preconstruction meeting, and various other project meetings to brief CITY Council on the status of the Project to solicit input, and to provide a forum to discuss and resolve project and local agency issues.

2.2.1 LACMTA shall schedule its construction activities to cause the least amount of disruption to City services. As set forth herein, City consents to schedule an interruption of service, deemed necessary by LACMTA; however, LACMTA shall provide prior notice before City services are interrupted. LACMTA will notify affected parties, including residents and businesses, in advance of scheduled interruptions and will cooperate with City to minimize interruption of City service and resulting disruptions. Where City

determines that Temporary Facilities are reasonably necessary and appropriate and provides LACMTA with at least 14 Days prior written notice to provide the same, LACMTA shall provide such Temporary Facilities; provided, however, that LACMTA deems such request reasonable and necessary.

2.2.2 City recognizes that time is of the essence for the Project, and the designated City Representative shall submit consolidated comments on Design Submittals to LACMTA within the time periods required and shall identify any aspects of the identified segments that do not conform to applicable City Standards, based on the information provided; however, in the event the Final Design Submittals are incomplete, the City has the right to reject said submission. City shall notify LACMTA at the earliest opportunity that said submittals are incomplete. Construction components identified by City, which do not conform to City Standards, Requirements, or Ordinances shall not be constructed. The designated City Representative shall be responsible for consolidating all City-related comments from the applicable City departments and providing LACMTA one such set of its comments.

2.2.3 Each Design submittal shall include AutoCAD design drawings, project specifications, supporting data, reports and such information as needed to advance to the next stage of design. No more than six (6) Design submittals consisting of a reasonable number of sheets shall be scheduled for review and approval by the City at one time unless otherwise agreed upon. The determination of what constitutes a reasonable number of sheets will be agreed upon by the parties through their respective representatives in advance of each stage of design.

2.2.4 The Parties recognize that City approval of Final Design submittals might result in Design or Construction of City facilities that are non-conforming to applicable City Standards subject to the Design Freeze. LACMTA shall be responsible for correction of all such non-conforming Design and/or Construction so long as (i) they are requested by the City in order to conform that Facility to applicable City Standards or (ii) correction is necessary to prevent public health and/or safety risk.

2.3 Design of Rearrangements Performed by LACMTA, Its Consultants and Contractors

Unless otherwise mutually agreed, LACMTA (or its consultants and/or contractors) shall Design all Rearrangements, including Betterments thereto. For the Design of any specific Rearrangements, which will be performed by LACMTA (or its consultants and/or contractors), LACMTA shall issue plans or necessary documents for City to review plans and specifications as required, and the following procedures shall govern.

2.3.1 Coordination of Design and the development of the Design plans and specifications shall be the responsibility of LACMTA Representative (who shall confer from

time to time with the City Representative), except to the extent that such responsibility has been delegated to LACMTA's consultants and/or contractors in accordance with this Agreement, then LACMTA shall ensure that its consultants and/or contractors are diligently coordinating the Design with the City.

2.3.2 Development of Design, Performance Specifications and Technical Provisions - LACMTA and its consultants will undertake the preparation of a set of technical drawings and technical specifications.

2.3.3 Design plans of Rearrangements performed by LACMTA, its consultants or Contractor shall be prepared in AutoCAD.

2.3.4 The Parties will work in good faith through their designated representatives to develop and finalize a mutually agreeable schedule and electronic format for submittal and approval of plans and specifications for any Rearrangement of City Facilities required in connection with the Project, provided that such schedule for submittal and approval by City shall be consistent with the process for design review and approval under Section 2.12.

2.3.5 LACMTA's engineering consultants, and its contractors, are responsible for errors and omissions in the plans, specifications, submittals, and all other related contract documents. Subject to the approval standards below, the City shall have the right to approve or disapprove the Final Design Documents, but expressly agrees and acknowledges that during the Final Design stage at 100%, it shall not raise any new issues, or make any comments, which are inconsistent with its comments on earlier submittals, or with any changes already agreed to by City and LACMTA; however, this limitation shall not apply in circumstances where earlier submittals were incomplete or otherwise did not disclose sufficient information to disclose conflicts, noncompliance with City Standards or applicable Law. City's approval of the Final Design for any Rearrangement will not be withheld if the submittal is consistent with (a) the most recent previous submittal for such Rearrangement, modified as appropriate to respond to City comments on such submittal (other than any such comments which are disallowed pursuant to the preceding sentence) and to reflect any subsequent changes agreed to by City and LACMTA, or (b) earlier submittals for such Rearrangement which have been approved (or deemed complete and approved) by City. City shall have the right to make new comments on any material changes in Design from previous submittals.

2.4 Design of Rearrangements Performed by the City

If LACMTA and City mutually agree that the City (or its consultants and/or contractors) shall Design a specific Rearrangement, LACMTA shall incorporate such work into the Design documents for the Project, upon incorporation of which LACMTA shall proceed to perform the Design of such Rearrangement, and the activities referred to in

the following subsections:

2.4.1 The City shall perform its Design work in conformance with LACMTA's Project schedule and the C&M Agreement and shall coordinate throughout Design with LACMTA to develop plans satisfactory to both LACMTA and City for each Rearrangement. The schedule for completion of design, coordination requirements, review procedures, and related provisions shall be mutually agreed to and included as attachments in the work plan, which shall also include the not-to-exceed cost of completing the Design of the specific Rearrangement and agreed upon scope. Betterments shall be addressed in accordance with Section 2.6.

2.4.2 The City shall submit a set of the completed Design plans and specifications, including estimate of the cost of Construction and estimate for the time needed to perform the required Rearrangement work, to LACMTA for its review and approval. Unless otherwise expressly permitted herein, City will not change the approved plans during Construction, except with prior written concurrence of LACMTA. This constraint shall not apply to unapproved proposed plans. LACMTA's review and approval of any Design furnished by City, its consultants or contractors shall be limited solely to assessing compatibility of the Replacement Facilities with the Project, coordination with LACMTA's work on the Project, and Cost issues. LACMTA will review the Design plans and specifications for their compatibility with the overall Design.

2.4.3 City shall be responsible for errors and omissions for any plans and/or specifications prepared by City's consultants or contractors.

2.5 City Review and Approval of Significant Changes

LACMTA shall not make any significant changes to the Project from the Approved Plans as it pertains to the City Rights-of-Way or City Facilities, without the prior review and written approval of the City; however, nothing in this provision is intended to modify, alter or abrogate the requirements of the Environmental Assessment(EA) approved for the Project. The procedures for review of the significant change shall be as follows:

2.5.1 LACMTA shall identify any proposed significant change to City, along with a rationale for said change, and City shall have twenty (20) working Days from the date of receipt of any documents from the LACMTA's Representative to review and approve or disapprove any proposed significant change by written notice to the LACMTA Representative. Any such disapproval shall be accompanied by a detailed written explanation for the disapproval and a proposed resolution to obtain City approval of the same. In the event the designated City Representative does not respond to LACMTA within the twenty (20) working Day period, City shall be deemed to have concurred with all the proposed significant changes in the submittal.

2.5.2 If the City Representative timely disapproves or indicates non-concurrence with a proposed significant change in writing, as required above, LACMTA shall propose in writing and on drawings, as appropriate, another change that responds to the City's concerns which may constitute a significant change or non-significant change. Under these circumstances, the City shall have an additional fifteen (15) working Days to review any such proposed non-significant change or proposed significant change. The designated City Representative shall have the 15-working day period of time from the date of receipt of the documents from the LACMTA's Representative to complete the design review and to make the necessary and appropriate comments on the contents of the documents.

2.6 Betterments

2.6.1 LACMTA shall not unreasonably withhold its consent for Betterments provided there is no impact on the schedule or cost of completing the Project.

2.6.2 It is understood and agreed that LACMTA will not be responsible for the Cost of any Betterment, and that no Betterment may be performed in connection with any Rearrangement (whether designed or constructed by City or by LACMTA) which is incompatible with the Project or which cannot be performed within the constraints of applicable Law, any applicable governmental approvals and/or adversely impacts the critical path of the LACMTA's schedule for the Project. Notwithstanding the foregoing, to the extent there are excess funds in the Project budget that are not required for the Project Cost, LACMTA agrees to allocate up to an aggregate amount of \$2,000,000 to reimburse City for the actual costs of any such Betterments, after deducting from such aggregate \$2,000,000 the amount of any reimbursement by LACMTA to City for the costs of City services under Section 2.12.

2.7 General Design Criteria

2.7.1 City shall notify LACMTA of any revisions or additions to City Standards subject, however, to the Design Freeze. The Design of each Rearrangement, whether furnished by City or by LACMTA (or by their consultants or contractors), shall conform to the City Standards together with revisions or additions thereto, which shall be incorporated into the Design product pursuant to the provisions in this Section 2.7.

2.7.2 City agrees that it shall not adopt any new City standards, or otherwise amend or supplement any existing City standards, for the sole or primary purpose of affecting the Project or that are inconsistent with the Design Freeze.

2.7.3 City agrees to comply with the provisions of this Section so long as the

Project stays within the original general timeline and/or schedule for its Design and Construction. If for any reason, the Project is placed on hold by LACMTA for a period of twenty-four (24) months or more, City will have the option to review and modify any City Standards from the previous design. The City will not be liable for any costs due to the changes in standards due to this type of Project delay.

2.8 Changes in Approved Plans

Following City approval of the Approved Plans, changes in the Approved Plans shall require both LACMTA's and City's approval. All changes required to accommodate differing site conditions are the responsibility of LACMTA, its consultants, and contractors. Field changes required due to differing site conditions must be reviewed and approved by City.

2.9 Specific Design Requirements for Rearrangements

2.9.1 Surface Openings. To the extent practical, LACMTA shall locate surface openings associated with the Project, if any, such as surface openings, so as to cause the least effect on existing features of landscape and improvements and the least public disruption, and when practical, they shall be located in or on LACMTA-owned property, unless otherwise agreed to by City. In determining location of surface openings, health and safety concerns are paramount. Placement of surface openings in sidewalks will be avoided, as much as possible at all times, and City concurrence shall be obtained prior to placement. Other openings, such as mechanical access openings shall be permitted in sidewalks provided said openings are enclosed by a mutually acceptable method. City and LACMTA shall mutually agree on the exact location and size of such openings.

2.9.2 Landscaping. Trees and landscaped areas under ownership or control of City shall be preserved and trees shall only be removed with the consent of City. Trees in the Project's construction area which are to remain shall be adequately protected. Trees that must be removed due to Rearrangements shall be replaced in the ratio of one (1) replacement tree for each one tree removed in accordance with applicable City Standards. Landscaped areas removed due to Rearrangements shall be restored in accordance with applicable City Standards, including the City's water conservation and sustainability standards.

2.9.3 Traffic Control Devices. Construction shall require the removal and reinstallation of traffic control devices. Provided that LACMTA has received final written approval of the Design document for the Project by City, City hereby consents to all removals, temporary installations, reinstallations and interruption of traffic control devices in compliance with such plan and deemed necessary by LACMTA and performed by LACMTA's contractors; however, LACMTA shall provide prior notice to the City

Representative before service of traffic control devices is interrupted. LACMTA will cooperate with City to minimize interruption of services of traffic control devices. As required, LACMTA shall issue work orders to LACMTA's contractors for necessary removal and reinstallation of existing parking meters, traffic signals, and other traffic control devices, including but not limited to posts, signs, interconnect, cameras, loops, pavement markings, and striping, in accordance with LACMTA's Construction schedule.

2.9.4 Street Lighting. Construction shall require the removal, modification, and reinstallation of existing or installation of new lighting systems depending on the impact of the Project on City Facilities. Provided that LACMTA's plan for same has been approved by City, City hereby consents to all removals, temporary installations, reinstallations of existing, installation of new lighting systems in compliance with such plan, and interruptions of Street Lighting Systems in compliance with such plan and deemed necessary by LACMTA and performed by LACMTA's contractors; however, LACMTA shall provide at least three (3) Days prior notice to the City Representative before service of Street Lighting Systems is affected. LACMTA will cooperate with City to minimize interruption of street lighting service. LACMTA shall issue work orders for the Rearrangement of a Street Lighting System when required under the terms of this Agreement.

(a) Any work that will affect lighting systems, maintained by or under the jurisdiction of City, must be approved for compliance with applicable City Standards by the Public Works Department. Design for a Street Lighting System must be forwarded for Design Review to the City in accordance with this Agreement.

(b) Except as mutually agreed by the Parties, all lighting systems maintained by or under the jurisdiction of City within the boundaries of the Project, as well as all lighting systems on the same circuit in the direct vicinity of the Project, shall be maintained and kept in operation by the general contractor at all times during Construction. City shall not unreasonably withhold its approval to interrupt service as necessary for the Project.

(c) In the event of any damage caused by LACMTA or its contractors to lighting systems maintained by or under the jurisdiction of City, the City must be notified. All damages shall be repaired as soon as reasonably possible by LACMTA's contractors under City inspection at no expense to City. City may request reimbursement for Staff time required to oversee the repairs.

2.10 Construction Staging Plans

LACMTA, through its consultants, contractors, subcontractors or agents, shall develop construction-staging plans. Construction staging plans shall provide, among

other things, for the handling of vehicular and pedestrian traffic and street lighting on streets adjacent to the Construction with the Construction phasing showing street closures, detours, warning devices and other pertinent information specified on the plans. Such plans shall incorporate actions to maintain access to business adjacent to the Construction areas and actions to ensure safe access and circulation for pedestrians, bicyclists, and vehicular traffic. LACMTA will ensure that the plans complement elements of public awareness as well as mechanisms to assist affected Parties in complaint resolutions. City understands that LACMTA requires flexibility in the execution of Construction phasing and traffic management planning and Construction sequencing which are necessary in order to secure, ensure and provide for public health and safety and functionality. All Construction staging plans, including related traffic control plans, shall be submitted to the designated City Representative for review and approval in accordance with Article 3 prior to implementation. Construction staging plans should be included or referred to in the Traffic Management Plan and any TTCPs and CDPs provided to the City, which may be amended from time to time as LACMTA determines that additional Construction staging areas are necessary.

To assist LACMTA in the coordination and the development of Construction staging plans, upon request by LACMTA, City will furnish to LACMTA during Design at the time required by LACMTA's schedule, the following information, in writing or when mutually agreed:

2.10.1 Worksite traffic control:

- (a) The traffic lane requirements for streets impacted by Construction activities.
- (b) Streets proposed for complete closure during Construction and the duration of the closure. Complete street closures require City approval in accordance with this Agreement and Exhibit B.
- (c) Parking restrictions to be imposed during the Construction period.
- (d) Detours.
- (e) Preliminary haul routes and overload routes and truck staging areas.

2.10.2 All relevant City Facilities information (other than streets):

- (a) City Facilities in which service must be maintained.
- (b) City Facilities in which service may be abandoned during Construction.
- (c) Proposed phasing or sequencing of Construction of Rearrangements.
- (d) Rights-of-way that must be acquired for Replacement Facilities and Rearrangements.

2.11 Assistance by City

Subject to reimbursement for costs as provided in Section 2.12, City agrees to assist LACMTA with planning, engineering, technical, analytical and administrative support services with respect to fire/life safety, police security, transportation engineering, civil and structural engineering, illuminating engineering, landscape, storm drain and sanitation engineering, public works inspection and in other areas when mutually agreed.

2.11.1 Fire/Life Safety. Assistance in the Design, Construction and operations planning of the Projects as it relates to fire prevention, fire suppression, and emergency preparedness with respect to fires or other major disasters. The assistance shall also include reviews for conformance of fire/life safety codes, standards and regulations. Fire Department representatives will be invited to participate as active members of LACMTA-designated committees dealing with fire/life safety issues.

2.11.2 Police Security. Assistance in the Design, Construction and operations planning of the Projects as it relates to personal and property security, deterrence and detection of criminal activity and the apprehension of criminals. The assistance shall also include, if requested by LACMTA, participation by police department representatives as active members of LACMTA-designated committees dealing with police security.

2.11.3 Transportation Engineering. Assistance in the Design, Construction and operations planning of Project as it relates to facilitating movement of automobiles, buses, bicycles, and pedestrians into, through and from the Project. The assistance shall also include the review and approval of the Traffic Management Plan, temporary traffic signal, geometric striping, traffic signal software development, permanent traffic signal plans and monitoring installation of those prepared or installed by LACMTA's contractors and consultants in accordance with Work Plan, City will review plans for final geometric striping and signal plans for the Projects.

2.11.4 Illuminating Engineering. Assistance in the Design and Construction of Street Lighting Systems affected by the Project shall also include review and approval of contractor-prepared temporary street lighting and street lighting demolition plans as well as final restoration Street Lighting System Designs prepared by LACMTA's contractors and consultants.

2.11.5 Recreation and Park Engineering. Assistance in the design, Construction and operations planning of the Project as it affects recreational areas within the Project.

2.11.6 Civil and Structural Engineering. Assistance in design, design review, Construction, and operation of other City facilities.

2.11.7 All Other Areas. Assistance in Design, Construction and operations of

other City Facilities.

2.11.8 General Services: Assistance through the provision of general services support (including, for the purposes of, among others, traffic monitoring, general surveillance, public affairs, media affairs, major incident response) to the extent that the City has resources available to provide said general services.

2.12 City Review of Any Project Design Submittals

The following requirements and process shall apply to City's review, comment and approval of any and all submitted plans, specifications, and shop drawings for the Project Facilities located within, on, under or over City Right-of-Way during the Design Review stages and for City review and comment regarding same. City agrees and acknowledges that all Design and Construction by LACMTA (or its consultants or contractors) pursuant to this Agreement shall conform to the standards and specifications set forth in herein. The parties acknowledge that the Design has reached the 65% Design stage and that City's review and approval will be required for the 90% and 100% Design submittals.

2.12.1 Within ten (10) Days after receipt of a Design submittal for the Project Facility, (i) City shall inform LACMTA whether the plans and specifications are sufficiently complete for City review purposes, and (ii) if not sufficiently complete, City shall so notify LACMTA, or shall return the plans and specifications to LACMTA together with an identification of those portions that are not sufficiently complete and a description of the missing information listing the deficiencies. The City will have another ten (10) Days to determine the completeness of the re-submittal. If no such notice or return is received by LACMTA within such ten (10) Days, the plans and specifications shall be deemed complete and acceptable by City for review purposes.

2.12.2 Within thirty (30) Days after receipt of each submittal, City shall review the plans and specifications and either advise LACMTA that it has no comments, or transmit its consolidated comments to LACMTA, including all applicable comments from third parties and City departments. City's consolidated comments will be submitted on a comment matrix and annotated plans as a single submission. The designated City Representative shall be responsible for consolidating all City-related comments from the applicable City departments and providing LACMTA one such set of its comments.

2.12.3 LACMTA will revise the applicable submittal to address the undisputed City comments and shall notify City within five (5) Days of any outstanding disputed comments. In the event there are outstanding disputed comments under this Section, LACMTA shall conduct a comment resolution meeting with the City within ten (10) Days of notification of the disputed comments, to address and resolve any such outstanding City comments. The designated City Representative shall participate in the comment resolution meeting and shall invite any support staff reasonably necessary to address and

resolve the outstanding comments at such meeting.

2.12.4 The provisions of this Section will also apply to any re-submittal of plans and specifications by LACMTA, whether in response to a City notice or return of incomplete plans and specifications, or in response to substantive City comments. Re-submittals shall include the City's comment matrix, City's annotated plans, and confirmation of comment resolution.

2.12.5 City shall engage the services of Staff or third party construction consultant(s) and a construction inspector at LACMTA's expense that are reasonably acceptable to LACMTA to assist City in the performance of its review and approval of Project design submittals in accordance with this Section 2.12 and its public works inspection services as contemplated in Section 1.1 hereof. LACMTA shall reimburse City for the reasonable out of pocket costs incurred by City for the services of Staff, consultant(s) and inspectors, provided such reimbursement shall be part of the total City Reimbursement Amount of Three Hundred Thousand Dollars (\$300,000) which is included as part of the Project Cost (as defined herein). City's support services cost will not exceed this amount without prior written justification from City and approval from LACMTA. City shall be responsible for the costs of such Staff, consultant(s) and inspectors to the extent that such costs exceed the City Reimbursement Amount, subject to the potential additional reimbursement of such costs by LACMTA from any excess Project funds that are not required for the Project (up to the aggregate amount of \$2,000,000 including any amounts paid to City for Betterments). City shall submit the invoices for Staff, consultant and inspection services to LACMTA on a monthly basis, together with approval and evidence of payment of the invoice by the City, and LACMTA shall reimburse City for such amount within thirty (30) days after submission of such invoice and evidence of payment.

2.13. Reserved.

2.14 Relocation of City Utilities and Private Utilities

LACMTA shall provide a composite utility plan to City to be reviewed and approved in advance, and City and LACMTA shall jointly determine the priority of any utility conflicts. City hereby agrees to exercise and invoke its rights under any applicable State franchise laws or under any applicable franchise agreements that it has with utility owners to effectuate such rearrangement or relocation at the expense of the affected utility owner as necessary to allow completion of the Project. Within 10 Days of receipt of LACMTA's written request, City will send a written notice to all utilities whose facilities conflict with the Project, instructing them to relocate or remove the conflicting facilities at utility owner's cost in accordance with City's Franchise Agreement with each such utility owner.

2.15 Engineer

LACMTA has engaged a design engineer (the "Engineer") (which Engineer is Biggs Cardoso Associates, Inc., unless LACMTA designates a different design engineer for the Project) to prepare all Design work for the Project. LACMTA agrees to require Engineer to indemnify, defend and hold both LACMTA and City harmless for any work performed by Engineer under its contract for services to provide design and engineering services. LACMTA shall require that the Engineer's services conform to all professional engineering principles generally accepted as standards of the industry in the State of California, so that such design and engineering shall be suitable for the Project's intended purpose (as set forth in the California Streets and Highways Code, Chapter 20, Article 2, Section 2704.09) and shall be free of errors, omissions, inconsistencies, inaccuracies, deficiencies or other defects.

ARTICLE 3 PERMITS, CONSTRUCTION, AND PROPERTY RIGHTS

3.1 Community Notifications

The Contractor and LACMTA, in consultation with City, will be responsible for establishing public outreach programs to provide proper notifications to the affected communities prior to and during Construction. These notifications include but are not limited to public announcements in radio stations and local newspapers, changeable message signs, road advisory signs, community notice mailing, and posting of notices. LACMTA shall require its contractors to schedule their activities so as to minimize Construction duration.

3.2 Permits

3.2.1 For this Project and pursuant to applicable Laws, City agrees to a Waiver of Permit Fees to cover work affecting the public Right-of-Way by LACMTA. City agrees that it shall not exercise permitting over LACMTA, and shall not require the payment of fees or the posting of bonds for the Project Facilities located within, on, under or over the City's Right-of-Way for the period of time in which this Agreement is in effect. LACMTA's plans and specifications for construction of the Project Facilities located within, on, under or over the City Right -of-Way shall be submitted for City's review and comment. Notwithstanding the foregoing, the City's Standards shall be adhered to by LACMTA as and to the extent set forth in this Agreement.

3.3 Waiver of Permit Fees

3.3.1 All work for the Project that is within or affects the City's Right-of-Way is subject to the waiver of permit fees set forth in this Agreement, including any portion(s) of private properties dedicated for public right of way purposes. This Article shall not relieve LACMTA or its contractors from plan checks, permits, or inspections required by the Santa

Fe Springs Police Department, and plan checks, permits, or inspections required for fire and life or safety matters by the Santa Fe Springs Fire Department (i.e., hazardous materials soil removal, abatement of hazardous material storage tanks, special extinguishing systems, State Fire Marshal Code requirements, etc.).

3.3.2 Notwithstanding Section 3.3.1, the following fees will not be waived:

- (a) Industrial Waste Discharge Permit; and
- (b) Temporary Water Meter Fee.

3.4 Permit Process Conditions

3.4.1 The provisions of this Article do not apply to any utility company doing relocation work. Individual project construction contracts will require individual permits, such as excavation permits. This permit requirement will be waived upon the Effective Date for all advance utility work on behalf of LACMTA within the contract limits of work as shown on the Approved Plans. Change orders and new work on City Facilities not shown on the Approved Plans shall be reviewed and approved by the City prior to permit issuance.

3.4.2 Subject to the provisions of Section 2.14 above, LACMTA will be responsible, as part of the Project, for any advance utility relocation work, including water, sewer, street, storm drain, street lighting, structural, traffic signal, striping, signing, fiber optic, telecommunication and other utility facilities affected by the Project. To the extent the utility owners fail to perform the required Design and Construction in connection with such utility relocation work, such work will be designed and constructed by LACMTA in accordance with City Standards and policies. To the extent the utility owners subsequently pay for all or part of such Design and Construction work pursuant to their City Franchise Agreements, or otherwise, City shall reimburse LACMTA for the actual costs it has then incurred in connection with the Design and Construction of the utility relocation work.

3.4.3 LACMTA shall provide City with electronic imagery (photographs) in a format acceptable to the City for work performed in, on or around the City Facilities.

3.4.4 LACMTA shall provide "As-Built" drawings (as described in Section 4.4) within ninety (90) Days of the completion of the work on either temporary or permanent facilities.

3.4.5 LACMTA shall ensure that the design of all shoring and lateral support on public rights of way is performed in accordance with the California Department of Transportation -Trenching and Shoring Manual. LACMTA shall be responsible for the review and approval of designs for shoring and lateral support, including soils reports and engineering calculations. LACMTA shall submit a signed certification, with two sets of shoring, and lateral support system plans and calculations to the City not less than thirty

(30) Days prior to the start of Construction. All submittals shall be signed and stamped by a California Registered Engineer.

3.4.6 LACMTA shall require its contractors to submit their haul route and overload permit applications with route maps to the City for review and approval. Such submittal shall clearly state the proposed haul route(s), truck staging area(s), truck size, truck volumes/hour and the duration of the hauling operation and shall be submitted not less than thirty (30) Days prior to the actual commencement date of the hauling operations.

3.4.7 LACMTA shall ensure that all Construction work conform to the City's Construction Mitigation and Implementation Requirements for the Project. LACMTA shall require its contractors to provide advance notification to the City before implementing any street or sidewalk closures for which the Construction plans have been reviewed and approved by the City. LACMTA shall require that its contractors be responsible for installation, maintenance and removal of all traffic control devices and markings that may be required.

3.4.8 LACMTA shall obtain written approval from the City for any work impacting traffic on City streets or affecting existing traffic signal equipment or its operation in any way not covered by any pre-approved plan.

3.4.9 LACMTA shall require its contractor(s) to inform the City of Project emergencies or accidents that impact the operation of the City's surface street system.

3.4.10 LACMTA shall require its contractors to minimize the number of City street closures. LACMTA shall direct its Contractors to strictly adhere to the City's directives regarding Construction during peak hours.

3.4.11 LACMTA shall not allow any City Right-of-Way to be used by its employees or contractors for the parking of personal vehicles unless otherwise specifically authorized in writing by the City.

3.4.12 LACMTA shall require its contractors to continuously provide safe and adequate pedestrian access and circulation throughout the Construction areas in compliance with the provisions of the Americans with Disability Act (ADA). Pedestrian crossings for streets at Construction areas shall be provided with adequate signage and street lighting to direct pedestrian traffic through the construction areas. To accommodate pedestrians, the minimum unobstructed temporary walkway width shall be 5 feet unless otherwise approved by the City.

3.4.13 LACMTA shall maintain pedestrian access and traffic circulation to all residences, businesses and schools adjacent to the Construction area. Accessible routes for physically disabled pedestrians shall be maintained at all times during Construction. Temporary fencing and walking surfaces shall be approved by the City.

3.4.14 LACMTA and its contractors shall take necessary measures to continuously control nuisance dust, in accordance with Regulation 403, "Air Quality Management District Standards", the "Standard Specifications for Public Works Construction", Sections 7-8.1 and 7-8.2, and with the Storm Water Pollution Prevention Plan ("SW PPP") for the Project.

3.4.15 LACMTA and its contractors shall ensure that discharges to the City's storm drain system comply with the requirements of the Regional Water Quality Control Board.

3.4.16 LACMTA shall ensure that its contractors comply with applicable local, state, and federal regulations for the disposal of wastewater caused by Construction activities or contaminated soil or water encountered during boring, excavation, and grading operations. All costs and other liabilities for these activities shall be borne by LACMTA and its contractors. Potentially contaminated soil or groundwater encountered shall be tested as necessary and mitigation and disposal measures shall be established and undertaken in accordance with applicable Law.

3.4.17 LACMTA and its contractors shall notify Underground Service Alert not less than two (2) Days or more than ten (10) Days before each excavation.

3.4.18 LACMTA, upon completion of the work subject to this Agreement, shall arrange for incremental subsurface and surface final inspections by notifying the City of what work is requested to be final inspected and which plan sheets and change orders are applicable. Thereafter, final inspection shall be made as soon as possible. If the work is found to be in compliance with the approved plans and specifications, the City will furnish its acceptance in writing. However, if corrective work is found to be necessary to conform to the plans and specifications, a final correction list will be issued by the City and LACMTA shall direct or perform such corrective work at its own expense. Further inspection will be required for any corrective work noted on the Punch List.

3.4.19 Neither LACMTA nor any of its contractors shall engage in any Construction activity during the following times and days anywhere in the City:

- (a) Before 8:00 a.m. or after 5:00 p.m. on Monday through Friday;
- (b) Before 9:00 a.m. or after 5:00 p.m. on Saturday;
- (c) All day on Sunday;

All day on New Year's Day, Martin Luther King's Birthday, President's Day, Memorial

Day, Independence Day, Labor Day, Thanksgiving Day, day after Thanksgiving and Christmas Day, as these days are officially observed by the City.

LACMTA shall require its contractors to obtain written approval and permission from the City, in accordance with Section 3.13 below, before engaging in any Construction activity during any time or day when Construction activity is not authorized or permitted.

3.4.20 No utility disruption shall be permitted during the week of Thanksgiving or between December 15th and January 2nd unless approved in writing by the City Director of Public Works and all appropriate utility providers. In approving any such utility disruption, the Director of Public Works may impose conditions that, in the Director's sole discretion, mitigate the impacts of any such work so that it causes the least disruption and inconvenience to the public, including any affected neighborhood or business, and so that it is not detrimental to the public health, welfare and safety.

3.5 Work in City Streets and City Property

3.5.1 LACMTA shall give the City 48 hours advance written notice where the Project Construction requires work in City's Right-of-Way and shall allow City adequate time for review of relevant plans for such work in accordance with this Agreement, to the extent that the Approved Plans do not adequately describe such work. If the Approved Plans do not include the required work in the City Right-of-Way, LACMTA shall secure written approval of the additional plans from the City for all such work. City shall issue a Right of Entry to LACMTA and its contractors to permit the entry onto and use of the City property and City Right-of-Way for the Project Construction in accordance with the plans approved by the City.

3.5.2 LACMTA and its consultants and contractors performing work in City's Right-of-Way shall take all appropriate actions to ensure safe operations of the work and the continuance of service of City Facilities. City reserves the right to stop work, if public health and safety is at risk, as determined by the City staff.

3.5.3 City, after consultation with LACMTA, may require, if LACMTA's contractors fail to perform work called for by the Approved Plans and required by any authorizations issued by City in connection with such work consistent with such Approved Plans, upon notice (non-compliance citation) from City, that contractor shall promptly commence to cure its failure. If the contractor fails to cure or is not diligently prosecuting such cure to completion, City shall notify LACMTA. Upon receipt of notice from City, LACMTA shall cause the contractor to cure its failure within the requested time.

3.6 Temporary and Permanent City Street Closures

LACMTA and the City may agree that a street, highway, bridge, sidewalk or other City Right-of-Way be temporarily closed for the necessity and convenience of the Project.

Any such closure must comply with Articles 3.4.12 and 3.4.13. Nothing in this Article shall preclude the City from requesting that certain streets not be closed to accommodate "Special Events" utilizing those streets, such as parades, and LACMTA shall cooperate with City to accommodate such requests. LACMTA, its consultants, and contractors will cooperate with City to minimize closures of City Right-of-Way. The City will notify LACMTA and its contractors as to all known major events thirty (30) Days prior thereto.

3.7 State and Federal Requirements

3.7.1 Nothing in this Agreement shall be deemed to abridge any applicable federal or State law or State agency authority regarding permits, orders, licenses and authorizations that may be required or available in connection with the design and Construction of the Project.

3.7.2 The California Public Utilities Commission ("CPUC") has jurisdiction over establishment of street and pedestrian crossings with rail transit tracks, their subsequent maintenance or alteration, and their operation. Formal application for establishment or alteration of said crossings is required by the CPUC. Unless otherwise agreed between LACMTA and City, LACMTA may prepare, subject to concurrence and agreement by City, appropriate CPUC plans and applications thereof.

3.8 Grant of Rights

If, prior to LACMTA's scheduled date of commencement of work in a section or portion of the Project, any Rearrangement is necessary to eliminate a conflict, City may grant to LACMTA or its designee sufficient rights, if necessary, to allow LACMTA to proceed with investigation of existing conditions and the Construction of that section or portion of the Project in accordance with LACMTA's schedule; provided, however, that such grant does not unreasonably and adversely interfere with provisions of City's services to the public, or affect public health and safety; and provided further, that City is authorized under applicable law to grant such right.

3.9 Replacement Rights-of-Way

3.9.1 City agrees to grant any temporary construction easements that may be required for Construction and/or operation of Project subject to this Agreement (including both temporary and permanent easements and other interests), without requiring LACMTA or LACMTA to go through the appraisal, negotiations, offer, closing and transfer process, as permitted by applicable Law. LACMTA will prepare or cause to be prepared, the title documents and documents of conveyance. If City agrees to such a conveyance, said documents will be transmitted by LACMTA's Representative to City's Representative who shall process them through the required departments for execution and return them to LACMTA within 90 Days after receipt, but in any event in accordance with the applicable Project schedule.

3.9.2 City agrees and acknowledges that this Agreement satisfies any LACMTA or LACMTA obligations to City relating to the certification of rights of way, and that City shall cooperate with LACMTA and LACMTA, and assist LACMTA and LACMTA, with any right of way certification processes involving other entities or agencies.

3.9.3 LACMTA agrees to consider or cause LACMTA to consider requests by City to convey to City at no cost to City, any street crossings, slivers, remnant property, surface easements and temporary construction easements that may not be required for Construction and/or operation of Project subject to this Agreement (including both temporary and permanent easements and other interests), without requiring City to go through the appraisal, negotiations, offer, closing and transfer process. City will prepare or cause to be prepared, the title documents and documents of conveyance. Said documents will be transmitted by City's Representative to LACMTA's Representative who shall process them and return them to City within 30 Days after receipt, but in any events in accordance with the applicable Project schedule.

3.9.4 LACMTA agrees and acknowledges that this Agreement satisfies any City obligations to LACMTA relating to the certification of rights of way, and that LACMTA shall cooperate with City, and assist City, with any right of way certification processes involving other entities or agencies.

3.10 City Licenses within the Project Right-of-Way Owned by LACMTA

If a Rearrangement is made so that the Replacement Facility will be located within a Project Right-of-Way owned by LACMTA, LACMTA shall provide (or cause LACMTA to provide) City with an equivalent property right, if necessary, to accommodate the Replacement Facility, reasonably satisfactory to City. The parties agree that in accepting such an equivalent right and in releasing its existing rights, City shall acquire reasonable rights to install, operate, maintain and remove City Facilities, including the Replacement Facility, to the same extent as the City previously exercised.

3.11 Temporary LACMTA Facilities

Temporary Facilities may be necessary to facilitate Construction of the Project (including Rearrangements). LACMTA or its designee may use, without cost, lands owned or controlled by City for any Construction related purpose, including, but not limited to, the erection and use of Temporary Facilities thereon; provided that, City shall first approve in writing the availability, location and duration of the Temporary Facilities. Upon completion of the related Construction and LACMTA's determination that the Temporary Facilities no longer are needed, LACMTA shall remove all Temporary Facilities and restore the area to its original condition unless LACMTA and City mutually agree otherwise. If this agreed upon duration of a Temporary Facility has expired, the City reserves the right to request turning over the City owned land at any

time prior to completion of the Project. LACMTA shall return the land to the City within forty (40) Days from the requested date and restore the area as much as practicable to its original condition, unless otherwise agreed to in writing by the City.

3.12 Temporary City Facilities

In the event that Temporary Facilities are necessary to effect a Rearrangement being constructed by City, City or its designee may use, without cost, lands owned or controlled by LACMTA for the purpose of using or erecting Temporary Facilities thereon; provided that, LACMTA shall first approve in writing the availability, location and duration of the Temporary Facilities. Upon completion of the rearrangement in its permanent location, City shall, within forty (40) Days from the requested date, remove all Temporary Facilities and restore the area as nearly as practicable to its original condition unless City and LACMTA mutually agree otherwise in writing.

3.13 Night, Weekend, Early Hours and Holiday Construction Activity

LACMTA and its contractors shall not perform any Construction activity during any time or day not permitted by this Agreement or applicable Law, unless LACMTA or its contractors obtain the prior written approval of the Director of Public Works. The Director of Public Works may approve such Construction activity if the Director determines that the construction activity during the requested times or days is in the best interests of the City, that this construction activity will substantially expedite the construction of the Project or that it will further the public welfare. In approving the construction activity, the Director of Public Works may impose conditions that, in the Director's sole discretion, mitigate the impacts of the Construction activity so that it causes the least disruption and inconvenience to the public, including any affected neighborhood and business, and is not detrimental to the public health, welfare and safety.

ARTICLE 4 EFFECTING REARRANGEMENTS

4.1 LACMTA Construction of Rearrangements

Unless otherwise agreed between the Parties, LACMTA shall perform all Construction of Rearrangements that are reflected in the Approved Plans.

If changes in the Approved Plans are necessary to reflect any required Rearrangements not reflected in the original Approved Plans, LACMTA shall first submit such changes to City for review and approval before Construction. City shall respond to any such submittal in accordance with the provisions of Section 2.12 of this Agreement. LACMTA shall notify the City prior to performing any Rearrangement work. The City will inspect and test backfills for utilities within City Rights-of-Way as well as all City Facilities

owned or operated, or to be owned or operated by the City. When traffic signal construction is involved, or traffic control devices are impacted, contractor must also arrange for inspection by calling the City,

4.2 City Construction of Rearrangements

If the Parties mutually agree that City shall perform Construction of a specific Rearrangement, LACMTA shall issue a Work Order to City for such Construction and the following provisions shall govern:

4.2.1 City shall not commence work without issued LACMTA Work order. City shall commence and thereafter diligently prosecute the Construction of such Rearrangement to completion as authorized by Work Order, in conformance with the Design plans and specifications prepared and approved pursuant to Article 2 of this Agreement and in conformance with the time schedule set forth in the Work Order. Such Construction shall coincide closely and be coordinated with LACMTA's Construction schedule for the Project, including the schedule for Construction of Rearrangements of other utility, cable, pipeline, and other facilities in the same segment or portion of the Project. City shall coordinate its work with other facility owners and contractors performing work that may connect, complement or interfere with City's work hereunder or with City Facilities.

4.2.2 City shall notify LACMTA at least five (5) Days prior to commencing each Rearrangement so that LACMTA may make arrangements for inspection and record keeping.

4.2.3 All work by City's forces or its contractors pursuant to this Article 4 of this Agreement shall comply with the environmental controls established in the General Contract, including without limitation construction noise and vibration control, pollution controls, archeological coordination, and paleontological coordination.

4.3 Maintenance

In accordance with the C&M Agreement, City shall assume responsibility for operation and maintenance of the Overpass upon the Substantial Completion thereof.

4.4 "As-Built" Drawings

LACMTA and City shall each maintain a set of "As-Built" plans of Rearrangements performed by LACMTA and City, respectively, during the progress of construction. "Red line mark ups" for temporary lighting systems, traffic signal systems, and other City facilities shall be submitted to the City within ten (10) working days of construction. All design changes shall be documented on RFI/RFC forms. The contractor shall update the contract plans with the City-approved changes. The City representative shall meet with

LACMTA and its contractor once a month, prior to LACMTA's approval of the contractors monthly progress payment, to check and verify that as-built plans are being maintained by the contractor and that contract plans are being updated with all approved design changes. LACMTA's approval of contractor's progress payment may be subject to updating and maintaining a complete set of as-built drawings.

LACMTA shall arrange for the transfer of as-built information on the Approved Plans electronic files in electronic format. Upon completion of the Rearrangement work, the Party that performed the work shall furnish the other Party with reproducible "as-built" drawings showing all Replacement Facilities installed by the performing Party, within sixty (60) working days after completion of work for each set of plans. All "as -built" plans (whether provided by LACMTA, by Consultant, or by Contractor) shall be in a format, which conforms to the electronic formats of the following:

Under this Agreement, LACMTA shall provide the listed below documents:

Street Improvements Plans – AutoCAD, plot style files and hard copies to be scanned as PDF w/ 300 DIP min. after all signatures.

Storm Drain plans – AutoCAD, plot style files, and hard copies to be scanned as PDF w/ 300 DPI min. after all signatures.

Sewer plans - AutoCAD, plot style files and hard copies to be scanned as PDF w/ 300 DPI min. after all signatures.

Street Light Plans – AutoCAD, plot style files and hard copies to be scanned as PDF w/ 300 DPI minimum after all signatures.

Street Landscape Plans - AutoCAD and hard copy after all signatures.

Traffic signal, signing and striping plans – AutoCAD, 2016 files compliant to City Standards, Pdf, latest version, as approved by the City, and plot style files latest version, as approved by City and plot style files compliant to City Standards, PDF style files (e.g., pen tables, plot settings), and original signed Mylar sheets.

All other plans - AutoCAD and hard copies to be scanned as PDF w/ 300 DPI minimum after all signatures.

4.5 City Activities

If City, at City's cost, plans to undertake or authorize any activities, during the period of Construction of the Project, within or near any portion of a Project Right-of-Way (including without limitation construction of new facilities, repairs or modifications to existing facilities, parades, and similar activities) City will coordinate such activity with

LACMTA to minimize impact, delay or interference with such Construction, and LACMTA shall reasonably cooperate with City with regard to same.

ARTICLE 5 CITY CONSTRUCTION, INSPECTION AND SUPPORT SERVICES

5.1 Construction Support and Services

In accordance with the provisions of Section 2.11 entitled "Assistance by City," City shall provide construction, inspection and support services, including:

- i) City construction inspection services and acceptance;
- ii) Change order review and approval for City Facilities;
- iii) Review and approval of required material and shop drawing submittals by the appropriate City office for City Facilities;
- iv) Timely responses to requests for information;
- v) Traffic and detour management;
- vi) Miscellaneous permitting and haul route approvals;
- vii) Other support and services, as requested or necessitated; and
- viii) Review of all Fire/Life Safety plans and field inspection.

City shall be reimbursed for the costs of the foregoing support services, together with the costs of the consultants and inspectors engaged by the City pursuant to Section 2.12, by LACMTA in an aggregate amount up to the City Reimbursement Amount (as defined in Section 2.12). If the costs of the foregoing support services, together with the consultant and inspector costs incurred by the City under Section 2.12, exceed the City Reimbursement Amount, the excess costs shall be borne by the City without reimbursement by LACMTA; provided, however, if the Project budget has excess funds after completion of the Project, then LACMTA will make available such excess funds to reimburse City for such excess costs (subject to the maximum aggregate amount of \$2,000,000, as provided in Section 2.6.1 hereof, that will be made available for both expense reimbursement to City and for the cost of any required Betterments). City shall submit the invoices for such support services to LACMTA on a monthly basis, together with approval and evidence of payment of the cost of such services by City, and LACMTA shall reimburse City for such costs within thirty (30) days after submission of such invoice and evidence of payment.

5.2 Inspection by City

5.2.1 LACMTA will provide City an initial schedule of its planned technical audits or inspections for Construction activities and updated audit and inspection schedules on a monthly basis. LACMTA shall provide City with at least two (2) weeks advance

written notice of any changes to audit and inspection schedule dates or times shown on the current LACMTA audit and inspection schedule. City or its authorized representatives may attend and observe any audits or inspections conducted by LACMTA. All audits and inspections shown on LACMTA's schedule shall be scheduled, planned, performed, followed up as necessary, and closed out by LACMTA. A copy of the audit and the corresponding corrective/preventative action plans shall be submitted to City. LACMTA shall submit close out reports that demonstrate how and when corrective action was completed for each non-conformance.

5.2.2 LACMTA shall permit City, or its authorized representatives, to enter the Project site for the purpose of conducting inspections during the performance of Construction through such time as LACMTA has conveyed the completed Project to the City pursuant to Section 7.3; provided, however, that such inspections shall take place in accordance with this Section 5.2.2. The City shall defend, indemnify, and hold harmless LACMTA and LACMTA's contractors from and against all losses, costs, damages, claims, and liabilities (whether arising out of injury or death to persons or damage to the Project or otherwise) including, but not limited to, costs of remediation, restoration and other similar activities, mechanic's and materialmen's liens and attorneys' fees, arising out of or in connection with City's (or its authorized representative's) negligence or willful misconduct in inspecting the performance of Construction as provided herein. The following provisions are applicable to such inspections:

(i) If flagging is required for the such inspections, the City shall provide no less than thirty (30) days advance written notification to LACMTA's Project representative; and

(ii) If flagging is not required to perform the inspection, City may inspect any portions of LACMTA's work at any time during normal business hours, provided that such inspection shall be conducted in a manner so as cause the least interference as reasonably possible with the construction of the Project. If City's inspections require the use of any equipment or machinery, City shall provide LACMTA with three (3) days advance written notification, describing the nature of the planned inspection, and identifying any equipment or machinery to be used.

If any of City's inspections indicate that there are construction work elements that are not in conformance with the requirements of this Agreement, it shall within a reasonable period of time, provide a written notification (**a "Non-Conformance Notification"**) to LACMTA. Any such Non-Conformance Notification shall include an explanation to the City's knowledge of how the construction elements in question do not conform to requirements contained in specific section(s) of this Agreement, approved designs, or any construction standards referenced in this Agreement. LACMTA shall provide a written response to any such Non-Conformance Notification within five (5) days of receipt. LACMTA's response will either a) clarify its interpretation of the applicable

requirements if it does not believe that the construction work needs to be changed, or b) state the nature of corrective work to be performed, or c) request a meeting with City to review the construction work in question. If City does not agree with any interpretations of the applicable requirements provided in LACMTA's response, and believes that the construction work needs to be corrected, it may request a meeting with LACMTA to review the construction work in question. In any instances where City and LACMTA are not able to resolve the construction issues to their mutual satisfaction through the processes described above, either City or LACMTA may initiate the dispute resolution processes provided in Section 13.2.

5.3 Reproducible Contract Documents

LACMTA and City agree to provide the other with suitable reproducible copies of final contract documents which they have prepared or caused to be prepared to govern the performance of a given construction project by a contractor of either Party so that each Party may compile a complete set of contract documents. Each Party shall prepare or cause to be prepared the contract documents for which it is responsible in accordance with its drafting standards, as mutually agreed to by the Parties.

ARTICLE 6 PROJECT WORK BY CITY

In addition to specific Rearrangements which City may construct pursuant to Section 4.2 of this Agreement, LACMTA and City may mutually agree that City shall design and construct, or cause to be designed and constructed, certain Project facilities (or components thereof), including coordination and interface between City infrastructure and facilities and the Project. In such event, design and construction for such work shall proceed as follows:

6.1 Standards

All design and construction by City (or its consultants or contractors) pursuant to this Article shall conform to the standards and specifications set forth in this Agreement and the environmental documents.

6.2 Work Order for Design

When mutually agreed between LACMTA and City, LACMTA shall issue a Work Order to City, within 60 Days of City's request for such Work Order, for the design of such Project facilities (or components thereof).

6.3 Design

If City agrees to perform the design work, upon completion of the initial design, City shall provide LACMTA with a preliminary estimate of the Cost of the construction work, and City's estimate of LACMTA's share of such Cost, together with preliminary plans, specifications, and draft bid package. Upon LACMTA's approval thereof, City shall finalize all of the foregoing. LACMTA reserves the right to reject the preliminary plans, specifications and draft bid package. In the event LACMTA rejects the preliminary plans, specifications and/or bid packages, LACMTA shall reimburse City for all reasonable costs incurred in preparing the plans, specifications and bid package.

6.4 Procurement

Upon LACMTA's approval of the final plans, specifications, bid package and construction cost estimate, City shall advertise the contract for bids in accordance with applicable Law and consistent with the applicable procurement requirements for LACMTA. City shall inform LACMTA of LACMTA's share of the Cost, based upon the winning bidder's unit prices, and shall furnish LACMTA with copies in accordance with applicable Law of the extract of bids, together with sets of the final plans and specifications. LACMTA shall have the right to require a minimum number of bids, to specify certain of the Parties to whom bid requests are submitted, to review the bids, and to approve the contract award recommendation prior to presentation to the City Council for award of the contract. City shall not award a contract until the lowest responsive responsible bidder has been approved by LACMTA. LACMTA reserves the right to request rejection of all bids, however, LACMTA shall reimburse the City for all reasonable design and review costs incurred by the City.

6.5 Construction by Contractor

After review and approval of the bids by LACMTA, LACMTA shall issue a Work Order to City for City staff work. City shall notify LACMTA of the amount of advance monies needed to award the contract and monies for contract progress payments thereafter. LACMTA shall reimburse the City pursuant to the terms of this Agreement or as mutually agreed within the Work Order. City shall thereafter obtain LACMTA's approval for modifications to the contract which will affect the Project. City shall inform LACMTA promptly when City has reason to believe that the cost estimate is likely to be exceeded, and shall obtain LACMTA approval prior to granting of any such increase.

6.6 Construction by City Forces

Should City and LACMTA agree that work may be performed by City forces, the cost estimate to perform the work and LACMTA's share thereof shall be furnished to LACMTA for approval. LACMTA reserves the right to reject such cost estimate but shall reimburse the City for all costs of the work performed up to that point. Upon LACMTA's approval of the cost estimate and design, LACMTA shall issue a Work Order to City for the City's cost of design and construction. The Work Order shall also reimburse the City

for all costs that City incurred prior to issuance of the Work Order by LACMTA, if the work is authorized by LACMTA. City shall obtain LACMTA's prior approval for any changes from the approved Design or increase to the approved cost estimate.

6.7 Inspection

All Construction performed by a contractor for the City pursuant to this Article shall be subject to inspection in accordance with the provisions of Articles 2 and 5 of this Agreement. City inspection services on the work performed pursuant to this Subsection shall be authorized by Work Order and shall be reimbursable in accordance with the procedures set forth in Article 5 of this Agreement.

6.8 Reports and Invoices

City shall furnish to LACMTA a monthly progress and accounting report for the work performed pursuant to this Article in a mutually agreeable format. Upon request by LACMTA, City shall additionally furnish an invoice and request for payment based on the Cost of the Construction work performed, in accordance with Article 8 of this Agreement.

6.9 Requirements

6.9.1 All Design, Construction and other activities to be performed by City pursuant to this Article shall be carried out in conformance with the time schedule(s) set forth in the applicable Work Order. Such schedules shall accommodate variables, including changes in the contractor's schedule, availability of information, [or passage of a Proposition 218 vote for Lighting System Work.] Such time schedule(s) shall coincide closely and be coordinated with LACMTA's schedule for the Project. City shall coordinate its work with other facility owners and contractors performing work that may connect, complement or interfere with City's work pursuant to this Article or with the Project Facilities (or components thereof) being constructed by City.

6.9.2 All work by City's forces or its contractors pursuant to this Article shall comply with the environmental controls established in the construction contract between LACMTA and its contractor for the Project, including without limitation construction noise and vibration control and pollution controls.

ARTICLE 7

PROJECT CLOSEOUT AND TRANSFER TO CITY

7.1 Project Closeout

LACMTA is responsible for the project closeout. Upon completion of the Project, LACMTA shall provide City with electronic as-builts received from LACTMA's contractor as set forth in Sections 3.4.4 and 4.4. Upon receipt of a certificate of Substantial

Completion from LACMTA's contractor, LACMTA will provide certificate of Substantial Completion of the Project to City. Following receipt of a certificate of Substantial Completion from LACMTA, City shall, within thirty (30) days thereof, either (a) deliver a notice of final acceptance of the Project to LACMTA, or (b) deliver a Non-Conformance Notification to LACMTA if City believes there are construction work elements that are not in conformance with the requirements of this Agreement. Any Non-Conformance Notification shall satisfy the requirements of, and be handled in accordance with, the provisions of Section 5.2. Upon completion of any corrective work that may be performed in connection with a Non-Conformance Notification, City shall deliver a notice of final acceptance of the Project to LACMTA. The date upon which LACMTA has received a notice of final acceptance from City shall be the "Date of Final Acceptance" under this Agreement. Within twenty (20) days following the Date of Final Acceptance, City shall execute and deliver to LACMTA, and CHSRA a general release of claims in favor of LACMTA and CHSRA (including a California Civil Code Section 1542 waiver as to all known and unknown claims) with respect to the design and construction of the Project, which release shall be in form and substance reasonably satisfactory to LACMTA. and CHSRA.

7.2 Excess Property

Upon completion of the Project, LACMTA will consult with City to determine if there is any real property that was purchased for the Project but is not needed for the operation and maintenance of the Overpass and that is not subject to an option in favor of CHSRA to acquire a portion thereof for CHSRA's right of way (the "Excess Property"). To the extent LACMTA and City identify any Excess Property, LACMTA will sell such Excess Property on such terms and price as it determines, in its sole discretion. The net proceeds from sales of real property to CHSRA for its right of way, and the net proceeds from the sale of any Excess Property, will be applied first to reimburse LACMTA, City, BNSF, CHSRA and Caltrans, for their proportionate shares of any Project overruns they have previously funded (or to provide funds for any unfunded cost overruns) with any excess net sales proceeds to be paid 50% to LACMTA and 50% to CHSRA.

7.3 Transfer of Completed Project to City

Upon the Date of Final Acceptance of the Project, and after determination of any Excess Property, LACMTA will convey to City all of LACMTA's right, title and interest in and to (a) the Project site, less any Excess Property, (b) all new and previously existing infrastructure located on the Project site, whether constructed as part of the Project or otherwise, (c) the Project Warranties, and (d) any other rights or interests obtained by LACMTA for the purpose of completing the Project. Upon the Date of Final Acceptance, City will assume responsibility for all repairs and maintenance of the Overpass and City will have the right to enforce all Project Warranties. LACMTA will prepare drafts of transfer documents for conveying the Project to City for City review. City will review the draft

transfer documents within 15 days after submission by LACMTA and LACMTA will resubmit such transfer documents to City for final approval as soon as possible after submission of comments from City. Upon final approval of the transfer documents, and subject to the receipt of the release required by Section 7.1 above, LACMTA will execute and deliver the conveyance documents to City.

ARTICLE 8 REIMBURSEMENTS TO CITY

8.1 Reimbursements to City

LACMTA shall reimburse City for services performed in accordance and pursuant to Section 2.12.5 in the manner provided by this Agreement. Except with respect to Betterments, the issuance of a Work Order shall obligate LACMTA to reimburse City in the manner provided by this Agreement. The term "**Cost**" shall mean the direct and indirect costs actually incurred by City for activities or work performed or materials acquired in accordance with the terms of this Agreement, less credits to LACMTA as provided in this Agreement. Direct costs shall include allowable direct labor costs spent specifically for work performed under this Agreement by approved and designated positions and/or individuals. Indirect costs shall be computed based upon the Indirect cost Rates approved annually for the City by its cognizant agency (currently the United States Department of Labor pursuant to Circular A-87 of the Office of Management and Budget and Publication OASC-10), for allocation to Federally funded or State funded contracts. Unless the Internal Revenue Service and the California Public Utilities Commission issue regulations or rulings to the contrary, reimbursable costs will not include taxes purportedly arising or resulting from LACMTA's payments to City under this Agreement. Notwithstanding and in lieu of the foregoing, a fixed price for certain Design and/or Construction by City may be established upon mutual agreement of the Parties, as set forth in the applicable Work Order. Any such fixed price shall include all applicable credits due pursuant to this Agreement with respect to such work.

8.2 Reimbursements for Abandoned Facility

In those cases in which LACMTA and City agree that the construction of the Project will eliminate the service need for a specific Conflicting Facility, LACMTA shall not be required to replace or compensate City for the Conflicting Facility, in which case LACMTA shall compensate City only for necessary Costs incurred in abandoning the Conflicting Facility; provided, however that LACMTA shall not be responsible for any Abandonment or other Costs relating to the presence or existence of any environmental hazard on, in, under or about a Conflicting Facility or other City Facility, including but not limited to any "hazardous substance" as that term is defined under the Comprehensive Environmental Response, Compensation and Liability Act unless LACMTA or its contractor caused the environmental hazard through its actions.

ARTICLE 9
REIMBURSEMENTS AND CREDITS TO LACMTA

9.1 Survey & Review of Records

The amount of credits or payments, as applicable, due to LACMTA for salvage shall be mutually agreed on by LACMTA and City based upon applicable books, records, documents and other data of City. To assist in the determination of credits or payments due, LACMTA under this Agreement, LACMTA and City may conduct an inspection survey of each Conflicting Facility during the Design stage. Pursuant to this Agreement, City shall provide LACMTA with drawings, plans or other records necessary to conduct such survey. The survey shall describe the physical attributes, date of construction or installation and present condition of each Conflicting Facility; shall report the expected service life of each Conflicting Facility as derived from City's records; and shall state whether City intends to salvage materials contained in each City Facility.

9.2 Salvage

As applicable, salvage credit shall be allowed or City shall pay for salvage, for items of materials and equipment recovered from existing City Facilities that the City intends to re-use, in the performance of Construction work specified herein. The amount of salvage credit or payment, if any, shall equal the depreciated value of like or similar materials as determined by mutual agreement, plus storage and transportation costs of such materials salvaged for City's use as directed by the City.

ARTICLE 10
INDEMNITY; PROJECT WARRANTIES & INSURANCE

10.1 Indemnity

10.1.1 LACMTA agrees to indemnify, defend and hold harmless City, its officers, City Council members, officials, board and commission members, agents and employees from and against any and all liability, expenses (including engineering and defense costs and reasonable legal fees), claims, losses, suits and actions of whatever kind, and for damages of any nature whatsoever, including but not limited to, bodily injury, death, personal injury, or property damage arising from or connected with LACMTA's performance hereunder.

10.1.2 City agrees to indemnify, defend and hold harmless LACMTA, and CHSRA, and their respective members, agents, officers, board members and employees from and against any and all liability, expenses (including engineering and defense costs and reasonable legal fees), claims, losses, suits and actions of whatever kind, and for

damages of any nature whatsoever, including but not limited to, bodily injury, death, personal injury or property damage arising from or connected with City's performance hereunder. Upon the Date of Final Acceptance of the Project, City shall provide a waiver and release of all claims in favor of LACMTA and CHSRA in connection with the Design and Construction of the Project, and LACMTA shall assign to City any warranties provided by LACMTA's contractors performing work in connection with the Construction.

10.1.3 In contemplation of the provisions of Section 895.2 of the Government Code of the State of California imposing certain tort liability jointly upon public entities solely by reason of such entities being Parties to an agreement (as defined by Section 895 of said Code), the Parties hereto, as between themselves pursuant to the authorization contained in Sections 895.4 and 895.6 of said Code, will each assume the full liability imposed upon it, or any of its officers, agents or employees, by law for injury caused by negligent or wrongful act or omission occurring in the performance of this Agreement to the same extent that such party would be responsible under Section 10.1 hereof. The provisions of Section 2778 of the California Civil Code are a part hereof as if fully set forth herein.

10.2 Warranties and Insurance

10.2.1 LACMTA shall not be required to provide any public improvements bond to City in connection with excavations in or adjacent to City rights-of-way. LACMTA shall obtain a warranty from its contractors with respect to any work affecting the structural stability of City rights-of-way that such work shall be free from material defect for a period of one (1) year from and after the completion of such work in accordance with the terms of the construction contract. Such warranty shall be for the benefit of both LACMTA and City. On the Date of Final Acceptance of the Project, LACMTA shall assign to City all of its rights under the contractor's warranty so that City shall have the right to directly pursue the contractor for any claims during the warranty period.

10.2.2 In connection with the design and construction of the Project, and any Rearrangements performed by LACMTA or its contractors, LACMTA shall obtain warranties from its contractors under the construction contract that any work performed by such contractors shall be free from material defect for a period of one (1) year from and after Substantial Completion of the Project. Such warranties shall be for the benefit of both LACMTA and City. On the Date of Final Acceptance of the Project, LACMTA shall assign the contractor warranties to City so that City shall have the right to directly pursue the contractor for any claims during the warranty period. Prior to transfer of the Project warranties to City pursuant to Section 7.1, LACMTA shall use its commercially reasonable efforts to enforce the Project Warranties as necessary; provided, however, that following the transfer of the Project warranties to City, such enforcement shall be the sole responsibility of City and LACMTA shall have no further obligation or liability under this Section 10.2. LACMTA makes no warranties with respect to the Project.

10.2.3 The construction contract or any other contract entered into by City in connection with a Rearrangement or with work on Project Facilities performed by City pursuant to Article 6, shall contain a provision which requires the general contractor, as part of the liability insurance requirements, to provide an endorsement to each policy of general liability insurance which names City and LACMTA as additional insureds. Unless otherwise mutually agreed by the Parties or as otherwise set forth in the terms of other contracts entered into by LACMTA with the contractor for design and construction of the Project, construction general contractors shall provide evidence of insurance in the following amounts: \$5,000,000 in General Liability, \$1,000,000 in Workers' Compensation/Employer's Liability, and \$1,000,000 Combined Single Limit (CSL) in Auto Liability. Unless otherwise mutually agreed by the Parties, Design contractors shall provide evidence of insurance in the following amounts: \$5,000,000 in General Liability, \$1,000,000 in Workers' Compensation/Employer's Liability, \$1,000,000 CSL in Auto Liability, and \$1,000,000 in Professional Liability. No insurance shall be reduced in scope or cancelled without thirty (30) Days prior written notice to LACMTA and City.

10.2.4 In connection with Rearrangements and City projects and any work performed by City or its contractors, City and LACMTA may require their respective contractors to secure payment and performance bonds, or other equivalent sureties, naming both City and LACMTA as an additional obligee or co-beneficiary, as appropriate. Such bonds shall be issued by a California licensed surety.

ARTICLE 11

CITY FUNDING OBLIGATIONS

11.1 City Funding.

City is anticipating the award of CPUC Section 190 Funds from the State of California in the amount of \$15,000,000 for the Project. Contingent upon the receipt of such Section 190 Funds by City, City will contribute the entire \$15,000,000 of Section 190 Funds ("**City's Share**") towards the total actual costs of the Design and Construction of the Project (the "**Project Cost**"). Additionally, local, state and federal funds will be used in the Design and Construction of the Project, including, without limitation, funds from the other Funding Entities. The total cost of the Design and Construction for the Project is presently estimated to be One Hundred Fifty Five Million Three Hundred Thousand Dollars (\$155,300,000) (the "**Estimated Total Project Cost**"). Contingent on the receipt of the Section 190 Funds, City will make payment to LACMTA in full of the City's Share upon receipt of a detailed invoice of the final Project Cost. The Estimated Total Project Cost includes a 20% construction contingency in addition to a 10% cost contingency. Any savings in line items of the Estimated Total Project Cost may be re-allocated by LACMTA

to the contingency line item. LACMTA shall have the right to use any amount of the contingency in the Estimated Total Project Cost as LACMTA deems necessary or appropriate to cover actual costs incurred in the Design and/or Construction of the Project. If the actual Project Cost is less than the Estimated Total Project Cost, so that there are excess funds in the Project budget funded by the Funding Entities, LACMTA agrees to allocate up to an aggregate amount of \$2,000,000 from such excess funds to reimburse City for the reimbursement of costs incurred by City, as provided in Sections 2.6.1 and 5.1 hereof

If the actual Project Cost exceeds the Estimated Total Project Cost, including the contingency line item amount, as a result of unforeseen delays, hidden conditions, cost overruns, excess property acquisition costs or other events, LACMTA shall, as soon as feasible, notify City and other Funding Entities of the amount of such excess Project Cost and specify the reason or reasons for such excess Project Cost being required. LACMTA shall be authorized to proceed with any work on the Project only to the extent required for the safety of persons or property or to preserve the value or condition of the existing work in progress; however, LACMTA shall defer any other additional work that is in excess of the Estimated Total Project Cost but is not necessary work that is otherwise permitted by this provision unless and until the Funding Entities agree to pay for such additional work.

11.2 LACMTA Contingency.

Notwithstanding anything to the contrary set forth in this Agreement, City acknowledges and agrees that LACMTA's ability to perform its obligations under this Agreement is entirely dependent upon the performance by City and each of the other Funding Entities of their respective obligations under this Agreement, the C&M Agreement, and under the applicable funding agreements with the Funding Entities (each, a "**Funding Agreement**"). Therefore, LACMTA's performance under this Agreement is expressly conditioned upon the performance of City and each other Funding Entity of its respective obligations under this Agreement, the C&M Agreement, and any Funding Agreements, as applicable. In the event of a failure or default of any party other than LACMTA under any such agreement, any delay or failure of LACMTA or LACMTA's contractors to perform in accordance with the requirements of this Agreement and/or the C&M Agreement shall be excused for so long as such failure or default continues.

ARTICLE 12 WORK PLANS, DEADLINES & DELAYS, INVOICES & OVERTIME PROCEDURES FOR WORK ORDERS, AUDIT & INSPECTION

12.1 Work Performed by City

All work to be performed by City under this Agreement, as approved by LACMTA in

an applicable Work Plan per Article 6 shall coincide closely with LACMTA's Design and Construction schedule for the Project. Consistent with its own staffing and workload requirements, City shall allocate sufficient staff and other resources necessary to provide the level of service required to meet the Project scope of work and schedules, subject to reimbursement for such costs as provided in this Agreement.

12.2 Intentionally Omitted

12.3 Deadlines and Delays

12.3.1 City shall perform its work under this Agreement in accordance with the deadlines and schedules established in this Agreement and as set forth in the Approved Plans.

12.3.2 LACMTA and its contractors shall timely commence, diligently prosecute and complete LACMTA's Construction and other activities for each Rearrangement on or before the applicable deadlines established in this Agreement. If LACMTA or its contractor fails to meet such deadline, than any affected time deadlines for City's Construction or other activities under this Agreement shall be revised accordingly.

12.3.3 In addition to and without limiting any rights or remedies available under this Section or otherwise, if City fails to complete its work on any Rearrangement on or before the deadline established under this Agreement, or if LACMTA reasonably determines that City will be unable to timely complete such work, LACMTA (without incurring any additional liability other than the Costs incurred as set forth in this Section 12.3.3) may terminate City's work on such Rearrangement by giving notice to City, and either perform the remaining work itself or cause such work to be performed by LACMTA's contractor, subject to the City's approval and inspection processes where City facilities are involved. If LACMTA takes over work as provided in this Subsection, City shall cooperate and assist LACMTA as otherwise provided in this Agreement.

12.4 Invoices & Overtime Procedures for Work Orders

The following are procedures that shall be followed by City for submitting invoices and billing along with relevant and applicable back up documentation. All invoices and billing shall be clearly marked, legible and shall be submitted no later than one (1) month after services have been provided. Invoices submitted three (3) to six (6) months after services were provided and without applicable back up documentation will not be paid per the invoice terms. Invoices submitted six (6) months after services have been provided shall be considered void and null. All invoices shall contain the following information with relevant and applicable back up information:

1. Identification of Project

2. Identification of Work Order/ PO number
3. Invoice number/date
4. Invoice amount
5. Invoice period
6. The planned hours for the fiscal year, per annual work plan approved by the LACMTA Board, should be shown on the header page of invoice]
7. Description and cost summary breakout for invoice period of:
 - a. Direct General Staff Costs (reviewers, etc.)
 - b. Fringe benefits
 - c. Overhead Costs
 - d. Admin Costs
 - e. Tax Costs
 - f. Traveling Costs
 - g. Overtime Costs
8. Supportive documents to back up direct general staff and indirect summary costs for the invoice period. Such items shall include:
 - a. Name of Person
 - b. Person's Title
 - c. Number of Regular Hours
 - d. Description of tasks performed
 - e. Its respective associated Fringe, Overhead, Admin, Tax, and Traveling Costs
 - f. Description of support services (review, meetings, permit process, field work, etc.) for that period. For example: Review of UG13 street improvement plans
 - g. Number of OT charges
 - h. City Department representative signature at the bottom of the sheet verifying that the people/ hours charging time to the Project is accurate
9. Overtime costs shall be identified in invoicing with a copy of LACMTA authorization for overtime. Please see below for authorization process.
10. Organizational chart showing all staff
11. Resolution ladder for the Project

All overtime shall be required to be approved by the Project manager from LACMTA or an authorized representative from LACMTA. It shall be the invoice's responsibility to obtain approval for OT via email prior to overtime occurring. A copy of the email shall be attached to the invoice.

12.5 Audit and Inspection

The parties shall comply with the audit and inspection provisions of the C&M Agreement.

ARTICLE 13 RESOLUTION OF DISPUTES

13.1 Attempt to Resolve

In the event of a claim or dispute arising out of or relating to this Agreement, both parties shall make good faith efforts to resolve the claim or dispute through negotiation. Any dispute that cannot be settled through direct negotiation may be resolved pursuant to Section 13.2 below.

13.2 Dispute Resolution

In the event of any dispute arising out of this Agreement, the interpretation of any of the provisions hereof, or the action or inaction of any Party hereunder, prior to the commencement of any other form of dispute resolution (which shall be limited to that set forth in this Section 13.2), a Party shall first give a written notice (a "Dispute Notice") to the other Party, setting forth the nature of the dispute. The Parties shall attempt in good faith to resolve the dispute by submitting the matter to mediation administered by JAMS. All parties will cooperate with JAMS and with one another in selecting a mediator from the JAMS panel of neutrals and in scheduling the mediation proceedings. The parties agree that they will participate in the mediation in good faith and that they will share equally in its costs. If the dispute has not been resolved by mediation as provided above within thirty (30) days after delivery of the Dispute Notice, then the dispute shall be the dispute shall be submitted to final and binding arbitration in California, administered by JAMS in accordance with the then-existing JAMS Streamlined Arbitration Rules and Procedures for commercial dispute, and electing the Final Offer (or Baseball) Arbitration Option pursuant to Rule 28 (or its successor). Any award or decision obtained from any such arbitration proceeding shall be final and binding on the parties, and judgment upon any award thus obtained may be entered in any court having jurisdiction thereof. Unless otherwise ordered by the arbitrator, the arbitrator's expenses shall be shared equally by the parties. No action at law or in equity based upon any claim arising out of or related to this Agreement shall be instituted in any court by any Party except (a) an action to compel arbitration pursuant to this Section 13.2 or (b) an action to enforce an award obtained in an arbitration proceeding in accordance with this Section 13.2.

Neither the pendency of a dispute nor its consideration by personnel of a Party will excuse any Party from full and timely performance in accordance with the terms of this Agreement. Each Party shall continue to comply with its obligations under this Agreement during the resolution of any dispute hereunder.

13.3 Prevailing Party

In any action brought under this Agreement, the prevailing Party shall be entitled to recover its actual costs and attorney's fees pursuant to California Civil Code Section 1717, as well as other litigation costs, including expert witness fees. The prevailing Party shall also be entitled to recover all actual attorney's fees and litigation costs incurred in connection with the enforcement of a judgment arising from such action or proceeding.

13.4 Implementation

Each Party promptly will take any action required of it in order to implement an agreed upon Dispute resolution.

13.5 Cooperation

The Parties shall diligently cooperate with each other to ensure an efficient and expeditious resolution to each Dispute, if possible.

13.6 Incorporation of Subcontracts

In order to ensure the timely completion of Rearrangements, City shall include the foregoing or equivalent provision in its agreements with contractors, materials suppliers, equipment renters and others who are involved in effecting Rearrangements.

ARTICLE 14 FEDERAL AND OTHER REQUIREMENTS

This Agreement may be subject to a financial assistance agreement with the U.S. Department of Transportation, Federal Transit Administration, as to certain Transit Projects, and as such, is subject to all Federal requirements, including and not limited to the following terms and conditions:

14.1 Audit and Inspection

City agrees to comply with all financial record keeping, reporting and such other requirements as may be imposed as a condition to or requirement of funding obtained by LACMTA from third parties (provided that LACMTA gives reasonable notice of such requirements to City). City shall permit the authorized representatives of LACMTA, the U.S. Department of Transportation, the Comptroller General of the United States, State of California, and any other government agency providing funding or oversight on the Project, to inspect, audit and copy, during normal business hours and upon reasonable

notice, all cost and other relevant records relating to performance by City, its contractors and subcontractors under any Work Plan or Work Order issued to City for the Project or Rearrangements of City Facilities related thereto, from the date of this Agreement through and until expiration of three (3) years after the accepted completion of all Rearrangements for the Project, or such later date as is required by the rules and regulations of any such government agency (provided that LACMTA gives reasonable notice of such later date to City). Examination of a document or record on one occasion shall not preclude further examination of such document or record on subsequent occasions. By providing any of its records for examination pursuant to this Section, City represents and warrants that such records are accurate and complete. City shall include in any contracts it enters into for the performance of work hereunder the above requirements and require its contractors (or consultants) to include the above requirements in any subcontracts or purchase orders. In the case of such contractors, consultants, subcontractors and suppliers, the records subject to the above requirements shall include, without limitation, any relevant records as to which a tax privilege might otherwise be asserted.

14.2 Interest of Members of Congress

No members of or delegate to the Congress of the United States shall be admitted to any share or part of this Agreement or to any benefit arising therefrom.

14.3 Prohibited Interests

No member, officer or employee of LACMTA, or of a local public body, during his or her tenure or for one year thereafter shall have any interest, direct or indirect, in this Agreement or the proceeds thereof. To LACMTA's and City's knowledge, no board member, officer or employee of LACMTA has any interest, whether contractual, non-contractual, financial or otherwise in this transaction, or in the business of City; and if any such interest comes to the knowledge of either Party at any time, a full and complete disclosure of all such information will be made in writing to the other party, even if such interest would not be considered a conflict under Article 4 of Division 4 (commencing with Section 1090) or Division 4.5 (commencing with Section 3690) of the Government Code of the State of California.

14.4 Equal Employment Opportunity

In connection with the performance of this Agreement, the Parties shall not discriminate against any employee or applicant for employment because of age, race, religion, color, sex, sexual orientation, national origin or disability. The Parties shall take affirmative action to ensure that applicants are employed, and that employees are treated during their employment, without regard to their age, race, religion, color, sex, sexual orientation, national origin, or disability. Such action shall include, but not be limited to the following: Employment, upgrading, demotion or transfer; recruitment or recruitment

advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

14.5 Small Business Enterprise

In connection with the performance of this Agreement, City will cooperate with LACMTA in meeting all applicable federal regulations with regard to the maximum utilization of disadvantaged business enterprises, and will use its best efforts to ensure that small business enterprises shall have the maximum practicable opportunity to compete for subcontract work under this Agreement.

14.6 Prior Approval

This Agreement and all amendments thereto are subject to U.S. Department of Transportation, Federal Transit Administration review and approval.

14.7 Non-Discrimination

Without limiting any other provisions of this Article 9, City agrees to comply, and to cause all of its contractors who work on projects subject to this Agreement to comply, with all applicable non-discrimination laws, rules and regulations, whether imposed by Federal, State or local Governmental Authorities.

ARTICLE 15 MISCELLANEOUS PROVISIONS

15.1 Approvals; Further Documents and Actions

15.1.1 Any acceptance, approval, consent, permission, satisfaction, agreement, authorization or any other like action (collectively, "**Approval**") required or permitted to be given by any Party hereto pursuant to this Agreement:

(a) Must be in writing to be effective (except if deemed granted pursuant hereto);

(b) Shall not be unreasonably withheld, conditioned or delayed; and if Approval is withheld, such withholding shall be in writing and shall state with specificity the reasons for withholding such Approval, and every effort shall be made to identify with as much detail as possible what changes are required for Approval; and

(c) Shall be deemed granted if no response is provided to the Party requesting an Approval within the time period prescribed by this Agreement commencing upon actual receipt by the Party from which an Approval is requested or

required of a request for Approval from the requesting Party.

15.1.2 The Parties agree to execute such further documents, agreements, instruments and notices, and to take such further actions, as may be reasonably necessary or appropriate to effectuate the transactions contemplated by this Agreement.

15.2 Notices

15.2.1 Except as otherwise expressly provided in this Agreement, all notices or communications pursuant to this Agreement shall be in writing and shall be sent or delivered to the following:

To the City:

Raymond R. Cruz, City Manager
City of Santa Fe Springs
11710 E. Telegraph Road
Santa Fe Springs, CA 90670
T. (562) 868-0511

With copies to:

Yolanda M. Summerhill, City Attorney
City of Santa Fe Springs
11710 E. Telegraph Road
Santa Fe Springs, CA 90670
T. (562) 868-0511

Noe Negrete, P.E.
Director of Public Works & City Engineer,
City of Santa Fe Springs
11710 E. Telegraph Road
Santa Fe Springs, CA 90670
T. (562) 868-0511

To LACMTA:

Jeanet Owens, Senior Executive Officer
LACMTA
Regional Rail
One Gateway Plaza
Los Angeles, CA 91012
T. (213) 922-6877

With copies to:
Greg Levine, County Counsel
One Gateway Plaza, 24th Floor
Mail Stop 99-24-2
Los Angeles, CA 90012
T. (213) 922- 2551

Any notice or demand required shall be given (a) personally, (b) by certified, registered mail, postage prepaid, or return receipt requested, (c) by confirmed fax, or (d) by reliable messenger or overnight courier to the address of the respective Parties set forth above. Any notice served personally shall be deemed delivered upon receipt, served by facsimile transmission shall be deemed delivered on the date of receipt as shown on the received facsimile, and served by certified or registered mail or by reliable messenger or overnight courier shall be deemed delivered on the date of receipt as shown on the addressee's registry or certification of receipt or on the date receipt is refused as shown on the records or manifest of the U.S. Postal Service or such courier, or five (5) Days after deposit in the United States mail. City or LACMTA may from time to time designate any other address or addressee or additional addressees for this purpose by written notice to the other Party.

15.2.2 The Parties may also designate other procedures for the giving of notice as required or permitted under the terms of this Agreement, but each alternate procedure shall be described in writing and signed by the LACMTA Representative and the City Representative.

15.3 Assignment; Binding Effect

No Party shall assign its interest in this Agreement without prior consent of each of the other Parties. Any assignment purported to be made without the written consent of all the Parties shall be void and unenforceable. Any permitted assignment shall bind and inure to the benefit of the respective successors and permitted assigns of the Parties.

15.4 Waiver

The failure of any Party at any time or times to require performance of any provisions hereof shall in no manner affect the right at a later time to enforce the same. No waiver by any Party of any condition, or of any breach of any term, covenant, representation, or warranty contained herein, in any one or more instances, shall be deemed to be or construed as a further or continuing waiver of any such condition or breach or waiver of any other condition or of any breach of any other term, covenant, representation or warranty.

15.5 Amendment; Entire Agreement; Modification

This Agreement may not be amended, modified, superseded or canceled, nor may any of the terms, covenants, representations, warranties or conditions hereof be waived, except by a written instrument executed by all Parties.

15.6 Elements of Essence

In accomplishing all work and performing all other acts required under this Agreement, time, and public health, safety, and welfare are of the essence.

15.7 Legal Rights

This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of California. The rights and remedies of LACMTA and City for default in performance under this Agreement are in addition to any other rights or remedies provided by law.

15.8 Bonds/Fees.

Except as specifically agreed to in this Agreement and as prepared for this Project and subject to applicable Law, City waives and relinquishes all of its requirements, if any, to seek or obtain bonds, fees or other security or payments from LACMTA or its contractors in the performance of its obligations under this Agreement.

15.9 Severability

In the event that any portion hereof is determined to be illegal or unenforceable, such determination shall not affect the validity or enforceability of the remaining provisions hereof, all of which shall remain in full force and effect.

15.10 Gender and Tense

As used in this Agreement, the masculine, feminine and neuter genders, and the singular and plural numbers shall each be deemed to include the other or others whenever the context so indicates.

15.11 Headings

The headings, which appear at the commencement of each article and section, are descriptive only and for convenience in reference to this Agreement. Should there be any conflict between any heading and the article or section itself, the article or section itself and not the heading shall control as to construction.

15.12 Incorporation of Exhibits

Every exhibit to which reference is made in this Agreement is hereby incorporated in this Agreement by this reference.

15.13 Counterpart Originals

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be the original, and all of which together shall constitute one and the same instrument. Any fully executed copy of this Agreement shall be deemed an original for all purposes.

15.14 Force Majeure

Neither Party shall be held liable for any loss or damage due to delay or failure in performance of any part of this Agreement from any cause beyond its control and without its fault or negligence; such causes may include acts of God, acts of civil or military LACMTA, government regulations (except those promulgated by the Party seeking the benefit of this section), embargoes, epidemics, war, terrorist acts, riots, insurrections, fires, explosions, earthquakes, nuclear accidents, floods, strikes, power blackouts, volcanic action, other major environmental disturbances or unusually severe weather conditions; provided, however, that lack of funds or funding shall not be considered to be a cause beyond a Party's control and without its fault or negligence. The foregoing events do not constitute force majeure events where they are reasonably foreseeable consequences of Construction.

15.15 Construction

The language in all parts of this Agreement shall be in all cases construed simply according to its fair meaning and not strictly for or against any of the Parties.

15.16 Benefit: Third Party Beneficiaries

Except as provided below, no provisions of this Agreement shall create any third-party beneficiary hereunder, or authorize anyone not a party hereto to maintain a suit for personal injury or property damage pursuant to the terms or provisions hereof, except to the extent that specific provisions (such as the indemnity provisions) identify third parties and state that they are entitled to benefits hereunder. CHSRA is express third party beneficiary of the obligations of City under Article 7 and Section 10.1.2 of the Agreement and shall have the right to enforce such obligations directly. In addition, City agrees for the express benefit of CHSRA not to take any action, without the prior written approval of CHSRA, , that would preclude or make materially more complicated or expensive, the

future use of the railroad right of way under the Overpass by CHSRA. CHSRA shall have the right to directly enforce this obligation of City.

15.17 Survival

The representations, warranties, indemnities and waivers set forth in this Agreement shall survive the termination, for any reason whatsoever, of this Agreement.

15.18 Entire Agreement

This Agreement constitutes the entire agreement of the parties with respect to, and supersedes all prior written and oral agreements, understandings and negotiations with respect to the terms of this Agreement. Any and all prior agreements, understandings or representations relating to the transactions referred to in this Agreement are hereby terminated and canceled in their entirety and are of no further force and effect.

15.19 Funding Entities

The Parties mutually agree to assist each other in identifying and securing funds for the Project, including, without limitation, from the Funding Entities. The City and LACMTA shall work jointly with the Funding Entities to optimize funding alternatives for the Project.

15.20 Community Commitments

The Parties agree that commitments made to the community shall be incorporated into the Project subject to the availability of funding.

15.21 Authority of Parties

Each of the parties hereby represents and warrants that it has full legal authority and is duly empowered to enter into this Agreement, and has taken all actions necessary to authorize the execution and delivery of this Agreement.

IN WITNESS WHEREOF, the Parties have caused this AGREEMENT to be executed as of the date first set forth above.

CITY OF SANTA FE SPRINGS

By: _____

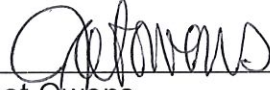

Jay Sarno
Mayor

Date: _____

6/19/18

LOS ANGELES COUNTY METROPOLITAN
TRANSPORTATION AUTHORITY

By: _____



Jeanet Owens
Senior Executive Officer, Regional Rail

Date: _____

7/13/18

APPROVED AS TO FORM:

By: _____


Yolanda M. Summerhill
City Attorney

Date: _____

June 21st, 2018

APPROVED AS TO FORM:

MARY C. WICKHAM
County Counsel

By: _____


Greg Levine, Deputy County
Counsel

Date: _____

7/11/18

ATTEST

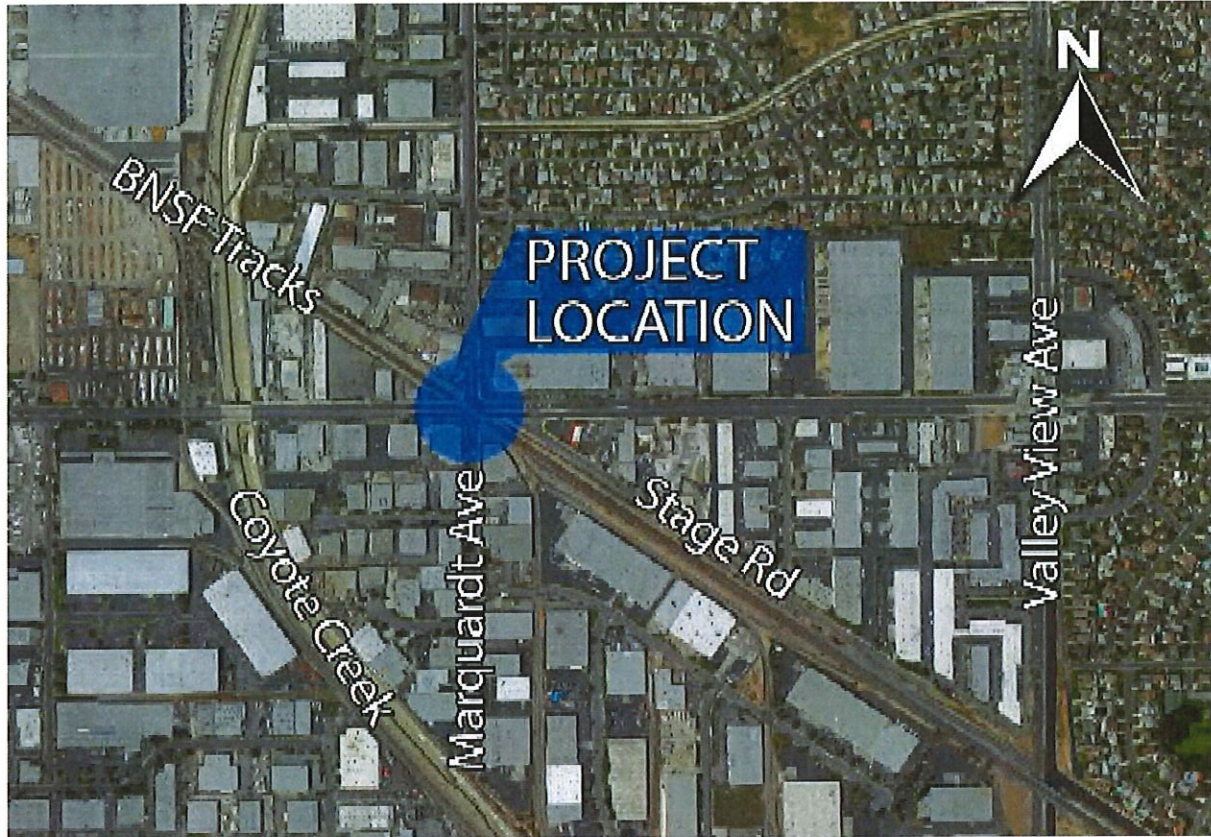
By: _____


Janet Martinez, City Clerk

Date: _____

6-21-18

EXHIBIT A
Rosecrans/Marquardt Project Location Map



**SECOND AMENDMENT TO
COOPERATIVE AND FUNDING AGREEMENT FOR THE
ROSECRANS/MARQUARDT GRADE SEPARATION PROJECT
BY AND BETWEEN
LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY AND
THE CITY OF SANTA FE SPRINGS**

This Second Amendment ("Amendment") is made and entered into this ____ day of _____, 2024, by and between the City of Santa Fe Springs ("City") and Los Angeles County Metropolitan Transportation Authority ("LACMTA").

WHEREAS, on July 13, 2018, the City and LACMTA entered into a Cooperative and Funding Agreement ("Agreement") in connection with the Rosecrans/Marquardt Grade Separation Project ("Project"); and

WHEREAS, the City and LACMTA desire to amend the Agreement to provide for the City to contract for flagging services for the Project as determined by LACMTA; and

WHEREAS, the parties agree that LACMTA will reimburse the City for any such flagging services; and

WHEREAS, the parties further agree that the ability of the City to contract for flagging services will not be effective until the execution of this Amendment by both parties.

NOW, THEREFORE, in consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

1. Section 2.11.9 is hereby added to the Agreement as follows:

"2.11.9 Flagging Services: Upon request and as determined by LACMTA, the City shall contract for flagging services for the Project. LACMTA hereby agrees to reimburse the City, in an amount not to exceed One Million Dollars (\$1,000,000), for all such flagging services. LACMTA shall reimburse the City for the flagging services in accordance with Section 8.1 of this Agreement. The provisions of Section 10.1 "Indemnity" shall apply to the flagging services provided by the City and its flagging contractor."

2. The first sentence of Section 8.1 in the Agreement is hereby amended to read: "LACMTA shall reimburse City for services performed in accordance and pursuant to Sections 2.11.9 and 2.12.5 in the manner provided by this Agreement".

3. Except as amended herein, all terms, conditions, and provisions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have set their hand by their duly authorized representatives as of the day and year first above written.

CITY OF SANTA FE SPRINGS

LOS ANGELES COUNTY
METROPOLITAN
TRANSPORTATION AUTHORITY

Jay Sarno, Mayor

Date: _____

Date: _____

ATTEST:

Fernando Muñoz, Deputy City Clerk

APPROVED AS TO FORM:

APPROVED AS TO FORM:
DAWYN R. HARRISON
County Counsel

Ivy M. Tsai, City Attorney

By: Deputy

**CITY OF SANTA FE SPRINGS
PROFESSIONAL SERVICES AGREEMENT
WITH
RAILPROS FIELD SERVICES, INC.**

This Professional Services Agreement ("Agreement") is made and effective as of January 1, 2024 ("Effective Date"), by and between the City of Santa Fe Springs, a California municipal corporation, ("City") and RailPros Field Services, Inc., a Texas corporation ("Consultant"). In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

1. TERM

This Agreement shall commence on the Effective Date and shall remain and continue in effect until the services described herein are completed, unless sooner terminated pursuant to the provisions of this Agreement.

2. SERVICES

Consultant shall perform the services described in Exhibit A attached hereto and incorporated herein as though set forth in full ("Services"). Consultant shall complete the Services according to any schedule of performance set forth in Exhibit A. To the extent that Exhibit A contains provisions inconsistent with this Agreement, the provisions of this Agreement shall govern.

3. PERFORMANCE

Consultant shall at all times faithfully, competently and to the best of Consultant's ability, experience, and talent, perform all tasks described herein. Consultant shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing similar services as are required of Consultant under this Agreement.

4. CITY MANAGEMENT

The Public Works Director or designee shall represent the City in all matters pertaining to the administration of this Agreement, including review and approval of all products submitted by Consultant.

5. PAYMENT

- A. City agrees to pay Consultant in accordance with the payment rates and terms and the schedule of payment as set forth in Exhibit A based upon actual time spent on the above tasks.
- B. Consultant shall not be compensated for any services rendered in connection with its performance of this Agreement which are in addition to those set forth herein,

unless such additional services are authorized in advance and in writing by the Public Works Director or designee. Consultant shall be compensated for any additional services in the amounts and in the manner as agreed to in writing by the City and Consultant at the time the City's written authorization is given to Consultant for the performance of said services.

- C. Consultant will submit invoices monthly for actual Services performed. Payment shall be made within thirty (30) days of receipt of each invoice as to all non-disputed fees. If the City disputes any of Consultant's Services or fees, it shall give written notice to Consultant within thirty (30) days of receipt of an invoice of any disputed fees set forth on the invoice. Any final payment under this Agreement shall be made within thirty (30) days of receipt of an invoice therefor.

6. TERMINATION OF AGREEMENT WITHOUT CAUSE

- A. The City may at any time, for any reason, without cause, suspend or terminate this Agreement, or any portion hereof, by serving upon Consultant at least ten (10) days' prior written notice. Upon receipt of said notice, Consultant shall immediately cease all Services under this Agreement, unless the notice provides otherwise. If the City suspends or terminates a portion of this Agreement, such suspension or termination shall not make void or invalidate the remainder of this Agreement.
- B. In the event this Agreement is terminated pursuant to this section, the City shall pay to Consultant the actual value of the Services performed up to the time of termination, unless the City disputes any of the Services performed or fees. Upon termination of the Agreement pursuant to this section, Consultant will submit an invoice to the City pursuant to Section 5.

7. DEFAULT OF CONSULTANT

If the City determines that Consultant is in default in the performance of any of the terms or conditions of this Agreement, the City shall serve Consultant a written notice of the default. Consultant shall have seven (7) days after service of said notice to cure the default. In the event that Consultant fails to cure the default within such period of time or fails to present the City with a written plan for the diligent cure of default if such default cannot be cured within seven days, the City shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice to any other remedy to which it may be entitled at law, in equity or under this Agreement. Consultant shall be responsible for costs incurred by the City due to Consultant's failure to comply with this section. The City shall have the right to offset against the amount of any fees due to Consultant any costs incurred by the City as a result of Consultant's default.

8. OWNERSHIP OF DOCUMENTS

- A. Consultant shall maintain complete and accurate records with respect to tasks, costs, expenses, receipts, and other such information required by the City that

relate to the performance of Services under this Agreement. Consultant shall maintain adequate records of Services provided in sufficient detail to permit an evaluation of Services. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. Consultant shall provide free access to the representatives of the City or its designees at reasonable times to such books and records; shall give the City the right to examine and audit said books and records; shall permit the City to make transcripts or copies therefrom as necessary; and shall allow inspection of all Services, data, documents, proceedings, and activities related to this Agreement. Such records, together with supporting documents, shall be maintained for a period of three (3) years after receipt of final payment.

- B. Upon completion of, or in the event of termination or suspension of this Agreement, all original documents, designs, drawings, maps, models, computer files, surveys, notes, and other documents prepared in the course of providing the Services shall become the sole property of the City and may be used, reused, or otherwise disposed of by the City without the permission of Consultant. With respect to computer files, Consultant shall make available to the City, at the Consultant's office and upon reasonable written request by the City, the necessary computer software and hardware for purposes of accessing, compiling, transferring, copying and/or printing computer files. Consultant hereby grants to the City all right, title, and interest, including any copyright, in and to the documents, designs, drawings, maps, models, computer files, surveys, notes, and other documents prepared by Consultant in the course of providing the Services under this Agreement.

9. INDEMNIFICATION AND DEFENSE

To the fullest extent permitted by law, Consultant shall indemnify, defend, and hold harmless the City and any and all of its officials, employees, agents, and volunteers ("Indemnified Parties"), at Consultant's sole expense, from and against any and all claims, losses, liabilities, damages, costs, and expenses, including attorney's fees and costs, to the extent they arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of Consultant. Consultant's duty to defend shall consist of reimbursement of defense costs incurred by the City in direct proportion to the Consultant's proportionate percentage of fault. Consultant's percentage of fault, for both indemnity and defense, shall be determined, as applicable, by a court of law, jury, or arbitrator. In the event any loss, liability, or damage is incurred by way of settlement or resolution without a court, jury or arbitrator having made a determination of the Consultant's percentage of fault, and the parties cannot mutually agree on Consultant's percentage of fault, the parties agree to mediation with a neutral third-party to determine the Consultant's proportionate percentage of fault for purposes of determining the amount of indemnity and defense cost reimbursement owed to City.

10. INSURANCE

Consultant shall maintain prior to the beginning of and for the duration of this Agreement insurance coverage as specified in Exhibit B attached hereto and made a part of this Agreement.

11. INDEPENDENT CONTRACTOR

- A. Consultant is and shall at all times remain as to the City a wholly independent consultant and/or independent contractor. The personnel performing the services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Neither the City nor any of its officers, employees, or agents shall have control over the conduct of Consultant or any of Consultant's officers, employees, or agents, except as set forth in this Agreement. Consultant shall not at any time or in any manner represent that Consultant or any of Consultant's officers, employees, or agents are in any manner officers, employees, or agents of the City. Consultant shall not incur or have the power to incur any debt, obligation, or liability whatever against the City, or bind the City in any manner.
- B. No employee benefits shall be available to Consultant in connection with the performance of this Agreement. Except for the fees paid to Consultant as provided in the Agreement, the City shall not pay salaries, wages, or other compensation to Consultant for performing services hereunder for the City. The City shall not be liable for compensation or indemnification to Consultant for injury or sickness arising out of performing services hereunder. Consultant shall secure, at its sole expense, and be responsible for any and all payment of Income Tax, Social Security, State Disability Insurance Compensation, Unemployment Compensation, and other payroll deductions for Consultant and its officers, agents, and employees, and all business licenses, if any are required, in connection with the services to be performed hereunder. Consultant shall indemnify and hold the City harmless from any and all taxes, assessments, penalties, and interest asserted against the City by reason of the independent contractor relationship created by this Agreement. Consultant further agrees to indemnify and hold the City harmless from any failure of Consultant to comply with the applicable worker's compensation laws. The City shall have the right to offset against the amount of any fees due to Consultant under this Agreement as a result of Consultant's failure to promptly pay to the City any reimbursement or indemnification arising under this paragraph.
- C. In the event that Consultant or any employee, agent, or subconsultant of Consultant providing Services under this Agreement claims or is determined by a court of competent jurisdiction or the California Public Employees Retirement System (CalPERS) to be eligible for enrollment in CalPERS as an employee of the City, Consultant shall indemnify, defend, and hold harmless the City for the payment of any employee and/or employer contributions for CalPERS benefits on behalf of Consultant or its employees, agents, or subconsultants, as well as for

the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of the City.

- D. Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, Consultant and any of its employees, agents, and subconsultants providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by the City, including but not limited to eligibility to enroll in CalPERS as an employee of the City and entitlement to any contribution to be paid by City for employer contribution and/or employee contributions for CalPERS benefits.

12. LEGAL RESPONSIBILITIES

Consultant shall keep itself informed of State and Federal laws and regulations which in any manner affect those employed by it or in any way affect the performance of Services pursuant to this Agreement. Consultant shall at all times observe and comply with all such laws and regulations. The City and its officials, officers, employees, and agents, shall not be liable at law or in equity occasioned by failure of Consultant to comply with this Section.

13. UNDUE INFLUENCE

Consultant declares and warrants that no undue influence or pressure was used against or in concert with any officer or employee of the City in connection with the award, terms or implementation of this Agreement, including any method of coercion, confidential financial arrangement, or financial inducement. No officer or employee of the City has or will receive compensation, directly or indirectly, from Consultant, or from any officer, employee or agent of Consultant, in connection with this Agreement or any Services to be conducted as a result of this Agreement. Violation of this section shall be a material breach of this Agreement entitling the City to any and all remedies at law or in equity.

14. NO BENEFIT TO ARISE TO CITY EMPLOYEES

No member, officer, or employee of the City, or their designees or agents, and no public official who exercises authority over or responsibilities with respect to the Services during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any Agreement or sub-agreement, or the proceeds thereof, for Services to be performed under this Agreement.

15. RELEASE OF INFORMATION/CONFLICTS OF INTEREST

- A. All information gained by Consultant in performance of this Agreement shall be considered confidential and shall not be released by Consultant without the City's prior written authorization, unless the information is clearly public. Consultant, its officers, employees, agents, or subconsultants, shall not without written authorization from the City Manager or designee, or unless requested by the

City's attorney, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories, or other information concerning the Services performed under this Agreement or relating to the City. Response to a subpoena or court order shall not be considered "voluntary" provided Consultant gives the City notice of such court order or subpoena.

- B. Consultant shall promptly notify the City should Consultant, its officers, employees, agents, and/or subconsultants be served with any summons, complaint, notice of deposition, request for documents, interrogatories, request for admissions, or other discovery request ("Discovery"), court order, or subpoena from any person or party regarding this Agreement and the Services performed hereunder or with respect to any project or property located within the City, unless the City is a party to any lawsuit, arbitration, or administrative proceeding connected to such Discovery, or unless Consultant is prohibited by law from informing the City of such Discovery. The City retains the right, but has no obligation, to represent Consultant and/or be present at any deposition, hearing, or similar proceeding as allowed by law. Unless the City is a party to the lawsuit, arbitration, or administrative proceeding and is adverse to Consultant in such proceeding, Consultant agrees to cooperate fully with the City and to provide the opportunity to review any response to discovery requests provided by Consultant. However, the City's right to review any such response does not imply or mean the right by the City to control, direct, or rewrite said response, or that the City has an obligation to review any such response or verifies any response it has reviewed.

16. NOTICES

Any notices which either party may desire to give to the other party under this Agreement must be in writing and may be given either by (i) personal service, (ii) delivery by a reputable document delivery service, such as but not limited to, Federal Express, which provides a receipt showing date and time of delivery, or (iii) mail by the United States Postal Service, certified mail, postage prepaid, return receipt requested, addressed to the address of the party as set forth below or at any other address as that party may later designate by notice:

To the City: City of Santa Fe Springs
11710 E. Telegraph Road
Santa Fe Springs, CA 90670
Attention: Public Works Director

To Consultant: RailPros Field Services, Inc.
1320 Greenway Dr., Suite 490,
Irving, Dallas County, TX 75038
Attention: Daniel Carter

17. ASSIGNMENT

Consultant shall not assign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, without prior written consent of the City. Before retaining or contracting with any subconsultant for any services under this Agreement, Consultant shall provide the City with the identity of the proposed subconsultant, a copy of the proposed written contract between Consultant and such subconsultant which shall include an indemnity provision similar to the one provided herein and identifying the City as an indemnified party, or an incorporation of the indemnity provision provided herein, and proof that such proposed subconsultant carries insurance at least equal to that required by this Agreement or obtain a written waiver from the City for such insurance.

18. LICENSES

At all times during the term of this Agreement, Consultant shall have in full force and effect all licenses required of it by law for the performance of the Services described in this Agreement.

19. GOVERNING LAW

The City and Consultant understand and agree that the laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement and also govern the interpretation of this Agreement. Any litigation concerning this Agreement shall take place in the municipal, superior, or federal district court with jurisdiction over the City.

20. ENTIRE AGREEMENT

This Agreement contains the entire understanding between the parties relating to the obligations of the parties described in this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written and pertaining to the subject of this Agreement or with respect to the terms and conditions of this Agreement shall be of no further force or effect. Each party is entering into this Agreement based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material.

21. AMENDMENTS

Any amendments to this Agreement must be in writing and executed by the parties hereto, or their respective successors and assigns, in order to be valid.

22. NON-EXCLUSIVE AGREEMENT

Consultant acknowledges that the City may enter into agreements with other consultants for services similar to the services that are subject to this Agreement or may have its own employees perform services similar to those services contemplated by this Agreement.

23. ATTORNEYS' FEES

In the event that litigation is brought by any party in connection with this Agreement, the prevailing party shall be entitled to recover from the opposing party all costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party in the exercise of any of its rights or remedies hereunder or the enforcement of any of the terms, conditions, or provisions hereof.

24. CONSTRUCTION

The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises with respect to this Agreement, this Agreement shall be construed as if drafted jointly by the parties and in accordance with its fair meaning. There shall be no presumption or burden of proof favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

25. WAIVER

The delay or failure of any party at any time to require performance or compliance by the other of any of its obligations or agreements shall in no way be deemed a waiver of those rights to require such performance or compliance. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the party against whom enforcement of a waiver is sought. The waiver of any right or remedy in respect to any occurrence or event shall not be deemed a waiver of any right or remedy in respect to any other occurrence or event, nor shall any waiver constitute a continuing waiver.

26. SEVERABILITY

If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable in any circumstance, such determination shall not affect the validity or enforceability of the remaining terms and provisions hereof or of the offending provision in any other circumstance. Notwithstanding the foregoing, if the value of this Agreement, based upon the substantial benefit of the bargain for any party, is materially impaired, which determination made by the presiding court or arbitrator of competent jurisdiction shall be binding, then both parties agree to substitute such provision(s) through good faith negotiations.

27. COUNTERPARTS

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one agreement.

28. AUTHORITY TO EXECUTE THIS AGREEMENT

The persons executing this Agreement on behalf of the parties warrants and represents that they have the authority to execute this Agreement on behalf of said parties and has the authority to bind the parties to the provisions of this Agreement.

29. ELECTRONIC SIGNATURES

The parties acknowledge and agree that execution of this Agreement by electronic signatures or electronic transmittal of signatures are the same as handwritten signatures for the purposes of validity, enforceability, and admissibility.

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

[If Consultant is a corporation, two signatures are required: Signature 1 – the Chairperson of the Board, the President, or any Vice President; Signature 2 – the Secretary, any Assistant Secretary, the Chief Financial Officer, or any Assistant Treasurer (Corp. Code § 313).]

CITY OF SANTA FE SPRINGS

CONSULTANT

Name: René Bobadilla, City Manager

Name:

Title:

Date:

Date:

ATTEST

CONSULTANT

Fernando Muñoz, Deputy City Clerk

Name:

Title:

Date:

Date:

APPROVED AS TO FORM:

Ivy M. Tsai, City Attorney

Attachments: Exhibit A Services
 Exhibit B Insurance Requirements

EXHIBIT A
SERVICES

12/21/2023

Yvette Kirrin
City of Santa Fe Springs
562 868-0511
yvettekirrin@santafesprings.org

Subject: **Quote for RWIC Services**

Dear Ms. Kirrin,

Thank you for contacting RailPros to provide a Roadway Worker In Charge (RWIC) for the upcoming project in Santa Fe Springs, CA.

RailPros provides associates with extensive railroad experience, all qualified in GCOR, Maintenance-of-Way, and On-track safety. All RailPros RWICs are dedicated to safety on the jobsite.

RailPros charges a daily rate which includes an 8-hour on-site workday, mobilization, and Per Diem costs. Our services are billed for the RWICs time on site, to include any time setting up and taking down track protection, if applicable. Any time beyond the RWIC's 8 hours will be charged at an hourly overtime rate.

The rates for our services are as follows:

One Time Administrative Fee:	
Certified payroll set-up fee	\$100.00
Weekly Administrative Fee:	
Certified payroll reports	\$50.00
Standard Workday:	
Standard 8-hour day	\$1,445.00
Overtime rate per hour after 8 hours	\$185.00
Nights, Weekends, and Holidays:	
Standard 8-hour day	\$1,766.00
Overtime rate per hour after 8 hours	\$225.00

In the event of cancellation, if RailPros Management is given less than 24 hours' notice, it is considered a billable day. Cancellations must be made in writing to BNSF.Info@RailPros.com.

This quote is based on RailPros understanding of prevailing wage requirements in Los Angeles County, CA.

Invoices are submitted upon completion of the job or at month's end. On-going jobs are billed on a monthly basis. Payments of invoices are due upon receipt. Invoices are subject to a 1.5% fee for every 30 days the payment is delinquent. Please contact RailPros at 877-315-0513 or BNSF.info@railpros.com for more information.

The quoted rates are valid for 30 days.

RailPros (SOW) Scope of Work

RailPros agrees to provide flagging and other staff support services to client or its contractors (the "Services") at the dates, locations and times requested by client. The Services will be provided pursuant to the terms and conditions in the Agreement. RailPros will require employees and any subcontractors and agents involved in the providing such Services to comply with the applicable terms of this Agreement in providing such Services. RailPros warrants that (i) Services will be provided in a workmanlike manner, (ii) RailPros Personnel will have the requisite experience, skills, knowledge, training and education to perform Services in a professional manner and in accordance with this Agreement. The Services will be provided in compliance with all governmental laws, regulations, and rules, and in accordance with Maintenance of Way and Signal Department On-Track-Safety Roadway Worker Rules and the Company's Operating Rules. A Scope of Services/Service Quote shall be prepared for each site at which the Services are to be performed, and it shall become apart of this Agreement when authorized in writing by each party's authorized representative. The Scope of Services will set forth, at a minimum, the cost, location, dates, times and expected number of personnel required for each job site.

Initial - _____

EXHIBIT B

INSURANCE REQUIREMENTS

Without limiting Consultant's indemnification of the City, and prior to commencement of Services, Consultant shall obtain, provide, and maintain at its own expense during the term of this Agreement, policies of insurance of the type and amounts described below and in a form satisfactory to the City. If Consultant maintains higher limits than the minimum limits shown below, the City requires and shall be entitled to coverage for the higher limits maintained by the Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

General liability insurance. Consultant shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than \$1,000,000 per occurrence, \$2,000,000 general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted.

Automobile liability insurance. Consultant shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Consultant arising out of or in connection with Services to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than \$1,000,000 combined single limit for each accident.

Professional liability (errors & omissions) insurance. Consultant shall maintain professional liability insurance that covers the Services to be performed in connection with this Agreement, in the minimum amount of \$1,000,000 per claim and in the aggregate. Any policy inception date, continuity date, or retroactive date must be before the effective date of this Agreement and Consultant agrees to maintain continuous coverage through a period no less than three (3) years after completion of the services required by this Agreement.

Workers' compensation insurance. Consultant shall maintain Workers' Compensation Insurance (Statutory Limits) and Employer's Liability Insurance (with limits of at least \$1,000,000 per accident for bodily injury or disease).

Consultant shall submit to the City, along with the certificate of insurance, a Waiver of Subrogation endorsement in favor of the City, its officers, agents, employees, and volunteers.

Other provisions or requirements

Proof of insurance. Consultant shall provide certificates of insurance to the City as evidence of the insurance coverage required herein, along with a waiver of subrogation

endorsement for workers' compensation. Insurance certificates and endorsements must be approved by the City's Risk Manager prior to commencement of performance. Current certification of insurance shall be kept on file with the City at all times during the term of this Agreement. The City reserves the right to require complete, certified copies of all required insurance policies at any time.

Duration of coverage. Consultant shall procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the Services hereunder by Consultant, or Consultant's agents, representatives, employees or subconsultants.

Primary/noncontributing. Coverage provided by Consultant shall be primary and any insurance or self-insurance procured or maintained by the City shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of the City before the City's own insurance or self-insurance shall be called upon to protect it as a named insured.

The City's rights of enforcement. In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, the City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by the City will be promptly reimbursed by Consultant or the City will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, the City may immediately terminate this Agreement.

Acceptable insurers. All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance or is on the List of Approved Surplus Line Insurers in the State of California, with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VI (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the City's Risk Manager.

Waiver of subrogation. All insurance coverage maintained or procured pursuant to this Agreement shall be endorsed to waive subrogation against the City, its elected or appointed officers, agents, officials, employees and volunteers or shall specifically allow Consultant or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Consultant hereby waives its own right of recovery against the City, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

Enforcement of Agreement provisions (non estoppel). Consultant acknowledges and agrees that any actual or alleged failure on the part of the City to inform Consultant of non-compliance with any requirement imposes no additional obligations on the City nor does it waive any rights hereunder.

Requirements not limiting. Requirements of specific coverage features or limits contained in this Agreement are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type.

Notice of cancellation. Consultant agrees to oblige its insurance agent or broker and insurers to provide to the City with a thirty (30) day notice of cancellation (except for nonpayment for which a ten (10) day notice is required) or nonrenewal of coverage for each required coverage.

Additional insured status. General liability policies shall provide or be endorsed to provide that the City and its officers, officials, employees, agents, and volunteers shall be additional insureds under such policies. This provision shall also apply to any excess/umbrella liability policies.

Prohibition of undisclosed coverage limitations. None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to the City and approved of in writing.

Separation of insureds. A severability of interests provision must apply for all additional insureds ensuring that Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the insurer's limits of liability. The policy(ies) shall not contain any cross-liability exclusions.

Pass through clause. Consultant agrees to ensure that its subconsultants, subcontractors, and any other party involved with the Services who is brought onto or involved in the Services by Consultant, provide the same minimum insurance coverage and endorsements required of Consultant. Consultant agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Consultant agrees that upon request, all agreements with consultants, subconsultants, and others engaged in the Services will be submitted to the City for review.

The City's right to revise specifications. The City reserves the right at any time during the term of the Agreement to change the amounts and types of insurance required by giving Consultant ninety (90) days advance written notice of such change. If such change results in substantial additional cost to Consultant, City and Consultant may renegotiate Consultant's compensation or come to some other agreement to address the additional cost.

Self-insured retentions. Any self-insured retentions must be declared to and approved by the City. The City reserves the right to require that self-insured retentions be

eliminated, lowered, or replaced by a deductible. Self-insurance will not be considered to comply with these specifications unless approved by the City.

Timely notice of claims. Consultant shall give the City prompt and timely notice of claims made or suits instituted that arise out of or result from Consultant's performance under this Agreement, and that involve or may involve coverage under any of the required liability policies.

Additional insurance. Consultant shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its proper protection and prosecution of the Services.



CITY OF SANTA FE SPRINGS

SUCCESSOR AGENCY AGENDA STAFF REPORT

TO: Honorable Chair and Board Members

FROM: René Bobadilla, P.E., Executive Director

BY: Lana Dich, Director of Finance & Administrative Services

SUBJECT: **ADOPT RESOLUTION SA-2024-001 APPROVING THE SUCCESSOR AGENCY'S RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS 24-25) AND ADMINISTRATIVE BUDGET FOR THE PERIOD JULY 1, 2024 THROUGH JUNE 30, 2025**

DATE: January 11, 2024

RECOMMENDATION(S):

It is recommended that the Water Utility Authority:

- 1) Adopt Resolution SA-2024-001 Approving the Successor Agency's Recognized Obligation Payment Schedule (ROPS 24-25) and Administrative Budget for the Period July 1, 2024 through June 30, 2025.

FISCAL IMPACT

As detailed in the ROPS, the funding for listed obligations in the amount of \$19,969,417 will be from the RPTTF and reserves.

BACKGROUND

State legislation, ABX1 26 and AB 1484, created Successor Agencies, which are tasked with the responsibility of winding down former Redevelopment Agencies. As a requirement of the wind down process, the Successor Agencies were originally required to provide a Recognized Obligation Payment Schedule ("ROPS") every six months identifying overall outstanding debt for all enforceable obligations with the Agency, as well as the estimated amount needed for each of those obligations during the six-month period covered by that ROPS. Effective July 1, 2016, the ROPS period changed from semi-annual to annual. In addition, Successor Agencies are required to prepare an

Adopt Resolution SA-2024-001 Approving the Successor Agency’s Recognized Obligation Payment Schedule (ROPS 24-25) and Administrative Budget for the Period July 1, 2024 through June 30, 2025

Page 2 of 4

Administrative Budget detailing the anticipated administrative costs associated with carrying out the responsibilities of the Successor Agency.

The ROPS and Administrative Budget are required to be considered and approved by the Oversight Board (“OB”). Once approved, the ROPS and the OB Resolution are submitted to the California Department of Finance (“DOF”) for subsequent review and final approval. The approved ROPS is then used by Los Angeles County to distribute property tax funds from the Redevelopment Property Tax Trust Fund (“RPTTF”) to the Successor Agency in order to pay the approved obligations. The RPTTF deposits consist of the tax increment formerly allocated to the Community Development Commission. Any RPTTF deposits in excess of the approved obligations are distributed to various taxing agencies, including the City.

Attached for approval is the annual ROPS covering the period of July 1, 2024 through June 30, 2025. The ROPS has been prepared using the format mandated by DOF. In addition to listing the enforceable obligations, the ROPS includes a summary, as well as a table detailing the available balances retained by the Successor Agency.

The obligations reported on this ROPS are consistent with prior periods and include bond debt service payments, professional services, property management, and administrative costs.

Obligations to be funded with distributions from the RPTTF and reserves during fiscal year (“FY”) 2024-25 are summarized as follows:

Bonded Debt Payments (24-25A)	\$ 10,126,762
Bonded Debt Payments (24-25B)	9,335,000
Administrative Cost Allowance	459,655
Property Management Costs	28,000
Professional Fees	20,000
Total	\$ 19,969,417

The September 2024 bond payment (\$10,126,762) includes \$9,745,881, which the Successor Agency received in January 2024 because it was previously approved on the ROPS for FY 2023-24. However, the amount is required to be included on the ROPS to reflect the distribution which will be made from fiscal agent accounts in September 2024 (ROPS 24-25A period). This amount will not be included in the RPTTF distribution to be received in June 2024.

The proposed Administrative Budget (attached) consists of the Successor Agency’s personnel and non-personnel operating costs anticipated for Fiscal Year 2024-25. The Successor Agency personnel along with the approximate percentage of staff time spent

Adopt Resolution SA-2024-001 Approving the Successor Agency's Recognized Obligation Payment Schedule (ROPS 24-25) and Administrative Budget for the Period July 1, 2024 through June 30, 2025

Page 3 of 4

on Successor Agency activities includes: City Manager (3%), Assistant City Manager (3%), Director of Finance & Administrative Services (11%), Director of Planning (15%), Budget Manager (10%), two Accountants (14% & 15%) and City/Successor Agency Clerk (8%). Non-personnel costs include Successor Agency legal counsel (Jones & Mayer), auditing services (Clifton Larson Allen), miscellaneous professional services, and travel and meeting costs. In addition to these costs, there is a City Support Services cost, which consists of a cost allocation using the City's standard overhead rate.

Under HSC Section 34171(b), the annual administrative cost allowance is the greater than 3% of property taxes allocated to the Successor Agency in the prior year or \$250,000. The amount claimed on the ROPS 24-25 is based on the property tax allocation method and amounts to \$459,655.

The OB is scheduled to approve the ROPS 24-25 at their meeting on January 16, 2024. The approved ROPS 24-25 must be submitted to DOF by February 1, 2024.

ANALYSIS

NA

ENVIRONMENTAL

NA

DISCUSSION

NA

SUMMARY/NEXT STEPS

Staff will present the ROPS 24-25 at the OB meeting scheduled on January 16, 2024. Staff will also submit the ROPS 24-25 to the DOF by February 1, 2024.

ATTACHMENT(S):

- A. Attachment A – Resolution SA-2024-001
- B. Attachment B – Exhibit A – ROPS for July 1, 2024 through June 30, 2025 (ROPS 24-25)
- C. Attachment C – Administrative Budget for July 1, 2024 through June 30, 2025

**Adopt Resolution SA-2024-001 Approving the Successor Agency's Recognized
Obligation Payment Schedule (ROPS 24-25) and Administrative Budget for the
Period July 1, 2024 through June 30, 2025**

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ITEM STATUS:

APPROVED: ☐

DENIED: ☐

TABLED: ☐

DIRECTION GIVEN: ☐

RESOLUTION NO. SA-2024-001

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS ACTING AS SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION/REDEVELOPMENT AGENCY OF THE CITY OF SANTA FE SPRINGS APPROVING THE SUCCESSOR AGENCY'S RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS) FOR JULY 1, 2024 THROUGH JUNE 30, 2025 (ROPS 24-25)

THE CITY COUNCIL ACTING AS SUCCESSOR AGENCY HEREBY RESOLVES AS FOLLOWS:

SECTION 1. Pursuant to its responsibility set forth in Section 34180(9) of the California Health and Safety Code, the City Council hereby approves the Successor Agency's Recognized Obligation Payment Schedule (ROPS), attached hereto as Exhibit "A", as described in Sections 34171 and 34177 of the aforesaid Code, for the period July 1, 2024 through June 30, 2025.

SECTION 2. The City Council hereby approves the Successor Agency's Administrative Budget, attached hereto as Exhibit "B", as described in Section 34171 of the California Health and Safety Code, for the fiscal period of July 1, 2024 to June 30, 2025.

SECTION 3. If any section, subsection, subdivision, paragraph, sentence, clause, or phrase in this Resolution, or any part hereof, is held invalid or unconstitutional, such decision shall not affect the validity of the remaining sections or portions of this Resolution. The City Council hereby declares that it would have adopted each section, subsection, subdivision, paragraph, sentence, clause, or phrase in this Resolution irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses, or phrases may be declared invalid or unconstitutional.

SECTION 4. The City Clerk shall certify to the adoption of this Resolution.

SECTION 5. The Successor Agency's officials and staff are hereby authorized and directed to transmit this Resolution and take all other necessary and appropriate actions as required by law in order to effectuate its purposes.

APPROVED and ADOPTED this 11th day of January, 2024 by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Jay Sarno, Mayor

ATTEST:

Fernando N. Munoz, CMC, Deputy City Clerk

Recognized Obligation Payment Schedule (ROPS 24-25) - Summary
Filed for the July 1, 2024 through June 30, 2025 Period

Successor Agency: Santa Fe Springs

County: Los Angeles

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	24-25A Total (July - December)	24-25B Total (January - June)	ROPS 24-25 Total
A Enforceable Obligations Funded as Follows (B+C+D)	\$ 9,745,881	\$ -	\$ 9,745,881
B Bond Proceeds	-	-	-
C Reserve Balance	9,745,881	-	9,745,881
D Other Funds	-	-	-
E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)	\$ 629,708	\$ 9,593,828	\$ 10,223,536
F RPTTF	399,881	9,364,000	9,763,881
G Administrative RPTTF	229,827	229,828	459,655
H Current Period Enforceable Obligations (A+E)	\$ 10,375,589	\$ 9,593,828	\$ 19,969,417

Certification of Oversight Board Chairman:

Pursuant to Section 34177 (o) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Obligation Payment Schedule for the above named successor agency.

Name Title

/s/ _____
Signature Date

Santa Fe Springs Recognized Obligation Payment Schedule (ROPS 24-25) - ROPS Detail July 1, 2024 through June 30, 2025																						
A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W
Item #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 24-25 Total	ROPS 24-25A (Jul - Dec)					24-25A Total	ROPS 24-25B (Jan - Jun)					24-25B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
								\$27,729,418		\$19,969,417	\$-	\$9,745,881	\$-	\$399,881	\$229,827	\$10,375,589	\$-	\$-	\$-	\$9,364,000	\$229,828	\$9,593,828
5	2006 Tax Allocation Bonds Series A	Bonds Issued On or Before 12/31/10	12/07/2006	09/01/2028	US Bank	Redevelopment Activities	Consolidated	26,445,000	N	\$18,700,000	-	9,365,000	-	-	-	\$9,365,000	-	-	-	9,335,000	-	\$9,335,000
16	1992 Redevelopment Refunded Bonds - Unclaimed Funds	Miscellaneous	09/01/2002	06/30/2018	Arnold D Horodas	Called registered principal - CUSIP 802188EG3	Consolidated	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
17	1992 Redevelopment Refunded Bonds - Unclaimed Funds	Miscellaneous	09/01/2002	06/30/2018	Arnold D Horodas	Called registered principal - CUSIP 802188EH1	Consolidated	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
18	1992 Redevelopment Refunded Bonds - Unclaimed Funds	Miscellaneous	09/01/2002	06/30/2018	Moya E Monroe	Called registered principal - CUSIP 802188EE8	Consolidated	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
20	1992 Redevelopment Refunded Bonds - Unclaimed Funds	Miscellaneous	09/01/2001	06/30/2018	Arnold D Horodas	Registered interest	Consolidated	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
21	1992 Redevelopment Refunded Bonds - Unclaimed Funds	Miscellaneous	03/01/2002	06/30/2018	Arnold D Horodas	Registered interest	Consolidated	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
22	1992 Redevelopment Refunded Bonds - Unclaimed Funds	Miscellaneous	09/01/2001	06/30/2018	Arnold D Horodas	Registered interest	Consolidated	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
23	1992 Redevelopment Refunded Bonds - Unclaimed Funds	Miscellaneous	09/01/2001	06/30/2018	Moya E Monroe	Registered interest	Consolidated	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W
Item #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 24-25 Total	ROPS 24-25A (Jul - Dec)					24-25A Total	ROPS 24-25B (Jan - Jun)					24-25B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
24	1992 Redevelopment Refunded Bonds - Unclaimed Funds	Miscellaneous	03/01/2002	06/30/2018	Moya E Monroe	Registered interest	Consolidated	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
25	1992 Redevelopment Refunded Bonds - Unclaimed Funds	Miscellaneous	09/01/2002	06/30/2018	Moya E Monroe	Registered interest	Consolidated	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
26	Proportional Share of Unfunded Liabilities	Unfunded Liabilities	02/10/2011	06/30/2042	City of SFS	Obligation to Share in Payment of Unfunded Liabilities	Combined	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
45	Weed Abatement	Property Maintenance	07/01/2018	06/30/2022	Mayfield Enterprises	Weed Abatement Service	Consolidated	20,000	N	\$20,000	-	-	-	10,000	-	\$10,000	-	-	-	10,000	-	\$10,000
58	Administrative Expenses	Admin Costs	07/01/2018	06/30/2019	City of SFS	Successor Agency Administration	Consolidated	459,655	N	\$459,655	-	-	-	-	229,827	\$229,827	-	-	-	-	229,828	\$229,828
59	Fiscal Agent Fees	Professional Services	07/01/2018	06/30/2019	US Bank	Fiscal Agent Fees	Consolidated	10,000	N	\$10,000	-	-	-	5,000	-	\$5,000	-	-	-	5,000	-	\$5,000
66	Property Disposition Agreement	Property Dispositions	07/08/2008	06/30/2017	McGranahan Carlson & Company	Agreement for disposition of sales proceeds	Consolidated	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
67	2016 Tax Allocation Refunding Bonds	Bonds Issued After 12/31/10	07/28/2016	09/01/2024	US Bank	Refund prior bonds for savings	Consolidated	761,763	N	\$761,762	-	380,881	-	380,881	-	\$761,762	-	-	-	-	-	\$-
68	Continuing Disclosure	Professional Services	10/05/2016	06/30/2029	Urban Futures Inc.	Continuing Disclosure Services - Bonds	Consolidated	25,000	N	\$10,000	-	-	-	-	-	\$-	-	-	-	10,000	-	\$10,000
71	Water	Property Maintenance	07/01/2018	06/30/2019	City of Santa Fe Springs	Water costs for vacant land	Consolidated	8,000	N	\$8,000	-	-	-	4,000	-	\$4,000	-	-	-	4,000	-	\$4,000
75	Arbitrage Rebate Calculations	Professional Services	07/01/2016	06/30/2029	BLX Group	Arbitrage Rebate Calcuations	Consolidated	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-

Santa Fe Springs
Recognized Obligation Payment Schedule (ROPS 24-25) - Report of Cash Balances
July 1, 2021 through June 30, 2022
(Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177 (I), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation.							
A	B	C	D	E	F	G	H
	ROPS 21-22 Cash Balances (07/01/21 - 06/30/22)	Fund Sources					Comments
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF	
		Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, grants, interest, etc.	Non-Admin and Admin	
1	Beginning Available Cash Balance (Actual 07/01/21) RPTTF amount should exclude "A" period distribution amount.	-	-	6,532,500	-	-	
2	Revenue/Income (Actual 06/30/22) RPTTF amount should tie to the ROPS 21-22 total distribution from the County Auditor-Controller	18,047,550		-		320,119	
3	Expenditures for ROPS 21-22 Enforceable Obligations (Actual 06/30/22)	18,047,550		6,532,500		319,856	
4	Retention of Available Cash Balance (Actual 06/30/22) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)						
5	ROPS 21-22 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 21-22 PPA form submitted to the CAC		No entry required			263	\$44 Continuing Disclosure \$219 Water
6	Ending Actual Available Cash Balance (06/30/22) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$-	\$-	\$-	\$-	\$-	

Santa Fe Springs
Recognized Obligation Payment Schedule (ROPS 24-25) - Notes
July 1, 2024 through June 30, 2025

Item #	Notes/Comments
5	
16	
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CITY OF SANTA FE SPRINGS
Successor Agency to the Santa Fe Springs Community Development Commission
Administrative Budget
Fiscal Period July 1, 2024 – June 30, 2025

<u>Description</u>	<u>Jul 2024 – Jun 2025</u>	
Salaries	\$ 127,523	27.6%
Applied Benefits	182,294	39.7%
Total Personnel Costs	309,817	
City Support Services (Overhead)	108,436	23.6%
Professional Services	8,000	1.8%
Independent Audit Services	15,000	3.3%
Oversight Board Legal Services	10,000	2.2%
Oversight Board Insurance Coverage	3,402	0.7%
Travel/meetings/training	5,000	1.1%
Total Non-Personnel Costs	149,838	
Total Budget	\$ 459,655	



CITY OF SANTA FE SPRINGS

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: René Bobadilla, P.E., City Manager

BY: Wayne M. Morrell, Director of Planning

SUBJECT: **LISTING AGREEMENT TO APPOINT COLLIER INTERNATIONAL GREATER LOS ANGELES, INC., THE EXCLUSIVE RIGHT TO NEGOTIATE THE RENEWAL OF A GROUND LEASE WITH THE UNITED STATES POSTAL SERVICE AT 11760 TELEGRAPH ROAD (PLANNING)**

DATE: January 11, 2024

RECOMMENDATION(S):

It is recommended that the City Council:

- 1) Approve the Listing Agreement appointing Colliers International Greater Los Angeles, Inc. ("Colliers") as the City's sole agent and granting to Colliers the exclusive right to negotiate the renewal of a ground lease with the United States Postal Services (USPS) for the real property located at 11760 Telegraph Road; and
- 2) Authorize the Mayor to execute the Listing Agreement; and
- 3) Take such additional, related action that may be desirable.

FISCAL IMPACT

Approval of Colliers as its sole agent and granting to Colliers the exclusive right to negotiate the renewal, coupled with Colliers' successful negotiation of the ground lease with USPS for the Property, would result in monies to the General Fund.

BACKGROUND

At the City Council meeting of July 28, 2018, the City approved a market rent appraisal of the ground lease for the United States Postal Services (USPS) for the real property located at 11760 Telegraph Road, Santa Fe Springs, CA 90670 (the "Property") and authorized a listing agreement with Cushman and Wakefield to negotiate, on the behalf

of the City, a new lease agreement with USPS. The original lease commenced in 1967 for an initial twenty (20) year term, with six, five-year extensions and with an expiration date of June 1, 2019. The annual lease was \$6,491.00.

Cushman and Wakefield (C&W) successfully renegotiated the lease, resulting in a new lease with an annual rent of \$198,005.00 payable in equal installments at the end of each calendar month. The term became effective July 01, 2019 for a total term of five (5) years, with no renewal options.

The current lease expires June 30, 2024. The USPS has retained the services of Jones Lang LaSalle to negotiate on its behalf. The City has retained the services of CBRE to estimate the Ground Lease Market Rent for the Property and it is estimated to be completed by January 12, 2024.

ANALYSIS

Under the terms of the 2018 Listing Agreement the City paid 5% of the total negotiated lease, based on the following formula:

C&W Fee to the Listing Team

- 2% of the total rental for the first 5 years or any fraction thereof, plus
- 1.5% of the total rental for the remaining term.

Outside Broker Fee

- 3% of the total rental for the first 5 years or any fraction thereof, plus
- 1.5% of the total rental for the remaining term.

Under the terms of the 2023 Listing Agreement, the City pays CBRE 4% of the total rental, including any lease renewals. The 4% fee amount is shared 50/50 with the Outside Broker.

The difference between the 2018 Agreement and the 2023 Agreement is that the 2023 fee paid by the City is 1% less than the 2018 Agreement (5% versus 4%), and the fee is shared amongst the brokers. As previously, any fees paid by the City would be from the monies derived from the new lease agreement.

The City does not have the expert knowledge and/or the detailed market information provided by Colliers and CBRE. The Listing Agreement coupled with the estimate of the Ground Lease Market Rent will assist the City in determining and maximizing the potential rental income for the Property.

ENVIRONMENTAL

The proposed action, although discretionary, is not subject to the California Environmental Quality Act (CEQA) because the proposed actions, as a whole, do not have the potential for resulting in either a direct physical change in the environment or a

reasonable foreseeable indirect change in the environment. (Guideline Section 15378; Public Resource Code, Section 21065)

DISCUSSION:

N/A

SUMMARY/NEXT STEPS

Upon approval of the City Council of the recommended actions and the completion of the estimate of the Ground Lease Market Rent, Collier is authorized to negotiate, on behalf of the City, a new lease agreement for the Property.

ATTACHMENT(S)

1. Attachment A – 2023 Listing Agreement
2. Attachment B – Schedule of commission for Lease
3. Attachment C – 2019 Executed USPS Lease Agreement

<u>ITEM STATUS:</u>	
APPROVED:	<input type="checkbox"/>
DENIED:	<input type="checkbox"/>
TABLED:	<input type="checkbox"/>
DIRECTION GIVEN:	<input type="checkbox"/>

LISTING AGREEMENT FOR LEASE

The City of Santa Fe Springs ("Owner") appoints Colliers International Greater Los Angeles, Inc. ("Colliers") as its sole agent and grants to Colliers the exclusive right to negotiate the renewal (Whether through a renewal, extension, or new lease) of a ground lease to the United States Postal Services ("USPS") at the real property located at 11760 Telegraph Road, Santa Fe Springs, California 90670 (the "Property") as provided below:

1. Term. The Term of this Agreement will commence on October 15, 2023, and will expire on April 30, 2024.
2. Services. Colliers will use its efforts to negotiate new lease business terms with the USPS for the Property at a lease rate to be determined by Owner and on such other terms as are acceptable to Owner. Colliers will negotiate the business terms of any lease on behalf of Owner and in Owner's best interest, subject to Owner's review and final approval, except as otherwise directed by Owner. Colliers will cooperate with other licensed real estate brokers.
3. Referrals. During the term of this Agreement, Owner will refer to Colliers all inquiries and offers received by Owner with respect to USPS's lease at the Property, regardless of the source of such inquiries or offers.
4. Commission. If, during the term hereof, Owner leases any interest in the Property to the USPS, Owner will pay to Colliers a commission in accordance with the attached Schedule of Commissions.
5. Outside brokers. According to initial correspondence on behalf of USPS, the USPS is represented by Jones Lang LaSalle, Inc. ("JLL" or "Outside Broker"). If JLL or another outside broker is authorized to represent the USPS in a transaction, any fee / commission for their services shall be paid by the Property Owner in accordance with the attached Schedule of Commissions. The term "outside broker" means a broker other than Mike Foley and Chris Sheehan.
6. Fees and Expenses. If either party commences litigation against the other party to enforce its rights under this Agreement, the prevailing party will be entitled to recover from the other party the costs and expenses (including reasonable attorneys' fees) incurred.
7. Authority. Owner represents that it is in fact the owner of the Property and has the right to lease the Property. The individuals signing below represent that they are authorized to sign this Agreement on behalf of the entity indicated.
8. Professional Advice. Colliers recommends that Owner obtain legal, tax, or other professional advice relating to this Agreement and the proposed lease of the Property as well as the condition and/or legality of the Property, including, but not limited to, the Property's improvements, equipment, soil, tenancies, title, environmental aspects and compliance with the Americans with Disabilities Act. Colliers will have no obligation to investigate any such matters unless expressly otherwise agreed to in writing by Owner and Colliers. Owner further agrees that in determining the financial soundness of any prospective tenant, Owner will solely rely upon Owner's own investigation and evaluation, notwithstanding Colliers' assistance in gathering any financial information.
9. OFAC. Each party represents and warrants to the other party that it, and all persons and entities owning (directly or indirectly) an ownership interest in it: (a) are not, and will not become, a person or entity with whom a party is restricted from doing business with under regulations of the Office of Foreign Asset Control ("OFAC") of the Department of Treasury (including, but not limited to, those named on OFAC's

Specially Designated and Blocked Persons list) or under any statute, executive order (including, but not limited to, the September 24, 2001, Executive Order 13224 Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action; and (b) are not knowingly engaged in, and will not knowingly engage in, any dealings or transactions or be otherwise associated with such persons or entities described in clause (a) above.

10. Miscellaneous. This Agreement shall be governed by the laws of State of California, without giving effect to principles of conflicts of law. This Agreement constitutes the entire agreement between the parties regarding the subject matter herein, and no amendments, changes or modifications may be made to this Agreement without the express written consent of each of the parties. If any term or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the terms and provisions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated. No failure or delay by a party in exercising any right hereunder or any partial exercise thereof shall operate as a waiver thereof or prohibit any other or further exercise of any right hereunder. This Agreement shall benefit and be binding upon the parties and their respective successors and assigns. This Agreement may be executed and delivered (including by facsimile, "pdf" or other electronic transmission) in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same Agreement.
11. Agency Disclosure. Owner acknowledges that it has received a copy of Colliers' Disclosure Regarding Real Estate Agency Relations attached hereto, and that Owner has returned a signed copy thereof to Colliers.

City of Santa Fe Springs

Colliers International Greater Los Angeles, Inc.
CA DRE License No. 01908231

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

[Schedule of Commissions Follows]

SCHEDULE OF COMMISSIONS FOR LEASE

Rates:

Colliers Fee to the Listing Team

4% of the total rental. The fee amount shall be shared 50/50 with the Outside Broker.

Renewals; Extensions; Expansions: If a lease contains an option or other right to renew or extend the term or to lease additional space, and if the lease is renewed or extended or if a tenant leases additional space, whether or not strictly pursuant to the option or right contained in the lease, Owner shall pay to Colliers, at the time of the renewal, extension or lease of additional space, an additional commission at the above rate for the renewal or extension term, or for such additional space.

Cancellation Clauses: Colliers will be paid a commission based upon the entire lease term notwithstanding any right of Owner to cancel the lease. If a tenant has a right to cancel the lease after the term has commenced (and for reasons unrelated to casualty, condemnation, default, and the like), the commission will initially be based upon the non-cancellable portion of the lease term plus the amount of any cancellation payment payable by tenant; if such right is not thereafter exercised, Owner will promptly pay Colliers the balance of the commission. A lease will be deemed canceled only if tenant vacated the Premises. If a lease is terminated or amended and tenant remains under a new or different arrangement, Colliers shall be paid the balance of its commission. If a cancellation payment include the unamortized commission, then Colliers will be paid a full commission as if no right of cancellation existed.

Computation of Commissions: If a rental concession is made by Owner allowing a tenant not to pay rent for the initial months of the lease term, then the commission shall be calculated on the entire term with the first year being deemed to commence on the first day of the lease term whether or not rent is payable. If rental concessions are granted in lieu of Owner performing construction or alteration work and with respect to any other allowances or concessions granted to a tenant whether in the form of a credit against rent, construction, decoration or otherwise, there shall be no deduction from the commission calculation above.

Time of Payment: Commissions on leases shall be earned and payable upon execution and delivery of the lease or lease amendment between Owner and tenant.

Broker Regulatory or Statutory Provisions: The following provisions must be included in brokerage agreements in the State of California:

- It is illegal for either party to discriminate against any person because of one's membership in a protected class (e.g. race, color, religion, national origin, sex, ancestry, age, martial status, physical or mental handicap, familial status, or any other class protected by law).
- Owner acknowledges receipt of a copy of Notice to Owners, Buyers and Tenants Regarding Environmental Matters, Americans with Disabilities Act and Related Laws, Flood Disclosure, Zoning/Use Disclosure and Alquist-Priolo Special Earthquake Fault Zoning Act.
- Owner acknowledges receipt of a copy of the Agreement and this Schedule of Commissions.



Ground Lease

SANTA FE SPRINGS MPO - GROUND LEASE (056960-002)
11760 TELEGRAPH RD, SANTA FE SPRINGS, CA 90670-9998



Ground Lease

Facility Name/Location

SANTA FE SPRINGS MPO - GROUND LEASE (056960-002)
11760 TELEGRAPH RD, SANTA FE SPRINGS, CA 90670-9998

County: Los Angeles
Lease: E00000540207

This Lease made and entered into by and between CITY OF SANTA FE SPRINGS hereinafter called the Landlord, and the United States Postal Service, hereinafter called the Postal Service:

In consideration of the mutual promises set forth and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties covenant and agree as follows:

1. The Landlord hereby leases to the Postal Service and the Postal Service leases from the Landlord the following premises, hereinafter legally described in paragraph 7, in accordance with the terms and conditions described herein and contained in the 'General Conditions to USPS Ground Lease,' attached hereto and made a part hereof:

Total Site Area: 51,474.00 Sq. Ft.

2. RENTAL: The Postal Service will pay the Landlord an annual rental of: \$198,005.00 (One Hundred Ninety Eight Thousand Five and 00/100 Dollars) payable in equal installments at the end of each calendar month. Rent for a part of a month will be prorated.

Rent checks shall be payable to:
CITY OF SANTA FE SPRINGS
11710 TELEGRAPH RD

SANTA FE SPRINGS, CA 90670-3679

3. TO HAVE AND TO HOLD the said premises with their appurtenances for the following term:

FIXED TERM: The term becomes effective July 01, 2019 with an expiration date of June 30, 2024, for a total of 5 Years.

4. RENEWAL OPTIONS: None

5. TERMINATION:
None, except as specified elsewhere in this Lease.

6. OTHER PROVISIONS: The following additional provisions, modifications, riders, layouts, and/or forms were agreed upon prior to execution and made a part hereof:

MAINTENANCE, INSURANCE, INDEMNIFICATION, TAXES AND UTILITIES: See Attached Addendum.

7. LEGAL DESCRIPTION:
See Attached Addendum

Facility Name: SANTA FE SPRINGS MPO-GROUND LEASE
Fin/Sub No: 056960-002
Address: 11760 TELEGRAPH RD
City, ST, ZIP: SANTA FE SPRINGS, CA 90670-9998

Real Estate Conflict of Interest Certification

To avoid actual or apparent conflicts of interest, the United States Postal Service ("Postal Service") requires the following certification from you as a potential Landlord/Supplier/Contractor to the Postal Service. Please check all that apply in item A below. Further, please understand that the Postal Service will be relying on the accuracy of the statements made by you in this certification in determining whether to proceed with any possible transaction with you.

I, Juanita Trujillo hereby certify to the Postal Service as follows:
[PRINT: name of potential Landlord/Supplier/Contractor]

- A. (Check all that apply) I am:
- (i) ☐ A Postal Service employee;
 - (ii) ☐ The spouse of a Postal Service employee;
 - (iii) ☐ A family member of a Postal Service employee; (*Relationship*) _____
 - (iv) ☐ An individual residing in the same household as a Postal Service employee;
 - (v) ☐ I am one of the individuals listed in (i) through (iv) above AND a controlling shareholder or owner of a business organization leasing space or intending to lease space to the Postal Service; OR
 - (vi) ☒ None of the above.
- B. (Complete as applicable):
- i. I have the following job with the Postal Service(*Title*) _____
(*Location*) _____
 - ii. My Spouse who works for the Postal Service holds the following job:
(*Title*) _____ (*Location*) _____
 - iii. My family member who works for the Postal Service holds the following job:
(*Title*) _____ (*Location*) _____
 - iv. My household member who works for the Postal Service holds the following job: _____
(*Title*) _____ (*Location*) _____
- C. If you have checked "none of the above" and during the lease term or any renewal term, you do fall into any of the categories listed in A (i) through (v) above, you shall notify the Postal Service Contracting Officer in writing within 30 days of the date you fall into any of the such categories and shall include an explanation of which of the above categories now applies.
- D. The person signing this certification has full power of authority to bind the potential Landlord/Supplier/Contractor named above.

Executed this 23rd day of May, 2019 by
BY: [Signature]
[Insert Signature]
BY: Juanita Trujillo
[PRINT: name of entity or person]
Title: Mayor
[Insert title]

Facility Name: SANTA FE SPRINGS MPO-GROUND LEASE
Fin/Sub No: 056960-002
Address: 11760 TELEGRAPH RD
City, ST, ZIP: SANTA FE SPRINGS, CA 90670-9998

[INTERNAL USE ONLY: *TM / RES: 1) If A(vi) 'none of the above' is selected, stop, file form with the lease. 2) If other items are selected, submit form to Ethics.help@usps.gov. File form and Ethics determination with the lease.***]**



Ground Lease

EXECUTED BY LANDLORD this 23rd day of May, 2019.

GOVERNMENTAL ENTITY

By executing this lease, Landlord certifies that Landlord is not a USPS employee or contract employee or contract employee (or an immediate family member of either), or a business organization substantially owned or controlled by a USPS employee or contract employee (or an immediate family member of either).

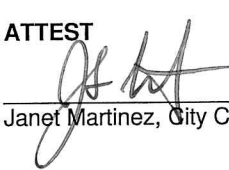
Name of Governmental Entity: City of Santa Fe Springs

CITY OF SANTA FE SPRINGS

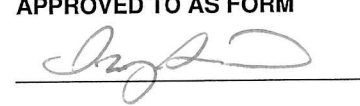

Juanita A. Trujillo, Mayor

Dated 5/23/19

ATTEST


Janet Martinez, City Clerk

APPROVED TO AS FORM


Ivy Tsai, City Attorney

Dated 5/28/19

Landlord's Address 11710 TELEGRAPH ROAD, SANTA FE SPRINGS, CA 90670-3679

Landlord's Telephone Number(s): 562-868-0511

Federal Tax Identification No.: _____

- a. Where the landlord is a governmental entity or other municipal entity, the Lease must be accompanied by documentary evidence affirming the authority of the signatory(ies) to execute the Lease to bind the governmental entity or municipal entity for which he (or they) purports to act.
- b. Any notice to Landlord provided under this lease or under any law or regulation must be in writing and submitted to Landlord at the address specified above, or at an address that Landlord has otherwise appropriately directed in writing. Any notice to the Postal Service provided under this Lease or under any law or regulation must be submitted in writing to "Contracting Officer, U.S. Postal Service" at the address specified below, or at an address that the Postal Service has otherwise directed in writing.

ACCEPTANCE BY THE POSTAL SERVICE

Date: 6-18-19

Diana K. Alvarado

Contracting Officer


Signature of Contracting Officer

Pacific FSO 1300 Evans Avenue, Suite 200, San Francisco, CA 94188-8200

Address of Contracting Officer



Addendum

Facility Name/Location

SANTA FE SPRINGS MPO - GROUND LEASE (056960-002)
11760 TELEGRAPH RD, SANTA FE SPRINGS, CA 90670-9998

County: Los Angeles
Lease: E00000540207

7. LEGAL DESCRIPTION:

That portion of Lot 1, Section 1, Township 3 South, Range 12 West in the Rancho Santa Gertrudes, County of Los Angeles, State of California, per map recorded in Book 32 Page 18, of Miscellaneous Records, Records of the County Recorder of said county, described as follows:

Beginning at a point which is North 63 degrees 40 feet 27 inches West 137.47 feet and South 0 degrees 12 feet 07 inches East 55.88 feet from the intersection of the center-line of Telegraph Road, formerly Anaheim Telegraph Road, and the West line of Pioneer Boulevard, 30 feet wide, as shown on Map of Tract No. 16928, per Map recorded in Book 405 Pages 36 to 38, Records of said County; thence South 0 degrees 12 feet 07 inches East 76.93 feet; thence South 89 degrees 47 feet 53 inches West 138 feet; thence South 0 degrees 12 feet 07 inches East 296.15 feet; thence North 89 degrees 47 feet 53 inches East 162 feet; thence North 0 degrees 12 feet 07 inches West 19 feet; thence North 89 degrees 47 feet 53 inches East 69 feet; thence North 0 degrees 12 feet 07 inches West 26 feet; thence South 89 degrees 47 feet 53 inches West 69 feet; thence North 0 degrees 12 feet 07 inches West 316.15 feet; thence North 63 degrees 40 feet 27 inches West 26.82 feet to the point of beginning.

8. MAINTENANCE: The Postal Service shall be responsible for maintenance of all improvements including but not limited to a brick building owned by the Postal Service, paved areas including side walks and parking areas, landscaping, and flag pole. The responsibility of the Postal Service as stated herein will be fulfilled at such time and in such manner as the Postal Service considers necessary to keep the Premises in proper condition during the Ground Lease term.

Improvements, additions and alterations made to the Premises by the Postal Service, its subtenants, or assignees at any time during the base period or any renewal or extension thereof, shall not be construed as diminishing the value of the Premises or as leaving the Premises in as good condition as existed at the time this Lease was entered, upon the expiration or termination of this Lease. All improvements, additions and alterations shall remain the personal property of the Postal Service, consistent with the terms of this Lease. The Postal Service shall not be required to demolish or remove such improvements after expiration or termination of this Lease.

It is mutually understood that the Postal Service placed a brick and mortar building on the Premises. The building, all improvements incident thereto, and all fixtures, machinery, and equipment added to the building, shall remain the personal property of the Postal Service and may be removed from the Premises only by the Postal Service.

The Postal Service, at its sole option, may, prior to the expiration or termination of the Lease, remove the Personal Property (Building and/or the Improvements) or elect to abandon all or a portion of the Personal Property, in or on the Premises. Any Personal Property remaining on the Premises following the expiration or termination of the Lease shall be considered abandoned. If the Postal Service elects to abandon any or all of the Personal Property, the abandoned Personal Property shall become the property of the Landlord and the Postal Service shall be relieved of any liability in connection therein; provided



Addendum

Facility Name/Location

SANTA FE SPRINGS MPO - GROUND LEASE (056960-002)
11760 TELEGRAPH RD, SANTA FE SPRINGS, CA 90670-9998

County: Los Angeles

Lease: E00000540207

however, if following expiration of the Lease the Postal Service enters into a new Lease agreement with Landlord to remain on the Premises, the Postal Service shall have continued responsibility for maintenance of the Personal Property in accordance with the maintenance provisions herein.

Should the Postal Service elect to abandon the Building and have the need, under the terms of this agreement, to remove all improvements incident thereto, and all fixtures, machinery and equipment added to the building, the Postal Service may remove all fixtures, machinery and equipment added to the building though they may be attached to the floors, walls or roofs of the buildings, structures or improvements, provided that they can be removed without structural or other damage to the building, structures, or improvements. If such removal damages any part of the buildings, structures and improvements, the Postal Service shall repair such damages and restore such building, structures and improvements to as near as possible the condition the same were in at the time of the construction thereof, with reasonable wear and tear from postal use and action of the elements excepted.

9. **INSURANCE:** Landlord acknowledges that the Postal Service does not routinely purchase commercial insurance or maintain a separate account for potential claims, as is required to technically be considered self-insured. Rather, the Postal Service is authorized to pay proper claims against it out of its general revenue fund and available credit, and is subject to suit for damages. Liability claims against the Postal Service are governed by the Federal Tort Claims Act, 39 U.S.C. ?409(c), with the specific provisions being set forth at 28 U.S.C. ??1346(b), 2401(b), and 2671-2680. With respect to the issue of Workers Compensation coverage, pursuant to 39 U.S.C. ?1005(c), the Federal Employees Compensation Act (FECA) 5 U.S.C. ??8101 et seq., is the exclusive remedy for all postal employees who sustain personal injuries on the job. While the Landlord is hereby waiving its standard insurance requirements for the Postal Service, if at any time the Postal Service assigns or subleases any portion of the Premises in accordance with the terms of this Lease to a non-governmental entity, Landlord has the right to impose its reasonable insurance requirements on the assignee and/or subtenant which are based on the assignees and/or subtenants proposed use of the Premises including the requirement that the assignee and/o or subtenant reimburse Landlord for any increase in insurance premiums incurred by Landlord as a result of the assignee and/or subtenants proposed use for the balance of the Term and any extensions, all as a condition of the assignment or sublease.

10. **INDEMNIFICATION:** The Postal Service hereby agrees to save harmless and indemnify the landlord from all claims, losses, damages, actions, causes of action, expenses, and/or liabilities resulting from the use of said property by the Postal Service whenever such claim, loss, damage, action, cause of action, expense, and/or liability arises from the negligent or wrongful act or omission by an employee of the Postal Service while acting within the scope of his or her employment, under circumstances where the Postal Service, if a private person, would be liable in accordance with the law of the place where the negligent or wrongful act or omission occurred. Notwithstanding the above, the Postal Service is under no obligation to save harmless and indemnify the landlord where any negligent or wrongful act or omission by the landlord, its employees or agents, in any way causes or contributes to the claim, loss, damage, action, cause of action, expense and/or liability.



Addendum

Facility Name/Location

SANTA FE SPRINGS MPO - GROUND LEASE (056960-002)
11760 TELEGRAPH RD, SANTA FE SPRINGS, CA 90670-9998

County: Los Angeles

Lease: E00000540207

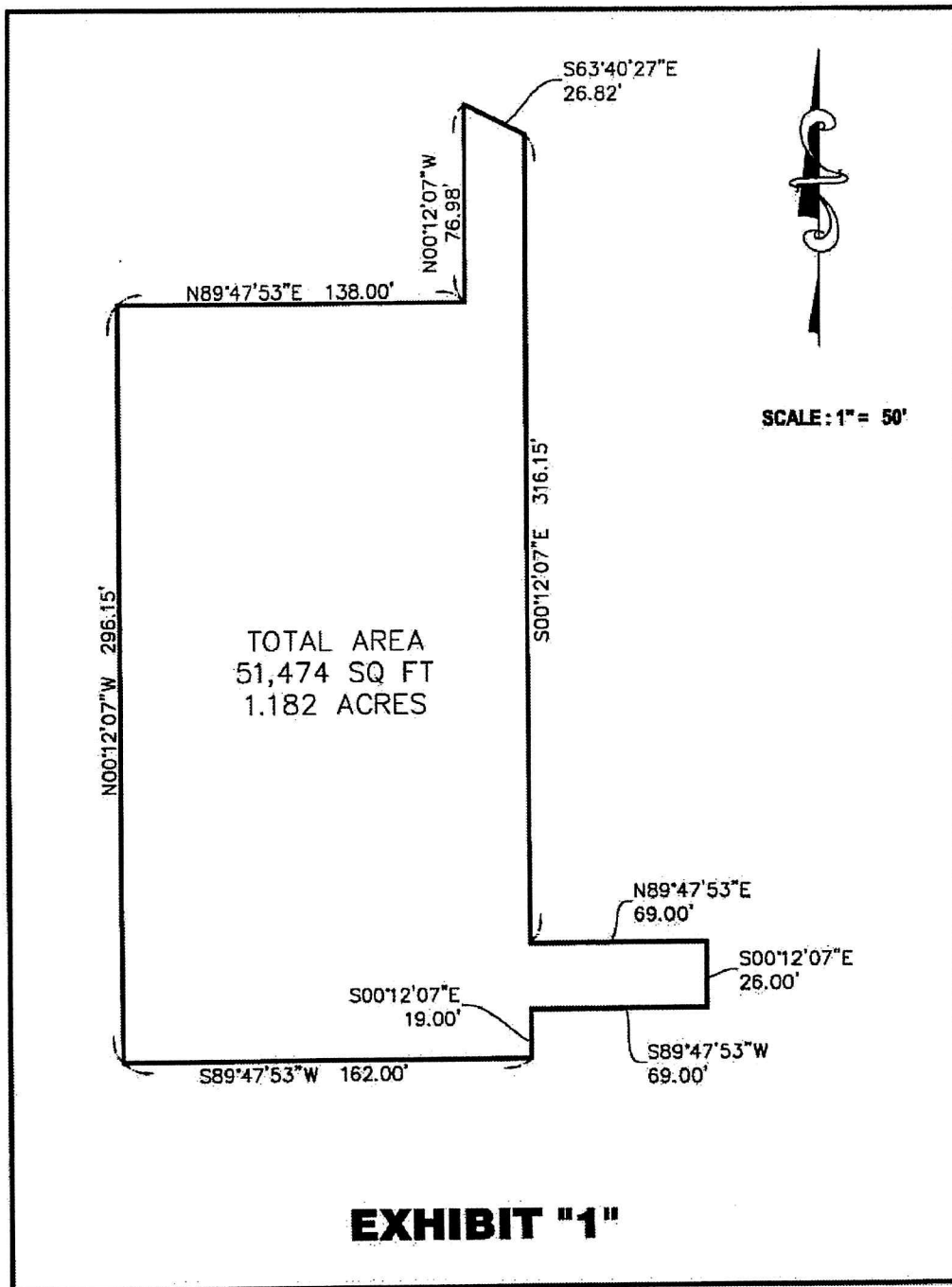
11. TAXES AND UTILITIES: By execution of this Lease, the Postal Service agrees to pay, in addition to the rents provided herein, all municipal, county and state taxes, all assessment of every kind and character, general or special water and sewer rents or rates, electric and gas charges and all license fees or charges that may be properly levied or assessed against the Premises.

12. GENERAL CONDITIONS, SECTION 6: SUBLEASE, is hereby deleted and replaced with the following: The Postal Service may sublet all or any part of the Premises or assign this Lease only with the prior written consent of Landlord, such consent not to be unreasonably withheld, conditioned, or delayed, but the Postal Service shall not be relieved from any obligation under this Lease by reason of any subletting or assignment. Any subletting shall be consistent with all applicable codes and ordinances.

13. GENERAL CONDITIONS, SECTION 9: HAZARDOUS/TOXIC CONDITIONS CLAUSE is hereby deleted in its entirety.

Facility Name/Location
SANTA FE SPRINGS MPO - GROUND LEASE (056960-002)
11760 TELEGRAPH RD, SANTA FE SPRINGS, CA 90670-9998

County: Los Angeles
Lease: E00000540207



Facility Name/Location
SANTA FE SPRINGS MPO - GROUND LEASE (056960-002)
11760 TELEGRAPH RD, SANTA FE SPRINGS, CA 90670-9998

County: Los Angeles
Lease: E00000540207



SCALE: 1" = 100'



EXHIBIT "2"



General Conditions to USPS Ground Lease

1. CHOICE OF LAW

This Lease shall be governed by federal law.

2. RECORDING

Not Required

3. MORTGAGEE'S AGREEMENT

If there is now or will be a mortgage on the property which is or will be recorded prior to the recording of the Lease, the Landlord must notify the contracting officer of the facts concerning such mortgage and, unless in his sole discretion the contracting officer waives the requirement, the Landlord must furnish a Mortgagee's Agreement, which will consent to this Lease and shall provide that, in the event of foreclosure, mortgagee, successors, and assigns shall cause such foreclosures to be subject to the Lease.

4. ASSIGNMENTS

a. The terms and provisions of this Lease and the conditions herein are binding on the Landlord and the Postal Service, and all heirs, executors, administrators, successors, and assigns.

b. If this contract provides for payments aggregating \$10,000 or more, claims for monies due or to become due from the Postal Service under it may be assigned to a bank, trust company, or other financing institution, including any federal lending agency, and may thereafter be further assigned and reassigned to any such institution. Any assignment or reassignment must cover all amounts payable and must not be made to more than one party, except that assignment or reassignment may be made to one party as agent or trustee for two or more parties participating in financing this contract. No assignment or reassignment will be recognized as valid and binding upon the Postal Service unless a written notice of the assignment or reassignment, together with a true copy of the instrument of assignment, is filed with:

1. the contracting officer; and
2. the surety or sureties upon any bond.

c. Assignment of this contract or any interest in this contract other than in accordance with the provisions of this clause will be grounds for termination of the contract for default at the option of the Postal Service.

d. Nothing contained herein shall be construed so as to prohibit transfer of ownership of the demised premises, provided that:

1. such transfer is subject to this Lease agreement;
2. both the original Landlord and the successor Landlord execute the standard *Certificate of Transfer of Title to Leased Property and Lease Assignment and Assumption* form to be provided by the USPS Contracting Officer.

5. APPLICABLE CODES AND ORDINANCES

The Landlord, as part of the rental consideration, agrees to comply with all codes and ordinances applicable to the ownership and operation of the parcel on which the premises are situated and to obtain all necessary permits and related items at no cost to the Postal Service. When the Postal Service or one of its contractors (other than the Landlord) is performing work at the premises, the Postal Service will be responsible for obtaining all necessary and applicable permits, related items, and associated costs.

6. SUBLEASE

The Postal Service may sublet all or any part of the premises or assign this lease but shall not be relieved from any obligation under this lease by reason of any subletting or assignment.

7. ALTERATIONS

The Postal Service shall have the right to make alterations, attach fixtures and erect additions, structures or signs in or upon the premises hereby leased (provided such alterations, additions, structures, or signs shall not be detrimental to or inconsistent with the rights granted to other tenants on the property on which said premises are located); which fixtures, additions or structures so placed in, upon or attached to the said premises shall be and remain the property of the Postal Service and may be removed or otherwise disposed of by the Postal Service.

8. CLAIMS AND DISPUTES

a. This contract is subject to the Contract Disputes Act of 1978 (41 U.S.C. 601-613) ("the Act").

b. Except as provided in the Act, all disputes arising under or relating to this contract must be resolved under this clause.

c. "Claim," as used in this clause, means a written demand or written assertion by one of the contracting parties seeking, as a matter of right, the payment of money in a sum certain, the adjustment or interpretation of contract terms, or other relief arising under or relating to this contract. However, a written demand or written assertion by the Landlord seeking the payment of money exceeding \$100,000 is not a claim under the Act until certified as required by subparagraph d below. A voucher, invoice, or other routine request for payment that is not in dispute when submitted is not a



General Conditions to USPS Ground Lease

claim under the Act. The submission may be converted to a claim under the Act by complying with the submission and certification requirements of this clause, if it is disputed either as to liability or amount or is not acted upon in a reasonable time.

d. A claim by the Landlord must be made in writing and submitted to the contracting officer for a written decision. A claim by the Postal Service against the Landlord is subject to a written decision by the contracting officer. For Landlord claims exceeding \$100,000, the Landlord must submit with the claim the following certification:

"I certify that the claim is made in good faith, that the supporting data are accurate and complete to the best of my knowledge and belief, that the amount requested accurately reflects the contract adjustment for which the Landlord believes the Postal Service is liable, and that I am duly authorized to certify the claim on behalf of the Landlord."

The certification may be executed by any person duly authorized to bind the Landlord with respect to the claim.

e. For Landlord claims of \$100,000 or less, the contracting officer must, if requested in writing by the Landlord, render a decision within 60 days of the request. For Landlord-certified claims over \$100,000, the contracting officer must, within 60 days, decide the claim or notify the Landlord of the date by which the decision will be made.

f. The contracting officer's decision is final unless the Landlord appeals or files a suit as provided in the Act.

g. When a claim is submitted by or against a Landlord, the parties by mutual consent may agree to use an alternative dispute resolution (ADR) process to assist in resolving the claim. A certification as described in subparagraph d of this clause must be provided for any claim, regardless of dollar amount, before ADR is used.

h. The Postal Service will pay interest on the amount found due and unpaid from:

1. the date the contracting officer receives the claim (properly certified if required); or
2. the date payment otherwise would be due, if that date is later, until the date of payment.

i. Simple interest on claims will be paid at a rate determined in accordance with the Act.

j. The Landlord must proceed diligently with performance of this contract, pending final resolution of any request for relief, claim, appeal, or action arising under the contract, and comply with any decision of the contracting officer.

9. HAZARDOUS/TOXIC CONDITIONS CLAUSE

"Asbestos containing building material" (ACBM) means any material containing more than 1% asbestos as determined by using the method specified in 40 CFR Part 763, Subpart E, Appendix E. "Friable asbestos material" means any ACBM that when dry, can be crumbled, pulverized, or reduced to powder by hand pressure.

The Landlord must identify and disclose the presence, location and quantity of all ACBM or presumed asbestos containing material (PACM) which includes all thermal system insulation, sprayed on and troweled on surfacing materials, and asphalt and vinyl flooring material unless such material has been tested and identified as non-ACBM. The Landlord agrees to disclose any information concerning the presence of lead-based paint, radon above 4 pCi/L, and lead piping or solder in drinking water systems in the building, to the Postal Service.

Sites cannot have any contaminated soil or water above applicable federal, state or local action levels or undisclosed underground storage tanks. Unless due to the act or negligence of the Postal Service, if contaminated soil, water, underground storage tanks or piping or friable asbestos material or any other hazardous/toxic materials or substances as defined by applicable Local, State or Federal law are subsequently identified on the premises, the Landlord agrees to remove such materials or substances upon notification by the U. S. Postal Service at Landlord's sole cost and expense in accordance with EPA and/or State guidelines. If ACBM is subsequently found which reasonably should have been determined, identified, or known to the Landlord, the Landlord agrees to conduct, at Landlord's sole expense, an asbestos survey pursuant to the standards of the Asbestos Hazard Emergency Response Act (AHERA), establish an Operations and Maintenance (O&M) plan for asbestos management, and provide the survey report and plan to the Postal Service. If the Landlord fails to remove any friable asbestos or hazardous/toxic materials or substances, or fails to complete an AHERA asbestos survey and O&M plan, the Postal Service has the right to accomplish the work and deduct the cost plus administrative costs, from future rent payments or recover these costs from Landlord by other means, or may, at its sole option, cancel this Lease. In addition, the Postal Service may proportionally abate the rent for any period the premises, or any part thereof, are determined by the Postal Service to have been rendered unavailable to it by reason of such condition.

The Landlord hereby indemnifies and holds harmless the Postal Service and its officers, agents, representatives, and employees from all claims, loss, damage, actions, causes of action, expense, fees and/or liability resulting from, brought for, or on account of any violation of this clause.

The remainder of this clause applies if this Lease is for premises not previously occupied by the Postal Service.

By execution of this Lease the Landlord certifies:

- a. the property and improvements are free of all contamination from petroleum products or any hazardous/toxic or unhealthy materials or substances, including friable asbestos materials, as defined by applicable State or Federal law;



General Conditions to USPS Ground Lease

- b. there are no undisclosed underground storage tanks or associated piping, ACBM, radon, lead-based paint, or lead piping or solder in drinking water systems, on the property; and
- c. it has not received, nor is it aware of, any notification or other communication from any governmental or regulatory entity concerning any environmental condition, or violation or potential violation of any local, state, or federal environmental statute or regulation, existing at or adjacent to the property.

10. FACILITIES NONDISCRIMINATION

- a. By executing this Lease, the Landlord certifies that it does not and will not maintain or provide for its employees any segregated facilities at any of its establishments, and that it does not and will not permit its employees to perform services at any location under its control where segregated facilities are maintained.
- b. The Landlord will insert this clause in all contracts or purchase orders under this Lease unless exempted by Secretary of Labor rules, regulations, or orders issued under Executive Order 11246.

11. CLAUSES REQUIRED TO IMPLEMENT POLICIES, STATUTES, OR EXECUTIVE ORDERS

The following clauses are incorporated in this Lease by reference. The text of incorporated terms may be found in the Postal Service's Supplying Principles and Practices, accessible at www.usps.com/publications.

Clause 1-1, Privacy Protection (July 2007)

Clause 1-5, *Gratuities or Gifts* (March 2006)

Clause 1-6, *Contingent Fees* (March 2006)

Clause 4-2, Contract Terms and Conditions Required to Implement Policies, Statutes or Executive Orders (July 2009)

Clause 9-3, *Davis-Bacon Act* (March 2006)¹

Clause 9-7, *Equal Opportunity* (March 2006)²

Clause 9-13, *Affirmative Action for Handicapped Workers* (March 2006)³

Clause 9-14, *Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era* (March 2006)⁴

Clause B-25, *Advertising of Contract Awards* (March 2006)

Note: For purposes of applying the above standard clauses to this Lease, the terms "supplier," "contractor," and "lessor" are synonymous with "Landlord," and the term "contract" is synonymous with "Lease."

¹ For premises with net interior space in excess of 6,500 SF and involving construction work over \$2,000.

² For leases aggregating payments of \$10,000 or more.

³ For leases aggregating payments of \$10,000 or more.

⁴ For leases aggregating payments of \$25,000 or more.



Mortgagee's Agreement
(To be executed and attached to lease)

Facility Name/Location
SANTA FE SPRINGS MPO - GROUND LEASE (056960-002)
11760 TELEGRAPH RD, SANTA FE SPRINGS, CA 90670-9998

County: Los Angeles
Lease: E00000540207

The undersigned, Holder(s) of a mortgage (or similar encumbrance, such as a Deed of Trust), in the sum of _____ on the property situated at: _____

hereby consent(s) to the leasing of said property to the U.S. Postal Service and agree(s) for itself, its successors, executors, administrators, and assigns that in the event it should become necessary to:

- a) foreclose said mortgage or similar encumbrance, the Mortgagee will cause the sale of said premises to be made subject to said lease; or,
- b) take any other action terminating the mortgage or transferring title, the Mortgagee will cause such action to be made subject to said lease.

MORTGAGEE

Name of Mortgage Company

Witness

By: _____
Signature of Mortgagee's Officer

Its: _____
Title of Mortgagee's Officer

Street Address

City, State and ZIP+4

Subscribed and Sworn to before me, a notary public, in and for _____ County, State of _____ this _____ day of _____, _____.

Notary Public

My commission expires _____



CITY OF SANTA FE SPRINGS

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: René Bobadilla, P.E., City Manager

BY: Dino Torres, Director of Police Services

SUBJECT: TRAFFIC ENFORCEMENT AGREEMENT WITH THE CALIFORNIA HIGHWAY PATROL SANTA FE SPRINGS AREA (CHP)

DATE: January 11, 2024

RECOMMENDATION(S):

It is recommended that the City Council:

- 1) Authorize the Director of Police Services to enter into an agreement with the California Highway Patrol Santa Fe Springs Area (CHP) for traffic enforcement in an amount not to exceed \$50,000 on a recurring fiscal year basis.

FISCAL IMPACT

The labor costs for the CHP to provide traffic enforcement will not exceed \$50,000 per fiscal year and be absorbed by labor savings within the Department of Police Services budget.

BACKGROUND

The 2022/23 fiscal year budget included funding for two additional Whittier Police Department Traffic Officers to complement the existing Traffic Officer assigned to Santa Fe Springs. Funding for these specialty assignments continues to be part of the Department of Police Services budget; however, both spots remain vacant. There are several present-day challenges that are common to most law enforcement agencies nationwide: decreased applications, early exits, and higher rates of retirement. The Whittier Police Department hasn't been exempt from these factors, thus filling their ranks has taken time and become a common and continual process. In response to the realities of today's law enforcement job market, the Whittier Police Department has responded with multiple incentives to attract talent that include adjustments in salary, hiring bonuses, new workplace wellness programs, and promotional opportunities. Gains have been made despite competition between law enforcement agencies to lure a limited amount of

CITY COUNCIL AGENDA REPORT – MEETING OF JANUARY 11, 2024
**TRAFFIC ENFORCEMENT AGREEMENT WITH THE CALIFORNIA HIGHWAY
PATROL SANTA FE SPRINGS AREA (CHP)**

Page 2 of 3

qualified candidates.

In late October, Staff met with command personnel from the CHP to explore the possibility of the CHP assisting the Whittier Police Department with traffic enforcement within Santa Fe Springs' boundaries, to help fill the void of the two vacancies. As a result, the CHP agreed that it could provide enforcement on a temporary and limited basis, on predetermined dates, and that all costs associated with the assignments would be reimbursed.

ANALYSIS

The Department of Police Services budget includes \$500,000 for two Traffic Enforcement Officers (TRO) assigned to Santa Fe Springs. Both assignments are vacant and the Whittier Police Department is proactively working to fill them. A TRO's primary responsibility is to enforce vehicle code violations, including unsafe/illegal maneuvers and vehicles exceeding the speed limit. The TRO is a much needed benefit to the community, helping to curtail negative driving behaviors.

The CHP has agreed to assist the City with traffic enforcement on an overtime basis within Santa Fe Springs' boundaries, on a limited basis, focusing on specific locations identified by the Whittier Policing Team based on traffic collision data and complaints from the community. The following are a few key provisions of the agreement, which is attached to this agenda report:

- Scheduled enforcement assistance will generally consist of two to four CHP Officers for a minimum of four hours per assignment.
- In addition to mileage and labor, charges which are directly related to the services provided maybe assessed for the CHP supplies, additional equipment utilized, damage to uniforms, or property repaired or replaced at the CHP's expense.
- The City agrees to indemnify the CHP and hold the CHP harmless from any and all claims or suits arising out of or in connection with the assignment.

ENVIRONMENTAL

None.

SUMMARY/NEXT STEPS

The Whittier Policing Team will meet with the CHP to discuss areas/locations where dedicated traffic enforcement is needed and develop an enforcement schedule that includes the CHP's assistance.

ATTACHMENT(S):

CITY COUNCIL AGENDA REPORT – MEETING OF JANUARY 11, 2024
**TRAFFIC ENFORCEMENT AGREEMENT WITH THE CALIFORNIA HIGHWAY
PATROL SANTA FE SPRINGS AREA (CHP)**

Page 3 of 3

A. Attachment A – REIMBURSABLE LETTER OF AGREEMENT (CHP FORM 465)

<u>ITEM STATUS:</u>	
APPROVED:	<input type="checkbox"/>
DENIED:	<input type="checkbox"/>
TABLED:	<input type="checkbox"/>
DIRECTION GIVEN:	<input type="checkbox"/>

REIMBURSABLE LETTER OF AGREEMENT

CHP 465 (Rev. 12-20) OPI 071

THIS AGREEMENT, Reimbursable Services Control Log # _____ R- _____ made and entered into this _____ day of _____, _____, by and between the State of California, acting by and through the Department of California Highway Patrol, hereinafter called CHP, and _____, hereinafter called _____.

WORK SHALL COMMENCE ON THE START DATE OR UPON APPROVAL BY BOTH THE CHP AND REQUESTER, WHICHEVER IS LATER. NO SERVICE SHALL BEGIN BEFORE THAT TIME.

1. Reimbursable services are to be provided when ☐ traffic control ☐ security services ☐ vehicle inspections ☐ other details for _____ are required, the CHP agrees to provide uniformed personnel with motorcycles and/or patrol vehicles to assist with the _____.
2. The term of this Agreement will be _____ to _____.
3. The CHP coordinator shall be _____, telephone number _____.
4. In the event of a disaster or unforeseen emergency, this Agreement may be canceled without prior notice by the CHP.
5. _____ agrees, to the extent permitted by law to indemnify the CHP against and hold the CHP harmless from any and all claims, demands, suits, and actions for personal injury, death, loss, and/or property damage that may arise out of or in connection with the performance of this Agreement, even though such injury, death, loss and/or damage to property may be (or may be alleged to be) attributable in part to the active and/or passive negligence of the CHP and/or its appointees, officers, agents, employees, and servants.
_____ agrees to defend all such claims, demands, suits, and actions against CHP and/or its appointees, officers, agents, employees, and servants, although the CHP retains the right to conduct the defense at its own expense. _____ shall reimburse the CHP for all expenses including court costs and reasonable attorney fees, incurred by reason of such claims, demands suits, and actions, or incurred in seeking indemnity or other recovery from _____ thereunder.
6. No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by all parties and approved as required. No oral understanding or Agreement not incorporated in this Agreement is binding on any of the parties.
7. When one of the contracting parties is a county, city, district, or other local public body, this Agreement shall be accompanied by a copy of the resolution, order, motion, or ordinance of the local governing body, which by law provides the authority to enter into and execution of this Agreement. When performance by the local government entity will be completed before any payment by the CHP, such as a room rental or a one-time event, a resolution is not required.
8. _____ agrees that additional charges which are directly related to the services provided, maybe assessed for the CHP supplies, additional equipment utilized, damage to uniforms, or property repaired or replaced at the CHP's expense.
9. If the CHP uniformed employee has reported to the assigned location and has worked less than four hours, _____ agrees to pay every assigned uniform employee a minimum of four hours overtime. Exception: This does not apply to those cases when the hours worked is part of an extended shift.
_____ will not be charged for cancellations made more than 24 hours prior to the scheduled assignment.
10. _____ agrees that if cancellation is made within 24 hours prior to the scheduled assignment and the assigned CHP uniformed employee(s) **cannot be notified** of such cancellation, a minimum of four hours overtime will be charged for each assigned uniformed employee.

11. _____ agrees that if cancellation is made within 24 hours prior to the scheduled assignment and the CHP employee is **notified** of such cancellation, _____ will only be charged a short notice cancellation fee of \$50.00 per assigned CHP uniformed employee.
12. All cancellation notices to the CHP must be made during normal CHP business hours of 8:00 a.m. to 5:00 p.m., Monday through Friday, excluding legal holidays. Cancellation notices shall only be accepted by the appropriate CHP Division or Area office.
13. The CHP agrees to make reasonable efforts to notify those CHP uniformed employees of the cancellation.
14. No additional gifts, donation, or gratuities may be accepted by the CHP employees on their behalf or on the behalf of the Department, informal squad fund(s), or other local fund(s).
15. The hours and miles indicated in this Agreement are for estimate purposes only. Actual time and vehicle mileage will be charged. This includes travel between the CHP Division/Area command and the service location.
16. The rates indicated in this Agreement are for estimate purposes only. Any increases in overhead, mileage, damaged uniforms, private-owned safety equipment, salaries, and benefits are governed by collective bargaining agreement and/or statute. In the event an officer is not available, a sergeant will be assigned to work in the place of the officer, and _____ will be charged at the current sergeant's pay. In the event of a rate increase, _____ agrees to pay the increase rate.
17. In consideration for the above services and upon receipt of an itemized invoice, _____ agrees to reimburse the CHP for the actual costs incurred at the time services are provided. Rate charged to _____ shall in no event exceed the actual costs to the CHP to perform the requested services. The following cost information is for estimate purposes only:

Sergeant:	_____ hrs.	@	\$ _____	\$ _____
Officer:	_____ hrs.	@	\$ _____	\$ _____
Vehicle mileage:	_____ miles	@	\$ _____	\$ _____
Motorcycle mileage:	_____ miles	@	\$ _____	\$ _____
Other expenses:	_____			\$ _____
Total estimated cost:				\$ _____

Note: If total estimated cost exceeds \$50,000, a CHP 465 **CAN NOT** be used. The reimbursable service request must be initiated on a CHP 78R. Reimbursable Services Contract Request, and forwarded to Business Services Section, Contract Services Unit, for processing. (HPM 11.1, Administrative Procedures Manual, Chapter 6, Reimbursable Services)

18. COLLECTION OF ADVANCE DEPOSIT FOR A MOTION PICTURE/FILM.

A form of advance deposit shall be required before services can be performed. The advance deposit shall be made by the requesting party and hand delivered directly to the Statewide Film Media Relations Officer (FMRO) or to the on-scene command officer in-charge. The FMRO or on-scene command officer in-charge will approve, complete a CHP 230, Transmittal Record, and forward the advance deposit to Fiscal Management Section, Accounts Receivable.

- a. Amount of deposit collected: \$ _____
- b. Check number: _____
- c. Cash receipt number: _____
- d. Federal Tax Identification Number: _____

WITNESSETH: By and in consideration of the covenants and conditions herein contained,
and the CHP do hereby agree to the above terms and conditions.

STATE OF CALIFORNIA
Department of California Highway Patrol

REQUESTOR'S NAME

Commander Signature Date

Signature Date

Printed Name

Printed Name

Title

Title

Location Code

Address

For use by City/County Clerk, if applicable	
Approved as to form by	Date

City State Zip Code

Telephone Number

BILLING INFORMATION

Company Name

Billing Address (The invoice or refund of advance deposit will be sent to this address)

City State Zip Code

Contact Name Telephone Number

E-mail



CITY OF SANTA FE SPRINGS
CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: René Bobadilla, P.E., City Manager

BY: Debbie Ford, Human Resources Manager

SUBJECT: **REVISION TO PERSONNEL POLICIES AND PROCEDURES MANUAL, SECTION 6-3.7 HOURLY NON-BENEFITTED SICK LEAVE TO COMPLY WITH THE HEALTHY WORKPLACE/HEALTHY FAMILIES ACT OF 2014 (PAID SICK LEAVE)**

DATE: January 11, 2024

RECOMMENDATION(S):

It is recommended that the City Council:

- 1) Approve the revision to Personnel Policies and Procedures Manual (PPPM), Section 6-3.7 Hourly Non-Benefitted Sick Leave to comply with the Healthy Workplace/Healthy Families Act of 2014 (Paid Sick Leave).

FISCAL IMPACT

The financial impact of this adjustment is approximately \$40,600.

BACKGROUND

On October 4, 2023, California Governor Gavin Newsom signed into law SB 616, which amends the Healthy Workplaces, Healthy Families Act of 2014, which required employers to provide paid sick leave to employees, allowing them to take time off work to care for themselves or a family member.

The California Healthy Workplace Families Act, which goes into effect on January 1, 2024, will increase the amount of paid sick leave that employers must provide to their employees from 24 hours to 40 hours per year. This law affects all hourly non-benefitted employees, as full-time and non-benefitted employees are covered by a valid collective bargaining agreement.

Resolution No. 9885 Establishing the City's Maximum contribution of Miscellaneous and Safety Employees under the Public Employees' Medical and Hospital Care Act

Page 2 of 2

ANALYSIS

N/A

ENVIRONMENTAL

N/A

DISCUSSION

The amount of hours towards paid sick leave for hourly non-benefitted employees will be increased from 24 to 40 hours, effective January 1, 2024.

SUMMARY/NEXT STEPS

Staff recommends that the City Council approve the revision to PPPM Section 6-3.7.

Upon approval, staff will notify all hourly non-benefitted employees.

ATTACHMENT(S):

PPPM, Section 6-3.7 Hourly Non-Benefitted Sick Leave

ITEM STATUS:

APPROVED: ☐

DENIED: ☐

TABLED: ☐

DIRECTION GIVEN: ☐

**CITY OF SANTA FE SPRINGS
PERSONNEL POLICIES AND PROCEDURES MANUAL**

Effective Date: 07-01-15

Revision Date: 01-02-24

Section: 6-3.7

Subject: Hourly Non Benefitted
Sick Leave

Entered By: City Manager

Page: 1 of 2

PURPOSE:

To establish a procedure to comply with the Healthy Workplaces/Healthy Families Act of 2014 (Paid Sick Leave) as amended by SB 616

APPLICABLE FORM OR REFERENCE:

Healthy Workplaces/Healthy Families Act of 2014: AB 1522 of the California Labor Code. California Healthy Workplace Families Act; SB 616.

Policy:

This procedure will be followed for Hourly, Non Benefitted (HNB) employees of the City of Santa Fe Springs and will be applied to unrepresented part-time, temporary, seasonal, non-benefitted employees who are not covered by a Memorandum of Understanding, Agreement or Contract. CalPERS and 1937 Act retired annuitants are also excluded.

Accrual and Use: The City will grant forty (40) hours of paid sick leave at the beginning of the fiscal year to each HNB employee. A HNB employee is not eligible to use any paid sick leave until he/she has been employed by the City for 90 consecutive calendar days.

Sick leave accrual, usage and balance will be tracked through the Payroll System, and will be displayed on the employee's payroll check statements. Any unused sick leave at the end of the fiscal year will NOT carry over to the next fiscal year and cannot be cashed out.

Sick Leave shall not be considered a privilege which employees may use at their discretion but shall be allowed as a benefit, only for one of the following purposes:

1. An illness affecting the employee or qualified family member; or
2. The diagnosis, care or treatment of an existing health condition of the employee or qualified family member, or
3. Preventive care, such as annual physicals or flu shots for the employee or qualifying family member, or
4. For an employee who is a victim of domestic violence, sexual assault, or stalking, to take time off:
 - a. To obtain or attempt to obtain relief to help endure the health, safety, or welfare of the employee or the employee's child, such as a temporary restraining order, restraining order, or other injunctive relief;
 - b. To seek medical attention for injuries caused by domestic violence, sexual assault or stalking, obtain services from a shelter, program or rape crisis center;
 - c. To obtain psychological counseling;
 - d. To participate in safety planning and take other actions to increase safety from future domestic violence, sexual assault, or stalking, including temporary or permanent relocation

**CITY OF SANTA FE SPRINGS
PERSONNEL POLICIES AND PROCEDURES MANUAL**

Effective Date: 07-01-15

Revision Date: 07-15-15

Section: 6-3.7

Subject: Hourly Non Benefitted
Sick Leave

Entered By: City Manager

Page: 2 of 2

For purposes of this procedure, a “qualified family member” is defined as an employee’s:

- a. Child (biological, adopted or foster child, stepchild, legal ward or a child whom the employee stands in loco parentis)
- b. Spouse or registered domestic partner
- c. Parent (biological, adoptive, or foster parent, stepparent or legal guardian of an employee or the employee’s spouse or registered domestic partner, or a person who stood in loco parentis when the employee was a minor child)
- d. Grandparent
- e. Grandchild
- f. Sibling

As provided by SFS Personnel Policy and Procedures Sec 6-3.6: Kin Care, an employee may use one half of their annual sick leave accrual (20 hours) for doctor’s appointments or to care for their child, spouse/domestic partner or parent who is ill.

Employee Notification Obligations: If the need for paid sick leave is foreseeable, the employee must provide reasonable advance notice to his/her supervisor. An employee may request to use unscheduled paid sick leave by notifying his/her Department Director or immediate supervisor verbally or in writing within 15 minutes of his/her scheduled start time, or, in the event of an emergency, as soon as reasonably possible. The employee shall not be required to search for or find, a replacement worker to cover the hours during which the employee uses paid sick leave, as a condition of using paid sick leave.

The City may require an employee to provide a written explanation from a physician providing the reason for an unscheduled absence and/or an indication that the employee is medically able to return to work.

The Supervisor or employee must enter paid sick leave usage on their timecard. Sick Leave hours taken will not be counted as hours worked within a pay period.

Paid Sick Leave shall not exceed forty (40) hours within a twelve (12) month period and can only be used on scheduled work days in one hour increments. The minimum charge to paid sick leave is one hour.

The City will not pay out accrued, unused paid sick days at the time of termination, end of assignment, resignation or retirement. Employees rehired within one year from the date of separation shall have previously accrued and unused paid sick days reinstated for the remainder of the fiscal year.



CITY OF SANTA FE SPRINGS

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: René Bobadilla, P.E., City Manager

BY: James Enriquez, P.E., Director of Public Works

SUBJECT: **CLARKE ESTATE PARKING LOT PAVING IMPROVEMENTS – AWARD OF CONTRACT**

DATE: January 11, 2024

RECOMMENDATION:

It is recommended that the City Council:

- 1) Accept the Bids; and
- 2) Award a contract to Prestige Paving Company, Inc. of La Mirada, California in the amount of \$129,197.81; and
- 3) Take such additional, related action that may be desirable.

FISCAL IMPACT

The Clarke Estate Parking Lot Paving Improvements project is an approved Capital Improvement Plan project and funded by the Utility Users Tax (UUT) Capital Improvement Plan Fund in the amount of \$300,000.00. The total estimated project cost using the lowest responsible bidder is \$300,000.00 and sufficient project funds are available.

The total estimated project costs are as follows:

Item	Budget
Construction	\$ 129,197.81
Design	\$ 10,000.00
Engineering	\$ 20,000.00
Inspection	\$ 30,000.00
Contingency	\$ 110,802.19
Total Project Cost	\$ 300,000.00

CITY COUNCIL AGENDA REPORT – MEETING OF JANUARY 11, 2024

Clarke Estate Parking Lot Paving Improvements – Award of Contract

Page 2 of 3

BACKGROUND

At the June 20, 2023 Capital Improvement Plan Subcommittee meeting, staff was requested to review the existing condition of the parking lot at the Clarke Estate and assess a possible pavement improvement plan.

Upon evaluating the parking lot, staff generated a project scope of work to give the existing parking lot a new revitalized appearance. The project scope of work includes the removal and replacement of the top two (2) inches of the entire asphalt pavement parking lot, slurry sealing the entire driveway entrance from Pioneer Boulevard to the entry gate, removal/replacement of damaged concrete curbs, new parking lot striping and new traffic loop detectors located at the exit gate.

At the October 17, 2023 City Council Meeting, the City Council approved adding the Clarke Estate Parking Lot Paving Improvements Project to the Capital Improvement Plan, appropriated \$300,000 from the Utility Users Tax (UUT) Capital Improvement Plan Fund to the Clarke Estate Parking Lot Paving Improvements Project, approved project specifications and authorized the City Engineer to advertise for construction bids.

ANALYSIS

Bids were opened on November 22, 2023, and a total of nine bids were received. City Staff reviewed the proposals and determined that all bid proposals comply with the project specifications. The low bidder for the project was Prestige Paving Company, Inc. of La Mirada, with a bid totaling \$129,197.81. The bid proposal for the following bidders reflects the bid amounts.

Company Name	Publicly Read	
	Bid Amount	Audited Bid
1. Prestige Paving Co., Inc.	\$129,197.81	\$129,197.81
2. Tyner Paving Co., Inc.	\$161,387.00	\$161,387.00
3. Hardy & Harper, Inc.	\$197,000.00	\$197,000.00
4. PaveWest, Inc.	\$199,999.99	\$199,999.99
5. NPG, Inc.	\$200,877.00	\$200,877.00
6. Terra Pave, Inc.	\$218,300.00	\$218,000.00
7. Onyx Paving Co., Inc.	\$242,000.00	\$242,000.00
8. Superior Paving Co., Inc.	\$315,765.51	\$315,765.51
9. All American Asphalt	\$338,800.00	\$338,800.00

The bid proposal submitted by Prestige Paving Company, Inc. in the amount of \$129,197.81, is approximately 33% below the Engineer's Estimate of \$195,000.

The Department of Public Works has reviewed the bids and determined the low bid submitted by Prestige Paving Company, Inc. to be responsive and responsible.

The City Attorney's office has reviewed the contract.

ENVIRONMENTAL

N/A

DISCUSSION

The completion of the Clark Estate Parking Lot Improvements project will renew the service life of the pavement and hardscape. The project will also help reduce maintenance repair costs.

SUMMARY/NEXT STEPS

Upon the approval of the City Council of the recommended actions, City staff will coordinate with the Project Contractor on the delivery of the project.

ATTACHMENTS:

A. Attachment A – Contract Agreement

<u>ITEM STATUS:</u>	
APPROVED:	<input type="checkbox"/>
DENIED:	<input type="checkbox"/>
TABLED:	<input type="checkbox"/>
DIRECTION GIVEN:	<input type="checkbox"/>

**CITY OF SANTA FE SPRINGS
CONTRACT AGREEMENT
FOR
CLARKE ESTATE
PARKING LOT IMPROVEMENTS
IN THE CITY OF SANTA FE SPRINGS**

This Contract Agreement is made and entered into the above-stated project this 11th day of January 2024, BY AND BETWEEN the City of Santa Fe Springs, as AGENCY, and Prestige Paving Company, Inc., as CONTRACTOR in the amount of \$129,197.81.

WITNESSETH that AGENCY and CONTRACTOR have mutually agreed as follows:

ARTICLE I

The contract documents for the aforesaid project shall consist of the Notice Inviting Sealed Bids, Instructions to Bidders, Proposal, General Specifications, Standard Specifications, Special Provisions, Plans, and all referenced specifications, details, standard drawings, CDBG contract provisions and forms, and appendices; together with this Contract Agreement and all required bonds, insurance certificates, permits, notices, and affidavits; and also including any and all addenda or supplemental agreements clarifying, or extending the work contemplated as may be required to ensure its completion in an acceptable manner. All of the provisions of said contract documents are made a part hereof as though fully set forth herein.

ARTICLE II

For and in consideration of the payments and agreements to be made and performed by AGENCY, CONTRACTOR agrees to furnish all materials and perform all work required for the above-stated project, and to fulfill all other obligations as set forth in the aforesaid contract documents.

ARTICLE III

CONTRACTOR agrees to receive and accept the prices set forth in the Proposal as full compensation for furnishing all materials, performing all work, and fulfilling all obligations hereunder. Said compensation shall cover all expenses, losses, damages, and consequences arising out of the nature of the work during its progress or prior to its acceptance including those for well and faithfully completing the work and the whole thereof in the manner and time specified in the aforesaid contract documents; and also including those arising from actions of the elements, unforeseen difficulties or obstructions encountered in the prosecution of the work, suspension or discontinuance of the work, and all other unknowns or risks of any description connected with the work.

ARTICLE IV

AGENCY hereby promises and agrees to employ, and does hereby employ, CONTRACTOR to provide the materials, do the work and fulfill the obligations according to the terms and conditions herein contained and referred to, for the prices aforesaid, and hereby contracts to pay the same at the time, in the manner, and upon the conditions set forth in the contract documents. No work or portion of the work shall be paid for until it is approved for payment by the City Engineer. Payment made for completed portions of the work shall not constitute final acceptance of those portions or of the completed project.

ARTICLE V

CONTRACTOR acknowledges the provisions of the State Labor Code requiring every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of that code and certifies compliance with such provisions. Contractor further acknowledges the provisions of the State Labor Code requiring every employer to pay at least the minimum prevailing rate of per diem wages for each craft classification or type of workman needed to execute this contract as determined by the Director of Labor Relations of the State of California. The Contractor is required to pay the higher of either the State or Federal Wages.

ARTICLE VI

Except as to the sole or active negligence or willful misconduct of the AGENCY and notwithstanding the existence of insurance coverage required of CONTRACTOR pursuant to this contract, CONTRACTOR shall save, keep defend, indemnify, hold free and harmless AGENCY, its officers, officials, employees, agents and volunteers from and against any and all damages to property or injuries to or death of any person or persons, and shall defend, indemnify, save and hold harmless AGENCY, its officers, officials, employees, agents and volunteers from any and all claims, demands, suits, actions or proceedings of any kind or nature, including, but not by way of limitation, all civil claims, workers' compensation claims, and all other claims resulting from or

arising out of the acts, errors or omissions of CONTRACTOR, its employees and/or authorized subcontractors, whether intentional or negligent, in the performance of this Agreement.

This indemnification provision is independent of and shall not in any way be limited by the Insurance Requirements of this Agreement. AGENCY approval of the Insurance contracts required by this Agreement does not in any way relieve the CONTRACTOR from liability under this section.

AGENCY shall notify CONTRACTOR of the receipt of any third party claim related to this Agreement within seven (7) business days of receipt. The City is entitled to recover its reasonable costs incurred in providing the notification. (Pubic Contracts Code Section 9201)

ARTICLE VII

AGENCY shall comply with Pub Cont. Code §20104.50 as follows:

20104.50.

(a) (1) It is the intent of the Legislature in enacting this section to require all local governments to pay their contractors on time so that these contractors can meet their own obligations. In requiring prompt payment by all local governments, the Legislature hereby finds and declares that the prompt payment of outstanding receipts is not merely a municipal affair, but is, instead, a matter of statewide concern.

(2) It is the intent of the Legislature in enacting this article to fully occupy the field of public policy relating to the prompt payment of local governments' outstanding receipts. The Legislature finds and declares that all government officials, including those in local government, must set a standard of prompt payment that any business in the private sector which may contract for services should look towards for guidance.

(b) Any local agency which fails to make any progress payment within 30 days after receipt of an undisputed and properly submitted payment request from a contractor on a construction contract shall pay interest to the contractor equivalent to the legal rate set forth in subdivision (a) of Section 685.010 of the Code of Civil Procedure.

(c) Upon receipt of a payment request, each local agency shall act in accordance with both of the following:

(1) Each payment request shall be reviewed by the local agency as soon as practicable after receipt for the purpose of determining that the payment request is a proper payment request.

(2) Any payment request determined not to be a proper payment request suitable for payment shall be returned to the contractor as soon as practicable, but not later than seven days, after receipt. A request returned pursuant to this paragraph shall be accompanied by a document setting forth in writing the reasons why the payment request is not proper.

(d) The number of days available to a local agency to make a payment without incurring interest pursuant to this section shall be reduced by the number of days by which a local agency exceeds the seven-day return requirement set forth in paragraph (2) of subdivision (c).

(e) For purposes of this article:

(1) A "local agency" includes, but is not limited to, a city, including a charter city, a county, and a city and county, and is any public entity subject to this part.

(2) A "progress payment" includes all payments due contractors, except that portion of the final payment designated by the contract as retention earnings.

(3) A payment request shall be considered properly executed if funds are available for payment of the payment request, and payment is not delayed due to an audit inquiry by the financial officer of the local agency.

(f) Each local agency shall require that this article, or a summary thereof, be set forth in the terms of any contract subject to this article.

ARTICLE VIII

CONTRACTOR affirms that the signatures, titles and seals set forth hereinafter in execution of this Contract Agreement represent all individuals, firm members, partners, joint venturers, and/or corporate officers having principal interest herein.

IN WITNESS WHEREOF, the parties hereto for themselves, their heirs, executors, administrators, successors, and assigns do hereby agree to the full performance of the covenants herein contained and have caused this Contract Agreement to be executed in triplicate by setting hereunto their name, titles, hands, and seals as of the date noted above.

CONTRACTOR

PRESTIGE PAVING COMPANY, INC

By:



ANTHONY TRUJILLO, RMO

14650 Industry Circle

ADDRESS

La Mirada, Ca. 90636

CITY OF SANTA FE SPRINGS

By:

JAY SARNO, MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

IVY M. TSAI, CITY ATTORNEY



CITY OF SANTA FE SPRINGS

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: René Bobadilla, P.E., City Manager

BY: Maribel Garcia, Municipal Affairs Manager

SUBJECT: CALRECYCLE GRANT AND PAYMENT PROGRAMS

DATE: January 11, 2024

RECOMMENDATION(S):

It is recommended that the City Council:

- 1) Adopt a resolution authorizing the submittal of application(s) for all CalRecycle Grant and Payment Programs for which the City is eligible

FISCAL IMPACT

If approved, the City would be eligible to receive grants in excess of \$80,000. Funding for future years are unknown, however, it is likely that funding is likely based on previous allocations.

BACKGROUND

The California Department of Resources Recycling and Recovery (CalRecycle) offers funding opportunities authorized by legislation to assist public and private entities in the safe and effective management of the waste stream. Annually, the City applies for multiple grants with CalRecycle such as the City County Beverage Container Program and Senate Bill (SB) 1383 Local Assistance Grant. The City County Beverage Container Program provides annual funding for efforts dedicated to addressing recycling challenges, aid in increasing beverage container collection, and reducing beverage container litter in the waste stream. These efforts can come in the form of purchasing beverage recycling containers or in the form of informational media services. An example of the media services would be a video educating citizens and business owners on how to properly recycle in blue container recycling, so they do not include contaminated materials in their recycling bins. The City, on average, is awarded \$5,000 annually via this grant.

CalRecycle Grant and Payment Programs

Page 2 of 2

The SB1383 Local Grant Assistance Program is a new grant available to the City in the amount of \$75,000. This is a one-time grant program meant to provide aid in the implementation of SB 1383 B-7 regulations. SB 1383 establishes methane reduction targets for California, with the goal of reducing greenhouse gas emissions and address food insecurity. The grant provides funding for implementation of regulation requirements such as but not limited to capacity planning, collection, education and outreach, and procurement requirements.

DISCUSSION

CalRecycle requires a resolution be included with the submission of the annual grant applications. The resolution authorizes the submittal for any and all grant programs provided by CalRecycle in addition to recognizing the authorized signature authorities, which will be the City Manager and/or Municipal Affairs Manager. These authorizations are effective from date of adoption through April 20, 2027.

ATTACHMENT(S):

A. Resolution No. 9893

<u>ITEM STATUS:</u>	
APPROVED:	<input type="checkbox"/>
DENIED:	<input type="checkbox"/>
TABLED:	<input type="checkbox"/>
DIRECTION GIVEN:	<input type="checkbox"/>

RESOLUTION NO. 9893

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS
AUTHORIZING SUBMITTAL OF INDIVIDUAL GRANT APPLICATIONS FOR ALL
GRANT PROGRAMS FOR WHICH SANTA FE SPRINGS IS ELIGIBLE**

WHEREAS, Public Resources Code sections 48000 *et seq.* authorize the Department of Resources Recycling and Recovery (CalRecycle) to administer various grant programs (grants) in furtherance of the State of California's (state) efforts to reduce, recycle and reuse solid waste generated in the state thereby preserving landfill capacity and protecting public health and safety and the environment; and

WHEREAS, in furtherance of this authority CalRecycle is required to establish procedures governing the application, awarding, and management of the grants; and

WHEREAS, CalRecycle grant application procedures require, among other things, an applicant's governing body to declare by resolution certain authorizations related to the administration of CalRecycle grants.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Santa Fe Springs authorizes the submittal of applications to CalRecycle for all grants for which City of Santa Fe Springs is eligible; and

BE IT FURTHER RESOLVED that the City Manager and/or Municipal Affairs Manager, or their designee, is hereby authorized and empowered to execute in the name of City of Santa Fe Springs all grant documents, including but not limited to, applications, agreements, amendments and requests for payment, necessary to secure grant funds and implement the approved grant project; and

BE IT FURTHER RESOLVED that these authorizations are effective from the date of adoption through April 20, 2027.

APPROVED and ADOPTED this 11th day of January, 2024 by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:
ITEM NO.:

Jay Sarno, Mayor

ATTEST:

Fernando Munoz, Deputy City Clerk