



SAN FERNANDO CITY COUNCIL  
REGULAR MEETING NOTICE AND AGENDA

MAY 2, 2016 – 6:00 PM

COUNCIL CHAMBERS  
117 MACNEIL STREET  
SAN FERNANDO, CA 91340

**CALL TO ORDER/ROLL CALL**

Mayor Robert C. Gonzales  
Vice Mayor Joel Fajardo  
Councilmember Antonio Lopez  
Councilmember Jaime Soto  
Councilmember Sylvia Ballin

**PLEDGE OF ALLEGIANCE**

San Fernando Police Explorer Arlene Esquivel

**APPROVAL OF AGENDA**

**PRESENTATIONS**

- a) CERTIFICATE OF INSPIRATION AND RECOGNITION – CÉSAR AND EMILIA ACOSTA  
Councilmember Sylvia Ballin
- b) OLDER AMERICANS MONTH  
Recreation & Community Services Director Ismael Aguila
- c) ARBOR DAY PROCLAMATION  
Deputy City Manager/Public Works Director Chris Marcarello
- d) NATIONAL PUBLIC WORKS WEEK – May 15-21  
Deputy City Manager/Public Works Director Chris Marcarello
- e) TRIBUTE TO OUR TROOPS  
Mayor Robert C. Gonzales

**SAN FERNANDO CITY COUNCIL****Regular Meeting Notice and Agenda – May 2, 2016**Page 2 of 5

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**PUBLIC STATEMENTS – WRITTEN/ORAL**

There will be a three (3) minute limitation per each member of the audience who wishes to make comments relating to City Business. Anyone wishing to speak, please fill out the blue form located at the Council Chambers entrance and submit it to the City Clerk. When addressing the City Council please speak into the microphone and voluntarily state your name and address.

**CONSENT CALENDAR**

Items on the Consent Calendar are considered routine and may be disposed of by a single motion to adopt staff recommendation. If the City Council wishes to discuss any item, it should first be removed from the Consent Calendar.

**1) REQUEST TO APPROVE MINUTES OF APRIL 18, 2016 – SPECIAL MEETING****2) CONSIDERATION TO ADOPT A RESOLUTION APPROVING THE WARRANT REGISTER**

Recommend that the City Council adopt Resolution No. 16-051 approving the Warrant Register.

**3) CONSIDERATION TO ADOPT A RESOLUTION APPROVING THE INVESTMENT POLICY FOR FISCAL YEAR 2016-2017**

Recommend that the City Council adopt Resolution No. 7730 approving the annual Investment Policy for Fiscal Year 2016-2017.

**4) CONSIDERATION TO ADOPT A RESOLUTION AUTHORIZING THE CITY TREASURER AND DEPUTY CITY TREASURER TO INVEST SURPLUS FUNDS**

Recommend that the City Council adopt Resolution No. 7731 authorizing the City Treasurer and Deputy City Treasurer to invest surplus funds.

**5) CONSIDERATION TO APPROVE A MEMORANDUM OF AGREEMENT REGARDING THE ADMINISTRATION AND COST SHARING FOR IMPLEMENTING THE COORDINATED INTEGRATED MONITORING PROGRAM FOR THE UPPER LOS ANGELES RIVER WATERSHED MANAGEMENT AREA**

Recommend that the City Council:

**SAN FERNANDO CITY COUNCIL****Regular Meeting Notice and Agenda – May 2, 2016**Page 3 of 5

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- a. Approve the Memorandum of Agreement (Contract No. 1822) Regarding the Administration and Cost Sharing for Implementing the Coordinated Integrated Monitoring Program for the Upper Los Angeles River Watershed Management Area; and
- b. Authorize the City Manager to execute the Agreement.

**PUBLIC HEARING****6) CONSIDERATION TO ADOPT AN ORDINANCE AMENDING CHAPTER 22 (BUSINESSES) AND CHAPTER 106 (ZONING) TO EXPRESSLY PROHIBIT MEDICAL CANNABIS DISPENSARIES, MEDICAL CANNABIS CULTIVATION, CITY-BASED MEDICAL CANNABIS DELIVERY OPERATIONS, AND ALL COMMERCIAL CANNABIS ACTIVITIES IN ALL AREAS OF THE CITY, EXCLUDING MEDICAL CANNABIS DELIVERY ACTIVITIES ORIGINATING FROM LEGAL DISPENSARIES OUTSIDE OF THE CITY OF SAN FERNANDO**

Recommend that the City Council:

- a. Allow public comment as part of the continued Public Hearing; and
- b. Pending public testimony, introduce for first reading, in title only, and waive further reading of Ordinance No. 1654, "An Ordinance of the City Council of the City of San Fernando, California Amending Chapter 22 (Businesses) and Chapter 106 (Zoning) to Expressly Prohibit Medical Cannabis Dispensaries, Medical Cannabis Cultivation, City-Based Medical Cannabis Delivery Operations, and All Commercial Cannabis Activities in All Areas of the City, Excluding Medical Cannabis Delivery Activities Originating from Legal Dispensaries Outside of the City of San Fernando."

**ADMINISTRATIVE REPORTS****7) CONSIDERATION TO ADOPT AN ORDINANCE AUTHORIZING THE CITY TO COLLECT DELINQUENT RESIDENTIAL SOLID WASTE COLLECTION SERVICES FEES ON THE ANNUAL TAX ROLL PURSUANT TO HEALTH & SAFETY CODE SECTIONS 5473 AND 5473A**

Recommend that the City Council:

- a. Receive the report from staff;
- b. Take the matter under submission for further study by staff; or

**SAN FERNANDO CITY COUNCIL****Regular Meeting Notice and Agenda – May 2, 2016**Page 4 of 5

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- c. Introduce for first reading, in title only, and waive further reading of Ordinance No. 1655, "An Ordinance of the City Council of the City of San Fernando, California Amending Chapter 70 (Solid Waste and Recyclables Collection Services) of the San Fernando Municipal Code."

**8) PRESENTATION AND UPDATE ON THE 2016 BUSINESS LICENSE PROGRAM**

Recommend that the City Council receive and file a presentation from staff on the 2016 Business License Program.

**9) LOPEZ-VILLEGAS HOUSE UPDATE**

Recommend that the City Council:

- a. Receive and file the status report regarding the Lopez-Villegas House that is currently stored at the former Agency-owned parcel at 1320 San Fernando Road; and
- b. Provide staff with direction regarding possible use and/or disposition of the Lopez-Villegas House during the upcoming Fiscal Year 2016-2017 City Budget review process in order to identify any budget appropriations that may be necessary to implement Council-identified use(s) and/or disposition of the subject structure.

**10) DISCUSSION REGARDING CITY COUNCIL FISCAL YEAR 2016-2017 PRIORITY PERTAINING TO RENT CONTROL**

This item is placed on the agenda by Vice Mayor Joel Fajardo and Councilmember Sylvia Ballin.

**11) APPOINTMENT TO THE TRANSPORTATION AND SAFETY COMMISSION**

Councilmember Jaime Soto is recommending the appointment of Holly Scott to the Transportation and Safety Commission as his representative.

**12) PROPOSED NON-EXCLUSIVE LICENSE AGREEMENT FOR THE IMPLEMENTATION OF ADULT EDUCATION PROGRAMS AT LAS PALMAS PARK**

This item is placed on the agenda by Councilmember Jaime Soto.

**13) DISCUSSION REGARDING ICE CREAM TRUCK CURFEWS AND REGULATIONS**

This item is placed on the agenda by Councilmember Jaime Soto.



**SAN FERNANDO CITY COUNCIL****Regular Meeting Notice and Agenda – May 2, 2016**Page 5 of 5

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**COMMITTEE/COMMISSION LIAISON UPDATES****GENERAL COUNCIL COMMENTS****STAFF COMMUNICATION****ADJOURNMENT**

*I hereby certify under penalty of perjury under the laws of the State of California that the foregoing agenda was posted on the City Hall bulletin board not less than 72 hours prior to the meeting.*

Elena G. Chávez, CMC

City Clerk

Signed and Posted: April 28, 2016 (4:00 p.m.)

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Agendas and complete Agenda Packets (including staff reports and exhibits related to each item) are posted on the City's Internet Web site ([www.sfcity.org](http://www.sfcity.org)). These are also available for public reviewing prior to a meeting in the City Clerk's Office. Any public writings distributed by the City Council to at least a majority of the Councilmembers regarding any item on this regular meeting agenda will also be made available at the City Clerk's Office at City Hall located at 117 Macneil Street, San Fernando, CA, 91340 during normal business hours. In addition, the City may also post such documents on the City's Web Site at [www.sfcity.org](http://www.sfcity.org). In accordance with the Americans with Disabilities Act of 1990, if you require a disability-related modification/accommodation to attend or participate in this meeting, including auxiliary aids or services please call the City Clerk's Office at (818) 898-1204 at least 48 hours prior to the meeting.

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# **Regular Meeting**

# **San Fernando City Council**

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**SAN FERNANDO CITY COUNCIL  
MINUTES**

**APRIL 18, 2016 – 5:00 P.M.  
SPECIAL MEETING**

City Hall Community Room  
117 Macneil Street  
San Fernando, CA 91340

**CALL TO ORDER/ROLL CALL (5:00 P.M.)**

Mayor Robert C. Gonzales called the meeting to order at 5:00 p.m.

Present:

Council: Mayor Robert C. Gonzales, Vice Mayor Joel Fajardo, and Councilmembers Antonio Lopez (arrived at 5:01 p.m.), Jaime Soto (arrived at 5:10 p.m.), and Sylvia Ballin

Staff: City Manager Brian Saeki, City Attorney Rick R. Olivarez, and City Clerk Elena G. Chávez

**PLEDGE OF ALLEGIANCE**

Led by Mayor Robert C. Gonzales

**APPROVAL OF AGENDA**

Motion by Vice Mayor Fajardo, seconded by Councilmember Ballin, to approve the agenda. By consensus, the motion carried.

**PUBLIC STATEMENTS – WRITTEN/ORAL**

None

**RECESS TO CLOSED SESSION (5:01 P.M.)**

By consensus, Councilmembers recessed to the following Closed Session as announced by City Attorney Olivarez:

- A) CONFERENCE WITH LABOR NEGOTIATOR  
G.C. §54957.6

**SAN FERNANDO CITY COUNCIL  
SPECIAL MEETING MINUTES – April 18, 2016**

**Page 2**

Designated City Negotiator: City Manager Brian Saeki

Employees and Employee Bargaining Units that are the Subject of Negotiation:

San Fernando Management Group (SEIU, Local 721)  
San Fernando Public Employees' Association (SEIU, Local 721)  
San Fernando Police Officers Association  
San Fernando Police Officers Association Police Management Unit  
San Fernando Police Civilian Association (SEIU, Local 721)  
San Fernando Part-time Employees' Bargaining Unit (SEIU, Local 721)  
All Unrepresented Employees

**B) PUBLIC EMPLOYEE PERFORMANCE EVALUATION**

G.C. §54957(b)(1)

Title: City Manager

**C) CONFERENCE WITH LEGAL COUNSEL TO DISCUSS FACTS AND  
CIRCUMSTANCES WHICH MAY CREATE EXPOSURE TO LITIGATION**

G.C. §54956.9(d)(2) AND §54956.9(e)(1)

One (1) Matter

**RECONVENE FROM CLOSED SESSION (6:00 P.M.)**

City Attorney Olivarez reported that Councilmembers discussed all three Items (A, B, and C). Staff gave brief presentations, direction was given, but no final action was taken. He also reported that the Councilmembers that arrived late heard all of the items.

**ADJOURNMENT (6:01 P.M.)**

By consensus, the meeting was adjourned.

*I do hereby certify that the foregoing is a true and correct copy of the minutes of April 18, 2016 meeting as approved by the San Fernando City Council.*

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*Elena G. Chávez  
City Clerk*





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## AGENDA REPORT

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**To:** Mayor Robert C. Gonzales and Councilmembers

**From:** Brian Saeki, City Manager  
By: Nick Kimball, Finance Director

**Date:** May 2, 2016

**Subject:** Consideration to Adopt a Resolution Approving the Warrant Register

### **RECOMMENDATION:**

It is recommended that the City Council adopt Resolution No. 16-051 (Attachment "A") approving the Warrant Register.

### **BACKGROUND:**

For each City Council meeting the Finance Department prepares a Warrant Register for Council approval. The Register includes all recommended payments for the City. Checks, other than handwritten checks, generally are not released until after the Council approves the Register. The exceptions are for early releases to avoid penalties and interest, excessive delays and in all other circumstances favorable to the City to do so. Handwritten checks are those payments required to be issued between Council meetings such as insurance premiums and tax deposits. Staff reviews requests for expenditures for budgetary approval and then prepares a Warrant Register for Council approval and or ratification. Items such as payroll withholding tax deposits do not require budget approval.

The Finance Director hereby certifies that all requests for expenditures have been signed by the department head, or designee, receiving the merchandise or services thereby stating that the items or services have been received and that the resulting expenditure is appropriate. The Finance Director hereby certifies that each warrant has been reviewed for completeness and that sufficient funds are available for payment of the warrant register.

### **ATTACHMENT:**

A. Resolution 16-051

**ATTACHMENT "A"****RESOLUTION NO. 16-051****RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN FERNANDO ALLOWING AND APPROVING FOR PAYMENT DEMANDS PRESENTED ON DEMAND/ WARRANT REGISTER NO. 16-051****THE CITY COUNCIL OF THE CITY OF SAN FERNANDO DOES HEREBY RESOLVE, FIND, DETERMINE AND ORDER AS FOLLOWS:**

1. That the demands (EXHIBIT "A") as presented, having been duly audited, for completeness, are hereby allowed and approved for payment in the amounts as shown to designated payees and charged to the appropriate funds as indicated.

2. That the City Clerk shall certify to the adoption of this Resolution and deliver it to the City Treasurer.

**PASSED, APPROVED, AND ADOPTED** this 2<sup>nd</sup> day of May, 2016.

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Robert C. Gonzales, Mayor

**ATTEST:**

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Elena G. Chávez, City Clerk

**STATE OF CALIFORNIA                    )**  
**COUNTY OF LOS ANGELES            ) ss**  
**CITY OF SAN FERNANDO             )**

**I HEREBY CERTIFY** that the foregoing Resolution was approved and adopted at a regular meeting of the City Council held on the 2<sup>nd</sup> day of May, 2016, by the following vote to wit:

**AYES:**

**NOES:**

**ABSENT:**

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Elena G. Chávez, City Clerk

**EXHIBIT "A"**

**vchlist**

04/26/2016

2:37:56PM

**Voucher List**  
**CITY OF SAN FERNANDO**

Page: 1

1

Bank code : bank3

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
200936	5/2/2016	888614 A & M CATERING LLC	1547		SR CLUB CATERING-MOTHER'S DAY D 004-2380	4,905.00
					<b>Total :</b>	<b>4,905.00</b>
200937	5/2/2016	892033 A PANORAMA FLOWERS	#1		SR CLUB PLANTS & FLOWERS ORDER 004-2380	301.69
			#2		SR CLUB PLANTS & FLOWERS ORDER 004-2380	447.65
					<b>Total :</b>	<b>749.34</b>
200938	5/2/2016	891587 ABLE MAILING INC.	23996		MAR'16 STORAGE FEE-WATER ENV 070-382-0000-4300	12.50
			23997		072-360-0000-4300	12.50
				11238	APR BILLS-FULFILLMENT; FOLD TWO F 070-382-0000-4300	68.32
				11238	072-360-0000-4300	68.32
					<b>Total :</b>	<b>161.64</b>
200939	5/2/2016	100050 ACE INDUSTRIAL SUPPLY	1513916		SHUT OFF VALVE TOOL 070-383-0000-4340	241.66
					<b>Total :</b>	<b>241.66</b>
200940	5/2/2016	888356 ADVANCED AUTO REPAIR	1026		CHARGE A/C SYSTEM-PD3031 041-320-0225-4400	56.43
					<b>Total :</b>	<b>56.43</b>
200941	5/2/2016	891969 ADVANCED PURE WATER SOLUTIONS	36495711-0516		DRINKING WATER 001-222-0000-4300	102.33
					<b>Total :</b>	<b>102.33</b>
200942	5/2/2016	890488 AGUILA, ISMAEL	REIMB.		REIMB OF DEPT SUPPLIES PURCHASE 001-420-0000-4300	43.58
					017-420-1337-4300	110.04
					<b>Total :</b>	<b>153.62</b>
200943	5/2/2016	891442 ALEX AUTO DETAILING	0264		DETAIL SERVICES	

Page: 1

1

**vchlist**

04/26/2016

2:37:56PM

**Voucher List**  
**CITY OF SAN FERNANDO**

Page: 2

2

Bank code : bank3

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
200943	5/2/2016	891442 ALEX AUTO DETAILING	(Continued)		001-222-0000-4320	210.00
					<b>Total :</b>	<b>210.00</b>
200944	5/2/2016	100124 ALL-PHASE ELECTRIC SUPPLY CO.	0946-791794		BATTERIES-PARKING METER MECHAN	
					029-335-0000-4320	348.80
					<b>Total :</b>	<b>348.80</b>
200945	5/2/2016	887270 AMERICAN TRANSPORTATION SYSTEM	55155		TRANSPORTATION SERVICES TO PAN	
			55204		007-440-0443-4260	547.89
			55205		TRANSPORTATION SERVICES TO LAUS	
					007-440-0443-4260	403.51
					TRANSPORTATION SERVICES TO LAUS	
					007-440-0443-4260	403.51
					<b>Total :</b>	<b>1,354.91</b>
200946	5/2/2016	100222 ARROYO BUILDING MATERIALS, INC	164485		MATL'S FOR NEW CITY SIGN ON BRAN	
			164535		043-390-0000-4300	110.64
			165182		MATL'S FOR NEW CITY SIGN ON BRAN	
					043-390-0000-4300	22.40
					MATL'S FOR NEW CITY SIGN ON BRAN	
					043-390-0000-4300	84.27
					<b>Total :</b>	<b>217.31</b>
200947	5/2/2016	892005 ASTA - USA TRANSLATION	207042016T		TRANSLATION SERVICES-QRTLY NEW	
					001-105-0000-4230	250.00
					<b>Total :</b>	<b>250.00</b>
200948	5/2/2016	102530 AT & T	818-270-2203		ISDN LINE/LASN NETWORK	
					001-222-0000-4220	110.10
					<b>Total :</b>	<b>110.10</b>
200949	5/2/2016	889942 ATHENS SERVICES	2009983		APRIL'16-STREET SWEEPING SERVICE	
				11251	011-311-0000-4260	10,401.29
				11251	001-343-0000-4260	4,148.01
					<b>Total :</b>	<b>14,549.30</b>
200950	5/2/2016	100311 BARR ELECTRIC CO.	15228		INSTALL OF WIRES-WIFI CONNECTION	

Page: 2

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2

vchlist 04/26/2016 2:37:56PM		Voucher List CITY OF SAN FERNANDO				Page: 3
Bank code : bank3						
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
200950	5/2/2016	100311 BARR ELECTRIC CO.	(Continued)			
					070-384-0000-4260	233.63
					072-360-0000-4270	233.64
					041-320-0000-4260	200.00
					043-390-0000-4330	267.27
			16072		INSTALL OF COMM SYSTEM-CALSENC	
					043-390-0000-4330	1,930.89
					<b>Total :</b>	<b>2,865.43</b>
200951	5/2/2016	891796 BATTERY SYSTEMS INC	1554159		BATTERIES	
					041-320-0000-4300	52.98
					<b>Total :</b>	<b>52.98</b>
200952	5/2/2016	890838 BLUE TARP FINANCIAL	34936711		SMALL TOOLS	
					041-320-0000-4340	27.00
			35056945		SMALL TOOLS	
					041-320-0000-4340	43.98
					<b>Total :</b>	<b>70.98</b>
200953	5/2/2016	100405 BONANZA CONCRETE, INC.	52420		CONCRETE-CURB & GUTTER 7TH OFF	
					011-311-0000-4600	1,193.55
			52475		CONCRETE-SIDEWALK 7TH OFF MACL	
					011-311-0000-4600	978.93
					<b>Total :</b>	<b>2,172.48</b>
200954	5/2/2016	889345 BSN SPORTS INC	97807788		BASKETBALL NETS	
					001-423-0000-4300	62.65
					<b>Total :</b>	<b>62.65</b>
200955	5/2/2016	888800 BUSINESS CARD	040716		LODGING-APA NATIONAL PLAN CONF (	
					001-105-0000-4370	42.52
			040816		CIF-LIBRARY PROG EVENT REFRESHM	
					053-101-0111-4430	74.72
			041116		BUSINESS CARDS	
					001-310-0000-4300	33.36
					001-101-0000-4300	33.37
			041116		LODGING-PATROL RIFLE TRAINING ON	
						Page: 3

vchlist 04/26/2016 2:37:56PM		Voucher List CITY OF SAN FERNANDO				Page: 4
Bank code : bank3						
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
200955	5/2/2016	888800 BUSINESS CARD	(Continued)			
			041116		001-225-0000-4360	426.80
					LODGING-PATROL RIFLE TRAINING ON	
			041116		001-225-0000-4360	426.80
					CIF-LIBRARY PROG EVENT DECORATI	
					053-101-0111-4430	14.19
			041216		AMAZON MEMBERSHIP DUES	
					001-190-0000-4380	108.41
			041216		WEB HOSTING - APRIL 2016	
					001-190-0000-4260	169.00
			041516		SPMR WRIST BAND FOR METER READ	
					070-384-0000-4220	14.99
			041816		LODGING-CAPIO ANNUAL CONFERENC	
					001-105-0000-4370	528.88
			041816		LODGING-STC COURSE FOR CRISIS	
					001-225-3688-4360	626.04
			041816		LODGING-STC COURSE FOR CRISIS	
					001-225-3688-4360	558.54
			041916		DINNER FOR SP CITY COUNCIL MEETI	
					001-101-0000-4300	85.33
			042016		SUPPORT BEAMS FOR RECORDS	
					001-222-0000-4300	59.81
			042016		REGISTR. - TRAINING AUTOMATED LIC	
					001-225-0000-4360	125.00
					<b>Total :</b>	<b>3,327.76</b>
200956	5/2/2016	100466 CACEO	200002094		REGISTRATION FEE-CA MOLD UPDATE	
					001-152-0000-4370	15.00
					<b>Total :</b>	<b>15.00</b>
200957	5/2/2016	890286 CALIFORNIA CLAIMS	2016-10367		WORKER'S COMP ADMIN FEE	
					001-106-0000-4270	1,500.00
					<b>Total :</b>	<b>1,500.00</b>
200958	5/2/2016	891346 CAMPBELL, AMANDA D	041516		FACE PAINTING @ SPRING JAMBOREE	
					001-424-0000-4260	150.00
						Page: 4

vchlist 04/26/2016 2:37:56PM		Voucher List CITY OF SAN FERNANDO				Page: 5
Bank code :		bank3				
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
200958	5/2/2016	891346 891346 CAMPBELL, AMANDA D	(Continued)		Total :	150.00
200959	5/2/2016	100573 CA-NV AWWA	3181		WATER WELL OPS & MAINT WORSHOF 070-381-0000-4360	150.00
					Total :	150.00
200960	5/2/2016	103619 CARL WARREN & CO.	1713783		LEGAL FEES 006-190-0000-4800	1,000.00
			1748083		LEGAL FEES 006-190-0000-4800	375.00
					Total :	1,375.00
200961	5/2/2016	891767 CHAVEZ, ELIZABETH	03/22/16 - 04/18/16		ZUMBA INSTRUCTOR 017-420-1337-4260	60.00
					Total :	60.00
200962	5/2/2016	100731 CITY OF LOS ANGELES	74WP160000027	11240	FY 15-16 O&M PORTION OF ASSSC 072-360-0000-4260	160,472.00
			74WP160000028	11241	FY 15-16 CAPITAL PORTION OF ASSSC 072-365-0000-4600	208,075.00
					Total :	368,547.00
200963	5/2/2016	100735 COASTAL AIR	15839		A/C UNITS REWIRED & THERM. PROG 043-390-0000-4330	130.00
			15864		A/C REPAIR @ 501 1ST ST. TRAILER 043-390-0000-4300	395.00
					Total :	525.00
200964	5/2/2016	100805 COOPER HARDWARE INC.	100080		DOLLY WHEEL REPL & REPAIR 043-390-0000-4300	42.05
			100145		STEP DRILL BITS 011-311-7510-4300	45.66
					Total :	87.71
200965	5/2/2016	888743 COUNTY OF LOS ANGELES	AR0232247		FY15/16-BACKFLOW PREVENTION CEF 043-390-0000-4330	62.00
					Total :	62.00

Page: 5

vchlist 04/26/2016 2:37:56PM		Voucher List CITY OF SAN FERNANDO				Page: 6
Bank code :		bank3				
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
200966	5/2/2016	889592 CUELLAR, JIMMY KYLE	MARCH 2016		MMAP INSTRUCTOR 109-424-3637-4260	400.00
					108-424-3659-4260	400.00
					Total :	800.00
200967	5/2/2016	101666 DE LAGE LANDEN FINANCIAL SERVS	49608022		APR'16 LEASE PAYMENT-VARIOUS COI 001-135-0000-4260	849.08
					103-420-0000-4260	101.36
					104-420-0000-4260	101.36
					070-381-0000-4290	146.70
			49784910		MAY'16-LEASE PAYMENT FOR PD COPI 001-135-0000-4260	607.73
					Total :	1,806.23
200968	5/2/2016	100960 DIEDIKER, VIRGINIA	REIMB.		REIMB OF SPRING JAMBOREE ITEMS 004-2359	252.33
					Total :	252.33
200969	5/2/2016	887518 DURHAM, ALVIN	APRIL 2016		COMMISSIONER'S REIMBURSEMENT 001-150-0000-4111	50.00
					Total :	50.00
200970	5/2/2016	890879 EUROFINS EATON ANALYTICAL, INC	L0258661		WATER ANALYSIS- F-581910 070-384-0000-4260	139.60
			L0258664		WATER ANALYSIS- F-582148 070-384-0000-4260	139.60
			L0259096		WATER ANALYSIS- F-582466 070-384-0000-4260	139.60
			L0259768		WATER ANALYSIS- F-583032 070-384-0000-4260	164.00
			L0259769		WATER ANALYSIS- F-583116 070-384-0000-4260	139.60
			L0259777		WATER ANALYSIS- F-583639 070-384-0000-4260	50.00
			L0259783		WATER ANALYSIS- F-584636 070-384-0000-4260	24.00

Page: 6





vchlist 04/26/2016 2:37:56PM		Voucher List CITY OF SAN FERNANDO				Page: 9
Bank code :		bank3				
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
200985	5/2/2016	887952 J. Z. LAWMOWER SHOP	12085		EQUIP MAINT 043-390-0000-4310	55.48
			12086		EQUIP MAINT 043-390-0000-4310	46.76
			12087		TOOL MAINT 001-346-0000-4300	136.79
					<b>Total :</b>	<b>239.03</b>
200986	5/2/2016	101768 KIMBALL-MIDWEST	4835001		CABLE CRIMPS 041-1215	28.61
					<b>Total :</b>	<b>28.61</b>
200987	5/2/2016	890463 KJC LATENT PRINT SERVICE	SF00029		FINGERPRINTING CLASSIFICATION 001-224-0000-4270	50.00
					<b>Total :</b>	<b>50.00</b>
200988	5/2/2016	892032 KUHFUSS, DESIREE	02/24/16 - 03/18/16		PILATES INSTRUCTOR 017-420-1337-4260	60.00
					<b>Total :</b>	<b>60.00</b>
200989	5/2/2016	102007 L.A. COUNTY SHERIFFS DEPT.	163693SS		INMATE MEAL SERVICE-MAR 2016 001-225-0000-4350	851.78
					<b>Total :</b>	<b>851.78</b>
200990	5/2/2016	891889 L.A. FLYER, INC.	11680		HSR MEETING ADVERTISING-DOOR H/	1,113.25
					001-190-0000-4267	1,113.25
					<b>Total :</b>	<b>1,113.25</b>
200991	5/2/2016	101971 L.A. MUNICIPAL SERVICES	0047501000		ELECTRIC - 13003 BORDEN 070-384-0000-4210	648.40
			4947501000		WATER - 12900 DRONFIELD 070-384-0000-4210	85.39
			5007501000		ELECTRIC - 13655 FOOTHILL 070-384-0000-4210	180.61
			5947501000		ELECTRIC - 12900 DRONFIELD 070-384-0000-4210	4,296.76
			6577501000		ELECTRIC - 14060 SAYRE	
						Page: 9

vchlist 04/26/2016 2:37:56PM		Voucher List CITY OF SAN FERNANDO				Page: 10
Bank code :		bank3				
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
200991	5/2/2016	101971 L.A. MUNICIPAL SERVICES	(Continued)		070-384-0000-4210	8,348.44
			6947501000		WATER - 13180 DRONFIELD 070-384-0000-4210	4.75
			7577501000		WATER - 14060 SAYRE 070-384-0000-4210	53.18
					<b>Total :</b>	<b>13,617.53</b>
200992	5/2/2016	890325 L.S. AZTEC T SHIRTS & AWARDS	2016-0413		VOLLEYBALL & SOFTBALL TROPHIES 017-420-1328-4300	114.45
					017-420-1334-4300	152.63
					<b>Total :</b>	<b>267.08</b>
200993	5/2/2016	101852 LARRY & JOE'S PLUMBING	2677259-0001-02		MAT'L'S FOR PLUMBING REPAIR-PD 043-390-0000-4300	65.29
			2677461-0001-02		MAT'L'S TO SECURE THERMASTAT BO> 043-390-0000-4300	33.41
					<b>Total :</b>	<b>98.70</b>
200994	5/2/2016	889118 LDI COLOR TOOLBOX	1033102		COPIES & MAINT CONTRACT ~ 001-135-0000-4260	296.94
			1033103		COPIES & MAINT CONTRACT~ 001-135-0000-4260	319.63
					<b>Total :</b>	<b>616.57</b>
200995	5/2/2016	101920 LIEBERT CASSIDY WHITMORE	1419399		LEGAL SERVICES 001-112-0000-4270	188.00
			1419400		LEGAL SERVICES 001-112-0000-4270	969.00
			1419401		LEGAL SERVICES 001-112-0000-4270	2,295.00
					<b>Total :</b>	<b>3,452.00</b>
200996	5/2/2016	101929 LINGO INDUSTRIAL ELECTRONICS	32323		CONTROLLER REPLACEMENT 001-371-0301-4300	1,630.64
					<b>Total :</b>	<b>1,630.64</b>
						Page: 10

vchlist 04/26/2016 2:37:56PM		Voucher List CITY OF SAN FERNANDO				Page: 11
Bank code :		bank3				
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
200997	5/2/2016	892202 LOPEZ, ANNA M.	APRIL 2016		COMMISSIONER'S REIMBURSEMENT 001-150-0000-4111	50.00
					<b>Total :</b>	<b>50.00</b>
200998	5/2/2016	100886 LOS ANGELES DAILY NEWS	0010775190		PUBLICATION OF NIB FOR SAFE ROUT 001-310-3636-4230	764.95
			0010780598		LEGAL PUBLICATION OF ORD NO.1653 001-115-0000-4230	332.80
					<b>Total :</b>	<b>1,097.75</b>
200999	5/2/2016	888468 MAJOR METROPOLITAN SECURITY	1076583		ALARM MONITORING-MAY 2016 043-390-0000-4260	15.00
			1076584		ALARM MONITORING-MAY 2016 043-390-0000-4260	15.00
			1076585		ALARM MONITORING-MAY 2016 043-390-0000-4260	15.00
			1076586		ALARM MONITORING-MAY 2016 043-390-0000-4260	15.00
			1076587		ALARM MONITORING-MAY 2016 043-390-0000-4260	15.00
			1076588		ALARM MONITORING-MAY 2016 043-390-0000-4260	15.00
			1076589		ALARM MONITORING-MAY 2016 043-390-0000-4260	15.00
			1076590		ALARM MONITORING-MAY 2016 043-390-0000-4260	15.00
			1076591		ALARM MONITORING-MAY 2016 043-390-0000-4260	15.00
			1076592		ALARM MONITORING-MAY 2016 043-390-0000-4260	15.00
			1076593		ALARM MONITORING-MAY 2016 043-390-0000-4260	15.00
			1076594		ALARM MONITORING-MAY 2016 043-390-0000-4260	23.00
			1076595		ALARM MONITORING-MAY 2016 043-390-0000-4260	23.00
			1076596		ALARM MONITORING-MAY 2016	
						Page: 11

vchlist 04/26/2016 2:37:56PM		Voucher List CITY OF SAN FERNANDO				Page: 12
Bank code :		bank3				
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
200999	5/2/2016	888468 MAJOR METROPOLITAN SECURITY	(Continued)		043-390-0000-4260	23.00
			1076597		ALARM MONITORING-MAY 2016 043-390-0000-4260	23.00
					<b>Total :</b>	<b>257.00</b>
201000	5/2/2016	889533 MARTINEZ, ANITA	04/02/16 - 04/15/16		FOOD SERVICE INTAKE CLERK-C1 115-422-3750-4270	180.00
					<b>Total :</b>	<b>180.00</b>
201001	5/2/2016	888242 MCI COMM SERVICE	7DL39365		ALARM LINE-1100 PICO 001-420-0000-4220	33.04
					<b>Total :</b>	<b>33.04</b>
201002	5/2/2016	891054 MEJIA, YVONNE G	APRIL 2016		COMMISSIONER'S REIMBURSEMENT 001-115-0000-4111	50.00
			APRIL 2016		COMMISSIONER'S REIMBURSEMENT 001-150-0000-4111	50.00
					<b>Total :</b>	<b>100.00</b>
201003	5/2/2016	892140 MICHAEL BAKER	938398	11323	FULL SERVICE ADMINISTRATION AND I 001-150-0138-4270	2,167.50
					<b>Total :</b>	<b>2,167.50</b>
201004	5/2/2016	102226 MISSION LINEN & UNIFORM	502244667		LAUNDRY 001-225-0000-4350	64.77
			502269229		LAUNDRY 001-225-0000-4350	80.28
			502287363		LAUNDRY 001-225-0000-4350	50.45
			502315999		LAUNDRY 001-225-0000-4350	58.54
					<b>Total :</b>	<b>254.04</b>
201005	5/2/2016	103910 MONTGOMERY HARDWARE COMPANY	212462	11318	PURCHASE & INSTALL OF 2 MAIN ENTI 118-423-0000-4500	27,280.79
					<b>Total :</b>	<b>27,280.79</b>
						Page: 12

vchlist 04/26/2016 2:37:56PM		Voucher List CITY OF SAN FERNANDO				Page: 13
Bank code :		bank3				
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
201006	5/2/2016	102260 MOORE MEDICAL LLC	82988220		MEDICATIONS 001-225-0000-4350	103.51
			82988450		MEDICATIONS 001-225-0000-4350	117.38
					<b>Total :</b>	<b>220.89</b>
201007	5/2/2016	889611 MORRISON MANAGEMENT SPECIALIST	18845201633101		LP SENIOR MEALS - MAR 2016 115-422-3750-4260	5,040.00
					115-422-3752-4260	2,700.00
					<b>Total :</b>	<b>7,740.00</b>
201008	5/2/2016	102287 MUNICIPAL CODE CORPORATION	00268924		ANNUAL WEB HOSTING-04/01/16-03/31. 001-115-0000-4260	900.00
					<b>Total :</b>	<b>900.00</b>
201009	5/2/2016	102325 NAPA AUTO PARTS	893930		HYDRAULIC HOSE-PW5213 041-320-0311-4400	81.69
					<b>Total :</b>	<b>81.69</b>
201010	5/2/2016	102311 NATIONAL ASSOCIATION OF LATINO	12476		ANNUAL MEMBERSHIP DUES (FY15/16 001-101-0111-4380	100.00
					<b>Total :</b>	<b>100.00</b>
201011	5/2/2016	890975 NATIONWIDE SPORTS	841		CHEER TROPHIES 017-420-1328-4300	65.41
					<b>Total :</b>	<b>65.41</b>
201012	5/2/2016	102374 NEOPOST	53830651		RATE CHANGE PROTECTION PLAN-ST 001-190-0000-4280	257.93
			53830655		RATE CHANGE PROTECTION PLAN-IJ [ 001-190-0000-4280	203.40
					<b>Total :</b>	<b>461.33</b>
201013	5/2/2016	891859 NEOPOST	SWINV436425		POSTAGE MACHINE INK 001-190-0000-4280	324.36
					<b>Total :</b>	<b>324.36</b>
201014	5/2/2016	102403 NOW IMAGE PRINTING	6067		WATER ENVELOPES	
						Page: 13

vchlist 04/26/2016 2:37:56PM		Voucher List CITY OF SAN FERNANDO				Page: 14
Bank code :		bank3				
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
201014	5/2/2016	102403 NOW IMAGE PRINTING	(Continued)		070-382-0000-4300	993.55
					072-360-0000-4300	993.55
					<b>Total :</b>	<b>1,987.10</b>
201015	5/2/2016	102423 OCCU-MED, INC.	0316901		PRE-EMPLOYMENT PHYSICAL 001-106-0000-4270	211.00
					<b>Total :</b>	<b>211.00</b>
201016	5/2/2016	102432 OFFICE DEPOT	1919971564		ASCEP OFFICE SUPPLIES 103-420-0000-4300	141.21
					104-420-0000-4300	141.22
			818277796002		OFFICE SUPPLIES 001-222-0000-4300	4.40
			830571395001		OFFICE SUPPLIES 001-106-0000-4300	79.69
			830810667001		OFFICE SUPPLIES 001-423-0000-4300	82.10
					001-420-0000-4300	41.05
					004-2359	61.95
			830810668001		OFFICE SUPPLIES 001-423-0000-4300	60.21
			831370258001		OFFICE SUPPLIES 001-106-0000-4300	65.86
			831838724001		TAPE FOR LABELING MACHINE 070-383-0000-4300	92.44
			833253906001		OFFICE SUPPLIES 001-222-0000-4300	96.21
			833502761001		OFFICE SUPPLIES 001-420-0000-4300	483.33
			833834841001		(2) LABELERS & SPEAKER 001-222-0000-4300	67.64
			834167922001		CHAIRS FOR ARTS & CRAFTS ROOM 001-422-0000-4300	591.27
			834189666001		OFFICE SUPPLIES 001-222-0000-4300	4.38
			834189707001		SPEAKERS	
						Page: 14

vchlist 04/26/2016 2:37:56PM		Voucher List CITY OF SAN FERNANDO				Page: 15
Bank code :		bank3				
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
201016	5/2/2016	102432 OFFICE DEPOT	(Continued)			
			834189708001		001-222-0000-4300 OFFICE SUPPLIES	29.20
			834189709001		001-222-0000-4300 OFFICE SUPPLIES	10.04
					001-222-0000-4300	18.92
					<b>Total :</b>	<b>2,071.12</b>
201017	5/2/2016	891905 OLIMPIO, SONIA	03/22/16 - 04/18/16		ZUMBA INSTRUCTOR 017-420-1337-4260	140.00
					<b>Total :</b>	<b>140.00</b>
201018	5/2/2016	891836 OLIVAREZ MADRUGA, LLP	13542		LEGAL SERVICES-FEB'16 001-110-0000-4270	24,466.98
					<b>Total :</b>	<b>24,466.98</b>
201019	5/2/2016	890095 O'REILLY AUTO PARTS	4605-186190		CAR COVER-PD5333 041-320-0225-4400	63.50
			4605-187006		BELT-WA8196 070-383-0000-4400	15.61
			4605-187180		OIL FILTER FOR FLEET 041-1215	6.70
			4605-187182		AIR FILTER FOR FLEET 041-1215	19.45
			4605-188027		SAFETY STEPS FOR FLEET 041-1215	58.60
					<b>Total :</b>	<b>163.86</b>
201020	5/2/2016	890004 PACIFIC TELEMAGEMENT SERVICE	829513		PD PAY PHONE-MAY 2016 001-190-0000-4220	62.64
					<b>Total :</b>	<b>62.64</b>
201021	5/2/2016	890355 PALACIOS, GUADALUPE	321673		REFUND-SENIOR TRIP CANCELLATION 004-2384	40.00
					<b>Total :</b>	<b>40.00</b>
201022	5/2/2016	102506 PANTOJA, DANITZA	APRIL 20116		COMMISSIONER'S REIMBURSEMENT	

Page: 15

vchlist 04/26/2016 2:37:56PM		Voucher List CITY OF SAN FERNANDO				Page: 16
Bank code :		bank3				
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
201022	5/2/2016	102506 PANTOJA, DANITZA	(Continued)			
					001-115-0000-4111	50.00
					<b>Total :</b>	<b>50.00</b>
201023	5/2/2016	889978 PERFORMANCE PIPELINE	8213		EMERGENCY SEWER CCTV INSPECTI 072-360-0000-4260	1,850.00
					<b>Total :</b>	<b>1,850.00</b>
201024	5/2/2016	887366 PIONEER MANUFACTURING COMPANY	INV583165		FIELD PAINT & CLEANING SOLUTION 017-420-1334-4300	479.61
					<b>Total :</b>	<b>479.61</b>
201025	5/2/2016	887646 PLUMBERS DEPOT INC	PD-31060		SEAL KIT-PW0546 072-360-0000-4400	34.85
			PD-31106		SWIVEL RING-PW0546 072-360-0000-4400	35.21
					<b>Total :</b>	<b>70.06</b>
201026	5/2/2016	102666 PREFERRED DELIVERY SYSTEMS INC	549-143		COURIER SERVICE 001-222-0000-4260	103.00
					<b>Total :</b>	<b>103.00</b>
201027	5/2/2016	892131 PROHEALTH-VALLEY OCCUPATIONAL	00029590-00		DOT PHYSICALS 001-106-0000-4270	80.00
					<b>Total :</b>	<b>80.00</b>
201028	5/2/2016	100676 R. E. CHARLES PLUMBING, INC.	17235		LP PARK PLUMBING REPAIR 043-390-0000-4330	187.50
					<b>Total :</b>	<b>187.50</b>
201029	5/2/2016	102782 RAMIREZ, JOSE A.	032816		SR CLUB-MUSIC FOR MOTHER'S DAY I 004-2380	950.00
					<b>Total :</b>	<b>950.00</b>
201030	5/2/2016	102779 RAMIREZ, THOMAS	03/22/16 - 04/20/16		KARATE INSTRUCTOR 017-420-1326-4260	630.00
					<b>Total :</b>	<b>630.00</b>

Page: 16

vchlist 04/26/2016 2:37:56PM		Voucher List CITY OF SAN FERNANDO				Page: 17
Bank code :		bank3				
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
201031	5/2/2016	891881 REMENIH, MICHAEL	APRIL 2016		COMMISSIONER'S REIMBURSEMENT 001-115-0000-4111	50.00
					<b>Total :</b>	<b>50.00</b>
201032	5/2/2016	891912 REPUBLIC SERVICES #902	0902-006126054	11337	BULK PICK UP & MALL AREA SERVICE- 073-350-0000-4260	2,050.00
					<b>Total :</b>	<b>2,050.00</b>
201033	5/2/2016	889602 RESPOND SYSTEMS	295979		FIRST AID KIT REFILL-PW OPS CENTE 070-384-0301-4300	99.13
			295982		072-360-0301-4300	99.14
					FIRST AID KIT REFILLS - PW	188.53
					043-390-0000-4300	94.26
					070-384-0301-4300	94.26
					072-360-0301-4300	575.32
					<b>Total :</b>	<b>575.32</b>
201034	5/2/2016	892078 REWARD STRATEGY GROUP	3506-4	11304	CITY-WIDE CLASSIFICATION AND 001-190-0000-4270	10,480.00
					<b>Total :</b>	<b>10,480.00</b>
201035	5/2/2016	891377 REYES, JOSE	04/02/16 - 04/15/16		HDM DRIVER 115-422-3752-4270	200.00
					115-422-3752-4390	62.40
					<b>Total :</b>	<b>262.40</b>
201036	5/2/2016	887296 ROBLEDO, OLIVIA	APRIL 2015		COMMISSIONER'S REIMBURSEMENT 001-115-0000-4111	50.00
					<b>Total :</b>	<b>50.00</b>
201037	5/2/2016	891567 SAEKI, BRIAN	REIMB.		REIMB. CA-HSR MEETING BREAKFAST 001-190-0000-4267	127.45
					<b>Total :</b>	<b>127.45</b>
201038	5/2/2016	890242 SAFEWAY SIGN COMPANY	6180		2-HR PARKING SIGNS 001-370-0301-4300	291.58
					<b>Total :</b>	<b>291.58</b>
						Page: 17

vchlist 04/26/2016 2:37:56PM		Voucher List CITY OF SAN FERNANDO				Page: 18
Bank code :		bank3				
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
201039	5/2/2016	103057 SAN FERNANDO VALLEY SUN	9530		PUB. NOTICE- PROHIB ALL COMM. CA 001-150-0000-4230	128.13
					<b>Total :</b>	<b>128.13</b>
201040	5/2/2016	103029 SAN FERNANDO, CITY OF	16551-16596		REIMBURSEMENT TO WORKERS COM 006-1035	16,016.32
					<b>Total :</b>	<b>16,016.32</b>
201041	5/2/2016	891064 SIEMENS INDUSTRY INC	5610012774	11319	EMERGENCY TRAFFIC SIGNAL PULL A 001-371-0000-4500	9,995.00
			5620003092	11341	TRAFFIC SIGNAL EMERGENCY POLE F 001-371-0301-4300	4,218.29
			5620009811	11341	TRAFFIC SIGNAL EMERGENCY POLE F 001-371-0301-4300	1,635.00
					<b>Total :</b>	<b>15,848.29</b>
201042	5/2/2016	103184 SMART & FINAL	135072		ASCEP SUPPLIES 103-420-0000-4300	24.35
			145653		104-420-0000-4300	24.35
					ASCEP SUPPLIES	49.35
					103-420-0000-4300	49.36
					104-420-0000-4300	49.36
					LP CLUB SUPPLIES FOR SPRING DAN 004-2380	492.32
					<b>Total :</b>	<b>639.73</b>
201043	5/2/2016	103218 SOLIS, MARGARITA	74-81		PETTY CASH REIMB 001-115-0000-4360	80.00
					001-150-0000-4370	8.00
					001-222-0000-4300	57.81
					001-310-0000-4390	24.00
					104-420-0000-4300	21.18
					<b>Total :</b>	<b>190.99</b>
201044	5/2/2016	103202 SOUTHERN CALIFORNIA EDISON CO.	2-02-682-6982		ELECTRIC - 910 FIRST (03/04/16-04/05/1 043-390-0000-4210	4,528.03
			2-21-082-3241		ELECTRIC - VARIOUS LOCATIONS	
						Page: 18

vchlist 04/26/2016 2:37:56PM		Voucher List CITY OF SAN FERNANDO				Page: 19
Bank code :		bank3				
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
201044	5/2/2016	103202 SOUTHERN CALIFORNIA EDISON CO.	(Continued)			
					029-335-0000-4210	1,681.04
					027-344-0000-4210	14,938.53
					070-384-0000-4210	396.96
					043-390-0000-4210	10,869.67
			2-33-746-5215		ELECTRIC-190 PARK (03/04/16-04/05/16)	
					027-344-0000-4210	510.20
					<b>Total :</b>	<b>32,924.43</b>
201045	5/2/2016	103206 SOUTHERN CALIFORNIA GAS CO.	176-827-9753		NATURAL GAS FOR CNG STATION	
					041-320-3661-4402	3,030.40
					<b>Total :</b>	<b>3,030.40</b>
201046	5/2/2016	891852 SPITZZERI, PAUL R	2016-1		CONSULTING SERVICES-LOPEZ ADOB	
					001-420-0000-4260	2,125.00
					<b>Total :</b>	<b>2,125.00</b>
201047	5/2/2016	100532 STATE OF CALIFORNIA, DEPARTMENT OF JUSTICE	156316		DOJ LIVESCAN FINGERPRINTING-MAR	
					004-2386	4,592.00
			158393		MAR'16-EMPLOYEE SCREENING FINGERPRINTING	
					001-106-0000-4270	64.00
					<b>Total :</b>	<b>4,656.00</b>
201048	5/2/2016	890898 TETRA MECHANICAL SERVICE INC	1003-266		INSTALL NEW BOILER PUMP & MOTOR	
					043-390-0000-4330	1,799.63
			1003-275		A/C PREVENTIVE MAINT @ PD	
					043-390-0000-4260	988.00
					<b>Total :</b>	<b>2,787.63</b>
201049	5/2/2016	103205 THE GAS COMPANY	04232069007		GAS - 910 FIRST (03/06/16-04/07/16)	
					043-390-0000-4210	16.57
			08422032493		GAS - 505 S HUNTINGTON	
					043-390-0000-4210	35.47
			08852064008		GAS - 117 MACNEIL (03/06/16-04/07/16)	
					043-390-0000-4210	48.19
			09062064002		GAS-120 MACNEIL (03/09/16-04/07/16)	
					070-381-0000-4210	10.91
						Page: 19

vchlist 04/26/2016 2:37:56PM		Voucher List CITY OF SAN FERNANDO				Page: 20
Bank code :		bank3				
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
201049	5/2/2016	103205 THE GAS COMPANY	(Continued)			
					072-360-0000-4210	10.91
					043-390-0000-4210	21.83
			1432878131		GAS - 208 PARK (03/09/16-04/07/16)	
					043-390-0000-4210	241.27
					<b>Total :</b>	<b>385.15</b>
201050	5/2/2016	101528 THE HOME DEPOT CRC, ACCT#603532202490	1070011		WATER FILTER REPLACED-PD, CH & P	
					043-390-0000-4300	80.00
			2063083		ROOF PATCHING @ PD, CH & PW	
					043-390-0000-4300	123.19
			2081711		BATHROOM ITEM REPL @ REC PARK	
					043-390-0000-4300	54.71
			3925338		TRASH CONTAINER @ LP PARK SENIO	
					043-390-0000-4300	120.72
			4273564		PAINT FOR GRAFFITI ABATEMENT	
					001-152-0000-4300	777.34
			4820417		MALL TRASH BAGS	
					001-311-0000-4300	388.31
			6245046		CLEANING SUPPLIES FOR GYM FLOOR	
					001-423-0000-4300	102.20
			8030907		GAS CAN	
					043-390-0000-4300	43.73
					<b>Total :</b>	<b>1,690.20</b>
201051	5/2/2016	890833 THOMSON REUTERS	833720740		LA CLEAR-INVEST TOOL	
					001-135-0000-4260	165.96
					<b>Total :</b>	<b>165.96</b>
201052	5/2/2016	103903 TIME WARNER CABLE	8448200540010369		CABLE - 04/18-05/17 (POLICE)	
					001-222-0000-4260	191.03
			8448200540028882		CABLE - 04/13-05/12 (LP PARK)	
					001-420-0000-4260	173.22
			8448200540196309		INTERNET - 04/23/16-05/22/16	
					001-190-0000-4220	1,100.00
					<b>Total :</b>	<b>1,464.25</b>
						Page: 20

vchlist 04/26/2016 2:37:56PM		Voucher List CITY OF SAN FERNANDO				Page: 21
Bank code :		bank3				
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
201053	5/2/2016	887591 TOM BROHARD & ASSOCIATES	2016-13	11348	ON CALL TRAFFIC ENGINEERING AND 001-310-0000-4270	8,000.00
					<b>Total :</b>	<b>8,000.00</b>
201054	5/2/2016	891311 TORRES, RITA	04/02/16 - 04/15/16		ENP SUBSTITUTE 115-422-3750-4270 115-422-3752-4270	110.00 10.00
					<b>Total :</b>	<b>120.00</b>
201055	5/2/2016	103413 TRANS UNION LLC	03607768		CREDIT CHECKS 001-222-0000-4260	74.60
					<b>Total :</b>	<b>74.60</b>
201056	5/2/2016	103463 U.S. POSTMASTER	DEMAND		APR WATER BILLS PRESORTED 1ST CL 070-382-0000-4300 072-360-0000-4300	568.97 568.97
					<b>Total :</b>	<b>1,137.94</b>
201057	5/2/2016	103444 ULTRA GREENS, INC	57267		COMPOST-MACLAY STREETSCAPE 011-311-7510-4300	43.66
					<b>Total :</b>	<b>43.66</b>
201058	5/2/2016	888241 UNITED SITE SERVICES OF CA INC	114-2269493		INV UNDER PAID W/CK#107422 043-390-0000-4260	0.04
			114-3701177		PORTABLE TOILET RENTAL-REC PARK 001-420-0000-4260	143.90
			114-3785964		PORTABLE TOILET RENTAL-REC PARK 001-420-0000-4260	153.73
			114-3905445		PORTABLE TOILET RENTAL-501 FIRST 043-390-0000-4260	589.36
					<b>Total :</b>	<b>887.03</b>
201059	5/2/2016	103503 UNITED STATES POSTAL SERVICE	15122187		POSTAGE MACHINE REIMBURSEMENT 001-190-0000-4280	1,500.00
					<b>Total :</b>	<b>1,500.00</b>
201060	5/2/2016	103439 UPS	831954146		COURIER SERVICE 001-190-0000-4260	141.79
						Page: 21

vchlist 04/26/2016 2:37:56PM		Voucher List CITY OF SAN FERNANDO				Page: 22
Bank code :		bank3				
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
201060	5/2/2016	103439 103439 UPS	(Continued)			<b>Total : 141.79</b>
201061	5/2/2016	103439 UPS	1101131721		COURIER SERVICE 001-190-0000-4280	33.07
					<b>Total :</b>	<b>33.07</b>
201062	5/2/2016	103510 V & V MANUFACTURING, INC.	42639		RETIREMENT BADGE 001-222-0000-4300	137.86
					<b>Total :</b>	<b>137.86</b>
201063	5/2/2016	103534 VALLEY LOCKSMITH	3430		CYLINDERS & KEYS-REC PARK DOOR 043-390-0000-4330	204.00
					<b>Total :</b>	<b>204.00</b>
201064	5/2/2016	889644 VERIZON BUSINESS	68282467		CITY HALL LONG DISTANCE 001-190-0000-4220	49.06
			68282468		CITY HALL LONG DISTANCE & INTRAL 001-190-0000-4220	14.71
			68282470		POLICE LONG DISTANCE 001-222-0000-4220	110.11
			68282471		CITY YARD LONG DISTANCE 070-384-0000-4220	9.81
			68282472		PARK LONG DISTANCE 001-420-0000-4220	15.23
			68283023		ENGINEERING LONG DISTANCE 001-310-0000-4220	5.85
			68283035		CITY HALL LINES 001-190-0000-4220	55.85
					<b>Total :</b>	<b>260.62</b>
201065	5/2/2016	889627 VERIZON CONFERENCING	Z5703015		CONFERENCE CALLS - MAR 2016 001-190-0000-4220	21.20
					<b>Total :</b>	<b>21.20</b>
201066	5/2/2016	100101 VERIZON WIRELESS-LA	970459610		VARIOUS CELL PHONES 001-105-0000-4220 072-360-0000-4220 001-101-0109-4220	33.21 17.81 32.34
						Page: 22

vchlist	Voucher List					Page:	23
04/26/2016	2:37:56PM	CITY OF SAN FERNANDO					
Bank code :	bank3						
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount	
201066	5/2/2016	100101 VERIZON WIRELESS-LA	(Continued)		001-101-0111-4220	196.25	
					001-101-0107-4220	33.21	
					001-105-0000-4220	91.15	
					001-190-0000-4267	480.73	
					Total :	884.70	
201067	5/2/2016	889681 VILLALPANDO, MARIA	04/02/16 - 04/15/16		FOOD SERVICE WORKER		
					115-422-3750-4270	350.00	
					115-422-3752-4270	50.00	
					Total :	400.00	
201068	5/2/2016	888390 WEST COAST ARBORISTS, INC.	114397	11253	TREE TRIMMING SERVICES		
					011-311-0000-4260	2,966.60	
					Total :	2,966.60	
201069	5/2/2016	888705 WEST COAST TOURS	11214		SENIOR TRIP-FINAL PAYMENT (RENO I		
					004-2384	11,450.00	
					Total :	11,450.00	
201070	5/2/2016	888442 WESTERN EXTERMINATOR COMPANY	3986695		PEST CONTROL @ LP PARK		
					043-390-0000-4260	52.00	
			3986696		BAIT MONITORING @ LP PARK		
					043-390-0000-4260	156.50	
			3986697		PEST CONTROL @ CITY HALL		
					043-390-0000-4260	82.50	
			3986698		PEST CONTROL @ REC PARK		
					043-390-0000-4260	75.50	
			3986699		BAIT MONITORING @ REC PARK		
					043-390-0000-4260	65.50	
			3986700		PEST CONTROL @ RUDY ORTEGA PAF		
					043-390-0000-4260	53.00	
					Total :	485.00	
201071	5/2/2016	891531 WILLDAN ENGINEERING	00321345	11286	CONNECTOR OF PIPE SCREEN INSTAL		
					032-311-0842-4500	2,452.33	
			00321346		NPDES COMPLIANCE & WTRSHED MG		
							Page: 23

vchlist		Voucher List					Page:	24
04/26/2016	2:37:56PM	CITY OF SAN FERNANDO						
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Bank code :		bank3						
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount		
201071	5/2/2016	891531 WILLDAN ENGINEERING	(Continued)	11287	070-384-0862-4260	7,861.50		
						Total :	10,313.83	
201072	5/2/2016	889491 WILLDAN FINANCIAL SERVICES	010-30545	11325	DEVELOPMENT OF AN IMPACT FEE ST	4,161.00		
						Total :	4,161.00	
201073	5/2/2016	888682 ZOBEL-RODRIGUEZ, ANGELIQUE Y.	APRIL 2016		COMMISSIONER'S REIMBURSEMENT	50.00		
						Total :	50.00	
138 Vouchers for bank code :		bank3				Bank total :	702,097.58	
138 Vouchers in this report							Total vouchers :	702,097.58

Voucher Registers are not final until approved by Council.





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## AGENDA REPORT

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**To:** Mayor Robert C. Gonzales and Councilmembers

**From:** Brian Saeki, City Manager  
By: Margarita Solis, City Treasurer

**Date:** May 2, 2016

**Subject:** Consideration to Adopt a Resolution Approving the Investment Policy for Fiscal Year 2016-2017

### **RECOMMENDATION:**

It is recommended that the City Council adopt Resolution No. 7730 (Attachment "A"), approving the annual Investment Policy for Fiscal Year 2016-2017.

### **BACKGROUND:**

1. On January 1, 1996, SB 564 went into effect which requires that the City Treasurer render annually to the legislative body for consideration at a public meeting, a statement of investment policy.
2. Since 1996, the investment policy has been reviewed annually by the City Manager, Finance Director, and City Treasurer and has been presented to the City Council for approval.
3. The proposed policy has been reviewed by City Manager, Finance Director, and City Treasurer.

### **ANALYSIS:**

The ultimate investment goal of a good investment policy is to enhance the economic status of the City while protecting funds under management and meeting the daily cash flow demands of the City. The proposed Investment Policy requires investments be selected based on safety, liquidity, and yield, in that order, and are made in accordance with California Government Code, Sections 53600 et. seq.

The City attempts to obtain the highest yield possible when selecting investments, providing that criteria for safety and liquidity are met. For the last few years, the City has only had sufficient liquidity to invest in the Local Agency Investment Fund (LAIF), which is a very low

**Consideration to Adopt a Resolution Approving the Investment Policy for Fiscal Year 2016-2017**Page 2 of 2

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yielding, but highly liquid, investment. The City is now in a position that there is sufficient liquidity to start investing in longer term, higher yielding investments.

The proposed Investment Policy authorizes investment in a number of investment vehicles that may offer higher yields while maintaining the safety and liquidity criteria.

**BUDGET IMPACT:**

Investment in higher yield investments may result in additional investment income earned by all City funds.

**CONCLUSION:**

Approval of the annual Investment Policy by the City Council will ensure that the City complies with the SB 564 requirement.

**ATTACHMENT:**

A. Resolution No. 7730, including Exhibit 1 - Investment Policy

**ATTACHMENT “A”****RESOLUTION NO. 7730****A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
SAN FERNANDO, CALIFORNIA, ADOPTING THE ANNUAL  
INVESTMENT POLICY FOR FISCAL YEAR 2015-2016.**

**WHEREAS**, Senate Bill 564, effective January 1, 1996, requires the City Treasurer present a statement of investment policy annually to the City Council; and

**WHEREAS**, a responsible investment policy enhances the economic status of the City while protecting funds under management and meeting the daily cash flow demands of the City.

**NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF SAN FERNANDO, DOES HEREBY RESOLVE, FIND, DETERMINE AND ORDER AS FOLLOWS:**

**SECTION 1.** The City Council hereby establishes the Investment Policy, attached hereto as Exhibit “1” and incorporated herein by this reference.

**PASSED, APPROVED, AND ADOPTED** this 2<sup>nd</sup> day of May, 2016.

\_\_\_\_\_  
Robert C. Gonzales, Mayor

**ATTEST:**

\_\_\_\_\_  
Elena G. Chávez, City Clerk

**STATE OF CALIFORNIA                    )**  
**COUNTY OF LOS ANGELES            ) ss**  
**CITY OF SAN FERNANDO             )**

**I HEREBY CERTIFY** that the foregoing Resolution was approved and adopted at a regular meeting of the City Council held on the 2<sup>nd</sup> day of May, 2016, by the following vote to wit:

**AYES:**

**NOES:**

**ABSENT:**

\_\_\_\_\_  
Elena G. Chávez, City Clerk

## POLICY/PROCEDURE

SUBJECT	ISSUANCE	
	ORIGINAL DATE	EFFECTIVE
INVESTMENT POLICY	CURRENT DATE	EFFECTIVE
	MAY 2, 2016	MAY 2, 2016
CATEGORY	POLICY NO.	SUPERSEDES
FINANCE		MAY 2015

### MANAGEMENT POLICY/PROCEDURES

#### SECTION I. PURPOSE

This Policy is intended to provide specific criteria for the prudent investment of City funds. The ultimate investment goal is to enhance the economic status of the City while protecting funds under management and meeting the daily cash flow demands of the City.

#### SECTION II. STATEMENT OF POLICY

The City’s cash management system is designed to accurately monitor and forecast expenditures and revenues, thus enabling the City to invest funds to the fullest extent possible. The City attempts to earn the highest yield obtainable while keeping within the investment criteria established for the safety and liquidity of public funds.

The Finance Director shall establish procedures that separate the internal responsibility for management and accounting of the investment portfolio. An analysis by an external independent auditor shall be conducted annually to review internal controls, account activity and compliance with policies and procedures.

San Fernando operates its temporary pooled idle cash investment under the prudent investor standard (i.e., such a trustee must act with the “care, skill, prudence and diligence...that a prudent investor...would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency”). This affords the City a broad spectrum of investment opportunities as long as the investment is deemed prudent and allowable under current legislation of the State of California (Government Code Section 53600 et seq.)

Criteria for selecting investments and the order of priority are:

##### 1. SAFETY

The safety and risk associated with an investment refers to the potential loss of principal, accrued interest or both. Protection of the public funds entrusted to the Treasurer is the paramount criteria used to evaluate the investment instruments available.

## 2. LIQUIDITY

This refers to the ability to convert an investment to cash at any moment in time with minimal risk of forfeiting a portion of principal or interest. Liquidity is an essential investment requirement especially in light of the City's need to be able to meet emergency financing demands of the community at any time.

## 3. YIELD

It is the potential dollar earnings an investment can provide and is described as the market rate of return. As a general rule, yields tend to mirror the inherent risk and liquidity characteristics of the particular investment and thus can only be evaluated after those investment criteria are satisfied.

### *Authorized Investments*

All investments shall be made in accordance by the California Government Code, Sections 53600 et. seq. Within the context of these limitations and based on the cost at the time of purchase, the following investments are authorized as further limited herein:

#### 1. U.S. Treasuries

The U.S. Treasury Bills, Bonds, and Notes, or those for which the full faith and credit of the U.S. are pledged for payment of principal and interest provided that:

- a) There is no limitation as to the percentage of the portfolio that can be invested in this category.

#### 2. U.S. Agencies

The Obligations issued by the Government National Mortgage Association (GNMA), the Federal Farm Credit Bank System (FFCB), the Federal Home Loan Bank Board (FHLB), Federal Home Loan Mortgage Corporation (FHLMC), Federal National Mortgage Association (FNMA), and the Student Loan Marketing Association (SLMA) provided that:

- a) No more than 30% of the cost (book) value of the portfolio will be invested in any one agency.

#### 3. Bankers' Acceptances

Bills of exchange or time drafts drawn on and accepted by a commercial bank provided that:

- a) Bankers' Acceptances purchased may not exceed 180 days to maturity or 25% of the cost (book) value of the portfolio;
- b) No more than 5% of the cost (book) value of the portfolio may be invested in Bankers' Acceptances issued by any one bank;

- c) Prior to the purchase of any Banker's Acceptance, the portfolio manager shall review the rating of the issuing bank; and
- d) Bankers' Acceptances of issuing financial institutions shall have both a short and long term rating in the highest category by at least one nationally recognized rating agency at the time of purchase.

#### 4. Commercial Paper

- a) The paper is ranked P1 by Moody's Investor Services and A1 by S&P, and have an minimum of A by both rating agencies;
- b) Issued by a domestic corporation having assets in excess of \$500 million;
- c) Purchases of eligible paper may not exceed 270 days to maturity nor represent more than 10% of the outstanding paper of an issuing corporation;
- d) May not exceed 15% of the cost value of the portfolio at time of purchase; and
- e) No more than 5% of the cost value of the portfolio may be invested in Commercial Paper issued by any one corporation.

#### 5. Certificates of Deposit

Cash will be invested only in FDIC Insured, Certificates of Deposit or fully collateralized Certificates of Deposit. Collateral for a given investment must be 110% of principal for government securities collateral and 150% of principal for first mortgage collateral. No more than 1% of the portfolio, not to exceed \$1 million, shall be invested in any one institution. An institution must meet the following criteria to be considered by the City:

- a) For investments greater than \$100,000 the institution must maintain \$100 million in assets. For investments greater than \$300,000 the institution must maintain at least \$300 million in assets.
- b) The city will not invest in any institution less than five years old.

#### 6. Repurchase Agreements

- a) No more than 25% of the cost value of the portfolio may be invested in repurchase agreements at any time; and
- b) The maturity of repurchase agreements shall not exceed 75 days.

In order to conform with provisions of the Federal Bankruptcy Code which provides for the liquidation of securities held as collateral for repurchase agreements, the only securities acceptable as collateral shall be securities that are direct obligations of, or that are fully guaranteed as to principal and interest by, the United States Government such as Treasury bills, Treasury notes or Treasury bonds with less than a five year maturity.

#### 7. Local Agency Investment Fund (LAIF)

- a) The City may invest in the LAIF established by the State Treasurer for the benefit of local agencies up to the maximum permitted by State Law.



## 8. Municipal Bonds

- a) Bonds issued by local agencies in the State of California be rated “AA” or better. “AA” rated bonds shall be limited to 36 months maximum maturity and “AAA” rated bonds shall be limited to 60 months maximum maturity.

Upon any announcement of negative credit watch or downgrade by a major rating agency of any issue within the portfolio, the investment manager should contact the Finance Director and recommend a course of action. If at any time a security falls below “investment grade,” the investment manager should obtain the best bid and take the necessary steps toward liquidation.

## 9. Corporate Medium Term Notes

- a) Must have an “AA” or better rating criteria at time of purchase. “AA” rated medium term notes shall be limited to 36 months maximum maturity and “AAA” rated medium term notes shall be limited to 60 months maximum maturity;
- b) Issued by a domestic corporation having assets in excess of \$500 million;
- c) The aggregate total of all purchased medium term notes may not exceed 20% of the cost value of the portfolio; and
- d) No more than 5% of the cost value of the portfolio may be invested.

Upon any announcement of negative credit watch or downgrade by a major rating agency of any issue within the portfolio, the investment manager should contact the Finance Director and recommend a course of action. If at any time a security falls below “investment grade,” the investment manager should obtain the best bid and take the necessary steps toward liquidation.

## 10. Money Market Mutual Funds

- a) Must have a rating of AAA/Aaa or an equivalent by one or more national rating agencies with no load maintained at \$1 par value;
- b) No more than 20% of portfolio value may be invested;
- c) Investment in a single mutual fund will not to exceed 10% of the cost value (book value) of the total portfolio exclusive of the fiscal agent cash portfolio; and
- d) The City’s investment in any specific mutual fund will not exceed 2% of that mutual fund’s total assets.

### *Considerations for Investments*

The City attempts to obtain the highest yield possible when selecting investments, providing that criteria for safety and liquidity are met. Ordinarily, because investments normally carry a positive yield curve, (i.e., longer term investments have higher rates than shorter maturities), the City attempts to stagger its maturities to meet anticipated cash needs in such a way that new investment money can be placed in maturities that carry a higher rate that is available in the short market of 30 days or under. Furthermore, maturities are selected to anticipate cash needs of the City, thereby obviating the need for forced liquidation.

### *City Constraints*

The City Treasurer is responsible for managing the City's investment portfolio in accordance with Federal and State laws as well as this policy. Longer term investments (i.e., over one year) are limited to maturities of five years or less.

The City strives to maintain an appropriate level of investment of all funds through daily and projected cash flow determinations. Idle cash management and investment transactions are the responsibility of the City Treasurer in consultation with the Finance Director.

The basic premise underlying the City's investment philosophy is, and will continue to be, to insure that money is always safe and available when needed.

The City Treasurer or the Deputy Treasurer and/or Finance Director in the absence of the City Treasurer shall continually review the financial condition of proposed depositories of City funds. The City should demand a copy of the latest financial statements and audit reports prior to investment and any reports issued during the period of the investment.

### *Investment Strategy*

1. When making an investment decision, the purchase of an investment is made with the intent of holding that investment to maturity.
2. Cash flow projections are fully utilized to balance the liquidity needs at all times.
3. At least bi-weekly, economic forecasts are obtained from financial experts in the field through bankers and brokers.
4. Close rapport is maintained with the City Manager, Finance Director, Public Works and other departments having a significant impact on cash flow.
5. The City will invest all City and Successor Agency to the Redevelopment Agency funds and the estimated checking accounts float, except for those amounts required by the City's banks to pay for bank services furnished to the City.
6. Depending on market conditions, time deposits are maintained in commercial banks and savings and loan institutions. Particular attention is paid to investment opportunities available from financial institutions within the City of San Fernando so as to contribute to the economic vitality of the community.
7. Safekeeping: Securities purchased from brokers/dealers shall be held in third party safekeeping by the City's third party custodian. Said securities shall be held in the name of the City of San Fernando with the trustee executing investment transactions as directed by the Treasurer.

### *Prohibited and Restricted Investments*

The City will not invest in derivative-type investments which are now prohibited by law, inverse floaters, range notes, interest- only strips derived from a mortgage pool, equity linked securities, swaps, margin/leveraging, and any security that could result in zero interest accrual if held to maturity. The City will not invest in reverse repurchase agreements. The City will not engage in speculative buying.

### *Investment Policy Adoption*

The investment plan and strategy are reviewed and updated as needed, and no less often than annually.

### **SECTION III. EXCEPTIONS**

There will be no exceptions to this policy, except as may be approved by the City Council.

### **SECTION IV. AUTHORITY**

By order of City Council Resolution No. 7730, Policy adopted by the City Council on May 2, 2016.

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## AGENDA REPORT

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**To:** Mayor Robert C. Gonzales and Councilmembers

**From:** Brian Saeki, City Manager  
By: Margarita Solis, City Treasurer

**Date:** May 2, 2016

**Subject:** Consideration to Adopt a Resolution Authorizing the City Treasurer and Deputy City Treasurer to Invest Surplus Funds

### **RECOMMENDATION:**

It is recommended that the City Council adopt Resolution No. 7731 (Attachment "A") authorizing the City Treasurer and Deputy City Treasurer to invest surplus funds.

### **BACKGROUND:**

Pursuant to Government Code Section 53607, the City Council may delegate to the City Treasurer the authority to make investments. The City Council has delegated this authority to the City Treasurer and Deputy City Treasurer in past years. The Government Code requires that, if the City Council wishes to delegate this authority to the Treasurer, this delegation must be readopted annually.

The Resolution would renew for one year the delegation to the City Treasurer and Deputy City Treasurer the authority to invest surplus funds of the City.

### **BUDGET IMPACT:**

None

### **ATTACHMENT:**

A. Resolution No. 7731

**ATTACHMENT “A”****RESOLUTION NO. 7731****A RESOLUTION OF THE CITY COUNCIL OF THE CITY  
OF SAN FERNANDO AUTHORIZING THE CITY  
TREASURER AND DEPUTY CITY TREASURER TO  
INVEST SURPLUS FUNDS**

**WHEREAS**, the City Council of the City of San Fernando has determined that, as a policy and practice of the City, any monies (“Surplus Funds”) in a sinking fund of, or surplus money in, its treasury not required for the immediate necessities of the City, may be invested in such a manner as to maximize the return thereof for the benefit of the City, its citizens and its taxpayers.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SAN FERNANDO DOES HEREBY RESOLVE, FIND, DETERMINE, AND ORDER AS FOLLOWS:**

**SECTION 1.** Any portion of any Surplus Funds in a sinking fund of, or surplus money in, the City Treasury not required for the immediate necessities of the City may be invested by the City in any investment medium permissible under state law for the investment of the funds of a General Law city.

**SECTION 2.** The investment of all Surplus Funds shall be made and maintained pursuant to Section 53601 of Title 5, Division 2 of the California Government Code.

**SECTION 3.** The authority of the City Council to invest or to reinvest surplus funds of the City, or to sell or exchange securities so purchased, is hereby delegated by the City Council to the Treasurer of the City (“Treasurer”) and to the Deputy Treasurer of the City (“Deputy Treasurer”), who both shall assume full responsibility for such transactions until such time as this delegation of authority is revoked, and who shall make monthly reports of any and all such transactions to the City Council.

**SECTION 4.** The authority of the City Council is hereby delegated to the Treasurer or Deputy Treasurer to deposit for safekeeping with a federally chartered or state chartered savings and loan association, a trust company or a state or national bank located within the State of California or with the Federal Reserve Bank of San Francisco or any branch thereof within the state, or with any Federal Reserve Bank or with any state or national bank located in any city designated as a reserve city by the Boards of Governors of the Federal Reserve System, the bonds, notes, bills, debentures, obligations, certificates of indebtedness, warrants, or other evidences of indebtedness in which the Surplus Funds of the City is invested pursuant to this Resolution. The Treasurer or Deputy Treasurer shall take from such financial institution a receipt for securities so deposited. The Treasurer or Deputy Treasurer shall not be responsible for securities delivered to and receipted for by a financial institution until they are withdrawn from the financial institution by the Treasurer or Deputy Treasurer.



**PASSED, APPROVED, AND ADOPTED** this 2<sup>nd</sup> day of May, 2016.

---

Robert C. Gonzales, Mayor

**ATTEST:**

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Elena G. Chávez, City Clerk

**STATE OF CALIFORNIA            )**  
**COUNTY OF LOS ANGELES    ) ss**  
**CITY OF SAN FERNANDO       )**

**I HEREBY CERTIFY** that the foregoing Resolution was approved and adopted at a regular meeting of the City Council held on the 2<sup>nd</sup> day of May, 2016, by the following vote to wit:

**AYES:**

**NOES:**

**ABSENT:**

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Elena G. Chávez, City Clerk

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## AGENDA REPORT

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**To:** Mayor Robert C. Gonzales and Councilmembers

**From:** Brian Saeki, City Manager  
By: Chris Marcarello, Deputy City Manager/Public Works Director

**Date:** May 2, 2016

**Subject:** Consideration to Approve a Memorandum of Agreement (MOA) Regarding the Administration and Cost Sharing for Implementing the Coordinated Integrated Monitoring Program (CIMP) for the Upper Los Angeles River Watershed Management Area

### RECOMMENDATION:

It is recommended that the City Council:

- a. Approve the Memorandum of Agreement (MOA) Regarding the Administration and Cost Sharing for Implementing the Coordinated Integrated Monitoring Program (CIMP) for the Upper Los Angeles River Watershed Management Area (Attachment "A" – Contract No. 1822); and
- b. Authorize the City Manager to execute the agreement.

### BACKGROUND:

On November 8, 2012, the Regional Board adopted the new County Wide National Pollutant Discharge Elimination System (NPDES) Permit for the County, the County Flood Control District and 82 of the 86 incorporated cities within Los Angeles County. This permit became effective on December 28, 2012 and gave the permittees an option for complying with the permit. Option 1 was to comply with the permit as written which meant compliance with the numerical standards established in the permit immediately. Option 2 was for the City to elect, by itself or in cooperation with other cities, to prepare a Watershed Management Plan (WMP) in the 18 months between December 28, 2012 and June 28, 2014. Option 3 was for the City, by itself or in cooperation with other cities, to prepare an Enhanced Watershed Management Plan (EWMP) between December 28, 2012 and June 28, 2015. The City of San Fernando made the decision to join others to pursue Option 3 and to prepare a EWMP in the Upper Los Angeles River Watershed. The Upper Los Angeles River Enhanced Watershed Management Group (ULAR EWMP Group), a group of 18 cities and the Los Angeles County that all drain to the Los Angeles River, entities are generally subject to the same Total Maximum Daily Load (TMDL)

**Consideration to Approve Memorandum of Agreement (MOA) Regarding the Administration and Cost Sharing for Implementing the Coordinated Integrated Monitoring Program (CIMP) for the Upper Los Angeles River Watershed Management Area**

Page 2 of 3

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requirements and water quality objectives. The Permit also required that a CIMP be prepared by June 28, 2014 for those seeking Option 3. This group, with the City of Los Angeles taking the lead, adopted an MOA to define how the group would operate and how cost for the preparation of the EWMP and CIMP would be shared.

ULAR EWMP Group, working through its consultant, prepared a CIMP for the ULAR. The plan was submitted in a timely manner to the Regional Board. On August 5, 2015, the Regional Board conditionally approved the ULAR EWMP group CIMP. On November 18, 2015, the Regional Board issued the attached Final Approval for the ULAR CIMP (Attachment "A").

The City of Los Angeles has performed monitoring activities within the Los Angeles River Watershed for many years. They have been involved in the Bacteria TMDL monitoring effort that was undertaken to comply with the Bacteria TMDL as adopted by the Regional Board. They have also performed the baseline monitoring and then later the compliance monitoring related to the Los Angeles River Metal TMDL as adopted by the Regional Board. Much of this monitoring was done in cooperation with the other 50 cities within the Los Angeles River Watershed through an MOA developed by the City of Los Angeles or the Gateway Cities Council of Government (COG). As with these earlier MOAs, the City will be agreeing to terms that will be managed by the collective group.

**ANALYSIS:**

Representatives of the 19 agencies that will be participating in the CIMP implementation have reviewed and agreed to the terms of the MOA. When the last agency has executed the MOA, it will become effective for the three-year term of the MOA, until a new NPDES permit is issued, or until the MOA must be extended to comply with the current permit. The current permit is due to expire on December 28, 2017. The proposed MOA has costs currently estimated to be \$6,007,558, spread over a three-year implementation schedule.

The approved CIMP spells out a schedule of events which include specific dates when monitoring will begin at existing monitoring sites and spells out a schedule for the design and installation of additional monitoring sites which are required to complete the CIMP's required monitoring scope. As mentioned earlier in this report, the monitoring that was previously done for the Bacteria and Metals TMDLs is rolled into this plan and will be continued into the future to show our level of compliance.

**Consideration to Approve Memorandum of Agreement (MOA) Regarding the Administration and Cost Sharing for Implementing the Coordinated Integrated Monitoring Program (CIMP) for the Upper Los Angeles River Watershed Management Area**

Page 3 of 3

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**BUDGET IMPACT:**

The City's cost for the first year of the agreement is \$7,508, the second year of the agreement is \$6,267, and the final year of the agreement is \$5,717; the total cost over the term of the agreement is \$19,492. The cost for the first year was included in Fiscal Year 2015-2016 budget and additional years will be budgeted for accordingly.

**CONCLUSION:**

It is recommended that the City Council approve the MOA regarding the administration and cost sharing for implementing the Coordinated Integrated Monitoring Program for the Upper Los Angeles River Watershed Management Area and, authorize City Manager to execute the MOA.

**ATTACHMENT:**

A. Contract No. 1822

**ATTACHMENT "A"**  
**CONTRACT NO. 1822**

**MEMORANDUM OF AGREEMENT**

**BETWEEN THE CITY OF LOS ANGELES, THE CITY OF ALHAMBRA, THE CITY OF BURBANK, THE CITY OF CALABASAS, THE CITY OF GLENDALE, THE CITY OF HIDDEN HILLS, THE CITY OF LA CANADA FLINTRIDGE, THE CITY OF MONTEBELLO, THE CITY OF MONTEREY PARK, THE CITY OF PASADENA, THE CITY OF ROSEMEAD, THE CITY OF SAN FERNANDO, THE CITY OF SAN GABRIEL, THE CITY OF SAN MARINO, THE CITY OF SOUTH EL MONTE, THE CITY OF SOUTH PASADENA, THE CITY OF TEMPLE CITY, LOS ANGELES COUNTY FLOOD CONTROL DISTRICT, AND THE COUNTY OF LOS ANGELES**

**REGARDING THE ADMINISTRATION AND COST SHARING FOR IMPLEMENTING THE COORDINATED INTEGRATED MONITORING PROGRAM (CIMP) FOR THE UPPER LOS ANGELES RIVER WATERSHED MANGAGEMENT AREA**

This Memorandum of Agreement (MOA), made and entered into as of the date of the last signature set forth below by and between THE CITY OF LOS ANGELES (CITY), a municipal corporation, THE CITY OF ALHAMBRA, a municipal corporation, THE CITY OF BURBANK, a municipal corporation, THE CITY OF CALABASAS, a municipal corporation, THE CITY OF GLENDALE, a municipal corporation, THE CITY OF HIDDEN HILLS, a municipal corporation, THE CITY OF LA CANADA FLINTRIDGE, a municipal corporation, THE CITY OF MONTEBELLO, a municipal corporation, THE CITY OF MONTEREY PARK, a municipal corporation, THE CITY OF PASADENA, a municipal corporation, THE CITY OF ROSEMEAD, a municipal corporation, THE CITY OF SAN FERNANDO, a municipal corporation, THE CITY OF SAN GABRIEL, a municipal corporation, THE CITY OF SAN MARINO, a municipal corporation, THE CITY OF SOUTH EL MONTE, a municipal corporation, THE CITY OF SOUTH PASADENA, a municipal corporation, THE CITY OF TEMPLE CITY, a municipal corporation, LOS ANGELES COUNTY FLOOD CONTROL DISTRICT (LACFCD), a body corporate and politic, the COUNTY OF LOS ANGELES (COUNTY), a political subdivision of the State of California. Collectively, these entities shall be known herein as PARTIES or individually as PARTY.

**WITNESSETH**

WHEREAS, the U.S. Environmental Protection Agency (USEPA) and the California Regional Water Quality Control Board, Los Angeles Region (Regional Board) have classified the Greater Los Angeles County MS4 as a large municipal separate storm sewer system (MS4) pursuant to 40 CFR section 122.26(b)(4) and a major facility pursuant to 40 CFR section 122.2; and

WHEREAS, the Regional Board adopted National Pollutant Discharge Elimination System Municipal Separate Storm Sewer System Permit Order No. R4-2012-0175 (MS4 Permit); and



WHEREAS, the MS4 Permit became effective on December 28, 2012, and requires that the LACFCD, the COUNTY, and 84 of the 88 cities (excluding Avalon, Long Beach, Palmdale, and Lancaster) within the County comply with the prescribed elements of the MS4 Permit; and

WHEREAS, the MS4 Permit identified the PARTIES as MS4 permittees that are responsible for compliance with the MS4 Permit requirements pertaining to the PARTIES' collective jurisdictional area in the Upper Los Angeles River (ULAR) Watershed Management Area as identified in Exhibit C of this MOA; and

WHEREAS, the PARTIES elected voluntarily to collaborate on the development of an Enhanced Watershed Management Program (EWMP) and a Coordinated Integrated Monitoring Program (CIMP) in accordance with the MS4 Permit for a portion of the ULAR Watershed Management Area as identified in Exhibit C of this MOA to comply with all applicable monitoring requirements of the MS4 Permit; and

WHEREAS, the PARTIES collaboratively prepared a final Scope of Work to obtain a consultant (Consultant) to assist the PARTIES in the development of a CIMP; and

WHEREAS, the CIMP was submitted to the Regional Board by the PARTIES on June 26, 2014 and was conditionally approved by the Regional Board on August 5, 2015; and

WHEREAS, the CITY will perform the MONITORING SERVICES required to implement the ULAR CIMP, which has been approved by the Regional Board, pursuant to the MS4 Permit; and

WHEREAS, the PARTIES have agreed that the total cost for this MOA shall not exceed \$6,007,558; and

WHEREAS, the PARTIES have agreed for the CITY to perform and coordinate the MONITORING SERVICES on the PARTIES' behalf, the PARTIES have agreed to pay the CITY for its Monitoring Services as indicated in Table 1 of Exhibit A of this MOA; and

WHEREAS, the MONITORING SERVICES includes various program start-up costs to implement the CIMP, and the PARTIES have agreed that these costs are reimbursable pursuant to this MOA; and

WHEREAS, the CITY retains the right to outsource some or all of the elements of the MONITORING SERVICES, at a cost not to exceed those shown in Tables 1-3 of Exhibit A; and

WHEREAS, the PARTIES have agreed to cooperatively share and fully fund the estimated costs of the implementation of the CIMP based on the Distributed Costs contained in Table 1 of Exhibit A of this MOA; and

WHEREAS, the PARTIES have agreed that the distributed costs contained in Table 1 of Exhibit A of this MOA is the sum of GENERAL MONITORING COSTS which are distributed according to each PARTY'S land area relative to the total land area in the ULAR Watershed Management Area (refer to Table 2, Exhibit A), plus the costs of NON-STORMWATER OUTFALL MONITORING, LEGG LAKE RECEIVING WATER MONITORING, and the ARROYO SECO LOAD REDUCTION STRATEGY document preparation, which are distributed according to each PARTY'S land area within those specific sub-watersheds and tributaries of the Los Angeles River (refer to Tables 3a-3g, in Exhibit A); and

WHEREAS, the PARTIES have agreed that the costs of monitoring Echo Park Lake and Lake Calabasas, are not included in the MOA, but rather, are the responsibility of the PARTIES which have jurisdiction over those water bodies; and

WHEREAS, the PARTIES agree that each shall assume full and independent responsibility for ensuring its own compliance with the MS4 Permit despite the collaborative approach of the MOA.

NOW, THEREFORE, in consideration of the mutual benefits to be derived by the PARTIES, and of the promises contained in this MOA, the PARTIES agree as follows:

Section 1. Recitals. The recitals set forth above are fully incorporated into this MOA.

Section 2. Purpose. The purpose of this MOA is to cooperatively fund the MONITORING SERVICES required to implement the Upper Los Angeles Watershed Management Area Group CIMP.

Section 3. Cooperation. The PARTIES shall fully cooperate with one another to attain the purposes of this MOA.

Section 4. Voluntary. This MOA is voluntarily entered into for the implementation of the CIMP.

Section 5. Term. This MOA shall become effective on the last date of execution by a PARTY and shall remain in effect until June 30, 2018. The MOA may be extended, through an amendment, for an additional term of three (3) years if agreed upon by the PARTIES.

Section 6. Commitment. Once effective, all cooperating PARTIES agree to uphold the promises contained in this MOA for the duration of the agreed upon term.

Section 7. THE PARTIES AGREE:

- a. Monitoring Services. The CITY will perform the MONITORING SERVICES to support the PARTIES submittal of the MS4 Permit Annual Report per the practices found in the approved CIMP. The CITY may modify this MOA through an amendment approved by all PARTIES, when conditions, such as but not limited to, expansion of CIMP requirements, impact annual costs.
- b. Reporting. The PARTIES authorize the CITY to prepare and submit semi-annual and annual analytical monitoring reports to the Regional Board as described in the CIMP as well as electronic files if requested by the Regional Board. The CITY shall distribute the semi-annual and annual reports to the PARTIES 15 days prior to its intended date of submittal to the Regional Board. The PARTIES may review the monitoring report and submitted comments to the CITY prior to its submittal to the Regional Board. The CITY has control of the submittal but shall discuss the PARTIES' comments as they apply to the report.
- c. Invoicing. The CITY will invoice the PARTIES annually, not exceeding the amounts shown in Table 1 of Exhibit A.

Section 8. Invoicing and Payment.

- a. Annual Payment. The PARTIES shall pay the CITY for their proportional share of the estimated cost for MONITORING SERVICES as shown in Table 1 of Exhibit A, within sixty (60) days of receipt of the invoice from the CITY. The cost estimates presented in Exhibit A have been agreed upon by the PARTIES and are subject to change, through an amendment, pursuant to unforeseen challenges.
- b. Invoice. The CITY will invoice the PARTIES in amounts not exceeding the invoice amounts shown in Table 1 of Exhibit A. The annual invoices will be issued in July of each calendar year. The first invoice will be distributed upon the execution of this MOA.
- c. Program Management Fee. The costs of MONITORING SERVICES in Exhibit A include a Program Management Fee in the amount of 5%.
- d. Incidental Expenses. The CITY will attempt to notify the PARTIES if actual expenditures for MONITORING SERVICES are anticipated to exceed the cost estimates contained in Exhibit A. A ten (10%) contingency to cover Incidental Expenses is already factored into the cost estimates in Exhibit A. Incidental costs greater than ten percent (10%) will require an amendment to this MOA.
- e. Reconciliation of this MOA. Unexpended costs for variable costs at the termination of this MOA will either be reimbursed to the PARTIES by the CITY in accordance with the distributed cost formulas set forth in Tables 2 and 3a-3g of Exhibit A, or PARTIES may elect to roll-over unexpended costs to cover

monitoring expenses in the following year. At the end of each fiscal year, and at the end of the MOA, the CITY will provide the PARTIES with a statement of actual expenditures, broken down for each table in Exhibit A.

- f. Late Payment Penalty. Any payment that is not received within 60 days following receipt of the CITY invoice shall be subject to interest on the original amount from the date that the payment first became due. The interest rate shall be equal to the Prime Rate in effect when the payment first became due plus one percent (1%) for any payment that is made from one (1) to thirty (30) days after the due date. The Prime Rate in effect when the payment first became due plus five percent (5%) shall apply to any payment that is made from thirty one (31) to sixty (60) days after the due date. The Prime Rate in effect when the payment first became due plus ten percent (10%) shall apply to any payment that is made more than sixty (60) days past the due date. The rates, shall nevertheless, not exceed the maximum allowed by law.
- g. Delinquent Payments. A PARTY or PARTIES payment is considered to be delinquent 180 days after receipt of the invoice from the CITY. The following procedure may be implemented to attain payments from the delinquent PARTY or PARTIES: 1) verbally contact/meet with the manager(s) from the delinquent PARTY or PARTIES; 2) submit a formal letter to the delinquent PARTY or PARTIES from the CITY attorney; and 3) notify the Regional Board that the delinquent PARTY or PARTIES are no longer a participating member of the CIMP. If the PARTY or PARTIES remain delinquent after the above procedures, then any delinquent amount(s) will be distributed in the following invoice amongst all remaining PARTIES in accordance with a revised distributed cost formula that is exclusive of the delinquent PARTY or PARTIES.

#### Section 9. THE PARTIES FURTHER AGREE:

- a. Payment. The PARTIES agree to pay the CITY for all MONITORING SERVICES required to implement the ULAR CIMP, pursuant to the MS4 Permit, not exceeding the amounts shown in Table 1 of Exhibit A, based on the distributed cost formulas in Tables 2 and 3a-3g of Exhibit A, attached hereto and made a part of this MOA by this reference.
- b. Documentation. The PARTIES agree to provide all requested information and documentation in their possession, and make available for release to the CITY, that is deemed necessary by the PARTIES to perform the MONITORING SERVICES at no cost to the CITY.
- c. Access. Each PARTY shall allow reasonable access and entry to the CITY or its contractor, on an as-needed basis during the term of this MOA, including but not limited to the PARTY'S storm drains, channels, catch basins, and similar properties (FACILITIES) to achieve the purposes of this MOA, provided, however, that prior to entering any of the PARTY'S FACILITIES, the CITY or its

contractor shall provide written notice 72 hours in advance of entry from the applicable PARTY, or in the cases where 72 hour advanced notice is not possible, such as in cases of unforeseen wet weather, as early as reasonably possible. LACFCD, being a member of this MOA, agrees to provide a "no-fee" Access Permit to their facilities/structures which require access to perform the MONITORING SERVICES by the CITY. This Access Permit does not cover any fees that may be required for Construction Permits for the installation of permanent monitoring equipment.

- d. The NON-STORMWATER OUTFALL MONITORING element of the MONITORING SERVICES to be provided by the City will constitute non-stormwater outfall-based screening and monitoring only, and will terminate upon identification and prioritization of outfalls with significant non-stormwater discharges. The ensuing investigation(s) to identify the sources of these non-stormwater discharges will be conducted by a third-party consultant who will report findings to the CITY and to PARTIES located within the drainage area of the investigation(s). The estimated costs for these investigations are incorporated in the estimated costs for NON-STORMWATER OUTFALL MONITORING in Table 3a-3e, in Exhibit A.
- e. MONITORING SERVICES of this MOA do not include monitoring activities in Echo Park Lake and Lake Calabasas. These are the responsibility of the agencies with jurisdiction over these water bodies.

#### Section 10. Indemnification

- a. Each PARTY shall indemnify, defend, and hold harmless each other PARTY, including its special districts, elected and appointed officers, employees, agents, attorneys, and designated volunteers from and against any and all liability, including, but not limited to, demands, claims, actions, fees, costs, and expenses (including reasonable attorney's and expert witness fees), arising from or connected with the respective acts of each PARTY arising from or related to this MOA; provided, however, that no PARTY shall indemnify another PARTY for that PARTY'S own negligence or willful misconduct.
- b. In light 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 in Section 895 of said Code), each of the PARTIES hereto, pursuant to the authorization contained in Section 895.4 and 895.6 of said Code, shall assume the full liability imposed upon it or any of its officers, agents, or employees, by law for injury caused by any act or omission occurring in the performance of this MOA to the same extent such liability would be imposed in the absence of Section 895.2 of said Code. To achieve the above stated purpose, each PARTY indemnifies, defends, and holds harmless each other PARTY for any liability, cost, or expense that may be imposed upon such other PARTY solely by virtue of said Section 895.2. The

provisions of Section 2778 of the California Civil Code are made a part hereof as if incorporated herein.

#### Section 11. Termination

- a. Any PARTY may terminate this MOA for any reason, in whole or part, by giving the other PARTIES and the Regional Board thirty (30) days written notice thereof. Terminated PARTIES shall remain wholly responsible for their share of the costs of MONITORING SERVICES that were incurred up to the date at which the MOA was terminated. A terminated PARTY shall have rights to all work and reports produced with the use of its paid cost allocation. Each PARTY shall also be responsible for the payment of its own fines, penalties or costs incurred as a result of the non-performance of the CIMP.
- b. The CITY shall notify in writing all PARTIES within fourteen (14) days of receiving written notice from any PARTY that intends to terminate its PARTY status in this MOA.
- c. If a PARTY fails to comply with any of the terms or conditions of this MOA, that PARTY shall forfeit its rights to the work completed through this MOA, but no such forfeiture shall occur unless and until the defaulting PARTY has first been given notice of its default and a reasonable opportunity to cure the alleged default as determined by the PARTIES.

#### Section 12. General Provisions

- a. Notices. Any notices, bills, invoices, or reports relating to this MOA, and any request, demand, statement, or other communication required or permitted hereunder shall be in writing and shall be delivered to the representatives of the PARTIES at the addresses set forth in Exhibit B attached hereto and incorporated herein by reference. Parties shall promptly notify each other of any change of contact information, including personnel changes, provided in Exhibit B. Written notice shall include notice delivered via e-mail or fax. A notice shall be deemed to have been received on (a) the date of delivery, if delivered by hand during regular business hours, or by confirmed facsimile or by e-mail; or (b) on the third (3) business day following mailing by registered or certified mail (return receipt requested) to the addresses set forth in Exhibit B.
- b. Administration. For the purposes of this MOA, the PARTIES hereby designate as their respective PARTY representatives the persons named in Exhibit B. The designated PARTY representatives, or their respective designees, shall administer the terms and conditions of this MOA on behalf of their respective PARTY. Each of the persons signing below on behalf of a PARTY represents and warrants that he or she is authorized to sign this MOA on behalf of such PARTY.

- c. Relationship of the Parties. The PARTIES are, and shall at all times remain as to each other, wholly independent entities. No PARTY to this MOA shall have power to incur any debt, obligation, or liability on behalf of any other PARTY unless expressly provided to the contrary by this MOA. No employee, agent, or officer of a PARTY shall be deemed for any purpose whatsoever to be an agent, employee, or officer of another PARTY.
- d. Binding Effect. This MOA shall be binding upon, and shall be to the benefit of the respective successors, heirs, and assigns of each PARTY; provided, however, no PARTY may assign its respective rights or obligations under this MOA without the prior written consent of the other PARTIES.
- e. Amendment. The terms and provisions of this MOA may not be amended, modified, or waived, except by an instrument in writing signed by all non-delinquent PARTIES. Such amendments may be executed by those individuals listed in Exhibit B or by a responsible individual as determined by each PARTY.
- f. Law to Govern. This MOA is governed by, interpreted under, and construed and enforced in accordance with the laws of the State of California. In the event of litigation between the Parties, venue in the state trial courts shall lie exclusively in the County of Los Angeles.
- g. No Presumption in Drafting. The Parties to this MOA agree that the general rule that an MOA is to be interpreted against the Party drafting it, or causing it to be prepared shall not apply.
- h. Severability. If any provision of this MOA shall be determined by any court to be invalid, illegal, or unenforceable to any extent, then the remainder of this MOA shall not be affected, and this MOA shall be construed as if the invalid, illegal, or unenforceable provision had never been contained in this MOA.
- i. Entire Agreement. This MOA, and its Exhibits, constitutes the entire agreement of the PARTIES with respect to the subject matter hereof.
- j. Waiver. Waiver by any PARTY to this MOA of any term, condition, or covenant of this MOA shall not constitute a waiver of any other term, condition, or covenant. Waiver by any PARTY to any breach of the provisions of this MOA shall not constitute a waiver of any other provision, nor a waiver of any subsequent breach or violation of any provision of this MOA.
- k. Counterparts. This MOA may be executed in any number of counterparts, each of which shall be an original, but all of which taken together shall constitute but one and the same instrument, provided, however, that such counterparts shall have been delivered to all PARTIES to this MOA.

IN WITNESS WHEREOF, the PARTIES hereto have caused this MOA to be executed by their duly authorized representatives and affixed as of the date of signature of the PARTIES:



**COUNTY OF LOS ANGELES**

By \_\_\_\_\_  
GAIL FARBER, Director of Public Works

\_\_\_\_\_  
Date

APPROVED AS TO FORM:

Mary C. Wickham  
Interim County Counsel

By \_\_\_\_\_  
Deputy

\_\_\_\_\_  
Date

**LOS ANGELES COUNTY FLOOD CONTROL DISTRICT**

By \_\_\_\_\_  
GAIL FARBER, Chief Engineer

\_\_\_\_\_  
Date

APPROVED AS TO FORM:

Mary C. Wickham  
Interim County Counsel

By \_\_\_\_\_  
Deputy

\_\_\_\_\_  
Date

**CITY OF ALHAMBRA**

By \_\_\_\_\_  
Luis Ayala  
Mayor

\_\_\_\_\_  
Date

**APPROVED AS TO CONTENT:**

By \_\_\_\_\_  
Lauren Myles  
City Clerk

**APPROVED AS TO FORM:**

By \_\_\_\_\_  
Joseph M. Montes, Esq.  
City Attorney

**CITY OF LOS ANGELES**

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

By: \_\_\_\_\_  
Kevin James, President  
Board of Public Works

ATTEST:

\_\_\_\_\_  
Holly Wolcott  
Interim City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Michael N. Feuer  
City Attorney

By: \_\_\_\_\_  
John A. Carvalho  
City Attorney

**THE CITY OF BURBANK**

Dated: \_\_\_\_\_

CITY OF BURBANK

By \_\_\_\_\_  
Bob Frutos, Mayor

ATTEST:

\_\_\_\_\_  
Mark Scott, City Manager

APPROVED AS TO FORM:

\_\_\_\_\_  
Joseph H. McDougall, Senior Assistant City Attorney

**THE CITY OF CALABASAS**

Dated: \_\_\_\_\_

CITY OF CALABASAS

By \_\_\_\_\_  
Fred Gaines, Mayor

ATTEST:

\_\_\_\_\_  
Maricela Hernandez, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Scott Howard, Interim City Attorney

**THE CITY OF GLENDALE**

Dated: \_\_\_\_\_

CITY OF GLENDALE

By \_\_\_\_\_  
Ara Najarian, Mayor

ATTEST:

\_\_\_\_\_  
Scott Ochoa, City Manager

APPROVED AS TO FORM:

\_\_\_\_\_  
Michael Garcia, City Attorney

**THE CITY OF HIDDEN HILLS**

Dated: \_\_\_\_\_

CITY OF HIDDEN HILLS

By \_\_\_\_\_  
Larry G. Weber, Mayor

ATTEST:

\_\_\_\_\_  
Cherie L. Paglia, City Manager

APPROVED AS TO FORM:

\_\_\_\_\_  
Roxanne M. Diaz, City Attorney



**THE CITY OF LA CANADA FLINTRIDGE**

Dated: \_\_\_\_\_

CITY OF LA CANADA FLINTRIDGE

By \_\_\_\_\_  
Dave Spence, Mayor

ATTEST:

\_\_\_\_\_  
Mark R. Alexander, City Manager

APPROVED AS TO FORM:

\_\_\_\_\_  
Mark Steres, City Attorney

**THE CITY OF MONTEBELLO**

Dated: \_\_\_\_\_

CITY OF MONTEBELLO

By \_\_\_\_\_  
Christina Cortez, Mayor

ATTEST:

\_\_\_\_\_  
Daniel Hernandez, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Arnold Alvarez-Glasman, City Attorney

**CITY OF MONTEREY PARK**

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

By: \_\_\_\_\_  
Paul Talbot, City Manager

ATTEST:

By: \_\_\_\_\_  
Vincent D. Chang, City Clerk

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Karl H. Berger, Assistant City Attorney

**CITY OF PASADENA**

Dated: \_\_\_\_\_

CITY OF PASADENA

By \_\_\_\_\_  
Michael J. Beck, City Manager

ATTEST:

\_\_\_\_\_  
Mark Jomsky, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Brad L. Fuller, Assistant City Attorney

**CITY OF ROSEMEAD**

Dated: \_\_\_\_\_

CITY OF ROSEMEAD

By \_\_\_\_\_  
Jeff Allred, City Manager

ATTEST:

\_\_\_\_\_  
Gloria Molleda, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Rachel H. Richman, City Attorney

**CITY OF SAN FERNANDO**

Dated: \_\_\_\_\_

CITY OF SAN FERNANDO

By \_\_\_\_\_  
Brian Saeki, City Manager

ATTEST:

\_\_\_\_\_  
Elena G. Chávez, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Rick R. Olivarez, City Attorney

**CITY OF SAN GABRIEL**

Dated: \_\_\_\_\_

CITY OF SAN GABRIEL

By \_\_\_\_\_  
Steven A. Preston, City Manager

ATTEST:

\_\_\_\_\_  
Eleanor K. Andrews, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Robert L. Kress, City Attorney

**CITY OF SAN MARINO**

Dated: \_\_\_\_\_

CITY OF SAN MARINO

By \_\_\_\_\_  
Richard Ward, Mayor

ATTEST:

\_\_\_\_\_  
John Schaefer, City Manager

APPROVED AS TO FORM:

\_\_\_\_\_  
Steve Dorsey, City Attorney



**CITY OF SOUTH EL MONTE**

Dated: \_\_\_\_\_

CITY OF SOUTH EL MONTE

By \_\_\_\_\_  
[INSERT NAME], City Manager

ATTEST:

\_\_\_\_\_  
[insert name], City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
[insert name], City Attorney

**CITY OF SOUTH PASADENA**

Dated: \_\_\_\_\_

CITY OF SOUTH PASADENA

By \_\_\_\_\_  
Sergio Gonzalez, City Manager

ATTEST:

\_\_\_\_\_  
Evelyn G. Zneimer, City Clerk

APPROVED AS TO FORM:

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

**CITY OF THE TEMPLE CITY**

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

CITY OF TEMPLE CITY

By \_\_\_\_\_  
Cynthia Sternquist, Mayor

ATTEST:

\_\_\_\_\_  
Peggy Kuo, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Eric S. Vail, City Attorney

## EXHIBIT A

**Table 1. Distribution of Total Estimated Cost for Implementing the ULAR CIMP.**

Agency	Fiscal Year 15-16	Fiscal Year 16-17	Fiscal Year 17-18	Total
LACFCD	\$128,820	\$89,931	\$83,464	\$302,215
City of Los Angeles	\$1,164,325	\$919,008	\$846,702	\$2,930,035
County of Los Angeles	\$392,577	\$271,798	\$254,265	\$918,641
City of Alhambra	\$51,979	\$33,726	\$31,439	\$117,143
City of Burbank	\$54,892	\$45,817	\$41,794	\$142,503
City of Calabasas	\$19,818	\$16,541	\$15,089	\$51,448
City of Glendale	\$97,043	\$80,921	\$73,819	\$251,783
City of Hidden Hills	\$4,755	\$3,968	\$3,620	\$12,343
City of La Canada Flintridge	\$82,421	\$37,194	\$35,187	\$154,802
City of Montebello	\$71,012	\$38,486	\$36,544	\$146,043
City of Monterey Park	\$58,090	\$34,814	\$32,707	\$125,611
City of Pasadena	\$210,796	\$106,276	\$100,887	\$417,959
City of Rosemead	\$44,190	\$23,898	\$22,698	\$90,786
City of San Fernando	\$7,508	\$6,267	\$5,717	\$19,492
City of San Gabriel	\$35,301	\$19,091	\$18,132	\$72,524
City of San Marino	\$32,162	\$17,393	\$16,519	\$66,074
City of South El Monte	\$29,805	\$20,214	\$19,636	\$69,655
City of South Pasadena	\$19,767	\$14,683	\$13,400	\$47,851
City of Temple City	\$34,389	\$18,597	\$17,663	\$70,649
<b>Total Estimated Cost of CIMP</b>	<b>\$2,539,651</b>	<b>\$1,798,624</b>	<b>\$1,669,283</b>	<b>\$6,007,558</b>

Note:

1. The Total Estimated Cost for each agency is the sum of General Monitoring Costs (refer to Table 2, Exhibit A) plus the costs for Non-Stormwater Outfall Monitoring, Legg Lake Receiving Water Monitoring, and Arroyo Seco Load Reduction Strategy Document Preparation (refer to Table 3a-g, Exhibit A).
2. The figures shown in this table include a 5% Program Management Fee and a 10% Contingency, which are also detailed in Tables 2 and 3a-f in Exhibit A.

**Table 2. Distribution of General Monitoring Costs.**

<b>CIMP Component</b>	<b>Fiscal Year 15-16</b>	<b>Fiscal Year 16-17</b>	<b>Fiscal Year 17-18</b>	<b>Total</b>
Receiving Water Monitoring	\$378,749	\$390,506	\$361,556	\$1,130,811
Storm Water Outfall Monitoring	\$35,085	\$70,170	\$105,256	\$210,511
Non-Storm Water Outfall Monitoring	(NSWO costs are distributed according to sub-watershed)			
Data Management (15%)	\$62,075	\$69,101	\$70,022	\$201,198
Capital Expenses	\$254,890	\$336,000	\$216,000	\$806,890
Operation & Maintenance Expenses	\$35,132	\$52,733	\$65,333	\$153,199
Contracted Services: Annual Report, Data Tools, On-call support	\$630,731	\$224,381	\$224,381	\$1,079,493
Program Management (5%)	\$69,833	\$57,145	\$52,127	\$179,105
General Monitoring Costs (subtotal)	\$1,466,496	\$1,200,037	\$1,094,675	\$3,761,208
Contingency (10%)	\$146,650	\$120,004	\$109,467	\$376,121
Annual Escalation (0%, 2%, 2%)	\$0	\$26,401	\$24,083	\$50,484
<b>General Monitoring Costs (total)</b>	<b>\$1,613,146</b>	<b>\$1,346,441</b>	<b>\$1,228,225</b>	<b>\$4,187,812</b>

<b>Agency</b>	<b>Land Area (acres)</b>	<b>% of Area</b>	<b>Fiscal Year 15-16</b>	<b>Fiscal Year 16-17</b>	<b>Fiscal Year 17-18</b>	<b>Total</b>
LACFCD (5%)	--	--	\$80,657	\$67,322	\$61,411	\$209,391
City of Los Angeles	181,288.00	58.53%	\$896,901	\$748,615	\$682,887	\$2,328,404
County of Los Angeles	41,048.07	13.25%	\$203,081	\$169,505	\$154,623	\$527,208
City of Alhambra	4,884.31	1.58%	\$24,165	\$20,169	\$18,399	\$62,732
City of Burbank	11,095.20	3.58%	\$54,892	\$45,817	\$41,794	\$142,503
City of Calabasas	4,005.68	1.29%	\$19,818	\$16,541	\$15,089	\$51,448
City of Glendale	19,587.50	6.32%	\$96,907	\$80,885	\$73,783	\$251,575
City of Hidden Hills	961.03	0.31%	\$4,755	\$3,968	\$3,620	\$12,343
City of La Canada Flintridge	5,534.46	1.79%	\$27,381	\$22,854	\$20,848	\$71,083
City of Montebello	5,356.38	1.73%	\$26,500	\$22,119	\$20,177	\$68,796
City of Monterey Park	4,951.51	1.60%	\$24,497	\$20,447	\$18,652	\$63,596
City of Pasadena	14,805.30	4.78%	\$73,248	\$61,137	\$55,770	\$190,154
City of Rosemead	3,310.87	1.07%	\$16,380	\$13,672	\$12,472	\$42,524
City of San Fernando	1,517.64	0.49%	\$7,508	\$6,267	\$5,717	\$19,492
City of San Gabriel	2,644.87	0.85%	\$13,085	\$10,922	\$9,963	\$33,970
City of San Marino	2,409.64	0.78%	\$11,921	\$9,950	\$9,077	\$30,949
City of South El Monte	1,594.16	0.51%	\$7,887	\$6,583	\$6,005	\$20,475
City of South Pasadena	2,186.20	0.71%	\$10,816	\$9,028	\$8,235	\$28,079
City of Temple City	2,576.50	0.83%	\$12,747	\$10,639	\$9,705	\$33,092
<b>Total</b>	<b>309,757.32</b>	<b>100%</b>	<b>\$1,613,146</b>	<b>\$1,346,441</b>	<b>\$1,228,225</b>	<b>\$4,187,812</b>

## Note:

- General Monitoring Costs include all required monitoring elements in the CIMP, except for Non-Stormwater Outfall Monitoring and Receiving water monitoring in Echo Park Lake, Lake Calabasas, and Legg Lake.
- The areas owned by Caltrans, State Parks, and U.S. Government have been excluded from the total area of the Upper Los Angeles River watershed.
- Los Angeles County Flood Control District (LACFCD) is responsible for 5% of the General Monitoring Costs, which is subtracted before the costs are distributed among the other Parties.
- Area (acres) determined by GIS analysis as shown in Exhibit C.
- Agency Percent Area = (Agency Area / Total Area) x 100%
- Distributed Cost to each Party = [(Total of General Monitoring Costs – LACFD 5%) x Agency Percent Area].

**Table 3a. Distribution of Costs for Non-Stormwater Outfall Monitoring in Rio Hondo.**

<b>Non-Stormwater Outfall Monitoring (Rio Hondo)</b>	<b>Fiscal Year 15-16</b>	<b>Fiscal Year 16-17</b>	<b>Fiscal Year 17-18</b>	<b>Total</b>
Inventory and 6 screening Events	\$85,432	\$0	\$0	\$85,432
Source Investigations	\$100,000	\$0	\$0	\$100,000
Non-Stormwater Outfall Monitoring	\$104,532	\$104,532	\$104,532	\$313,596
Data Management (15%)	\$43,495	\$15,680	\$15,680	\$74,854
Program Management (5%)	\$16,673	\$6,011	\$6,011	\$28,694
Monitoring Cost Sub-Total	\$350,131	\$126,222	\$126,222	\$602,576
Contingency (10%)	\$35,013	\$12,622	\$12,622	\$60,258
Annual Escalation (0%, 2%, 2%)	\$0	\$2,777	\$2,777	\$5,554
<b>Rio Hondo (Total)</b>	<b>\$385,144</b>	<b>\$141,621</b>	<b>\$141,621</b>	<b>\$668,387</b>

<b>Agency</b>	<b>Land Area (acres)</b>	<b>% of Area</b>	<b>Fiscal Year 15-16</b>	<b>Fiscal Year 16-17</b>	<b>Fiscal Year 17-18</b>	<b>Total</b>
LACFCD (5%)	--	--	\$19,257	\$7,081	\$7,081	\$33,419
County of Los Angeles	8,057.60	18.50%	\$67,681	\$24,887	\$24,887	\$117,455
City of Alhambra	3,311.34	7.60%	\$27,814	\$10,228	\$10,228	\$48,269
City of Montebello	5,299.29	12.17%	\$44,512	\$16,368	\$16,368	\$77,247
City of Monterey Park	3,999.35	9.18%	\$33,593	\$12,353	\$12,353	\$58,298
City of Pasadena	10,177.22	23.36%	\$85,485	\$31,434	\$31,434	\$148,352
City of Rosemead	3,310.89	7.60%	\$27,810	\$10,226	\$10,226	\$48,262
City of San Gabriel	2,644.88	6.07%	\$22,216	\$8,169	\$8,169	\$38,554
City of San Marino	2,409.65	5.53%	\$20,240	\$7,443	\$7,443	\$35,125
City of South El Monte	1,592.66	3.66%	\$13,378	\$4,919	\$4,919	\$23,216
City of South Pasadena	180.45	0.41%	\$1,516	\$557	\$557	\$2,630
City of Temple City	2,576.51	5.91%	\$21,642	\$7,958	\$7,958	\$37,557
<b>Rio Hondo (Total)</b>	<b>43,559.83</b>	<b>100%</b>	<b>\$385,144</b>	<b>\$141,621</b>	<b>\$141,621</b>	<b>\$668,387</b>

**Table 3b. Distribution of Costs for Non-Stormwater Outfall Monitoring in Arroyo Seco.**

Non-Stormwater Outfall Monitoring (Arroyo Seco)	Fiscal Year 15-16	Fiscal Year 16-17	Fiscal Year 17-18	Total
Inventory and 6 screening Events	\$55,397	\$0	\$0	\$55,397
Source Investigations	\$40,000	\$0	\$0	\$40,000
Non-Stormwater Outfall Monitoring	\$41,718	\$41,718	\$41,718	\$125,155
Data Management (15%)	\$20,567	\$6,258	\$6,258	\$33,083
Program Management (5%)	\$7,884	\$2,399	\$2,399	\$12,682
Monitoring Cost Sub-Total	\$165,566	\$50,375	\$50,375	\$266,316
Contingency (10%)	\$16,557	\$5,037	\$5,037	\$26,632
Annual Escalation (0%, 2%, 2%)	\$0	\$1,108	\$1,108	\$2,216
<b>Arroyo Seco (Total)</b>	<b>\$182,123</b>	<b>\$56,520</b>	<b>\$56,520</b>	<b>\$295,164</b>

Agency	Land Area (acres)	% of Area	Fiscal Year 15-16	Fiscal Year 16-17	Fiscal Year 17-18	Total
LACFCD (5%)	--	--	\$9,106	\$2,826	\$2,826	\$14,758
City of Los Angeles	3,936.66	27.73%	\$47,972	\$14,888	\$14,888	\$77,748
County of Los Angeles	2,361.13	16.63%	\$28,773	\$8,929	\$8,929	\$46,632
City of Glendale	9.39	0.07%	\$114	\$36	\$36	\$186
City of La Canada Flintridge	3,791.77	26.71%	\$46,207	\$14,340	\$14,340	\$74,886
City of Pasadena	3,586.72	25.26%	\$43,708	\$13,564	\$13,564	\$70,837
City of South Pasadena	512.25	3.61%	\$6,242	\$1,937	\$1,937	\$10,117
<b>Arroyo Seco (Total)</b>	<b>14,197.93</b>	<b>100%</b>	<b>\$182,123</b>	<b>\$56,520</b>	<b>\$56,520</b>	<b>\$295,164</b>

**Table 3c. Distribution of Costs for Non-Stormwater Outfall Monitoring in Segment E of Los Angeles River.**

Non-Stormwater Outfall Monitoring (Segment E)	Fiscal Year 15-16	Fiscal Year 16-17	Fiscal Year 17-18	Total
Inventory and 6 screening Events	\$89,880	\$0	\$0	\$89,880
Source Investigations	\$60,000	\$0	\$0	\$60,000
Non-Stormwater Outfall Monitoring	\$0	\$82,052	\$82,052	\$164,104
Data Management (15%)	\$22,482	\$12,308	\$12,308	\$47,098
Program Management (5%)	\$8,618	\$4,718	\$4,718	\$18,054
Monitoring Cost Sub-Total	\$180,980	\$99,078	\$99,078	\$379,136
Contingency (10%)	\$18,098	\$9,908	\$9,908	\$37,914
Annual Escalation (0%, 2%, 2%)	\$0	\$2,180	\$2,180	\$4,359
<b>Segment E (Total)</b>	<b>\$199,079</b>	<b>\$111,165</b>	<b>\$111,165</b>	<b>\$421,409</b>

Agency	Land Area (acres)	% of Area	Fiscal Year 15-16	Fiscal Year 16-17	Fiscal Year 17-18	Total
LACFCD (5%)	--	--	\$9,954	\$5,558	\$5,558	\$21,070
City of Los Angeles	30,933.21	78.68%	\$148,800	\$83,090	\$83,090	\$314,981
County of Los Angeles	8,382.73	21.32%	\$40,324	\$22,517	\$22,517	\$85,358
<b>Segment E (Total)</b>	<b>39,315.94</b>	<b>100%</b>	<b>\$199,079</b>	<b>\$111,165</b>	<b>\$111,165</b>	<b>\$421,409</b>

**Table 3d. Distribution of Costs for Non-Stormwater Outfall Monitoring in Compton Creek.**

Non-Stormwater Outfall Monitoring (Compton Creek)	Fiscal Year 15-16	Fiscal Year 16-17	Fiscal Year 17-18	Total
Inventory and 6 screening Events	\$77,454	\$0	\$0	\$77,454
Source Investigations	\$0	\$50,000	\$0	\$50,000
Non-Stormwater Outfall Monitoring	\$0	\$0	\$47,990	\$47,990
Data Management (15%)	\$11,618	\$7,500	\$7,198	\$26,317
Program Management (5%)	\$4,454	\$2,875	\$2,759	\$10,088
Monitoring Cost Sub-Total	\$93,525	\$60,375	\$57,948	\$211,848
Contingency (10%)	\$9,353	\$6,038	\$5,795	\$21,185
Annual Escalation (0%, 2%, 2%)	\$0	\$1,328	\$1,275	\$2,603
<b>Compton Creek (Total)</b>	<b>\$102,878</b>	<b>\$67,741</b>	<b>\$65,018</b>	<b>\$235,636</b>

Agency	Land Area (acres)	% of Area	Fiscal Year 15-16	Fiscal Year 16-17	Fiscal Year 17-18	Total
LACFCD (5%)	--	--	\$5,144	\$3,387	\$3,251	\$11,782
City of Los Angeles	10,602.17	62.91%	\$61,480	\$40,482	\$38,855	\$140,817
County of Los Angeles	6,251.93	37.09%	\$36,254	\$23,872	\$22,912	\$83,037
<b>Compton Creek (Total)</b>	<b>16,854.11</b>	<b>100%</b>	<b>\$102,878</b>	<b>\$67,741</b>	<b>\$65,018</b>	<b>\$235,636</b>



**Table 3e. Distribution of Costs for Non-Stormwater Outfall Monitoring in Segment B of Los Angeles River.**

<b>Non-Stormwater Outfall Monitoring (Segment B)</b>	<b>Fiscal Year 15-16</b>	<b>Fiscal Year 16-17</b>	<b>Fiscal Year 17-18</b>	<b>Total</b>
Inventory and 6 screening Events	\$0	\$0	\$0	\$0
Source Investigations	\$0	\$40,000	\$0	\$40,000
Non-Stormwater Outfall Monitoring	\$0	\$0	\$33,798	\$33,798
Data Management (15%)	\$0	\$6,000	\$5,070	\$11,070
Program Management (5%)	\$0	\$2,300	\$1,943	\$4,243
Monitoring Cost Sub-Total	\$0	\$48,300	\$40,811	\$89,111
Contingency (10%)	\$0	\$4,830	\$4,081	\$8,911
Annual Escalation (0%, 2%, 2%)	\$0	\$1,063	\$898	\$1,960
<b>Segment B (Total)</b>	<b>\$0</b>	<b>\$54,193</b>	<b>\$45,790</b>	<b>\$99,983</b>

<b>Agency</b>	<b>Land Area (acres)</b>	<b>% of Area</b>	<b>Fiscal Year 15-16</b>	<b>Fiscal Year 16-17</b>	<b>Fiscal Year 17-18</b>	<b>Total</b>
LACFCD (5%)	--	--	\$0	\$2,710	\$2,290	\$4,999
City of Los Angeles	15,089.17	62.03%	\$0	\$31,933	\$26,982	\$58,915
County of Los Angeles	5,152.65	21.18%	\$0	\$10,904	\$9,214	\$20,118
City of Alhambra	1,573.00	6.47%	\$0	\$3,329	\$2,813	\$6,142
City of Monterey Park	952.18	3.91%	\$0	\$2,015	\$1,703	\$3,718
City of Pasadena	66.59	0.27%	\$0	\$141	\$119	\$260
City of South Pasadena	1,493.50	6.14%	\$0	\$3,161	\$2,671	\$5,831
<b>Segment B (Total)</b>	<b>24,327.09</b>	<b>100%</b>	<b>\$0</b>	<b>\$54,193</b>	<b>\$45,790</b>	<b>\$99,983</b>

## Note:

1. For Non-stormwater Outfall Monitoring, Los Angeles County Flood Control District (LACFCD) is responsible for 5% of the Total Cost, which is subtracted before the cost is distributed among the other Parties.
2. Distributed Cost to each Party within a given Segment or Tributary = [(Total of Non-Stormwater Outfall Monitoring Costs – LACFCD 5%) x Agency Percent Area].

**Table 3f. Distribution of Costs for Legg Lake Receiving Water Monitoring.**

<b>Legg Lake Receiving Water Monitoring</b>	<b>Fiscal Year 15-16</b>	<b>Fiscal Year 16-17</b>	<b>Fiscal Year 17-18</b>	<b>Total</b>
Receiving Water Monitoring	\$15,458	\$15,458	\$15,458	\$46,373
Data Management (15%)	\$2,319	\$2,319	\$2,319	\$6,956
Program Management (5%)	\$889	\$889	\$889	\$2,666
Monitoring Cost Sub-Total	\$18,665	\$18,665	\$18,665	\$55,996
Contingency (10%)	\$1,867	\$1,867	\$1,867	\$5,600
Annual Escalation (0%, 2%, 2%)	\$0	\$411	\$411	\$821
<b>Legg Lake (Total)</b>	<b>\$20,532</b>	<b>\$20,942</b>	<b>\$20,942</b>	<b>\$62,417</b>

<b>Agency</b>	<b>Land Area (acres)</b>	<b>% of Area</b>	<b>Fiscal Year 15-16</b>	<b>Fiscal Year 16-17</b>	<b>Fiscal Year 17-18</b>	<b>Total</b>
LACFCD (5%)	--	--	\$1,027	\$1,047	\$1,047	\$3,121
County of Los Angeles	2,044.68	56.21%	\$10,965	\$11,184	\$11,184	\$33,332
City of South El Monte	1,592.68	43.79%	\$8,541	\$8,712	\$8,712	\$25,964
<b>Legg Lake (Total)</b>	<b>3,637.35</b>	<b>100%</b>	<b>\$20,532</b>	<b>\$20,942</b>	<b>\$20,942</b>	<b>\$62,417</b>

**Table 3g. Distribution of Costs for Arroyo Seco Load Reduction Strategy Document Preparation.**

<b>Agency</b>	<b>Land Area (acres)</b>	<b>% of Area</b>	<b>Fiscal Year 15-16</b>	<b>Fiscal Year 16-17</b>	<b>Fiscal Year 17-18</b>	<b>Total</b>
LACFCD (10%)	--	--	\$3,675	\$0	\$0	\$3,675
City of Los Angeles	3,936.66	27.73%	\$9,171	\$0	\$0	\$9,171
County of Los Angeles	2,361.13	16.63%	\$5,500	\$0	\$0	\$5,500
City of Glendale	9.39	0.07%	\$22	\$0	\$0	\$22
City of La Canada Flintridge	3,791.77	26.71%	\$8,833	\$0	\$0	\$8,833
City of Pasadena	3,586.72	25.26%	\$8,356	\$0	\$0	\$8,356
City of South Pasadena	512.25	3.61%	\$1,193	\$0	\$0	\$1,193
<b>Arroyo Seco LRS (Total)</b>	<b>14,197.93</b>	<b>100%</b>	<b>\$36,750</b>	<b>\$0</b>	<b>\$0</b>	<b>\$36,750</b>

**EXHIBIT B**

**Upper Los Angeles River Enhanced Watershed Management Area CIMP  
Responsible Agencies Representatives**

<b>Agency Address</b>	<b>Agency Contact</b>
City of Los Angeles Department of Public Works Bureau of Sanitation, Watershed Protection Division 1149 S. Broadway Los Angeles, CA 90015	Shahram Kharaghani E-mail: Shahram.Kharaghani@Lacity.org Phone: (213) 485-0587 Fax: (213) 485-3939
County of Los Angeles Department of Public Works Watershed Management Division, 11 <sup>th</sup> Floor 900 South Fremont Avenue Alhambra, CA 91803-1331	Paul Alva E-mail: PALVA@dpw.lacounty.gov Phone: (626) 458-4325 Fax: (626) 457-1526
Los Angeles County Flood Control District Department of Public Works Watershed Management Division, 11 <sup>th</sup> Floor 900 South Fremont Avenue Alhambra, CA 91803-1331	Terri Grant E-mail: TGRANT@dpw.lacounty.gov Phone: (626) 458-4309 Fax: (626) 457-1526
City of Alhambra 11 South First Street Alhambra, CA 91801-3796	David Dolphin E-mail: DDOLPHIN@cityofalhambra.org Phone: (626) 300-1571 Fax:
City of Burbank P.O. Box 6459 Burbank, CA 91510	Alvin Cruz E-mail: ACruz@burbankca.gov Phone: (818) 238-3941 Fax:
City of Calabasas 100 Civic Center Way Calabasas, CA 91302-3172	Alex Farassati E-mail: afarassati@cityofcalabasas.com Phone: Fax:
City of Glendale Engineering Section, 633 East Broadway, Room 209 Glendale, CA 91206-4308	Maurice Oillataguerre E-mail: moillataguerre@ci.glendale.ca.us Phone: Fax:
City of Hidden Hills 6165 Spring Valley Road Hidden Hills, CA 91302	Joe Bellomo jbellomo@willdan.com Phone: (805) 279-6856
City of La Canada Flintridge 1327 Foothill Blvd. La Canada Flintridge, CA 91011-2137	Edward Hitti E-mail: EHitti@lcf.ca.gov Phone: 818-790-8882 Fax: 818-70-8897

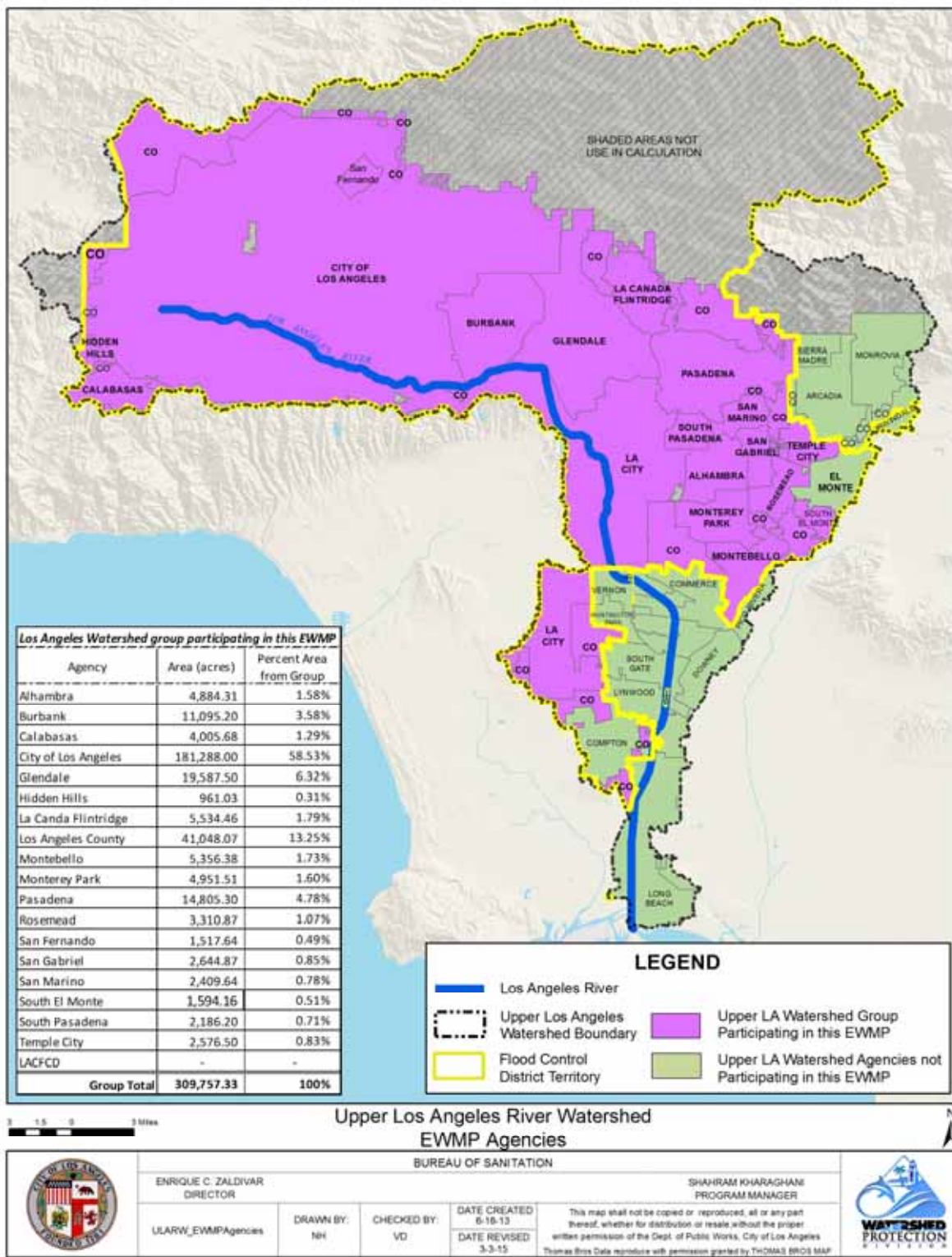
**EXHIBIT B**

**Upper Los Angeles River Enhanced Watershed Management Area CIMP  
Responsible Agencies Representatives**

City of Montebello 1600 W Beverly Blvd Montebello, CA 90640	Norma Salinas E-mail: Nsalinas@cityofmontebello.com Phone: 323-887-1365 Fax: 323- 887-1410
City of Monterey Park 320 West Newmark Avenue Monterey Park, CA 91754-2896	Amy Ho E-mail: amho@montereypark.ca.gov  Mikki Klee E-mail: mkleee@jlha.net Phone: (562) 802-7880 Fax: (562) 802-2297
City of Pasadena P.O. Box 7115 Pasadena, CA 91109-7215	Stephen Walker E-mail: SWalker@cityofpasadena.net Phone: (626) 744-4271 Fax:
City of Rosemead, 8838 East Valley Blvd. Rosemead, CA 91770-1787	Anthony La E-mail: ala@cityofrosemead.org Phone: (626) 569-2118
City of San Fernando 117 Macneil Street San Fernando, CA 91340	Joe Bellomo Email: jbellomo@willdan.com Phone: (805) 279-6856
City of San Gabriel 425 South Mission Avenue San Gabriel, CA 91775	Daren Grilley E-mail: dgrilley@sgch.org Phone: Fax:
City of San Marino 2200 Huntington Drive San Marino, CA 91108-2691	Kevin Sales E-mail: kjserv@aol.com Phone: Fax:
City of South El Monte [insert address]	[insert name] E-mail: Phone: Fax:
City of South Pasadena 1414 Mission Street South Pasadena, CA 91020-3298	Shin Furukawa E-mail: SFurukawa@ci.south-pasadena.ca.us Phone: (626) 403-7246 Fax:
City of Temple City 9701 Las Tunas Drive Temple City, CA 9178	Michael Forbes, AICP, Community Development Director E-mail:  Mikki Klee E-mail: mkleee@jlha.net Phone: (562) 802-7880 Fax: (562) 802-2297

## EXHIBIT C

### Upper Los Angeles River Enhanced Watershed Management Area Group



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## AGENDA REPORT

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**To:** Mayor Robert C. Gonzales and Councilmembers

**From:** Brian Saeki, City Manager  
By: Fred Ramirez, Community Development Director

**Date:** May 2, 2016

**Subject:** Consideration to Adopt Ordinance No. 1654, An Ordinance of the City Council Amending Chapter 22 (Businesses) and Chapter 106 (Zoning) to Expressly Prohibit Medical Cannabis Dispensaries, Medical Cannabis Cultivation, City-Based Medical Cannabis Delivery Operations, and All Commercial Cannabis Activities in All Areas of the City, Excluding Medical Cannabis Delivery Activities Originating from Legal Dispensaries Outside of the City of San Fernando

### RECOMMENDATION:

It is recommended that the City Council:

- a. Allow public comment as part of the continued Public Hearing; and
- b. Pending public testimony, introduce for first reading, in title only, and waive further reading of Ordinance No. 1654 (Attachment "A"), "An Ordinance of the City Council Amending Chapter 22 (Businesses) and Chapter 106 (Zoning) to Expressly Prohibit Medical Cannabis Dispensaries, Medical Cannabis Cultivation, City-Based Medical Cannabis Delivery Operations, and All Commercial Cannabis Activities in All Areas of the City, Excluding Medical Cannabis Delivery Activities Originating from Legal Dispensaries Outside of the City of San Fernando."

### BACKGROUND:

1. In 1987, the City of San Fernando adopted Ordinance No. 1305 the last comprehensive amendment of the City's zoning regulations. Included as part of that zone text amendment, each of the designated zoning districts includes language noting that "All uses are prohibited except those expressly permitted by the provisions of this section ['section' as noted herein refers to individual sections of the zoning code for each designated zoning district]"; this language is still part of the City's zoning ordinance for each of the designated zoning districts.
2. In 1996, the California Legislature approved Proposition 215, also known as the Compassionate Use Act (the "CUA"), which was codified under Health and Safety Code

**Consideration to Adopt Ordinance No. 1654, An Ordinance of the City Council Amending Chapter 22 (Businesses) and Chapter 106 (Zoning) to Expressly Prohibit Medical Cannabis Dispensaries, Medical Cannabis Cultivation, City-Based Medical Cannabis Delivery Operations, and All Commercial Cannabis Activities in All Areas of the City, Excluding Medical Cannabis Delivery Activities Originating from Legal Dispensaries Outside of the City of San Fernando**

Page 2 of 10

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Section 11262.5 et seq. and was intended to enable persons who are in need of medical marijuana for specified medical purposes, such as cancer, anorexia, AIDS, chronic pain, glaucoma and arthritis, to obtain and use marijuana under limited circumstances and where recommended by a physician.

3. The CUA provides that “nothing in this section shall be construed or supersede legislation prohibiting persons from engaging in conduct that endangers others, or to condone the diversion of marijuana for non-medical purposes.”
4. In 2004, the California Legislature enacted the Medical Marijuana Program Act (Health and Safety Code, § 11362.7 et seq.) (the “MMP”), which clarified the scope of the CUA, created a state-approved voluntary medical marijuana identification card program, and authorized cities to adopt and enforce rules and regulations consistent with the MMP.
5. Assembly Bill 2650 (2010) and Assembly Bill 1300 (2011) amended the MMP to expressly recognize the authority of counties and cities to “[a]dopt local ordinances that regulate the location, operation, or establishment of a medical marijuana cooperative or collective” and to civilly and criminally enforce such ordinances.
6. California courts have found that neither the CUA nor the MMP provide medical marijuana patients with an unfettered right to obtain, cultivate, or dispense marijuana for medical purposes.
7. On January 18, 2011, the City Council adopted Ordinance No. 1603, “An Ordinance of the City of San Fernando Amending Section 22-64 of Division 1 of Article II of Chapter 22 of the City Code Relating to the Conduct of Unlawful Businesses.” Based on Ordinance No. 1603, Section 22-64 (“Unlawful business not authorized”) of Division 1 (“Generally”) of Article II (“Licensing”) of Chapter 22 (“Businesses”) of the San Fernando City Code was amended to read as follows:

“Sec. 22-64. – Unlawful business not authorized.

No license issued under this article shall be construed as authorizing the conduct or continuance of any illegal or unlawful business or the provision or sale of any service or product that is illegal under the laws of the United States or the State of California, or any ordinance of the city. Notwithstanding any provision of this Code to the contrary, any use of land, operation, or business that is in violation of state and/or federal law shall be prohibited in all planning areas, districts, or zones within the city.”

**Consideration to Adopt Ordinance No. 1654, An Ordinance of the City Council Amending Chapter 22 (Businesses) and Chapter 106 (Zoning) to Expressly Prohibit Medical Cannabis Dispensaries, Medical Cannabis Cultivation, City-Based Medical Cannabis Delivery Operations, and All Commercial Cannabis Activities in All Areas of the City, Excluding Medical Cannabis Delivery Activities Originating from Legal Dispensaries Outside of the City of San Fernando**

Page 3 of 10

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(Source: [https://www.municode.com/library/ca/san\\_fernando/codes/code\\_of\\_ordinances](https://www.municode.com/library/ca/san_fernando/codes/code_of_ordinances).)

8. In 2013, the California Supreme Court in the case of *City of Riverside v. Inland Empire Patients Health and Wellness Center* (2013) 56 Cal.4th 729, found the CUA and MMP do not preempt a city's local regulatory authority and confirmed a city's ability to prohibit medical marijuana dispensaries within its boundaries.
9. In 2013, the California Third District Appellate Court held that state law does "not preempt a city's police power to prohibit the cultivation of all marijuana within the city." Furthermore, the Federal Controlled Substances Act (21 U.S. C., § 801 et seq.) makes it unlawful under federal law for any person to cultivate, manufacture, distribute or dispense, or possess with intent to manufacture, distribute, or dispense marijuana. Despite the above-referenced law, on August 29, 2013, the United States Department of Justice issued a letter stating that, notwithstanding the federal government's classification of marijuana, one can reasonably expect the federal government to stand down and defer to local marijuana regulations that are strict and robust.
10. In September 2015, the California State Legislature enacted, and Governor Brown signed into law three bills – Assembly Bill 243, Assembly Bill 266, and Senate Bill 643 – which together comprise the Medical Marijuana Regulation and Safety Act (the "MMRSA"). The MMRSA creates a comprehensive dual state licensing system for the cultivation, manufacture, retail, sale, transport, distribution, delivery, and testing of medical cannabis. The MMRSA contains new statutory provisions that:
  - a. Allow local government to enact ordinances expressing of their intent to prohibit the cultivation of marijuana and not administer a conditional use permit program pursuant to Health and Safety Code Section 11362.777 for the cultivation of marijuana (Health and Safety Code, § 11362.777(c)(4));
  - b. Expressly provide that the Act does not supersede or limit local authority for local law enforcement activity, enforcement of local ordinances, or enforcement of local permit or licensing requirements regarding marijuana (Business and Professions Code, § 19315(a));
  - c. Expressly provide that the Act does not limit the authority or remedies of a local government under any provision of law regarding marijuana, including, but not limited to, a local government's right to make and enforce within its limits all police regulations not in conflict with its general laws (Business and Professions Code, § 19316(c)); and

**Consideration to Adopt Ordinance No. 1654, An Ordinance of the City Council Amending Chapter 22 (Businesses) and Chapter 106 (Zoning) to Expressly Prohibit Medical Cannabis Dispensaries, Medical Cannabis Cultivation, City-Based Medical Cannabis Delivery Operations, and All Commercial Cannabis Activities in All Areas of the City, Excluding Medical Cannabis Delivery Activities Originating from Legal Dispensaries Outside of the City of San Fernando**

Page 4 of 10

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- d. Require a local government that wishes to prevent marijuana delivery activity (as defined in Business and Professions Code, § 19300.5(m)) from operating within the local government's boundaries to enact an ordinance affirmatively banning such delivery activity (Business and Professions, § 19340(a)).
11. Pursuant to California Constitution Article XI, Section 7, the City of San Fernando (the "City") has the authority to enact local planning and land use regulations to protect the public health, safety, and welfare of the City's residents through its police power.
12. The Attorney General's August 2008 Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use recognizes that certain Marijuana related commercial activities can create adverse impacts absent reasonable regulations to address these impacts. Furthermore, City Police Department and City Community Development Department building and safety and code enforcement personnel have had personal experience in investigating illegal indoor cultivations. These indoor cultivation of marijuana have in some instances resulted in un-permitted structural alterations to buildings that have resulted in adverse effects to the structural integrity of the building. The indoor cultivation has also resulted in illegal modification of electrical transmission wires to un-permitted indoor cultivation sites that have used high wattage grow lights and excessive use of electricity which collectively increased the risk of fire and present a clear and present danger to the building, its occupants and nearby businesses and residences.
13. On March 1, 2016, the Planning and Preservation (P&P) Commission held a noticed Public Hearing in order to consider a proposed Zone Text Amendment 2016-001. Subsequent to the Public Hearing and P&P Commission discussion, the P&P Commission voted to approve Resolution No. 2016-004 (Attachment "B") recommending to the City Council adoption of proposed Ordinance (Attachment "A") that would amend Chapter 22 (Businesses) and Chapter 106 (Zoning) to expressly prohibit medical cannabis dispensaries, medical cannabis cultivation, medical cannabis deliveries, and all commercial cannabis activities in all areas of the City and make the associated environmental determination under the California Environmental Quality Act.

During public input, comments were made regarding potentially allowing medical cannabis deliveries to occur within the City. City Planning staff informed the P&P Commission that the Ordinance as written prohibited all commercial cannabis activities within the City including deliveries. As part of the subsequent discussion by the P&P Commission, Assistant City Attorney Isabel Birrueta provided some clarification about the delivery component of the propose City Code amendments and applicable statewide regulations.

**Consideration to Adopt Ordinance No. 1654, An Ordinance of the City Council Amending Chapter 22 (Businesses) and Chapter 106 (Zoning) to Expressly Prohibit Medical Cannabis Dispensaries, Medical Cannabis Cultivation, City-Based Medical Cannabis Delivery Operations, and All Commercial Cannabis Activities in All Areas of the City, Excluding Medical Cannabis Delivery Activities Originating from Legal Dispensaries Outside of the City of San Fernando**

Page 5 of 10

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Subsequent to the March 1, 2016, P&P Commission meeting, Ms. Birrueta conducted further review of applicable state regulations regarding whether cannabis deliveries that originate in other jurisdictions (by operators with valid local and state permits) but that terminate in San Fernando are authorized for those people that are homebound. Ms. Birrueta determined that MMRSA supports Subsection (c) of Section 106–194 of the proposed Ordinance prohibiting deliveries that originate or terminate in the City. Specifically, Business and Professions Code Section 19340(a) states: “[d]eliveries, as defined in this chapter, can only be made by a dispensary and in a city, county, or city and county that does not explicitly prohibit it by local ordinance.” For example, proposed Ordinance No. 1654 would prohibit a delivery from a dispensary in the City of Los Angeles to an individual, or even qualified patient, residing and located in the City of San Fernando, without exception.

14. On April 7, 2016, a noticed of Public Hearing before the City Council for the proposed Ordinance No. 1654: “An Ordinance of the City Council Amending Chapter 22 (Businesses) and Chapter 106 (Zoning) to Expressly Prohibit Medical Cannabis Dispensaries, Medical Cannabis Cultivation, Medical Cannabis Deliveries, and All Commercial Cannabis Activities in All Areas of the City” was published in the *San Fernando Valley Sun Newspaper*.
15. On April 18, 2016, the City Council held a duly noticed Public Hearing to consider the proposed Ordinance No. 1654. Subsequent to discussion and public comment, the City Council voted to continue the Public Hearing to a special meeting on Monday, April 25, 2016, in order to allow time to address comments and concerns from the City Council related to allowing medical cannabis deliveries from legal dispensaries located outside the City of San Fernando to homebound individuals needing medical cannabis. In addition, the City Council appointed an Ad-hoc Committee made up of Mayor Gonzales and Vice Mayor Fajardo to work with City staff and the City Attorney to address City Council concerns with the proposed Ordinance. Prior to the special meeting, City staff determined that additional time was necessary to work with the City Council Ad-hoc Committee and the City Attorney to fully vet the Ordinance and a notice of cancellation was posted.
16. On April 23, 2016, an updated Public Hearing notice before the City Council for the proposed Ordinance No. 1654: ““An Ordinance of the City Council Amending Chapter 22 (Businesses) and Chapter 106 (Zoning) to Expressly Prohibit Medical Cannabis Dispensaries, Medical Cannabis Cultivation, City-Based Medical Cannabis Delivery Operations, and All Commercial Cannabis Activities in All Areas of the City, Excluding Medical Cannabis Delivery Activities Originating from Legal Dispensaries Outside of the City of San Fernando” was published in the *Los Angeles Daily News Newspaper*. (Attachment “C”).

**Consideration to Adopt Ordinance No. 1654, An Ordinance of the City Council Amending Chapter 22 (Businesses) and Chapter 106 (Zoning) to Expressly Prohibit Medical Cannabis Dispensaries, Medical Cannabis Cultivation, City-Based Medical Cannabis Delivery Operations, and All Commercial Cannabis Activities in All Areas of the City, Excluding Medical Cannabis Delivery Activities Originating from Legal Dispensaries Outside of the City of San Fernando**

Page 6 of 10

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**ANALYSIS:**

Existing City Regulations

The City of San Fernando Zoning Ordinance, City Code Chapter 106 (Zoning) currently has a provision in each of the City's zoning districts, which states "All uses are prohibited except those expressly permitted by the provisions of this section ['section' as noted herein refers to individual sections of the zoning code for each designated zoning district]." Historically, the City has not permitted medical marijuana (cannabis) dispensaries, cultivation, deliveries, and all commercial cannabis activities citywide pursuant to the City's permissive zoning provisions. Under the City's permissive zoning provisions, the City has prohibited land uses that are not expressly identified in the City Code as permitted or conditionally permitted primary and/or accessory land uses.

Medical marijuana (cannabis) dispensaries, cultivation, deliveries, and all commercial cannabis activities are not listed uses, either as permitted or conditionally permitted uses. The City's position to not allow medical marijuana (cannabis) dispensaries, cultivation, deliveries, and all commercial cannabis activities as well as other non-identified land uses is established through the City's police powers pursuant to California Constitution Article XI, Section 7.

Changes to State legislation on medical marijuana and cannabis uses inclusive of MMRSA as well as ongoing requests to establish medical marijuana dispensaries and most recently inquiries regarding medical marijuana cultivation facilities have made it necessary for the City to consider expressly prohibiting medical marijuana (cannabis) dispensaries, cultivation, deliveries, and all commercial cannabis activities citywide. As a result, the City Attorney has prepared the attached Draft Ordinance (Attachment "A").

In addition, the City currently has a provision in City Code Section 22-64 (Unlawful businesses not authorized), which states *"No license issued under this article shall be construed as authorizing the conduct or continuance of any illegal or unlawful business or the provision or sale of any service or product that is illegal under the laws of the United States or the State of California, or any ordinance of the city. Notwithstanding any provision of this [City] Code to the contrary, any use of land, operation, or business that is in violation of state and/or federal law shall be prohibited in all planning areas, districts, or zones within the city."* Based on this City Code provision, the City has not allowed any medical marijuana businesses to be established in City because federal law does not allow it. Therefore, this new Ordinance would not have any effect on any existing businesses in the City.

Based on input from the City Council Ad-Hoc Committee, the proposed Ordinance No. 1654 has been amended to allow limited commercial cannabis deliveries to qualified patients or primary

**Consideration to Adopt Ordinance No. 1654, An Ordinance of the City Council Amending Chapter 22 (Businesses) and Chapter 106 (Zoning) to Expressly Prohibit Medical Cannabis Dispensaries, Medical Cannabis Cultivation, City-Based Medical Cannabis Delivery Operations, and All Commercial Cannabis Activities in All Areas of the City, Excluding Medical Cannabis Delivery Activities Originating from Legal Dispensaries Outside of the City of San Fernando**

Page 7 of 10

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care givers with valid state-issued medical marijuana identification cards (Business and Professions Code, § 19300.5(2)) from legally operating and licensed dispensaries that are located outside the City. The commercial deliveries would be subject to a City permit issued via the Police Department and subject to review and approval of the Police Chief (Section 106-1495 et. seq.). The proposed Police Department permitting process to allow for limited commercial cannabis deliveries is similar to regulations adopted by the cities of Oceanside and Emeryville. It is the intent of the updated Ordinance to address public and City Council concerns and comments related to allowing patients residing in the City to have access to medical cannabis.

Proposed Zone Text Amendment Required Findings.

Pursuant to City Code Section 106-19 Subsections (c)(1) and (c)(2), City Planning staff has determined, and the P&P Commission has concurred, that the proposed zoning text amendment is consistent with the following findings of fact as discussed below:

- **The proposed Zone Text Amendment is consistent with the objectives, policies, general land uses and programs of the City's General Plan.**

The proposed Zone Text Amendment 2016-001 and associated City Code Amendment to expressly prohibit medical marijuana (cannabis) dispensaries, cultivation, city-based delivery operations, and all commercial cannabis activities, excluding medical cannabis delivery activities originating from legal dispensaries outside of the City are consistent with the General Plan, zoning regulations, and development policies. The General Plan's goals, objectives, and policies do not permit or contemplate the establishment or operation of medical marijuana/cannabis dispensaries, medical marijuana/cannabis cultivation, city-based medical marijuana/cannabis deliveries, and commercial cannabis activities with the exclusion that allows for medical cannabis delivery activities originating from legal dispensaries outside the City to local patients and their primary car givers.

Zone Text Amendment 2016-001 and associated City Code Amendment prohibiting medical marijuana (cannabis) dispensaries, cultivation, city-based deliveries (excluding medical cannabis delivery activities originating from legal dispensaries outside of the City), and all commercial cannabis activities citywide do not create new law, but rather clarify the City's existing prohibitions on medical marijuana/cannabis dispensaries, medical marijuana/cannabis cultivation, city-based medical marijuana/cannabis deliveries (excluding medical cannabis delivery activities originating from legal dispensaries outside of the City), and commercial cannabis activities. Collectively, the proposed City Code Amendments banning medical marijuana (cannabis) dispensaries, cultivation, city-based deliveries (excluding medical cannabis delivery activities originating from legal dispensaries outside of the City), and all commercial cannabis activities citywide is consistent with the City of San

**Consideration to Adopt Ordinance No. 1654, An Ordinance of the City Council Amending Chapter 22 (Businesses) and Chapter 106 (Zoning) to Expressly Prohibit Medical Cannabis Dispensaries, Medical Cannabis Cultivation, City-Based Medical Cannabis Delivery Operations, and All Commercial Cannabis Activities in All Areas of the City, Excluding Medical Cannabis Delivery Activities Originating from Legal Dispensaries Outside of the City of San Fernando**

Page 8 of 10

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Fernando General Plan Land Use Element Goals, which seek to “retain the small town character of San Fernando,” “promote the economic viability of commercial areas,” and “maintain an identity that is distinct from surrounding communities” while also meeting the City General Plan Land Use Element Objectives that seek to conserve single-family neighborhoods and attract new commercial activities to the downtown areas. (Source: City General Plan Land Use Element Goals and Objectives; Page IV-6.)

The banned cannabis activities noted as part of the proposed Zone Text Amendment 2016-001 and associated Ordinance would help meet the aforementioned General Plan goals and objectives by reducing the potential for: un-permitted structural modifications to buildings; excessive demands on water and electrical utilities resulting from indoor cannabis cultivation activities; and public nuisance and crime activities resulting from loitering and potential crime against businesses that store product and large deposit of monies from sales, which make them potential targets of burglaries.

- **The adoption of the proposed Zone Text Amendment would not be detrimental to the public interest, health, safety, convenience or welfare.**

The proposed Zone Text Amendment 2016-001 and associated City Code Amendment to expressly prohibit medical marijuana (cannabis) dispensaries, cultivation, city-based deliveries (excluding medical cannabis delivery activities originating from legal dispensaries outside of the City), and all commercial cannabis activities citywide will also promote the purpose of Title 106 (Zoning) of the San Fernando Municipal Code, which is to serve the public health, safety, comfort, convenience and general welfare by making the City’s proscription of cannabis dispensaries, cannabis cultivation, city-based cannabis deliveries (excluding medical cannabis delivery activities originating from legal dispensaries outside of the City), and commercial cannabis activities clear and unambiguous. The proposed Zone Text Amendment 2016-001 and associated City Code Amendment to expressly prohibit medical marijuana (cannabis) dispensaries, cultivation, city-based deliveries (excluding medical cannabis delivery activities originating from legal dispensaries outside of the City), and all commercial cannabis activities citywide will ensure that all properties in the City remain free of the deleterious impacts associated with cannabis-related uses.

The proposed Zone Text Amendment 2016-001 and associated City Code Amendment to expressly prohibit medical marijuana (cannabis) dispensaries, cultivation, city-based deliveries (excluding medical cannabis delivery activities originating from legal dispensaries outside of the City), and all commercial cannabis activities citywide authorizes no change to the environment and thus will add nothing potentially detrimental to the public interest, health, safety, convenience or welfare.



**Consideration to Adopt Ordinance No. 1654, An Ordinance of the City Council Amending Chapter 22 (Businesses) and Chapter 106 (Zoning) to Expressly Prohibit Medical Cannabis Dispensaries, Medical Cannabis Cultivation, City-Based Medical Cannabis Delivery Operations, and All Commercial Cannabis Activities in All Areas of the City, Excluding Medical Cannabis Delivery Activities Originating from Legal Dispensaries Outside of the City of San Fernando**

Page 9 of 10

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Environmental Review.

This project has been reviewed for compliance with CEQA. In accordance with the provisions of the CEQA Guidelines, the City as the "Lead Agency" has determined that adoption and implementation of the proposed Zone Text Amendment Code Amendment 2016-001 and associated City Code Amendment to expressly prohibit medical marijuana (cannabis) dispensaries, cultivation, city-based deliveries (excluding state-licensed medical cannabis delivery activities originating from legal dispensaries outside of the City), and all commercial cannabis activities citywide does not have the potential to cause significant effects on the environment and is exempt from the California Environmental Quality Act ("CEQA"), pursuant to CEQA Guidelines Section 15061(b)(3), because it amends the San Fernando Municipal Code to make clear that on cannabis dispensaries, cannabis cultivation, city-based cannabis deliveries (excluding state-licensed medical cannabis delivery activities originating from legal dispensaries outside of the City), and commercial cannabis activities are not permitted in the City. Therefore, based on the evaluation of adverse impacts, it can be seen with certainty that there is no possibility that the establishment of bans on cannabis-related activities will have a significant effect on the environment. If the City Council concurs with City Planning Staff and the P&P Commission's assessment and the City Council adopts the draft Ordinance as presented, then no further environmental assessment is necessary.

**BUDGET IMPACT:**

City Council adoption of Ordinance No. 1654 will not have an adverse impact on the City's budget. The proposed Ordinance would maintain the status quo by expressly prohibiting any medical marijuana businesses (excluding state-licensed medical cannabis delivery activities originating from legal dispensaries outside of the City) to be established in the City. Therefore, this new Ordinance would not have any effect on any existing businesses in the City.

**CONCLUSION:**

It is City staff's assessment that the City Code and associated Zone Text Amendments pursuant to the City Council's adoption of the attached Ordinance No. 1654 is warranted in order to expressly prohibit any medical marijuana businesses from being established in the City. Ordinance No. 1654 adoption and subsequent implementation will help preserve community character and expressly prohibiting medical marijuana (cannabis) dispensaries, cultivation, city-based deliveries (excluding state-licensed medical cannabis delivery activities originating from legal dispensaries outside of the City), and all commercial cannabis activities citywide authorizes no change to the environment and thus will add nothing potentially detrimental to the public interest, health, safety, convenience or welfare.

**Consideration to Adopt Ordinance No. 1654, An Ordinance of the City Council Amending Chapter 22 (Businesses) and Chapter 106 (Zoning) to Expressly Prohibit Medical Cannabis Dispensaries, Medical Cannabis Cultivation, City-Based Medical Cannabis Delivery Operations, and All Commercial Cannabis Activities in All Areas of the City, Excluding Medical Cannabis Delivery Activities Originating from Legal Dispensaries Outside of the City of San Fernando**

Page 10 of 10

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**ATTACHMENTS:**

- A. Ordinance No. 1654
- B. April 18, 2016 Agenda Report to City Council
- C. Public Notice

**ATTACHMENT “A”****ORDINANCE NO. 1654**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SAN FERNANDO, CALIFORNIA AMENDING CHAPTER 22 (BUSINESSES) AND CHAPTER 106 (ZONING) TO EXPRESSLY PROHIBIT MEDICAL CANNABIS DISPENSARIES, MEDICAL CANNABIS CULTIVATION, CITY-BASED MEDICAL CANNABIS DELIVERY OPERATIONS, AND ALL COMMERCIAL CANNABIS ACTIVITIES IN ALL AREAS OF THE CITY, EXCLUDING MEDICAL CANNABIS DELIVERY ACTIVITIES ORIGINATING FROM LEGAL DISPENSARIES OUTSIDE OF THE CITY OF SAN FERNANDO**

**WHEREAS**, in 1996, the California Legislature approved Proposition 215, also known as the Compassionate Use Act (the “CUA”), which was codified under Health and Safety Code Section 11262.5 et seq. and was intended to enable persons who are in need of medical marijuana for specified medical purposes, such as cancer, anorexia, AIDS, chronic pain, glaucoma and arthritis, to obtain and use marijuana under limited circumstances and where recommended by a physician; and

**WHEREAS**, the CUA provides that “nothing in this section shall be construed or supersede legislation prohibiting persons from engaging in conduct that endangers others, or to condone the diversion of marijuana for non-medical purposes.”; and

**WHEREAS**, in 2004, the California Legislature enacted the Medical Marijuana Program Act (Health and Safety Code, § 11362.7 et seq.)(the “MMP”), which clarified the scope of the CUA, created a state-approved voluntary medical marijuana identification card program, and authorized cities to adopt and enforce rules and regulations consistent with the MMP; and

**WHEREAS**, Assembly Bill 2650 (2010) and Assembly Bill 1300 (2011) amended the MMP to expressly recognize the authority of counties and cities to “[a]dopt local ordinances that regulate the location, operation, or establishment of a medical marijuana cooperative or collective” and to civilly and criminally enforce such ordinances; and

**WHEREAS**, California courts have found that neither the CUA nor the MMP provide medical marijuana patients with an unfettered right to obtain, cultivate, or dispense marijuana for medical purposes; and

**WHEREAS**, in 2013, the California Supreme Court in the case of *City of Riverside v. Inland Empire Patients Health and Wellness Center* (2013) 56 Cal.4th 729, found the CUA and MMP do not preempt a city’s local regulatory authority and confirmed a city’s ability to prohibit medical marijuana dispensaries within its boundaries; and

**WHEREAS**, in 2013, the California Third District Appellate Court held that state law does “not preempt a city’s police power to prohibit the cultivation of all marijuana within the city.”; and

**WHEREAS**, the Federal Controlled Substances Act (21 U.S. C., § 801 et seq.) makes it unlawful under federal law for any person to cultivate, manufacture, distribute or dispense, or possess with intent to manufacture, distribute, or dispense marijuana; and

**WHEREAS**, despite the above-referenced federal laws, on August 29, 2013, the United States Department of Justice issued a letter stating that one can reasonably expect the federal government to stand down and defer to state and local marijuana regulations that are strict and robust; and

**WHEREAS**, in September 2015, the California State Legislature enacted, and Governor Brown signed into law three bills – Assembly Bill 243, Assembly Bill 266, and Senate Bill 643 – which together comprise the Medical Marijuana Regulation and Safety Act (the “MMRSA”); and

**WHEREAS**, the MMRSA creates a comprehensive dual state licensing system for the cultivation, manufacture, retail, sale, transport, distribution, delivery, and testing of medical cannabis; and

**WHEREAS**, the MMRSA contains new statutory provisions that:

- Allow local government to enact ordinances expressing of their intent to prohibit the cultivation of marijuana and not administer a conditional use permit program pursuant to Health and Safety Code Section 11362.777 for the cultivation of marijuana (Health & Saf. Code, § 11362.777(c)(4));
- Expressly provide that the Act does not supersede or limit local authority for local law enforcement activity, enforcement of local ordinances, or enforcement of local permit or licensing requirements regarding marijuana (Bus. & Prof. Code, § 19315(a));
- Expressly provide that the Act does not limit the authority or remedies of a local government under any provision of law regarding marijuana, including, but not limited to, a local government’s right to make and enforce within its limits all police regulations not in conflict with its general laws (Bus. & Prof. Code, § 19316(c));
- Require a local government that wishes to prevent marijuana delivery activity (as defined in Business and Professions Code Section 19300.5(m)) from operating within the local government’s boundaries to enact an ordinance affirmatively banning such delivery activity (Bus. & Prof. Code, § 19340(a)); and

**WHEREAS**, pursuant to California Constitution Article XI, Section 7, the City of San Fernando (the “City”) has the authority to enact local planning and land use regulations to protect the public health, safety, and welfare of the City’s residents through its police power; and

**WHEREAS**, the Attorney General's August 2008 Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use recognizes that certain marijuana related commercial activities can create adverse impacts absent reasonable regulations to address these impacts; and

**WHEREAS**, the City Council finds that the limited immunity from specified state marijuana laws provided by the CUA, MMP, and MMRSA do not confer a land use right or the right to create or maintain a public nuisance; and

**WHEREAS**, the City Council finds that, although cannabis dispensaries, cannabis cultivation, cannabis deliveries, and commercial cannabis activities are prohibited in the City, pursuant to the tenets of permissive zoning, it is prudent to explicitly proscribe such activities in order to preclude ambiguity in the City's prohibition of such actions; and

**WHEREAS**, with regard to cannabis deliveries, Business and Professions Code Section 19340(a) of the MMRSA prohibits cannabis deliveries in cities that explicitly prohibit such deliveries by local ordinance; and

**WHEREAS**, the City Council wishes to allow certain commercial cannabis deliveries to locations within the City of San Fernando provided such deliveries originate from legal marijuana dispensaries located outside the territorial boundaries of the City of San Fernando; and

**WHEREAS**, adoption of this Ordinance would bar cannabis delivery operations headquartered in, or otherwise originating from, the City of San Fernando; and

**WHEREAS**, the Planning and Preservation Commission conducted a duly noticed public hearing on March 1, 2016 concerning the prospective recommendation set forth herein at which evidence, both written and oral, was presented; and

**WHEREAS**, the City Council public hearing was noticed in accordance with the requirements set forth in Government Code sections 65090 and 65091.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SAN FERNANDO, CALIFORNIA DOES HEREBY ORDAIN AS FOLLOWS:**

**SECTION 1.** The facts set forth in the recitals above are true and correct.

**SECTION 2.** Section 22-64 (Unlawful business not authorized) of Division 1 (Generally) of Article II (Licensing) of Chapter 22 (Businesses) of the San Fernando Municipal Code is amended in its entirety to read as follows:

**Sec. 22-64 Unlawful business not authorized.**

- (a) No license issued under this article shall be construed as authorizing the conduct or continuance of any illegal or unlawful business or the provision or sale of any service or product that is illegal under the laws of the United States or the State of California, or any ordinance of the city. Notwithstanding any provision of this Code to the contrary, no business license shall be issued for any use of land, operation, or business in all planning

areas, districts, or zones within the city that is in violation of local, state and/or federal law.

- (b) Except as otherwise authorized under Section 106-1495 of the San Fernando Municipal Code, no license shall be issued under this article relating to the establishment and/or operation of any business or the provision or sale of any service or product relating to cannabis dispensaries, cannabis cultivation, cannabis deliveries, and commercial cannabis activities, as such terms are defined in Section 106-1493.

**SECTION 3.** Article VI (General Regulations) of Chapter 106 (Zoning) of the San Fernando City Code is amended by the addition of Division 18 (Medical Marijuana/Cannabis Prohibitions), which shall read as follows:

### **Division 18 – Medical Marijuana/Cannabis Prohibitions**

#### **Sec. 106-1493 Definitions.**

“Cannabis” shall have the same meaning as set forth in California Business and Professions Code Section 19300.5(f), as the same may be amended from time to time.

“Caregiver” or “primary caregiver” shall have the same meaning as set forth in California Business and Professions Code Section 11362.7, as may be amended from time to time.

“Commercial cannabis activity” shall have the same meaning as set forth in California Business and Professions Code Section 19300.5(k), as the same may be amended from time to time, and shall include, but not be limited to the cultivation, possession, manufacture, processing, storing, laboratory testing, labeling, transporting, distribution, or sale of medical cannabis or a medical cannabis product.

“Cooperative” or “collective” shall mean two or more persons collectively or cooperatively cultivating, using, transporting, possessing, administering, delivering, or making available cannabis, with or without compensation.

“Cultivation” or “Cultivate” shall have the same meaning as set forth in California Business and Professions Code Section 19300.5(l), as the same may be amended from time to time.

“Delivery” shall have the same meaning as set forth in California Business and Professions Code Section 19300.5(m), as the same may be amended from time to time.

“Dispensary” shall have the same meaning as set forth in California Business and Professions Code Section 19300.5(n), as may be amended from time to time. For purposes of this Division 18, and Section 22-64, “dispensary” shall also include a cooperative/collective.

“Distribution” shall have the same meaning as set forth in California Business and Professions Code Section 19300.5(p), as may be amended from time to time.

“Manufacturing” shall mean and refer to the activities of “manufacturers” at “manufacturing sites,” as such terms are defined in California Business and Professions Code Section 19300.5(y) and 19300.5(af), respectively.

“Medical cannabis,” “medical cannabis product,” and “cannabis product” shall have the same meaning as set forth in California Business and Professions Code Section 19300.5(ag), as may be amended from time to time.

“Medical Marijuana Regulation and Safety Act” or “MMRSA” shall mean and refer to California Assembly Bill 243, California Assembly Bill 266, and California Senate Bill 643, as may be amended from time to time.

“Qualifying patient” or “qualified patient” shall have the same meaning as set forth in California Business and Professions Code Section 11362.7, as may be amended from time to time.

#### **Sec. 106-1494 Prohibitions.**

- (a) Cannabis dispensaries, cannabis cultivation, cannabis deliveries, and commercial cannabis activities are expressly prohibited in all zones throughout the City.
- (b) The prohibitions set forth in this Section 106-1494 shall apply to all activities for which a State of California license is required pursuant to the MMRSA, which shall preclude the City’s provision or issuance of any permit, license, entitlement, and/or approval for any activity is required under the MMRSA.
- (c) To any extent not prohibited under Subsection (a) of this Section 106-1494, cultivation by a qualified patient and/or a primary caregiver, is expressly prohibited in all zones in the City. No person, including a qualified patient and/or a primary caregiver, shall cultivate any amount of cannabis in the City, even for medical purposes.

#### **Sec. 106-1495 Limited Deliveries Permitted.**

- (a) Notwithstanding the prohibitions set forth in Section 106-1494, cannabis deliveries may be permitted to a qualified patient or primary caregiver in possession of a valid, State of California-issued identification card, issued pursuant to Business and Professions Code Section 19300.5(w), from a legally operating, licensed dispensary, located outside of the City of San Fernando in possession of a current and valid City-issued permit (“Police Department Safety Permit”) issued in accordance with this Section 106-1495, as specified.
- (b) Application. The form and content of the application for a Police Department Safety Permit shall be approved by the Chief of Police. The application shall be signed under penalty of perjury, and the following standards constitute the minimum application standards to qualify for a permit to deliver cannabis pursuant to this Section 106-1495:

- (1) Name, address, and contact information of the applicant; if the applicant is a corporation, the names and addresses of its directors;
  - (2) Name, address, and contact information of the applicant's business;
  - (3) Current and valid proof of their permit(s) to operate a dispensary from the outside licensing city and/or county in which such dispensary is located;
  - (4) Upon commencement of the State of California's issuance of licenses under the MMRSA, current and valid proof of a license issued by a state licensing authority, as defined in Business and Professions Code Section 19300.5(w);
  - (5) Acord insurance forms indicating applicant's ability to comply with the insurance requirements set forth in this Section 106-1495;
  - (6) Listing of all vehicles, devices, and platforms used by the applicant for delivery of cannabis, pursuant to this Section 106-1495, including the vehicle' smoke, model, year, license plate number and vehicle identification number;
  - (7) Proof of current and valid California Department of Vehicle registration for all vehicles applicant shall use for delivery of cannabis, pursuant to this Section 106-1495;
  - (8) Copies of a valid, government-issued identification for all persons that the applicant will use to delivery cannabis pursuant to this Section 106-1495. All such persons must be at least 21 years of age at the time of submittal of the application for cannabis delivery.
- (c) Review of the Application. The Chief of Police shall consider the application, as well as the criminal records, if any, and personal references, if demanded by the Chief of Police, of individuals identified in the application, and any other results from investigation into the application, as deemed necessary by the Chief of Police.
- (d) Disapproval of the Application. If the Chief of Police disapproves of an application sought under this Section 106-1495, he or she shall notify the applicant in writing, stating the reasons for the disapproval. Notification of the disapproval shall be delivered by first class mail to the applicant.
- (e) Appeal of Disapproval.
- (1) Within fifteen (15) calendar days of transmittal of the Chief of Police's notice of disapproval of an application, the applicant denied approval may appeal the disapproval by notifying the City Clerk in writing of the appeal, the reasons for the appeal, and payment of any accompanying fees.
  - (2) The City Clerk shall set a hearing on the appeal and shall fix a date and time certain, within thirty (30) calendar days after the receipt of the applicant's appeal, unless the City and the applicant agree to a longer period of time to consider the appeal. The



City Clerk shall provide notice of the date, time, and place of the hearing, at least seven (7) calendar days prior to the date of the hearing.

- (3) The City Manager shall appoint a hearing officer to hear the appeal and determine the order of procedure, and rule on objections to the admissibility of evidence. The applicant and the Chief of Police shall each have the right to submit documents, call and examine witnesses, cross-examine witnesses, and argue their respective positions. The proceedings shall be informal, free of application of the strict rules of evidence. All evidence shall be admissible if it is of the and that a reasonably prudent person would rely upon in making a determination on the matter.
- (4) The hearing officer shall issue a written decision within fifteen (15) days after the close of the hearing. The decision of the hearing officer shall be final.
- (f) Grounds for Denial, Revocation, or Suspension of Permit. The granting of a Police Department Safety Permit or a renewal thereof may be denied and an existing permit revoked or suspended if the applicant, permittee, or any individual employed or acting as an agent for an applicant or permittee to deliver cannabis in the City does any of the following:
  - (1) Knowingly makes a false statement in the application or in any other reports or other documentation furnished to the City;
  - (2) Engages vehicles for delivery that are not maintained or operated in a manner and in a condition required by law and applicable regulations;
  - (3) Has been convicted of any offense relating to the use, sale, possession, or transportation of a controlled substance;
  - (4) Has been convicted of any felony, convicted of any offense involving moral turpitude, convicted of driving under the influence of alcohol or drugs, or does not possess a driver's license;
  - (5) Has been involved in three (3) or more motor vehicle collisions within the year preceding the application;
  - (6) Utilizes vehicles or delivery personnel for deliveries, which are not identified to the City in its application;
  - (7) Fails to pay required City fees and taxes; or
  - (8) Violates any provision of this Section 106-1495.
- (g) Suspension and Revocation.
  - (1) If the Chief of Police determines that the activities of a holder of a Police Department Safety Permit issued under this Section 106-1495 constitute a significant threat to the public health, safety, and/or welfare, the Chief of Police may suspend such permit and

the rights and privileges thereunder until a hearing officer renders a written decision on the revocation of such permit.

- (2) The Chief of Police shall give notice to a permittee of his or her intent to revoke a Police Department Safety Permit in the same manner as a notice of disapproval and provide the City Clerk with a copy of such notice.
  - (3) The hearing for the revocation of a Police Department Safety Permit shall be set and conducted in the same manner as an appeal of disapproval. The decision of the hearing officer shall be final.
- (h) Permittee Obligations. Individuals issued permits under this Section 106-1495 shall have all of the following duties and obligations:
- (1) Comply with all applicable federal, state, and local laws;
  - (2) Obtain and maintain a business license from the City;
  - (3) Maintain, at all times, all licenses and permits required by state and local laws and provide immediate notification to the Chief of Police if any such state and/or local license and/or permit is revoked or suspended;
  - (4) All deliveries must be packaged in compliance with Business and Professions Code Section 19347 and any other regulations promulgated by the California Department of Health;
  - (5) Any person who delivers cannabis pursuant to a permit issued under this Section 106-1495 shall keep a copy of such permit in his or her possession while effectuating any and all deliveries pursuant to such permit and shall make such permit copy available to law enforcement, upon request;
  - (6) Deliveries shall not advertise cannabis, the name of the permittee, nor any other commercial cannabis activities;
  - (7) Deliveries shall be made directly to the residence or business address of the qualified patient or the qualified patient's primary caregiver, upon proof of a valid, State of California-issued identification card, issued pursuant to Business and Professions Code Section 19300.5(w). All other deliveries are prohibited;
  - (8) Deliveries shall occur only between the hours of 6:00 a.m. and 6:00 p.m.;
  - (9) No permittee shall transport or cause to be transported cannabis in excess of the limits established by the State Bureau of Medical Marijuana. Until such limits are established, the limit shall be two (2) pounds of dried marijuana or its cannabis product equivalent;
  - (10) All orders to be delivered shall be packaged by the name of the qualified patient or qualified patient if the delivery is made directly to him or her or by the name of

both the qualified patient and primary caregiver if the delivery is made to the primary caregiver. All orders shall include a copy of the request for delivery with each package;

- (11) Maintain at all times Comprehensive Automobile Liability (owned, non-owned, hired) providing coverage at least as broad as ISO Form CA 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage, and personal injury, with limits of not less than One Million Dollars (\$1,000,000). Failure to maintain such insurance shall be a ground for denial of an application, suspension of a permit, and or revocation of a permit; and
- (12) By accepting a permit issued under this Section 106-1495, each permittee agrees to indemnify, defend and hold harmless to the fullest extent permitted by law, the City, its officers, agents and employees from and against any all actual and alleged damages, claims, liabilities, costs (including attorney's fees), suits or other expenses resulting from and arising out of or in connection with permittee's operations, except such liability causes by the active negligence, sole negligence of willful misconduct of City, its officers, agents and employees.
- (i) Fees. Applicants and permittees shall pay all applicable fees as set forth by resolution of the City Council. Applicants and permittees shall also pay the amount as prescribed by the Department of Justice of the State of California for the processing of fingerprinting. None of the above fees shall be prorated or refunded in the event of a denial, suspension, or revocation of the application or permit.
- (j) Term. All permits issued pursuant to this Section 106-1495 shall only be valid from the date of issuance through December 31 of the calendar year in which they are issued. The renewal process for the permit shall be processed in the same manner as the initial application.
- (k) Chief of Police or Designee. Any action required by the Chief of Police under this Section 106-1495 may be fulfilled by the Chief of Police's specified designee.

#### **Sec. 106-1496 Nuisance.**

Any use or condition caused, or permitted to exist, in violation of any provision of this Division 18 shall be, and is hereby declared to be, a public nuisance and may be summarily abated by the City pursuant to California Code of Civil Procedure Section 731, Article V (Nuisances) of Chapter 1 (General Provisions and Penalties) of the San Fernando City Code, and/or any other remedy available at law.

#### **Sec. 106-1497 Civil Penalties.**

In addition to any other enforcement remedies available under the San Fernando City Code, the City Attorney may bring a civil action for injunctive relief and civil penalties against any person who violates any provision of this Division 18. In any civil action that is brought pursuant to this

Division 18, a court of competent jurisdiction may award civil penalties and costs to the prevailing party.

**SECTION 4. CEQA.** As determined by the Planning and Preservation Commission on March 1, 2016 through Resolution No. 2016-004, the proposed Ordinance does not have the potential to cause significant effects on the environment and is exempt from the California Environmental Quality Act ("CEQA"), pursuant to CEQA Guidelines Section 15061(b)(3), because it amends the San Fernando City Code to make clear that on cannabis dispensaries, cannabis cultivation, cannabis deliveries, and commercial cannabis activities are not permitted in the City. Therefore, based on the evaluation of adverse impacts, it can be seen with certainty that there is no possibility that the establishment of bans on cannabis-related activities will have a significant effect on the environment.

**SECTION 5. Inconsistent Provisions.** Any provision of the San Fernando City Code or appendices thereto that conflicts with the provisions of this Ordinance, to the extent of such conflict and no further, is hereby repealed or modified to the extent necessary to affect the provisions of this Ordinance.

**SECTION 6. Severability.** If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance, or any part thereof is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance or any part thereof. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase thereof, irrespective of the fact that any one or more section, subsection, subdivision, paragraph, sentence, clause or phrase would be subsequently declared invalid or unconstitutional.

**SECTION 7. Publication.** The Mayor shall sign and the City Clerk shall attest to the passage of this Ordinance. The City Clerk shall cause the same to be published once in the official newspaper within fifteen (15) days after its adoption. This Ordinance shall become effective thirty (30) days after adoption.

**PASSED, APPROVED, AND ADOPTED** by the City Council of the City of San Fernando at its regular meeting on this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

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Robert C. Gonzales, Mayor

**ATTEST:**

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Elena G. Chávez, City Clerk

**APPROVED AS TO FORM:**

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Rick R. Olivarez, City Attorney

**STATE OF CALIFORNIA            )**  
**COUNTY OF LOS ANGELES    ) SS:**  
**CITY OF SAN FERNANDO       )**

I, Elena Chavez, City Clerk of the City of San Fernando, do hereby certify that the above and foregoing Ordinance No. \_\_\_\_\_ was introduced at the regular meeting of the City Council held on \_\_\_\_\_ day of \_\_\_\_\_ 2016, and thereafter at the regular meeting of said City Council, duly held on the \_\_\_\_\_ day of \_\_\_\_\_ 2016, was passed and adopted by the following votes to wit:

**AYES:**

**NOES:**

**ABSTAIN:**

**ABSENT:**

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Elena G. Chávez, City Clerk



## AGENDA REPORT

**To:** Mayor Robert C. Gonzales and Councilmembers

**From:** Brian Saeki, City Manager  
By: Fred Ramirez, Community Development Director

**Date:** April 18, 2016

**Subject:** Consideration to Adopt Ordinance No. 1654, An Ordinance of the City Council Amending Chapter 22 (Businesses) and Chapter 106 (Zoning) to Expressly Prohibit Medical Cannabis Dispensaries, Medical Cannabis Cultivation, Medical Cannabis Deliveries, and All Commercial Cannabis Activities in All Areas of the City

### RECOMMENDATION:

It is recommended that the City Council:

- a. Conduct a Public Hearing; and
- b. Pending public testimony, introduce for first reading, in title only, and waive further reading of Ordinance No. 1654 (Attachment "A"), "An Ordinance of the City Council Amending Chapter 22 (Businesses) and Chapter 106 (Zoning) to Expressly Prohibit Medical Cannabis Dispensaries, Medical Cannabis Cultivation, Medical Cannabis Deliveries, and All Commercial Cannabis Activities in All Areas of the City."

### BACKGROUND:

1. The Federal Controlled Substances Act (21 U.S. C., § 801 et seq.) classifies marijuana as a Schedule 1 Drug, which is defined as a drug or other substance that has a high potential for abuse, has no currently accepted medical use treatment in the United States, and that has not been accepted as safe for use under medical supervision, and makes it unlawful under federal law for any person to cultivate, manufacture, distribute or dispense, or possess with intent to manufacture, distribute, or dispense marijuana.
2. In 1987, the City of San Fernando adopted Ordinance No. 1305 the last comprehensive amendment of the City's zoning regulations. Included as part of that zone text amendment, each of the designated zoning districts includes language noting that "All uses are prohibited except those expressly permitted by the provisions of this section ['section' as noted herein refers to individual sections of the zoning code for each designated zoning district]"; this

Consideration to Adopt Ordinance No. 1654, An Ordinance of the City Council Amending Chapter 22 (Businesses) and Chapter 106 (Zoning) to Expressly Prohibit Medical Cannabis Dispensaries, Medical Cannabis Cultivation, Medical Cannabis Deliveries, and All Commercial Cannabis Activities in All Areas of the City

Page 2 of 9

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language is still part of the City's zoning ordinance for each of the designated zoning districts.

3. In 1996, the California Legislature approved Proposition 215, also known as the Compassionate Use Act (the "CUA"), which was codified under Health and Safety Code Section 11262.5 et seq. and was intended to enable persons who are in need of medical marijuana for specified medical purposes, such as cancer, anorexia, AIDS, chronic pain, glaucoma and arthritis, to obtain and use marijuana under limited circumstances and where recommended by a physician.
4. The CUA provides that "nothing in this section shall be construed or supersede legislation prohibiting persons from engaging in conduct that endangers others, or to condone the diversion of marijuana for non-medical purposes."
5. On August 29, 2013, the United States Department of Justice issued a letter stating that, notwithstanding the Federal classification of marijuana as a Schedule 1 controlled substance, one can reasonably expect the federal government to stand down and defer to State and local marijuana regulations that are strict and robust.
6. In 2004, the California Legislature enacted the Medical Marijuana Program Act (Health & Safety Code, § 11362.7 et seq.)(the "MMP"), which clarified the scope of the CUA, created a state-approved voluntary medical marijuana identification card program, and authorized cities to adopt and enforce rules and regulations consistent with the MMP.
7. Assembly Bill 2650 (2010) and Assembly Bill 1300 (2011) amended the MMP to expressly recognize the authority of counties and cities to "[a]dopt local ordinances that regulate the location, operation, or establishment of a medical marijuana cooperative or collective" and to civilly and criminally enforce such ordinances.
8. California courts have found that neither the CUA nor the MMP provide medical marijuana patients with an unfettered right to obtain, cultivate, or dispense marijuana for medical purposes.
9. On January 18, 2011, the City Council adopted City Ordinance No. 1603, "An Ordinance of the City of San Fernando Amending Section 22-64 of Division 1 of Article II of Chapter 22 of the City Code Relating to the Conduct of Unlawful Businesses." Based on the City Ordinance No. 1603, Section 22-64 ("Unlawful business not authorized") of Division 1 ("Generally") of Article II ("Licensing") of Chapter 22 ("Businesses") of the San Fernando City Code was amended to read as follows:

Consideration to Adopt Ordinance No. 1654, An Ordinance of the City Council Amending Chapter 22 (Businesses) and Chapter 106 (Zoning) to Expressly Prohibit Medical Cannabis Dispensaries, Medical Cannabis Cultivation, Medical Cannabis Deliveries, and All Commercial Cannabis Activities in All Areas of the City

Page 3 of 9

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“Sec. 22-64. – Unlawful business not authorized.

No license issued under this article shall be construed as authorizing the conduct or continuance of any illegal or unlawful business or the provision or sale of any service or product that is illegal under the laws of the United States or the State of California, or any ordinance of the city. Notwithstanding any provision of this Code to the contrary, any use of land, operation, or business that is in violation of state and/or federal law shall be prohibited in all planning areas, districts, or zones within the city.”

(Source: [https://www.municode.com/library/ca/san\\_fernando/codes/code\\_of\\_ordinances.](https://www.municode.com/library/ca/san_fernando/codes/code_of_ordinances.))

10. In 2013, the California Supreme Court in the case of *City of Riverside v. Inland Empire Patients Health and Wellness Center* (2013) 56 Cal.4th 729, found the CUA and MMP do not preempt a city’s local regulatory authority and confirmed a city’s ability to prohibit medical marijuana dispensaries within its boundaries.
11. In 2013, the California Third District Appellate Court held that state law does “not preempt a city’s police power to prohibit the cultivation of all marijuana within the city.”
12. In September 2015, the California State Legislature enacted, and Governor Brown signed into law three bills – Assembly Bill 243, Assembly Bill 266, and Senate Bill 643 – which together comprise the Medical Marijuana Regulation and Safety Act (the “MMRSA”). The MMRSA creates a comprehensive dual state licensing system for the cultivation, manufacture, retail, sale, transport, distribution, delivery, and testing of medical cannabis. The MMRSA contains new statutory provisions that:
  - a. Allow local government to enact ordinances expressing of their intent to prohibit the cultivation of marijuana and not administer a conditional use permit program pursuant to Health and Safety Code Section 11362.777 for the cultivation of marijuana (Health & Safety Code, § 11362.777(c)(4));
  - b. Expressly provide that the Act does not supersede or limit local authority for local law enforcement activity, enforcement of local ordinances, or enforcement of local permit or licensing requirements regarding marijuana (Bus. & Prof. Code, § 19315(a));
  - c. Expressly provide that the Act does not limit the authority or remedies of a local government under any provision of law regarding marijuana, including, but not limited to, a local government’s right to make and enforce within its limits all police regulations not in conflict with its general laws (Bus. & Prof. Code, § 19316(c)); and
  - d. Require a local government that wishes to prevent marijuana delivery activity (as defined in Business and Professions Code Section 19300.5(m)) from operating within the local government’s boundaries to enact an ordinance affirmatively banning such delivery



Consideration to Adopt Ordinance No. 1654, An Ordinance of the City Council Amending Chapter 22 (Businesses) and Chapter 106 (Zoning) to Expressly Prohibit Medical Cannabis Dispensaries, Medical Cannabis Cultivation, Medical Cannabis Deliveries, and All Commercial Cannabis Activities in All Areas of the City

Page 4 of 9

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activity (Bus. & Prof. Code, § 19340(a)).

13. Pursuant to California Constitution Article XI, Section 7, the City of San Fernando (the "City") has the authority to enact local planning and land use regulations to protect the public health, safety, and welfare of the City's residents through its police power.
14. The Attorney General's August 2008 Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use recognizes that the cultivation or other concentration of marijuana in any location or premises without adequate security increases the risk that nearby homes or businesses may be negatively impacted by nuisance activity such as loitering or crime. In addition, the strong smell of marijuana creates an attractive nuisance, alerting persons to the location of the valuable plants, and creating a risk of burglary, robbery or armed robbery. (Source: [http://www.counties.org/sites/main/files/file-attachments/medi\\_marijuana\\_cpcwa\\_white\\_paper.pdf](http://www.counties.org/sites/main/files/file-attachments/medi_marijuana_cpcwa_white_paper.pdf).)

Furthermore, City Police Department and City Community Development Department building and safety and code enforcement personnel have had personal experience in investigating illegal indoor cultivations. These indoor cultivation of marijuana have in some instances resulted in un-permitted structural alterations to buildings that have resulted in adverse effects to the structural integrity of the building. The indoor cultivation has also resulted in illegal modification of electrical transmission wires to un-permitted indoor cultivation sites that have used high wattage grow lights and excessive use of electricity which collectively increased the risk of fire and present a clear and present danger to the building, its occupants and nearby businesses and residences.

15. Several California cities have reported negative impacts of marijuana (cannabis) dispensaries, cultivation, deliveries, and commercial cannabis activities, including offensive odors, illegal sales and distribution of marijuana, trespassing, theft, violent robberies and robbery attempts, fire hazards, and problems associated with mold, fungus, and pests. (Source: [http://www.counties.org/sites/main/files/file-attachments/medi\\_marijuana\\_cpcwa\\_white\\_paper.pdf](http://www.counties.org/sites/main/files/file-attachments/medi_marijuana_cpcwa_white_paper.pdf).)
16. On March 1, 2016, the Planning and Preservation Commission held a noticed public hearing in order to consider a proposed Zone Text Amendment 2016-001. Subsequent to the public hearing and commission discussion, the Planning and Preservation Commission voted to approve Resolution No. 2016-004 (Attachment "B") recommending to the City Council adoption of proposed Ordinance (Attachment "A") that would amend Chapter 22 (Businesses) and Chapter 106 (Zoning) to expressly prohibit medical cannabis dispensaries, medical cannabis cultivation, medical cannabis deliveries, and all commercial cannabis activities in all areas of the City and make the associated environmental determination under the California Environmental Quality Act.

Consideration to Adopt Ordinance No. 1654, An Ordinance of the City Council Amending Chapter 22 (Businesses) and Chapter 106 (Zoning) to Expressly Prohibit Medical Cannabis Dispensaries, Medical Cannabis Cultivation, Medical Cannabis Deliveries, and All Commercial Cannabis Activities in All Areas of the City

Page 5 of 9

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During public input, comments were made regarding potentially allowing medical cannabis deliveries to occur within the City. City Planning Staff informed the commission that the ordinance as written prohibited all commercial cannabis activities within the City including deliveries. As part of the subsequent discussion by the commission, Assistant City Attorney Isabel Birrueta provided some clarification about the delivery component of the proposed City Code amendments and applicable statewide regulations.

Subsequent to the March 1, 2016, Planning & Preservation Commission meeting, City Attorney Isabel Birrueta conducted further review of applicable state regulations regarding whether cannabis deliveries that originate in other jurisdictions (by operators with valid local and state permits) but that terminate in San Fernando are authorized for those people that are homebound. Ms. Birrueta determined that MMRSA supports Subsection (c) of Section 106–194 of the proposed ordinance prohibiting deliveries that originate or terminate in the City. Specifically, Business and Professions Code Section 19340(a) states: “[d]eliveries, as defined in this chapter, can only be made by a dispensary and in a city, county, or city and county that does not explicitly prohibit it by local ordinance.” For example, proposed Ordinance No. 1654 would prohibit a delivery from a dispensary in the City of Los Angeles to an individual, or even qualified patient, residing and located in the City of San Fernando, without exception.

17. On April 7, 2016, a noticed of public hearing before the City Council for the proposed Ordinance No. 1654: “An Ordinance of the City Council Amending Chapter 22 (Businesses) and Chapter 106 (Zoning) to Expressly Prohibit Medical Cannabis Dispensaries, Medical Cannabis Cultivation, Medical Cannabis Deliveries, and All Commercial Cannabis Activities in All Areas of the City” was published in the *San Fernando Valley Sun Newspaper*.

## **ANALYSIS:**

### Existing City Regulations

The City of San Fernando Zoning Ordinance, City Code Chapter 106 (Zoning) currently has a provision in each of the City’s zoning districts, which states “All uses are prohibited except those expressly permitted by the provisions of this section [‘section’ as noted herein refers to individual sections of the zoning code for each designated zoning district].” Historically, the City of San Fernando has not permitted medical marijuana (cannabis) dispensaries, cultivation, deliveries, and all commercial cannabis activities citywide pursuant to the City’s permissive zoning provisions. Under the City’s permissive zoning provisions, the City has prohibited land uses that are not expressly identified in the City Code as permitted or conditionally permitted primary and/or accessory land uses.

Consideration to Adopt Ordinance No. 1654, An Ordinance of the City Council Amending Chapter 22 (Businesses) and Chapter 106 (Zoning) to Expressly Prohibit Medical Cannabis Dispensaries, Medical Cannabis Cultivation, Medical Cannabis Deliveries, and All Commercial Cannabis Activities in All Areas of the City

Page 6 of 9

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Medical marijuana (cannabis) dispensaries, cultivation, deliveries, and all commercial cannabis activities are not listed uses, either as permitted or conditionally permitted uses. The City's position to not allow medical marijuana (cannabis) dispensaries, cultivation, deliveries, and all commercial cannabis activities as well as other non-identified land uses is established through the City's police powers pursuant to California Constitution Article XI, Section 7.

Changes to State legislation on medical marijuana and cannabis uses inclusive of MMRSA as well as ongoing requests to establish medical marijuana dispensaries and most recently inquiries regarding medical marijuana cultivation facilities have made it necessary for the City to consider expressly prohibiting medical marijuana (cannabis) dispensaries, cultivation, deliveries, and all commercial cannabis activities citywide. As a result, the City Attorney has prepared the attached Draft Ordinance (Attachment "A").

In addition, the City of San Fernando currently has a provision in City Code Section 22-64 (Unlawful businesses not authorized), which states *"No license issued under this article shall be construed as authorizing the conduct or continuance of any illegal or unlawful business or the provision or sale of any service or product that is illegal under the laws of the United States or the State of California, or any ordinance of the city. Notwithstanding any provision of this [City] Code to the contrary, any use of land, operation, or business that is in violation of state and/or federal law shall be prohibited in all planning areas, districts, or zones within the city."* Based on this City Code provision, the City has not allowed any medical marijuana businesses to be established in City of San Fernando because federal law does not allow it. Therefore, this new Ordinance would not have any effect on any existing businesses in the City.

#### Proposed Zone Text Amendment Required Findings.

Pursuant to City Code Section 106-19 Subsections (c)(1) and (c)(2), City Planning Staff has determined and the Planning and Preservation Commission has concurred that the proposed zoning text amendment is consistent with the following findings of fact as discussed below:

- **The proposed zone text amendment is consistent with the objectives, policies, general land uses and programs of the City's General Plan.**

The proposed Zone Text Amendment 2016-001 and associated City Code Amendment to expressly prohibit medical marijuana (cannabis) dispensaries, cultivation, deliveries, and all commercial cannabis activities citywide are consistent with the General Plan, zoning regulations, and development policies. The General Plan's goals, objectives, and policies do not permit or contemplate the establishment or operation of medical marijuana/cannabis dispensaries, medical marijuana/cannabis cultivation, medical marijuana/cannabis deliveries, and commercial cannabis activities.

Consideration to Adopt Ordinance No. 1654, An Ordinance of the City Council Amending Chapter 22 (Businesses) and Chapter 106 (Zoning) to Expressly Prohibit Medical Cannabis Dispensaries, Medical Cannabis Cultivation, Medical Cannabis Deliveries, and All Commercial Cannabis Activities in All Areas of the City

Page 7 of 9

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Zone Text Amendment 2016-001 and associated City Code Amendment prohibiting medical marijuana (cannabis) dispensaries, cultivation, deliveries, and all commercial cannabis activities citywide do not create new law, but rather clarify the City's existing prohibitions on medical marijuana/cannabis dispensaries, medical marijuana/cannabis cultivation, medical marijuana/cannabis deliveries, and commercial cannabis activities. Collectively, the proposed city code amendments banning medical marijuana (cannabis) dispensaries, cultivation, deliveries, and all commercial cannabis activities citywide is consistent with the City of San Fernando General Plan Land Use Element Goals, which seek to "retain the small town character of San Fernando," "promote the economic viability of commercial areas," and "maintain an identity that is distinct from surrounding communities" while also meeting the City General Plan Land Use Element Objectives that seek to conserve single family neighborhoods and attract new commercial activities to the downtown areas. (Source: City General Plan Land Use Element Goals and Objectives; Page IV-6.)

The banned cannabis activities noted as part of the proposed Zone Text Amendment 2016-001 and associated Ordinance would help meet the aforementioned General Plan goals and objectives by reducing the potential for: un-permitted structural modifications to buildings; excessive demands on water and electrical utilities resulting from indoor cannabis cultivation activities; and public nuisance and crime activities resulting from loitering and potential crime against businesses that store product and large deposit of monies from sales, which make them potential targets of burglaries.

- **The adoption of the proposed zone text amendment would not be detrimental to the public interest, health, safety, convenience or welfare.**

The proposed Zone Text Amendment 2016-001 and associated City Code Amendment to expressly prohibit medical marijuana (cannabis) dispensaries, cultivation, deliveries, and all commercial cannabis activities citywide will also promote the purpose of Title 106 (Zoning) of the San Fernando Municipal Code, which is to serve the public health, safety, comfort, convenience and general welfare by making the City's proscription of cannabis dispensaries, cannabis cultivation, cannabis deliveries, and commercial cannabis activities clear and unambiguous. The proposed Zone Text Amendment 2016-001 and associated City Code Amendment to expressly prohibit medical marijuana (cannabis) dispensaries, cultivation, deliveries, and all commercial cannabis activities citywide will ensure that all properties in the City remain free of the deleterious impacts associated with cannabis-related uses.

The proposed Zone Text Amendment 2016-001 and associated City Code Amendment to expressly prohibit medical marijuana (cannabis) dispensaries, cultivation, deliveries, and all commercial cannabis activities citywide authorizes no change to the environment and thus will add nothing potentially detrimental to the public interest, health, safety, convenience or welfare.

Consideration to Adopt Ordinance No. 1654, An Ordinance of the City Council Amending Chapter 22 (Businesses) and Chapter 106 (Zoning) to Expressly Prohibit Medical Cannabis Dispensaries, Medical Cannabis Cultivation, Medical Cannabis Deliveries, and All Commercial Cannabis Activities in All Areas of the City

Page 8 of 9

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#### Environmental Review.

This project has been reviewed for compliance with CEQA. In accordance with the provisions of the CEQA Guidelines, the City of San Fernando as the "Lead Agency" has determined that adoption and implementation of the proposed Zone Text Amendment Code Amendment 2016-001 and associated City Code Amendment to expressly prohibit medical marijuana (cannabis) dispensaries, cultivation, deliveries, and all commercial cannabis activities citywide does not have the potential to cause significant effects on the environment and is exempt from the California Environmental Quality Act ("CEQA"), pursuant to CEQA Guidelines Section 15061(b)(3), because it amends the San Fernando Municipal Code to make clear that on cannabis dispensaries, cannabis cultivation, cannabis deliveries, and commercial cannabis activities are not permitted in the City. Therefore, based on the evaluation of adverse impacts, it can be seen with certainty that there is no possibility that the establishment of bans on cannabis-related activities will have a significant effect on the environment. If the City Council concurs with City Planning Staff and the Planning and Preservation Commission's assessment and the City Council adopts the draft Ordinance as presented, then no further environmental assessment is necessary.

#### **BUDGET IMPACT:**

City Council adoption of Ordinance No. 1654 will not have an adverse impact on the City's budget. The proposed ordinance would maintain the status quo by expressly prohibiting any medical marijuana businesses to be established in City of San Fernando. Therefore, this new Ordinance would not have any effect on any existing businesses in the City.

#### **CONCLUSION:**

It is City staff's assessment that the City Code and associated zone text amendments pursuant to the Council's adoption of the attached Ordinance No. 1654 is warranted in order to expressly prohibit any medical marijuana businesses from being established in City of San Fernando. Ordinance adoption and subsequent implementation will help preserve community character and expressly prohibiting medical marijuana (cannabis) dispensaries, cultivation, deliveries, and all commercial cannabis activities citywide authorizes no change to the environment and thus will add nothing potentially detrimental to the public interest, health, safety, convenience or welfare.

Consideration to Adopt Ordinance No. 1654, An Ordinance of the City Council Amending Chapter 22 (Businesses) and Chapter 106 (Zoning) to Expressly Prohibit Medical Cannabis Dispensaries, Medical Cannabis Cultivation, Medical Cannabis Deliveries, and All Commercial Cannabis Activities in All Areas of the City

Page 9 of 9

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**ATTACHMENTS:**

- A. Ordinance No. 1654
- B. Planning and Preservation Resolution 2016-004
- C. Planning and Preservation Minutes
- D. Public Notice

**ORDINANCE NO. 1654****AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SAN FERNANDO AMENDING CHAPTER 22 (BUSINESSES) AND CHAPTER 106 (ZONING) TO EXPRESSLY PROHIBIT MEDICAL CANNABIS DISPENSARIES, MEDICAL CANNABIS CULTIVATION, MEDICAL CANNABIS DELIVERIES, AND ALL COMMERCIAL CANNABIS ACTIVITIES IN ALL AREAS OF THE CITY**

WHEREAS, the Federal Controlled Substances Act (21 U.S. C., § 801 et seq.) classifies marijuana as a Schedule 1 Drug, which is defined as a drug or other substance that has a high potential for abuse, has no currently accepted medical use treatment in the United States, and that has not been accepted as safe for use under medical supervision, and makes it unlawful under federal law for any person to cultivate, manufacture, distribute or dispense, or possess with intent to manufacture, distribute, or dispense marijuana; and

WHEREAS, in 1996, the California Legislature approved Proposition 215, also known as the Compassionate Use Act (the "CUA"), which was codified under Health and Safety Code Section 11262.5 et seq. and was intended to enable persons who are in need of medical marijuana for specified medical purposes, such as cancer, anorexia, AIDS, chronic pain, glaucoma and arthritis, to obtain and use marijuana under limited circumstances and where recommended by a physician; and

WHEREAS, the CUA provides that "nothing in this section shall be construed or supersede legislation prohibiting persons from engaging in conduct that endangers others, or to condone the diversion of marijuana for non-medical purposes."; and

WHEREAS, in 2004, the California Legislature enacted the Medical Marijuana Program Act (Health & Saf. Code, § 11362.7 et seq.)(the "MMP"), which clarified the scope of the CUA, created a state-approved voluntary medical marijuana identification card program, and authorized cities to adopt and enforce rules and regulations consistent with the MMP; and

WHEREAS, Assembly Bill 2650 (2010) and Assembly Bill 1300 (2011) amended the MMP to expressly recognize the authority of counties and cities to "[a]dopt local ordinances that regulate the location, operation, or establishment of a medical marijuana cooperative or collective" and to civilly and criminally enforce such ordinances; and

WHEREAS, California courts have found that neither the CUA nor the MMP provide medical marijuana patients with an unfettered right to obtain, cultivate, or dispense marijuana for medical purposes; and

WHEREAS, in 2013, the California Supreme Court in the case of *City of Riverside v. Inland Empire Patients Health and Wellness Center* (2013) 56 Cal.4th 729, found the CUA and



MMP do not preempt a city's local regulatory authority and confirmed a city's ability to prohibit medical marijuana dispensaries within its boundaries; and

WHEREAS, in 2013, the California Third District Appellate Court held that state law does "not preempt a city's police power to prohibit the cultivation of all marijuana within the city."; and

WHEREAS, on August 29, 2013, the United States Department of Justice issued a letter stating that, notwithstanding the federal classification of marijuana as a schedule 1 controlled substance, one can reasonably expect the federal government to stand down and defer to state and local marijuana regulations that are strict and robust; and

WHEREAS, in September 2015, the California State Legislature enacted, and Governor Brown signed into law three bills – Assembly Bill 243, Assembly Bill 266, and Senate Bill 643 – which together comprise the Medical Marijuana Regulation and Safety Act (the "MMRSA"); and

WHEREAS, the MMRSA creates a comprehensive dual state licensing system for the cultivation, manufacture, retail, sale, transport, distribution, delivery, and testing of medical cannabis; and

WHEREAS, the MMRSA contains new statutory provisions that:

- Allow local government to enact ordinances expressing of their intent to prohibit the cultivation of marijuana and not administer a conditional use permit program pursuant to Health and Safety Code Section 11362.777 for the cultivation of marijuana (Health & Saf. Code, § 11362.777(c)(4));
- Expressly provide that the Act does not supersede or limit local authority for local law enforcement activity, enforcement of local ordinances, or enforcement of local permit or licensing requirements regarding marijuana (Bus. & Prof. Code, § 19315(a)); and
- Expressly provide that the Act does not limit the authority or remedies of a local government under any provision of law regarding marijuana, including, but not limited to, a local government's right to make and enforce within its limits all police regulations not in conflict with its general laws (Bus. & Prof. Code, § 19316(c));
- Require a local government that wishes to prevent marijuana delivery activity (as defined in Business and Professions Code Section 19300.5(m)) from operating within the local government's boundaries to enact an ordinance affirmatively banning such delivery activity (Bus. & Prof. Code, § 19340(a)); and

WHEREAS, pursuant to California Constitution Article XI, Section 7, the City of San Fernando (the "City") has the authority to enact local planning and land use regulations to protect the public health, safety, and welfare of the City's residents through its police power; and

WHEREAS, the Attorney General's August 2008 Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use recognizes that the cultivation or other concentration of marijuana in any location or premises without adequate security increases the risk that nearby homes or businesses may be negatively impacted by nuisance activity such as



loitering or crime; and

WHEREAS, the strong smell of marijuana creates an attractive nuisance, alerting persons to the location of the valuable plants, and creating a risk of burglary, robbery or armed robbery; and

WHEREAS, the indoor cultivation of marijuana has potential adverse effects to the structural integrity of the building, and the use of high wattage grow lights and excessive use of electricity increases the risk of fire which presents a clear and present danger to the building and its occupants; and

WHEREAS, several California cities have reported negative impacts of marijuana (cannabis) dispensaries, cultivation, deliveries, and commercial cannabis activities, including offensive odors, illegal sales and distribution of marijuana, trespassing, theft, violent robberies and robbery attempts, fire hazards, and problems associated with mold, fungus, and pests; and

WHEREAS, the City Council finds that based on the experiences of other cities, these negative effects on the public health, safety, and welfare are likely to occur in the City if marijuana (cannabis) dispensaries, cultivation, deliveries, and commercial cannabis activities are permitted; and

WHEREAS, the City Council finds that the limited immunity from specified state marijuana laws provided by the CUA, MMP, and MMRSA do not confer a land use right or the right to create or maintain a public nuisance; and

WHEREAS, the City Council finds that, although cannabis dispensaries, cannabis cultivation, cannabis deliveries, and commercial cannabis activities are prohibited in the City, pursuant to the tenets of permissive zoning, it is prudent to explicitly proscribe such activities in order to preclude ambiguity in the City's prohibition of such actions; and

WHEREAS, with regard to cannabis deliveries, Business and Professions Code Section 19340(a) of the MMRSA prohibits cannabis deliveries in cities that explicitly prohibit such deliveries by local ordinance, and adoption of this Ordinance would bar cannabis deliveries terminating in the City, even if such deliveries commenced outside in another jurisdiction; and

WHEREAS, the Planning and Preservation Commission conducted a duly noticed public hearing on March 1, 2016 concerning the prospective recommendation set forth herein at which evidence, both written and oral, was presented; and

WHEREAS, the City Council public hearing was noticed in accordance with the requirements set forth in Government Code sections 65090 and 65091.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SAN FERNANDO, CALIFORNIA DOES HEREBY ORDAIN AS FOLLOWS:

**SECTION 1.** The facts set forth in the recitals above are true and correct.

**SECTION 2.** Section 22-64 (Unlawful business not authorized) of Division 1 (Generally) of Article II (Licensing) of Chapter 22 (Businesses) of the San Fernando Municipal Code is amended in its entirety to read as follows:

**Sec. 22-64 Unlawful business not authorized.**

- (a) No license issued under this article shall be construed as authorizing the conduct or continuance of any illegal or unlawful business or the provision or sale of any service or product that is illegal under the laws of the United States or the State of California, or any ordinance of the city. Notwithstanding any provision of this Code to the contrary, no business license shall be issued for any use of land, operation, or business in all planning areas, districts, or zones within the city that is in violation of local, state and/or federal law.
- (b) No license shall be issued under this article relating to the establishment and/or operation of any business or the provision or sale of any service or product relating to cannabis dispensaries, cannabis cultivation, cannabis deliveries, and commercial cannabis activities, as such terms are defined in Section 106-1493.

**SECTION 3.** Article VI (General Regulations) of Chapter 106 (Zoning) of the San Fernando City Code is amended by the addition of Division 18 (Medical Marijuana/Cannabis Prohibitions), which shall read as follows:

**Division 18 – Medical Marijuana/Cannabis Prohibitions**

**Sec. 106-1493 Definitions.**

“Cannabis” shall have the same meaning as set forth in California Business and Professions Code Section 19300.5(f), as the same may be amended from time to time.

“Caregiver” or “primary caregiver” shall have the same meaning as set forth in California Business and Professions Code Section 11362.7, as may be amended from time to time.

“Commercial cannabis activity” shall have the same meaning as set forth in California Business and Professions Code Section 19300.5(k), as the same may be amended from time to time, and shall include, but not be limited to the cultivation, possession, manufacture, processing, storing, laboratory testing, labeling, transporting, distribution, or sale of medical cannabis or a medical cannabis product.

“Cooperative” or “collective” shall mean two or more persons collectively or cooperatively cultivating, using, transporting, possessing, administering, delivering, or making available cannabis, with or without compensation.

“Cultivation” or “Cultivate” shall have the same meaning as set forth in California Business and Professions Code Section 19300.5(l), as the same may be amended from time to time.

“Delivery” shall have the same meaning as set forth in California Business and Professions Code Section 19300.5(m), as the same may be amended from time to time.

“Dispensary” shall have the same meaning as set forth in California Business and Professions Code Section 19300.5(n), as may be amended from time to time. For purposes of this Division 18, and Section 22-64, “dispensary” shall also include a cooperative/collective.

“Distribution” shall have the same meaning as set forth in California Business and Professions Code Section 19300.5(p), as may be amended from time to time.

“Manufacturing” shall mean and refer to the activities of “manufacturers” at “manufacturing sites,” as such terms are defined in California Business and Professions Code Section 19300.5(y) and 19300.5(af), respectively.

“Medical cannabis,” “medical cannabis product,” and “cannabis product” shall have the same meaning as set forth in California Business and Professions Code Section 19300.5(ag), as may be amended from time to time.

“Medical Marijuana Regulation and Safety Act” or “MMRSA” shall mean and refer to California Assembly Bill 243, California Assembly Bill 266, and California Senate Bill 643, as may be amended from time to time.

“Qualifying patient” or “qualified patient” shall have the same meaning as set forth in California Business and Professions Code Section 11362.7, as may be amended from time to time.

#### **Sec. 106-1494 Prohibitions.**

- (a) Cannabis dispensaries, cannabis cultivation, cannabis deliveries, and commercial cannabis activities are expressly prohibited in all zones throughout the City.
- (b) The prohibitions set forth in this Section 106-1494 shall apply to all activities for which a State of California license is required pursuant to the MMRSA, which shall preclude the City’s provision or issuance of any permit, license, entitlement, and/or approval for any activity is required under the MMRSA.
- (c) To any extent not prohibited under Subsection (a) of this Section 106-1494, no person shall conduct, carry out, or facilitate cannabis deliveries, which either originate or terminate within the City.
- (d) To any extent not prohibited under Subsection (a) of this Section 106-1494, cultivation by a qualified patient and/or a primary caregiver, is expressly prohibited in all zones in the City. No person, including a qualified patient and/or a primary caregiver, shall cultivate any amount of cannabis in the City, even for medical purposes.

**Sec. 106-1495 Nuisance.**

Any use or condition caused, or permitted to exist, in violation of any provision of this Division 18 shall be, and is hereby declared to be, a public nuisance and may be summarily abated by the City pursuant to California Code of Civil Procedure Section 731, Article V (Nuisances) of Chapter 1 (General Provisions and Penalties) of the San Fernando City Code, and/or any other remedy available at law, including, but not limited to.

**Sec. 106-1496 Civil Penalties.**

In addition to any other enforcement remedies available under the San Fernando City Code, the City Attorney may bring a civil action for injunctive relief and civil penalties against any person who violates any provision of this Division 18. In any civil action that is brought pursuant to this Division 18, a court of competent jurisdiction may award civil penalties and costs to the prevailing party.

**SECTION 4. CEQA.** As determined by the Planning and Preservation Commission on March 1, 2016 through Resolution No. 2016-004, the proposed Ordinance does not have the potential to cause significant effects on the environment and is exempt from the California Environmental Quality Act (“CEQA”), pursuant to CEQA Guidelines Section 15061(b)(3), because it amends the San Fernando City Code to make clear that on cannabis dispensaries, cannabis cultivation, cannabis deliveries, and commercial cannabis activities are not permitted in the City. Therefore, based on the evaluation of adverse impacts, it can be seen with certainty that there is no possibility that the establishment of bans on cannabis-related activities will have a significant effect on the environment.

**SECTION 5. Inconsistent Provisions.** Any provision of the San Fernando City Code or appendices thereto that conflicts with the provisions of this Ordinance, to the extent of such conflict and no further, is hereby repealed or modified to the extent necessary to affect the provisions of this Ordinance.

**SECTION 6. Severability.** If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance, or any part thereof is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance or any part thereof. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase thereof, irrespective of the fact that any one or more section, subsection, subdivision, paragraph, sentence, clause or phrase would be subsequently declared invalid or unconstitutional.

**SECTION 7. Publication.** The Mayor shall sign and the City Clerk shall attest to the passage of this Ordinance. The City Clerk shall cause the same to be published once in the official newspaper within fifteen (15) days after its adoption. This Ordinance shall become effective thirty (30) days after adoption.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of San Fernando at its regular meeting on this \_\_\_\_\_ of \_\_\_\_\_, 2016.

\_\_\_\_\_  
Robert C. Gonzales, Mayor

ATTEST:

\_\_\_\_\_  
Elena Chavez  
City Clerk of the City of San Fernando

STATE OF CALIFORNIA                    )  
COUNTY OF LOS ANGELES            ) SS:  
CITY OF SAN FERNANDO                )

I, Elena Chavez, City Clerk of the City of San Fernando, do hereby certify that the above and foregoing Ordinance No. \_\_\_\_\_ was introduced at the regular meeting of the City Council held on \_\_\_\_\_ day of \_\_\_\_\_ 2016, and thereafter at the regular meeting of said City Council, duly held on the \_\_\_\_\_ day of \_\_\_\_\_ 2016, was passed and adopted by the following votes to wit:

**AYES:**

**NOES:**

**ABSTAIN:**

**ABSENT:**

\_\_\_\_\_  
Elena Chavez,  
City Clerk of the City of San Fernando



**RESOLUTION NO. 2016-004****RESOLUTION OF THE SAN FERNANDO PLANNING AND PRESERVATION COMMISSION RECOMMENDING TO THE CITY COUNCIL APPROVAL OF ZONE CODE AMENDMENT 2016-001 AMENDING CHAPTER 106 (ZONING) AND AMENDING CHAPTER 22 (BUSINESSES) TO EXPRESSLY PROHIBIT MEDICAL CANNABIS DISPENSARIES, MEDICAL CANNABIS CULTIVATION, MEDICAL CANNABIS DELIVERIES, AND ALL COMMERCIAL CANNABIS ACTIVITIES IN ALL AREAS OF THE CITY AND FINDING SUCH CODE AMENDMENT TO BE EXEMPT FROM CEQA PURSUANT TO CEQA GUIDELINES SECTION 15061(B)(3)**

WHEREAS, the Federal Controlled Substances Act (21 U.S. C., § 801 et seq.) classifies marijuana as a Schedule 1 Drug, which is defined as a drug or other substance that has a high potential for abuse, has no currently accepted medical use treatment in the United States, and that has not been accepted as safe for use under medical supervision, and makes it unlawful under federal law for any person to cultivate, manufacture, distribute or dispense, or possess with intent to manufacture, distribute, or dispense marijuana; and

WHEREAS, on August 29, 2013, the United States Department of Justice issued a letter stating that, notwithstanding the federal classification of marijuana as a schedule 1 controlled substance, one can reasonably expect the federal government to stand down and defer to state and local marijuana regulations that are strict and robust; and

WHEREAS, in 1996, the California Legislature approved Proposition 215, also known as the Compassionate Use Act (the "CUA"), which was codified under Health and Safety Code Section 11262.5 et seq. and was intended to enable persons who are in need of medical marijuana for specified medical purposes, such as cancer, anorexia, AIDS, chronic pain, glaucoma and arthritis, to obtain and use marijuana under limited circumstances and where recommended by a physician; and

WHEREAS, the CUA provides that "nothing in this section shall be construed or supersede legislation prohibiting persons from engaging in conduct that endangers others, or to condone the diversion of marijuana for non-medical purposes"; and

WHEREAS, in 2004, the California Legislature enacted the Medical Marijuana Program Act (Health & Saf. Code, § 11362.7 et seq.)(the "MMP"), which clarified the scope of the CUA, created a state-approved voluntary medical marijuana identification card program, and authorized cities to adopt and enforce rules and regulations consistent with the MMP; and

WHEREAS, Assembly Bill 2650 (2010) and Assembly Bill 1300 (2011) amended the MMP to expressly recognize the authority of counties and cities to "[a]dopt local ordinances that regulate the location, operation, or establishment of a medical marijuana cooperative or collective" and to civilly and criminally enforce such ordinances; and

WHEREAS, California courts have found that neither the CUA nor the MMP provide medical marijuana patients with an unfettered right to obtain, cultivate, or dispense marijuana for medical purposes; and



WHEREAS, in 2013, the California Supreme Court in the case of *City of Riverside v. Inland Empire Patients Health and Wellness Center* (2013) 56 Cal.4th 729, found the CUA and MMP do not preempt a city's local regulatory authority and confirmed a city's ability to prohibit medical marijuana dispensaries within its boundaries; and

WHEREAS, in 2013, the California Third District Appellate Court held that state law does "not preempt a city's police power to prohibit the cultivation of all marijuana within the city."; and

WHEREAS, in September 2015, the California State Legislature enacted, and Governor Brown signed into law three bills – Assembly Bill 243, Assembly Bill 266, and Senate Bill 643 – which together comprise the Medical Marijuana Regulation and Safety Act (the "MMRSA"); and

WHEREAS, the MMRSA creates a comprehensive dual state licensing system for the cultivation, manufacture, retail, sale, transport, distribution, delivery, and testing of medical cannabis; and

WHEREAS, the MMRSA contains new statutory provisions that:

- Allow local government to enact ordinances expressing of their intent to prohibit the cultivation of marijuana and not administer a conditional use permit program pursuant to Health and Safety Code Section 11362.777 for the cultivation of marijuana (Health & Saf. Code, § 11362.777(c)(4));
- Expressly provide that the Act does not supersede or limit local authority for local law enforcement activity, enforcement of local ordinances, or enforcement of local permit or licensing requirements regarding marijuana (Bus. & Prof. Code, § 19315(a));
- Expressly provide that the Act does not limit the authority or remedies of a local government under any provision of law regarding marijuana, including, but not limited to, a local government's right to make and enforce within its limits all police regulations not in conflict with its general laws (Bus. & Prof. Code, § 19316(c)); and
- Require a local government that wishes to prevent marijuana delivery activity (as defined in Business and Professions Code Section 19300.5(m)) from operating within the local government's boundaries to enact an ordinance affirmatively banning such delivery activity (Bus. & Prof. Code, § 19340(a)); and

WHEREAS, pursuant to California Constitution Article XI, Section 7, the City of San Fernando (the "City") has the authority to enact local planning and land use regulations to protect the public health, safety, and welfare of the City's residents through its police power; and

WHEREAS, the Attorney General's August 2008 Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use recognizes that the cultivation or other concentration of marijuana in any location or premises without adequate security increases the risk that nearby homes or businesses may be negatively impacted by nuisance activity such as loitering or crime; and

WHEREAS, the strong smell of marijuana creates an attractive nuisance, alerting persons to the location of the valuable plants, and creating a risk of burglary, robbery or armed robbery; and

WHEREAS, the indoor cultivation of marijuana has potential adverse effects to the structural integrity of the building, and the use of high wattage grow lights and excessive use of



electricity increases the risk of fire which presents a clear and present danger to the building and its occupants; and

WHEREAS, several California cities have reported negative impacts of marijuana (cannabis) dispensaries, cultivation, deliveries, and commercial cannabis activities, including offensive odors, illegal sales and distribution of marijuana, trespassing, theft, violent robberies and robbery attempts, fire hazards, and problems associated with mold, fungus, and pests; and

WHEREAS, the Planning and Preservation Commission finds that based on the experiences of other cities, these negative effects on the public health, safety, and welfare are likely to occur in the City if marijuana (cannabis) dispensaries, cultivation, deliveries, and commercial cannabis activities are permitted; and

WHEREAS, the Planning and Preservation Commission finds that the limited immunity from specified state marijuana laws provided by the CUA, MMP, and MMRSA do not confer a land use right or the right to create or maintain a public nuisance; and

WHEREAS, the Planning and Preservation Commission finds that, although cannabis dispensaries, cannabis cultivation, cannabis deliveries, and commercial cannabis activities are prohibited in the City, pursuant to the tenets of permissive zoning, it is prudent to explicitly proscribe such activities in order to preclude ambiguity in the City's prohibition of such actions; and

WHEREAS, the Planning and Preservation Commission conducted a duly noticed public hearing on March 1, 2016 concerning the prospective recommendation set forth herein at which evidence, both written and oral, was presented.

**NOW, THEREFORE, BE IT RESOLVED THAT THE PLANNING AND PRESERVATION COMMISSION FINDS AS FOLLOWS:**

SECTION 1. The facts set forth in the recitals above are true and correct and incorporated herein by this reference.

SECTION 2. This Resolution constitutes the required written recommendation by the Planning and Preservation Commission to the City Council required for this matter, in accordance with Government Code Section 65855.

SECTION 3. The proposed Zone Text Amendment Code Amendment 2016-001 and associated City Code Amendment to expressly prohibit medical marijuana (cannabis) dispensaries, cultivation, deliveries, and all commercial cannabis activities citywide are consistent with the General Plan, zoning regulations, and development policies. The General Plan's goals, objectives, and policies do not permit or contemplate the establishment or operation of medical marijuana/cannabis dispensaries, medical marijuana/cannabis cultivation, medical marijuana/cannabis deliveries, and commercial cannabis activities.

Zone Text Amendment Code Amendment 2016-001 and associated City Code Amendment prohibiting medical marijuana (cannabis) dispensaries, cultivation, deliveries, and all commercial cannabis activities citywide do not create new law, but rather clarify the City's existing prohibitions on medical marijuana/cannabis dispensaries, medical marijuana/cannabis cultivation, medical marijuana/cannabis deliveries, and commercial cannabis activities. Collectively, the proposed city code amendments banning medical marijuana (cannabis) dispensaries, cultivation, deliveries, and all commercial cannabis activities citywide is consistent with the City of San Fernando General



Plan Land Use Element Goals, which seek to “retain the small town character of San Fernando”, “promote the economic viability of commercial areas”, and “maintain an identity that is distinct from surrounding communities” while also meeting the City General Plan Land Use Element Objectives that seek to conserve single family neighborhoods and attract new commercial activities to the downtown areas. (Source: City General Plan Land Use Element Goals and Objectives; Page IV-6.)

The banned cannabis activities noted as part of the proposed Zone Text Amendment 2016-001 and associated Ordinance would help meet the aforementioned General Plan goals and objectives by reducing the potential for: un-permitted structural modifications to buildings; excessive demands on water and electrical utilities resulting from indoor cannabis cultivation activities; and public nuisance and crime activities resulting from loitering and potential crime against businesses that store product and large deposit of monies from sales, which make them potential targets of burglaries.

The proposed Zone Text Amendment Code Amendment 2016-001 and associated City Code Amendment to expressly prohibit medical marijuana (cannabis) dispensaries, cultivation, deliveries, and all commercial cannabis activities citywide will also promote the purpose of Title 106 (Zoning) of the San Fernando Municipal Code, which is to serve the public health, safety, comfort, convenience and general welfare by making the City’s proscription of cannabis dispensaries, cannabis cultivation, cannabis deliveries, and commercial cannabis activities clear and unambiguous. The proposed Zone Text Amendment Code Amendment 2016-001 and associated City Code Amendment to expressly prohibit medical marijuana (cannabis) dispensaries, cultivation, deliveries, and all commercial cannabis activities citywide will ensure that all properties in the City remain free of the deleterious impacts associated with cannabis-related uses

The proposed Zone Text Amendment Code Amendment 2016-001 and associated City Code Amendment to expressly prohibit medical marijuana (cannabis) dispensaries, cultivation, deliveries, and all commercial cannabis activities citywide authorizes no change to the environment and thus will add nothing potentially detrimental to the public interest, health, safety, convenience or welfare.

SECTION 4. The Planning and Preservation Commission finds that the proposed Zone Text Amendment Code Amendment 2016-001 and associated City Code Amendment to expressly prohibit medical marijuana (cannabis) dispensaries, cultivation, deliveries, and all commercial cannabis activities citywide does not have the potential to cause significant effects on the environment and is exempt from the California Environmental Quality Act (“CEQA”), pursuant to CEQA Guidelines Section 15061(b)(3), because it amends the San Fernando Municipal Code to make clear that on cannabis dispensaries, cannabis cultivation, cannabis deliveries, and commercial cannabis activities are not permitted in the City. Therefore, based on the evaluation of adverse impacts, it can be seen with certainty that there is no possibility that the establishment of bans on cannabis-related activities will have a significant effect on the environment.

SECTION 5. This Resolution constitutes the required written recommendation to the City Council required for this matter, in accordance with Government Code Section 65855.

SECTION 6. Based upon the conclusions in the recitals and findings set forth above, the Planning and Preservation Commission recommends that the City Council approve proposed Zone Text Amendment Code Amendment 2016-001 and associated City Code Amendment to expressly prohibit medical marijuana (cannabis) dispensaries, cultivation, deliveries, and all commercial cannabis activities citywide attached hereto as **Exhibit "A."**

SECTION 7. This Resolution shall become effective immediately upon adoption and the Secretary of the Planning and Preservation Commission of the City of San Fernando, California, shall certify to the adoption of this Resolution and shall cause a copy of the same to be forwarded to the City Council.

PASSED, APPROVED AND ADOPTED this 1st day of March 2016.

  
THEALE E. HAUPT, CHAIRPERSON

ATTEST:

  
\_\_\_\_\_  
FRED RAMIREZ, SECRETARY TO THE  
PLANNING AND PRESERVATION COMMISSION

STATE OF CALIFORNIA       )  
COUNTY OF LOS ANGELES   ) ss  
CITY OF SAN FERNANDO     )

I, FRED RAMIREZ, Secretary to the Planning and Preservation Commission of the City of San Fernando, do hereby certify that the foregoing Resolution was duly adopted by the Planning and Preservation Commission and signed by the Chairperson of said Planning and Preservation Commission at a meeting held on the 1st day of March 2016; and that the same was passed by the following vote, to wit:

AYES:           4 – Y. Mejia, A. Durham, K. Beaulieu, and T. Haupt

NOES:           0 - None

ABSENT:        0 - None

ABSTAIN:       0 - None

  
\_\_\_\_\_  
FRED RAMIREZ, SECRETARY TO THE  
PLANNING AND PRESERVATION COMMISSION



## Exhibit "A"

## ORDINANCE NO.

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY  
OF SAN FERNANDO AMENDING CHAPTER 22  
(BUSINESSES) AND CHAPTER 106 (ZONING) TO  
EXPRESSLY PROHIBIT MEDICAL CANNABIS  
DISPENSARIES, MEDICAL CANNABIS CULTIVATION,  
MEDICAL CANNABIS DELIVERIES, AND ALL  
COMMERCIAL CANNABIS ACTIVITIES IN ALL AREAS  
OF THE CITY**

WHEREAS, the Federal Controlled Substances Act (21 U.S. C., § 801 et seq.) classifies marijuana as a Schedule 1 Drug, which is defined as a drug or other substance that has a high potential for abuse, has no currently accepted medical use treatment in the United States, and that has not been accepted as safe for use under medical supervision, and makes it unlawful under federal law for any person to cultivate, manufacture, distribute or dispense, or possess with intent to manufacture, distribute, or dispense marijuana; and

WHEREAS, in 1996, the California Legislature approved Proposition 215, also known as the Compassionate Use Act (the "CUA"), which was codified under Health and Safety Code Section 11262.5 et sec. and was intended to enable persons who are in need of medical marijuana for specified medical purposes, such as cancer, anorexia, AIDS, chronic pain, glaucoma and arthritis, to obtain and use marijuana under limited circumstances and where recommended by a physician; and

WHEREAS, the CUA provides that "nothing in this section shall be construed or supersede legislation prohibiting persons from engaging in conduct that endangers others, or to condone the diversion of marijuana for non-medical purposes."; and

WHEREAS, in 2004, the California Legislature enacted the Medical Marijuana Program Act (Health & Saf. Code, § 11362.7 et seq.)(the "MMP"), which clarified the scope of the CUA, created a state-approved voluntary medical marijuana identification card program, and authorized cities to adopt and enforce rules and regulations consistent with the MMP; and

WHEREAS, Assembly Bill 2650 (2010) and Assembly Bill 1300 (2011) amended the MMP to expressly recognize the authority of counties and cities to "[a]dopt local ordinances that regulate the location, operation, or establishment of a medical marijuana cooperative or collective" and to civilly and criminally enforce such ordinances; and

WHEREAS, California courts have found that neither the CUA nor the MMP provide medical marijuana patients with an unfettered right to obtain, cultivate, or dispense marijuana for medical purposes; and

WHEREAS, in 2013, the California Supreme Court in the case of *City of Riverside v. Inland Empire Patients Health and Wellness Center* (2013) 56 Cal.4th 729, found the CUA and



MMP do not preempt a city's local regulatory authority and confirmed a city's ability to prohibit medical marijuana dispensaries within its boundaries; and

WHEREAS, in 2013, the California Third District Appellate Court held that state law does "not preempt a city's police power to prohibit the cultivation of all marijuana within the city."; and

WHEREAS, on August 29, 2013, the United States Department of Justice issued a letter stating that, notwithstanding the federal classification of marijuana as a schedule 1 controlled substance, one can reasonably expect the federal government to stand down and defer to state and local marijuana regulations that are strict and robust; and

WHEREAS, in September 2015, the California State Legislature enacted, and Governor Brown signed into law three bills – Assembly Bill 243, Assembly Bill 266, and Senate Bill 643 – which together comprise the Medical Marijuana Regulation and Safety Act (the "MMRSA"); and

WHEREAS, the MMRSA creates a comprehensive dual state licensing system for the cultivation, manufacture, retail, sale, transport, distribution, delivery, and testing of medical cannabis; and

WHEREAS, the MMRSA contains new statutory provisions that:

- Allow local government to enact ordinances expressing of their intent to prohibit the cultivation of marijuana and not administer a conditional use permit program pursuant to Health and Safety Code Section 11362.777 for the cultivation of marijuana (Health & Saf. Code, § 11362.777(c)(4));
- Expressly provide that the Act does not supersede or limit local authority for local law enforcement activity, enforcement of local ordinances, or enforcement of local permit or licensing requirements regarding marijuana (Bus. & Prof. Code, § 19315(a)); and
- Expressly provide that the Act does not limit the authority or remedies of a local government under any provision of law regarding marijuana, including, but not limited to, a local government's right to make and enforce within its limits all police regulations not in conflict with its general laws (Bus. & Prof. Code, § 19316(c));
- Require a local government that wishes to prevent marijuana delivery activity (as defined in Business and Professions Code Section 19300.5(m)) from operating within the local government's boundaries to enact an ordinance affirmatively banning such delivery activity (Bus. & Prof. Code, § 19340(a)); and

WHEREAS, pursuant to California Constitution Article XI, Section 7, the City of San Fernando (the "City") has the authority to enact local planning and land use regulations to protect the public health, safety, and welfare of the City's residents through its police power; and

WHEREAS, the Attorney General's August 2008 Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use recognizes that the cultivation or other concentration of marijuana in any location or premises without adequate security increases the risk that nearby homes or businesses may be negatively impacted by nuisance activity such as



loitering or crime; and

WHEREAS, the strong smell of marijuana creates an attractive nuisance, alerting persons to the location of the valuable plants, and creating a risk of burglary, robbery or armed robbery; and

WHEREAS, the indoor cultivation of marijuana has potential adverse effects to the structural integrity of the building, and the use of high wattage grow lights and excessive use of electricity increases the risk of fire which presents a clear and present danger to the building and its occupants; and

WHEREAS, several California cities have reported negative impacts of marijuana (cannabis) dispensaries, cultivation, deliveries, and commercial cannabis activities, including offensive odors, illegal sales and distribution of marijuana, trespassing, theft, violent robberies and robbery attempts, fire hazards, and problems associated with mold, fungus, and pests; and

WHEREAS, the City Council finds that based on the experiences of other cities, these negative effects on the public health, safety, and welfare are likely to occur in the City if marijuana (cannabis) dispensaries, cultivation, deliveries, and commercial cannabis activities are permitted; and

WHEREAS, the City Council finds that the limited immunity from specified state marijuana laws provided by the CUA, MMP, and MMRSA do not confer a land use right or the right to create or maintain a public nuisance; and

WHEREAS, the City Council finds that, although cannabis dispensaries, cannabis cultivation, cannabis deliveries, and commercial cannabis activities are prohibited in the City, pursuant to the tenets of permissive zoning, it is prudent to explicitly proscribe such activities in order to preclude ambiguity in the City's prohibition of such actions; and

WHEREAS, with regard to cannabis deliveries, Business and Professions Code Section 19340(a) of the MMRSA prohibits cannabis deliveries in cities that explicitly prohibit such deliveries by local ordinance, and adoption of this Ordinance would bar cannabis deliveries terminating in the City, even if such deliveries commenced outside in another jurisdiction; and

WHEREAS, the Planning and Preservation Commission conducted a duly noticed public hearing on March 1, 2016 concerning the prospective recommendation set forth herein at which evidence, both written and oral, was presented; and

WHEREAS, the City Council public hearing was noticed in accordance with the requirements set forth in Government Code sections 65090 and 65091.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SAN FERNANDO, CALIFORNIA DOES HEREBY ORDAIN AS FOLLOWS:

**SECTION 1.** The facts set forth in the recitals above are true and correct.

Section 22-64 (Unlawful business not authorized) of Division 1 (Generally) of Article II (Licensing) of Chapter 22 (Businesses) of the San Fernando Municipal Code is amended in its entirety to read as follows:

**Sec. 22-64 Unlawful business not authorized.**

- (a) No license issued under this article shall be construed as authorizing the conduct or continuance of any illegal or unlawful business or the provision or sale of any service or product that is illegal under the laws of the United States or the State of California, or any ordinance of the city. Notwithstanding any provision of this Code to the contrary, no business license shall be issued for any use of land, operation, or business in all planning areas, districts, or zones within the city that is in violation of local, state and/or federal law.
- (b) No license shall be issued under this article relating to the establishment and/or operation of any business or the provision or sale of any service or product relating to cannabis dispensaries, cannabis cultivation, cannabis deliveries, and commercial cannabis activities, as such terms are defined in Section 106-1493.

**SECTION 2.** Article VI (General Regulations) of Chapter 106 (Zoning) of the San Fernando City Code is amended by the addition of Division 18 (Medical Marijuana/Cannabis Prohibitions), which shall read as follows:

**Division 18 – Medical Marijuana/Cannabis Prohibitions**

**Sec. 106-1493 Definitions.**

“Cannabis” shall have the same meaning as set forth in California Business and Professions Code Section 19300.5(f), as the same may be amended from time to time.

“Caregiver” or “primary caregiver” shall have the same meaning as set forth in California Business and Professions Code Section 11362.7, as may be amended from time to time.

“Commercial cannabis activity” shall have the same meaning as set forth in California Business and Professions Code Section 19300.5(k), as the same may be amended from time to time, and shall include, but not be limited to the cultivation, possession, manufacture, processing, storing, laboratory testing, labeling, transporting, distribution, or sale of medical cannabis or a medical cannabis product.

“Cooperative” or “collective” shall mean two or more persons collectively or cooperatively cultivating, using, transporting, possessing, administering, delivering, or making available cannabis, with or without compensation.

“Cultivation” or “Cultivate” shall have the same meaning as set forth in California Business and Professions Code Section 19300.5(l), as the same may be amended from time to time.



“Delivery” shall have the same meaning as set forth in California Business and Professions Code Section 19300.5(m), as the same may be amended from time to time.

“Dispensary” shall have the same meaning as set forth in California Business and Professions Code Section 19300.5(n), as may be amended from time to time. For purposes of this Division 18, and Section 22-64, “dispensary” shall also include a cooperative/collective.

“Distribution” shall have the same meaning as set forth in California Business and Professions Code Section 19300.5(p), as may be amended from time to time.

“Manufacturing” shall mean and refer to the activities of “manufacturers” at “manufacturing sites,” as such terms are defined in California Business and Professions Code Section 19300.5(y) and 19300.5(af), respectively.

“Medical cannabis,” “medical cannabis product,” and “cannabis product” shall have the same meaning as set forth in California Business and Professions Code Section 19300.5(ag), as may be amended from time to time.

“Medical Marijuana Regulation and Safety Act” or “MMRSA” shall mean and refer to California Assembly Bill 243, California Assembly Bill 266, and California Senate Bill 643, as may be amended from time to time.

“Qualifying patient” or “qualified patient” shall have the same meaning as set forth in California Business and Professions Code Section 11362.7, as may be amended from time to time.

#### **Sec. 106-1494 Prohibitions.**

- (a) Cannabis dispensaries, cannabis cultivation, cannabis deliveries, and commercial cannabis activities are expressly prohibited in all zones throughout the City.
- (b) The prohibitions set forth in this Section 106-1494 shall apply to all activities for which a State of California license is required pursuant to the MMRSA, which shall preclude the City’s provision or issuance of any permit, license, entitlement, and/or approval for any activity is required under the MMRSA.
- (c) To any extent not prohibited under Subsection (a) of this Section 106-1494, no person shall conduct, carry out, or facilitate cannabis deliveries, which either originate or terminate within the City.
- (d) To any extent not prohibited under Subsection (a) of this Section 106-1494, cultivation by a qualified patient and/or a primary caregiver, is expressly prohibited in all zones in the City. No person, including a qualified patient and/or a primary caregiver, shall cultivate any amount of cannabis in the City, even for medical purposes.

**Sec. 106-1495 Nuisance.**

Any use or condition caused, or permitted to exist, in violation of any provision of this Division 18 shall be, and is hereby declared to be, a public nuisance and may be summarily abated by the City pursuant to California Code of Civil Procedure Section 731, Article V (Nuisances) of Chapter 1 (General Provisions and Penalties) of the San Fernando City Code, and/or any other remedy available at law, including, but not limited to.

**Sec. 106-1496 Civil Penalties.**

In addition to any other enforcement remedies available under the San Fernando City Code, the City Attorney may bring a civil action for injunctive relief and civil penalties against any person who violates any provision of this Division 18. In any civil action that is brought pursuant to this Division 18, a court of competent jurisdiction may award civil penalties and costs to the prevailing party.

**SECTION 3. CEQA.** As determined by the Planning and Preservation Commission on March 1, 2016 through Resolution No. 2016-004, the proposed Ordinance does not have the potential to cause significant effects on the environment and is exempt from the California Environmental Quality Act ("CEQA"), pursuant to CEQA Guidelines Section 15061(b)(3), because it amends the San Fernando City Code to make clear that on cannabis dispensaries, cannabis cultivation, cannabis deliveries, and commercial cannabis activities are not permitted in the City. Therefore, based on the evaluation of adverse impacts, it can be seen with certainty that there is no possibility that the establishment of bans on cannabis-related activities will have a significant effect on the environment.

**SECTION 4. Inconsistent Provisions.** Any provision of the San Fernando City Code or appendices thereto that conflicts with the provisions of this Ordinance, to the extent of such conflict and no further, is hereby repealed or modified to the extent necessary to affect the provisions of this Ordinance.

**SECTION 5. Severability.** If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance, or any part thereof is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance or any part thereof. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase thereof, irrespective of the fact that any one or more section, subsection, subdivision, paragraph, sentence, clause or phrase would be subsequently declared invalid or unconstitutional.

**SECTION 6. Publication.** The Mayor shall sign and the City Clerk shall attest to the passage of this Ordinance. The City Clerk shall cause the same to be published once in the official newspaper within fifteen (15) days after its adoption. This Ordinance shall become effective thirty (30) days after adoption.



PASSED, APPROVED, AND ADOPTED by the City Council of the City of San Fernando at its regular meeting on this \_\_\_\_\_ of \_\_\_\_\_, 2016.

\_\_\_\_\_  
Mayor of the City of San Fernando

ATTEST:

\_\_\_\_\_  
Elena Chavez  
City Clerk of the City of San Fernando

STATE OF CALIFORNIA            )  
COUNTY OF LOS ANGELES    ) SS:  
CITY OF SAN FERNANDO        )

I, Elena Chavez, City Clerk of the City of San Fernando, do hereby certify that the above and foregoing Ordinance No. \_\_\_\_\_ was introduced at the regular meeting of the City Council held on \_\_\_\_\_ day of \_\_\_\_\_ 2016, and thereafter at the regular meeting of said City Council, duly held on the \_\_\_\_\_ day of \_\_\_\_\_ 2016, was passed and adopted by the following votes to wit:

**AYES:**

**NOES:**

**ABSTAIN:**

**ABSENT:**

\_\_\_\_\_  
Elena Chavez,  
City Clerk of the City of San Fernando



**CITY OF SAN FERNANDO  
PLANNING AND PRESERVATION COMMISSION**

**APPROVED MINUTES OF THE  
MARCH 1, 2016  
CITY HALL COUNCIL CHAMBER**

**THE FOLLOWING MINUTES ARE A SUMMARY OF ACTIONS TAKEN BY THE PLANNING COMMISSION. AUDIO OF THE ACTUAL MEETING ARE AVAILABLE FOR LISTENING AT: [www.ci.san-fernando.ca.us/commissionandboardmeetings/#ppc](http://www.ci.san-fernando.ca.us/commissionandboardmeetings/#ppc)**

**CALL TO ORDER**

The meeting was called to order by at 6:30P.M.

**PLEDGE OF ALLEGIANCE**

Led by Theale Haupt

**ROLL CALL**

The following persons were recorded as present:

**PRESENT:**

Chairperson Theale Haupt, Vice-chair Alvin Durham, Commissioners Kevin Beaulieu, and Yvonne Mejia,

**ABSENT**

**ALSO PRESENT**

Community Development Director Fred Ramirez, Associate Planner Humberto Quintana, City Attorney Isabel Birrueta, and Community Development Secretary Michelle De Santiago

**APPROVAL OF AGENDA**

Vice chair A. Durham moved to approve the agenda of March 1, 2016. Seconded by Commissioner Y. Mejia, the motion carried with the following vote:

AYES:	A. Durham, Y. Mejia, K. Beaulieu, and T. Haupt
NOES:	None
ABSENT:	None
ABSTAIN:	None

**CONSENT CALENDAR**

Commissioner Y. Mejia moved to approve the minutes of the February 2, 2016 Planning and Preservation Commission Meeting. Seconded by Commissioner K. Beaulieu, the motion carried with the following vote:

AYES:	Y. Mejia, K. Beaulieu, A. Durham, and T. Haupt
NOES:	None
ABSENT:	None
ABSTAIN:	None

**UNFINISHED BUSINESS**

None

**PUBLIC HEARING**

**CONDITIONAL USE PERMIT 2015-009 (CUP 2015-009) – EL CAMARON CAMPEON (C/O HANI MAMMO), 13737 FOOTHILL BLVD., SYLMAR, CA – THE PROPOSED PROJECT IS A REQUEST FOR REVIEW AND APPROVAL OF A CONDITIONAL USE PERMIT TO ALLOW FOR THE ON-SITE CONSUMPTION OF BEER AND WINE WITH LIVE ENTERTAINMENT AT AN EXISTING RESTAURANT (ON-SALE BEER AND WINE FOR BONA FIDE PUBLIC EATING PLACE, TYPE 41 LICENSE), AT THE PROPERTY LOCATED AT 1161 N. MACLAY AVENUE. THE EXISTING RESTAURANT OCCUPIES A TENANT SPACE OF APPROXIMATELY 2,580 SQ. FT. WITHIN A MULTI-TENANT COMMERCIAL BUILDING. THE SUBJECT PROPERTY IS LOCATED ALONG THE WEST SIDE OF THE 1100 BLOCK OF NORTH MACLAY AVENUE, BETWEEN KNOX STREET AND EIGHTH STREET; WITHIN THE MACLAY DISTRICT (NEIGHBORHOOD SERVICES OVERLAY AREAS) OF THE SAN FERNANDO CORRIDORS SPECIFIC PLAN (SP-4) ZONE.**

**STAFF PRESENTATION**

Fred Ramirez recommended that the Planning and Preservation Commission continue the item to the next regularly scheduled meeting of April 5, 2016, to allow for additional time to work with the applicant and the property owners to address some outstanding issues. He recommended that the approval of the Agenda include the continuance of the item.

Subsequent to staff's recommendation, Vice Chair A. Durham moved to amend the approval of the Agenda of March 1, 2016 including the continuance of CUP 2015-009 to the April 5, 2016 meeting. Seconded by Commissioner Y. Mejia, the motion carried with the following vote:

AYES:	Y. Mejia, K. Beaulieu, A. Durham, and T. Haupt
NOES:	None
ABSENT:	None
ABSTAIN:	None

**PUBLIC HEARING**

**ZONE TEXT AMENDMENT 2016-001 AND CITY ORDINANCE – CITY OF SAN FERNANDO, 117 MACNEIL STREET, SAN FERNANDO, CA 91340 – CONSIDERATION OF PROPOSED ZONE TEXT AMENDMENT 2016-001 AND CITY ORDINANCE TO EXPRESSLY PROHIBIT MEDICAL CANNABIS DISPENSARIES, CULTIVATION, DELIVERIES, AND ALL COMMERCIAL CANNABIS ACTIVITIES CITYWIDE.**

**STAFF PRESENTATION**

Fred Ramirez gave the staff report recommending that the Planning and Preservation Commission:

1. Conduct a public hearing; and
2. Subsequent to the conclusion of commission discussion, adopt the attached Planning and Preservation Commission Resolution 2016-004 (Attachment No. 1) recommending to the City Council adoption of the attached Ordinance (Exhibit “A” to Attachment No. 1) Approving Zone Text Amendment 2016-001, Amending Chapter 22 (Businesses) to expressly prohibit Medical Cannabis Dispensaries, Medical Cannabis Cultivation, Medical Cannabis Deliveries, and all Commercial Cannabis Activities in all areas of the City and finding such code amendments to be exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15030(b)(3).

**PUBLIC COMMENT**

Mary Mendoza – 623 S. Brand Blvd., San Fernando, CA 91340 – Ms. Mendoza read a letter that was prepared by the San Fernando Community Coalition that supports the ban on all Medical Cannabis activities in the City of San Fernando. She stated that the letter will be presented to the City Council and signatures supporting the ban are being gathered and will be presented to the City Council as well.

Martin Joseph – 920 Orange Grove Avenue – Mr. Joseph stated that research shows that Cannabis and its products have some medical uses and does provide some comfort to those patients who are suffering from illnesses. He stated that he doesn’t support it getting into the hands of children but the Medical Cannabis can be a revenue source for the City.

Eduardo Torres – 14 year resident, he stated that he came to San Fernando because of nice street and close-knit community. He stated that he is against dispensaries in San Fernando but he does understand that if there is a need to obtain Medical Cannabis the preference would be to go outside of the City limits to obtain it. He asked that the commission make the best decision to keep the dispensaries out of children’s reach.

Rafaela Gomez – Pacoima resident, mother of three – Ms. Gomez stated that the City of San Fernando has good schools and her children are students in San Fernando. She explained that she supports the ban of Medical Cannabis Dispensaries in San Fernando.

David Bernal – 702 Fourth Street, San Fernando, CA 91340 – Mr. Bernal stated that it was an honor and privilege to work with the Planning and Preservation Commission. He asked that the commission keep in mind the patients who are homebound and can't leave the city limits to obtain the Medical Cannabis. He stated that he supports the ban on dispensaries and is concerned with the ease of access by children to cannabis as a potential recreational use.

Christine Bernal – 702 Fourth Street, San Fernando, CA 91340 – Ms. Bernal stated that the commission should take into consideration the ordinance's impact to Cannabis for medical purposes for homebound individuals and consider allowing deliveries within the city. She noted that she did support the ban of storefronts dispensaries.

Camilo Gomez (husband of Rafaela) – Mr. Gomez stated that by allowing Medical Cannabis Dispensaries to operate in San Fernando would create problems for the city. He stated that by allowing this type of business to operate in San Fernando it would generate much needed revenue but the community would not benefit from it.

Isabel Birrueta provided some clarification about the delivery component of the Text Amendment. She stated that this Ordinance response to new State Law that requires local governments who wish to want to prevent delivery businesses to be established within the City Limits. However if a permitted Medical Cannabis business has its approvals to operate outside of the city, they can deliver to the City of San Fernando residents based on the Business and Professional Code 19388(B) and 193440(F).

T. Haupt stated that what Ms. Birrueta just clarified is different than what Fred has presented.

*[Subsequent to the March 1, 2016, Planning & Preservation Commission meeting, City Attorney Isabel Birrueta conducted further review of applicable state regulations regarding whether cannabis deliveries that originate in other jurisdictions (by operators with valid local and state permits) but that **terminate** in San Fernando are authorized for those people that are homebound. Ms. Birrueta determined that MMRSA supports Subsection (c) of Section 106–194 of the proposed ordinance prohibiting deliveries that originate **or terminate** in the City. Specifically, Business and Professions Code Section 19340(a) states: "Deliveries, as defined in this chapter, can only be made by a dispensary and in a city, county, or city and county that does not explicitly prohibit it by local ordinance."]*

Cindy Montañez – 608 Hollister Street, San Fernando, CA 91340 – Ms. Montañez thanked staff and the City Attorney for putting together such a strong Ordinance and it could be a good model for other Cities who want to ban all Medical Cannabis activities. Questioned whether the City can ban deliveries within our city limits. She stated she encouraged the City Council to support

and vote in favor of the Ordinance. She thanked former Commissioner David Bernal for his service and she stated that the five members worked well together.

Lupita Camacho – Lives in Lake View Terrace – Ms. Camacho stated that she is a business owner in San Fernando and sometimes she stays late at her place of business and she is concerned that by allowing this activity it will bring crime to the City.

Jose Castillo – Real Estate Broker – Mr. Castillo is an advocate for family. He stated that by allowing this type of business it going to adversely affect property values and quality of life. He stated he supports the ban.

### **COMMISSION DISCUSSION**

K. Beaulieu stated that it is obvious that Medical Cannabis does provide some medical benefits, however, the Commission's decision is for the benefit of the City. He stated that the City might be in a different position if this is placed on the November ballot.

Y. Mejia stated that she echoes Commissioner Beaulieu's comments and further noted that she does understand the need of individuals to have access to medical cannabis. She noted that she did support the zone text amendment to ban all commercial cannabis activities within the city limits.

A. Durham stated that it is an important subject and if we need to adjust pending the voting outcome.

T. Haupt stated that he hopes that Ms. Bernal concerns with delivery had been answered and at this point he doesn't have a problem with the proposed ordinance as it is written.

Isabel Birrueta recommended that the City Attorney's office add a section that has to do with deliveries. Additionally the definition of Caregiver is defined as Business and Profession's Code and it should be Health and Safety Code. The definition of Qualifying Patient should be defined as Health and Safety Code.

Subsequent to discussion Commissioner Y. Mejia moved to adopt Planning and Preservation Commission Resolution 2016-004 recommending to the City Council adoption of attached Ordinance approving Zone Text Amendment 2016-001, amending Chapter 106 (Zoning) and, Chapter 22 (Businesses) to expressly prohibit medical cannabis dispensaries, medical cannabis cultivation, medical cannabis deliveries, and all commercial cannabis activities in all areas of the City and finding such code amendments to be exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA guidelines section 15030(B)(3) including the friendly amendments of "Caregiver and Qualifying Patient" definitions and the added language to the Ordinance explaining any potential "allowed deliveries" under applicable state regulations. Seconded by Vice Chair A. Durham, the motion carried with the following vote:

AYES: Y. Mejia, A. Durham, K. Beaulieu, and T. Haupt  
NOES: None  
ABSENT: None  
ABSTAIN: None

### **STAFF COMMUNICATIONS**

Fred thanked former Commissioner Bernal for his work on the Planning and Preservation Commission. He stated that he hopes that he will continue to be involved in the community.

### **COMMISSION COMMENTS**

All Commissioners expressed their appreciation of Mr. Bernal's time and input while a Commissioner.

### **PUBLIC STATEMENTS**

None

### **ADJOURNMENT**

Commissioner Chairperson T. Haupt moved to adjourn to April 5, 2016. Second by Commissioner K. Beaulieu, the motion carried with the following vote:

AYES: T. Haupt, K. Beaulieu, A. Durham, Y. Mejia  
NOES: None  
ABSENT: None  
ABSTAIN: None

7:28 P.M.

Fred Ramirez  
Planning Commission Secretary



THURSDAY, APRIL 7, 2016

[illegible]

Publish: 04/77 & 04/14/16  
San Fernando Sun  
L11476

DISTRICT COURT CLARK



## (DAILY NEWS) NOTICE OF A PUBLIC HEARING OF THE CITY COUNCIL OF THE CITY OF SAN FERNANDO NOTICE IS HEREBY...

**Source: Los Angeles Daily News**

**Category: Events & Notices » Legal & Public Notices**

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Created:	Apr 23, 2016
Expires:	Apr 30, 2016

(DAILY NEWS) NOTICE OF A PUBLIC HEARING OF THE CITY COUNCIL OF THE CITY OF SAN FERNANDO NOTICE IS HEREBY GIVEN OF A PUBLIC HEARING to be held before the City Council of the City of San Fernando to consider City Code Amendments that Amend Chapter 22 (Businesses) and Chapter 106 (Zoning) to expressly prohibit city-based Medical Cannabis Dispensaries, Medical Cannabis Cultivation, Medical Cannabis Delivery operations, and all Commercial Cannabis Activities in all areas of the City of San Fernando, except as otherwise provided below. The foregoing notwithstanding, the subject ordinance will create limited allowances for non-city-based Commercial Cannabis Activities relating to Medical Cannabis Deliveries originating from legal dispensaries outside of the City of San Fernando. Public testimony regarding the subject ordinance will be heard by the City Council on: DATE: Monday, May 2, 2016 TIME: 6:00 P.M. LOCATION: Council Chambers, 117 Macneil Street, San Fernando, CA 91340 This project has been reviewed for compliance with the California Environmental Quality Act (CEQA). Based on that assessment, the City of San Fernando as the lead agency has determined that the City Code and Zone Text Amendments included as part of the proposed ordinance are exempt under the California Environmental Quality Act (CEQA) Guidelines using the General Rule Exemption, Section 15061(b)(3) and therefore, no further environmental review is required. If you wish to challenge the adoption of the proposed ordinance in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the City of San Fernando, at or before, the public hearing. For further information regarding this proposal, you may contact the City of San Fernando, Fred Ramirez, Community Development Director, 117 Macneil Street, San Fernando, CA 91340; Telephone: (818) 898-1227. /s/ FRED RAMIREZ Community Development Director Publish April 23, 2016

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## AGENDA REPORT

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**To:** Mayor Robert C. Gonzales and Councilmembers

**From:** Brian Saeki, City Manager  
By: Chris Marcarello, Deputy City Manager/Public Works Director  
Richard Padilla, Assistant City Attorney

**Date:** May 2, 2016

**Subject:** Consideration to Adopt an Ordinance Authorizing the City to Collect Delinquent Residential Solid Waste Collection Services Fees on the Annual Tax Roll Pursuant to Health and Safety Code Sections 5473 and 5473a

### RECOMMENDATION:

It is recommended that the City Council:

- a. Receive the report from City staff;
- b. Take the matter under submission for further study by staff; or
- c. Introduce for first reading, in title only, and waive further readings of Ordinance No. 1655, "An Ordinance of the City Council of the City of San Fernando, California Amending Chapter 70 (Solid Waste and Recyclables Collection Services) of the San Fernando Municipal Code" (Attachment "A").

### BACKGROUND:

The City provides solid waste collection services through an exclusive franchise agreement with Republic Services. This agreement started on February 15, 2014 and provides for the safe and efficient collection, processing and disposal of solid waste and recyclable materials. In February 2016, the City Council reviewed a status update of unpaid residential accounts. Based on this discussion, the Council requested that staff develop a draft ordinance related to delinquent residential accounts for further consideration.

### ANALYSIS:

On December 2, 2013, the City Council approved a ten-year franchise agreement with Republic Services to provide solid waste collection services in the City of San Fernando. The scope of

## **Consideration to Adopt an Ordinance Authorizing the City to Collect Delinquent Residential Solid Waste Collection Services Fees on the Annual Tax Roll Pursuant to Health and Safety Code Sections 5473 and 5473a**

Page 2 of 4

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work includes collection services for all residential, commercial, and temporary bin rentals in the City. As a result of this agreement, collection services are provided using alternative fueled vehicles, helping to demonstrate the City's commitment to environmental sustainability. Additionally, Republic Services is responsible for customer service functions related to solid waste and recycling, including billing, account management, and public outreach/educational activities in the community. Services provided through this agreement initiated in February 2014.

### Billing for Solid Waste Collection Services

As part of the City's franchise agreement, Article 10, the contractor is responsible for the billing and collection of payments for all collection services. Rates are set according to the Maximum Service Rates that are established as part of the franchise agreement. Article 10 specifies other billing terms, including partial month service, production of invoices, billing inserts, methods of payment and delinquent service accounts, among others.

Article 10, Section 10.01.7 of the City's franchise agreement includes provisions relative to delinquent service accounts. In accordance with this section, the contractor may report delinquent accounts to the City on a monthly basis. The City is not responsible to assist in collecting on delinquent accounts or compensate the contractor for lost revenue. The contractor may take necessary action to reduce service levels on delinquent amounts, including removing recycling or green waste containers, reducing refuse/trash collection services to the smallest container size available, and if necessary, removing all solid waste containers.

According to the solid waste services contractor, Republic Services, the following delinquency statistics were reported as of January 26, 2016:

- Approximately 23.9% of the City's 651 commercial accounts are delinquent greater than **90 days** (as of January 26, 2016). This represents approximately \$18,168.28 in unpaid bills; and
- Approximately 16.8% of the City's 3,980 residential accounts are delinquent greater than **90 days** (as of January 26, 2016). This represents approximately \$101,465.07 in unpaid bills.

It should be noted that the City does not realize direct revenue related to these unpaid accounts. A franchise fee is provided by the contractor under the franchise agreement to fund the cost of administering the solid waste/recycling program and vehicle impacts to City streets, among others.

### Lien Process for Delinquent Accounts

Authority to collect delinquent solid waste fees on the tax roll is found under Health and Safety Code Section 5473 and 5473a. The attached Ordinance tracks the procedures called for under these two statutes so that each year, the City may initiate the tax roll collection process. The

**Consideration to Adopt an Ordinance Authorizing the City to Collect Delinquent Residential Solid Waste Collection Services Fees on the Annual Tax Roll Pursuant to Health and Safety Code Sections 5473 and 5473a**

Page 3 of 4

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ability to place delinquent sums on the tax roll will be conditioned upon the solid waste hauler having made multiple attempts to collect the invoice on their own by sending notice to the customer and later to both the customer and the owner of the property served by the solid waste account in those instances where the customer and the property owner are different. After following the process prescribed by Government Code Sections 5473, 5473a and related statutes, the City Council, by resolution, may approve the placement of certain delinquent sums on the tax roll by two-thirds (2/3rds) vote.

The following are some of the more salient aspects of the annual tax roll collection process:

- **Annual Report:** Annually, the City must prepare and file a report with the City Clerk describing each delinquent account and the real property parcel to which the account corresponds so that the delinquent sums may be placed on the annual tax roll. (Health and Safety Code § 5473 and § 5473a).
- **Publication:** The City Clerk must also cause notice of the time and place for a Public Hearing wherein the report is to be considered and approved by the City Council before the delinquent accounts identified in the report and the sums owed may be placed on the tax roll. The notice must be published once a week for two consecutive weeks, with at least five days between publication dates. The notice must be published in a newspaper of general circulation (Health and Safety Code § 5473.1).
- **Mail Notice:** The City will also be required to undertake mailed notice of the Public Hearing to each real property parcel tied to a delinquent service account (Health and Safety Code § 5473.1).

Property owners will be given one last opportunity to pay the delinquent sums prior to the placement on the tax roll. Also, at the Public Hearing, the City Council will be able to make modifications to the report in so far as delinquencies are cured either in full or partially or in so far as a customer or property owner are able to prove to the reasonable satisfaction of the City Council that the account was never delinquent or that there is some other error in the report for which correction is justified.

**BUDGET IMPACT:**

The City will incur administrative costs associated with the preparation of the annual report, complying with noticing requirements and payment of sums to the County of Los Angeles for their role in collecting delinquent sums on the tax roll. To offset these costs, the attached Ordinance authorizes the City Council to recover such costs up to a maximum of five (5) percent

**Consideration to Adopt an Ordinance Authorizing the City to Collect Delinquent Residential Solid Waste Collection Services Fees on the Annual Tax Roll Pursuant to Health and Safety Code Sections 5473 and 5473a**

Page 4 of 4

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which will be deducted from sums actually collected on the tax roll before sums owed to the solid waste hauler are remitted to the hauler by the City.

**CONCLUSION:**

It is recommended that the City Council provide further direction relative to establishing a lien process for delinquent residential solid waste collection services accounts.

**ATTACHMENT:**

A. Ordinance No. 1655



## ATTACHMENT "A"

## ORDINANCE NO. 1655

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF  
SAN FERNANDO, CALIFORNIA AMENDING CHAPTER 70  
(SOLID WASTE AND RECYCLABLES COLLECTION  
SERVICES) OF THE SAN FERNANDO MUNICIPAL CODE**

**WHEREAS**, pursuant to sections 5473 and 5473a of the California Health and Safety Code, municipalities may elect to have delinquent charges for trash service collected on the tax roll together with the general property tax paid by real property owners who are also residential trash service customers; and

**WHEREAS**, sections 5473 and 5473a of the California Health and Safety Code and related statutes set forth the procedures that must be followed by the City in order to collect delinquent solid waste fees and charges on the tax roll; and

**WHEREAS**, this ordinance is intended to establish procedures for the collection of such delinquent fees and charges in accordance with applicable law referenced above.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SAN FERNANDO DOES HEREBY ORDAIN AS FOLLOWS:**

**SECTION 1.** The foregoing recitals are true and correct and made a part of this Ordinance.

**SECTION 2.** Section 70-3 (Defined terms and phrases) of Article I (General Provisions) of Chapter 70 (Solid Waste and Recyclable Collection Services) of the San Fernando Municipal Code is hereby amended by the addition of the following defined term which shall appear in alphabetical order immediately following the defined term "Container":

***Customer* means any person or entity maintaining a service account with a Collector for the performance of Solid Waste and Recyclables Collection Services authorized under this Chapter. The term Customer is inclusive of persons or entities who are not the Owners of the real property parcel or portion thereof to which the service account corresponds and which is receiving the benefit of the Solid Waste and Recyclables Collection Services provided by the Collector.**

**SECTION 3.** Section 70-3 (Defined terms and phrases) of Article I (General Provisions) of Chapter 70 (Solid Waste and Recyclable Collection Services) of the San Fernando Municipal Code is hereby amended by the addition of the following defined term which shall appear in alphabetical order immediately following the defined term "Multi-family residence":

***Owner* shall mean the person or other legal entity listed on the last equalized assessment roll for the County of Los Angeles as the owner of a lot or parcel of real property within the territorial boundaries of the City of San Fernando.**

**SECTION 4.** Section 70-32 (Billing and collection of fees) of Article III (Rates) of Chapter 70 (Solid Waste and Recyclables Collection Services) is hereby amended by the addition of the following sentence at the end of the paragraph that currently comprises Section 70-32:

**“The foregoing notwithstanding, the City Council, in its sole and absolute discretion, reserves the right, but does not assume the obligation, to avail the City of the provisions and procedures of Health and Safety Code Sections 5473 and 5473a relating to the collection of delinquent solid waste service charges on the tax roll.”**

**SECTION 5.** The current text of subsection (c) of Section 70-33 (Rates, billing and collection of fees for standard residential collection service) of Article III (Rates) of Chapter 70 (Solid Waste and Recyclables Collection Services) is hereby repealed and replaced with a new subsection (c) which shall state the following:

**(c) *Collection of Delinquent Charges.***

- 1. Pursuant to, and to the extent authorized by, Health and Safety Code Sections 5473 and 5473a, the City may collect delinquent fees or charges for solid waste and recyclables collection services incurred by a Customer on the tax roll for collection by the Los Angeles County Assessor's Office.**
- 2. The Owner of any real property parcel or portion thereof located within the City of San Fernando and a Customer whose service account provides for the performance of solid waste and recyclables collection services at the subject real property parcel are jointly and severally liable for the payment of all fees and charges imposed by the Collector for the performance of such services. Owners and Customers shall also be liable for compliance with all provisions of this Chapter as relates to the subject real property parcel or portion thereof receiving solid waste and recyclables collection services.**
- 3. A solid waste and recyclables collection services bill lawfully issued by a Collector to a Customer shall be considered past due if not paid by a Customer within thirty (30) calendar days from the date payment is due or such longer grace period as may be authorized by written agreement between the Customer and the Collector. If such a bill becomes past due, the Collector shall be required to issue notice to the Customer that the bill is delinquent. If the bill is not paid in full within thirty (30) calendar days from the date the service bill is deemed past due, the Collector shall issue a second notice of delinquency to the Customer and shall also send a copy of the second notice of delinquency to the Owner, if different from the Customer. Each delinquency notice shall include the following information at a minimum:**
  - (i) A statement advising the customer that the service bill is past due;**
  - (ii) Information as to the service period to which the past due sums relate; and**
  - (iii) Information as to where the Customer may remit any and all past due sums;**
  - (iv) Information as to the proper procedures for disputing any sums set forth**

- in a service bill; and
- (v) Notice in bold print and capital letters that the matter will be submitted to the City for collection pursuant to the tax lien procedures established under this section, if the bill is not paid within thirty (30) calendar days from the date a second notice of delinquency is dated.

No later than the close of business on May 1<sup>st</sup> of each calendar year, a Collector may submit to the City a schedule of all unpaid delinquent billings from May 1<sup>st</sup> of the preceding year to May 1<sup>st</sup> of the present year accompanied by the corresponding parcel number for the real property parcel or portion thereof in question, as established or otherwise utilized by the Los Angeles County Assessor. The schedule shall also state the amount due for each delinquent Customer account for inclusion of said amount upon the property tax roll for collection by the Los Angeles County Assessor's Office. No delinquent billing shall be eligible for submission to the City on or before the 30<sup>th</sup> calendar day following the issuance of the Collector's second past due billing notice. No delinquent billing shall remain eligible for submission to the City after one year from the date the delinquent billing first becomes eligible for submission to the City.

4. In addition to any other requirements set forth under Health and Safety Code Sections 5473 and 5473a, the City shall adhere to the following procedures before submitting delinquent fees and charges to the Los Angeles County Assessor's Office for placement on the tax roll:
- (i) The City will fix a time, date and place for a public hearing regarding the report of delinquencies submitted by the Collector and any objections and protests to the report. Notice of the hearing shall be mailed to the Owner of every real property parcel listed on the report not less than ten (10) days prior to the date of the hearing. At the hearing, City shall hear any objections or protests of Owners liable to be assessed for delinquent fees or charges. The City may make revisions or corrections to the report as it deems appropriate, after which, by resolution, the report shall be confirmed.
- (ii) The delinquent fees and charges set forth in the report as confirmed shall constitute special assessments against the real property parcels listed in the report and are a lien on said real property for the amount of the delinquent fees and charges. A certified copy of the confirmed report shall be filed with the Los Angeles County Assessor's Office for the amounts of the respective assessments against the respective real property parcel as they appear on the current assessment roll. The lien created attaches upon recordation, in the office of the Los Angeles County Recorder, of a certified copy of the resolution of confirmation. The assessment may be collected at the same time and in the same manner as ordinary ad valorem property taxes are collected and shall be

subject to the same penalties and the same procedure and sale in case of delinquency as provided for those taxes.

- (iii) City shall remit to the Collector amounts collected pursuant to this process within thirty (30) days of receipt from the Los Angeles County Assessor, less any outstanding sums owed by the Collector to the City. In order to reimburse the City for any and all administrative costs associated with placing delinquent fees and charges on the tax roll and except as otherwise provided in any Collection Agreement between the City and a Collector, the City may deduct from the sums remitted by the Los Angeles County Assessor for a given tax year an amount equal to the lesser of the following: (a) the City's actual costs incurred to undertake the placement delinquent fees and charges on the tax roll, including but not limited to any and all fees or charges imposed by the Los Angeles County Assessor associated with the placement of the delinquent fees or charges on the tax roll as well as costs associated with all publication and noticing efforts; or (b) five percent (5%) of the total delinquent sums placed on the tax roll on behalf of an individual Collector.

**SECTION 6.** Adoption and implementation of this ordinance is exempt from the California Environmental Quality Act ("CEQA") as the ordinance amendments contemplated herein will have no impact on the environment.

**SECTION 7.** Severability. If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council declares that it would have passed this Ordinance and each and every section, subsection, sentence, clause or phrase not declared invalid or unconstitutional without regard to whether any portion of the Ordinance would be subsequently declared invalid or unconstitutional.

**SECTION 8.** Effective Date. In accordance with Government Code section 36937, this ordinance shall take effect and be in force 30 days after passage and adoption.

**SECTION 9.** Certification. The City Clerk is hereby authorized and directed to certify to the passage of this Ordinance by the City Council and shall cause it to be published or posted as required by law.

**PASSED, APPROVED, AND ADOPTED** by the City Council of the City of San Fernando at a regular meeting held on the \_\_\_\_ day of \_\_\_\_\_ 2016.

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Robert C. Gonzales, Mayor

**ATTEST:**

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Elena G. Chávez, City Clerk

**APPROVED AS TO FORM:**

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Rick R. Olivarez, City Attorney

**STATE OF CALIFORNIA            )**  
**COUNTY OF LOS ANGELES    )**       **SS.**  
**CITY OF SAN FERNANDO       )**

I, ELENA G. CHÁVEZ, City Clerk of the City of San Fernando, hereby certify that the foregoing Ordinance No. 1655 of the City Council of the City of San Fernando was approved and adopted by said City Council at its regular meeting held on the \_\_\_\_\_ day of \_\_\_\_\_ 2016 by the following vote, to-wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

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Elena G. Chávez, City Clerk

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## AGENDA REPORT

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**To:** Mayor Robert C. Gonzales and Councilmembers

**From:** Brian Saeki, City Manager  
By: Nick Kimball, Finance Director

**Date:** May 2, 2016

**Subject:** Presentation and Update on the 2016 Business License Program

### **RECOMMENDATION:**

It is recommended that the City Council receive and file a presentation from staff on the 2016 Business License Program.

### **BACKGROUND:**

1. Section 22 of San Fernando's City Code authorizes the collection of a Business License tax as a means of raising revenue for municipal purposes (NOTE: Issuance of a Business License is only intended to evidence that a business has paid its required fee in compliance with the City's Business Ordinance. It is not intended to evidence compliance with regulatory requirements).
2. A Business License tax is collected from all businesses, trades, professions, callings and occupations transacting and carrying on business in the City. Although there are various taxes for certain business types, in general, the tax is \$0.96 per \$1,000 in gross receipts for wholesale operations, \$1.20 per \$1,000 in gross receipts for retail operations, or \$2.40 per \$1,000 in gross receipts for professional service operations. The taxes are reduced by 50% for gross receipts in excess of \$1 million and are imposed on gross receipts in the immediate prior calendar year.
3. Business License taxes and related fees are the City's fifth largest revenue source as they generate more than \$1 million per year, which represents approximately 6% of General Fund revenues.
4. Business License renewal applications are sent out each year in December and are due prior to the last day in February. Approximately 3,000 renewals are mailed annually, with approximately 1,000 of those being businesses physically located in the City.

**Presentation and Update on the 2016 Business License Program**Page 2 of 5

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5. Prior to the economic downturn in 2007, the Finance Department had one full-time position dedicated to the Business License Program. In addition to processing all initial and renewal applications, the position spent a significant amount of time on discovery and enforcement, and worked closely with Code Enforcement to bring non-compliant businesses into compliance.
6. Due to cutbacks, two positions in Finance have been eliminated over the last five years and Business License duties were reallocated among remaining staff. One of the more costly consequences was a significant reduction in resources available to adequately enforce the City's Business License Ordinance, which resulted in lost revenue.
7. In March 2015, staff issued a Request for Proposals to provide turnkey Business License Management services. Staff received three proposals to partner with firms specializing in providing Business License services.
8. On July 20, 2015, the City Council awarded a contract to HdL Companies to provide turnkey Business License services and handle the entire Business License process for the City.
9. The transition of Business License data and related operational procedures to HdL Companies was completed in early December 2015, in time for the 2016 renewal season.

**ANALYSIS:**

Transition of all Business License operations to HdL Companies was completed in early December 2015. HdL Companies mailed renewal applications to all existing Business Licensees in late December 2015. The renewals included the option to file the renewal by phone, mail or online. Previously, renewals were only accepted through the mail or in person at City Hall.

HdL Companies also provides a call center to address all Business License questions and assist callers with completing their applications. The call center can be reached by calling a toll free number or calling the Business License extension at City Hall, which automatically connects the caller to the call center.

Finance staff facilitated the transition by providing Business License renewal applicants that came to City Hall with information for filing online or by phone. Walk-up payments were taken at City Hall on a case-by-case basis as well as the final day of renewals (i.e., Monday, February 29, 2016) so businesses renewing on the last day would not incur late penalties.

Applicants that renewed online typically received an electronic Business License Certificate within 24 hours (as soon as their payment cleared) and applicants that mailed in their renewal

## Presentation and Update on the 2016 Business License Program

Page 3 of 5

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typically received their Business License Certificate in the mail within two to three weeks, which is consistent with the timing when renewals were handled by City staff.

HdL Companies has also accommodated issuing Business Licenses to contractors doing work in the City. The City Code requires contractors have a Business License prior to issuing any permits for construction. Contractors without an existing San Fernando Business License are able to call the toll free number, complete the application over the phone, pay by credit card or e-Check, and are issued a confirmation immediately, which allows them to move forward with the permitting process without having to leave the City's Planning counter.

Now that the renewal season has concluded, HdL Companies has provided very valuable statistics to evaluate the City's program. Since this is the first year partnering with HdL Companies, these statistics will serve as a baseline to compare future progress of the program.

Some interesting statistics for the 2016 program include:

- As of March 31, 2016, total Business License tax collected was \$1,050,024 from 1,620 renewals filed, compared to \$1,010,403 (4% increase) from 1,762 renewals filed through the same period in 2015.
- Residential Rentals account for the largest number of licenses (501), followed by Retail Businesses (277), Service/Occupations (265), Commercial Rentals (136), and Wholesale/Manufacturing (115).
- Retail Businesses account for the largest amount of tax revenue (\$320,086), followed by Wholesale/Manufacturing (\$292,315), Service/Occupations (\$94,952), Professions (\$83,594), Residential Rentals (\$50,855), and Commercial Rentals (\$35,020).
- Business taxes paid by outside companies doing business in San Fernando account for 5.3% of total revenue, led by Delivery Vehicles and Contractors.
- Almost 28% (452) of businesses filed their renewal and paid their taxes and fees online. Payment by credit/debit card and e-Checks accounted for 37.5% (approx. \$400,000) of the taxes collected. This is the first year filing and paying online is an option.
- Discovery activity conducted by HdL Companies resulted in almost \$27,000 in new business tax revenue.
- Through the end of March 2016, 76% of the 2,123 Business License renewals that were mailed in December 2015 were returned. A total of 437 follow up notices were mailed in March 2016 to delinquent non-filers. Staff will continue to work with HdL Companies to bring all businesses into compliance.

## Presentation and Update on the 2016 Business License Program

Page 4 of 5

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### Customer Feedback

As can be expected when any organization implements a significant change to operations, there was an adjustment period for both staff and business owners. As noted earlier, staff provided Business License renewal applicants that came to City Hall with information for filing online or by phone. Walk-up payments were only taken at City Hall on a case-by-case basis and on the final day of renewals. Considering there were 1,620 renewals filed, there was relatively limited feedback from the business community. The feedback that was received primarily related to customers that were either unaware of the new process or were used to coming into City Hall to file their renewal.

Ultimately, partnering with HdL Companies represents an increase in service as, in addition to renewing through the mail and paying by check, business now have the option to renew online and pay using e-Check or credit card. Additionally, if a business renews online, they receive their Business Certificate by email within 24 hours of filing as opposed to the standard two to three weeks it took to receive the Certificate in the mail when processed by the City. With continued education, the nostalgia for coming into City Hall to file a renewal and make payments will be replaced with an appreciation for the ease of filing and paying by mail or online.

### **BUDGET IMPACT:**

The total cost of partnering with HdL Companies to administer the City's Business License Program in the first year will not exceed \$40,000. To date, the Business License Program has already generate \$40,000 more than the same period last year. Additionally, over the past five years there have not been sufficient staff resources to follow up with delinquent non-filing businesses. However, with HdL Companies administering the program, follow-up delinquency notices have been sent to more than 400 businesses, which could result in significant additional revenue by the end of the fiscal year.

Lastly, a significant number of staff hours have been freed to up concentrate on other operational areas, particularly water billing and upgrading the City's telephone backbone.

### **CONCLUSION:**

Considering the significant change in the way the City operates the Business License Program, staff considers the partnership with HdL Companies successful thus far. The knowledge and data transfer process to HdL Companies was smooth, renewals were mailed out on time, there has been an increase in business taxes collected, HdL Companies has initiated follow up with more than 400 delinquent non-filing businesses, there is more data available for evaluating the program going forward, and there are enhanced filing and payment options for business customers. Staff will continue to work to improve the program by educating current and

**Presentation and Update on the 2016 Business License Program**Page 5 of 5

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prospective business owners of the proper process for submitting a Business License application, including, but not limited to, additional information and web links available on the City's new website.

**ATTACHMENT:**

- A. Business License Management Report – 2016 Renewal Summary



## Business License Management Report

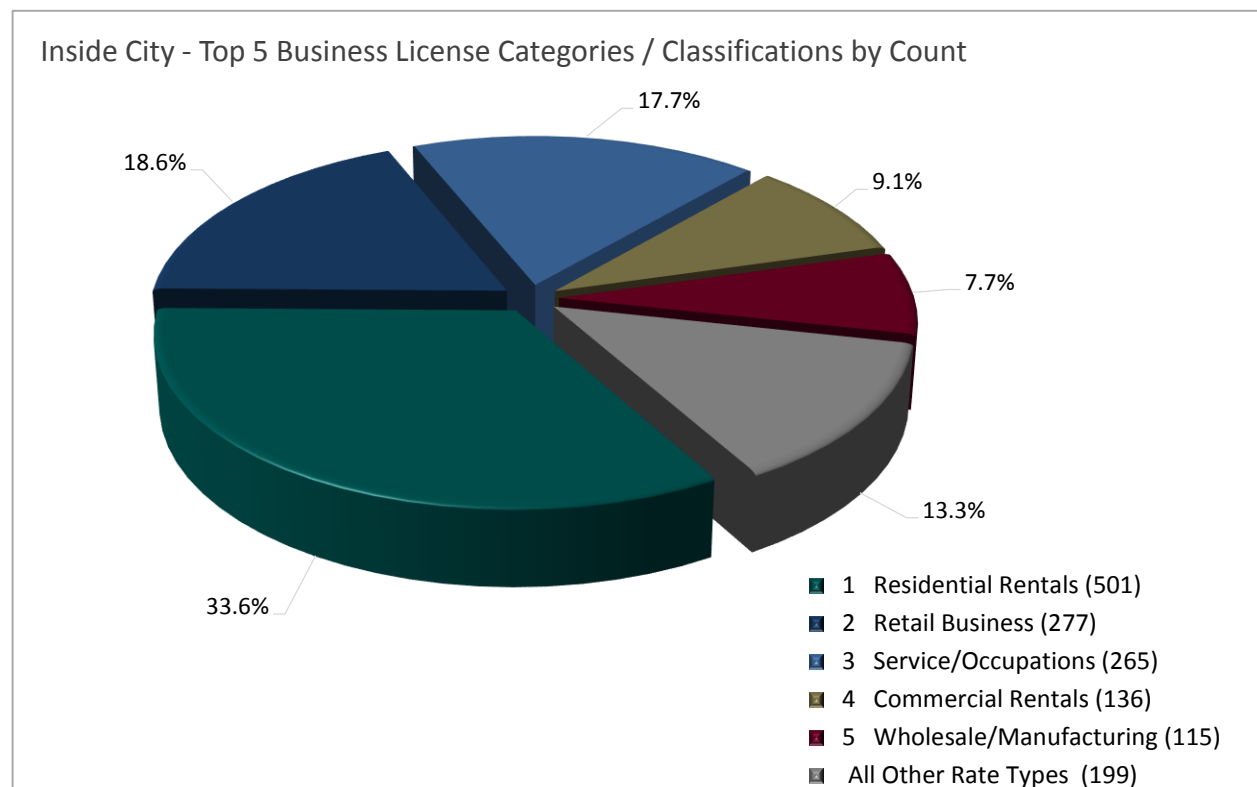
### 2016 Renewal Summary – April 19, 2016

#### Business License - Overview

A business license is an annual tax for conducting business in the City of San Fernando. The San Fernando Municipal Code requires that a business license tax must be paid before any business is conducted within the City limits. Business taxes help to fund City services like roads, fire, police and other community services. These services benefit businesses, business owners, and the general public.

#### In City Based Licenses

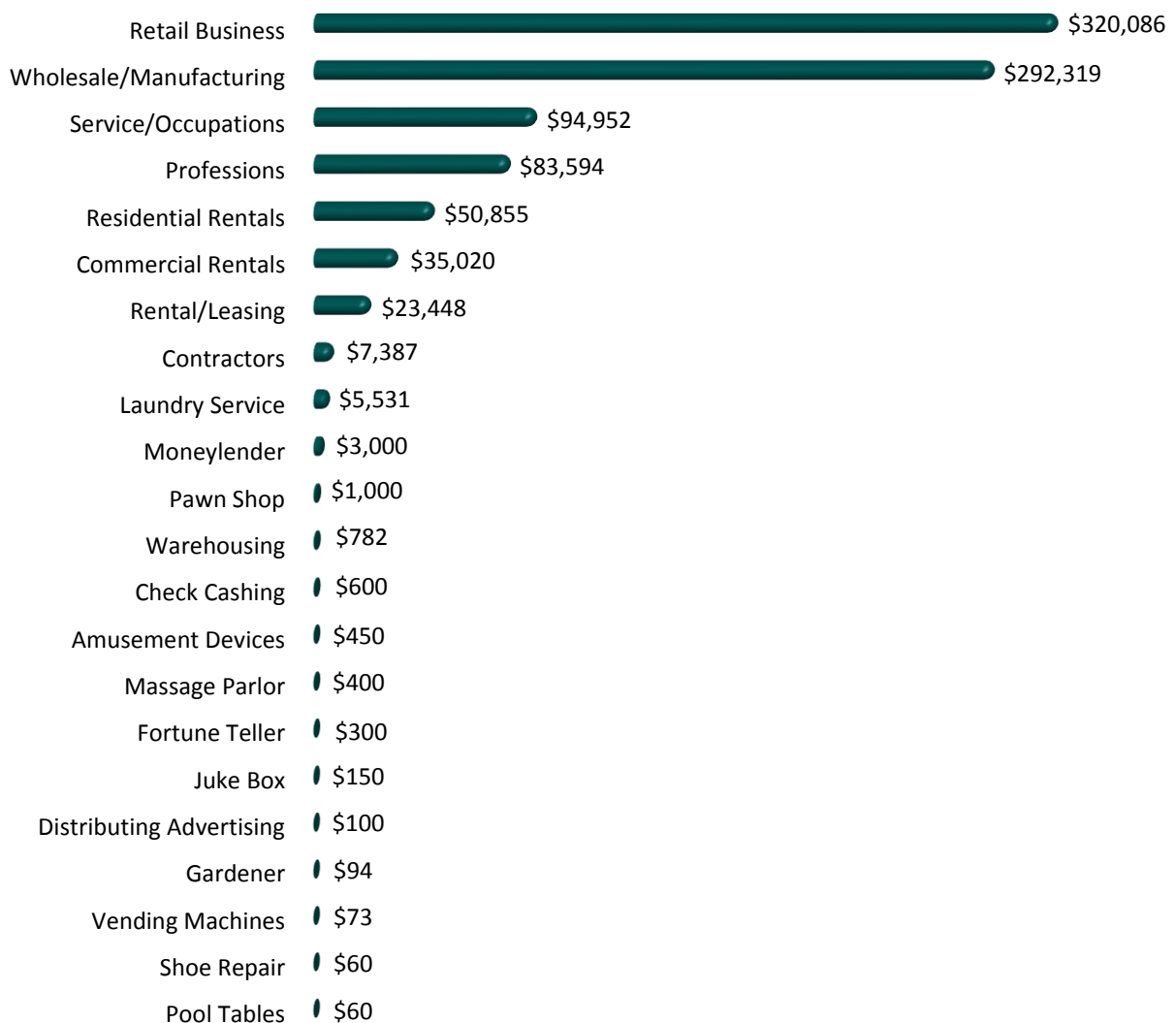
The largest business license sector in terms of the number of licenses issued is the residential rental category. Residential rental property owners pay an annual business license that is based on annual gross receipts. Additional rate categories that follow the gross receipts method of taxation include retail, wholesale, services, professionals, commercial rentals, and manufacturing related businesses.



### Business License Revenue by Rate Category – In City

The largest revenue generating category for business license is the retail sector. Business operating under the retail classification pay an annual business license based on gross receipts or gross sales. The average payment for a retail business is approximately \$1,435 per license. Below is a summary of the total business license revenue generated by each rate category.

#### Inside City - Business License Tax Revenue by Category / Classification

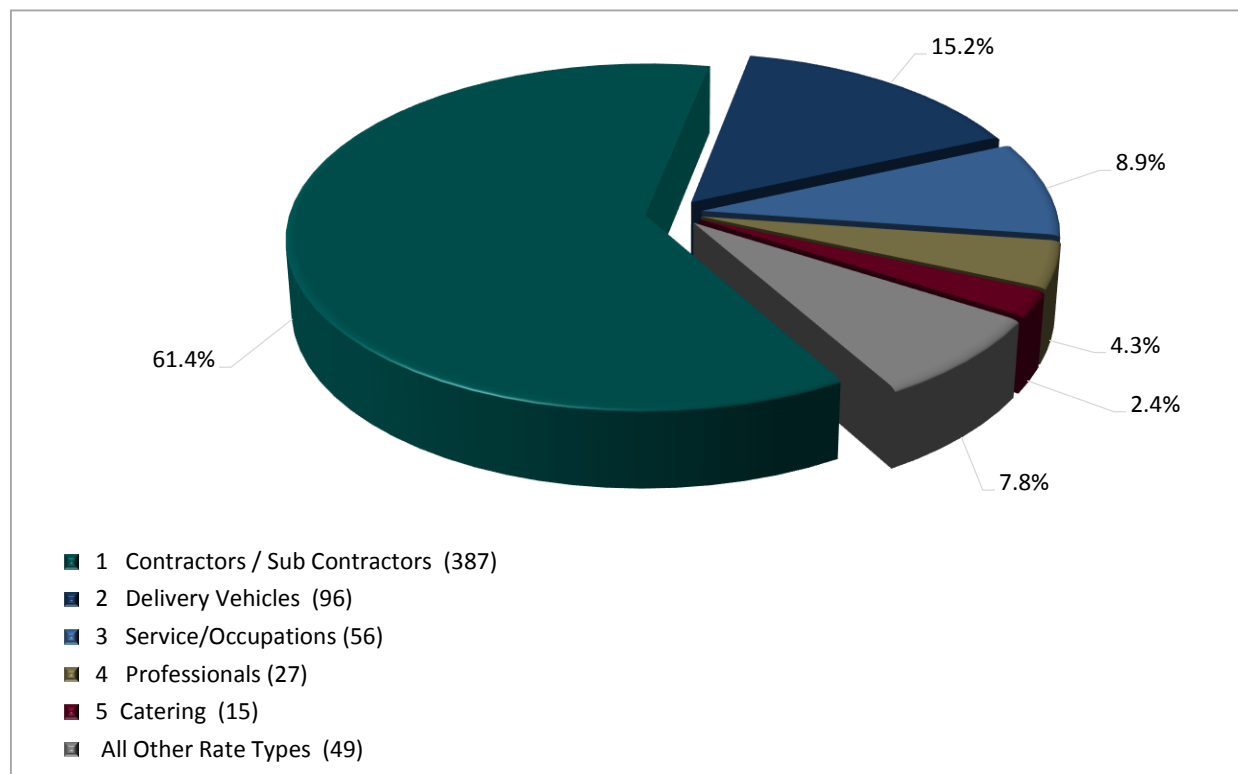


## Top 10 – In City Business License Taxpayers

Business Name (DBA)	Rate Category
BAK Industries	Wholesale/Manufacturing
El Super	Retail Business
Linzer Products Corporate	Wholesale/Manufacturing
Pharmavite LLC	Wholesale/Manufacturing
PureTek Corporation	Wholesale/Manufacturing
Rydell Chrysler Dodge Jeep And Ram	Retail Business
Sam's Club	Retail Business
Sam's Club	Wholesale/Manufacturing
The Home Depot	Retail Business
Vallarta Supermarkets	Retail Business

## Outside Based Licenses

The majority of businesses based or located outside of the City pay on gross receipts generated in the City. Examples of businesses that are based outside the City of San Fernando includes contractors, sub-contractors, handymen, gardening, janitorial, professionals, mobile vendors, delivery services, and taxicabs.

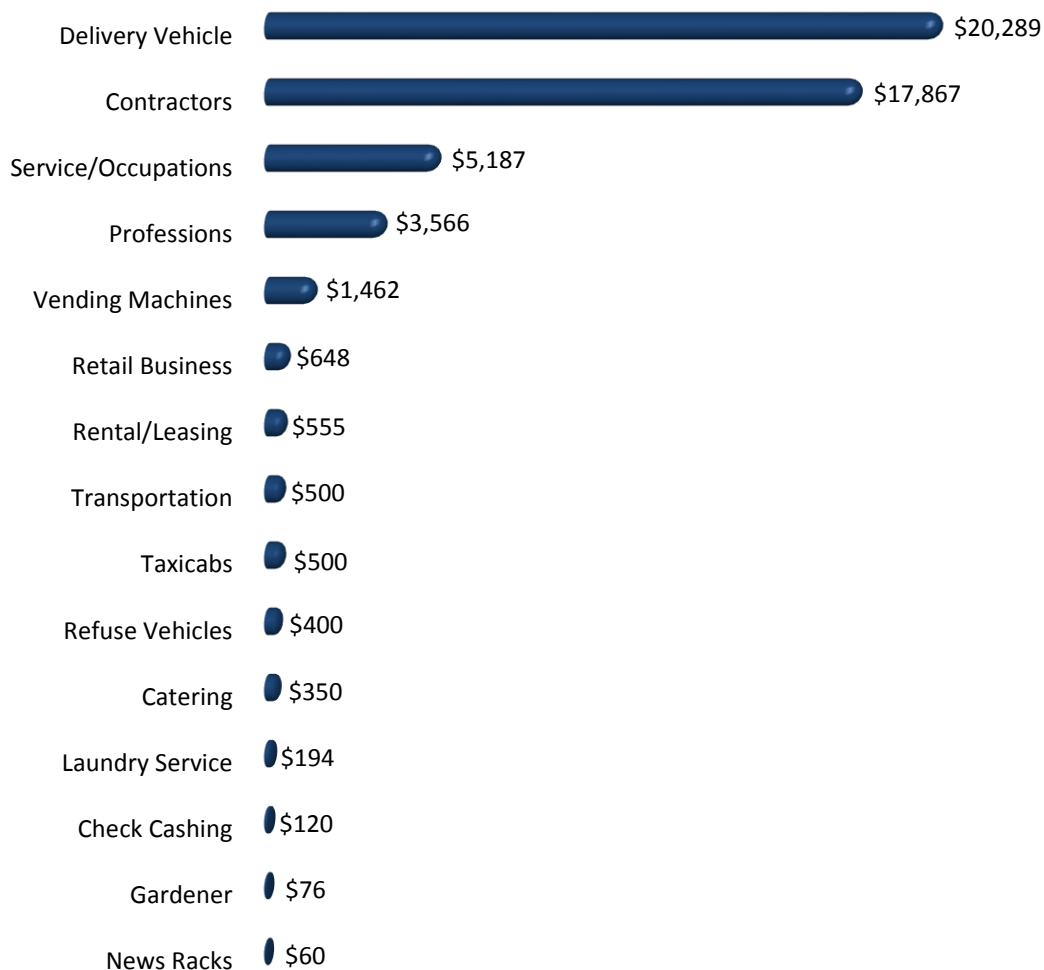




### Business License Tax Revenue by Rate Category – Outside City

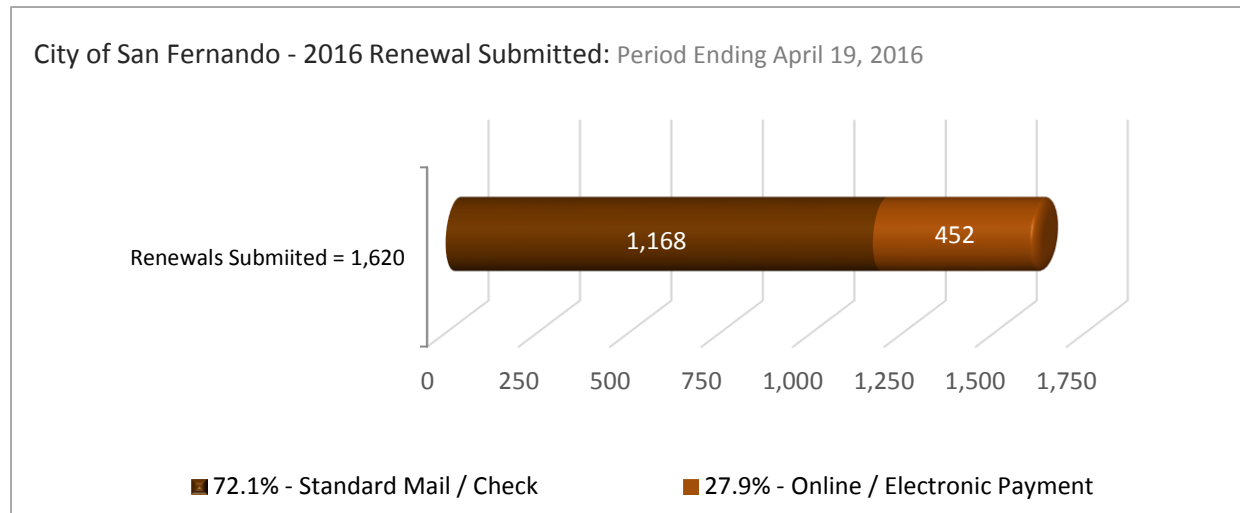
The largest revenue generating segment for businesses located outside the City of San Fernando fall under the delivery vehicle category. Businesses operating under this category pay an annual business license based on gross receipts generated in the City. The average business tax paid for vehicle delivery is approximately \$233 per license. Below is a summary of the total business license revenue generated by each rate category.

#### Outside City - Business License Tax Revenue by Category / Classification



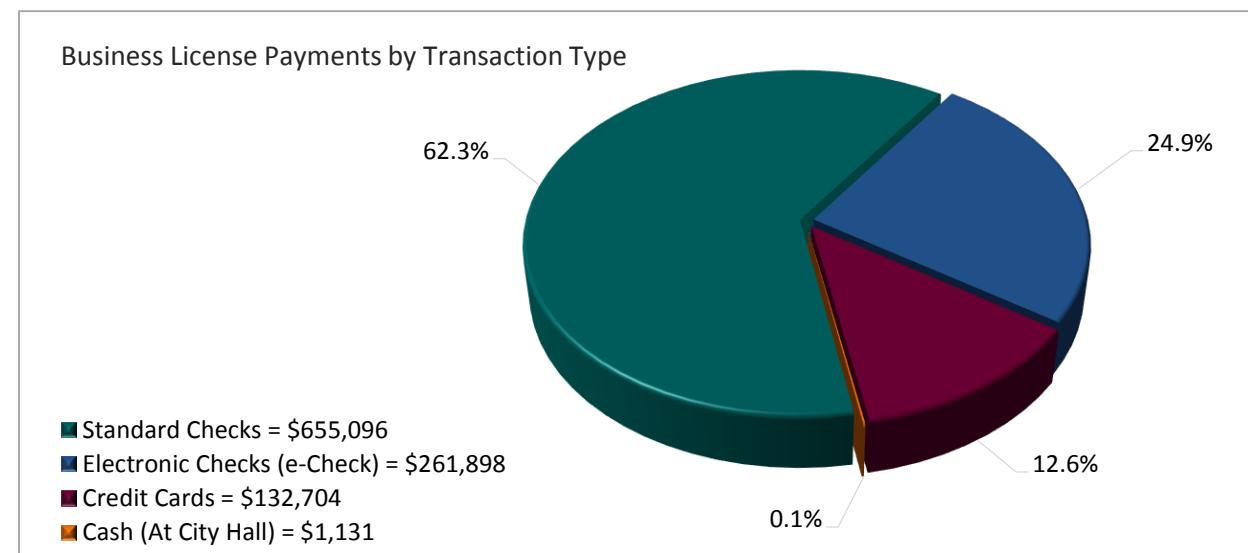
### Annual Business License Renewal Notifications - Online Filing

Online business license services were made available to the City of San Fernando business community for the 2016 tax filing period. The web service allows businesses to submit online applications, renewals, and payments from the convenience of their home or office. Approximately 28% of businesses favored using the web based method to renewal and pay their annual business license taxes and fees during this first offering.



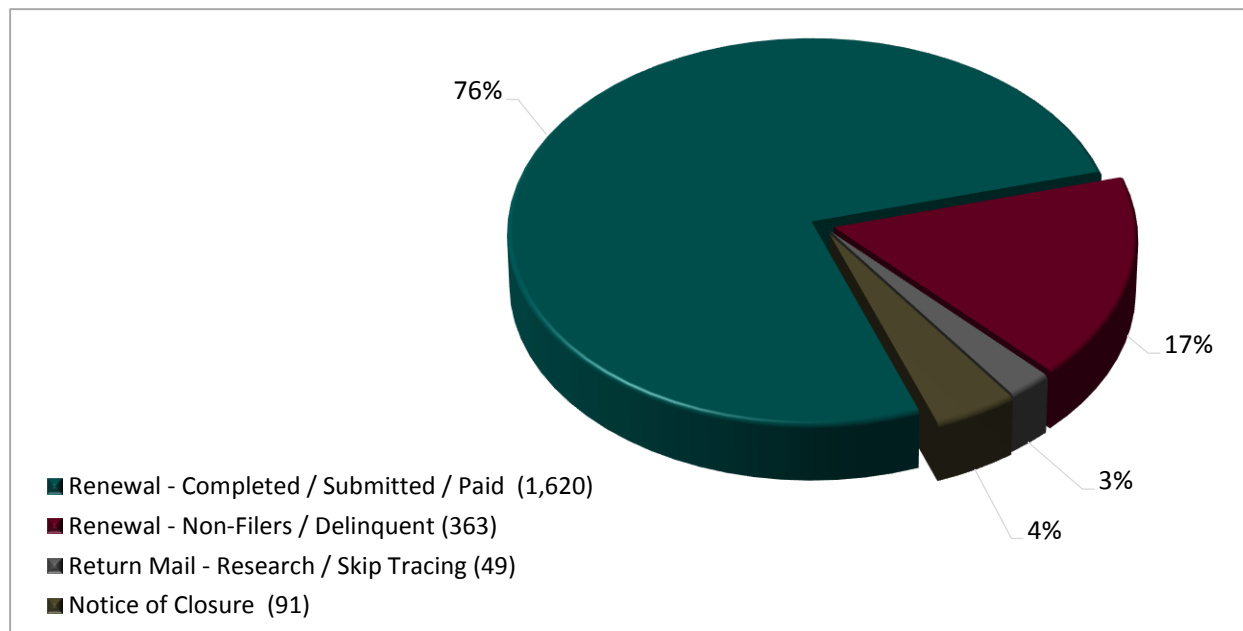
### Payment Methods – Renewals, Balances Due, and New Applicants

The primary payment methods available to businesses include checks, money order, cashier's check, e-check (electronic check), debit cards, and credit cards (Visa or MasterCard). Businesses that prefer to pay for their license in cash can submit their payment at City Hall. License payments and demographic changes notated by the business owner are updated in an expedited manner.



### Annual Business License Renewals - Notification Results

A total of 2,123 business license renewal notices were mailed during the 2016 renewal period. Renewal filings and payments are due by the end of February. A total of 437 follow up notices were mailed in March to delinquent (non-filers) businesses. Below are the updated results for the 2016 renewal period.



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## AGENDA REPORT

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**To:** Mayor Robert C. Gonzales and Councilmembers

**From:** Brian Saeki, City Manager  
By: Fred Ramirez, Community Development Director

**Date:** May 2, 2016

**Subject:** Lopez-Villegas House Update

### RECOMMENDATION:

It is recommended that the City Council:

- a. Receive and File the Status Report on the Lopez-Villegas House currently stored at the former Agency-owned parcel at 1320 San Fernando Road; and
- b. Provide City staff with direction regarding possible use and/or disposition of the Lopez-Villegas House during the upcoming Fiscal Year 2016-2017 City Budget review process in order to identify any budget appropriations that may be necessary in order to implement Council-identified use(s) and/or disposition of the subject structure.

### BACKGROUND:

1. On March 15, 2004, the City Council, in a joint public hearing with the San Fernando Redevelopment Agency, approved a Disposition and Development Agreement with a developer providing for City and Redevelopment Agency participation in the proposed development of an affordable housing project with 95 dwelling units for low and very-low income seniors in the community. These 95 dwelling units (plus three manager units) were subsequently constructed at three noncontiguous sites in the community, including 25 units on a site that includes the Lopez-Villegas property at 1311 Pico Street.
2. On April 5, 2004, Mayor Pro Tem Julie Ruelas submitted a request to the City Council to consider possible alternatives to demolition of the Lopez-Villegas House located at 1311 Pico Street. Councilmember Ruelas' request was based on information that suggested the possible significance of the structure as the prior residence of individuals who were descendants of the Lopez Family, and with original settlers/founders of "El Real Presidio de Santa Barbara."

**Lopez-Villegas House Update**Page 2 of 13

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3. On April 6, 2004, Historical Commissioner Richard Arroyo and Mr. John Brooks (subsequently appointed to Historical Commission on August 2, 2004) provided the City Council with additional information on former residents of the residential structure at 1311 Pico Street.
4. On May 5, 2004, City staff conducted a field inspection of the subject property. Staff photographed the exterior conditions of the site, the existing approximate 1,046 square foot primary residential structure, and the detached approximate 380 square foot garage structure. In addition, staff was allowed by the then resident to walk through the interior portions of the primary residential structure to inspect the existing conditions of the site.
5. On July 14, 2004, the Historical Commission determined that the existing residential structure at 1311 Pico Street merited preservation based on the architectural style of the building and on the association of several of its past inhabitants to the early settlement of California and San Fernando.
6. On September 20, 2004, in a joint meeting, the Redevelopment Agency and the City Council discussed the possible relocation and potential funding for restoration of the Lopez-Villegas House located at 1311 Pico Street. Subsequent to discussion, the City Council directed staff to move forward with a site assessment report, which was prepared by the consulting firm of Heritage Architecture and Planning.
7. On November 22, 2004, the consulting firm of Heritage Architecture and Planning submitted to staff the Draft Lopez Adobe Site Assessment for Placement of the Lopez-Villegas House report for staff and Historical Commission's review and discussion.
8. On January 7, 2005, the Historical Commission reviewed the draft site assessment report along with a staff report discussing several points in the draft site assessment report needing further clarification in staff's opinion. Subsequent to discussion the Commission directed staff to obtain additional input from the consultant firm of Heritage Architecture and Planning to clarify the potential impact to the Lopez Adobe's National Register designation under Criterion B (due to the building's "association with the lives of persons significant in our past") and Criterion C (due to the building's architecture). In addition, the Historical Commission requested further information regarding the proposed project schemes for the relocation and subsequent orientation of the Lopez-Villegas house on the Lopez Adobe site, and in particular, on the consultant's reasons for selecting Scheme C as the preferred alternative. Staff subsequently discussed these questions and concerns with the consultants, who then conducted some additional analysis and made revisions to the draft site assessment report for staff's and the Commission's further review.
9. On January 31, 2005, the Historical Commission reviewed the revisions to the draft site assessment report, including clarification of the report's assessment that the placement of



**Lopez-Villegas House Update**Page 3 of 13

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the Lopez-Villegas House at the Lopez Adobe site would not adversely impact the Lopez Adobe site's national, state, and/or local historic designation. Subsequent to discussion, the Commission concurred with staff's assessment of the revised draft report and voted to recommend City Council approval of the relocation of the Lopez-Villegas House to the Lopez Adobe site at 1100 Pico Street, pursuant to the proposed building layout and site plan identified as "Scheme A" in the Draft Lopez Adobe Site Assessment for the Placement of the Lopez-Villegas House report.

10. In addition, the consultant report advised the City to initiate the CEQA process that would include an Initial Study and environmental determination as well as the development of mitigation measures to address any potential environmental impacts to Lopez Adobe building and site to levels that are less than significant. The Historical Commission concurred with the consultant and staff's assessment that the CEQA process be completed prior to the final approval of a site plan for the relocation and subsequent placement of the Lopez-Villegas House on a permanent foundation at the Lopez Adobe site.
11. On February 7, 2005, City Council directed staff to complete the environmental review process prior to making a final determination on the proposed relocation of the Lopez-Villegas House to the Lopez Adobe site. Besides compliance with CEQA requirements in general, an objective of this review process from the City's standpoint, was to receive official concurrence from the State Office of Historic Preservation with the conclusions of the City's assessment report that the proposed relocation of the Lopez-Villegas House to the Lopez Adobe site would not adversely impact the listing status of the Lopez Adobe on the National Register of Historic Places.
12. On April 25, 2005, the draft Initial Study, Mitigated Negative Declaration, and Mitigation Monitoring Program were submitted for a 30-day review period to the California Governor's Office of Planning and Research, State Clearinghouse and Planning Unit. As part of the State's review the Office of Historic Preservation (OHP) reviewed the proposed relocation of the Lopez-Villegas House to the Lopez Adobe Site, a National Register designated landmark site.
13. On May 25, 2005, the City received a letter from Terry Roberts, Director of the State Clearinghouse notifying the City that the review period for the draft Mitigated Negative Declaration had closed, and no state agencies submitted comments by that date. This letter acknowledged that the City had "complied with the State Clearinghouse review requirements for the draft environmental document, pursuant to the California Environmental Quality Act."
14. On June 10, 2005, planning staff contacted the OHP directly in order to confirm their concurrence with the City's determinations on the proposed project. They informed staff that it is common practice for OHP to not issue a comment letter unless review of a project

**Lopez-Villegas House Update**Page 4 of 13

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and the accompanying environmental document had failed to identify and/or mitigate environmental impacts that were deemed significant. Therefore, based on discussion with the state, staff determined that the proposed relocation of the Lopez-Villegas House to the Lopez Adobe Site, with mitigation measures incorporated, would not have any significant adverse environmental impact to a significant cultural resource, the Lopez Adobe.

15. On July 5, 2005, the City Council held a public hearing to consider relocation of the Lopez-Villegas House to the Lopez Adobe Site at 1100 Pico Street. Subsequent to the public hearing, the City Council adopted a Resolution No. 7051: 1) approving relocation of the Lopez-Villegas House to the Lopez Adobe Site; 2) approving the Initial Study, Mitigated Negative Declaration, and Mitigation Monitoring Program; 3) designation of the Lopez-Villegas House as a City Historic landmark. (See Attachments "A", "B" and "C".)
16. On March 6, 2006, the City Council appropriated \$15,725 from the General Fund to mothball and fence the Lopez-Villegas House at the Lopez Adobe site at 1100 Pico Street. The Lopez-Villegas House was by then a city-designated historic landmark that was intended to be rehabilitated as the ancillary facility that would include restrooms, storage, and office areas to support the proposed use of the Lopez Adobe building as a house museum.
17. On March 20, 2006, the City Council appropriated \$23,804 from the General Fund in order for Public Works personnel to conduct the necessary site preparation work to relocate the Lopez-Villegas House to the Lopez Adobe site.
18. On June 29, 2006, the City Council appropriated \$7,000 to pay for the temporary foundation/"cribbing" (\$2,678) and perimeter fencing (\$4,322) as part of the Lopez-Villegas House relocation project.
19. Beginning in early 2006, the firm of Drisko Studio Architects, Inc. had been providing the City with professional architectural design services for the preparation of construction drawings and building specifications for the rehabilitation of the Lopez Adobe building and site. These construction documents must comply with state and federal requirements for such rehabilitation of the Lopez Adobe, which is designated on the National Register of Historic Places. The project's state and federal funding resources require the city to comply with state and federal rehabilitation requirements.
20. On November 17, 2008, the City Council adopted Ordinance No. 1583, "An Ordinance of the City Council of the City of San Fernando amending the San Fernando City Code Division 3 (Historical Commission) of Article V (Boards, Commissions, Committees, Agencies and Authorities) of Chapter 2 (Administration), and establishing Division 14 (Historic Preservation) of Article VI (General Regulations) of Chapter 106 (Zoning)".

**Lopez-Villegas House Update**Page 5 of 13

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21. On November 1, 2010, City Council awarded a construction contract to the lowest responsive bidder, Access Pacific, Inc., to undertake the first construction phase of the Lopez Adobe Rehabilitation Project.
22. On January 3, 2011, the contractor began work on the first phase of the Lopez Adobe Rehabilitation Project.
23. On March 7, 2011, the San Fernando City Council adopted Resolution Nos. 7415 and 7416 and the former San Fernando Redevelopment Agency adopted Resolution Nos. 1098 and 1099, consenting to and approving the transfer by the former San Fernando Redevelopment Agency of "its right, title and interest in and to certain real property to the City of San Fernando".
24. On June 6, 2011, the Redevelopment Agency considered the proposed FY 2011-12 San Fernando Redevelopment Agency Budget. As part of the Agency's FY 2011-12 Budget, \$60,000 was allocated as matching funds for the proposed design and build of an ancillary facility at the Lopez Adobe site. Initially, City staff had proposed that these funds be used as matching monies with CCHE grant funds to pay for the partial rehabilitation of the Lopez-Villegas house at a cost of approximately \$120,000. The overall rehabilitation of the Lopez-Villegas House has been estimated to cost between \$130,000 and \$392,065.

Subsequent to discussion by the Redevelopment Agency, the Agency determined that the overall rehabilitation of the Lopez-Villegas House would be cost prohibitive and that an alternative ancillary facility should be developed consistent with the Lopez Adobe Preservation Plan's site plan to house restroom, storage, and office uses in support of the Lopez Adobe's use as a house museum.

25. On June 13, 2011, the Agency approved the FY 2011-12 Budget with the allocation of \$60,000 in Redevelopment Project Area No. 2 funds for the design and construction of an alternate ancillary facility.
26. On June 29, 2011, the Governor of California signed AB X1 26 and AB X1 27, making certain changes to the Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the California Health and Safety Code) (the "Redevelopment Law"), including adding Part 1.8 (commencing with Section 34161)("Part 1.8") and Part 1.85 (commencing with Section 34170) ("Part 1.85"). Soon after AB X1 26 and ABX1 27, the California Redevelopment Association and League of California Cities filed a lawsuit in the Supreme Court of California (*California Redevelopment Association, et al. v. Matosantos, et al.* (Case No. S194861)) alleging that AB X1 26 and AB X1 27 are unconstitutional.
27. On June 30, 2011, the contractor completed work on "Phase 1" of the Lopez Adobe Rehabilitation Project.

**Lopez-Villegas House Update**Page 6 of 13

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28. On August 1, 2011, the Notice of Completion for Lopez Adobe Rehabilitation Project (Phase 1) was approved by the City Council.
29. On August 10, 2011, the Budget, Personnel, and Finance Standing Committee considered a staff recommendation regarding the proposed relocation of the Lopez-Villegas House to the City-owned lot at 1320 San Fernando Road. Per staff's recommendation, the proposed relocation would allow the locally designated historic resource to be stored on-site until funds become available for its rehabilitation and/or the City Council decides on an alternative approach for the future use of the building. Subsequent to discussion, City staff was directed to forward the proposed relocation for the full Council's consideration at an upcoming meeting.
30. On August 15, 2011, the City Council adopted Resolution No. 7452 electing for the City to serve as the Successor Agency for the City's Redevelopment Agency upon the Agency's dissolution. The assets of the Redevelopment Agency transferred to the Successor Agency by law on February 1, 2012.
31. On December 29, 2011, the Supreme Court issued its opinion in the *Matosantos* case, largely upholding AB X1 26, invalidating AB X1 27, and holding that AB X1 26 may be severed from AB X1 27 and enforced independently. The Supreme Court generally revised the effective dates and deadlines for performance of obligations in Part 1.85 of Redevelopment Law arising before May 1, 2012, to take effect four months later.
32. On October 5, 2011, CCHE staff informed City staff that the project had been granted an additional six month extension from December 31, 2011 through June 30, 2012. The extension will allow City staff to request the use of \$163,000 in unexpended CCHE grant funds to design and build an approximate 400 square ancillary facility at the southwest corner of the property to support the use of the Lopez Adobe building as a house museum.
- The proposed development of an ancillary facility at the subject site would be part of "Phase 2" of the Lopez Adobe Rehabilitation Project. These funds would be appropriated in order to offset the project shortfall associated with the unavailability of Agency funds from Project Area No. 2 during FY 2011-2012 to build said ancillary facility.
33. October 17, 2011, the City Council approved relocation of the Lopez-Villegas House to 1320 San Fernando Road.
34. On February 1, 2012, as a result of the Supreme Court's decision, the San Fernando Redevelopment Agency (the "Redevelopment Agency") was dissolved pursuant to Part 1.85 of Redevelopment Law.
35. On June 27, 2012, the Governor signed the State budget trailer bill AB 1484, which became effective immediately. AB 1484 enacted technical and substantive amendments to AB X1 26

**Lopez-Villegas House Update**Page 7 of 13

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(collectively these laws are referred to as the “Dissolution Act”), which included among other things that the Successor Agency prepare the LRPMP within six months after receiving the Finding of Completion from DOF (Health and Safety Code Section 34191.5). The LRPMP is intended to address the disposition and use of real properties owned by the former Redevelopment Agency.

36. On December 17, 2012, City Council awarded a construction contract to the lowest responsive bidder, Access Pacific Incorporated, to undertake the second construction phase of the Lopez Adobe Rehabilitation Project.
37. On February 1, 2013, the contractor began work on the second phase of the Lopez Adobe Rehabilitation Project.
38. On June 30, 2013, the contractor completed work on the second phase of the Lopez Adobe Rehabilitation Project.
39. August 19, 2013, the City Council approved a Notice of Notice of Completion for Lopez Adobe Rehabilitation Project (Phase II). The Lopez Adobe Rehabilitation Project Phase II, which included the flooring and roof repairs.
40. On October, 2, 2013, the DOF issued a Finding of Completion to the Successor Agency pursuant to Health and Safety Code Section 34179.7
41. On October 21, 2013, the City Council awarded a construction contract to the lowest responsive bidder, IBN Construction, Incorporated, to undertake the construction of the Lopez Adobe Ancillary Building and Landscaping Project for a not to exceed amount of \$177,000 and a project completion deadline of March 31, 2014. (See City Council Resolution No. 7568 Award a Construction Contract (Contract No. 1727).)
42. On December 2, 2013, the contractor began work on the Lopez Adobe Ancillary Building and Landscaping Project.
43. On January 27, 2014, the City Council and Successor Agency held a joint-meeting to consider the proposed designation of former Redevelopment Agency property for any one of the following: 1) the retention of the property for governmental use pursuant to subdivision (a) of Health and Safety Code Section 34181; 2) the retention of the property for future development; 3) the sale of the property; or, 4) the use of the property to fulfill an enforceable obligation of the Successor Agency.

Subsequent to discussion, the City Council and Successor Agency each voted to direct staff to evaluate possible alternatives related to retain all former Agency-owned property as

**Lopez-Villegas House Update**Page 8 of 13

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either land held for future development or, in those instances where appropriate, as land held for a specific governmental use as permitted under applicable State law.

44. March 3, 2014, the Successor Agency voted to approve Resolution No. 63, approving the attached Long Range Property Management Plan for the City of San Fernando Successor Agency.
45. March 13, 2014, Oversight Board to the Successor Agency to the San Fernando Redevelopment Agency adopt Resolution No. 18, approving the Long Range Property Management Plan prepared by the Successor Agency.
46. On March 25, 2014, the City submitted the Long Range Property Management Plan ("LRPMP") to the California Department of Finance ("DOF") for review and approval pursuant to Health and Safety Code Section 34191.5(b). Based on DOF comments and requested revisions, the city's LRPMP was subsequently revised and resubmitted to DOF on June 19, 2014. Included as part of the proposed LRPMP was the designation of the former Agency-owned property at 1320 San Fernando Road, which is the current location of the Lopez-Villegas House as land held by the City for future development.
47. On March 31, 2014, the contractor completed work on the second phase of the Lopez Adobe Rehabilitation Project; on time and within the budgeted amount to build out the project of \$177,000.
48. On April 21, 2014, the City Council approved the Notice of Completion for Lopez Adobe Ancillary Building and Landscaping Project accepting the all building and landscaping work associated with construction of an ancillary building with office and restrooms facilities and associated landscaping improvements.
49. On July 9, 2014, the DOF notified the City of San Fernando that the LRPMP was approved facilitating use and disposition of former agency owned parking lots and vacant parcels for either governmental use or land held for future development. Therefore, the former Agency-owned parcel at 1320 San Fernando Road (location where the Lopez-Villegas is currently stored) was retained as land held for future redevelopment pursuant to the LRPMP.
50. On June 15, 2015, the City Council adopted Resolution No. 7679, adopting the City Budget for Fiscal Year 2015-2016. Included as part of the City Budget where the City Council priorities that included city pursuit of new economic development opportunities to the bolster the city's revenue and enhance the City of San Fernando's profile, which included amongst other things, to "Evaluate reuse options for Lopez/Villegas property, including structure".

**Lopez-Villegas House Update**Page 9 of 13

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51. On January 19, 2016, the City Council directed City staff to schedule discussion of possible reuse and/or disposition options for the Lopez-Villegas House currently stored at the former Agency-owned parcel at 1320 San Fernando Road for an upcoming council meeting.

**ANALYSIS:**Local Historic Landmark Designation

Pursuant to City Council Resolution No. 7051, the Lopez-Villegas House is currently a City Historic landmark and was designated as such pursuant to City Code Section 2-477.

At the time of designation of the Lopez-Villegas House, the City Code did not provide specific criteria for the designation of “historical sites and monuments” by the City Council. However, the City’s Historic Preservation Element (in Objective 1.3 on page 25) specifically advocates the adaptation of the national-significance criteria used under the National Register of Historic Places for use as local-significance criteria in designating local historic landmarks. Under the National Register of Historic Places criteria: “Resources may qualify for NRHP listing if they: A.) are associated with events that have made a significant contribution to the broad patterns of our history; B.) are associated with the lives of persons significant to our past; C.) embody the distinctive characteristics of a type, period, or method of construction or that represent the work of a master, or that possess high artistic values, or that represent a significant and distinguishable entity whose components may lack individual distinction; or, D.) have yielded, or may be likely to yield, information important in prehistory or history...”

The City Council, at their April 6, 2004, meeting considered a request to preserve the Lopez-Villegas House as a potentially historic resource based on historical records that identified Isabel Villegas Castro, a former resident of the subject structure, as a descendent of the Lopez Family, and with Don Jose Francisco de Ortega, one of the original/founders of “El Presidio de Santa Barbara.”

In addition, the June 2002, Historic Resources Survey, the historical consultant identified the Lopez-Villegas House as a potentially historic resource as a “National Folk house of the Pyramidal Family with a hipped bell cast roof.” The National Folk Style is based on a fundamental need for shelter and has its roots in Native American and pre-railroad dwellings. They can be “simple” or unadorned and are typically characterized by rectangular shapes with side-gable roof or in the case of the Lopez-Villegas House, they can have a square floor plan with pyramidal roofs. The subject site is indicative of early housing in the region at the turn of the century and is one of the last remaining structures of its type. Based on this assessment, the Historical Commission at the time and the City Council, concurred with City staff’s assessment that the structure merited local historic designation as it “embodies the distinctive characteristics of a type, period, or method of construction” that helps tell the story of early residential development in the City of San Fernando. Therefore, the City Council approved

**Lopez-Villegas House Update**Page 10 of 13

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designation of the Lopez-Villegas House as City Historic Landmark pursuant to the National Register of Historic Places under Criteria B and C previously noted.

Environmental Assessment of Prior Local Historic Landmark Designation

As part of the City Council's local historic landmark designation of the Lopez-Villegas House, the council adopted the Initial Study, Mitigated Negative Declaration, and Mitigation Monitoring Program pursuant to the California Environmental Quality Act. The City determined that the Lopez-Villegas House's designation as a local historic landmark consistent with the National Register designation Criterion B (due to the building's "association with the lives of persons significant in our past") and Criterion C (due to the building's architecture) would not have an significant adverse impact on any local designated cultural resource including the Lopez Adobe building and site where it was previously stored.

Current Historic Preservation Regulations

As previously noted, the City's Historic Preservation Ordinance was adopted on November 17, 2008 pursuant to City Council Resolution No. 1583. In addition, the current historic preservation regulations were established after the City's initial historic landmark designation of the Lopez-Villegas House in 2005; three (3) years prior to the Lopez-Villegas House's designation. Therefore, any future modifications to the Lopez-Villegas House's designation, structural alteration, and/or relocation would be subject to Chapter 106 (Zoning), Article VI (General Regulations), Division 14 (Historic Preservation).

Pursuant to Pursuant to Section 106-1385 of the City's Historic Preservation Ordinance, the City Council can designate a building like the Lopez-Villegas House as a historic resource if it meets at least one of the following criteria:

1. It is associated with events or lives of persons that have made a significant contribution to the broad patterns of the history of the city, region, state or nation;
2. It embodies the distinctive characteristics of a historic type, period, architectural style or method of construction, or represents the work of an architect, designer, engineer, or builder whose work is significant to the city, region, state or nation; or
3. It has yielded, or is likely to yield, information important in the history of the city, region, state or nation.

In the case of the Lopez-Villegas House, prior designation under National Register of Historic Places Criteria B and C is most similar to the current Criteria 1 and 2 noted above.

Criteria and Procedures to Rescind a Local Historic Landmark Designation

Included as part of the City's existing historic preservation ordinance are criteria and procedures under which the City can consider rescinding an existing local landmark designation



**Lopez-Villegas House Update**Page 11 of 13

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(Section 106-1390 and 1391). Pursuant to the City Historic Preservation Ordinance, a request to rescind the existing historic landmark designation must be reviewed by the City's Planning and Preservation Commission (City Code Section 106-1390). Subsequent to the commission's review, a recommendation to rescind or not rescind an existing designation with the associated environmental assessment must be reviewed and approved by the City Council. If the City Council approves the proposed de-designation or structural alterations, it shall make findings of fact and determinations in writing subject to the requirements of California Environmental Quality Act (CEQA).

**Applicable Regulations to Request Alteration of a Local Historic Landmark**

Like any owner of a locally designated historic landmark, if the City is seeking to make structural alterations, adaptive reuse, demolish, and/or relocate a designated historic resource, then the City must file an application for a Certificate of Appropriateness or Certificate of No Effect pursuant to City Code Section 106-1392, subsection (a) or (b), respectively. Both certificates are initially reviewed by the City's Community Development Director before an assessment of the project request is made and a report submitted to the City's Planning and Preservation Commission for their review at a noticed public hearing. In the case of both types of certificates, the decision of the commission is final unless appealed to the City Council pursuant to City Code Section 106-77. If the commission approves the proposed Certificate of Appropriateness or the Certificate of No Effect, then the commission shall make findings of fact and determinations in writing subject to the requirements of CEQA and City Code Section 106-1405 et. seq.

The application process noted above does not preclude the City's ordinary maintenance of the building and/or emergency repairs to address any unsafe or dangerous condition pursuant to City Code Section 106-1398.

**Applicable Regulations to Demolish or Relocate a Local Historic Landmark**

A structure designated as a historic resource cannot be demolished or relocated unless the City Council, pursuant to the procedure for approval of a hardship waiver, and subsequent to a recommendation by the commission, makes one or more of the following findings of fact at a public hearing:

- Based upon sufficient evidence, including evidence provided by the applicant, the property retains no reasonable economic use, taking into account the condition of the structure, its location, the current market value, and the costs of rehabilitation to meet the requirements of the building code or other city, state or federal law.
- That the demolition or relocation of the structure is necessary to proceed with a project consistent with and supportive of identified goals and objectives of the City of San Fernando General Plan, and the demolition of the structure will not have a significant effect on the

**Lopez-Villegas House Update**Page 12 of 13

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achievement of the purposes of this division or the potential effect is outweighed by the benefits of the new project.

- In the case of an application for a permit to relocate, that the structure may be moved without destroying its historic or architectural integrity and importance.
- That the demolition or relocation of the historic resource is necessary to protect or to promote the health, safety or welfare of the citizens of the city, including the need to eliminate or avoid blight or nuisance.

**Environmental Assessment for Changes to Existing Local Historic Landmarks**

If the Community Development Director determines that the proposed project (e.g., alteration, demolition, rescinding designation, and, relocation) will have the potential to create any significant adverse impact on the subject local historic landmark structure, then the structure shall not be demolished or relocated unless and until an environmental assessment is completed pursuant CEQA.

This environmental assessment will entail the preparation of an Initial Study to determine whether an environmental impact report or a negative declaration must be prepared by the City in conjunction with any proposed project. The resulting environmental assessment, which can be a categorical exemption (i.e., Class 31 Categorical Exemption pursuant to California Code of Regulations, Title 14, Division 6 Chapter 3, Section 15331-Historic Resource Restoration/Rehabilitation), a negative declaration, a mitigated negative declaration, or an environmental impact report must be completed and included as part of the project's review by the commission and subsequently the city council. The environmental review and determination process must be completed before a hardship waiver can ultimately be approved by the council pursuant to City Code Section 106-1396 et seq.

**Review of Potential Project Alternatives for the Lopez-Villegas House**

City staff has included the following potential project alternatives for the Lopez-Villegas House:

- 1) Make structure repairs to the existing structure to address any dangerous and unsafe conditions, which may include removal of the existing "pop-out structure" (see Attachment "D") in order to plywood and shore up existing structure and leave at the Agency-owned site until the land is redeveloped and the building is subsequently relocated as part of a future development agreement with the then selected developer;
- 2) Make needed structure repairs of any dangerous and unsafe conditions and relocate the Lopez-Villegas House to another City facility/park space and "mothball" in place until funds are available to undertake adaptive reuse of the structure in compliance with applicable *Secretary of the Interior's Standards for the Treatment of Historic Properties; Preservation Brief No. 31: Mothballing Historic Buildings*;

**Lopez-Villegas House Update**Page 13 of 13

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- 3) Offer the subject structure for sale and relocation within the City including preparation of associated Certificate of Appropriateness, hardship waiver, and environmental assessment;
- 4) Offer the subject structure for sale and relocate outside of the City that would include a rescinding local historic landmark designation, hardship waiver, and environmental assessment; or
- 5) Rescind local historic landmark designation in order to demolish structure, issue hardship waiver, and complete the associated environmental assessment pursuant to CEQA and the City's Historic Preservation Ordinance.

The aforementioned potential alternatives for the Lopez-Villegas House are not intended be exhaustive, but instead provide the City Council with a starting off point to provide City staff with further direction. Based on the direction from Council, City staff can then develop potential cost estimates for one or more project alternatives that could then be implemented during this fiscal year and/or in the upcoming fiscal year.

**BUDGET IMPACT:**

Determining potential impact to the City's General Fund Budget will be based on the City Council's direction regarding one or more possible alternatives for the future use of the Lopez-Villegas House. Based on the City Council's direction, City staff will prepare a cost estimate for the required City Budget appropriation to implement the project during the current or upcoming fiscal year.

**CONCLUSION:**

City staff recommends that the City Council review potential project alternatives for the future use of the Lopez-Villegas House. In addition, City staff is requesting that subsequent to council discussion that the council provide staff with direction on council-approved project alternatives. Based on council direction, City staff will determine the required discretionary review process, associated environmental assessment, and City fiscal impact to implement the council directive(s).

**ATTACHMENTS:**

- A. Resolution No. 7051
- B. July 5, 2005 City Council Agenda Report
- C. Vicinity and Site Map
- D. Project Site Photos

## ATTACHMENT "A"

**RESOLUTION NO. 7051****RESOLUTION OF THE CITY COUNCIL OF SAN FERNANDO APPROVING THE RELOCATION OF THE LOPEZ-VILLEGAS HOUSE TO THE LOPEZ ADOBE SITE AT 1100 PICO STREET, DESIGNATION OF THE LOPEZ-VILLEGAS HOUSE AS A CITY HISTORIC LANDMARK, AND APPROVAL OF THE INITIAL STUDY, MITIGATED NEGATIVE DECLARATION, AND MITIGATION MONITORING PROGRAM.**

WHEREAS, the project includes a request to relocate the Lopez-Villegas House, a single story National Folk Style building to the Lopez Adobe Site at 1100 Pico Street and to designate said structure as a City of San Fernando historic landmark.

WHEREAS, the Lopez Adobe Site is a designated local, state, and federal historic landmark, and is listed on the National Register of Historic Places.

WHEREAS, the City of San Fernando has conducted a detailed assessment of the Lopez-Villegas House and determined that it warrants designation as a City historic landmark based on the building's architectural merit as one of the few remaining examples of the National Folk Style in the community, and its prior resident Isabella Villegas Castro's relationship to Pedro Lopez, a descendant of the Lopez Adobe family, and to the early settlers of California.

WHEREAS, the City of San Fernando has conducted a historical assessment of the Lopez Adobe Site to determine any potential adverse impacts to the Lopez Adobe's local, state, and/or federal designation as an historic landmark that may be attributed to the relocation of the Lopez-Villegas House to the Lopez Adobe Site.

WHEREAS, pursuant to the California Environmental Quality Act ("CEQA") and the City's local CEQA Guidelines, the City of San Fernando as the Lead Agency overseeing the environmental review for the proposed relocation of the Lopez-Villegas House to the Lopez Adobe Site has prepared an Initial Study to determine any potential environmental impacts to the Lopez Adobe's historic designation.

WHEREAS, based upon the findings of the Initial Study prepared for the project, the City determined that the project may have potential significant effects on the environment (i.e., cultural resource, water, and air quality impacts) attributed to placement and subsequent rehabilitation of the Lopez-Villegas House at the Lopez Adobe Site. Pursuant to CEQA, the environmental assessment includes mitigation measures that will provide for the reduction of identified environmental impacts to "less than significant" levels. Based upon the findings contained in the Initial Study, City staff determined that, with the imposition of mitigation measures, there was no substantial evidence that the project could have a significant effect on the environment, nor adversely affect the current status of the Lopez Adobe as a designated local, state and federal historic landmark, and a Mitigated Negative Declaration was prepared. Thereafter, City staff provided a public notice of the public comment period and of the intent to adopt the Mitigated Negative Declaration.

WHEREAS, the City Council has reviewed the Mitigated Negative Declaration and any comments received regarding the Mitigated Negative Declaration and, based on the whole record before it, finds: (i) that the Mitigated Negative Declaration was prepared in compliance with CEQA; and (ii) that, based on the imposition of mitigation measures, there is no substantial evidence that the project will have a significant effect on the environment. The City Council further finds that the Mitigated Negative Declaration reflects the independent judgment and analysis of the City Council. Based on these findings, the City Council has adopted the Mitigated Negative Declaration for this project.

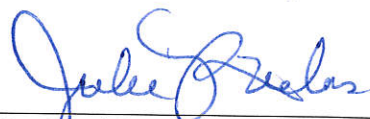
WHEREAS, the City Council has also reviewed and considered the Mitigation Monitoring Program for the project that has been prepared pursuant to the requirements of Public Resources Code Section 21081.6 and finds that such program is designed to ensure compliance with the mitigation measures during project implementation. The City Council has adopted the Mitigation Monitoring Program for the project.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF SAN FERNANDO DOES HEREBY RESOLVE THAT:

1. The City of San Fernando has undertaken an extensive historical site assessment and environmental review process in order to assure that the proposed relocation of the Lopez-Villegas House to the Lopez Adobe Site at 1100 Pico Street will not have the potential to create significant environmental impacts that would jeopardize the Lopez Adobe's local, state, and/or federal designation as an historic resource.
2. The City of San Fernando has designated the Lopez-Villegas House a City historic landmark based on the building's architectural merit as one of the few remaining examples of the National Folk Style in the community, and on its prior resident Isabella Villegas Castro's relationship to Pedro Lopez, a descendant of the Lopez Adobe family, and to the early settlers of California.
3. The City of San Fernando shall allow for the relocation of the Lopez-Villegas House to the Lopez Adobe Site located at 1100 Pico Street and that any future preservation, rehabilitation, restoration, and/or reconstruction work on the Lopez-Villegas House shall be undertaken in compliance with the Secretary of the Interior's Standards for the Treatment of Historic Properties and with the approved Mitigation Monitoring Plan.

PASSED, APPROVED AND ADOPTED this 5<sup>th</sup> day of July 2005.

BY:



Julie Ruelas, Mayor  
City of San Fernando, California

ATTEST:

Elena G. Chávez  
Elena G. Chávez, City Clerk

STATE OF CALIFORNIA           )  
COUNTY OF LOS ANGELES    )SS  
CITY OF SAN FERNANDO       )

I, Elena G. Chávez, City Clerk of the City of San Fernando, do hereby certify that the foregoing Resolution No. 7051 was duly adopted by the City Council and signed by the Mayor of said City at a meeting held on the 5<sup>th</sup> day of July, 2005; and the same was passed by the following vote to wit:

AYES:           Ruelas, Martinez, Hernández - 3

NOES:           Veres - 1

ABSTAIN:       De La Torre - 1

Elena G. Chávez  
Elena G. Chávez, City Clerk

**COMMUNITY DEVELOPMENT DEPARTMENT****MEMORANDUM**

**TO:** Mayor Julie Ruelas and Councilmembers

**FROM:** José E. Pulido, City Administrator  
By: Paul A. Deibel, AICP, Community Development Director

**DATE:** July 5, 2005

**SUBJECT:** Public Hearing on the Relocation of the Lopez-Villegas House to the Lopez Adobe Site at 1100 Pico Street

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**RECOMMENDATION:**

Staff recommends that the City Council:

- a). Conduct a Public Hearing;
- b). Adopt a Resolution, subject to any revisions noted by the City Council, approving relocation of the Lopez-Villegas House to the Lopez Adobe Site at 1100 Pico Street;
- c). Approve the Initial Study, Mitigated Negative Declaration, and Mitigation Monitoring Program; and,
- d). Approve designation of the Lopez-Villegas House as a City Historic landmark.

**BACKGROUND:**

1. On February 7, 2005, City Council directed staff to complete the environmental review process prior to making a final determination on the proposed location of the Lopez-Villegas House to the Lopez Adobe site. Besides compliance with CEQA requirements in general, an objective of this review process from the City's standpoint, was to receive official concurrence from the State Office of Historic Preservation with the conclusions of the City's assessment report that the proposed relocation of the Lopez-Villegas House to the Lopez Adobe site would not adversely impact the listing status of the Lopez Adobe on the National Register of Historic Places. (A detailed discussion on the events leading up to the City Council's decision are included as part of the February 7, 2005, City Council Report included herein as Attachment "B".)
2. On April 25, 2005, the draft Initial Study, Mitigated Negative Declaration, and Mitigation Monitoring Program were submitted for a 30-day review period to the California Governor's Office of Planning and Research, State Clearinghouse and Planning Unit. (See Attachment "C".) As part of the State's review the Office of Historic Preservation (OHP) reviewed the



## Relocation of the Lopez-Villegas House to the Lopez Adobe Site at 1100 Pico Street

Page 2

proposed relocation of the Lopez-Villegas House to the Lopez Adobe Site, a National Register designated landmark site.

3. On May 25, 2005, the City received a letter from Terry Roberts, Director of the State Clearinghouse (Attachment "D") notifying the City that the review period for the draft Mitigated Negative Declaration had closed, and no state agencies submitted comments by that date. This letter acknowledged that the City had "complied with the State Clearinghouse review requirements for the draft environmental document, pursuant to the California Environmental Quality Act."
4. On June 10, 2005, planning staff contacted the OHP directly in order to confirm their concurrence with the City's determinations on the proposed project. They informed staff that it is common practice for OHP to not issue a comment letter unless review of a project and the accompanying environmental document had failed to identify and/or mitigate environmental impacts that were deemed significant. Therefore, based on discussion with the state, staff determined that the proposed relocation of the Lopez-Villegas House to the Lopez Adobe Site as proposed, with mitigation measures incorporated, will not have any significant adverse environmental impact to a significant cultural resource, the Lopez Adobe.

**ANALYSIS:**

**No Adverse Impact.** Based on the Historical Commission and the City Council's prior review, and on the State's review of the project and the accompanying environmental documents, it is staff's assessment that the relocation of the Lopez-Villegas House to the Lopez Adobe site will not adversely impact the characteristics of the Lopez Adobe that justify its listing on the National Register of Historic Places. Specifically, the proposed relocation of the Lopez-Villegas House pursuant to the Mitigation Monitoring Program will not adversely impact Lopez Adobe's National Register designation due its relationship to persons of historical significance and its importance as an architecturally notable example of an early two-story adobe structure. (See Attachment "E"; Part VI. Conclusion and Recommendations)

**Local Historic Landmark Designation.** Staff concurs with the Historical Commission and City Council's prior discussion that the Lopez-Villegas should be designated by the City Council and subsequently preserved as City historic landmark, pursuant to City Code Section 2-477.

This code section currently provides for designation of "historical sites and monuments" by the City Council, but it establishes no criteria for doing so. However, the City's Historic Preservation Element (in Objective 1.3 on page 25) specifically advocates the adaptation of the national-significance criteria used under the National Register of Historic Places for use as local-significance criteria in designating local historic landmarks. Under the National Register of Historic Places criteria: "Resources may qualify for NRHP listing if they: A.) are associated with events that have made a significant contribution to the broad patterns of our history; B.) are associated with the lives of persons significant to our past; C.) embody the distinctive characteristics of a type, period, or method of construction or that represent the work of a master, or that possess high artistic values, or that represent a significant and distinguishable entity



## Relocation of the Lopez-Villegas House to the Lopez Adobe Site at 1100 Pico Street

Page 3

whose components may lack individual distinction; or, D.) have yielded, or may be likely to yield, information important in prehistory or history...”

The City Council, at their April 6, 2004, meeting considered a request to preserve the Lopez-Villegas House as a potentially historic resource based on historical records that identified Isabel Villegas Castro, a former resident of the subject structure, as a descendent of the Lopez Family, and with Don Jose Francisco de Ortega, one of the original/founders of “El Presidio de Santa Barbara.” (See Attachment “F”).

In addition, the June 2002, Historic Resources Survey, the historical consultant identified the Lopez-Villegas House as a potentially historic resource as a “National Folk house of the Pyramidal Family with a hipped bell cast roof.” (See Attachment “G”). The National Folk Style is based on a fundamental need for shelter and has its roots in Native American and pre-railroad dwellings. They can be “simple” or unadorned and are typically characterized by rectangular shapes with side-gable roof or in the case of the Lopez-Villegas House, they can have a square floor plan with pyramidal roofs. The subject site is indicative of early housing in the region at the turn of the century and is one of the last remaining structures of its type. Therefore, it is staff’s assessment that the structure merits local historic designation as it “embodies the distinctive characteristics of a type, period, or method of construction” that helps tell the story of early residential development in the City of San Fernando.

The Historical Commission has recommended that the Lopez-Villegas House be designated as a local historic monument based on the aforementioned reasons for local significance. It is staff’s assessment that such a designation of local significance would be consistent with the method used to determine national significance per the National Register of Historic Places under Criteria B and C.

**House Placement and Reuse.** The City has conducted an extensive environmental review process and a historic site assessment in order to determine any potential impact to the Lopez Adobe’s National Register designation under Criterion B (due to the building’s “association with the lives of persons significant in our past”) and Criterion C (due to the building’s architecture). It is staff’s assessment that the proposed relocation of the Lopez-Villegas House to Lopez Adobe Site and subsequent placement of the subject structure with its orientation toward Pico Street as noted in “Scheme A” of the Lopez Adobe site assessment allows for the preservation and adaptive reuse of the Lopez-Villegas House without adversely impacting the Lopez Adobe. In addition, the adaptive reuse of the Lopez-Villegas House will provide ancillary office, archive room, kitchen, and restroom facilities to support the future use of the Lopez Adobe as a museum.

**CONCLUSION:**

In light of the analysis above, it is staff’s assessment that the designation of the Lopez-Villegas House as a City historic landmark and its relocation to the Lopez Adobe Site, pursuant to “Scheme A” of the *Lopez Adobe Site Assessment for the Placement of the Lopez-Villegas House* report is warranted. In addition, staff recommends approval of the Initial Study, Mitigated Negative Declaration, and Mitigation Monitoring Program. Cumulatively, these environmental

## Relocation of the Lopez-Villegas House to the Lopez Adobe Site at 1100 Pico Street

Page 4

documents provide the necessary assessment of potential environmental impacts associated with the project, and include the measures to mitigate those impacts to levels that are less than significant as required by the California Environmental Quality Act.

**BUDGET IMPACT:**

Attached to this report is the draft cost estimate prepared by staff for the relocation of the Lopez-Villegas House (Attachment "H"). Waiving of permit fees as proposed, with management of the entitlement process including review of plans and building inspections to be undertaken by the Community Development Department in the course of day-to-day operations, would entail no direct City budget impact. The Friends of Lopez Adobe have already secured funds to pay the relocation costs. However, an additional \$20,000 is required for "time and materials" to construct the concrete foundation and an additional \$3,000-\$4,000 is required for the design of the foundation.

The Friends of the Lopez Adobe in conjunction with City staff are looking for potential funding sources to pay for these and other costs associated with the future use of the building as an ancillary facility to the Lopez Adobe. Prior to relocating the Lopez-Villegas House, a foundation will have to be designed and built. In addition, the proposed relocation of the Lopez-Villegas House from its temporary storage site on Celis Street to the Lopez Adobe Site at 1100 Pico Street will require transportation across city right-of-ways, which must be coordinated with the Public Works Department and Police Department. Bearing of these costs by the Friends of the Lopez Adobe would avoid any direct budget impact on the City.

**ATTACHMENTS:**

- A. City Council Resolution
- B. February 7, 2005 City Council Staff Report
- C. Draft Initial Study, Mitigated Negative Declaration, Mitigation Monitoring Program
- D. May 25, 2005, Letter from the State Clearinghouse
- E. February 8, 2005, Lopez Adobe Site Assessment for Placement of the Lopez-Villegas House
- F. Isabel Villegas Castro's Lineage Information
- G. June 2002, Historic Resource Survey: Primary Record Form
- H. Cost Estimate for the Lopez-Villegas House Relocation

**SAN FERNANDO CITY  
COUNCIL AGENDA – July 5, 2005**

**PUBLIC HEARING**

- 4) RELOCATION OF THE LOPEZ-VILLEGAS HOUSE TO THE LOPEZ ADOBE SITE AT 1100 PICO STREET; APPROVE DESIGNATION OF THE LOPEZ-VILLEGAS HOUSE AS A CITY HISTORIC LANDMARK

Recommend that the City Council:

- a) Conduct a Public Hearing;
- b) Adopt a Resolution, subject to any revisions noted by the City Council, approving relocation of the Lopez-Villegas House to the Lopez Adobe Site at 1100 Pico Street;
- c) Approve the Initial Study, Mitigated Negative Declaration, and Mitigation Monitoring Program; and
- d) Approve designation of the Lopez-Villegas House as a City Historic landmark.

*(Councilmember De La Torre arrived)*

**APPROVED: 3-1-1** Ayes: Hernández, Martinez, Ruelas

Noe: Veres

Abstain: De La Torre





**LOPEZ-VILLEGAS HOUSE UPDATE  
APRIL 18, 2016 CITY COUNCIL MEETING**

**SITE ASSESSMENT PHOTOS  
(1320 SAN FERNANDO ROAD)**





View of South Elevation of Lopez-Villegas House and "pop-out" structure as viewed from Pico Street.



View of "pop-out" structure and house South Elevation as viewed from Pico Street.



View of South and East Elevations of Lopez-Villegas House and "pop-out" structure as viewed from Pico Street.



View of Cribbing-Sub-Structure including 4" by 4" wood posts and steel I-Beams supporting house.





View of North and West Elevations of Lopez-Villegas House and "pop-out" structure as viewed from San Fernando Road



View of North and West Elevations of Lopez-Villegas House and "pop-out" structure as viewed from San Fernando Road



View of North and West Elevations of Lopez-Villegas House and "pop-out" structure as viewed from San Fernando Road



View of North and West Elevations of Lopez-Villegas House and "pop-out" structure as viewed from San Fernando Road





View of North Elevation (front entrance) of Lopez-Villegas House as viewed from San Fernando Road



View of East and North Elevations of Lopez-Villegas House as viewed from San Fernando Road



View of Lopez Villegas House South Elevation as viewed from Pico Street



View of Lopez Villegas House East and South Elevations as viewed from Kalisher Street





View of "pop-out" structure along Lopez Villegas House West Elevation



View of Lopez Villegas House West Elevation including "pop out"



View of Lopez Villegas House West Elevation including "pop out"



View of Lopez Villegas House West Elevation including "pop out"







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## AGENDA REPORT

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**To:** Mayor Robert C. Gonzales and Councilmembers

**From:** Vice Mayor Joel Fajardo and Councilmember Sylvia Ballin

**Date:** May 2, 2016

**Subject:** Discussion Regarding City Council Fiscal Year 2016-2017 Priority Pertaining to Rent Control in the City of San Fernando

**RECOMMENDATION:**

This has been placed on the agenda for City Council discussion and consideration.

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## AGENDA REPORT

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**To:** Mayor Robert C. Gonzales and Councilmembers

**From:** Councilmember Jaime Soto

**Date:** May 2, 2016

**Subject:** Appointment to the Transportation and Safety Commission

**RECOMMENDATION:**

I recommend that Holly Scott be appointed as my representative to the Transportation and Safety Commission.

**BUDGET IMPACT:**

None

**ATTACHMENT:**

A. Bio – Holly Scott

**ATTACHMENT “A”****HOLLY SCOTT****Biographical Statement**

My name is Holly Scott. My husband and I, along with our sons, moved to our home on Harps street six years ago. We really like living in the City of San Fernando and have come to warmly appreciate the small size and wonderful characteristics that this unique and historic community have offered us.

In the past, I have enjoyed attending and observing community watch meetings and events, I now look forward to continuing actively in pursuing vital matters that are important to my community, family, and myself. It is with great enthusiasm that I look forward to giving back to my community by being selected as Transportation and Safety Commissioner. I am committed to keeping this historic and beautiful city safe, while preserving its charm.

I am happy to step up as Transportation and Safety Commissioner for the city of San Fernando and I look forward to doing my part for our town.

Thank you.



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## AGENDA REPORT

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**To:** Mayor Robert C. Gonzales and Councilmembers

**From:** Councilmember Jaime Soto

**Date:** May 2, 2016

**Subject:** Proposed Non-Exclusive License Agreement for the Implementation of Adult Education Programs at Las Palmas Park

### RECOMMENDATION:

I have placed this on the agenda for discussion and am recommending that the City Council:

- a. Approve a non-exclusive license agreement (to be prepared by staff) with Juieta Garcia for implementation of adult education programs at Las Palmas Park; and
- b. Consider waiving facility-use fees for a total of \$8,320 for use of the Community Lab Room at Las Palmas Park.

### ANALYSIS:

#### Benefits of adult education classes

Investing in adult education is beneficial to individuals, our families, our communities, and our country. The benefits of upskilling and continuous learning as an adult are:

- *Personal development:* Seeking to learn new skills and develop new ideas is a process of self-improvement. Learning can provide an individual a better sense of identity and also add more dimensions to their character and help them reach their full potential.
- *Professional development:* Learning new skills can bring an outdated skill set into the 21st century, help secure a promotion and open up new opportunities that might not have been available before.
- *Confidence booster:* Learning is empowering. It gives an individual the chance to discover things they're good at and expand their skills portfolio, thereby boosting their self-esteem and giving them a sense of pride from their achievements. Learning across a

**Proposed Non-Exclusive License Agreement for the Implementation of Adult Education Programs at Las Palmas Park**Page 2 of 3

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life span can enable an individual to make well-informed decisions, give a better idea of what to do with their life and provide a sense of fulfillment.

- *Improves well-being:* It's no secret that learning can drastically improve one's quality of life; picking up new skills and developing new talents can widen their interests, give them a sense of purpose and fulfillment, protect against poor mental health and increase autonomy. Additionally, learning can add to one's resume and make them more appealing to employers, which could bring economic benefits in the form of additional income.
- *Provides networking opportunities:* Upskilling gives individuals the opportunity to network and build relationships in both a professional and personal capacity.

**Proposal**

It is proposed that the City of San Fernando provide Juieta Garcia (Sole Proprietor) access to the Community Lab Room located at Las Palmas Park on Tuesdays and Thursdays from 6:00-8:00 p.m. via a non-exclusive license agreement (Agreement) so that the following services can be provided:

- Adult Literacy Classes at Las Palmas Park (free). The goals are to:
  - o Extend the opportunities for education, information, and communication.
  - o Learn to use the computer, internet and other technologies as educational resources.
  - o Learn to read and write or finish elementary or middle school. Once the student passes the modules required for elementary or middle school, s/he receives a certificate from the Mexican Consulate, Los Angeles.
- Adult Domestic Violence Program (\$5 donation/week). The goals are to:
  - o Learn different types (i.e., sexual, mental, emotional) of violence.
  - o Learn various methods to stop domestic violence and make information available to everyone.
  - o Learn new techniques to overcome fear, guilt, insecurity, low self-esteem.
  - o Provide education to help break the silence and cycle of domestic violence.

There are two options available:

1. Grant access for summer and winter sessions only. Ms. Garcia has the opportunity to provide the proposed classes at Vaughn Elementary at no cost. However, the facility is not available during summer and winter breaks and the holidays. Use of the park facility would then be limited to approximately 12 weeks per year.

**Proposed Non-Exclusive License Agreement for the Implementation of Adult Education Programs at Las Palmas Park**Page 3 of 3

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2. Grant all year access (i.e., 52 weeks).

The Agreement shall be for one year with the City's option to extend for an additional year. Extension of the Agreement should be based on any findings from the scheduled parks master plan and/or recommendations from the Recreation, Parks, and Wellness Commission.

In addition, Ms. Garcia shall provide proof of professional and liability insurance, including naming the City of San Fernando as additionally insured.

Additional recommendations:

- Ms. Garcia to present a six-month progress report to the Parks, Wellness, and Recreation Commission.
- Ms. Garcia is to actively search for potential funding streams to help support the cost of the program, including facility-use costs.
- Encourage Ms. Garcia to seek a non-profit status for her business so she can be eligible for more funding opportunities.

**BUDGET IMPACT:**

The facility-use fee for Juieta Garcia to implement this program is estimated at \$8,320 per year. This is based on the resident rate fee of \$45 per hour at four hours per week. If the City Council considers waiving the fees for Ms. Garcia, the following should be considered.

- There will be a potential revenue loss of \$8,320 (\$1,920 for summer and winter breaks only).
- There is very limited space at the park facilities, especially due to the loss of the pool facility banquet room and workshop.
- In 2015, the Community Lab Room was utilized for a total of 43 evening activities on Tuesdays and Thursdays. Two of the activities were paid events (approximately \$180). Activities that occurred during this period were the LAC Assessment, Holiday Portrait event, staff trainings/meetings, and multiple youth baseball league meetings.

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## AGENDA REPORT

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**To:** Mayor Robert C. Gonzales and Councilmembers

**From:** Councilmember Jaime Soto

**Date:** May 2, 2016

**Subject:** Discussion Regarding Ice Cream Truck Curfews and Regulations

**RECOMMENDATION:**

I have placed this on the agenda for discussion and am recommending that the City Council set a curfew and establish regulations regarding ice cream truck hours of operation.