



SAN FERNANDO CITY COUNCIL
REGULAR MEETING NOTICE AND AGENDA
JULY 20, 2020 – 6:00 PM

TELECONFERENCE – PER GOVERNOR’S EXECUTIVE ORDER

SPECIAL NOTICE REGARDING COVID-19

On March 4, 2020, Governor Newsom proclaimed a State of Emergency in California as a result of the threat of COVID-19. On March 17, 2020, Governor Newsom issued Executive Order N-29-20 (superseding the Brown Act-related provisions of Executive Order N-25-20 issued on March 12, 2020), which allows a local legislative body to hold public meetings via teleconferencing and to make public meetings accessible telephonically or otherwise electronically to all members of the public seeking to observe and to address the local legislative body. Pursuant to Executive Order N-29-20, please be advised that the San Fernando City Council will participate in meetings telephonically.

PUBLIC PARTICIPATION: Pursuant to the Executive Order and given the current health concerns, members of the public can access meetings live on-line, with audio and video, via YouTube Live, at <https://www.youtube.com/c/CityOfSanFernando>. Members of the public may submit comments by email to cityclerk@sfcity.org. Comments submitted via YouTube will not be read into the record. To ensure distribution to the City Council prior to consideration of the agenda, please submit your comments no later than 4:00 p.m. the day of the meeting. Those comments will be distributed to the City Council will be limited to three minutes, and made part of the official public record of the meeting.

CALL TO ORDER/ROLL CALL

Mayor Joel Fajardo
Vice Mayor Hector A. Pacheco
Councilmember Sylvia Ballin
Councilmember Robert C. Gonzales
Councilmember Mary Mendoza

PLEDGE OF ALLEGIANCE

Led by Mayor Joel Fajardo

APPROVAL OF AGENDA

Recommend that the City Council approve the agenda as presented and move that all ordinances presented tonight be read in title only as authorized under Government Code Section 36934.

SAN FERNANDO CITY COUNCIL**Regular Meeting Notice and Agenda – July 20, 2020**

Page 2 of 5

PRESENTATIONS

- a) RECOGNITION OF THE LAS PALMAS SENIOR CITIZENS' CLUB 100TH ANNIVERSARY
Councilmember Mary Mendoza
- b) UPDATE REGARDING THE 2020 CENSUS
City Manager Nick Kimball

DECORUM AND ORDER

The City Council, elected by the public, must be free to discuss issues confronting the City in an orderly environment. Public members attending City Council meetings shall observe the same rules of order and decorum applicable to the City Council ([SF Procedural Manual](#)). Any person making impertinent derogatory or slanderous remarks or who becomes boisterous while addressing the City Council or while attending the City Council meeting, may be removed from the room if the Presiding Officer so directs the Sergeant-At-Arms and such person may be barred from further audience before the City Council.

PUBLIC STATEMENTS

Members of the public can submit comments electronically for City Council consideration by sending them to cityclerk@sfcity.org. Members of the public can access meetings live on-line, with audio and video, via YouTube Live, at <https://www.youtube.com/c/CityOfSanFernando>. To ensure distribution to the City Council prior to consideration of the agenda, please submit comments prior to 4:00 p.m. on the day of the meeting. Those comments will be distributed to the City Council, will be limited to three minutes, and made part of the official public record of the meeting.

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 MEETING MINUTES OF:

- a. APRIL 6, 2020 – SPECIAL MEETING
- b. APRIL 20, 2020 – SPECIAL MEETING
- c. MAY 4, 2020 – SPECIAL MEETING

2) CONSIDERATION TO ADOPT A RESOLUTION APPROVING THE WARRANT REGISTER

Recommend adoption of Resolution No. 20-072 approving the Warrant Register.

SAN FERNANDO CITY COUNCIL**Regular Meeting Notice and Agenda – July 20, 2020**Page 3 of 5

3) CONSIDERATION TO APPROVE A PROFESSIONAL SERVICES AGREEMENT WITH THE LOCAL GOVERNMENT COMMISSION TO DEVELOP A SAFE AND ACTIVE STREETS IMPLEMENTATION PLAN

Recommend that the City Council:

- a. Approve a Professional Services Agreement (Contract No. 1948) with Local Government Commission in an amount not-to-exceed \$62,200 for outreach and planning services to develop a Safe and Active Streets Implementation Plan for the City of San Fernando; and
- b. Authorize the City Manager to make non-substantive changes and execute the Agreement and all related documents.

4) CONSIDERATION TO AUTHORIZE THE NOTICE OF COMPLETION FOR THE GLENOAKS BOULEVARD STREET SEWER AND WATER IMPROVEMENTS PROJECT, JOB NO. 7608, PLAN NO. P-730

Recommend that the City Council:

- a. Accept the improvements as constructed by GRBCON, Inc., and consider the work complete;
- b. Authorize the issuance and filing of the “Notice of Completion” with the Los Angeles County Office of the Registrar-Recorder/County Clerk; and
- c. Authorize the release of the five percent retention amount (\$74,444.52) after the 35-day lien period from the date the Notice of Completion is recorded.

5) CONSIDERATION TO APPROVE A SPECIAL SERVICES AGREEMENT WITH LIEBERT CASSIDY WHITMORE FOR FISCAL YEAR 2020-2021

Recommend that the City Council:

- a. Approve an Agreement for Special Services (Contract No. 1958) with the law firm of Liebert Cassidy Whitmore (LCW);
- b. Authorize the City Manager to execute the Agreement and all related documents; and
- c. Authorize staff to utilize the services of Olivarez Madruga Lemieux O’Neill, LLP for additional representational, litigation, and other employment relations services, as needed.

SAN FERNANDO CITY COUNCIL**Regular Meeting Notice and Agenda – July 20, 2020**Page 4 of 5

ADMINISTRATIVE REPORTS**6) DISCUSSION REGARDING COVID-19 RESPONSE EFFORTS AND APPROVAL OF PROPOSED RECOMMENDATIONS**

This item was placed on the agenda by Mayor Fajardo.

Receive a presentation from staff related to the City's COVID-19 efforts, including, but not limited to:

- a. Review and approval of the City's COVID-19 planning, response, enforcement, education efforts, and related policy initiatives; and
- b. Review and approval of financial assistance programs, and the pursuit of funding opportunities, and related recommendations, as appropriate.

7) CONSIDERATION TO APPROVE AN EXCLUSIVE NEGOTIATION AGREEMENT WITH AZURE DEVELOPMENT, INC., FOR THE DEVELOPMENT OPPORTUNITY SITE AT PARKING LOT NO.3

Recommend that the City Council:

- a. Approve an Exclusive Negotiation Agreement (Contract No. 1959) with Azure Development, Inc. to provide a specified period of time to attempt to negotiate a development agreement; and
- b. Authorize the City Manager to make non-substantive edits and execute all related documents.

8) CONSIDERATION TO PLACE A QUARTER-CENT LOCAL SALES TAX AND/OR TRANSIENT OCCUPANCY TAX MEASURE(S) ON THE NOVEMBER 3, 2020 GENERAL MUNICIPAL ELECTION

Recommend that the City Council:

- a. Discuss placing a quarter-cent (0.25 percent) local sales tax measure on the November 3, 2020 ballot;
- b. Discuss placing a Transient Occupancy Tax measure on the November 3, 2020 ballot; and
- c. Provide staff direction, as appropriate.

SAN FERNANDO CITY COUNCIL**Regular Meeting Notice and Agenda – July 20, 2020**

Page 5 of 5

9) DISCUSSION REGARDING THE CITY'S OPPOSITION OF ICE DETENTION FACILITIES

This item was placed on the agenda by Councilmember Ballin.

Recommend that the City Council discuss U.S. Immigration and Customs Enforcement (ICE) Detention Facilities and provide direction to staff, as appropriate.

10) CONSIDERATION TO ADOPT A RESOLUTION DECLARING THAT NO WOMEN SHOULD BE SUBJECTED TO PHYSICAL ASSAULT AND URGING THE DEPARTMENT OF DEFENSE (DOD) TO CONDUCT AN INDEPENDENT INVESTIGATION INTO THE DEATH OF UNITED STATES ARMY SPECIALIST VANESSA GUILLEN AT FORT HOOD, TEXAS

This item was placed on the agenda by Councilmember Mendoza.

Recommend that the City Council:

- a. Adopt Resolution No. 8018 to resolve that no women should be subjected to physical assault and urging the Department of Defense (DoD) to conduct an Independent Investigation into the death of United States Army Specialist Vanessa Guillen; and
- b. Authorize the City Manager to forward copies of the resolution to the City's State and Federal Legislative Representatives and to appropriate officials within the Department of Defense.

STAFF COMMUNICATION INCLUDING COMMISSION UPDATES**GENERAL COUNCIL COMMENTS AND LIAISON UPDATES****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.

Julia Fritz, CMC

City Clerk

Signed and Posted: July 16, 2020 (5:00 p.m.)

Agendas and complete Agenda Packets (including staff reports and exhibits related to each item) are posted on the City's Internet website (www.sfcity.org). These are also available for public reviewing prior to a meeting in the City Clerk Department. 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 Department 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 website at 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 Department at (818) 898-1204 at least 48 hours prior to the meeting.

Regular Meeting

San Fernando City Council

*This Page
Intentionally
Left Blank*

1a

*This Page
Intentionally
Left Blank*

**SAN FERNANDO CITY COUNCIL
MINUTES**

**APRIL 6, 2020 – 5:00 P.M.
SPECIAL MEETING**

Teleconference Per Governor Executive Order N-29-20

CALL TO ORDER/ROLL CALL

Mayor Joel Fajardo called the meeting to order at 5:01 p.m.

Present:

Council: Mayor Joel Fajardo, Vice Mayor Hector A. Pacheco (left at 10:00 p.m.), and Councilmembers Sylvia Ballin, Robert C. Gonzales (joined at 5:08 p.m.) and Mary Mendoza

Staff: City Manager Nick Kimball, Assistant City Attorney Richard Padilla, and Deputy City Clerk Cynthia Alba

APPROVAL OF AGENDA

Motion by Vice Mayor Pacheco, seconded by Chair Fajardo, to approve the agenda. The motion carried with the following vote:

AYES: Fajardo, Pacheco, Ballin, Mendoza – 4
NOES: None
ABSENT: Gonzales – 1
ABSTAIN: None

PUBLIC STATEMENTS – WRITTEN/ORAL

None

RECESS TO CLOSED SESSION (5:02 P.M.)

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

A) CONFERENCE WITH LABOR NEGOTIATOR

G.C. §54957.6

Designated City Negotiators:

City Manager Nick Kimball

City Attorney Rick Olivarez

Assistant City Attorney Richard Padilla

**SAN FERNANDO CITY COUNCIL
SPECIAL MEETING MINUTES – April 6, 2020**

Page 2

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
San Fernando Part-time Employees' Bargaining Unit (SEIU, Local 721)
All Unrepresented Employees

B) CONFERENCE WITH LEGAL COUNSEL – CONSIDERATION OF INITIATION OF LITIGATION

G.C. §54956.9(d)(4)

One (1) Matter

C) PUBLIC EMPLOYMENT

G.C. §54957

Title: City Clerk

D) CONFERENCE WITH LABOR NEGOTIATORS

G.C. §54957.6

Unrepresented Employee: City Clerk

RECESS TO OPEN SESSION (6:21 P.M.)

RECONVENE TO CLOSED SESSION (9:51 P.M.)

REPORT OUT FROM CLOSED SESSION (10:14 P.M.)

Assistant City Attorney Padilla stated there were was no reportable action as a result of Closed Session.

ADJOURNMENT (10:16 P.M.)

Motion by Mayor Fajardo, seconded by Councilmember Gonzales, to adjourn the meeting. By consensus, the motion carried.

I do hereby certify that the foregoing is a true and correct copy of the minutes of April 6, 2020, meeting as approved by the San Fernando City Council.

*Julia Fritz
City Clerk*

1b

*This Page
Intentionally
Left Blank*

**SAN FERNANDO CITY COUNCIL
MINUTES**

**APRIL 20, 2020 – 5:00 P.M.
SPECIAL MEETING**

Teleconference Per Governor Executive Order N-29-20

CALL TO ORDER/ROLL CALL

Mayor Joel Fajardo called the meeting to order at 5:01 p.m.

Present:

Council: Mayor Joel Fajardo, Vice Mayor Hector A. Pacheco, and Councilmembers Sylvia Ballin, Robert C. Gonzales, and Mary Mendoza

Staff: City Manager Nick Kimball, Assistant City Attorney Richard Padilla, and Deputy City Clerk Cynthia Alba

APPROVAL OF AGENDA

Motion by Mayor Fajardo, seconded by Councilmember Gonzales, to approve the agenda. The motion carried with the following vote:

AYES: Fajardo, Pacheco, Ballin, Gonzales, Mendoza – 5
NOES: None
ABSENT: None
ABSTAIN: None

PUBLIC STATEMENTS – WRITTEN/ORAL

None

RECESS TO CLOSED SESSION (5:02 P.M.)

By consensus, Councilmembers recessed to Closed Session.

A) CONFERENCE WITH LABOR NEGOTIATOR

G.C. §54957.6

Designated City Negotiators:

City Manager Nick Kimball

City Attorney Rick Olivarez

Assistant City Attorney Richard Padilla

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

San Fernando Management Group (SEIU, Local 721)

**SAN FERNANDO CITY COUNCIL
SPECIAL MEETING MINUTES – April 20, 2020**

Page 2

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
San Fernando Part-time Employees' Bargaining Unit (SEIU, Local 721)
All Unrepresented Employees

B) CONFERENCE WITH LEGAL COUNSEL – CONSIDERATION OF INITIATION OF LITIGATION

G.C. §54956.9(d)(4)
One (2) Matters

C) PUBLIC EMPLOYMENT

G.C. §54957
Title: City Clerk

D) CONFERENCE WITH LABOR NEGOTIATORS

G.C. §54957.6
Unrepresented Employee: City Clerk

E) CONFERENCE WITH REAL PROPERTY NEGOTIATOR

G.C. §54956.8
Property: City owned parcels at Assessor Identification Numbers:
2521-031-901, 902, & 903
City Negotiator: City Manager Nick Kimball, Lead Negotiator
City Attorney Rick Olivarez
Assistant City Attorney Richard Padilla
Negotiating Parties: Vanessa Delgado, President, Azure Development
Under Negotiation: Price and Terms of Payment as it relates to Leasing or Sale of Real Property

RECESS TO OPEN SESSION (6:28 P.M.)

RECONVENE TO CLOSED SESSION (8:40 P.M.)

REPORT OUT FROM CLOSED SESSION (11:10 P.M.)

Assistant City Attorney Padilla stated regarding Item C and D, appointment of Julia Fritz to City Clerk subject to approval of an employment contract to be agendaized at the May 4, 2020 open session meeting, carried with the following vote:

AYES: Fajardo, Pacheco, Ballin, Mendoza – 4
NOES: None
ABSENT: None
ABSTAIN: Gonzales – 1

**SAN FERNANDO CITY COUNCIL
SPECIAL MEETING MINUTES – April 20, 2020
Page 3**

ADJOURNMENT (11:14 P.M.)

Motion by Mayor Fajardo, seconded by Councilmember Gonzales, to adjourn the meeting. By consensus, the motion carried.

I do hereby certify that the foregoing is a true and correct copy of the minutes of April 20, 2020, meeting as approved by the San Fernando City Council.

*Julia Fritz
City Clerk*

1c

*This Page
Intentionally
Left Blank*

**SAN FERNANDO CITY COUNCIL
MINUTES**

**MAY 4, 2020 – 4:30 P.M.
SPECIAL MEETING**

Teleconference Per Governor Executive Order N-29-20

CALL TO ORDER/ROLL CALL

Mayor Joel Fajardo called the meeting to order at 4:30 p.m.

Present:

Council: Mayor Joel Fajardo, Vice Mayor Hector A. Pacheco, and Councilmembers Sylvia Ballin, Robert C. Gonzales, and Mary Mendoza

Staff: City Manager Nick Kimball, Assistant City Attorney Richard Padilla, and Deputy City Clerk Cynthia Alba

APPROVAL OF AGENDA

Motion by Mayor Fajardo, seconded by Councilmember Gonzales, to approve the agenda. The motion carried with the following vote:

AYES: Fajardo, Pacheco, Ballin, Gonzales, Mendoza – 5
NOES: None
ABSENT: None

PUBLIC STATEMENTS – WRITTEN/ORAL

None

RECESS TO CLOSED SESSION (4:32 P.M.)

By consensus, Councilmembers recessed to Closed Session.

A) CONFERENCE WITH LABOR NEGOTIATOR

G.C. §54957.6

Designated City Negotiators:

City Manager Nick Kimball

City Attorney Rick Olivarez

Assistant City Attorney Richard Padilla

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

**SAN FERNANDO CITY COUNCIL
SPECIAL MEETING MINUTES – May 4, 2020**

Page 2

San Fernando Part-time Employees' Bargaining Unit (SEIU, Local 721)
All Unrepresented Employees

**B) CONFERENCE WITH LEGAL COUNSEL – CONSIDERATION OF INITIATION OF
LITIGATION**

G.C. §54956.9(d)(4)

One (1) Matter

C) PUBLIC EMPLOYMENT

G.C. §54957

Title: City Clerk

D) CONFERENCE WITH LABOR NEGOTIATORS

G.C. §54957.6

Unrepresented Employee: City Clerk

E) CONFERENCE WITH REAL PROPERTY NEGOTIATOR

G.C. §54956.8

Property: City owned parcels at Assessor Identification Numbers:
2521-031-901, 902, & 903

City Negotiator: City Manager Nick Kimball, Lead Negotiator
City Attorney Rick Olivarez
Assistant City Attorney Richard Padilla

Negotiating Parties: Vanessa Delgado, President, Azure Development

Under Negotiation: Price and Terms of Payment as it relates to Leasing or Sale of Real
Property

RECESS TO OPEN SESSION (6:11 P.M.)

RECONVENE TO CLOSED SESSION (8:58 P.M.)

REPORT OUT FROM CLOSED SESSION (10:06 P.M.)

Assistant City Attorney Padilla stated there was no reportable action as a result of Closed Session.

ADJOURNMENT (10:08 P.M.)

Motion by Mayor Fajardo, seconded by Councilmember Ballin, to adjourn the meeting. By consensus, the motion carried.

I do hereby certify that the foregoing is a true and correct copy of the minutes of May 4, 2020, meeting as approved by the San Fernando City Council.

Julia Fritz
City Clerk

*This Page
Intentionally
Left Blank*



AGENDA REPORT

To: Mayor Joel Fajardo and Councilmembers

From: Nick Kimball, City Manager
By: J. Diego Ibañez, Director of Finance

Date: July 20, 2020

Subject: Consideration to Adopt a Resolution Approving the Warrant Register

RECOMMENDATION:

It is recommended that the City Council adopt Resolution No. 20-072 (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 special 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. Special 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 Director of Finance 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 Director of Finance 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 No. 20-072

ATTACHMENT "A"**RESOLUTION NO. 20-072****A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
SAN FERNANDO ALLOWING AND APPROVING FOR
PAYMENT DEMANDS PRESENTED ON DEMAND/ WARRANT
REGISTER NO. 20-072****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 20th day of July, 2020.

Joel Fajardo, Mayor

ATTEST:

Julia Fritz, City Clerk

RESO. NO. 20-072**CERTIFICATION**

I, City Clerk of the City of San Fernando, California, do hereby certify that the foregoing is a full, true, and correct copy of Resolution No. 20-072 which was regularly introduced and adopted by the City Council of the City of San Fernando, California, at a regular meeting thereof held on the 20th day of July, 2020, by the following vote of the City Council:

AYES:

NAYS:

ABSENT:

ABSTAINED:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of San Fernando, California, this _____ day of _____, 2020.

Julia Fritz, City Clerk

EXHIBIT "A"

vchlist

07/15/2020 1:14:50PM

Voucher List

CITY OF SAN FERNANDO

Page:

1

Bank code :bank3

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
219581	7/20/2020	891587 ABLE MAILING INC.	32049		FULFILLMENT OF ALARM RENEWALS 001-130-0000-4260	45.00
					Total :	45.00
219582	7/20/2020	100066 ADS ENVIRONMENTAL SERVICES,INC	22291.22-0620	12103	WASTEWATER FLOW MONITORING & F 072-360-0000-4260	1,243.33
			22524.52-0620	12209	SEVEN ADS D-SITE OVERFLOW MONIT 072-360-0000-4260	1,113.00
					Total :	2,356.33
219583	7/20/2020	888356 ADVANCED AUTO REPAIR	1431	12214	ACCIDENT REPAIR TO CITY POLICE VE 041-320-0225-4400	7,905.63
			1434	12215	EMERGENCY REPAIRS TO CITY FAC. T 041-320-0390-4400	3,125.11
					Total :	11,030.74
219584	7/20/2020	891969 ADVANCED PURE WATER SOLUTIONS	1026815		DRINKING WATER 001-222-0000-4300	98.55
					Total :	98.55
219585	7/20/2020	887377 AKEMON, DOLORES	JULY 2020		COMMISSIONER'S STIPEND 001-310-0000-4111	75.00
					Total :	75.00
219586	7/20/2020	892592 ALL AMERICAN ASPHALT	189624	12183	GLENOAKS STREET RESURFACING PF 010-311-6673-4600	145,750.00
				12183	012-311-6673-4600	5,250.00
					010-2037	-7,287.50
					012-2037	-262.50
			189921	12183	GLENOAKS STREET RESURFACING PF 010-311-6673-4600	108,450.00
				12183	012-311-6673-4600	12,050.00
					010-2037	-5,422.50
					012-2037	-602.50
					Total :	257,925.00

Page:

1

Page: 1

vchlist		Voucher List					Page:	2
07/15/2020 1:14:50PM		CITY OF SAN FERNANDO						
Bank code :		bank3						
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount		
219587	7/20/2020	100143 ALONSO, SERGIO	JUNE 2020	12069	MMAP ARTIST INSTRUCTOR: SERGIO /			
				12069	001-424-0000-4430			320.00
				12069	109-424-3693-4260			1,780.00
					Total :			2,100.00
219588	7/20/2020	100165 AMERICAN WATER WORKS, INC.	29381		VEHICLE MAINT- PK9678			
					041-320-0390-4400			35.22
					Total :			35.22
219589	7/20/2020	888321 ARRIZON, FRANCISCO	JULY 2020		COMMISSIONER'S STIPEND			
					001-310-0000-4111			75.00
					Total :			75.00
219590	7/20/2020	892713 ASCENCIO, ALEJANDRO	JULY-OCT 2019		MMAP MENTOR INSTRUCTOR			
			MAR 2020 - JUNE 2020		001-424-0000-4430			2,108.00
			NOV 2019 - FEB 2020		MMAP MENTOR INSTRUCTOR			
					109-424-3693-4260			1,088.00
					MMAP MENTOR INSTRUCTOR			
					001-424-0000-4430			340.00
					109-424-3693-4260			450.50
					Total :			3,986.50
219591	7/20/2020	891209 AUTONATION SSC	328898	12158	PURCHASE OF FORD SPECIFIC PARTS			
					041-1215			385.88
					Total :			385.88
219592	7/20/2020	101709 AV EQUIPMENT RENTAL INC.	233447	12218	REPLACE (2) BROKEN METROTECH U			
					070-385-0000-4320			7,724.92
					Total :			7,724.92
219593	7/20/2020	890546 BARAJAS, CRYSTAL	JUNE 2020	12071	MMAP ARTIST INSTRUCTOR: CRYSTAL			
					001-424-0000-4430			255.00
					Total :			255.00
219594	7/20/2020	889345 BSN SPORTS LLC	909175544		BASEBALL SUPPLIES			
					017-420-1330-4300			1,334.40
					Total :			1,334.40

Page: 2

vchlist 07/15/2020 1:14:50PM		Voucher List CITY OF SAN FERNANDO				Page: 3
Bank code :		bank3				
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
219595	7/20/2020	888800 BUSINESS CARD	062620		OFFICE SUPPLIES	
			070120		001-222-0000-4300	217.67
			070120		OFFICE SUPPLIES	
			070120		001-222-0000-4300	286.11
			070120		POLICE LOGO & NAME TAPES	
					001-222-0000-4300	80.11
					ANNUAL SUBSCRIPTION-PD	
					001-135-0000-4260	314.48
					Total :	898.37
219596	7/20/2020	887810 CALGROVE RENTALS, INC.	120980-1		PALM TREE TRIMMING-PW OPSCTR	
			121845-1		043-390-0000-4250	1,237.45
			122363-1		WEED ABATEMENT-PACOIMA WASH	
					043-390-0000-4250	451.00
					EQUIPMENT FITTING & LABOR FEE	
					043-390-0000-4260	55.00
					Total :	1,743.45
219597	7/20/2020	893655 CAMPBELL, RICHARD	58-1028-00		WATER ACCT REFUND-734 HARPS	
					070-2010	122.42
					Total :	122.42
219598	7/20/2020	891860 CARL WARREN & COMPANY	20029		REIMB. OF ITF ACCT (LIABILITY CLAIM:	
					006-1037	1,625.00
					Total :	1,625.00
219599	7/20/2020	103818 CITY OF LOS ANGELES	20209895534		INSPECTION & CONTROL FEE -	
					070-384-0000-4330	496.00
					Total :	496.00
219600	7/20/2020	890893 CITY OF SAN FERNANDO	JULY 2020		VARIOUS CITY PROPERTY UTILITY	
					043-390-0000-4210	3,772.92
					Total :	3,772.92
219601	7/20/2020	890893 CITY OF SAN FERNANDO	JUNE 2020		COMMISSIONER'S STIPEND DONATION	
					001-115-0000-4111	75.00
					Total :	75.00

Page: 3

vchlist 07/15/2020 1:14:50PM		Voucher List CITY OF SAN FERNANDO				Page: 4
Bank code :		bank3				
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
219602	7/20/2020	100805 COOPER HARDWARE INC.	121125		MISCELLANEOUS SUPPLIES FOR PW (
			121640	12034	043-390-0000-4300	17.68
			121641	12034	MISCELLANEOUS SUPPLIES FOR PW (
					043-390-0000-4300	182.35
				12034	MISCELLANEOUS SUPPLIES FOR PW (
					043-390-0000-4300	63.82
					Total :	263.85
219603	7/20/2020	892687 CORE & MAIN LP	M479462		WATER AND FIRE SERVICE MATERIALS	
			M556338	12035	070-383-0301-4300	3,288.42
				12035	WATER AND FIRE SERVICE MATERIALS	
					070-385-0701-4600	940.63
					Total :	4,229.05
219604	7/20/2020	893652 CORTEZ, GALDINO	52-1210-04		WATER ACCT REFUND-2037 PHILLIPPI	
					070-2010	129.02
					Total :	129.02
219605	7/20/2020	888743 COUNTY OF LOS ANGELES	IN0849769		CITY YARD TRANSFER STATION PERM	
					001-311-0000-4260	1,243.00
					Total :	1,243.00
219606	7/20/2020	100499 CPCA	15523		MEMBERSHIP DUES-FY20/21	
					001-222-0000-4380	440.00
					Total :	440.00
219607	7/20/2020	887380 DUENAS, MARIA CONCEPCION	JUNE 2020		MMAP PROJECT ASSISTANT	
					001-424-0000-4430	1,005.00
					Total :	1,005.00
219608	7/20/2020	889121 EDGESOFT, INC.	3137		JUNE-ANNUAL MAINT. FOR AUTOMATE	
				12004	055-135-0000-4260	2,080.00
					Total :	2,080.00
219609	7/20/2020	893473 ESQUIVEL, ERNESTO	REIMB.		REIMB-K9 SUPPLIES	
			REIMB.		001-225-0000-4270	514.77
					REIMB-K9 SUPPLIES	
					001-225-0000-4270	348.66

Page: 4

vchlist 07/15/2020 1:14:50PM		Voucher List CITY OF SAN FERNANDO				Page: 7
Bank code :		bank3				
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
219615	7/20/2020	892198 FRONTIER COMMUNICATIONS	(Continued)			
			818-837-1509-032207		001-222-0000-4220 PUBLIC WORKS PHONE LINES	37.34
			818-838-1841-112596		001-190-0000-4220 ENGINEERING FAX MODEM	28.60
			818-838-4969-021803		001-310-0000-4220 POLICE DEPT ALARM PANEL	38.93
					001-222-0000-4220	115.05
					Total :	2,531.46
219616	7/20/2020	887249 GALLS, LLC	015889533		UNIFORM ACCESSORIES	
					001-222-0000-4300	103.97
					Total :	103.97
219617	7/20/2020	893659 GM CONSTRUCTION CO	BS2005255-BS2005258		CONSTRUCTION PERMIT REFUND	
					001-3320-0000	1,345.79
					Total :	1,345.79
219618	7/20/2020	893656 GONZALEZ, JAVIER	PW2006027		CREDIT-DIFF BTWN UPGRADE & INST#	
					070-3840-0000	312.00
					070-3835-0000	-64.00
					Total :	248.00
219619	7/20/2020	892550 GOVEA, DAVID	JUNE 2020		COMMISSIONER'S STIPEND	
					001-115-0000-4111	75.00
					Total :	75.00
219620	7/20/2020	101376 GRAINGER, INC.	9555780775	12022	SUPPLIES FOR BUILDING, ELECTRICA	
			9556467448	12022	043-390-3689-4300 SUPPLIES FOR BUILDING, ELECTRICA	141.52
			9558661949	12022	043-390-3689-4300 SUPPLIES FOR BUILDING, ELECTRICA	79.99
			9559156600	12022	043-390-0000-4300 SUPPLIES FOR BUILDING, ELECTRICA	38.94
			9562497751	12022	043-390-3689-4300 SUPPLIES FOR BUILDING, ELECTRICA	109.99
				12022	043-390-3689-4300	10.00

Page: 7

vchlist 07/15/2020 1:14:50PM		Voucher List CITY OF SAN FERNANDO				Page: 8
Bank code :		bank3				
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
219620	7/20/2020	101376 GRAINGER, INC.	(Continued)			
			9570055104	12022	SUPPLIES FOR BUILDING, ELECTRICA	
			9570055112	12022	043-390-3689-4300 SUPPLIES FOR BUILDING, ELECTRICA	37.86
					043-390-3689-4300	216.17
					Total :	634.47
219621	7/20/2020	892299 GREY WALL SOFTWARE, LLC	4558	12224	EOC NOTIFICATION SYSTEM RENEWA	
					001-135-0000-4260	4,525.00
					Total :	4,525.00
219622	7/20/2020	101434 GUZMAN, JESUS ALBERTO	JUNE 2020	12074	MMAP ARTIST INSTRUCTOR: JESUS GI	
					001-424-0000-4430	1,500.00
					Total :	1,500.00
219623	7/20/2020	890594 HEALTH AND HUMAN RESOURCE	E0228823		EAP-AUG 2020	
					001-106-0000-4260	243.10
					Total :	243.10
219624	7/20/2020	888309 HI 2 LO VOLTAGE WIRING CO, INC	19354		MONITORING SERVICES 07/01/20-09/30	
					001-222-0000-4260	75.00
					Total :	75.00
219625	7/20/2020	101599 IMAGE 2000 CORPORATION	378474		VARIOUS COPIER MAINT CONTRACT-0	
					001-135-0000-4260	806.55
					072-360-0000-4450	43.35
					001-135-0000-4260	177.66
					Total :	1,027.56
219626	7/20/2020	891570 INNOVATIVE TELECOM. SYSTEMS	2762		ISSUES WITH CALL PICKUP & RING BA	
					001-190-0000-4220	150.00
					Total :	150.00
219627	7/20/2020	891777 IRRIGATION EXPRESS	15188308-00	12038	MISC IRRIGATION SUPPLIES FOR REP,	
					043-390-0000-4300	1,876.87
					Total :	1,876.87
219628	7/20/2020	887952 J. Z. LAWNMOWER SHOP	24594		SMALL POWER EQUIPMENT REPAIRS	

Page: 8

rchlist

07/15/2020

1:14:50PM

Voucher List

CITY OF SAN FERNANDO

Page: 9

Bank code : bank3

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
219628	7/20/2020	887952 J. Z. LAWNMOWER SHOP	(Continued)	12023	043-390-0000-4300	18.00
			24595	12023	SMALL POWER EQUIPMENT REPAIRS	82.00
			24596	12023	SMALL POWER EQUIPMENT REPAIRS	2,118.79
					043-390-0000-4300	2,218.79
					Total :	2,218.79
219629	7/20/2020	889680 JIMENEZ LOPEZ, JUAN MANUEL	JUNE 2020	12075	MMAP INSTRUCTOR: JUAN LOPEZ	900.00
					001-424-0000-4430	900.00
					Total :	900.00
219630	7/20/2020	892996 KS STATEBANK	24	12221	SMART METERS LEASE PAYMENT - AU	179.58
				12221	001-190-0000-4405	1,420.67
					001-190-0000-4428	1,600.25
					Total :	1,600.25
219631	7/20/2020	101971 L.A. MUNICIPAL SERVICES	657-750-1000		ELECTRIC-14060 SAYRE	12,134.66
					070-384-0000-4210	12,134.66
					Total :	12,134.66
219632	7/20/2020	893657 LANDEROS, JUAN	2000516.001		ADULT SOFTBALL REFUND	325.00
					017-3770-1334	325.00
					Total :	325.00
219633	7/20/2020	893654 LANG, BEVERLY	58-0338-06		WATER ACCT REFUND-757 HAGAR	41.21
					070-2010	41.21
					Total :	41.21
219634	7/20/2020	101852 LARRY & JOE'S PLUMBING	2143274-0001-02		REPLACEMENT TOOLS	304.66
					043-390-0000-4330	304.66
					Total :	304.66
219635	7/20/2020	893218 LAZARO, ERNESTO	JUNE 2020	12076	MMAP ARTIST INSTRUCTOR: LAZARO	600.00
					001-424-0000-4430	600.00
					Total :	600.00
219636	7/20/2020	101920 LIEBERT CASSIDY WHITMORE	1498179		ERC MEMBERSHIP - 07/01/20-06/30/21	

Page: 9

vchlist		Voucher List				Page: 10	
07/15/2020 1:14:50PM		CITY OF SAN FERNANDO					
Bank code :		bank3					
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount	
219636	7/20/2020	101920 LIEBERT CASSIDY WHITMORE	(Continued)		001-106-0000-4260		3,045.00
					Total :		3,045.00
219637	7/20/2020	893403 LLAMAS, SUZANNE	JUNE 2020		COMMISSIONER'S STIPEND		
					001-115-0000-4111		75.00
					Total :		75.00
219638	7/20/2020	893499 LORBER, RUTI	50-3195-10		WATER ACCT REFUND-1210 PHILLIPPI		45.83
					070-2010		45.83
					Total :		45.83
219639	7/20/2020	892477 LOWES	902238		SMALL TOOLS		54.38
					041-320-0000-4340		54.38
					Total :		54.38
219640	7/20/2020	888242 MCI COMM SERVICE	7DK54968		MTA PHONE LINE		33.26
					007-440-0441-4220		33.26
					Total :		33.26
219641	7/20/2020	893200 MCKESSON MEDICAL-SURGICAL	08324020		MEDICATIONS		38.16
					001-225-0000-4350		38.16
					Total :		38.16
219642	7/20/2020	892140 MICHAEL BAKER	1087918	11886	CDBG ADMINISTRATIVE & LABOR COM		1,860.00
					026-311-0182-4260		1,860.00
					Total :		1,860.00
219643	7/20/2020	890484 MIRANDA, MARIA	821140		SENIOR DANCE REFUND		70.00
					004-2380		70.00
					Total :		70.00
219644	7/20/2020	102226 MISSION LINEN SUPPLY	512720919		LAUNDRY		127.36
			512753681		001-222-3689-4300		127.36
			512774846		LAUNDRY		72.37
					001-225-0000-4350		72.37
					LAUNDRY		127.36
					001-225-0000-4350		127.36

vchlist 07/15/2020 1:14:50PM		Voucher List CITY OF SAN FERNANDO				Page: 13
Bank code :		bank3				
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
219654	7/20/2020	890095 O'REILLY AUTOMOTIVE STORES INC	4605-377631	12025	VEH. SERV., MAINT. & REPAIR PARTS 041-1215	22.55
			4605-378355	12025	VEH. SERV., MAINT. & REPAIR PARTS 041-1215	-22.55
			4605-378357	12025	VEH. SERV., MAINT. & REPAIR PARTS 041-1215	29.30
					Total :	29.30
219655	7/20/2020	892850 PADILLA, ALBINA	821141		LP DAY TRIP REFUND 004-2383	50.00
					Total :	50.00
219656	7/20/2020	888789 PRO FORCE LAW ENFORCEMENT	414667	12212	NON LEATHAL WEAPONS AND AMMUN 001-222-0000-4300	330.25
					Total :	330.25
219657	7/20/2020	888957 PROGRESSIVE SOLUTIONS INC.	3614	12222	FY20/21-CASHIERING SYSTEM ANNUA 001-135-0000-4260	5,271.93
				12222	070-382-0000-4260	2,635.97
				12222	072-360-0000-4260	2,635.96
					Total :	10,543.86
219658	7/20/2020	892131 PROHEALTH-VALLEY OCCUPATIONAL	00258975-00		DOT DRIVER PHYSICAL 001-106-0000-4260	80.00
					Total :	80.00
219659	7/20/2020	893553 QUADIENT LEASING USA, INC	N8375286		QRTRLY LEASE PAYMENT & 001-190-0000-4280	1,446.85
					Total :	1,446.85
219660	7/20/2020	893650 RAMOS, REYNALDA	37-2400-05		WATER ACCT REFUND-523 CHATSWOF 070-2010	21.47
					Total :	21.47
219661	7/20/2020	892500 RESIDENCE INN	TRAVEL-07/26-07/31		LODGING-CANINE HANDLER COURSE 001-225-0000-4360	504.10
					Total :	504.10
						Page: 13

vchlist 07/15/2020 1:14:50PM		Voucher List CITY OF SAN FERNANDO				Page: 14
Bank code :		bank3				
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
219662	7/20/2020	892500 RESIDENCE INN	TRAVEL-08/03-08/07		LODGING-CANINE HANDLER COURSE 001-225-0000-4360	504.10
					Total :	504.10
219663	7/20/2020	887296 ROBLEDO, OLIVIA	JUNE 2020		COMMISSIONER'S STIPEND 001-115-0000-4111	75.00
					Total :	75.00
219664	7/20/2020	892708 ROYAL INDUSTRIAL SOLUTIONS	8901-791817	12050	ST. LIGHTING, PARKING LOT LIGHTING 027-344-0301-4300	93.89
					Total :	93.89
219665	7/20/2020	893196 SAALEX SOLUTIONS INC	9154	12054	INFORMATION TECHNOLOGY MANAGE 001-135-0000-4270	9,600.00
					Total :	9,600.00
219666	7/20/2020	893658 SANCHEZ, GRISELDA	1757		FACILITY RENTAL DEP REFUND 001-2220	150.00
			2000517.001		FACILITY RENTAL REFUND 001-3777-0000	138.00
					Total :	288.00
219667	7/20/2020	893653 SERRATOS, GERARDO	54-2162-11		WATER ACCT RRFUND-830 HAGAR 070-2010	30.08
					Total :	30.08
219668	7/20/2020	893107 SIEMENS MOBILITY INC	5610219494	12107	FY 2019/20 ON-CALL TRAFFIC SIGNAL I 001-371-0301-4300	2,614.34
				12107	001-371-0564-4300	2,733.16
			5610227420	12107	FY 2019/20 ON-CALL TRAFFIC SIGNAL I 001-371-0301-4300	5,999.49
					Total :	11,346.99
219669	7/20/2020	103202 SOUTHERN CALIFORNIA EDISON CO.	2-02-682-7675		ELECTRIC-VARIOUS LOCATIONS 043-390-0000-4210	3,886.68
			2-21-082-3241		ELECTRIC-VARIOUS LOCATIONS 027-344-0000-4210	6,809.98
					029-335-0000-4210	2,125.82
						Page: 14

vchlist

07/15/2020 1:14:50PM

Voucher List
CITY OF SAN FERNANDO

Page: 15

Bank code : bank3

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
219669	7/20/2020	103202 SOUTHERN CALIFORNIA EDISON CO.	(Continued)			
					043-390-0000-4210	4,415.76
					070-384-0000-4210	15,946.16
					074-320-0000-4210	3,171.43
			2-42-775-4338		ELECTRIC-MACLAY/SAN FERNANDO	
					030-341-0000-4210	40.95
					Total :	36,396.78
219670	7/20/2020	103206 SOUTHERN CALIFORNIA GAS CO.	176-837-9776		NATURAL GAS FOR CNG STATION	
					074-320-0000-4402	3,701.37
					Total :	3,701.37
219671	7/20/2020	100532 STATE OF CALIFORNIA, DEPARTMENT OF JUSTICE	452961		FINGERPRINTING-MAY 2020	
					001-106-0000-4270	32.00
			455959		LIVESCAN FINGERPRINTING - JUNE 2020	
					004-2386	1,871.00
					Total :	1,903.00
219672	7/20/2020	888946 TEKWERKS	26252		50% PYMNT-WEBSITE HOSTING DURING COVID-19	
					001-135-0000-4260	600.00
					Total :	600.00
219673	7/20/2020	101528 THE HOME DEPOT CRC, ACCT#603532202490	4201017		CREDIT-RETURNED ITEM	
					070-383-0301-4300	-26.37
			4342233		MISC SUPPLIES	
					070-383-0301-4300	34.99
			5020226		MISC SUPPLIES	
					070-383-0301-4300	128.02
			520668		TRAILER ADAPTORS-COVID-19	
					001-222-3689-4300	45.18
			5361959		USA SEWER MARKING PAINT	
					072-360-0000-4300	32.89
			5370268		SALT-WELL 2A	
					070-384-0000-4300	745.47
			6112694		HAND TOOLS REPLACED	
					043-390-0000-4340	744.92
			7090819		MAT'L'S TO REPAIR FLAG POLE	

Page: 15

vchlist

07/15/2020 1:14:50PM

Voucher List
CITY OF SAN FERNANDO

Page: 16

Bank code : bank3

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
219673	7/20/2020	101528 THE HOME DEPOT CRC, ACCT#603532202490	(Continued)			
			7341866		043-390-0000-4330 DEPT SUPPLIES	135.10
			8101106		041-320-0000-4300 GRAFFITI ABATEMENT SUPPLIES	98.29
					001-152-0000-4300	196.59
					Total :	2,135.08
219674	7/20/2020	890833 THOMSON REUTERS	842556959		DET. INVESTIGATION SKILLS-JUNE 202	
					001-135-0000-4260	211.82
					Total :	211.82
219675	7/20/2020	103903 TIME WARNER CABLE	10328060520		CABLE 06/05-07/04	
			10518070120		001-190-0000-4220 REC PARK CABLE - 06/29-07/28	139.38
			196309062320		001-420-0000-4260 INTERNET SERVICES - 06/23-07/22	251.13
			222204070120		001-190-0000-4220 PW OPS CENTER CABLE-05/29-06/28	1,299.00
					043-390-0000-4260	126.95
					Total :	1,816.46
219676	7/20/2020	892525 T-MOBILE	958769818		HOTSPOT & TABLET CONNECTIONS	
					001-420-0000-4220	29.40
					001-152-0000-4220	19.74
					Total :	49.14
219677	7/20/2020	890998 TRUJILLO, RODOLFO	JULY 2020		COMMISSIONER'S STIPEND	
					001-310-0000-4111	75.00
					Total :	75.00
219678	7/20/2020	103444 ULTRA GREENS, INC	49100	12042	LANDSCAPE SUPPLIES & MATERIALS	
					001-311-0000-4300	21.90
					Total :	21.90
219679	7/20/2020	103445 UNDERGROUND SERVICE ALERT	620200689		(49) NEW USA DIGALERT TICKETS & M	
					070-381-0000-4260	90.85

Page: 16

vchlist Voucher List Page: 17

07/15/2020 1:14:50PM

CITY OF SAN FERNANDO

Bank code : bank3

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
219679	7/20/2020	103445 103445 UNDERGROUND SERVICE ALERT	(Continued)			Total : 90.85
219680	7/20/2020	103445 UNDERGROUND SERVICE ALERT	DSB20193689		CA. STATE FEE FOR REG COSTS 070-381-0000-4260	37.52 Total : 37.52
219681	7/20/2020	103439 UPS	831954270		COURIER SERVICES 001-190-0000-4280	186.00 Total : 186.00
219682	7/20/2020	103449 USA BLUE BOOK	275714 280878		NITRATE COLORIMETER 070-383-0000-4340 070-384-0000-4260 POCKET THERMOMETER 070-384-0000-4260	514.60 53.80 42.78 Total : 611.18
219683	7/20/2020	103516 VAIRO, ANTHONY	REIMB.		WELLNESS BENEFIT REIMB. FY19-20 001-222-0000-4140	269.90 Total : 269.90
219684	7/20/2020	892081 VERIZON BUSINESS SERVICES	71511348		MPLS PORT ACCESS & ROUTER FOR F 001-222-0000-4220	1,044.73 Total : 1,044.73
219685	7/20/2020	100101 VERIZON WIRELESS-LA	9855394300 9856822494 9857414791 9857425367		VARIOUS CELL PHONE PLANS 001-106-0000-4220 070-384-0000-4220 MDT MODEMS-PD UNITS 001-222-0000-4220 PD CELL PHONE PLANS 001-222-0000-4220 CITY YARD CELL PHONE PLANS 070-384-0000-4220 041-320-0000-4220 043-390-0000-4220 072-360-0000-4220	53.39 52.41 1,303.41 246.60 149.57 24.23 24.23 77.46

Page: 17

vchlist Voucher List Page: 18

07/15/2020 1:14:50PM

CITY OF SAN FERNANDO

Bank code : bank3

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
219685	7/20/2020	100101 100101 VERIZON WIRELESS-LA	(Continued)			Total : 1,931.30
219686	7/20/2020	103581 VICTOR TRANSMISSION	31342	12092	VEHICLE MAINT. & TRANSMISSION REI 041-320-0225-4400	2,204.14 Total : 2,204.14
219687	7/20/2020	103603 VULCAN MATERIALS COMPANY	72623248 72623249	12043 12043	UTILITY TRENCH AND POTHOLE REPA 072-360-0000-4300 UTILITY TRENCH AND POTHOLE REPA 072-360-0000-4300	597.44 1,507.94 Total : 2,105.38
219688	7/20/2020	890970 WEX BANK	66173534		CITY FLEET FUEL 041-320-0152-4402 041-320-0221-4402 041-320-0222-4402 041-320-0224-4402 041-320-0225-4402 041-320-0226-4402 041-320-0228-4402 041-320-0311-4402 041-320-0312-4402 041-320-0320-4402 041-320-0370-4402 041-320-0390-4402 041-320-0420-4402 007-313-3630-4402 029-335-0000-4402 070-381-0000-4402 070-382-0000-4402 070-383-0000-4402 070-384-0000-4402 041-320-0346-4402 072-360-0000-4402	296.83 159.50 167.27 701.54 4,088.96 2.00 676.47 564.61 2.00 175.72 916.26 1,041.32 2.00 4.00 151.09 63.10 757.33 916.40 217.95 185.32 201.38 Total : 11,291.05
219689	7/20/2020	891531 WILLDAN ENGINEERING	00618928		SF - HSIP CYCLE 8 TRAFFIC SIGNAL IW	

Page: 18

vchlist

Voucher List

Page: 19

07/15/2020 1:14:50PM

CITY OF SAN FERNANDO

Bank code : bank3

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
219689	7/20/2020	891531 WILLDAN ENGINEERING	(Continued)	11901	012-311-0562-4600	18,536.35
					Total :	18,536.35
219690	7/20/2020	889467 YOUNGBLOOD & ASSOCIATES	4167A		POLYGRAPH EXAM ON 07/06/20	300.00
					001-222-0000-4260	300.00
					Total :	300.00
110	Vouchers for bank code :	bank3			Bank total :	562,109.96
110	Vouchers in this report				Total vouchers :	562,109.96

Voucher Registers are not final until approved by Council.

Page: 19

*This Page
Intentionally
Left Blank*



AGENDA REPORT

To: Mayor Joel Fajardo and Councilmembers

From: Nick Kimball, City Manager
By: Matt Baumgardner, Director of Public Works
Kenneth Jones, Management Analyst

Date: July 20, 2020

Subject: Consideration to Approve a Professional Services Agreement with the Local Government Commission to Develop a Safe and Active Streets Implementation Plan

RECOMMENDATION:

It is recommended that the City Council:

- a. Approve a Professional Services Agreement (Attachment "A" – Contract No. 1948) with Local Government Commission (LGC) in an amount not-to-exceed \$62,200 for outreach and planning services to develop a Safe and Active Streets Implementation Plan (Implementation Plan) for the City of San Fernando; and
- b. Authorize the City Manager to make non-substantive changes and execute the Agreement and all related documents.

BACKGROUND:

1. On January 25, 2018, the City Council adopted Resolution No. 7837, a [Safe and Active Streets Plan](#) (SASP – Click on hyperlink to access plan) that detailed recommended policies, programs, and projects that would advance safety and encourage physical activity.
2. On November 26, 2018, the City, in collaboration with LGC and Public Health Advocates (PHA), submitted a grant application to the California Department of Transportation (Caltrans) to obtain funds through the Sustainable Communities grant program.
3. On May 17, 2019, the City was awarded a grant from Caltrans in the amount of \$141,680 for the preparation of an Implementation Plan.
4. On August 5, 2019, the City Council accepted the \$141,680 grant from Caltrans, approved Resolution No. 7941 authorizing the City to enter into an agreement with Caltrans for the

Consideration to Approve a Professional Services Agreement with Local Government Commission to Develop a Safe and Active Streets Implementation PlanPage 2 of 5

preparation of the Implementation Plan, and approved Resolution No. 7943 appropriating the grant funds in the Fiscal Year 2019-2020 Budget.

ANALYSIS:

The State of California Sustainable Transportation Planning Grant Program was designed to help local agencies develop plans that promote a balanced multi-modal transportation system. Using these comprehensive transportation plans, communities will be able to initiate and develop physical transportation improvements that promote a safe, sustainable, integrated and efficient local transportation system.

In Fiscal Year 2016-2017, the City developed and approved a SASP that identified challenges to walking and bicycling in the City. The SASP is more broad and general in nature and recommends infrastructure improvements, such as the addition of bike lanes, and includes implementation steps such as a prioritized list of projects and funding recommendations to meet the City's active transportation goals. The development of the SASP included engagement with the community to identify the mobility deficiencies within the City's transportation system.

However, since the SASP is a general citywide plan, it did not include conceptual designs for some of the recommended improvements and provided only broad cost estimates. The Implementation Plan will build upon the general recommendations in the SASP by developing conceptual designs and cost estimates for the highest priority projects based on focused community outreach efforts, technical review of accident data, and active transportation audits in the City. The conceptual designs and cost estimates of the implementation plan will form the basis of future construction documents and funding strategies for completion of future active transportation projects in the City.

The Implementation Plan will address the following key issues:

1. Assess the location of pedestrian/bicycle crashes to identify physical and operational countermeasures.
2. Identify high-density pedestrian and bicycle activity centers, especially routes children take to and from school, where the City would most benefit from investing in changes to improve safety.
3. Identify bicycle routes that are used by residents, especially youth that would benefit from changes to improve safety.
4. Develop conceptual designs and cost estimates for recommended changes to streets to assist the City with identifying funds for implementation.

The Implementation Plan will evaluate the key issues listed above and develop a prioritized list of projects, conceptual designs, and cost estimates for pedestrian and bicycle improvements.

Consideration to Approve a Professional Services Agreement with Local Government Commission to Develop a Safe and Active Streets Implementation PlanPage 3 of 5

In addition, the Plan will provide City leaders, staff, and the community a blueprint for moving forward with implementing projects to create safer conditions throughout the City. Further, the Implementation Plan will also help the City give greater emphasis to active transportation projects in future years.

As proposed in the City's Sustainable Communities grant application, the City will partner with LGC and PHA to prepare the Implementation Plan. In September 2018, LGC contacted the City to see if the City was interested in partnering with LGC on a Caltrans Sustainable Transportation Planning grant. LGC is a nonprofit based in Sacramento that has partnered with over 70 local jurisdictions on planning and implementation plans since their inception in 2000. Caltrans allows nonprofits like LGC to be listed as "sub-applicants" on these types of grant applications to assist local jurisdictions on projects. After a series of conversations between the City and LGC, the City concluded it would be beneficial to have LGC, and PHA who had worked on the SASP, assist the City with assembling the grant proposal and developing the implementation plan.

Per the application, the City will enter into an agreement with LGC for outreach and planning service. PHA will work under LGC as a sub consultant. The services to be performed by PHA have been included in LGC's \$62,220 total budget (Attachment "A" Exhibit "B") for outreach and planning services. Since these particular community partners were identified in the grant application, which was subsequently approved by the grantee, formal bid requirements will be waived for the services provided by LGC and PHA.

In addition to the services provided by LGC and PHA, the City will need to contract with an engineering firm with expertise in active transportation and designing for bicycle and pedestrian safety to conduct all technical analysis necessary for the project and prepare the final Plan. This service will be procured through a formal Request for Proposal (RFP) process and the balance of grant proceeds (\$97,816) will help fund this separate contract.

The scope of work to be performed by LGC and PHA was developed prior to the COVID-19 pandemic and includes direct engagement with residents and businesses within the City through the in-person meetings and workshops. Due to the social distancing issues with in-person meetings and workshops, LGC revised the portion of the scope of work related to public outreach to be consistent with COVID-19 guidelines by shifting some community engagement activities to an online platform, as well as in-person meetings with limited participation following social distancing protocols and use of proper personal protective equipment.

The following is a summary of the project Scope of Work (Attachment "A" Exhibit "C") for LGC and PHA:

Local Government Commission (LGC).

LGC will oversee project management and coordination. In addition, LGC will organize the community engagement events, develop publicity materials with local input, and document

Consideration to Approve a Professional Services Agreement with Local Government Commission to Develop a Safe and Active Streets Implementation PlanPage 4 of 5

public input for inclusion in the resulting plan document. LGC staff will also facilitate community engagement activities including workshops, walk audits and bicycle audits. LGC staff has extensive experience in public engagement in planning processes, land use and transportation planning and design.

Public Health Advocates (PHA) (Sub Consultant).

PHA will be responsible for outreach to residents and businesses residing in the City of San Fernando. PHA will also identify and organize community stakeholders, develop publicity materials, distribute flyers and posters to schools and businesses and will assist with the design charrette activities including workshops, walk audits and bicycle audits.

The outreach and planning aspect of the Implementation Plan entails the following elements:

Community Advisory Working Group (Advisory Group).

An Advisory Group will be assembled to provide a venue for discussion of concepts and solicit input through community engagement in developing the SASIP. This Advisory Group will include members of the City's Transportation and Safety Commission, key community members, school officials, and representatives from local community-based organizations and staff members.

Produce and Distribute Outreach Materials.

As part of the planning process, PHA will distribute flyers, mailers, and posters to increase awareness of the Implementation Plan.

PHA will engage City departments, local schools, and leverage the connections that it established in the previous Safe and Active Streets engagement process to distribute flyers and posters about engagement events through their networks via social media, posting on website, mailers, robocalls, material pick up locations, and announcements on bulletin boards and marquee signs throughout the city.

Media announcements and press releases will be distributed to local media and disseminated to local stakeholders via email. PHA will coordinate with the City and Advisory Group on the best location for hosting a project webpage to keep people informed about the project, advertise online events, and provide access to project documents and videos.

Community Engagement.

Walkability assessments, bicycling assessments, and community design workshops will be held. The purpose of the events will be to work with residents and businesses to identify problems, prioritize solutions and develop conceptual design recommendations that the City can implement in the near and medium-term. Strategies will include street and intersection designs that improve safety for walking and bicycling. LGC will coordinate the workshop activities with assistance from City staff, PHA and the consultant team.

Consideration to Approve a Professional Services Agreement with Local Government Commission to Develop a Safe and Active Streets Implementation PlanPage 5 of 5

Workshop on draft plan can be moved to an online event. LGC and PHA would work with the City and Advisory Group to also provide alternatives to the event for community members that may not have online access.

Procurement of Technical Consultant.

LGC will assist staff in the preparation of a Request for Proposals (RFP) to solicit a transportation engineering firm with expertise in active transportation and designing for bicycle and pedestrian safety. This consultant will work with LGC, PHA, and the City by participating in active transportation audits in the City. Through these audits, as well as information gained during community outreach efforts and technical review of accident data, the consultant will prepare the conceptual designs, cost estimates, and implementation plan that will form the basis of future construction plans. The RFP will follow the proper procurement procedures established by Caltrans.

BUDGET IMPACT:

The total budget to develop an Implementation Plan is \$160,036. Of this amount, \$141,680 is grant funds awarded by Caltrans and \$18,356 is the City's required local match. The grant funds have been appropriated into the Fiscal Year 2019-20 approved budget and will be carried over to FY 2020-2021. The \$18,356 will be met through in-kind staff administrative time dedicated to overseeing the development of the Plan and grant administration. This contract amount of \$62,220 with LGC for planning, community outreach, active transportation audits, and technical consultant procurement represents the first phase of grant funding utilization. The balance of \$97,816 is available for the second phase of funding utilization to pay for the cost of hiring an engineering firm to conduct the technical analysis for the project and develop the implementation plan.

CONCLUSION:

It is recommended that City Council approve a Professional Services Agreement with Local Government Commission in an amount not-to-exceed \$62,200 and authorize the City Manager to execute the Agreement.

ATTACHMENT:

A. Contract No. 1948



PROFESSIONAL SERVICES AGREEMENT

LOCAL GOVERNMENT COMMISSION

Outreach and Planning Services to Develop a Comprehensive Safe and Active Streets
Implementation Plan for the City of San Fernando

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is made and entered into this 20th day of July 2020 (hereinafter, the "Effective Date"), by and between the CITY OF SAN FERNANDO, a municipal corporation ("CITY") and Local Government Commission (LGC) (hereinafter, "CONSULTANT"). For the purposes of this Agreement CITY and CONSULTANT may be referred to collectively by the capitalized term "Parties." The capitalized term "Party" may refer to CITY or CONSULTANT interchangeably.

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

I. ENGAGEMENT TERMS

- 1.1 **SCOPE OF SERVICES:** Subject to the terms and conditions set forth in this Agreement and all exhibits attached and incorporated hereto, CONSULTANT agrees to perform the services and tasks set forth in **Exhibit "A"** (hereinafter referred to as the "**Scope of Work**"). CONSULTANT further agrees to furnish to CITY all labor, materials, tools, supplies, equipment, services, tasks and incidental and customary work necessary to competently perform and timely complete the services and tasks set forth in the Scope of Services. For the purposes of this Agreement the aforementioned services and tasks set forth in the Scope of Services shall hereinafter be referred to generally by the capitalized term "Work."
 - 1.2 **TERM:** This Agreement shall have a term of 23 months commencing from July 20, 2020: Nothing in this Section shall operate to prohibit or otherwise restrict the CITY's ability to terminate this Agreement at any time for convenience or for cause
 - 1.3 **COMPENSATION:**
 - A. CONSULTANT shall perform the various services and tasks set forth in the Scope of Services in accordance with the compensation schedule which is set forth in **Exhibit "B"** (hereinafter referred to as the "**Budget Summary**"). CONSULTANT shall also receive reimbursement for those pass-through costs and expenses specifically identified in the Budget Summary as being reimbursable pass through costs, except that any such costs which are anticipated to be in excess of \$500.00 shall require the prior written approval of the General Manager or designee before they are incurred. For the purposes of this Agreement, those
-

PROFESSIONAL SERVICES AGREEMENT

Outreach and Planning Services to Develop a Comprehensive Safe and Active Streets Implementation Plan for the City of San Fernando

Page 2 of 17

pass-through costs or expenses identified as being reimbursable under the Compensation Schedule may hereinafter be referred to as "Reimbursable." CONSULTANT shall provide copies of receipts and invoices corroborating all costs or expenses, including Reimbursable Costs, indicated in CONSULTANT's monthly invoice or statement. CITY shall be under no obligation to reimburse CONSULTANT for unsubstantiated costs or expenses.

- B. Section 1.3(A) notwithstanding, CONSULTANT's total compensation during the Term of this Agreement or any extension term shall not exceed the budgeted aggregate sum of SIXTY TWO THOUSAND – TWO HUNDRED TWENTY DOLLARS (\$62,220) (hereinafter, the "Not-to-Exceed Sum"), unless such added expenditure is first approved by the CITY acting in consultation with the City Manager and the Finance Director. In the event CONSULTANT's charges are projected to exceed the Not-to-Exceed Sum prior to the expiration of the Term or any single extension term, CITY may suspend CONSULTANT's performance pending CITY approval of any anticipated expenditures in excess of the Not-to-Exceed Sum or any other CITY-approved amendment to the compensation terms of this Agreement.

- 1.4 PAYMENT OF COMPENSATION: Following the conclusion of each calendar month, CONSULTANT shall submit to CITY an itemized invoice indicating the services and tasks performed during the recently concluded calendar month, including services and tasks performed and the reimbursable out-of-pocket expenses incurred. If the amount of CONSULTANT's monthly compensation is a function of hours worked by CONSULTANT's personnel, the invoice shall indicate the number of hours worked in the recently concluded calendar month, the persons responsible for performing the Work, the rate of compensation at which such services and tasks were performed, the subtotal for each task and service performed and a grand total for all services performed. Within thirty (30) calendar days of receipt of each invoice, CITY shall notify CONSULTANT in writing of any disputed amounts included in the invoice. Within forty-five (45) calendar day of receipt of each invoice, CITY shall pay all undisputed amounts included on the invoice. CITY shall not withhold applicable taxes or other authorized deductions from payments made to CONSULTANT.

- 1.5 ACCOUNTING RECORDS: CONSULTANT shall maintain complete and accurate records with respect to all matters covered under this Agreement for a period of three (3) years after the expiration or termination of this Agreement. CITY shall have the right to access and examine such records, without charge, during normal business hours. CITY shall further have the right to audit such records, to make transcripts therefrom and to inspect all program data, documents, proceedings, and activities.

PROFESSIONAL SERVICES AGREEMENT

Outreach and Planning Services to Develop a Comprehensive Safe and Active Streets Implementation Plan for the City of San Fernando

Page 3 of 17

- 1.6 ABANDONMENT BY CONSULTANT: In the event CONSULTANT ceases to perform the Work agreed to under this Agreement or otherwise abandons the undertaking contemplated herein prior to the expiration of this Agreement or prior to completion of any or all tasks set forth in the Scope of Services, CONSULTANT shall deliver to CITY immediately and without delay, all materials, records and other work product prepared or obtained by CONSULTANT in the performance of this Agreement. Furthermore, CONSULTANT shall only be compensated for the reasonable value of the services, tasks and other work performed up to the time of cessation or abandonment, less a deduction for any damages, costs or additional expenses which CITY may incur as a result of CONSULTANT's cessation or abandonment.

II. PERFORMANCE OF AGREEMENT

- 2.1 CITY'S REPRESENTATIVES: The CITY hereby designates the Director of Public Works and Public Works Management Analyst (hereinafter, the "CITY Representatives") to act as its representatives for the performance of this Agreement. The City Manager shall be the chief CITY Representative. The CITY Representatives or their designee shall act on behalf of the CITY for all purposes under this Agreement. CONSULTANT shall not accept directions or orders from any person other than the CITY Representatives or their designee.
- 2.2 CONSULTANT REPRESENTATIVE: CONSULTANT hereby designates Tony Leonard, Project Manager, to act as its representative for the performance of this Agreement (hereinafter, "CONSULTANT Representative"). CONSULTANT Representative shall have full authority to represent and act on behalf of the CONSULTANT for all purposes under this Agreement. CONSULTANT Representative or his designee shall supervise and direct the performance of the Work, using his best skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Work under this Agreement. Notice to the CONSULTANT Representative shall constitute notice to CONSULTANT.
- 2.3 COORDINATION OF SERVICE; CONFORMANCE WITH REQUIREMENTS: CONSULTANT agrees to work closely with CITY staff in the performance of the Work and this Agreement and shall be available to CITY staff and the CITY Representatives at all reasonable times. All work prepared by CONSULTANT shall be subject to inspection and approval by CITY Representatives or their designees.
- 2.4 STANDARD OF CARE; PERFORMANCE OF EMPLOYEES: CONSULTANT represents, acknowledges and agrees to the following:

PROFESSIONAL SERVICES AGREEMENT

Outreach and Planning Services to Develop a Comprehensive Safe and Active Streets Implementation Plan for the City of San Fernando

Page 4 of 17

- A. CONSULTANT shall perform all Work skillfully, competently and to the highest standards of CONSULTANT's profession;
- B. CONSULTANT shall perform all Work in a manner reasonably satisfactory to the CITY;
- C. CONSULTANT shall comply with all applicable federal, state and local laws and regulations, including the conflict of interest provisions of Government Code Section 1090 and the Political Reform Act (Government Code Section 81000 et seq.);
- D. CONSULTANT understands the nature and scope of the Work to be performed under this Agreement as well as any and all schedules of performance;
- E. All of CONSULTANT's employees and agents possess sufficient skill, knowledge, training and experience to perform those services and tasks assigned to them by CONSULTANT; and
- F. All of CONSULTANT's employees and agents (including but not limited to subcontractors and subconsultants) possess all licenses, permits, certificates, qualifications and approvals of whatever nature that are legally required to perform the tasks and services contemplated under this Agreement and all such licenses, permits, certificates, qualifications and approvals shall be maintained throughout the term of this Agreement and made available to CITY for copying and inspection.

The Parties acknowledge and agree that CONSULTANT shall perform, at CONSULTANT's own cost and expense and without any reimbursement from CITY, any services necessary to correct any errors or omissions caused by CONSULTANT's failure to comply with the standard of care set forth under this Section or by any like failure on the part of CONSULTANT's employees, agents, contractors, subcontractors and subconsultants. Such effort by CONSULTANT to correct any errors or omissions shall be commenced immediately upon their discovery by either Party and shall be completed within seven (7) calendar days from the date of discovery or such other extended period of time authorized by the CITY Representatives in writing and in their sole and absolute discretion. The Parties acknowledge and agree that CITY's acceptance of any work performed by CONSULTANT or on CONSULTANT's behalf shall not constitute a release of any deficiency or delay in performance. The Parties further acknowledge, understand and agree that CITY has relied upon the foregoing representations of CONSULTANT, including but not limited to the representation that CONSULTANT possesses the skills, training, knowledge and experience necessary to perform the Work skillfully, competently and to the highest standards of CONSULTANT's profession.

PROFESSIONAL SERVICES AGREEMENT

Outreach and Planning Services to Develop a Comprehensive Safe and Active Streets Implementation Plan for the City of San Fernando

Page 5 of 17

- 2.5 ASSIGNMENT: The skills, training, knowledge and experience of CONSULTANT are material to CITY's willingness to enter into this Agreement. Accordingly, CITY has an interest in the qualifications and capabilities of the person(s) who will perform the services and tasks to be undertaken by CONSULTANT or on behalf of CONSULTANT in the performance of this Agreement. In recognition of this interest, CONSULTANT agrees that it shall not assign or transfer, either directly or indirectly or by operation of law, this Agreement or the performance of any of CONSULTANT's duties or obligations under this Agreement without the prior written consent of the CITY. In the absence of CITY's prior written consent, any attempted assignment or transfer shall be ineffective, null and void and shall constitute a material breach of this Agreement.
- 2.6 CONTROL AND PAYMENT OF SUBORDINATES; INDEPENDENT CONTRACTOR: The Work shall be performed by CONSULTANT or under CONSULTANT's strict supervision. CONSULTANT will determine the means, methods and details of performing the Work subject to the requirements of this Agreement. CITY retains CONSULTANT on an independent contractor basis and not as an employee. CONSULTANT reserves the right to perform similar or different services for other principals during the term of this Agreement, provided such work does not unduly interfere with CONSULTANT's competent and timely performance of the Work contemplated under this Agreement and provided the performance of such services does not result in the unauthorized disclosure of CITY's confidential or proprietary information. Any additional personnel performing the Work under this Agreement on behalf of CONSULTANT are not employees of CITY and shall at all times be under CONSULTANT's exclusive direction and control. CONSULTANT shall pay all wages, salaries and other amounts due such personnel and shall assume responsibility for all benefits, payroll taxes, Social Security and Medicare payments and the like. CONSULTANT shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: Social Security taxes, income tax withholding, unemployment insurance, disability insurance, workers' compensation insurance and the like.
- 2.7 REMOVAL OF EMPLOYEES OR AGENTS: If any of CONSULTANT's officers, employees, agents, contractors, subcontractors or subconsultants is determined by the CITY Representatives to be uncooperative, incompetent, a threat to the adequate or timely performance of the tasks assigned to CONSULTANT, a threat to persons or property, or if any of CONSULTANT's officers, employees, agents, contractors, subcontractors or subconsultants fail or refuse to perform the Work in a manner acceptable to the CITY, such officer, employee, agent, contractor, subcontractor or subconsultant shall be promptly removed by CONSULTANT and shall not be re-assigned to perform any of the Work.

PROFESSIONAL SERVICES AGREEMENT

Outreach and Planning Services to Develop a Comprehensive Safe and Active Streets Implementation Plan for the City of San Fernando

Page 6 of 17

- 2.8 COMPLIANCE WITH LAWS: CONSULTANT shall keep itself informed of and in compliance with all applicable federal, State or local laws to the extent such laws control or otherwise govern the performance of the Work. CONSULTANT's compliance with applicable laws shall include without limitation compliance with all applicable Cal/OSHA requirements.
- 2.9 NON-DISCRIMINATION: In the performance of this Agreement, CONSULTANT shall not discriminate against any employee, subcontractor, subconsultant, or applicant for employment because of race, color, creed, religion, sex, marital status, sexual orientation, national origin, ancestry, age, physical or mental disability or medical condition.
- 2.10. INDEPENDENT CONTRACTOR STATUS: The Parties acknowledge, understand and agree that CONSULTANT and all persons retained or employed by CONSULTANT are, and shall at all times remain, wholly independent contractors and are not officials, officers, employees, departments or subdivisions of CITY. CONSULTANT shall be solely responsible for the negligent acts and/or omissions of its employees, agents, contractors, subcontractors and subconsultants. CONSULTANT and all persons retained or employed by CONSULTANT shall have no authority, express or implied, to bind CITY in any manner, nor to incur any obligation, debt or liability of any kind on behalf of, or against, CITY, whether by contract or otherwise, unless such authority is expressly conferred to CONSULTANT under this Agreement or is otherwise expressly conferred by CITY in writing.

III. INSURANCE

- 3.1 DUTY TO PROCURE AND MAINTAIN INSURANCE: Prior to the beginning of and throughout the duration of the Work, CONSULTANT will procure and maintain policies of insurance that meet the requirements and specifications set forth under this Article. CONSULTANT shall procure and maintain the following insurance coverage, at its own expense:
- A. Commercial General Liability Insurance: CONSULTANT shall procure and maintain Commercial General Liability Insurance ("CGL Coverage") as broad as Insurance Services Office Commercial General Liability coverage (occurrence Form CG 0001) or its equivalent. Such CGL Coverage shall have minimum limits of no less than One Million Dollars (\$1,000,000.00) per occurrence and Two Million Dollars (\$2,000,000.00) in the general aggregate for bodily injury, personal injury, property damage, operations, products and completed operations, and contractual liability.

PROFESSIONAL SERVICES AGREEMENT

Outreach and Planning Services to Develop a Comprehensive Safe and Active Streets Implementation Plan for the City of San Fernando

Page 7 of 17

- B. Automobile Liability Insurance: CONSULTANT shall procure and maintain Automobile Liability Insurance as broad as Insurance Services Office Form Number CA 0001 covering Automobile Liability, Code 1 (any auto). Such Automobile Liability Insurance shall have minimum limits of no less than One Million Dollars (\$1,000,000.00) per accident for bodily injury and property damage.
 - C. Workers' Compensation Insurance/ Employer's Liability Insurance: A policy of workers' compensation insurance in such amount as will fully comply with the laws of the State of California and which shall indemnify, insure and provide legal defense for both CONSULTANT and CITY against any loss, claim or damage arising from any injuries or occupational diseases occurring to any worker employed by or any persons retained by CONSULTANT in the course of carrying out the Work contemplated in this Agreement.
 - D. Errors & Omissions Insurance: For the full term of this Agreement and for a period of three (3) years thereafter, CONSULTANT shall procure and maintain Errors and Omissions Liability Insurance appropriate to CONSULTANT's profession. Such coverage shall have minimum limits of no less than One Million Dollars (\$1,000,000.00) per occurrence and shall be endorsed to include contractual liability.
- 3.2 ADDITIONAL INSURED REQUIREMENTS: The CGL Coverage and the Automobile Liability Insurance shall contain an endorsement naming the CITY and CITY's elected and appointed officials, officers, employees, agents and volunteers as additional insureds.
- 3.3 REQUIRED CARRIER RATING: All varieties of insurance required under this Agreement shall be procured from insurers admitted in the State of California and authorized to issue policies directly to California insureds. Except as otherwise provided elsewhere under this Article, all required insurance shall be procured from insurers who, according to the latest edition of the Best's Insurance Guide, have an A.M. Best's rating of no less than A:VII. CITY may also accept policies procured by insurance carriers with a Standard & Poor's rating of no less than BBB according to the latest published edition the Standard & Poor's rating guide. As to Workers' Compensation Insurance/ Employer's Liability Insurance, the CITY Representatives are authorized to authorize lower ratings than those set forth in this Section.
- 3.4 PRIMACY OF CONSULTANT'S INSURANCE: All policies of insurance provided by CONSULTANT shall be primary to any coverage available to CITY or CITY's elected or appointed officials, officers, employees, agents or volunteers. Any insurance or self-insurance maintained by CITY or CITY's elected or appointed officials, officers,

PROFESSIONAL SERVICES AGREEMENT

Outreach and Planning Services to Develop a Comprehensive Safe and Active Streets Implementation Plan for the City of San Fernando

Page 8 of 17

employees, agents or volunteers shall be in excess of CONSULTANT's insurance and shall not contribute with it.

- 3.5 WAIVER OF SUBROGATION: All insurance coverage provided pursuant to this Agreement shall not prohibit CONSULTANT or CONSULTANT's officers, employees, agents, subcontractors or subconsultants from waiving the right of subrogation prior to a loss. CONSULTANT hereby waives all rights of subrogation against CITY.
- 3.6 VERIFICATION OF COVERAGE: CONSULTANT acknowledges, understands and agrees, that CITY's ability to verify the procurement and maintenance of the insurance required under this Article is critical to safeguarding CITY's financial well-being and, indirectly, the collective well-being of the residents of the CITY. Accordingly, CONSULTANT warrants, represents and agrees that it shall furnish CITY with original certificates of insurance and endorsements evidencing the coverage required under this Article on forms satisfactory to CITY in its sole and absolute discretion. The certificates of insurance and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf, and shall be on forms provided by the CITY if requested. All certificates of insurance and endorsements shall be received and approved by CITY as a condition precedent to CONSULTANT's commencement of any work or any of the Work. Upon CITY's written request, CONSULTANT shall also provide CITY with certified copies of all required insurance policies and endorsements.

IV. INDEMNIFICATION

- 4.1 The Parties agree that CITY and CITY's elected and appointed officials, officers, employees, agents and volunteers (hereinafter, the "CITY Indemnitees") should, to the fullest extent permitted by law, be protected from any and all loss, injury, damage, claim, lawsuit, cost, expense, attorneys' fees, litigation costs, or any other cost arising out of or in any way related to the performance of this Agreement. Accordingly, the provisions of this indemnity provision are intended by the Parties to be interpreted and construed to provide the CITY Indemnitees with the fullest protection possible under the law. CONSULTANT acknowledges that CITY would not enter into this Agreement in the absence of CONSULTANT's commitment to indemnify, defend and protect CITY as set forth herein.
- 4.2 To the fullest extent permitted by law, CONSULTANT shall indemnify, hold harmless and defend the CITY Indemnitees from and against all liability, loss, damage, expense, cost (including without limitation reasonable attorneys' fees, expert fees and all other costs and fees of litigation) of every nature arising out of or in connection with CONSULTANT's performance of work hereunder or its failure to comply with any of its obligations

PROFESSIONAL SERVICES AGREEMENT

Outreach and Planning Services to Develop a Comprehensive Safe and Active Streets Implementation Plan for the City of San Fernando

Page 9 of 17

contained in this Agreement, except such loss or damage which is caused by the sole negligence or willful misconduct of the CITY.

- 4.3 CITY shall have the right to offset against the amount of any compensation due CONSULTANT under this Agreement any amount due CITY from CONSULTANT as a result of CONSULTANT's failure to pay CITY promptly any indemnification arising under this Article and related to CONSULTANT's failure to either (i) pay taxes on amounts received pursuant to this Agreement or (ii) comply with applicable workers' compensation laws.
- 4.4 The obligations of CONSULTANT under this Article will not be limited by the provisions of any workers' compensation act or similar act. CONSULTANT expressly waives its statutory immunity under such statutes or laws as to CITY and CITY's elected and appointed officials, officers, employees, agents and volunteers.
- 4.5 CONSULTANT agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this Article from each and every subcontractor or any other person or entity involved by, for, with or on behalf of CONSULTANT in the performance of this Agreement. In the event CONSULTANT fails to obtain such indemnity obligations from others as required herein, CONSULTANT agrees to be fully responsible and indemnify, hold harmless and defend CITY and CITY's elected and appointed officials, officers, employees, agents and volunteers from and against any and all claims and losses, costs or expenses for any damage due to death or injury to any person and injury to any property resulting from any alleged intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of CONSULTANT's subcontractors or any other person or entity involved by, for, with or on behalf of CONSULTANT in the performance of this Agreement. Such costs and expenses shall include reasonable attorneys' fees incurred by counsel of CITY's choice.
- 4.6 CITY does not, and shall not, waive any rights that it may possess against CONSULTANT because of the acceptance by CITY, or the deposit with CITY, of any insurance policy or certificate required pursuant to this Agreement. This hold harmless and indemnification provision shall apply regardless of whether or not any insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost or expense.
- 4.7 This Article and all provisions contained herein (including but not limited to the duty to indemnify, defend and hold free and harmless) shall survive the termination or normal expiration of this Agreement and is in addition to any other rights or remedies which the CITY may have at law or in equity.

PROFESSIONAL SERVICES AGREEMENT

Outreach and Planning Services to Develop a Comprehensive Safe and Active Streets Implementation Plan for the City of San Fernando

Page 10 of 17

V. TERMINATION

5.1 TERMINATION WITHOUT CAUSE: CITY may terminate this Agreement at any time for convenience and without cause by giving CONSULTANT a minimum of five (5) calendar days prior written notice of CITY's intent to terminate this Agreement. Upon such termination for convenience, CONSULTANT shall be compensated only for those services and tasks which have been performed by CONSULTANT up to the effective date of the termination. CONSULTANT may not terminate this Agreement except for cause as provided under Section 5.2, below. If this Agreement is terminated as provided herein, CITY may require CONSULTANT to provide all finished or unfinished Documents and Data, as defined in Section 6.1 below, and other information of any kind prepared by CONSULTANT in connection with the performance of the Work. CONSULTANT shall be required to provide such Documents and Data within fifteen (15) calendar days of CITY's written request. No actual or asserted breach of this Agreement on the part of CITY pursuant to Section 5.2, below, shall operate to prohibit or otherwise restrict CITY's ability to terminate this Agreement for convenience as provided under this Section.

5.2 EVENTS OF DEFAULT; BREACH OF AGREEMENT:

- A. In the event either Party fails to perform any duty, obligation, service or task set forth under this Agreement (or fails to timely perform or properly perform any such duty, obligation, service or task set forth under this Agreement), an event of default (hereinafter, "Event of Default") shall occur. For all Events of Default, the Party alleging an Event of Default shall give written notice to the defaulting Party (hereinafter referred to as a "Default Notice") which shall specify: (i) the nature of the Event of Default; (ii) the action required to cure the Event of Default; (iii) a date by which the Event of Default shall be cured, which shall not be less than the applicable cure period set forth under Sections 5.2.B and 5.2C below or if a cure is not reasonably possible within the applicable cure period, to begin such cure and diligently prosecute such cure to completion. The Event of Default shall constitute a breach of this Agreement if the defaulting Party fails to cure the Event of Default within the applicable cure period or any extended cure period allowed under this Agreement.
- B. CONSULTANT shall cure the following Events of Defaults within the following time periods:
 - i. Within three (3) business days of CITY's issuance of a Default Notice for any failure of CONSULTANT to timely provide CITY or CITY's employees or agents with any information and/or written reports, documentation or work product which CONSULTANT is obligated to provide to CITY or CITY's employees or agents under this Agreement. Prior to the expiration of the 3-

PROFESSIONAL SERVICES AGREEMENT

Outreach and Planning Services to Develop a Comprehensive Safe and Active Streets Implementation Plan for the City of San Fernando

Page 11 of 17

day cure period, CONSULTANT may submit a written request for additional time to cure the Event of Default upon a showing that CONSULTANT has commenced efforts to cure the Event of Default and that the Event of Default cannot be reasonably cured within the 3-day cure period. The foregoing notwithstanding, CITY shall be under no obligation to grant additional time for the cure of an Event of Default under this Section 5.2 B.i. that exceeds seven (7) calendar days from the end of the initial 3-day cure period; or

- ii. Within fourteen (14) calendar days of CITY's issuance of a Default Notice for any other Event of Default under this Agreement. Prior to the expiration of the 14-day cure period, CONSULTANT may submit a written request for additional time to cure the Event of Default upon a showing that CONSULTANT has commenced efforts to cure the Event of Default and that the Event of Default cannot be reasonably cured within the 14-day cure period. The foregoing notwithstanding, CITY shall be under no obligation to grant additional time for the cure of an Event of Default under this Section 5.2B.ii that exceeds thirty (30) calendar days from the end of the initial 14-day cure period.

In addition to any other failure on the part of CONSULTANT to perform any duty, obligation, service or task set forth under this Agreement (or the failure to timely perform or properly perform any such duty, obligation, service or task), an Event of Default on the part of CONSULTANT shall include, but shall not be limited to the following: (i) CONSULTANT's refusal or failure to perform any of the services or tasks called for under the Scope of Services; (ii) CONSULTANT's failure to fulfill or perform its obligations under this Agreement within the specified time or if no time is specified, within a reasonable time; (iii) CONSULTANT's and/or its employees' disregard or violation of any federal, state, local law, rule, procedure or regulation; (iv) the initiation of proceedings under any bankruptcy, insolvency, receivership, reorganization, or similar legislation as relates to CONSULTANT, whether voluntary or involuntary; (v) CONSULTANT's refusal or failure to perform or observe any covenant, condition, obligation or provision of this Agreement; and/or (vii) CITY's discovery that a statement representation or warranty by CONSULTANT relating to this Agreement is false, misleading or erroneous in any material respect.

- C. CITY shall cure any Event of Default asserted by CONSULTANT within forty-five (45) calendar days of CONSULTANT's issuance of a Default Notice, unless the Event of Default cannot reasonably be cured within the 45-day cure period. Prior to the expiration of the 45-day cure period, CITY may submit a written request for additional time to cure the Event of Default upon a showing that CITY has commenced its efforts to cure the Event of Default and that the Event of

PROFESSIONAL SERVICES AGREEMENT

Outreach and Planning Services to Develop a Comprehensive Safe and Active Streets Implementation Plan for the City of San Fernando

Page 12 of 17

Default cannot be reasonably cured within the 45-day cure period. The foregoing notwithstanding, an Event of Default dealing with CITY's failure to timely pay any undisputed sums to CONSULTANT as provided under Section 1.4, above, shall be cured by CITY within five (5) calendar days from the date of CONSULTANT's Default Notice to CITY.

- D. CITY, in its sole and absolute discretion, may also immediately suspend CONSULTANT's performance under this Agreement pending CONSULTANT's cure of any Event of Default by giving CONSULTANT written notice of CITY's intent to suspend CONSULTANT's performance (hereinafter, a "Suspension Notice"). CITY may issue the Suspension Notice at any time upon the occurrence of an Event of Default. Upon such suspension, CONSULTANT shall be compensated only for those services and tasks which have been rendered by CONSULTANT to the reasonable satisfaction of CITY up to the effective date of the suspension. No actual or asserted breach of this Agreement on the part of CITY shall operate to prohibit or otherwise restrict CITY's ability to suspend this Agreement as provided herein.
- E. No waiver of any Event of Default or breach under this Agreement shall constitute a waiver of any other or subsequent Event of Default or breach. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.
- F. The duties and obligations imposed under this Agreement and the rights and remedies available hereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law. In addition to any other remedies available to CITY at law or under this Agreement in the event of any breach of this Agreement, CITY, in its sole and absolute discretion, may also pursue any one or more of the following remedies:
 - i. Upon written notice to CONSULTANT, the CITY may immediately terminate this Agreement in whole or in part;
 - ii. Upon written notice to CONSULTANT, the CITY may extend the time of performance;
 - iii. The CITY may proceed by appropriate court action to enforce the terms of the Agreement to recover damages for CONSULTANT's breach of the Agreement or to terminate the Agreement; or
 - iv. The CITY may exercise any other available and lawful right or remedy.

PROFESSIONAL SERVICES AGREEMENT

Outreach and Planning Services to Develop a Comprehensive Safe and Active Streets Implementation Plan for the City of San Fernando

Page 13 of 17

CONSULTANT shall be liable for all legal fees plus other costs and expenses that CITY incurs upon a breach of this Agreement or in the CITY's exercise of its remedies under this Agreement.

G. In the event CITY is in breach of this Agreement, CONSULTANT's sole remedy shall be the suspension or termination of this Agreement and/or the recovery of any unpaid sums lawfully owed to CONSULTANT under this Agreement for completed services and tasks.

5.3 SCOPE OF WAIVER: No waiver of any default or breach under this Agreement shall constitute a waiver of any other default or breach, whether of the same or other covenant, warranty, agreement, term, condition, duty or requirement contained in this Agreement. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.

5.4 SURVIVING ARTICLES, SECTIONS AND PROVISIONS: The termination of this Agreement pursuant to any provision of this Article or by normal expiration of its term or any extension thereto shall not operate to terminate any Article, Section or provision contained herein which provides that it shall survive the termination or normal expiration of this Agreement.

VI. MISCELLANEOUS PROVISIONS

6.1 DOCUMENTS & DATA; LICENSING OF INTELLECTUAL PROPERTY: All Documents and Data shall be and remain the property of CITY without restriction or limitation upon their use or dissemination by CITY. For purposes of this Agreement, the term "Documents and Data" means and includes all reports, analyses, correspondence, plans, drawings, designs, renderings, specifications, notes, summaries, strategies, charts, schedules, spreadsheets, calculations, lists, data compilations, documents or other materials developed and/or assembled by or on behalf of CONSULTANT in the performance of this Agreement and fixed in any tangible medium of expression, including but not limited to Documents and Data stored digitally, magnetically and/or electronically. This Agreement creates, at no cost to CITY, a perpetual license for CITY to copy, use, reuse, disseminate and/or retain any and all copyrights, designs, and other intellectual property embodied in all Documents and Data. CONSULTANT shall require all subcontractors and subconsultants working on behalf of CONSULTANT in the performance of this Agreement to agree in writing that CITY shall be granted the same right to copy, use, reuse, disseminate and retain Documents and Data prepared or assembled by any subcontractor or subconsultant as applies to Documents and Data prepared by CONSULTANT in the performance of this Agreement.

PROFESSIONAL SERVICES AGREEMENT

Outreach and Planning Services to Develop a Comprehensive Safe and Active Streets Implementation Plan for the City of San Fernando

Page 14 of 17

- 6.2 **CONFIDENTIALITY:** All data, documents, discussion, or other information developed or received by CONSULTANT or provided for performance of this Agreement are deemed confidential and shall not be disclosed by CONSULTANT without prior written consent by CITY. CITY shall grant such consent if disclosure is legally required. Upon request, all CITY data shall be returned to CITY upon the termination or expiration of this Agreement. CONSULTANT shall not use CITY's name or insignia, photographs, or any publicity pertaining to the Work in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of CITY.
- 6.3 **FALSE CLAIMS ACT:** CONSULTANT warrants and represents that neither CONSULTANT nor any person who is an officer of, in a managing position with, or has an ownership interest in CONSULTANT has been determined by a court or tribunal of competent jurisdiction to have violated the False Claims Act, 31 U.S.C., Section 3789 et seq. and the California False Claims Act, Government Code Section 12650 et seq.
- 6.4 **NOTICES:** All notices permitted or required under this Agreement shall be given to the respective Parties at the following addresses, or at such other address as the respective Parties may provide in writing for this purpose:

CONSULTANT:

Local Government Commission
980 9th Street, Suite 1700
Attn: Director of Finance
Phone: 916-448-1198
Fax: 916-448-8246
Email: lbloodworth@lgc.org

CITY:

City of San Fernando
Public Works Department
117 Macneil Street, San Fernando, CA
91340
Attn: Director of Public Works
Phone: 818-898-1237
Fax: 818-361-6728

Such notices shall be deemed effective when personally delivered or successfully transmitted by facsimile as evidenced by a fax confirmation slip or when mailed, forty-eight (48) hours after deposit with the United States Postal Service, first class postage prepaid and addressed to the Party at its applicable address.

- 6.5 **COOPERATION; FURTHER ACTS:** The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as is reasonably necessary, appropriate or convenient to achieve the purposes of this Agreement.
- 6.6 **SUBCONTRACTING:** CONSULTANT shall not subcontract any portion of the Work required by this Agreement, except as expressly stated herein, without the prior written approval of CITY. Subcontracts (including without limitation subcontracts with subconsultants), if any, shall contain a provision making them subject to all provisions

PROFESSIONAL SERVICES AGREEMENT

Outreach and Planning Services to Develop a Comprehensive Safe and Active Streets Implementation Plan for the City of San Fernando

Page 15 of 17

stipulated in this Agreement, including provisions relating to insurance requirements and indemnification.

- 6.7 CITY'S RIGHT TO EMPLOY OTHER CONSULTANTS: CITY reserves the right to employ other contractors in connection with the various projects worked upon by CONSULTANT.
- 6.8 PROHIBITED INTERESTS: CONSULTANT warrants, represents and maintains that it has not employed nor retained any company or person, other than a *bona fide* employee working solely for CONSULTANT, to solicit or secure this Agreement. Further, CONSULTANT warrants and represents that it has not paid nor has it agreed to pay any company or person, other than a *bona fide* employee working solely for CONSULTANT, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, CITY shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of CITY, during the term of his or her service with CITY, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.
- 6.9 TIME IS OF THE ESSENCE: Time is of the essence for each and every provision of this Agreement.
- 6.10 GOVERNING LAW AND VENUE: This Agreement shall be interpreted and governed according to the laws of the State of California. In the event of litigation between the Parties, venue, without exception, shall be in the Los Angeles County Superior Court of the State of California. If, and only if, applicable law requires that all or part of any such litigation be tried exclusively in federal court, venue, without exception, shall be in the Central District of California located in the City of Los Angeles, California.
- 6.11 ATTORNEYS' FEES: If either Party commences an action against the other Party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing Party in such litigation shall be entitled to have and recover from the losing Party reasonable attorneys' fees and all other costs of such action.
- 6.12 SUCCESSORS AND ASSIGNS: This Agreement shall be binding on the successors and assigns of the Parties.
- 6.13 NO THIRD PARTY BENEFIT: There are no intended third party beneficiaries of any right or obligation assumed by the Parties. All rights and benefits under this Agreement inure exclusively to the Parties.

PROFESSIONAL SERVICES AGREEMENT

Outreach and Planning Services to Develop a Comprehensive Safe and Active Streets Implementation Plan for the City of San Fernando

Page 16 of 17

- 6.14 CONSTRUCTION OF AGREEMENT: This Agreement shall not be construed in favor of, or against, either Party but shall be construed as if the Parties prepared this Agreement together through a process of negotiation and with the advice of their respective attorneys.
- 6.15 SEVERABILITY: If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.
- 6.16 AMENDMENT; MODIFICATION: No amendment, modification or supplement of this Agreement shall be valid or binding unless executed in writing and signed by both Parties, subject to CITY approval. The requirement for written amendments, modifications or supplements cannot be waived and any attempted waiver shall be void and invalid.
- 6.17 CAPTIONS: The captions of the various articles, sections and paragraphs are for convenience and ease of reference only, and do not define, limits, augment, or describe the scope, content, or intent of this Agreement.
- 6.18 INCONSISTENCIES OR CONFLICTS: In the event of any conflict or inconsistency between the provisions of this Agreement and any of the exhibits attached hereto, the provisions of this Agreement shall control.
- 6.19 ENTIRE AGREEMENT: This Agreement including all attached exhibits is the entire, complete, final and exclusive expression of the Parties with respect to the matters addressed herein and supersedes all other agreements or understandings, whether oral or written, or entered into between CITY and CONSULTANT prior to the execution of this Agreement. No statements, representations or other agreements, whether oral or written, made by any Party which are not embodied herein shall be valid or binding. No amendment, modification or supplement to this Agreement shall be valid and binding unless in writing and duly executed by the Parties pursuant to Section 6.15, above.
- 6.20 COUNTERPARTS: .This Agreement shall be executed in three (3) original counterparts each of which shall be of equal force and effect. No handwritten or typewritten amendment, modification or supplement to any one counterparts shall be valid or binding unless made to all three counterparts in conformity with Section 6.16, above. One fully executed original counterpart shall be delivered to CONSULTANT and the remaining two original counterparts shall be retained by CITY.

(SIGNATURE PAGE TO FOLLOW)

PROFESSIONAL SERVICES AGREEMENT

Outreach and Planning Services to Develop a Comprehensive Safe and Active Streets Implementation Plan for the City of San Fernando

Page 17 of 17

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed the day and year first appearing in this Agreement, above.

CITY OF SAN FERNANDO**LOCAL GOVERNMENT COMMISSION**

By: _____
Nick Kimball, City Manager

By: _____
Name: _____
Title: _____

APPROVED AS TO FORM

By: _____
Rick R. Olivarez, City Attorney

Scope of Work

LGC will render services according to the following scope of work for the **San Fernando Safe and Active Streets Implementation Plan**:

Responsible Parties

The City of San Fernando is the proposal applicant and will be the grant recipient. The City will partner with two 501(c)(3) organizations, the Local Government Commission (LGC) and Public Health Advocates (PHA). LGC is included as a sub-applicant on the grant proposal to assist with managing the project and with the public engagement process. PHA is included as a sub-applicant to assist with community outreach and engagement.

The City will choose a technical consultant team, through a competitive bid process, to produce the plan. The selected consultant will have expertise in transportation planning, active transportation, traffic engineering, Vision Zero, designing for bicycle and pedestrian safety, Safe Routes to School, and Complete Streets. The roles and responsibilities of the City, sub-applicants and the consultant team are detailed below.

City of San Fernando

The City is the lead applicant and will have overall responsibility for the project. The City will be the grant recipient, execute the Restricted Grant Agreement with Caltrans, and execute a contract with sub-applicants. The City will conduct a competitive bid process to select a qualified consultant team with multimodal transportation planning and traffic engineering expertise. The City will provide staffing support to meet the 11.47 percent local match. Staff will provide project management support, will coordinate with project partners and agencies, participate in community workshops, attend meetings, provide data and policy documents, review consultant products, and direct revisions. Staff will assist with securing facilities for public meetings, stakeholder meetings and team meetings. City staff will prepare quarterly invoices and reports to Caltrans. Staff will also coordinate with partners to help publicize the project and ensure public participation in all aspects of the planning process.

Local Government Commission (LGC)

LGC will assist with project management and coordination. LGC will organize the community engagement events, develop publicity materials with local input, and document public input for inclusion in the resulting plan document. LGC staff will facilitate community engagement activities including workshops, walk audits and bicycle audits. LGC staff has extensive experience in public engagement in planning processes, land use and transportation planning and design. Since 2001, LGC staff has worked on over 70 planning projects funded by Caltrans throughout the state. LGC staff also conduct workshops on Designing for Pedestrian Safety (for the Federal Highway Administration), Safe Routes to School (for the National Center for SRTS), and Complete Streets (for the National Complete Streets Coalition). The LGC has staff that is fluent in Spanish and can conduct meetings and workshops

in English and Spanish.

Public Health Advocates

PHA will be responsible for outreach to residents and businesses in San Fernando. PHA will identify community stakeholders to include on the Advisory Group, will develop publicity materials, will distribute flyer and posters to schools and businesses and will assist with the design charrette activities including workshops, walk audits and bicycle audits. PHA has experience conducting outreach on these types of planning projects and has partnered on several community planning efforts throughout the Los Angeles region. PHA is a nonprofit 501(c)3 organization that has been working in Southern California since 1999 in creating policies for healthier community living. Public Health Advocates supported community outreach efforts for the San Fernando Safe and Active Streets Plan and has served as the lead organization for multiple regional initiatives, including, Healthy Kids Healthy Communities (HKHC), First 5 LA, LA County RENEW, and the Healthy Eating Active Communities (HEAC) project.

Consultant

The selected consultant (or team of consultants) will be responsible for all technical analysis, documentation, mapping and evaluation for the project. The consultant will analyze crash data and work with community members to identify priority projects to improve safety and increase walking and bicycling, will actively engage in the public process, will develop design concepts and recommendations to improve safety that respond to input from the community and implementing and overseeing agencies, and prepare the plan document. Core components of the plan will include:

1. Proposed improvements to priority segments for pedestrian and bicycle access, mobility and safety.
2. Conceptual designs for short- and long-term street, sidewalk and other infrastructure improvements including curb ramps, crosswalks, curb extensions and traffic control devices for universal access, bicycle facilities, etc. suitable for future funding programming and grant applications.
3. A phasing plan and funding strategy for prioritized projects, programs and action steps.
4. An implementation matrix identifying priority projects and estimated costs to implement them

Task 1: Project Planning and Coordination

Task 1.1: Kickoff Meeting with Caltrans

City staff will conduct a kickoff meeting with Caltrans District staff to discuss grant procedures and project expectations including invoicing, quarterly progress reports, and other relevant project information. LGC staff will join via conference call.

Responsible Party: City of San Fernando

Task 1.2: Contracting with Sub-Applicants

City staff will prepare a subcontract with the Local Government Commission (LGC), the sub-applicant on this grant that will help manage this planning project. The LGC, in turn, will contract with Public Health Advocates, the non-profit organization that will be responsible for community outreach on this project.

Responsible Party: City of San Fernando

Task 1.3: Conduct Procurement for Consultant

LGC, in coordination with City staff, will prepare a Request for Proposals to solicit a transportation planning/engineering firm with expertise in active transportation and designing for bicycle and pedestrian safety that can provide the necessary technical expertise to develop the implementation plan. The RFP will follow the proper procurement procedures established by Caltrans for these projects.

Responsible Party: City of San Fernando and Local Government Commission

Task 1.4: Project Team Meetings

Monthly Project Management status meetings shall occur via telephone to ensure regular and consistent communication on upcoming tasks, identifying potential risks and challenges to success. Participation in the monthly meetings is anticipated to include the Project Managers from the City, the consultant team and LGC. Other staff or agencies will be invited to participate as needed. The status meetings shall occur to ensure the project remains on time and within budget, and that expectations are being met. LGC shall develop the agenda and prepare a summary of monthly meeting notes. The meeting notes should include a defined list of decisions, actions, and responsible party.

Responsible Party: Local Government Commission

Task 1.5: Collect Data on Existing Conditions

The consultant will work with the City and other sources to collect and organize available information on existing conditions for the project areas, including area photos, traffic volumes, crash data, regional transportation plans, aerial and base maps, General Plan and other policy documents, development standards and regulations, and other relevant studies. The consultant will prepare base maps for team design and analysis work and for use during workshops.

Responsible Party: Consultant

Task	Deliverable
1.1	<i>Meeting notes</i>
1.2	<i>Copy of signed agreements</i>
1.3	<i>Copy of RFP, Distribution list, Executed consultant contract</i>
1.4	<i>Meeting agendas, notes</i>
1.5	<i>List of documents/data collected and received, Base maps</i>

Task 2. Community Outreach

During this phase, the Project Team will work to identify key stakeholders, assemble an Advisory Group, and produce and distribute outreach materials.

Task 2.1: Develop Stakeholder List

PHA with support from the City, will assemble a stakeholder list of public officials and agency staff, school staff, service organizations, community organizations, neighborhood leaders and residents, businesses and property owners and other interest in the City. Special efforts will be made to identify agencies and organizations that work with disadvantaged communities.

Responsible Party: Public Health Advocates

Task 2.2: Assemble Advisory Group

PHA, with support from the City, will assemble an Advisory Group to provide a venue for discussion of concepts and solicit input on community engagement in developing the Plan. The Advisory Group will be assembled through invitations to agency staff and key community members, using the stakeholder list developed during Task 2.1 and a database of contacts from the City. Identification of community members for involvement may include representatives from schools or the school district; members of the City Planning Commission; representatives from local community-based organizations and local advocates interested in walking and bicycling. The Advisory Group is expected to meet in person three times during the project. Meetings will take no more than 90 minutes and will be scheduled as appropriate based on participants' schedules to provide recommendations and solicit input to guide the project.

Responsible Party: Public Health Advocates

Task 2.3: Conduct Advisory Group Meetings

The Advisory Group will meet on at least three occasions during the course of this project.

- The first meeting will be held in San Fernando with participation from the City, LGC, PHA and the Consultant Team approximately 2-3 months before the community design workshop. The key items on the agenda will include: issues to address, problem areas to study, locations with the greatest safety challenges, scheduling and location for outreach events, key stakeholders to invite, and strategies for engaging underserved residents. LGC and the Consultant Team will travel to San Fernando for this Advisory Group meeting. During this visit, LGC and the Consultant Team will also tour and photograph the project area to assess existing conditions.

- The second Advisory Group meeting will be held approximately one month before the design workshop. The agenda will focus on outreach and planning for the events during the charrette. The LGC will travel to San Fernando for this meeting.
- The third Advisory Group meeting will be held approximately one month after the Consultant Team circulates a draft outline for the plan following the design workshop. LGC staff and the Consultant Team will travel to San Fernando to meet with the Advisory Group and other key stakeholders to discuss the outline, resolve any issues that might still be pending and review proposed concepts developed during and after the engagement events.

Responsible Party: Local Government Commission and Public Health Advocates

Task 2.4: Produce and Distribute Outreach Materials

PHA will work closely with the City and LGC to conduct publicity and outreach for the project. Specific tasks will include:

- Produce Materials: PHA, in coordination with the City and LGC, will produce flyers and posters publicizing events for community-wide distribution. Materials will be produced in English and Spanish.
- Distribute Materials: The City and schools will be asked to distribute flyers and posters about the engagement events through their networks.
- Media Outreach: Announcements and press releases will be distributed to local media. The project partners will also work on setting up changeable message signs or banners announcing events in key locations throughout the City. Information will be posted on the City web site and social media platforms and through newsletters.

Responsible Party: Public Health Advocates

Task	Deliverable
2.1	<i>Stakeholder list</i>
2.2	<i>List of Advisory Group members</i>
2.3	<i>Meeting agendas, notes</i>
2.4	<i>Copies of flyers and posters, List of agencies/organizations distributing outreach materials, Press releases</i>

Task 3: Community Engagement

The community design workshop, walkability assessments and bicycling assessments will be the centerpiece of this planning project. The purpose of the events will be to work with residents and businesses to identify problems, prioritize solutions and develop conceptual design recommendations that the City can implement in the near- and medium-term. Strategies will include street and intersection designs that improve safety for walking and bicycling. The Local Government Commission will

coordinate the workshop activities with assistance from City staff, PHA and the consultant team.

Task 3.1: Walkability and Bicycling Assessments

LGC and the Consultant, with assistance from the City, will organize a series of six 2-hour walkability audits and two bicycle assessments covering different parts of the City to evaluate the conditions for walking and bicycling in different parts of the City. Prior to the assessments, the Consultant will review recommendations from the Safe and Active Streets Plan so as to identify priority locations for street and sidewalk design changes. The assessments will provide an opportunity for the consultant team to fully understand the challenges and identify creative solutions. Members of the Advisory Group and other stakeholders will be invited to participate.

Responsible Party: Local Government Commission and Consultant

Task 3.2: Community Design Charrette

The LGC, City and Consultant Team will organize a 2-day Community Design Workshop. The draft schedule of activities will include:

- Observation by the consultant team of conditions along major corridors and especially near schools, parks, senior centers, and other locations with higher volumes of pedestrians, during morning and afternoon peak travel.
- Approximately 2-3 small group meetings with key stakeholders (e.g., government agencies, community service providers, medical center personnel, school administrators, businesses, emergency responders, etc.) to gain a better understanding of the concerns and issues. Meetings will typically 60-90 minutes in length.
- Kick-off community workshop, typically on a weekday evening to ensure broad participation. The kick-off workshop will provide participants with an overview of the project goals and objectives and will include a visioning presentation, exercises and activities to gather community input such as design table maps in which small groups work together to write and draw their ideas on aerial maps.
- Project Team members working on-site in intense production to develop preliminary recommendations.
- Review of concepts with City staff.

Responsible Party: Local Government Commission and Consultant

Task 3.3: Workshop on Draft Plan

Following development of the draft plan (Task 4.2), the LGC and PHA will organize a workshop to present the draft plan and get feedback from community members.

Responsible Party: Local Government Commission and Consultant

Task	Deliverable
3.1	<i>List of participants, photos, notes on comments received</i>
3.2	<i>List of participants, presentations, photos, notes on comments received, photos of maps from design table exercise</i>
3.3	<i>List of workshop participants, presentation, photos, notes on comments received</i>

Task 4: Draft and Final Plan

Task 4.1: Plan Outline

Within a month after the charrette, the consultant will prepare an outline of the Plan and a list of any additional questions and concerns that might have emerged during or after the charrette events. These documents will be circulated to stakeholders including City staff, and Advisory Group members and will be discussed at Advisory Group Meeting #3 (Task 2.3).

Responsible Party: Consultant

Task 4.2: Administrative Draft Plan

Within two to three months after Advisory Group Meeting #3, the consultant will prepare and circulate an administrative draft plan for review by City staff and members of the Advisory Group. Participants in the charrette and other activities will be notified of the availability of the draft plan and will be encouraged to provide comments and/or participate in the workshop on the draft plan. The plan will include conceptual designs, recommendations and development standards for improving safety conditions for pedestrians and cyclists. The plan will also contain a record of the process used to develop it, proposed timing and prioritization for implementation of the recommendations, cost estimates to implement the recommendations, potential funding sources and an implementation matrix identifying priority projects and estimated costs to implement them.

Responsible Party: Consultant

Task 4.3: Final Plan

Based on comments received on the draft plan, the Consultant will prepare a final version of the plan.

Responsible Party: Consultant

Task 4.4: Present Plan to Policymakers

City staff and the consultant will present the Final Active Transportation Implementation Plan at a City Council meeting to consider for adoption by reference or amendment to other policy documents and for incorporation into work programs.

Responsible Party: City and Consultant

Task	Deliverable
4.1	<i>Draft and Final plan outline</i>
4.3	<i>Administrative Draft Plan</i>
4.4	<i>Final Plan</i>
4.5	<i>Presentation, Resolution</i>

Task 5. Grant Administration

Task 5.1: Quarterly Reporting

The City, with assistance from LGC, will prepare quarterly reports as required by the grant for submittal to Caltrans. This task includes the preparation of materials, document coordination with the sub-applicants and selected Consultant and the submittal of quarterly reports.

Responsible Party: City of San Fernando

Task 5.2: Fiscal Management

The City will be responsible for keeping all the necessary accounting records for the project and will submit invoices to Caltrans District staff based on milestone completion — at least quarterly, but no more frequently than monthly. This task includes receiving, reviewing, and processing the invoices received from the sub-applicants and Consultant as well as internal administrative responsibilities required to process and pay invoices.

Responsible Party: City of San Fernando

Task	Deliverable
5.1	<i>Quarterly reports</i>
5.2	<i>Invoice packages</i>



Local Government Commission

Leaders for Livable Communities

May 18, 2020

Board of Directors

Councilmember Steve Hansen
Chairman
City of Sacramento

Supervisor Leticia Perez
Vice-Chair
County of Kern

Supervisor Jane Parker
Secretary/ Treasurer
County of Monterey

Mayor Catherine Blakespear
City of Encinitas

Mayor Thomas Butt
City of Richmond

Mayor Pro Tem Miguel Canales
City of Artesia

Councilmember Dominic Farinha
City of Patterson

Councilmember Dan Kalb
City of Oakland

Councilmember Jake Mackenzie
City of Rohnert Park

Supervisor Daron McDaniel
County of Merced

Pam O'Connor
City of Santa Monica

Mayor Meghan Sahli-Wells
City of Culver City

Councilmember Esmeralda Soria
City of Fresno

Supervisor Das Williams
County of Santa Barbara

Supervisor Mike Wilson
County of Humboldt

Executive Director
Kate Meis

Director of Public Works
(Attn: Kenneth Jones, MPA)
City of San Fernando
Public Works Department
117 Macneil Street
San Fernando, CA 91340

RE: Adjustments to Outreach for San Fernando Safe and Active Streets Implementation Plan under COVID-19

We are all having to make adjustments to how we engage communities and interact with people under the new conditions around the COVID-19 pandemic. Portions of the scope of work for this project included direct engagement of residents and businesses in San Fernando through the use of in-person meetings and workshops. The Local Government Commission (LGC) and Public Health Advocates (PHAdvocates) are planning to involve more online engagement strategies to protect people's health and will describe those strategies in this document.

We understand that during preparation of the Safe and Active Streets Plan the City and PHAdvocates conducted extensive outreach that helped the consultant team identify projects and recommendation to address Active Transportation issues. This project will be building on that success by prioritizing the locations and projects previously identified in the last process. Therefore, we believe that outreach and engagement for this project will lend itself to some alternative methods of engagement to those identified in the original scope of work. Since Public Health Advocates was also involved in the last process of outreach and engagement, we will be able to build on the relationships they developed with members of the community.

With the understanding that the situation in your community may continue to change, gathering many people together in one location may still not be an option. While we may be able to employ proper social distancing for smaller meetings, we will employ the use of online meeting tools, direct mail and phone calls to bring people together and get their input at certain times of the project.

We will rely on direction from the Advisory Group established for this project on the best possible way to engage people in your community while considering the latest guidance from the City and Los Angeles County Department of Public Health. LGC and PHAdvocates plan to take the following steps for tasks within the scope of work to engage community members while respecting social or physical distancing:

Task 2.3: Conduct Advisory Group Meetings

We have access to Zoom, an online conferencing tool to hold the three planned meetings. We will explore the possibility of an option for a local meeting space in conjunction with the

Local Government Commission

online meeting that will let us maintain social distancing for members of the Advisory Group that may not be able to participate online. Masks and gloves could also be provided to participants that do not have their own.

Task 2.4: Produce and Distribute Outreach Materials

Produce Materials: We will produce flyers and posters publicizing events for community-wide distribution in electronic and hard copy versions. Materials will be produced in English and Spanish.

Distribute Materials: We will engage San Fernando City departments, local schools, and leverage the connections Public Health Advocates established in the previous Safe and Active Streets engagement process to distribute flyers and posters about engagement events through their networks via social media, posting on website, mailers, robocalls, materials pick up locations, and announcements on bulletin boards and marquee signs throughout the city. *Media Outreach:* Announcements and press releases will be distributed to local media and disseminated to local stakeholders via email. We will coordinate with the City and Advisory Group on the best location for hosting a project webpage to keep people informed about the project, advertise online events, and provide access to project documents and videos. The LGC has the ability to host a special website for the project with a unique domain name. The selected consultant may be able to provide this option as well.

Task 3.1: Walkability and Bicycling Assessments

We still expect to be able to hold these activities (six 2-hour walkability audits and two bicycle assessments), but will have to restrict the number of people that participate. The primary focus of these will be for the technical consultant and City staff to evaluate different locations in the City so that the consultants can better understand safety and design issues at those locations. Selected advisory group members or stakeholders can be invited to join us at different locations, but will be required to maintain social distancing. Masks and gloves could also be provided to participants that do not have their own. We will also look at the option of providing an online virtual tour with Google Street Maps, or an alternative, where we could bring in additional stakeholders to take virtual walking assessments.

Task 3.2: Community Design Charrette

For the planned charrette activities, there are still options to engage community members in meaningful ways while practicing social distancing. This will require careful input and guidance between LGC and PHA, City staff, the Advisory Group and the technical consultant. The consultant may also have tools and resources that can help expand our options to engage people without holding in-person events that bring together a lot of people in one location. This should be a consideration during the RFP process for consultant selection.

Small group stakeholder meetings: We can make use of online conferencing tools to engage people for the stakeholder group meetings. For residents that can't participate online we can offer an option for a local meeting space in conjunction with an online stakeholder meeting. We will consider a location that will let us maintain social distancing and other protective measures. Masks and gloves would also be provided to participants that do not have their own.

Kick-off workshop: An option under consideration for the kick-off workshop is to break it up into smaller events over a longer period of time such as two-weeks. This would allow us to host live events online through Zoom or Facebook Live that can be recorded and made available for additional people to participate. This would replace our activities such as the visioning presentation. Additional exercises normally held during the workshop would focus

Local Government Commission

on prioritizing projects and recommendations, and these can be supplemented with online polling and surveys. Online polls and surveys for prioritization could also be supplemented with direct mail and phone calls for those that may not have online access.

It is most likely the consultants will not be able to all work in production at one location in the city. However, this will not affect the ability of the consultant to develop the preliminary recommendations to the City.

Task 3.3: Workshop on Draft Plan

This final workshop can be moved to an online event. LGC and PHAdvocates would work the City and Advisory Group to also provide alternatives to the event for community members that may not have online access.

LGC and PHAdvocates believe that we can successfully transition tasks within the existing scope of work to online options that both engage a broad spectrum of the community as well as protect public health.

We appreciate your consideration of this contract for the San Fernando Safe and Active Streets Implementation Plan project, and look forward to working with your community!

Regards,

A handwritten signature in black ink, appearing to read "Tony Leonard". The signature is fluid and cursive, with the first name "Tony" and last name "Leonard" clearly distinguishable.

Tony Leonard
Community Design Project Manager

EXHIBIT "B"

Exhibit B — Budget Summary
San Fernando Safe and Active Streets Implementation Plan

TOTAL BUDGET SUMMARY	Local Government Commission			Public Health Advocates			GRANT TOTAL
	Total Labor	Total Direct costs	TOTAL	Ttl Labor	Total Direct costs	TOTAL	
Task 1. Project Planning and Coordination							
Task 1.1 Kickoff Meeting with Caltrans	\$430	\$0	\$430	\$0	\$0	\$0	\$430
Task 1.2 Contracting with Sub-Applicants	\$760	\$0	\$760	\$0	\$0	\$0	\$760
Task 1.3 Conduct Procurement for Consultant	\$2,280	\$370	\$2,650	\$0	\$0	\$0	\$2,650
Task 1.4 Project Team Meetings	\$1,710	\$0	\$1,710	\$2,560	\$0	\$2,560	\$4,270
Task 1.5 Collect Data on Existing Conditions	\$380	\$0	\$380	\$0	\$0	\$0	\$380
TOTAL	\$5,560	\$370	\$5,930	\$2,560	\$0	\$2,560	\$8,490
Task 2. Community Outreach							
Task 2.1 Develop Stakeholder List	\$0	\$0	\$0	\$840	\$0	\$840	\$840
Task 2.2 Assemble Advisory Group	\$380	\$0	\$380	\$3,840	\$0	\$3,840	\$4,220
Task 2.3 Conduct Advisory Group Meetings	\$3,240	\$2,040	\$5,280	\$2,080	\$120	\$2,200	\$7,480
Task 2.4 Produce and Distribute Outreach Mater	\$620	\$1,100	\$1,720	\$5,440	\$200	\$5,640	\$7,360
TOTAL	\$4,240	\$3,140	\$7,380	\$12,200	\$320	\$12,520	\$19,900
Task 3. Community Engagement							
Task 3.1 Walkability and Bicycling Assessments	\$4,200	\$1,700	\$5,900	\$1,200	\$40	\$1,240	\$7,140
Task 3.2 Community Design Charrette	\$5,060	\$2,120	\$7,180	\$4,320	\$280	\$4,600	\$11,780
Task 3.3 Workshop on Draft Plan	\$2,480	\$710	\$3,190	\$1,680	\$140	\$1,820	\$5,010
TOTAL	\$11,740	\$4,530	\$16,270	\$7,200	\$460	\$7,660	\$23,930
Task 4. Draft and Final Plan							
Task 4.1 Plan Outline	\$380	\$0	\$380	\$0	\$0	\$0	\$380
Task 4.2 Administrative Draft Plan	\$1,620	\$0	\$1,620	\$480	\$0	\$480	\$2,100
Task 4.3 Final Plan	\$620	\$0	\$620	\$0	\$0	\$0	\$620
Task 4.4 Present Plan to Policymakers	\$0	\$0	\$0	\$720	\$0	\$720	\$720
TOTAL	\$2,620	\$0	\$2,620	\$1,200	\$0	\$1,200	\$3,820
Task 5. Grant Administration							
Task 5.1 Quarterly Reporting	\$2,280	\$0	\$2,280	\$0	\$0	\$0	\$2,280
Task 5.2 Fiscal Management	\$3,800	\$0	\$3,800	\$0	\$0	\$0	\$3,800
TOTAL	\$6,080	\$0	\$6,080	\$0	\$0	\$0	\$6,080
GRAND TOTAL	\$30,240	\$8,040	\$38,280	\$23,160	\$780	\$23,940	\$62,220 \$62,220

Reimbursable Expenses

LGC and PHA approved shall be entitled to reimbursement for direct expenses incurred in the performance of this agreement. Acceptable direct expenses include: in-house copying and telecommunications costs related to project; printing costs for invoicing, flyers, mailers, and other outreach materials; refreshments at events; daycare; equipment and facilities rental fees; travel expenses and per diem (for travel over 50 miles from residence or office).

*This Page
Intentionally
Left Blank*



AGENDA REPORT

To: Mayor Joel Fajardo and Councilmembers

From: Nick Kimball, City Manager
By: Matt Baumgardner, Director of Public Works
Patsy Orozco, Civil Engineering Assistant II

Date: July 20, 2020

Subject: Consideration to Authorize the Notice of Completion for the Glenoaks Boulevard Street Sewer and Water Improvements Project, Job No. 7608, Plan No. P-730

RECOMMENDATION:

It is recommended that the City Council:

- a. Accept the improvements as constructed by GRBCON, Inc., and consider the work complete;
- b. Authorize the issuance and filing of the "Notice of Completion" (Attachment "A") with the Los Angeles County Office of the Registrar-Recorder/County Clerk; and
- c. Authorize the release of the five percent retention amount (\$74,444.52) after the 35-day lien period from the date the Notice of Completion is recorded.

BACKGROUND:

1. On February 26, 2019, at 11:00 a.m., the Deputy City Clerk received and opened five bids for construction of these improvements. Staff analyzed all bids and determined the bid from GRBCON, Inc., to be the lowest responsive bid.
2. On March 18, 2019, the City Council awarded a contract (Contract No. 1909) to GRBCON, Inc., (Contractor) in the amount of \$1,092,496, authorized City Engineer or his designee to execute a change order to the contract with GRBCON, Inc., and approved change orders not to exceed 20% (\$218,500) of contract amount.
3. On July 22, 2019, a Notice to Proceed was issued to the Contractor.
4. On April 24, 2020, the full scope of work was completed by the Contractor.

Consideration to Authorize the Notice of Completion for the Glenoaks Boulevard Street Sewer and Water Improvement Project, Job No. 7608, Plan No. P-730Page 2 of 3

ANALYSIS:

On August 5, 2019, while the Contractor conducted exploratory borings at the intersection of Harding Avenue and Fifth Street, it was discovered that the existing oil pipeline was deeper than anticipated and would be in conflict with the proposed elevation of the new sewer line. Since relocation of the oil pipeline to resolve the conflict with the proposed sewer line would be too disruptive to downstream customers of Plains All American Pipeline (PAAP), PAAP and the City determined the best solution would be to lower the depth of the proposed sewer line and tie-in to the existing sewer on Harding Avenue approximately 382 feet south of Fifth Street.

On November 18, 2019, the City Council approved a Reimbursement Agreement with PAAP (Resolution No. 7967) to ensure the City would be reimbursed for estimated costs of up to \$251,000 for construction of an additional 382 linear feet of 18-inch diameter vitrified clay pipe sewer line on Harding Avenue, south of Fifth Street; the final reimbursable amount is \$229,648.

This project included the following improvements on Glenoaks Boulevard from Orange Grove Avenue to Harding Avenue and on Harding Avenue from Glenoaks Boulevard to 382 feet south of Fifth Street:

- Replacement of sewer main;
- Installation of new sewer laterals;
- Installation of new water lines and meters and fire services;
- Replacement of sewer manholes; and
- Concrete improvements such as sidewalk, driveway approaches, and curb ramps.

BUDGET IMPACT:

The project was funded through the Sewer Fund and the Water Fund. The total construction cost was \$1,092,496 with an additional \$396,394 needed in construction change orders and bid quantity adjustments reflecting a 36% increase from the original estimate for a total project cost of \$1,488,890. The project did not exceed overall preliminary costs.

CONCLUSION:

The Glenoaks Boulevard Street Sewer and Water Improvements Project has been completed to staff's satisfaction and is in conformance with the approved plans and specifications. Project acceptance and filing the Notice of Completion allows for the project to be closed out.

Consideration to Authorize the Notice of Completion for the Glenoaks Boulevard Street Sewer and Water Improvement Project, Job No. 7608, Plan No. P-730

Page 3 of 3

ATTACHMENT:

A. Notice of Completion

EXEMPT FROM RECORDING FEES PER GOVT
CODE SECTION 6103

ATTACHMENT "A"

**RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:**

City of San Fernando

Julia Fritz, City Clerk
San Fernando City Hall
117 Macneil Street
San Fernando, CA 91340

Space Above This Line Reserved For The Recorder's Use

NOTICE OF COMPLETION

Notice pursuant to Civil Code Section 3093, must be filed within 10 days after completion.

1. **NOTICE IS HEREBY GIVEN THAT:** work on the subject project has been completed, and it is recommended that a Notice of Completion be executed and recorded
2. **NAME AND ADDRESS OF OWNER:** City of San Fernando, a municipal corporation, 117 Macneil Street, San Fernando, CA 91340
3. **DESCRIPTION OF THE PUBLIC WORK:** Construction of the Glenoaks Boulevard Street Sewer and Water Improvements Project, Job No. 7608, Plan No. P-730 consisted of sewer main replacements, installation of new sewer laterals, installation of new water lines, installation of new water meters, installation of new fire services, construction of new sewer manholes, replacement of sewer manholes, the removal and replacement of sidewalk, the removal and replacement of driveway approaches, and the removal and replacement of curb ramps.
4. **DESCRIPTION OF PROPERTY:** The property on which said work of improvement was completed is in the City of San Fernando, County of Los Angeles, State of California, and is described as: Glenoaks Boulevard from Orange Grove Avenue to Harding Avenue and on Harding Avenue from Glenoaks Blvd to 382 feet south of Fifth Street
5. **ACCEPTED AND COMPLETED:** Work on said contract was completed and accepted on April 24, 2020
6. **NATURE OF OWNER'S INTEREST:** In fee
7. **NAME AND ADDRESS OF CONTRACTOR:** GRBCON, Inc., 5114 Elton Street, Baldwin Park, CA 91706
8. **DECLARATION:** I, Matthew Baumgardner, duly appointed Director of Public Works of the City of San Fernando, have read the foregoing Notice of Completion, have made my verification on behalf of said City, and know the contents thereof to be true. I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Matthew Baumgardner, Director of Public Works
City of San Fernando, California
(City Seal)

Date

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES SS.

Subscribed and sworn to (or affirmed) before me on this _____ day of _____, 20____, by Matthew Baumgardner, proved to me on the basis of satisfactory evidence to be the person who appeared before me.

Julie M. Fernandez, Notary Public

*This Page
Intentionally
Left Blank*



AGENDA REPORT

To: Mayor Joel Fajardo and Councilmembers

From: Nick Kimball, City Manager
By: Michael E. Okafor, Personnel Manager

Date: July 20, 2020

Subject: Consideration to Approve a Special Services Agreement with Liebert Cassidy Whitmore for Fiscal Year 2020-2021

RECOMMENDATION:

It is recommended that the City Council:

- a. Approve an Agreement for Special Services (Attachment "A" - Contract No. 1958) with the law firm of Liebert Cassidy Whitmore (LCW);
- b. Authorize the City Manager to execute the Agreement and all related documents; and
- c. Authorize staff to utilize the services of Olivarez Madruga Lemieux O'Neill, LLP. for additional representational, litigation, and other employment relations services, as needed.

BACKGROUND:

1. On November 7, 2011, the City Council authorized the City Administrator to proceed with a Request for Proposal (RFP) for Labor and Employment Legal Services for the City.
2. On February 19, 2013, the City Council approved an Agreement for City Attorney services with the law firm of Olivarez Madruga, P.C. that, among other things, provides for labor and employment legal services.
3. On December 2, 2013, subsequent to a lengthy Request for Proposal process, the City Council approved an Agreement for Special Services with LCW (retroactively) to provide Labor and Employment Legal Services for Fiscal Year (FY) 2013-2014.
4. On or about July of each Fiscal Year since FY 2013-2014, the City Council has approved the renewal of the Agreement for Special Services with LCW respectively and authorized staff to utilize the services of Olivarez Madruga Lemieux O'Neill, LLP, for additional representational, litigation, and other employment relations services.

Consideration to Approve a Special Services Agreement with Liebert Cassidy Whitmore for Fiscal Year 2020-2021Page 2 of 3

ANALYSIS:

LCW has over 30 years of extensive experience representing public agencies in California strictly in the area of employment law and labor relations. With over 70 attorneys, the firm is well respected, and currently serves about 74% of California cities, 90% of California counties, 90% of California's community college districts, and numerous special districts and schools.

Over the years, through its San Gabriel Valley Employment Relations Consortium, the firm has provided relevant training on a wide variety of topics to unlimited number of City employees at a reasonable flat fee. In FY 2019-2020, about 70 City employees participated in workshops and training provided by LCW.

If approved, the proposed special services agreement will be for one-year, from July 1, 2020 through June 30, 2021, and will include the provision of the following services:

- Five full days of group training workshops for unlimited number of City designated attendees (in-person or via webinars), covering the following employment relations topics: "Managing COVID-19 Issues: Before, During and After," "Workers Compensation: Managing Employee Injuries, Disability and Occupational Safety," "File That! Best Practices For Employee Document and Record Management," "Maximizing Performance Through Evaluation, Documentation and Corrective Action," "The Art of Writing The Performance Evaluation," "Human Resources Academy I and II," "Family and Medical Care Leave Acts," and "Public Sector Employment Law Update."
- Availability of Attorneys for City to consult by telephone. Questions that the attorneys can answer with limited research or review of documents are covered by this service.
- Monthly newsletter and training materials covering employment relations developments.

LCW will provide the above services to the City for a flat fee of \$3,045 if paid on or prior to August 1, 2020. If paid after August 1, 2020, a late fee of \$100 will be added. The flat fee covers the provision of the aforementioned group training workshops and materials to unlimited number of employees, as well as yearlong telephonic consultations with attorneys.

Provision of the nine workshops listed above at this flat rate amounts to major savings for the City when compared to the typical cost of offering employee workshops. Typically, a three-hour, half day group workshop session for one training topic ranges from \$3,500 to \$4,500.

This agreement does not include additional services such as representation, litigation, and other employment relations services that may require in-depth research, for which the City will be

Consideration to Approve a Special Services Agreement with Liebert Cassidy Whitmore for Fiscal Year 2020-2021Page 3 of 3

billed based on the hourly rates for attorney time. LCW's hourly rate ranges from \$210 to \$390 for partners and associates, depending on the specific attorney used.

Staff will also utilize labor attorneys with the City Attorney law firm of Olivarez Madruga Lemieux O'Neill, LLP (ranges from \$210 to \$390), when appropriate, to supplement the Special Services provided by LCW.

BUDGET IMPACT:

The flat fee of \$3,045 for Labor Attorney Services is included in the Fiscal Year 2020-2021 Adopted Budget (001-112-0000-4270).

CONCLUSION:

Approval of the Agreement for Special Services with LCW is necessary to enable the City take advantage of the special benefits available to all participating member cities of the San Gabriel Valley Employment Relations Consortium, including the nine scheduled workshops, training materials, consultation and related resources.

ATTACHMENT:

A. Contract No. 1958

ATTACHMENT "A"
CONTRACT NO. 1958**AGREEMENT FOR SPECIAL SERVICES**

This Agreement is entered into between the City of San Fernando, A Municipal Corporation, hereinafter referred to as "Agency," and the law firm of LIEBERT CASSIDY WHITMORE, A Professional Corporation, hereinafter referred to as "Attorney."

WHEREAS Agency has the need to secure expert training and consulting services to assist Agency in its workforce management and employee relations; and

WHEREAS Agency has determined that no less than twenty-five (25) public agencies in the San Gabriel Valley area have the same need and have agreed to enter into identical agreements with Attorney; and

WHEREAS Attorney is specially experienced and qualified to perform the special services desired by the Agency and is willing to perform such services;

NOW, THEREFORE, Agency and Attorney agree as follows:

Attorney's Services:

During the year beginning July 1, 2020, Attorney will provide the following services to Agency (and the other aforesaid public agencies):

1. Five (5) days of group training workshops covering such employment relations subjects as management rights and obligations, negotiation strategies, employment discrimination and affirmative action, employment relations from the perspective of elected officials, performance evaluation (administering evaluations), grievance and discipline administration for supervisors and managers, planning for and responding to concerted job actions, current court, administrative and legislative developments in personnel administration and employment relations, etc., with the specific subjects covered and lengths of individual workshop presentations to be determined by Agency and the other said local agencies.

It is expressly understood that the material used during these presentations, including written handouts and projected power points are provided solely for the contracted workshops. This agreement warrants there will be no future use of Liebert Cassidy Whitmore material in other trainings or formats without the expressed written permission of Liebert Cassidy Whitmore. Any such use will constitute a violation of this agreement and copyright provisions.

2. Availability of Attorney for Agency to consult by telephone. Consortium calls cover questions that the attorney can answer quickly with little research. They do not include the review of documents, in depth research, written responses (like an opinion letter) or advice on on-going legal matters. The caller will be informed if the question exceeds the scope of consortium calls. Should the caller request, the attorney can assist on items that fall outside the service, but these matters will be billed at the attorney's hourly rate. (See additional services section.)
3. Providing of a monthly newsletter covering employment relations developments.

Fee:

Attorney will provide these special services to Agency for a fee of Three Thousand Forty Five Dollars (\$3,045.00) payable in one payment prior to August 1, 2020. The fee, if paid after August 1, 2020 will be \$3,145.00.

Said fee will cover Attorney's time in providing said training and consultative services and the development and printing of written materials provided to attendees at the training programs.

Additional Services:

Attorney shall, as and when requested by Agency, make itself available to Agency to provide representational, litigation, and other employment relations services. The Agency will be billed for the actual time such representation services are rendered, including reasonable travel time, plus any necessary costs and expenses authorized by the Agency.

The range of hourly rates for Attorney time is from Two Hundred Ten to Three Hundred Ninety Dollars (\$210.00 - \$390.00) per hour for attorney staff, Two Hundred Forty Dollars (\$240.00) per hour for Labor Relations/HR Consultant and from One Hundred Thirty-five to One Hundred Seventy-Five Dollars (\$135.00 - \$175.00) per hour for services provided by paraprofessional and litigation support staff. Attorneys, paraprofessional and litigation support staff bill their time in minimum units of one-tenth of an hour. Attorney reviews its hourly rates on an annual basis and if appropriate, adjusts them effective July 1.

Independent Contractor:

It is understood and agreed that Attorney is and shall remain an independent contractor under this Agreement.

Term:

The term of this Agreement is twelve (12) months commencing July 1, 2020. The term may be extended for additional periods of time by the written consent of the parties.

Condition Precedent:

It is understood and agreed that the parties' aforesaid rights and obligations are contingent on no less than twenty-five (25) local agency employers entering into a substantially identical Agreement with Attorney on or about July 1, 2020.

LIEBERT CASSIDY WHITMORE
A Professional Corporation

CITY OF SAN FERNANDO
A Municipal Corporation

By: _____

J. Scott Tiedemann / Managing Partner

By: _____

Name: _____

Date: _____

5-14-2020

Title: _____

Date: _____

*This Page
Intentionally
Left Blank*



AGENDA REPORT

To: Vice Mayor Hector A. Pacheco and Councilmembers

From: Mayor Joel Fajardo

Date: July 20, 2020

Subject: Discussion Regarding COVID-19 Response Efforts and Approval of Proposed Recommendations

RECOMMENDATION:

Receive a presentation from staff related to the City's COVID-19 efforts, including, but not limited to:

- a. Review and approval of the City's COVID-19 planning, response, enforcement, and education efforts, and related policy initiatives; and
- b. Review and approval of financial assistance programs and the pursuit of funding opportunities, and related recommendations, as appropriate.

ANALYSIS:

I have placed this on the agenda for City Council to discuss the City's response efforts and policy initiatives related to the COVID-19 pandemic and provide direction to staff, as appropriate.

This discussion is meant to provide City Council and staff the opportunity to discuss all items related to the City's response efforts and policy initiatives related to the COVID-19 pandemic, including, but not limited to, discussion of financial hardship programs and CARES Act and other potential stimulus funding.

Staff Updates.

Los Angeles County Department of Public Health Safer At Home Health Order.

Staff will provide an update on current Health Orders issued by the County.

Health Order Enforcement

Staff will provide an update on current enforcement efforts and request direction related to future enforcement, as appropriate.

Discussion Regarding COVID-19 Response Efforts and Approval of Proposed RecommendationsPage 2 of 2

City Facility Closures.

City Hall had been temporarily open to the public on certain days (i.e. Monday, Wednesday and Thursday from 12 pm to 5:30 pm). However, due to the Governor's Order to close many of the higher risk activities that were previously allowed to open, including non-essential offices, City Hall has been closed to the public again, until further notice.

Indoor recreational facilities remain closed to the public except when a heat advisory is issued and Recreation Park and Las Palmas Park facilities are open as cooling centers. Both park facilities were open on Saturday, July 11, 2020 and Sunday, July 12, 2020 to serve as cooling centers. Staff followed the County protocol for physical distancing and cleaning while the cooling centers were open.

BUDGET IMPACT:

There is no budget impact associated with discussing this item. Additional future costs to be determined based on City Council direction.

*This Page
Intentionally
Left Blank*



AGENDA REPORT

To: Mayor Joel Fajardo and Councilmembers

From: Nick Kimball, City Manager
By: Timothy T. Hou, Director of Community Development

Date: July 20, 2020

Subject: Consideration to Approve an Exclusive Negotiation Agreement with Azure Development, Inc., for the Development Opportunity Site at Parking Lot No. 3

RECOMMENDATION:

It is recommended that the City Council:

- a. Approve an Exclusive Negotiation Agreement ("ENA") (Attachment "A"- Contract No. 1959) with Azure Development, Inc. ("Azure") to provide a specified period of time to attempt to negotiate a development agreement; and
- b. Authorize the City Manager to make non-substantive edits and execute all related documents.

BACKGROUND:

1. On March 4, 2019, Kosmont Companies, the City's economic development consultant, presented its Downtown San Fernando Economic Development and Asset Analysis in an informational City Council study session.
2. Subsequently, the City Council directed staff to designate the City-owned Parking Lot No. 3 site as a potential development opportunity site and on September 24, 2019, the City hosted a Downtown Opportunity Site Community Meeting. Community feedback from the Community Meeting and an online survey available on the City's Economic Development website through October 2019, were summarized in a Memorandum (Attachment "B").
3. On December 19, 2019, the City issued a Request for Developer Qualifications ("RFQ") for Parking Lot No. 3 Mixed/Blended-Use Development Opportunity – 1.44 Acres on San Fernando Mission Blvd. and Celis St. (Attachment "C") to over 200 entertainment and mixed/blended-use developers.

Consideration to Approve an Exclusive Negotiation Agreement with Azure Development, Inc., for the Development Opportunity Site at Parking Lot No. 3Page 2 of 6

4. By the RFQ submittal deadline of January 31, 2020, the City received one response to the RFQ from a development team led by Azure, a real estate development corporation, based in Commerce, CA (Attachment "D").
5. Azure was vetted by Kosmont Companies and City staff and determined to be a responsible developer that met the qualifications provided in the RFQ.
6. Over the past few months, the City and Azure have developed a proposed ENA for Council consideration to provide a specified period of time to attempt to negotiate a development agreement for redevelopment of Parking Lot No. 3 into a blended-use development.

ANALYSIS:Overview of the Development Opportunity Site.

During the September 24, 2019 Community Meeting on the vision for Downtown San Fernando, the community discussed the strong blended-use commercial-residential development potential of Parking Lot No. 3 for a variety of reasons:

- Downtown San Fernando's emerging retail and entertainment market;
- The increased demand for market rate and for sale housing and office uses;
- The presence of the Metrolink station and the future Metro light rail station (for future transit-oriented development); and
- Higher densities and mixing of uses offered in the City's San Fernando Corridors Specific Plan ("SP-5").

With the RFQ process, the City sought an experienced blended-use developer to submit qualifications for an opportunity to develop the approximately 1.44-acre site owned by the City. Although the site is currently being used as a 144-space public parking lot, the City has been interested in capitalizing on its vibrant Downtown by redeveloping the surface parking lot through a public-private partnership. Parking Lot No. 3 is bounded by San Fernando Mission Boulevard to the northwest, Celis Street to the northeast, Pico Street to the southwest, and a set of commercial buildings fronting Maclay Avenue to the southeast.

The site lies within the Downtown Residential overlay of the Downtown District of the Corridors Specific Plan ("SP-5") area zone. SP-5 presents a district-based zoning approach to accommodate future growth. As noted in SP-5, "The Downtown District is established for the purpose of creating a lively, mixed-use, transit-oriented 'center of the city' where the community of San Fernando comes together." Thus, the City pursued a catalytic blended-use project that develops connections with the main-street shops of the San Fernando Mall along with existing and future transit lines.

Consideration to Approve an Exclusive Negotiation Agreement with Azure Development, Inc., for the Development Opportunity Site at Parking Lot No. 3

Page 3 of 6

While the development community submitted no interest in development of the site focused on an entertainment use during the RFQ process, the City received instead a qualified submittal that addressed all other City considerations:

- Includes retail, restaurant uses, as well as for sale residential uses above street level commercial uses;
- A synergistic destination complementary to the Downtown area;
- Meets City standards in accordance with SP-5;
- Provides replacement of the existing public parking spaces on-site;
- Involves and reflects community outreach, involvement and input; and
- Exemplifies attractive architecture and sustainable design and construction.

Figure 1 – Site Aerial Image



Azure's Qualifications.

Azure is a Latinx-owned real estate development corporation based in Los Angeles County that is focused on creating exceptional communities and completing projects that become catalysts to inspire more vibrant cities. Each project that Azure develops strives to include collaboration with the community, stakeholders and local officials to allow for each retail, housing, or mixed-use project to be a centerpiece of its community.

The development team has staff with local and national development experience on a diverse portfolio of projects in various markets. Azure will be responsible for all master planning

Consideration to Approve an Exclusive Negotiation Agreement with Azure Development, Inc., for the Development Opportunity Site at Parking Lot No. 3Page 4 of 6

development responsibilities including project management, financial structuring and construction oversight. Another member of the development team, RFRM Collective, is the lead architectural firm that is based in Los Angeles and provides site planning and design services. Lastly, DRC Engineering, Inc., is the lead engineering firm based in Anaheim providing all technical building services.

Relevant project experience includes the following projects currently under development:

- The La Guadalupe Mixed-Use project containing 44 permanent supportive housing units and 7,500 sq. ft. of ground floor retail in Boyle Heights;
- The Reseda Theatre and Housing project, containing 26 permanent supportive housing units and restoration of the Reseda Theater in Reseda;
- The Belle Fleure Shopping Centre, a 14,500 sq. ft. catalytic retail center in Bellflower; and
- The Bell Gardens Townhomes, a 48-unit market-rate housing project on a former brownfield site.

In addition, Azure provided construction management for the CVS pharmacy store in downtown San Fernando completed in 2018. Azure's submittal of qualifications (Attachment "D") contains more detailed information on development team experience, relevant project experience, the conceptual project description, and project approach.

The Proposed Development Concept.

Azure has proposed a conceptual project that advances the goals of the Downtown District, provides an affordable for-sale housing opportunity, brings in a creative mix of new ground floor retail, and advances a plan for healthy, sustainable living. Proposed redevelopment of the site as a high-quality blended-use project includes the following improvements: 6,000 sq. ft. of specialty retail, dedicated public open space, 268 parking stalls for private and public parking, a 4,500 sq. ft. community room, and 59 two and three bedroom for-sale townhomes.

The conceptual project seeks to address the competitive for-sale housing market that has made it difficult for first-time homebuyers to purchase a home. Therefore, the development team has proposed a product that can be purchased by young professionals, working families, and active seniors at an affordable rate by leveraging the Los Angeles County Home Ownership Program for down payment assistance that also caps the initial maximum purchase price.

The project is designed to be "Warm Modern" rooted in Southern California architectural vernacular with natural light and shaded open spaces. The retail spaces are designed to create pedestrian activity on the street and invite people into the suites with glazing that allows visitors to see the activity in the street and for patrons to feel connected to the outdoors. The retail is designed to face San Fernando Mission Boulevard and includes a rooftop patio that will be open to the public. See Attachment "E" for a copy of Azure's PowerPoint presentation for City Council, including conceptual drawings and site plans.

Consideration to Approve an Exclusive Negotiation Agreement with Azure Development, Inc., for the Development Opportunity Site at Parking Lot No. 3Page 5 of 6

Terms of Exclusive Negotiation Agreement.

The City and Azure propose to enter into an ENA to establish a specific limited period of time to negotiate regarding the terms of the development of the project on the site. The ENA period requires time to perform project shaping and due diligence work, study feasibility of the project, conduct community outreach and collect community input, and ultimately negotiate terms for a binding development agreement for a project to move forward.

The following is a summary of the salient terms of the proposed ENA:

- Non-binding agreement that outlines the City's and Azure's obligations and timeline to negotiate exclusively and in good faith;
- 12-month ENA period and, if Azure has performed and progress milestones achieved, then the City could extend for up to two 6-month periods;
- Azure to reimburse City for expenses incurred, including \$10,000 payment following ENA approval, an additional \$15,000 progress payment following City's approval of a pro forma and funding structure, and additional reimbursement costs to be defined in the development agreement;
- Milestone schedule:
 - Within 90 days, Azure will submit community outreach plan, pro forma, financing plan, schedule, due diligence, project / plan submittal;
 - Within 120 days, City staff to complete plan review and provide feedback to Azure, followed by updates / revisions within 210 days;
 - Within 240 days, craft a draft development agreement and finalize project development proposal; and
 - Within 365 days, present project development proposal and DA to City for review review / approval.
- Azure to advise City staff on progress via bi-weekly meetings/conference calls, and City Council upon request; and
- Default triggered termination of agreement provisions, which allow parties to walk away.

BUDGET IMPACT:

Under the terms of the proposed ENA, all development costs and expenses during the ENA period are the sole responsibility of Azure. Accordingly, the City would be reimbursed by Azure for expenses incurred to fulfill the City's obligations under the ENA thereby defraying the City's costs in pursuing negotiations during the ENA period. A repayment schedule includes a progress payment of \$10,000 following ENA approval, a subsequent progress payment of \$15,000 following completion of certain milestones, and further definition of additional costs to be reimbursed to the City in the development agreement.

Consideration to Approve an Exclusive Negotiation Agreement with Azure Development, Inc., for the Development Opportunity Site at Parking Lot No. 3Page 6 of 6

CONCLUSION:

Staff recommends approval of an ENA with Azure to provide the specified period of time to attempt to negotiate a development agreement for redevelopment of Parking Lot No. 3.

ATTACHMENTS:

- A. Contract No. 1959
- B. Memorandum – Summary of Comments
- C. Request for Developer Qualifications (RFQ)
- D. Azure's Submittal to RFQ
- E. Presentation

ATTACHMENT "A"
CONTRACT NO. 1959**EXCLUSIVE NEGOTIATION AGREEMENT**
PARKING LOT NO. 3, DOWNTOWN SAN FERNANDO, CA.

THIS EXCLUSIVE NEGOTIATION AGREEMENT ("Agreement") is dated as of July _____, 2020 for reference purposes only, and is entered into by and between the CITY OF SAN FERNANDO, a public body ("City") and Azure Development, Inc., a California corporation ("Developer"), to provide a specified period of time to attempt to negotiate a development agreement ("DA"). The City and the Developer are sometimes referred to in this Agreement individually, as a "Party" and, collectively, as the "Parties". This Agreement is entered into by the Parties with reference to the following recited facts (each, a "Recital"):

RECITALS

A. The City is the current owner of certain real property located in Downtown San Fernando bounded by San Fernando Mission Boulevard to the northwest, Celis Street to the northeast, Pico Street to the southwest, and a set of commercial buildings fronting Maclay Avenue to the southeast as further described in Exhibit "A" ("Property") and incorporated into this Agreement by this reference. The Jack in the Box restaurant located on the northeast corner of San Fernando Mission Boulevard and Pico Street and the commercial buildings fronting Maclay Avenue are not included in the Property; and

B. The 1.44-acre Property is currently being used as a public parking lot. The City would like to replace the public parking lot with a dynamic mixed-use project ("Project"); and

C. The Developer has proposed the redevelopment of the Property as a high-quality mixed-use project with the following improvements: 6,000 square feet of specialty retail, public open space, 268 parking stalls for private and public use, a 4,500 square foot community room and 59 for-sale townhomes; and

D. The intent of both the City and the Developer in entering into this Agreement is to establish a specific, limited period of time to negotiate regarding the terms of the development of the Project on the Property, all subject to mutually agreeable terms, conditions, covenants, restrictions and agreements to be negotiated in the DA;

E. This Agreement was approved by the City Council of the City of San Fernando at its meeting of _____ 2020 under Agenda Item No. _____.

NOW, THEREFORE, IN VIEW OF THE GOALS AND OBJECTIVES OF THE CITY RELATING TO THE IMPLEMENTATION OF THE SAN FERNANDO CORRIDORS SPECIFIC PLAN AND THE PROMISES OF THE CITY AND THE DEVELOPER SET FORTH IN THIS AGREEMENT, THE CITY AND THE DEVELOPER AGREE, AS FOLLOWS:

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

2. **Term of Agreement.**

(a) The rights and duties of the City and the Developer established by this Agreement shall commence on the first date on which all of the following have occurred (the "Effective Date"): (1)

Parking Lot No. 3
Exclusive Negotiation Agreement

CONTRACT NO. 1959

execution of this Agreement by the authorized representative(s) of the Developer and delivery of such executed Agreement to the City; (2) approval of this Agreement by the City governing body, execution of this Agreement by the authorized representative(s) of the City and delivery to the Developer of such fully executed counterpart original of this Agreement within ten (10) calendar days thereafter, if approved. This Agreement shall continue in effect for the period of three hundred sixty-five (365) consecutive calendar days immediately following the Effective Date ("Negotiation Period").

(b) This Agreement shall automatically expire and be of no further force or effect at the end of the Negotiation Period, unless, prior to that time, both the City and the Developer approve and execute a separate DA acceptable to both the City and the Developer, in their respective sole and absolute discretion, in which case this Agreement will terminate on the effective date of such DA. Notwithstanding the foregoing, if (1) provided the Developer is not in default of any terms of this Agreement and the timelines set forth in Exhibit "B" and (2) substantial progress has been made toward fulfillment of the requirements of this Agreement, the term may be extended by the City Manager or his or her authorized representative for a maximum of two (2) 180-day extension periods.

3. **Obligations of Developer.** During the Negotiation Period, the Developer shall proceed diligently and in good faith to develop and present to City staff and, subsequently, to the City governing body, for review, all of the following:

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

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

(c) A list of potential retail tenants and anticipated lease rates;

(d) The sales price of the townhomes as developed with the Project and proposed terms and conditions for townhome down-payment assistance program for the benefit of City of San Fernando residents;

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

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

(g) A preliminary financial analysis demonstrating the costs and benefits to the City regarding all construction, maintenance and operations of all proposed public improvements, the costs of additional or increased levels of public services and any new public revenues anticipated to be generated by the Project.

4. **Milestone Schedule.** City and Developer acknowledge and agree that all submittals required by this Agreement shall be made pursuant to the time schedule attached hereto as Exhibit "B". Exhibit "B" may be amended administratively by City Manager with the concurrence of Developer; provided that the timeline does not exceed the Negotiation Period, inclusive of the extension periods.

Parking Lot No. 3
Exclusive Negotiation Agreement

CONTRACT NO. 1959

5. **Negotiation of DA.** During the Negotiation Period, the City and the Developer shall proceed diligently and in good faith to negotiate a DA between them. The City and the Developer shall generally cooperate with each other and supply such documents and information as may be reasonably requested by the other to facilitate the conduct of the negotiations. Both the City and the Developer shall exercise reasonable efforts to complete discussions relating to the terms and conditions of a DA and such other matters, as may be mutually acceptable to both the City and the Developer, in their respective sole discretion. The exact terms and conditions of a DA, if any, shall be determined during the course of these negotiations. Nothing in this Agreement shall be interpreted or construed to be a representation or agreement by either the City or the Developer that a mutually acceptable DA will be produced from negotiations under this Agreement. Nothing in this Agreement shall impose any obligation on either Party to agree to a definitive DA in the future. Nothing in this Agreement shall be interpreted or construed to be a guaranty, warranty or representation that any proposed DA that may be negotiated by City staff and the Developer will be approved by the City governing body. The Developer acknowledges and agrees that the City's consideration of any DA is subject to the sole and absolute discretion of the City governing body and all legally required public hearings, public meetings, notices, factual findings and other determinations required by law.

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

(a) The qualifications and identity of the Developer and its principals are of particular concern to the City. It is because of these qualifications and identity that the City has entered into this Agreement with the Developer. During the Negotiation Period, no voluntary or involuntary successor-in-interest of the Developer shall acquire any rights or powers under this Agreement, except as provided in Section 6(c).

(b) The Developer shall promptly notify the City in writing of any and all changes whatsoever in the identity of the business entities or individuals either comprising or in Control (as defined in Section 6(d)) of the Developer, as well as any and all changes in the interest or the degree of Control of the Developer by any such person, of which information the Developer or any of its shareholders, partners, members, directors, managers or officers are notified or may otherwise have knowledge or information. Upon the occurrence of any significant or material change, whether voluntary or involuntary, in ownership, management or Control of the Developer (other than such changes occasioned by the death or incapacity of any individual) that has not been approved by the City, prior to the time of such change, the City may terminate this Agreement, without liability to the Developer or any other person, by sending written notice of termination to the Developer, referencing this Section 6(b).

(c) The Developer may assign its rights under this Agreement to an Affiliate (as defined in Section 6(d)), on the condition that such Affiliate expressly assumes all of the obligations of the Developer under this Agreement in a writing reasonably satisfactory to the City, and further provided that Azure Development Inc., a California corporation, shall, at all times, Control (as defined below) any such Affiliate and be responsible and obligated directly to the City for performance of the Developer's obligations under this Agreement.

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

Parking Lot No. 3
Exclusive Negotiation Agreement

CONTRACT NO. 1959

direction of the management and policies of an entity, whether by ownership of equity interests, by contract, or otherwise.

(e) Restrictions Against Change in Ownership, Management or Control of Developer; Assignment of Agreement. City and Developer acknowledge and agree that City is entering into this Agreement with Developer on the basis of the particular experience, financial capacity, skills and capabilities of Developer. Except as otherwise permitted under subsections (c) and (d) of this Section, the Agreement is personal to Developer and is not assignable without the prior written consent of City, which may be given, withheld or conditioned in City's sole and absolute discretion.

7. Developer Obligations to Review Draft Agreements and Attend Meetings.

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

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

8. Developer to Pay All Costs and Expenses.

(a) All fees or expenses of engineers, architects, financial consultants, legal, planning or other consultants or contractors, retained by the Developer for any study, analysis, evaluation, report, schedule, estimate, environmental review, planning and/or design activities, drawings, specifications or other activity or matter relating to the Property or the Project or negotiation of a DA that may be undertaken by the Developer during the Negotiation Period, pursuant to or in reliance upon this Agreement or in the Developer's discretion, regarding any matter relating to a DA, the Property or the Project, shall be the sole responsibility of and undertaken at the sole cost and expense of the Developer and no such activity or matter shall be deemed to be undertaken for the benefit of, at the expense of or in reliance upon the City. The Developer shall also pay all commercially reasonable fees, charges and costs, make all deposits and provide all bonds or other security directly associated with the submission to and processing by the City of any and all applications and other documents and information to be submitted to the City by the Developer pursuant to this Agreement or otherwise associated with the Project. The City shall not be obligated to pay or reimburse any expenses, fees, charges or costs incurred by the Developer in pursuit of any study, analysis, evaluation, report, schedule, estimate, environmental review, planning and/or design activities, drawings, specifications or other activity or matter relating to the Property or the Project or negotiation of a DA that may be undertaken by the Developer during the

Parking Lot No. 3
Exclusive Negotiation Agreement

CONTRACT NO. 1959

Negotiation Period, whether or not this Agreement is, eventually, terminated or extended or a DA is entered into between the City and the Developer, in the future.

(b) Developer shall reimburse the City for expenses incurred to fulfill its obligations under this Agreement during the Negotiation Period (as defined in Section 2(a)), as part of the consideration for the City's agreement not to negotiate with other persons during the Negotiation Period, and to defray certain costs of the City in pursuing the contemplated negotiations with the Developer during the Negotiation Period ("Reimbursement Agreement"). The Reimbursement Agreement shall be due and payable per the following payment schedule:

1. Within five (5) business days of the Effective Date, Developer shall make a progress payment in the amount of ten thousand dollars (\$10,000) to the City.
2. Upon the City's approval of a Proforma and Funding Structure as defined in Exhibit "B", Developer shall make an additional progress payment in the additional amount of fifteen thousand dollars (\$15,000) to the City.
3. Developer and City shall further define additional costs to be reimbursed to the City in the DA.

(c) City authorizes Developer, its contractors, agents and employees to enter the Property for the limited purpose of performing tests, surveys and inspections, and obtaining data necessary or appropriate to negotiate the DA or perform investigations related to the Project; provided, however, Developer shall deliver prior written notice to City of any such entry and written evidence of Developer's satisfaction of all insurance requirements of this Agreement prior to entering upon the Property. In the case of invasive tests or sampling, City may impose such insurance, indemnification, guaranty and other requirements as City determines appropriate, in its reasonable discretion.

(d) Developer shall indemnify, defend and hold harmless City, and the elected and appointed officials, officers, agents and employees of City (individually or collectively, an "**Indemnified Party**") against any and all losses arising out of any claim, demand or cause of action, or any action or other proceeding, whether meritorious or not, arising through Developer, Developer's contractors or employees and brought or asserted against any Indemnified Party that relates to or arises out of: (i) property damage or bodily injury or death of any person in connection with this Agreement; (ii) entry upon the Property by Developer, its contractors or employees; (iii) any inspection of the Property by Developer, its contractors or employees; or (iv) the preparation of any report or plans commissioned by Developer; provided, however, that no Indemnified Party shall be entitled to indemnification under this subsection 8(d) for any matter caused by such Indemnified Party's gross negligence or willful misconduct or for any matter arising from the discovery of any pre-existing condition upon the Property. In the event any action or proceeding is brought against an Indemnified Party by reason of a claim arising out of any loss for which Developer is obligated to indemnify, defend or hold harmless the Indemnified Party, and upon written notice from such Indemnified Party, Developer shall, at Developer's sole expense, answer and otherwise defend such action or proceeding. The provisions of this subsection 8(d) shall survive the expiration or termination of this Agreement.

(e) Developer Insurance.

Parking Lot No. 3
Exclusive Negotiation Agreement

CONTRACT NO. 1959

(i) Types of Insurance. Without in any way limiting Developer's indemnification obligations under this Agreement, subject to the other provisions of this Section 8 and subject to approval by City of the insurers and policy forms, Developer shall obtain and maintain, at Developer's expense, the following insurance throughout the Negotiation Period:

(ii) Liability Insurance. "**Liability Insurance**" means and refers to commercial general liability insurance against claims for bodily injury, personal injury, death, or property damage occurring upon, in, or about the Site or adjoining streets or passageways, at least as broad as Insurance Services Office Occurrence Form CG0001, with a minimum liability limit of Two Million Dollars (\$2,000,000) for any one occurrence and which may be provided through a combination of primary and excess or umbrella insurance policies. If commercial general liability insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the Property or the general aggregate limit shall be twice the required minimum liability limit for any one occurrence.

(f) Nature of Insurance. All Liability Insurance and Automobile Liability Insurance policies this Agreement requires shall be issued by carriers that: (i) are listed in the then current "Best's Key Rating Guide—Property/Casualty—United States & Canada" publication (or its equivalent, if such publication ceases to be published) with a minimum financial strength rating of "A-" and a minimum financial size category of "VII"; and (ii) are authorized to do business in the State of California by the State of California Department of Insurance. Developer may provide any insurance under a "blanket" or "umbrella" insurance policy, provided that: (i) such policy or a certificate of such policy shall specify the amount(s) of the total insurance allocated to the Property, which amount(s) shall equal or exceed the amount(s) required by this Agreement; and (ii) such policy otherwise complies with the insurance requirements in this Agreement.

9. **City Not To Negotiate With Others.** During the Negotiation Period, the City and City staff shall not negotiate with any other person regarding the sale or development of the Property. The term "negotiate", as used in this Agreement, means and refers to engaging in any discussions with a person other than the Developer, regardless of how initiated, with respect to that person's development of the Property to the total or partial exclusion of the Developer from developing the Property, without the Developer's written consent and further provided that the City may receive and retain unsolicited offers regarding redevelopment of the Property, but shall not negotiate with the proponent of any such offer during the Negotiation Period; provided, however, that the City may discuss the fact that the City is a party to this Agreement.

10. **Acknowledgments and Reservations.**

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

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

Parking Lot No. 3
Exclusive Negotiation Agreement

CONTRACT NO. 1959

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

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

(e) The City reserves the right to reasonably obtain further information, data and commitments to ascertain the ability and capacity of the Developer to lease, develop and operate the Property and/or the Project. The Developer acknowledges that it may be requested to make certain financial disclosures to the City, its staff, legal counsel or other consultants, as part of the financial due diligence investigations of the City relating to the potential development of the Property by the Developer and that any such disclosures may become public records. The City shall maintain the confidentiality of financial information of the Developer to the extent allowed by law, as determined by the City Attorney.

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

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

12. **Default.**

(a) Failure or delay by either Party to perform any material term or provision of this Agreement shall constitute a default under this Agreement. If the Party who is claimed to be in default by the other Party cures, corrects or remedies the alleged default within fifteen (15) calendar days after receipt of written notice specifying such default, such Party shall not be in default under this Agreement. The notice and cure period provided in the immediately preceding sentence shall not, under any circumstances, extend the Negotiation Period. If there are less than fifteen (15) days remaining in the Negotiation Period, the cure period allowed pursuant to this Section 12(a) shall be automatically reduced to the number of days remaining in the Negotiation Period.

(b) The Party claiming that a default has occurred shall give written notice of default to the Party claimed to be in default, specifying the alleged default. Delay in giving such notice shall not constitute a waiver of any default nor shall it change the time of default. However, the injured Party shall

Parking Lot No. 3
Exclusive Negotiation Agreement

CONTRACT NO. 1959

have no right to exercise any remedy for a default under this Agreement, without first delivering written notice of the default.

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

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

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

14. **Press Releases.** The Developer agrees to obtain the approval of the City Manager or his or her designee or successor in function of any press releases Developer may propose relating to the development of the Property or negotiation of a DA with the City, prior to publication.

15. **Notice.** All notices required under this Agreement shall be presented in person, by nationally recognized overnight delivery service or by electronic mail and confirmed by first class certified or registered United States Mail, with return receipt requested, to the address, electronic mail and/or fax number for the Party set forth in this Section 15. Notice shall be deemed confirmed by United States Mail effective the third (3rd) business day after deposit with the United States Postal Service. Notice by personal service or nationally recognized overnight delivery service shall be effective upon delivery. Either Party may change its address for receipt of notices by notifying the other Party in writing. Delivery of notices to courtesy copy recipients shall not be required for valid notice to a Party.

TO DEVELOPER:

Azure Development, Inc.
6055 East Washington Boulevard, Suite 495
Commerce, CA 90040
Attention: Vanessa Delgado
Telephone: (323) 477-1160

Parking Lot No. 3
Exclusive Negotiation Agreement

CONTRACT NO. 1959

TO CITY: City of San Fernando
117 Macneil Street
San Fernando, CA 91340
Attention: Nick Kimball, City Manager
Telephone: (818) 898-1202

COPY TO: Olivarez, Madruga, Lemieux, O'Neil, LLP
500 South Grand Avenue, 12th Floor
Los Angeles, CA 90071
Attn: Richard Padilla, City Attorney
Telephone: (213) 744-0099

16. Developer Representations and Warranties. Developer represents, warrants and covenants to and for the benefit of City, as of the Effective Date and at all times during the Negotiation Period, as follows:

(a) Valid Existence; Good Standing; Joint Venture Relationships. Developer is a California corporation duly organized and validly existing under the laws of the State of California. Developer has all requisite power and authority to own its property and conduct its business as presently conducted. Developer has made all filings and is in good standing in the jurisdiction of the State of California.

(b) Authority. Developer has all requisite power and authority to enter into and perform this Agreement

(c) No Limitation on Ability to Perform. Neither Developer's certificate of formation nor any other organizational document regarding Developer in any way prohibits, limits or otherwise affects the right or power of Developer to enter into or perform this Agreement. Developer is not a party to or bound by any contract, agreement, indenture, trust agreement, note, obligation or other instrument that could prohibit, limit or otherwise affect Developer's entry into or performance of this Agreement. To the best of Developer's knowledge, no consent, authorization or approval of, or other action by, and no notice to or filing with, any governmental authority, regulatory body or any other person or entity is required for the due execution, delivery or performance by Developer of this Agreement or any of the terms or covenants contained in this Agreement. There is no pending or threatened suit or proceeding or undischarged judgment affecting Developer before any court, governmental agency, or arbitrator that might materially adversely affect the enforceability of this Agreement, the ability of Developer to perform the transactions contemplated by this Agreement or the business, operations, assets or condition of Developer.

(d) Warranty Against Payment of Consideration for Agreement. The Developer warrants that it has not paid or given, and will not pay or give, any third party any money or other consideration for obtaining this Agreement. Third parties, for the purposes of this Section 16, shall not include persons to whom fees are paid for professional services, if rendered by attorneys, financial consultants, accountants, engineers, architects and other consultants, when such fees are considered necessary by the Developer.

(e) Valid Execution. The execution and delivery of this Agreement by Developer have been duly and validly authorized by all necessary action of Developer and others. This Agreement will be

Parking Lot No. 3
Exclusive Negotiation Agreement

CONTRACT NO. 1959

a legal, valid and binding obligation of Developer, enforceable against Developer in accordance with its terms. Developer will provide to City upon request a written resolution of Developer's members authorizing Developer's entry into and performance of this Agreement.

17. **Acceptance of Agreement by Developer.** The Developer shall acknowledge its acceptance of this Agreement by delivering to the City three (3) original executed counterparts of this Agreement signed by the authorized representative(s) of the Developer.

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

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

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

21. **Waivers.** No waiver of any breach of any term or condition contained in this Agreement shall be deemed a waiver of any preceding or succeeding breach of such term or condition, or of any other term or condition contained in this Agreement. No extension of the time for performance of any obligation or act, no waiver of any term or condition of this Agreement, nor any modification of this Agreement shall be enforceable against the City or the Developer, unless made in writing and executed by both the City and the Developer.

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

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

[Signatures on following page]

Parking Lot No. 3
Exclusive Negotiation Agreement

CONTRACT NO. 1959

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

Dated: _____

DEVELOPER:

AZURE DEVELOPMENT, INC.,
a California limited liability company

By: _____
Vanessa Delgado, President

Dated: _____

CITY:

CITY OF SAN FERNANDO

By: _____
Nick Kimball, City Manager

ATTEST:

By: _____
Julia Fritz
City Clerk

APPROVED AS TO FORM:

By: _____
Richard Padilla
City Attorney

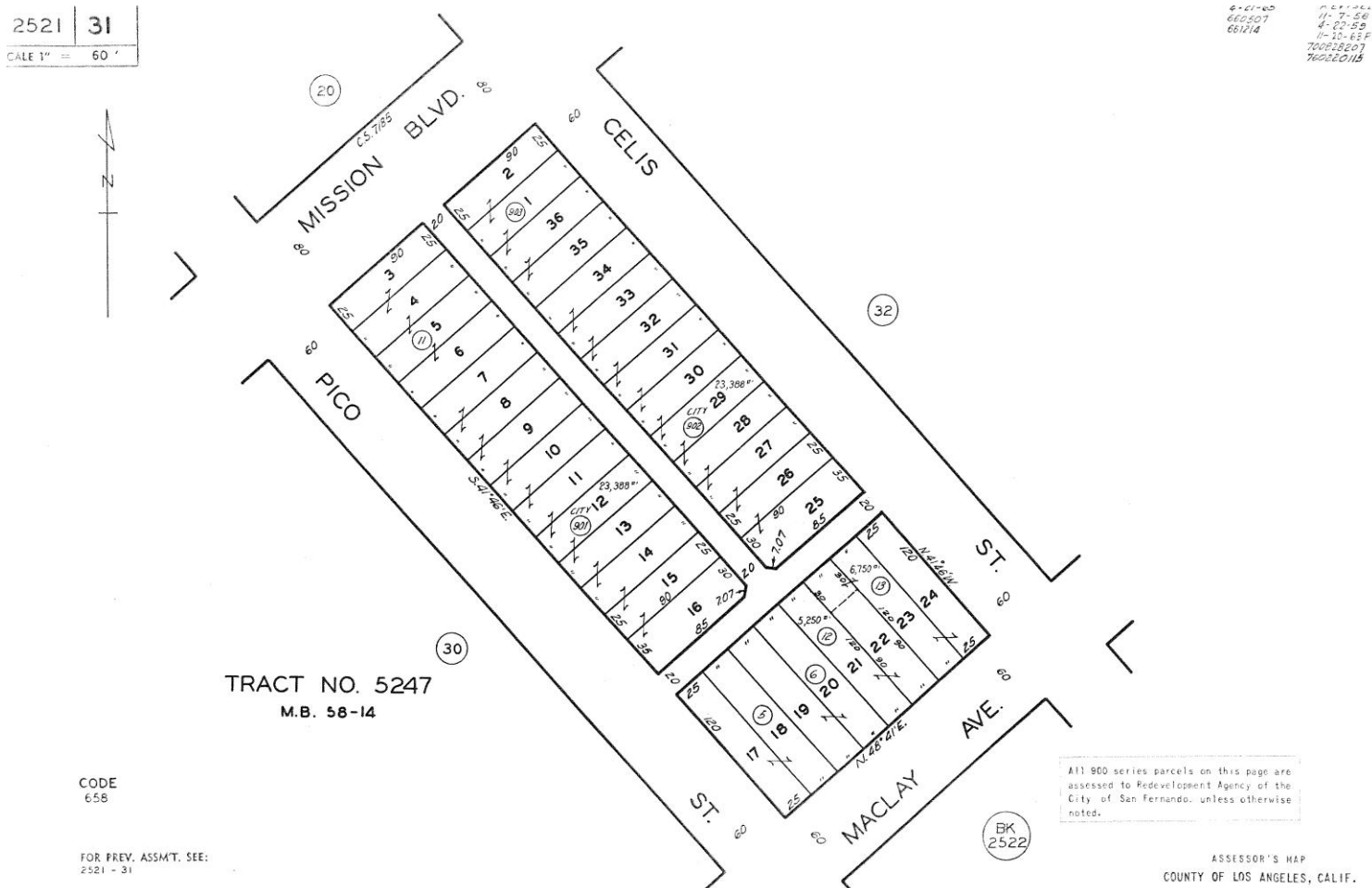
CONTRACT NO. 1959

EXHIBIT "A"
TO EXCLUSIVE NEGOTIATION AGREEMENT

Property Map

PROPERTIES OWNED BY THE CITY OF SAN FERNANDO:

Assessor Parcel Numbers: 2521-031-901, 902 and 903



CONTRACT NO. 1959

EXHIBIT "B"
TO EXCLUSIVE NEGOTIATION AGREEMENT

Exclusive Negotiation Agreement Timeline

MILESTONE	DESCRIPTION
Within 90 Days of Effective Date of ENA	
Initial Pro Forma	Submit initial pro forma for the proposed Project.
Financing Plan	Submit a financing plan including all private sources and uses and any public grants and subsidies required for development of the Project.
Project Development Schedule	Submit projected construction schedule for the proposed Project.
Community Outreach Plan	Provide written plan documenting how Developer will keep Community and stakeholders updated as to the Project and involved in the site planning efforts.
Due Diligence	Provide written determination of Property's physical suitability for development, including relevant regulatory and environmental conditions.
Project Submittal	Submit site plans and Project description that will be used to study and all applicable Project impacts as it relates to the California Environmental Quality Act (CEQA).
Within 120 Days of Effective Date of ENA	
Plan Review	Staff reviews plans for compliance with applicable codes and regulations; letter
Within 210 Days of Effective Date of ENA	
Revised Site Plans and Elevations	Submit revised site plans and elevations.
2 nd Plan Review	Staff reviews plans for compliance with applicable codes and regulations; letter
Revised Pro Forma and Development Schedule	Submit refined pro forma and Project development schedule based on revised site plans
Development Partners and Structure	Submit letter identifying investment partners.
Funding Partners and Structure	Submit letter identifying lenders and proof of ability to obtain financing.
Within 240 Days of Effective Date of ENA	
Draft DA	Complete negotiations and draft Disposition and Development Agreement.
Final Revisions	Finalize revisions to Project development proposal and all relevant materials
Within 365 Days of Effective Date of ENA	
City Council Hearing	Present Project development proposal and DA to City for final review and approval.



Memorandum

To: Tim Hou, Deputy City Manager/Director of Community Development, City of San Fernando

From: Ken K. Hira, President, Kosmont Companies
Steve Masura, Senior Advisor, Kosmont Companies

Date: September 30, 2019 *[October 28, 2019 - Update with final survey comments incorporated]*

Subject: **Downtown Opportunity Site Community Meeting – Summary of Comments**

BACKGROUND

Kosmont Companies ("Kosmont" or "Consultant") was originally retained in September 2018 by the City of San Fernando ("City" or "Client") to provide real estate advisory services. On September 24, 2019, the City held a Community Meeting ("Meeting") at the San Fernando Library and was moderated by Kosmont. This memo summarizes the results of the Meeting and community comments on vision for Downtown San Fernando. The community comments will provide important input and guidance for a Request for Qualifications/Proposals ("RFQ/P") process to find a qualified development partner for the targeted opportunity site Parking Lot #3 ("Site") (Kosmont next step).

MEETING SUMMARY

The Meeting was well attended by several community members, local business owners, and some appointed city commission members. Video of the presentation was posted on Facebook Live. Kosmont presented an overview of economics/demographics of the City and the Site, mixed/blended use development case study examples, and facilitated questions and answers.

As part of the presentation by Kosmont, a Comment Card (see Attachment A) was provided for attendees, in English and Spanish, to indicate types of uses desired and any comments and questions. Kosmont responded to several questions and comments from the audience and from Facebook posts during the meeting. A total of 27 Comment Cards and 39 comments on Facebook were received - *[After 9-30-19, an additional 13 online survey responses were received and incorporated herein and see Attachment B.] – for an overall total of 79 comment responses received.*

Kosmont representatives and City Staff also attended the Chamber of Commerce mixer event the same evening after the Meeting, where discussions were held with several members and some comment cards were filled out and included.

COMMENTS SUMMARY

As evidenced from the results summarized below, there was a range of desired uses with retail and restaurants being the most desired. Entertainment was also a highly preferred use. Hospitality and residential uses were indicated as generally needed or desired uses though not as strongly as retail uses. Overall, there was positive feedback for a mixed commercial/residential project for the Site.

Further, there were several general comments and concerns (listed below) received related to conditions and needs of the Downtown such as improved walkability, parking and trash services, business support, homeless issues, more events like parades, etc.

CATEGORY	RESPONSES
Retail:	
General – Chain Stores, Clothing, Etc.	30
Restaurants	25
Cafes, Coffee Shops, Breweries/Pubs	13
Grocery, Health Food	13
Other – Diverse/eclectic/independent shops, etc. (see comments)	7
Books, Record Store	4
Services:	
Various Services Listed: Legal; Senior/Senior Center; Homeless; Employment; LGBTQ; Blended; Roof-Top Club (see comments)	12
Office:	
General indication of desired use and some comments – Ok with mixed use and Co-Working/We-Work type	13
Entertainment:	
Movie Theater	24
Bowling	9
Performing Arts, Amphitheater	4
Other – Trampoline, Ice/Roller Rink	3
Fitness:	
Gym, Yoga, LA Fitness	6
No, already enough	7
Hospitality/Hotel:	
Yes	13
No	4
Residential:	
Yes (and with mixed use)	14
No	5
No Affordable/Low Income Residential	2

Specific retailers/uses indicated in Comments received included:

- Retail: T.J. Maxx; Ross; Marshalls; Hot Topic; Nordstrom's; office and school supplies; HomeGoods; Game Stop; Walmart; Dollar Tree; Best Buy; Target
- Restaurants/Cafes/Bakeries: Olive Garden; steakhouse; Italian; Korean; Chinese; Wendy's; Porto's; food halls; "high quality", organic/vegetarian/Veggie Grill, Panera
- Grocery: Trader Joes; Sprouts; Whole Foods
- Hotel: Hilton, Marriot, small/boutique

Uses listed from Comments under the Other category included:

- Free Wi-Fi
- Parades (Xmas, Veterans Day, etc.)
- Plazas (with trees, between Celis & San Fernando Rd.)
- Walking park
- Public Paseos
- Family & children oriented uses
- Parking structure near Brand & Maclay by courthouse
- Walkability
- Dog park
- Free Electric Vehicle charging
- Mexican Consulate

General Comments & Questions provided in Comments included:

- Keep Moving
- More parking; parking and traffic important issues (several verbal comments on these issues – to be addressed with development plan process and City parking study)
- Better trash service
- Streamline process for businesses
- Cost of business high
- Need night-life drivers
- Businesses open 5:00pm-11:00pm
- Shuttle service
- Highland Park block party concept
- No increased density
- Do not sell City property
- Have forums like this on weekends so more accessible to people that work
- Will the City provide incentives to businesses?
- Any plans for the JCPenney building?
- Overcrowded city – no condos, no hotels
- Housing needed but not in this area
- Homeless issues
- Traffic signals and update crosswalks
- Walkability – green space
- More diverse stores
- Better street repair and maintenance
- Maintain and reuse empty lots
- Outdoor seating – general and for businesses

ATTACHMENT A

COMMENT CARD

List Your Preferred or Desired Uses for Development?
WE NEED YOUR FEEDBACK (indicate yes/no and ideas)

- Retail -Types of Stores? _____
- Services - Types of Services? _____
- Office (job base) - Co-Working, Flex, Etc. _____
- Entertainment - Theater, Bowling, Etc. _____
- Fitness - Gyms, Yoga, Martial Arts _____
- Hospitality - Hotel _____
- Residential _____
- Other? _____
- Any other Questions or Comments? _____

21

ATTACHMENT B

Comments received from online survey after September 30, 2019 - Verbatim:

- Only if it's a Walmart, or Trader Joe's. If not then retail stores in general are closing due to everyone buying online so the City doesn't need any individual stores that only focuses on one type of item for sale.
- Makeup stores (ULTA), clothing stores, and shoes stores such as Famous Footwear
- Trader Joe's *Perfect tenant for this site! <https://www.traderjoes.com/contact-us/location-request>; Retail clothing stores, natural food stores or farmers market.
- A mini-Target like Mission Hills or Burbank. Still holding out for an actual full-service grocery store but not at that location. Specialty local business--even a pop up that could be like Crafted at the Port of Long Beach where people could rent space in the store for jewelry, food items, art work, etc.
- Bring Target to our City
- Target, Old Navy, H&M, Bed Bath and Beyond.
- Anything, no more drug stores
- Restaurants and movie theater
- Better Pet grooming services
- Not at that location. I suppose a trendy little Tattoo/piercing place would work in that type of mix, but it's not likely any upstart artist could afford that kind of venue. (Picturing Studio City Tattoo).
- Firestation, seniors services
- Movie theater with an arcade and bar inside.
- Theater, bowling, miniature golfing
- Small movie theater or bowling alley.
- Bowling would be great, but it's not feasible. The amount of space necessary for a fully functioning center is not an option. More nightlife options--even something like the Canyon Clubs--the small venues that play older groups and tribute bands with a restaurant or bar attached for people who do that.
- A theater would be wonderful, so we, as resident of this beautiful city can spend our money here and not have to take it to other cities. Or an Ice skating facility.
- More Entertainment? We have no Entertainment. We really need entertainment.
- Theater. Dave and Buster's, Chuckie Cheese, Bowling Alley, Farrell's Arcade ...etc. For all ages to enjoy
- There seems to be enough fitness gyms
- There are already numerous gyms and fitness centers open in the area.
- I'm actually concerned at the proliferation of them--they're great, but they can't all be sustainable.
- Restaurants such as Wangs (wings), Woodranch, The Habit, a soul food place (none exist in the Valley), Stonefire.
- Vegan Restaurants; veggie grill
- More American Restaurants and/or Cafes.
- I'd count this as a maybe (residential use). As part of mixed use, so long as it's not bougie, upscale apartments that no one can afford or ultra low income units. It needs to be smaller studio/one bedroom or larger 3-4 bedroom family units to house current families and get people out of garages.
- NO MORE APARTMENTS PLEASE!!!!!!

- Community space where bands, movie screenings, and dance crews can perform during summer and other special events
- The possibility of a small park or dog park is a great idea as well.
- I'd like a small outdoor amphitheatre or usable performance space as part of any complex. Possibly a community room with no fees for local nonprofits as part of their ground lease.
- It would also very nice to see a some green area(Park like area) Where one can go sit and enjoy a cup of coffee.
- I would like to see this area be a two story mall with theater retail, and restaurants,the building would cross over to a future hopefully new Redevelopment downtown mall.With no apartments, more retail, restaurants, entertainment.
- The space should allow the community and others outside the community to come and want to spend time here. The longer they stay the more their willing to stop and go to another location within the city to pick up or get anything else they need.
- What we still need in San Fernando:
 - 1. A full-service grocery store (still asking after 25 years). That spot was slated for a Fresh and Easy but sadly the whole development fell apart before F&E filed for bankruptcy. We're holding out for a Trader Joe's but unless we pay them to come I don't see them coming to San Fernando.
 - 2. Sit down restaurants. We can't have a graduation or any other celebration without leaving 91340.
 - 3. Better mix of restaurants. Not all chains but I'm assuming this is what a large complex would generate.
 - We are getting the light rail in less than 10 years with San Fer/Sylmar as the terminus. We need things that will attract folks to use the train to come to San Fernando and of course the jurors and courthouse folks to stay in town.
- I understand that the area on Foothill and Maclay are not part of our City, but it is the first area that one see, as one exits from the Freeway on Maclay when coming in to our San Fernando City. How or what can be done to clean and beautify that area.To have a better welcoming feeling to our city.
- I dont understand what takes San Fernando so long to progress in future developments. The fairly new Plaza on Sepulveda with the Target ,Dunken Dounts, the Habit .Only took two years ,where the developer showed up to meeting with the plans asked residents what they wanted and did not want. which they did not apartments. 2 years project was done. I hope city would bring in a two story building with a theater with retail and restaurants that would cross over to the old Mall that someday hope will be new complete development. That would progress quickly. Thank you for giving us the opportunity to voice our opinion.
- What are they building on Huntington and Glenoaks?
- Here are the stores I drive OUT of San Fernando to shop at: Trader Joe's, Target, Kohl's, Panera
- Thrift stores like Crossroads and Buffalo Exchange
- More restaurants, Movie theater, Office supply store, Department store
- Better grocery stores such as Trader Joe's (build it and they will come), Target/Walmart, family restaurants (ie The Habit or Chic Fil A) and an updated mall area with known names. Parking Lot 3 could be the start of renovating the mall area.
- Entertainment; Place where I can find a job as an office worker.

- We need more streets repaved and that requires more funding so we parking decks for more retail and groceries shops. Some cities have grocery and retail stores other floors (ie Target in Granada Hills). More retail shops in the area that stay open past 4PM. Spectrum to offer free WiFi access along Truman and San Fernando St to keep more customers in the area.
- Co-working space is good and important. Anyone who needs a spot to sit with wifi and work ends up at... Starbucks? But the one in San Fernando is not big enough to accommodate much, particularly not group meetings. Panera is good for that, but we don't have one in San Fernando.
- Conventional office and High tech company
- No office, we need more retail and grocery stores.
- We desperately need community theatre (live theatre, not movie theatres). The nearest one is in Newhall.
- iPic movie theatre
- Movie theater, Live Action theater, Bowling, Museum
- A Movie Theatre to replace El Super at the edge of an updated mall. Maybe a horse driven carriage that takes people up and down McClay St or the mall area for a fee. Something that will bring people to the city and makes a statement. Even a large water fountain would do.
- Yoga, Rock climbing gym
- A walking and bicycle trail along the channel would be nice. Gym such as a YMCA with a pool.
- Less fast food and more real food. More places with vegetarian options and less processed food for clean eating. We need to look at what drive-thrus are doing to our environment and what fast food is doing to our children's bodies. We need Veggie Grill, Panera, Corner Bakery, Lyfe Kitchen, Pret A Manger.
- More hip brunch spots
- Different types of restaurants - Italian, Greek, organic, vegan etc., Hotel
- More restaurants that bring families together such as the Olive Garden, The Habit or Chick Fil A. The El Super grocery store I think is the best location at the end of the mall for a Movie Theatre. We need more retail and grocery stores here before a hotel can even be thought of.
- Too much warehouse space, where there could be housing. I'd love to see retail with living above in the downtown area.
- Apartments or condos above a new mall area and let the owner of the apartments or condos rent the retail space below for supplemental income.
- The teenagers in town could use a skate park. We should also look at finding a way to find a vehicle-restricted greenbelt for walking and biking through town.
- Better grocery and retail stores are missing from the area. I have to go outside of the city for my family needs.
- Too many of the stores on the San Fernando Mall are the same. As someone who would like to get a part time job as an office worker nearby I wish more companies had an office here. Why all the empty space across from KFC? If you build something on the parking lot where are people going to park? I always welcome any news about what is going on in San Fernando.

- The swap meet area needs to be changed as it is time for change. Also what is the hold up with the JC Penney project? I thought we were getting a Target store there. Better grocery and retail stores are missing from the area. I always have to go outside of the city for my family needs. I was driving home from LAX the other night and was like I need to head to Granada Hills to get what was needed for my daughter. Someone mentioned there is a Tribe in the city. I can only imagine what the Tribe could build in that Swap Meet or Mall area. I never understood why in California there is no signs on the Interstate that indicates what restaurants or gas stations are up ahead on the exits. The old Sam's Club would be a great location for a grocery or retail store as well.

REQUEST FOR DEVELOPER QUALIFICATIONS ("RFQ")



The City of San Fernando is requesting qualifications for:

**Parking Lot #3 Mixed/Blended-Use Development Opportunity
1.44 Acres on San Fernando Mission Blvd. and Celis St.**

RFQ ISSUE DATE: Thursday, December 19, 2019

RFQ SUBMITTAL DEADLINE: Friday, January 31, 2020 by 5:00 PM PST

City of San Fernando
Mixed/Blended-Use Development Opportunity RFQ

TABLE OF CONTENTS

1. Introduction and Background	3
2. Submittal Requirements	11
3. Disclosures	14
4. Evaluation Criteria, Procedures, and Tentative Timeline.....	15
5. Additional Documentation and Contact Information.....	18

DEADLINE FOR SUBMITTAL: Friday, January 31, 2020 at 5:00 PM PST

An electronic copy of the RFQ and supporting documentation can be accessed at the following location: https://kosmont.sharepoint.com/:f:/s/SanFernandoCity/EuJh1YCtdWJGgobyc6PfyP4BO1-iry-qF4Uhl8Vh1DK_gQ?e=4VorOD

City of San Fernando
Mixed/Blended-Use Development Opportunity RFQ

1. Introduction and Background

Overview of Site

The City of San Fernando (“City”) invites experienced mixed/blended-use developers to submit qualifications for an opportunity to develop an approximate 1.44-acre site (“Parking Lot #3” or “Site”) owned by the City within Downtown San Fernando. The Site (APNs: 2521-031-901; 2521-031-902; and 2521-031-903) is bounded by San Fernando Mission Boulevard to the northwest, Celis Street to the northeast, Pico Street to the southwest, and a set of commercial buildings fronting Maclay Avenue to the southeast (See Figures 1A and 1B). The Jack in the Box restaurant located on the northeast corner of San Fernando Mission Boulevard and Pico Street and the commercial buildings fronting Maclay Avenue are not included in this development opportunity. The Site lies within the San Fernando Corridors (“Specific Plan”) area. Although the Site is currently being used as a 144-space public parking lot, the City is interested in capitalizing on its strong and vibrant Downtown area by redeveloping the parking lot through a public-private partnership.

San Fernando is an incorporated city located in Los Angeles County’s San Fernando Valley with approximately 24,600 residents predominantly of Hispanic origin (93% of the City’s population in 2019), and with an average household income of \$72,900. Downtown San Fernando enjoys a vibrant atmosphere and is a regional draw for shopping, cultural events, and recreational activities. The City was named for the nearby Mission San Fernando Rey de España and in 1874 became the San Fernando Valley’s first organized community, earning it the title of “First City of the Valley.” Incorporated in 1911, the City comprises an area of approximately 2.4 square miles and is well connected to several major freeways (I-5, I-210, I-405, and CA-118), Metro bus routes, and a Metrolink rail station (Sylmar/San Fernando Station is just 0.75 miles north of the Site). Furthermore, Metro is finalizing California Environmental Quality Act (“CEQA”) clearance of a new light rail station at Maclay Avenue and Truman Street, which is located 0.20 miles from the Site, as part of the East San Fernando Valley Transit Corridor project (See Figure 2). The East San Fernando Valley Transit Corridor is a fully funded project included in Metro’s Twenty-Eight by ’28 Initiative of Metro projects to be completed by the 2028 Summer Olympic and Paralympic Games.

The City is surrounded by neighborhoods of the City of Los Angeles with Sylmar to the north, Lake View Terrace to the east, Pacoima to the south, and Mission Hills to the west. The City is located approximately 10 miles southeast of the City of Santa Clarita, 10 miles northwest of the City of Burbank, and 15 miles east of the City of Simi Valley. The City operates and maintains a full range of municipal services, including Administration, Community Development, Finance, Police, Public Works, and Recreation. The San Fernando Police Department is able to provide its community with response times that are far shorter than the national average police response times. The City’s fire

City of San Fernando
Mixed/Blended-Use Development Opportunity RFQ

service is provided by the City of Los Angeles Fire Department. The City prides itself on being friendly to both residents and businesses by offering responsive city services, easy access to local government, a large labor pool, a lower business tax than the City of Los Angeles, and no utility tax.

In a recent community meeting on the vision for Downtown San Fernando, the community discussed the strong development potential of the Site for a variety of reasons including:

- Downtown San Fernando's healthy retail and entertainment market,
- The increased demand for market rate and for sale housing and office uses,
- The presence of the existing Metrolink station and the future Metro light rail station (for future transit-oriented development), and
- Higher densities and mixing of uses (e.g., retail, restaurant, and entertainment) offered in the City's Specific Plan.

The City also desires the Site to be developed as a catalytic mixed/blended-use project that develops connections with the "main-street" shops of the San Fernando Mall along with existing and future transit lines to create a walkable and experiential destination.

Figure 1A: Assessor Map

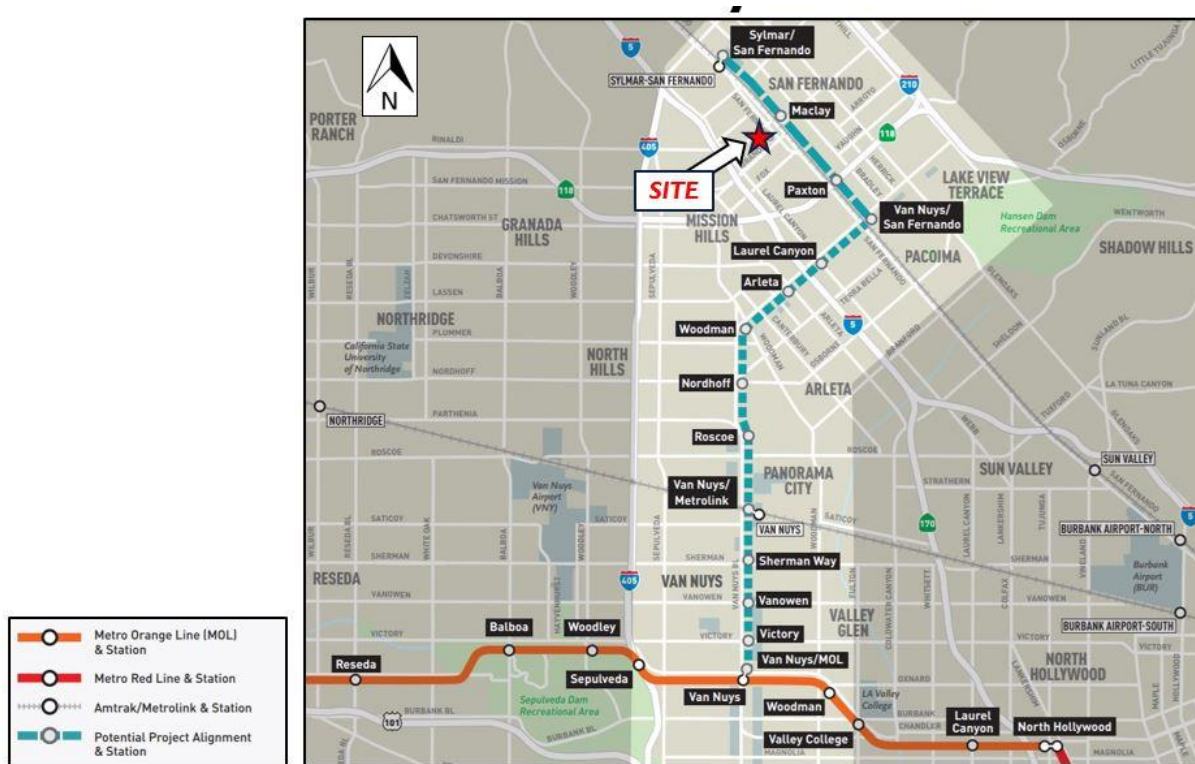


City of San Fernando
Mixed/Blended-Use Development Opportunity RFQ

Figure 1B: Site Context Map



Figure 2: East San Fernando Valley Transit Corridor Map



City of San Fernando
Mixed/Blended-Use Development Opportunity RFQ

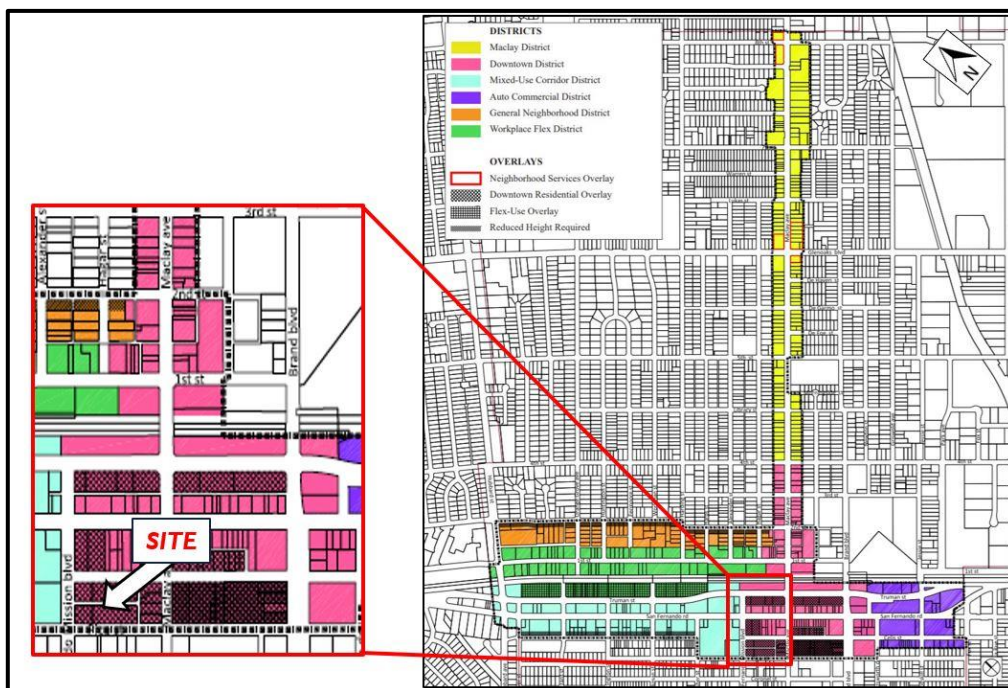
Specific Plan and Zoning Designations

The Site is located within the San Fernando Corridors (“Specific Plan”) area (See Figure 3). The goal of the Specific Plan is to transform Truman Street, San Fernando Road, Maclay Avenue, and First Street into attractive, livable, and economically vibrant districts. These corridors provide a framework for movement and activity in the City and will accommodate the transit improvements brought by Metro’s East San Fernando Valley Transit Corridor. The Specific Plan presents a district-based zoning approach to accommodate future growth. With respect to zoning, the Site falls within the Downtown District with a Downtown Residential overlay. As outlined in the Specific Plan:

The Downtown District is established for the purpose of creating a lively, mixed-use, transit-oriented “center of the city” where the community of San Fernando comes together. Buildings are required to be located directly at the back of sidewalk with active storefronts that generate activity and interest along the street front. Buildings that do not contribute to such activity, such as freestanding stores, automobile-oriented buildings, and drive-up service windows, are not permitted.

Additionally, the Downtown Residential overlay allows an increased maximum floor area ratio (“FAR”) of 3.0 for non-residential (3.5 for residential/mixed-use), permits an extra story of development to 4 stories (50 feet), and allows upper floor residential uses, subject to a conditional use permit. The Specific Plan is available on the City’s website ([linked here](#)). The Specific Plan Boundaries and District Map is provided below.

Figure 3: Corridors Specific Plan Boundaries, Land Use Districts, and Overlays Map



City of San Fernando
Mixed/Blended-Use Development Opportunity RFQ

Overview of Development Opportunity

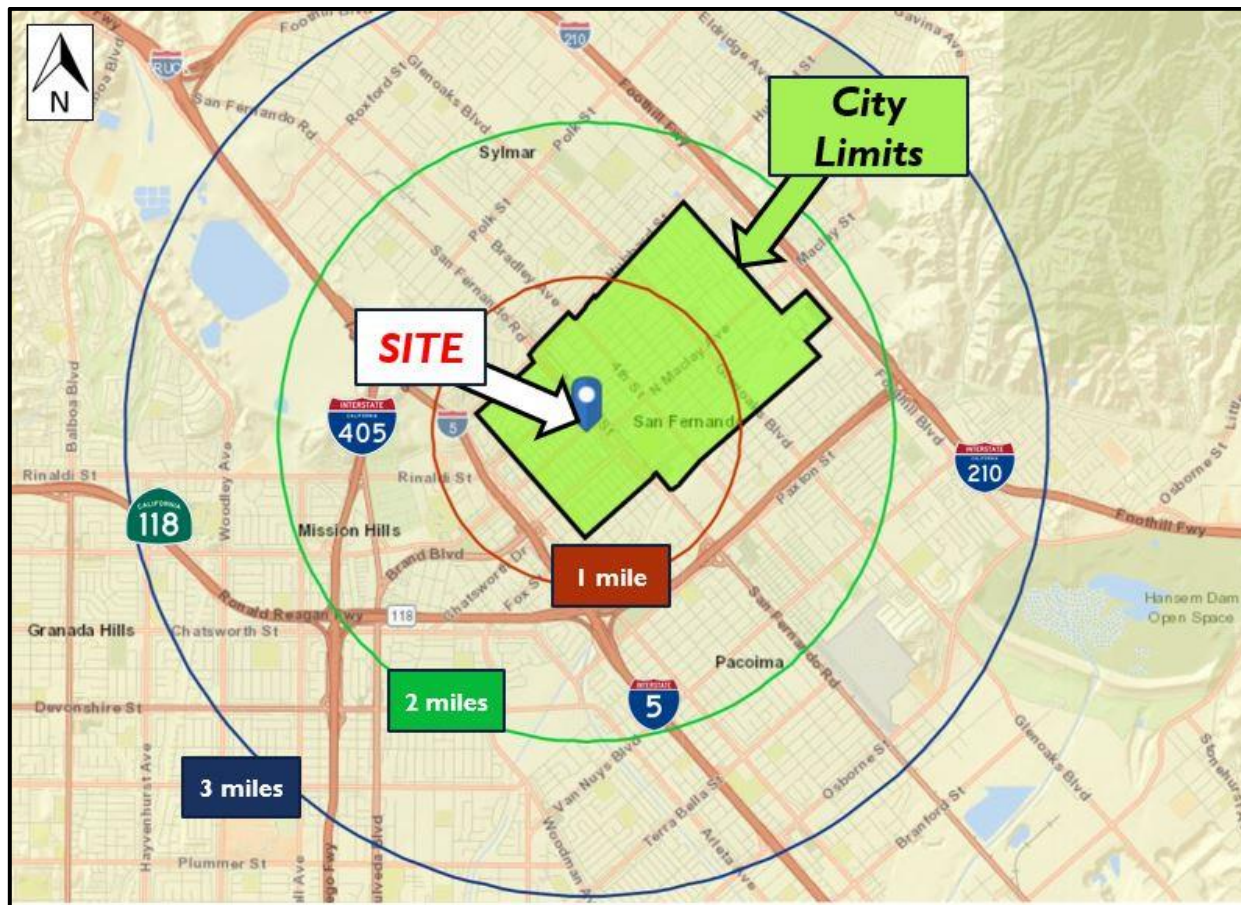
The City desires that the selected qualified developer(s) should consider the following:

1. Potential uses identified by the City Council, City staff, and local constituents include:
 - a. Retail, restaurant, and entertainment uses
 - b. Residential uses primarily above street level commercial uses
2. Development project needs to be a synergistic, experiential destination complementary to the Downtown area.
3. Projects must meet the standards identified in the City's Specific Plan ([linked here](#)) and the City's Municipal Code ([linked here](#)).
4. Projects must provide an equivalent replacement of the existing public parking spaces either on-site, off-site, or by alternative means or value as may be negotiated with the City.
5. Projects should involve and reflect community outreach, involvement, and input.
6. Projects must exemplify attractive architecture and sustainable design and construction. The developer(s) will meet directly with City staff to exchange priorities and details about the expected design and quality as well as proposed offsite improvements that may impact this project. These priorities will ultimately need to be considered and as part of the financial pro forma, valuation estimates, financial returns, and estimates of project fiscal impacts that serve as the basis for the Letter of Intent ("LOI") in the future Request for Proposal phase of the developer selection process.

Copies of a Regional Map, Site Aerials, and Street Perspectives for the Site are provided on the following pages. Map sources: ESRI (regional and traffic count maps) and Google Maps (aerial maps and street perspectives).

City of San Fernando
Mixed/Blended-Use Development Opportunity RFQ

Figure 4: Regional Map and Demographics



2019	Radii			City of San Fernando
	1 Mile	2 Miles	3 Miles	
Population	31,101	119,550	246,865	24,593
Households	7,610	27,656	58,806	6,170
Avg. HH income	\$72,277	\$75,622	\$80,149	\$72,918

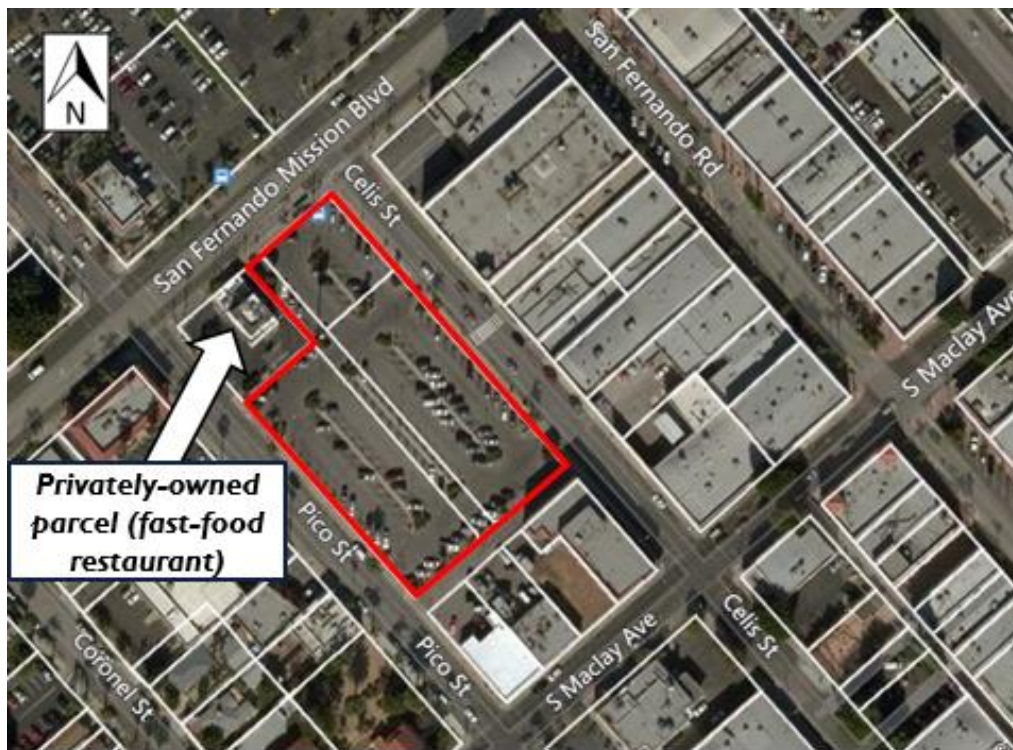
Average Daily Traffic count at San Fernando Mission Blvd. and Truman St. = 27,148

City of San Fernando
Mixed/Blended-Use Development Opportunity RFQ

Figure 5A: Site Aerial

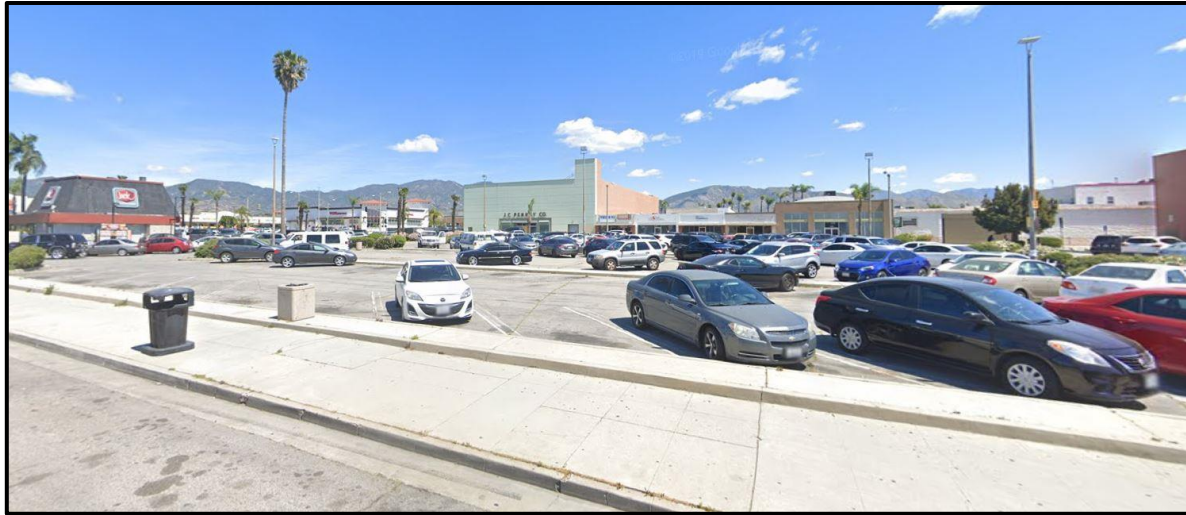


Figure 5B: Aerial with Site Outlined



City of San Fernando
Mixed/Blended-Use Development Opportunity RFQ

Figure 6A: Street Perspective #1



View looking northwest along Pico St.

Figure 6B: Street Perspective #2



View looking southeast along Celis St.

City of San Fernando
Mixed/Blended-Use Development Opportunity RFQ

2. Submittal Requirements

Submittal Overview

The City reserves all rights with regard to this solicitation, including, but not limited to, the right to amend or modify this Request for Qualifications (“RFQ”), reject all proposals, or extend any dates. Should the City not receive qualified proposals of interest by a submittal deadline, it reserves the right to extend that deadline until qualified proposals of interest are received.

Respondents are responsible for ensuring submittals are actually received. All materials submitted during any part of the selection process become the property of the City. The respondent may designate portions of its submittals that contain proprietary data as “confidential,” but the City cannot guarantee that it will be able to legally enforce such confidentiality.

The City shall not be responsible for any costs and/or obligations incurred by and/or on behalf of a potential developer in preparing, submitting, or otherwise participating in any part of this RFQ, the selection, documentation, or the development process in its entirety. The City reserves the right to request clarification or additional information from respondents. Information included in this RFQ is believed to be accurate, but should be independently verified by potential respondents prior to reliance upon.

Qualifications and Proposal Content

The City’s top priority is to select a qualified development partner(s) to design and build a quality mixed/blended-use development project that will be synergistic and supportive of adjacent and other land uses near the Site. The evaluation criteria will consider a prospective developer’s recent experience in working on projects of similar size, scope, and quality. Section 4 of the RFQ describes the evaluation criteria in greater detail.

The evaluation and selection process will include two rounds as follows:

1. **Round One** – Respondents shall provide all of the information that follows in this Section. Once the Review Committee has the opportunity to evaluate each response, some or all respondents may be invited to participate in **Round Two**.
2. **Round Two** – Respondents selected to advance to **Round Two** will be notified via email. This round may include, but is not limited to, additional submittals, financial references, an in-person interview, and a preliminary Letter of Intent (“LOI”) that includes a description of the

City of San Fernando
Mixed/Blended-Use Development Opportunity RFQ

proposed development, pricing or financial terms, project delivery, and performance benchmarks.

Respondents shall provide the following:

1. **Letter of Introduction** – Include a summary of the respondent's basic qualifications, development experience, past and current project experience of similar nature and size, and reasons for interest in this opportunity. The letter must identify the respondent's interest for development and be signed by a principal or authorized officer including a statement that the officer may make legally binding commitments for the entity.
2. **Detailed description of potential conceptual project** – Include sufficient detail and definition as to proposed uses, tenants, and/or concept to give a review committee enough information to have an idea of what the final development could contain and look like from a proposed architectural standpoint. Supporting market data, concept plan, and collateral materials are encouraged to provide support for the proposed concept.
3. **Team Members** – Identify members of the development team and provide a brief description of each team member's role including the following:
 - Principals involved in the Project.
 - Resumes of key team members.
 - A description of team member's proposed role and relevant experience with projects of similar nature and size and experience in and familiarity with development in San Fernando or surrounding areas.
 - An organizational chart.
 - Designation of lead contact for the team.
4. **Relevant Project Experience** - A summary of current and previous experience of the team with regard to projects comparable both in size and uses. As appropriate, this information should include a project description, photos or site plans if available, land uses, dates completed, developer role, cost/value, financing sources, duration of development processes, role of current employees in the project, existing status as to ownership and leasing of current developments, percent owned since project completion, and volume sold/leased. Additionally, please identify similar completed projects in the area that can be visited and provide a name and contact information as well.
5. **Project Approach** - A high level summary of the team's approach and anticipated timing related to planning, design, approvals, financing, phasing, development, construction, and

City of San Fernando
Mixed/Blended-Use Development Opportunity RFQ

operation. Provide examples of processes employed in other similar projects. The City is open to considering either a fee simple sale or ground lease of the Site.

6. **Financial Data** - A summary of the potential developer/development entity's capability to source the capital necessary to successfully fund and/or finance the proposed concept. If selected to advance to **Round Two**, a description of the anticipated financing structure to be utilized to finance the anticipated project and specific evidence will need to be provided to support proof of the ability to fund a project of this size.
7. **References** - No less than three references (name, title, entity, telephone number and contractual relationship to respondent) that may be contacted with respect to current and past project experience. Additionally, a reference list with contact information for public sector officials and staff involved in the previous projects identified as examples of Relevant Project Experience.
8. **Litigation History with Public Agencies** – Provide information as to any litigation that any developer/development entity that comprises the overall team has had with public agencies over the last 10 years.

Submittal Date

Please return qualifications by **Friday, January 31, 2020 at 5:00 p.m. Pacific Standard Time** to the contact listed below. If the City is not satisfied with the number and quality of submittals received, the City may issue a notification to developers to continue to submit or resubmit qualifications.

Submittal Quantity and Contact

Please provide five (5) bound, printed copies of the submittal and one (1) electronic version on a thumb drive to:

Mr. Ken K. Hira
President
Kosmont Companies
1601 N. Sepulveda Blvd. #382
Manhattan Beach, CA 90266

City of San Fernando
Mixed/Blended-Use Development Opportunity RFQ

3. Disclosures

1. The City reserves all rights to modify or terminate the selection process or not select a developer at all. This RFQ and selection process does not constitute any type of offer and creates no contractual or other liability to the City. There is no guarantee that a ground lease or sale will be consummated, or that a project will be reviewed or accepted pursuant to this RFQ.
2. Approvals of future conveyance agreement may be subject to approval by City Council.
3. The development standards provided in the RFQ are subject to change.
4. Additional due diligence information and materials can be found here:
https://kosmont.sharepoint.com/:f:/s/SanFernandoCity/EuJh1YCtdWJGgobyc6PfyP4BO1-iry-qF4Uhl8Vh1DK_gQ?e=4VorOD

City of San Fernando
Mixed/Blended-Use Development Opportunity RFQ

4. Evaluation Criteria, Procedures, and Tentative Timeline

Evaluation Criteria

The following criteria will be used as the primary basis for evaluating developer responses as part of **Round One**:

- The respondent's applicable experience and expertise.
- The respondent's experience in formulating and implementing successful mixed/blended-use development projects of similar scope and character.
- The respondent's demonstrated ability to implement projects that retain and authentically reflect local character.
- The respondent's track record, experience and financial capacity to start and complete projects and uses similar to those requested in the RFQ.
- The respondent's demonstrated ability to structure development and financial transaction structures, which minimize the City's risk while maximizing the public's return on assets and other public benefits.
- The respondent's demonstrated ability to access capital for the proposed scope of development.
- Experience of key project team members with similar projects.

The following criteria will be used as the primary basis for evaluating selected developer responses as part of **Round Two**:

- The criteria above, as well as the respondent's development proposal, including the proposed land uses/tenant mix, massing, financial structure, project valuation, initial financial pro-forma, supportive market data, quality of design and development, fiscal impact to the City and other taxing entities, and, as applicable, project/site components to be provided by the City. In its consideration of the response to this RFQ, the City may request additional information.

The order of presentation of the above criteria does not necessarily denote the specific importance of the same.

City of San Fernando
Mixed/Blended-Use Development Opportunity RFQ

Award Procedures

1. A committee, comprised of City staff and City consultants (the “Review Committee”), will evaluate responses to **Round One** of this RFQ.
2. Next, a community/stakeholder meeting will provide responding developers an opportunity to showcase their plans to the public. Then, the Review Committee shall make selections for respondents to advance to **Round Two** based on the Committee’s evaluation of the respondents’ submittal.
3. The Review Committee will notify all respondents but confirm with those that have been selected to advance to **Round Two**. Those selected to advance to **Round Two** will be given the opportunity to meet with staff to discuss project approach and execution and to better understand the City’s expectation in terms of design, quality, and offsite improvements before submitting a response as part of **Round Two**. Staff will clarify what the preliminary and non-binding LOI shall cover. City Council members may also participate in the discussion.
4. The Review Committee will rank project concepts and the LOI responses to **Round Two** of this RFQ based on their judgment as to which proposals best satisfy the objectives expressed by the City, as well as provide a desired potential development project and financial return for the City. The Review Committee shall present the evaluation results to the City Council. The City Council will then make the final selection decision with the top-ranked qualified respondent with the goal of entering into an Exclusive Negotiating Agreement (“ENA”) within 90 days of selection.
5. As appropriate, the selected development team must comply with statutory and administrative requirements pertaining, but not limited to, zoning ordinances, subdivision requirements, fee schedules, and other applicable City, County, State, and Federal codes and ordinances.

Tentative Timeline

- RFQ released on Thursday, December 19, 2019.
- Responses to **Round One** of RFQ due on Friday, January 31, 2020 at 5:00 p.m. PST.
- Evaluation of **Round One** responses and **Round One** interviews with potential development candidates expected to be held February 2020.
- In March 2020, prior to **Round Two** developer selection, a community/stakeholder meeting will provide responding developers an opportunity to showcase their prospective development plans to the public. Participation in the community/stakeholder meeting is

City of San Fernando
Mixed/Blended-Use Development Opportunity RFQ

suggested, but not mandatory and respondents will not be disqualified from the selection process if they are unable to participate. **Round Two** interviews expected to be held late March 2020.

- Evaluation of **Round Two** responses and Review Committee recommendation to City Council to occur in late March/early April 2020.
- City Council to consider ENA with preferred developer by April 2020.

City of San Fernando
Mixed/Blended-Use Development Opportunity RFQ

5. Additional Documentation and Contact Information

An online directory has been established containing additionally relevant information outlined below:

https://kosmont.sharepoint.com/:f:/s/SanFernandoCity/EuJh1YCtdWJGgobyc6PfyP4BO1-iry-qF4Uhl8Vh1DK_gQ?e=4VorOD

- This RFQ
- Site information and maps prepared by Kosmont Companies (December 2019)
- City of San Fernando Community Meeting – Downtown Development Opportunity Presentation (September 24, 2019)
- City of San Fernando Community Meeting Summary Memorandum prepared by Kosmont Companies (October 28, 2019)
- City of San Fernando Annual Fee Schedules
- A link to the City of San Fernando Municipal Code
- San Fernando Corridors (“Specific Plan”) and City Zoning Map

Prospective respondents should feel free to reach out to the City and Consultant contacts included below for questions regarding this submittal. Thank you for your consideration.

City of San Fernando

117 Macneil St.
San Fernando, CA 91340

Nick Kimball
City Manager
Phone: (818) 898-1202
Email: nkimball@sfcity.org

Timothy T. Hou
Deputy City Manager &
Director of Community Development
Phone: (818) 898-7316
Email: thou@sfcity.org

Kosmont Companies (Consultant to City)

1601 N. Sepulveda Blvd. #382
Manhattan Beach, CA 90266

Ken K. Hira
President
Phone: (949) 226-0288
Email: khira@kosmont.com

Steven M. Masura
Senior Advisor
Phone: (310) 486-5285
Email: smasura@kosmont.com

Fernando Sanchez
Vice President
Phone: (917) 992-2438
Email: fsanchez@kosmont.com

ATTACHMENT "D"



AZURE DEVELOPMENT RESPONSE TO REQUEST FOR QUALIFICATIONS

Parking Lot #3 Development Project
City of San Fernando

TABLE OF CONTENTS

SECTION 1: LETTER OF INTRODUCTION

SECTION 2: CONCEPTUAL PROJECT DESCRIPTION

SECTION 3: TEAM MEMBERS

SECTION 4: RELEVANT PROJECT EXPERIENCE

SECTION 5: PROJECT APPROACH

SECTION 6: FINANCIAL DATA

SECTION 7: REFERENCES

SECTION 8: LITIGATION HISTORY



SECTION 1

LETTER OF INTRODUCTION

January 31, 2020

Mr. Ken Hira
Kosmont Companies
1601 North Sepulveda Boulevard, #382
Manhattan Beach, CA 90266

RE: REQUEST FOR QUALIFICATIONS
Parking Lot #3 Development Project

Dear Mr. Hira,

Azure Development is pleased to present this response to the City of San Fernando's Request for Qualifications.

The Development Team has the experience to develop and finance the 1.44-acre property commonly known as Parking Lot #3 at San Fernando Mission Boulevard and Celis Street into a vibrant, local serving public-private partnership.

Azure team members have a combined 32 years of experience of developing and building millions of square feet throughout the Southwest. We recently completed the construction of a CVS pharmacy in the immediate vicinity and are currently developing mixed-use projects on sites like Parking Lot #3. Azure has the expertise working on creative housing, mixed-use and retail projects and can implement the City's vision for a catalytic connection with the Main Street shops of the San Fernando Mall.

We are excited to continue to develop this project with the active participation of the Community of the City of San Fernando, City Staff, Stakeholders, Local Businesses and the City Council and are happy to provide any additional information regarding this response.

The key contact for the project is:

Name: Vanessa Delgado, President
Address: 6055 E. Washington Blvd. Suite 495
Commerce, CA 90040
Email: vanessa@azuredevelopmentco.com
Telephone: (323) 477-1160

Respectfully,

AZURE DEVELOPMENT



Vanessa Delgado

The statements and contents in this response to the Request for Qualifications are legally binding commitments on behalf of Azure Development.



SECTION 2

CONCEPTUAL PROJECT DESCRIPTION

CONCEPTUAL PROJECT DESCRIPTION

The Development Team envisions a holistic concept for Parking Lot #3 that advances the goals of the Downtown District, provides an affordable for-sale housing opportunity for San Fernando residents, brings in a creative mix of new ground floor tenants, and advances a plan for healthy, sustainable living.

Project Proposal Background

The Development Team approached this site with a vision of providing the Community with a project that they can be proud of and that will fill a gap in the needs of the City of San Fernando. Per the Community meeting that was held with the City, it was expressed that there is an increased demand in market-rate and for-sale housing and that the Specific Plan allows for higher densities and mixed uses. Based on that feedback, the Development Team envisioned a high density, downtown feel in its Concept Plan with for-sale housing and retail.

The competitive for-sale housing market has made it difficult for first-time homebuyers to purchase a home. Therefore, the Development Team proposes a product that can be purchased by young professionals, working families, active seniors and first-time homeowners at an affordable rate.

The Development Team also wanted to address the Specific Plan's goals of creating more small-scale storefronts to increase pedestrian activity, while also improving the corridors to be more impactful and visually appealing. Therefore, the retail is designed to face San Fernando Mission Boulevard and the Concept Plan includes a roof top patio that will contribute to the visual aesthetics of the neighborhood and will be open to the public.

Creating housing in an area that has been historically predominately commercial, will trigger pedestrian activity, transit ridership and more investment in the local retail and restaurants of the neighborhood.

Project Design

The project is designed to be "Warm Modern" rooted in So Cal architectural vernacular with natural light and shaded open spaces. The private open spaces for the condominiums will be designed with horizontal landscaping to create a serene and private space for the homeowners that feels as an extension of their home.

The retail spaces are designed to create pedestrian activity on the street and invite people into the suites with glazing that allows visitors to see the activity in the street and for patrons to feel connected to the outdoors.

The project is expected to be built as a Type I podium and Type III upper levels.

Project Program and Proposed Uses

The Development Team has envisioned this site as an opportunity to provide both for-sale housing and a mix of retail uses that will contribute to the downtown feel of San Fernando's Downtown District and connects to San Fernando Mission.

The Concept Project is a four-story building with two levels of parking that includes ground floor commercial. There are two levels of housing above the retail and parking. The housing is proposed at 46.46 du/ac to provide the appropriate density for the site, parking for the residents while at the same time try to replace as many of the public parking spaces that currently serve the neighborhood.

On the ground floor, there is approximately 6,000 square feet of retail on the hard corner of San Fernando Mission and Celis. The 6,000 square feet of retail will activate pedestrian activity and connect to the nearby shops across the street and in the surrounding streets of Pico Street and San Fernando Road. The 6,000 square feet of retail is designed for two – three tenants to be quick serve restaurants, lunch time healthy food users or neighborhood serving retail.

Behind the retail, facing Celis Street, the Development Team has designed an innovative public open space that can be used by the retailers' patrons as well as the public. It will be designed with street furniture, decorative lighting and natural light. This space will also have a staircase that will lead to the roof top open space that overlooks San Fernando Mission Boulevard.

The retail is designed to be stand alone with its own public open space along Celis Street and on the roof. The public open space on the roof top will be programmed with patio furniture, umbrellas, shade structures and landscaping.

Behind the retail's ground floor open space is the lobby and entrance to the housing designed with natural light entering from the green space. The lobby will only be available to homeowners and their visitors. The remainder of the ground floor will be public parking which will be available to the public and retail patrons. There are currently 135 parking spaces shown at grade with a separate public entrance.

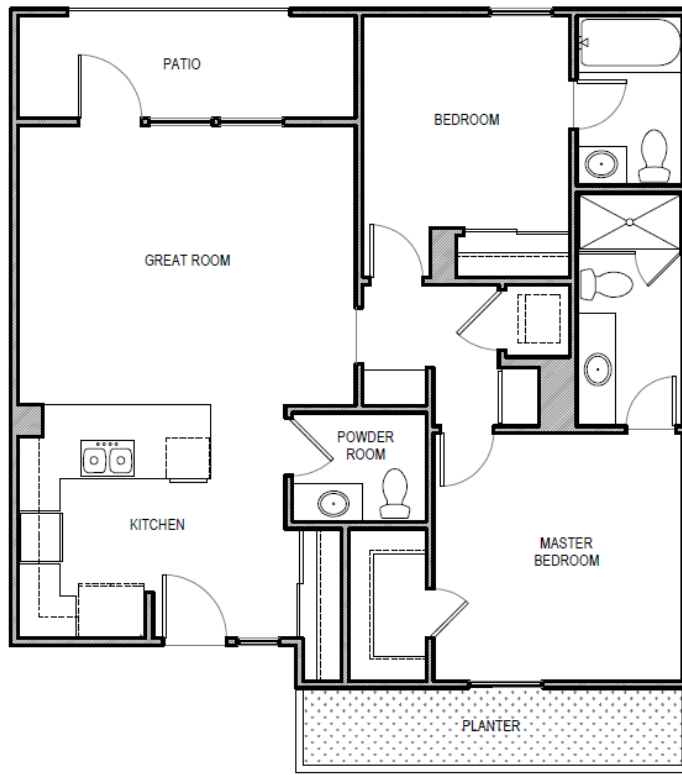
Further down Celis Street, there is a second vehicular entrance that leads to the second level of private parking for homeowners and visitors only. The second level of parking has 133 parking spaces, an entrance to the elevator lobby and the community room. This community room is approximately 4,500 square feet and will be used by the homeowners. The community room will have an entrance to the open space and the retail.

On the third level, are the condominiums, which are only accessible by the homeowners through elevator or stairs. There are eleven (11) two-bedroom, single story condominiums with their own private patios and thirty-seven (37) three bedroom, two- story condominiums, with their own private patios and landscaped areas.

The fourth floor will have eleven (11) two-bedroom, single story condominiums with their own private patios and landscaped areas.

The twenty-two (22) single-story, two-bedroom condominiums are approximately 975 square feet and the thirty-seven (37) two-story, three-bedroom units are approximately 1,210 square feet.

TYPICAL TWO BEDROOM UNIT



TWO BEDROOM
+/- 975 SF

TYPICAL THREE BEDROOM UNIT



THREE BEDROOM
+/- 1,210 SF

Parking Breakdown and Replacement

Parking Lot #3 currently has 144 public parking spaces that are used by the neighborhood and visitors to downtown San Fernando. Due to the need of public parking in the area, the Development Team believes that as many parking spaces should be replaced as possible.

Below is a breakdown of the parking spaces required and the parking spaces provided for each use.

Parking Required

<u>TYPE</u>	<u>REQUIRED</u>
Commercial (1.6 stalls per 1,000 SF)	10
Residential (2 stalls for two-bedrooms and above and .2 stalls for guest)	130
TOTAL	140

Parking Provided

<u>LOCATION</u>	<u>PROVIDED</u>
Ground Floor Parking	135
Second Floor Parking	133
TOTAL	268

This Concept Plan replaces 128 of the current Parking Lot #3 stalls and accommodates the project's required parking.

Market Data

HOUSING

After a thorough review of available market data, it was discovered that there are no condominiums or townhomes available for purchase in the area. Condominiums and townhomes are a way to help young professionals, working families and first-time homebuyers become homeowners. This gap in the market will be addressed by the proposed project.

In addition, as the Concept Plan is developed, the Development Team proposes using the Los Angeles County Development Authority's Home Ownership Program/Down Payment Assistance Program to ensure these homes are affordable. The County program provides for 0% interest deferred loans with repayment of the down payment required only when the home is sold or there is a transfer on title. Homes must have a maximum purchase price of \$495,000 under current standards, making condominiums an ideal product type to create affordable housing for working class families. First-time homeowners are eligible for \$75,000 in deferred loan funds.

RETAIL

CoStar shows retail activity clustered along Truman and San Fernando Road. With tenants like Wing Stop, Starbucks, Chipotle and Jamba Juice being active tenants along those corridors. However, the City of San Fernando would like to expand their small storefront retail presence through this section of San Fernando Mission Boulevard, per the Corridors Specific Plan. The Concept Plan allows for expansion of these successful national credit tenants along the corridor.

Conceptual Drawings

Conceptual Floor Plans have been prepared to show the relationship between the commercial ground floor and the residential units. The plans attached in the following pages are:

- Site Plan
- Ground Level Plan
- Second Level Plan
- Third Level Plan
- Fourth Level Plan
- Architectural Style Images
- Quality of Space: Commercial Images
- Quality of Space: Residential Open Space Images
- Quality of Space: Residential Interiors Images

The plans prepared are preliminary and require active community engagement before the project proceeds to the next level of design development.





LEGEND

- LEASEABLE COMMERCIAL SPACE
- RESIDENT ENTRANCE AND LOBBIES
- SHARED OUTDOOR SPACES
- LANDSCAPE AND PLANTERS

PARKING GROUND LEVEL

135 TOTAL
103 STANDARD
32 COMPACT

CELIS STREET

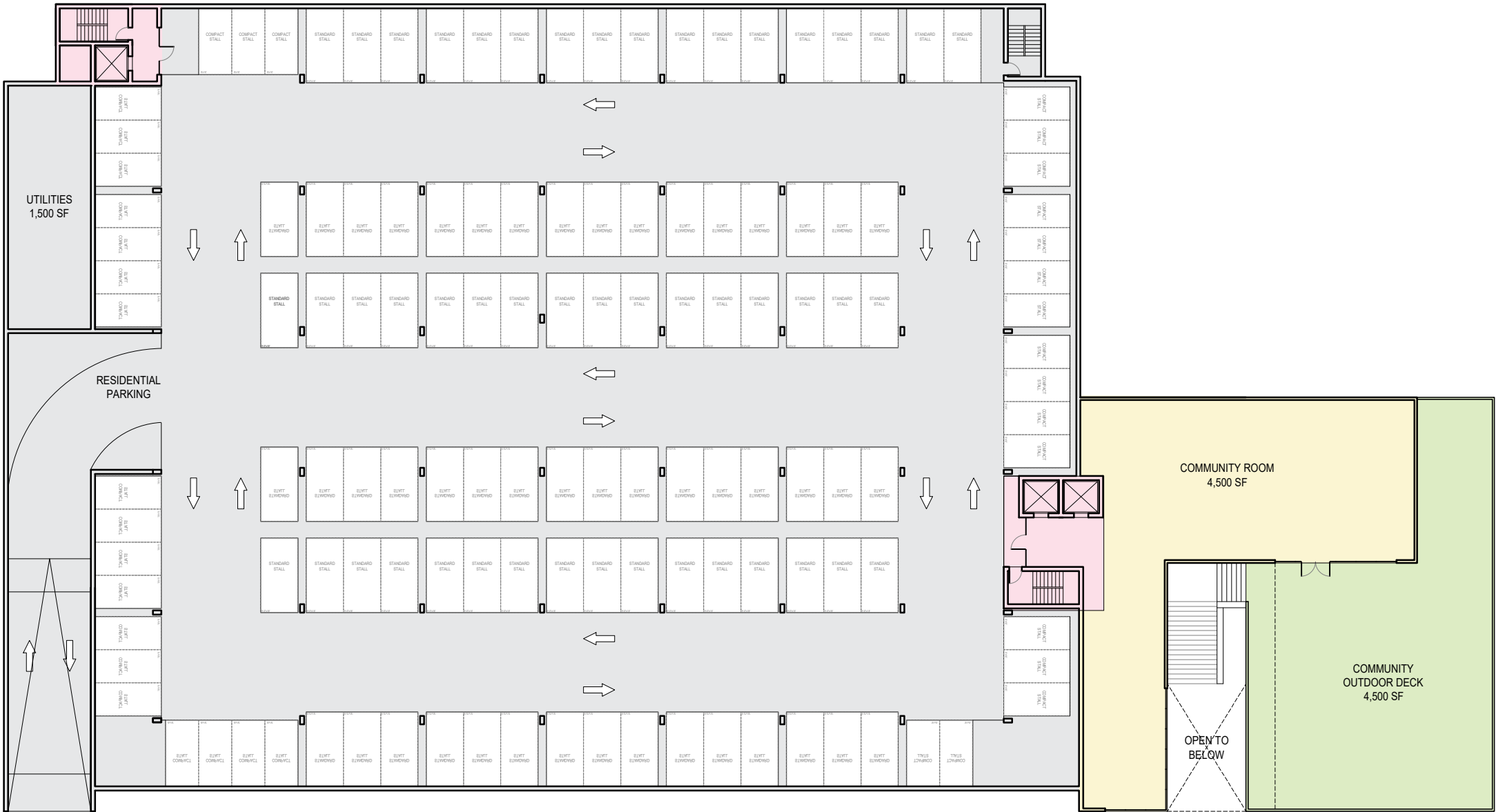
GROUND LEVEL PLAN // SCALE: 1/32" = 1'-0"

RFRM All ideas, designs, arrangements and plans indicated or represented by this drawing are owned by and property of rfrm collective and were created, evolved and developed for use on and in connection with the specified project. None of such ideas, designs, arrangements, or plans shall be used by or disclosed to any person, firm or corporation for any purpose whatsoever without the written permission of rfrm collective.



SAN FERNANDO PARKING LOT 3 DEVELOPMENT | RFQ Architectural Package | 01.31.20

RFRM COLLECTIVE | INFO@RFRMCOLLECTIVE.COM | 213 500 0547 | RFRMCOLLECTIVE.COM



LEGEND

COMMUNITY ROOM

RESIDENT ENTRANCE AND LOBBIES

SHARED OUTDOOR SPACES

PARKING SECOND LEVEL

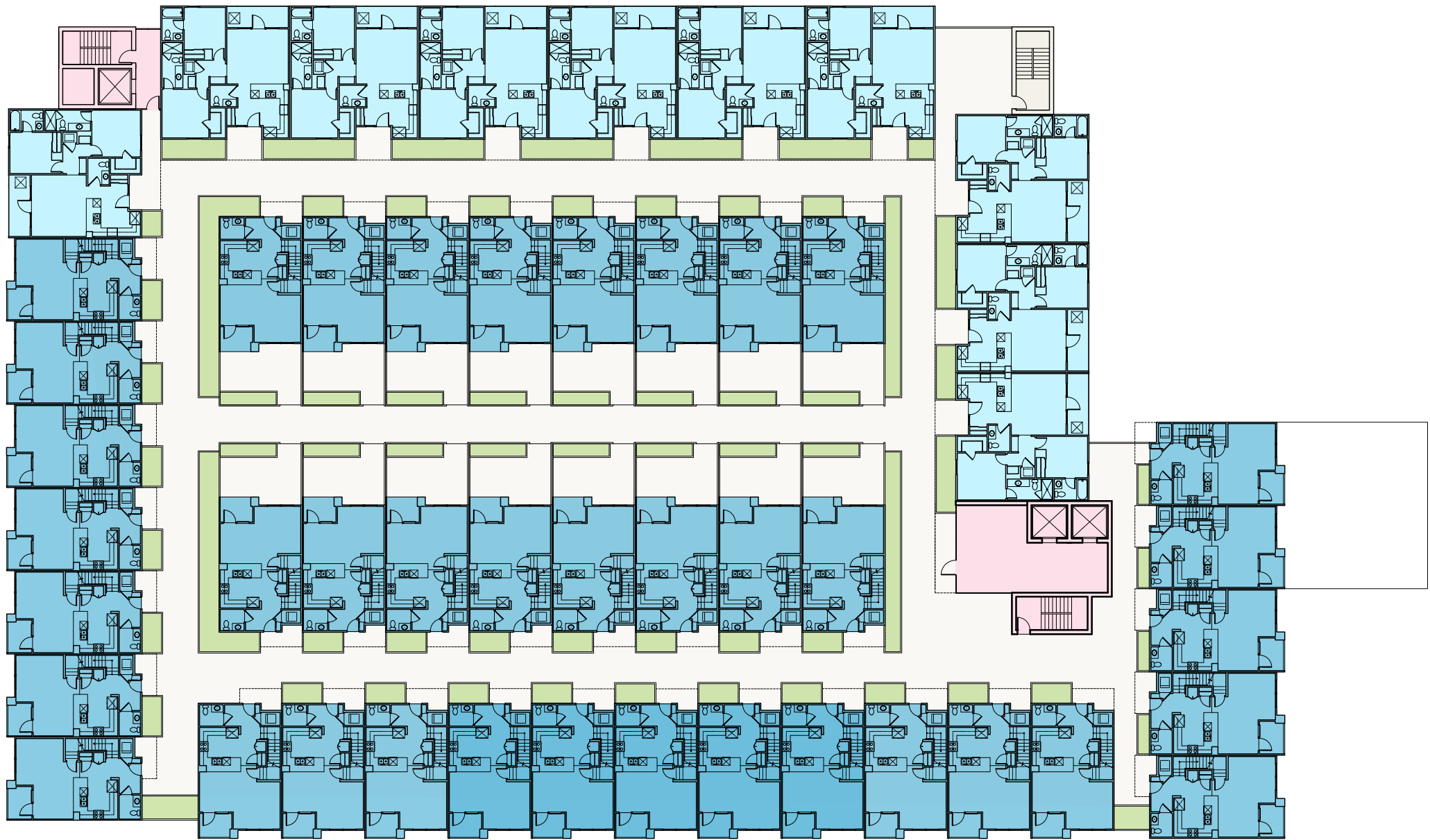
133 TOTAL
105 STANDARD
28 COMPACT



SECOND LEVEL PLAN // SCALE: 1/32" = 1'-0"

RFRM All ideas, designs, arrangements and plans indicated or represented by this drawing are owned by and property of rfrm collective and were created, evolved and developed for use on and in connection with the specified project. None of such ideas, designs, arrangements, or plans shall be used by or disclosed to any person, firm or corporation for any purpose whatsoever without the written permission of rfrm collective.





LEGEND

- RESIDENT ENTRANCE AND LOBBIES
- LANDSCAPE AND PLANTERS

UNIT COUNT

- 37 THREE BEDROOM UNITS (ALL TWO STORIES)
- 11 TWO BEDROOMS (ALL ONE STORY)



THIRD LEVEL PLAN // SCALE: 1/32" = 1'-0"





LEGEND

RESIDENT ENTRANCE AND LOBBIES

UNIT COUNT

- N/A - SECOND FLOOR OF THREE BEDROOM SHOWN
- 11 TWO BEDROOMS (ALL ONE STORY)



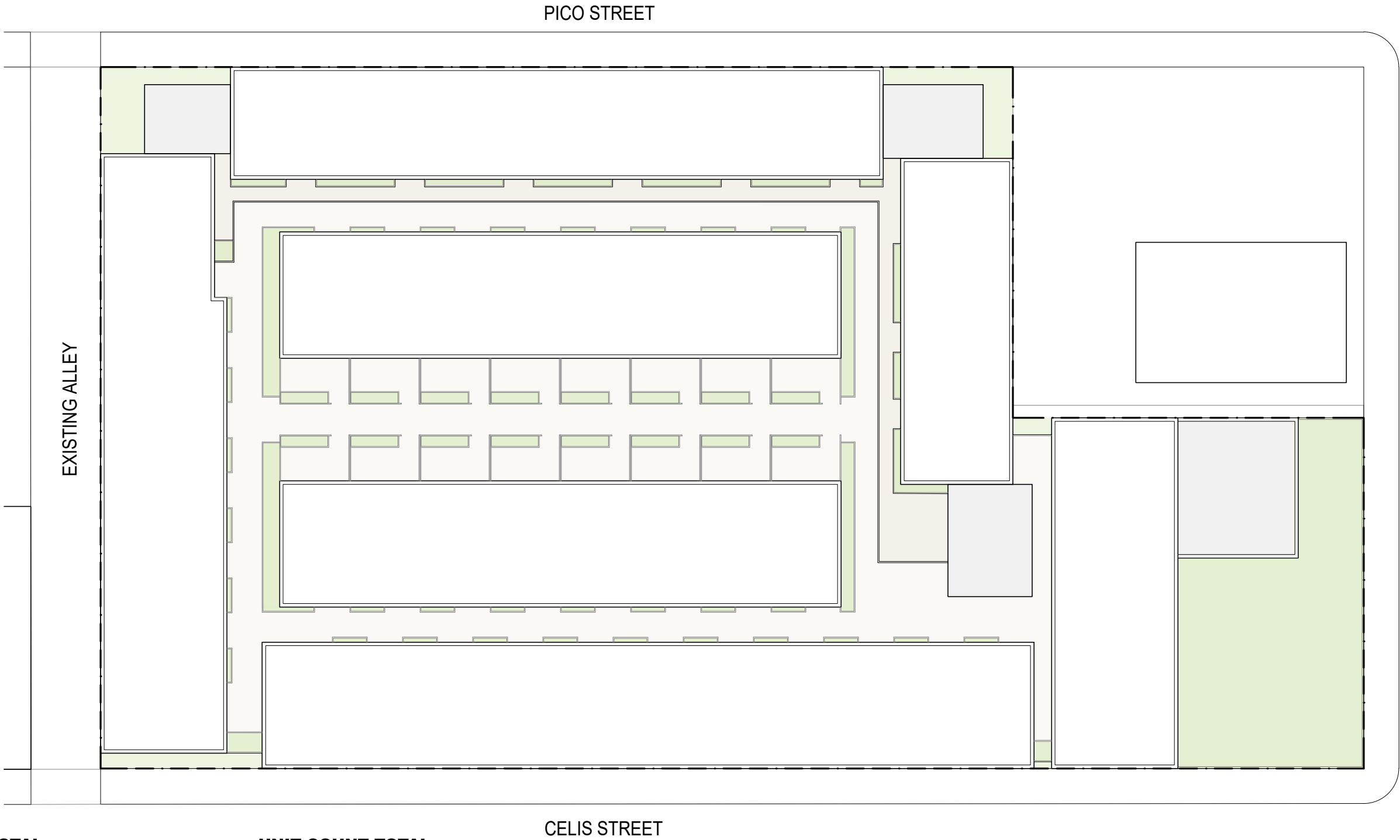
FOURTH LEVEL PLAN // SCALE: 1/32" = 1'-0"

RFRM All ideas, designs, arrangements and plans indicated or represented by this drawing are owned by and property of rfrm collective and were created, evolved and developed for use on and in connection with the specified project. None of such ideas, designs, arrangements, or plans shall be used by or disclosed to any person, firm or corporation for any purpose whatsoever without the written permission of rfrm collective.



SAN FERNANDO PARKING LOT 3 DEVELOPMENT | RFQ Architectural Package | 01.31.20

RFRM COLLECTIVE | INFO@RFRMCOLLECTIVE.COM | 213 500 0547 | RFRMCOLLECTIVE.COM



PARKING TOTAL

268 TOTAL
208 STANDARD
60 COMPACT

UNIT COUNT TOTAL

37 THREE BEDROOM UNITS (ALL TWO STORIES)
22 TWO BEDROOMS (ALL ONE STORY)
59 UNITS TOTAL





ARCHITECTURAL STYLE: WARM MODERN - ROOTED IN SOCIAL VERNACULAR

RFRM All ideas, designs, arrangements and plans indicated or represented by this drawing are owned by and property of rfrm collective and were created, evolved and developed for use on and in connection with the specified project. None of such ideas, designs, arrangements, or plans shall be used by or disclosed to any person, firm or corporation for any purpose whatsoever without the written permission of rfrm collective.



SAN FERNANDO PARKING LOT 3 DEVELOPMENT | RFQ Architectural Package | 01.31.20

RFRM COLLECTIVE | INFO@RFRMCOLLECTIVE.COM | 213 500 0547 | RFRMCOLLECTIVE.COM



QUALITY OF SPACE: COMMERCIAL

RFRM All ideas, designs, arrangements and plans indicated or represented by this drawing are owned by and property of rfrm collective and were created, evolved and developed for use on and in connection with the specified project. None of such ideas, designs, arrangements, or plans shall be used by or disclosed to any person, firm or corporation for any purpose whatsoever without the written permission of rfrm collective.



SAN FERNANDO PARKING LOT 3 DEVELOPMENT | RFQ Architectural Package | 01.31.20

RFRM COLLECTIVE | INFO@RFRMCOLLECTIVE.COM | 213 500 0547 | RFRMCOLLECTIVE.COM



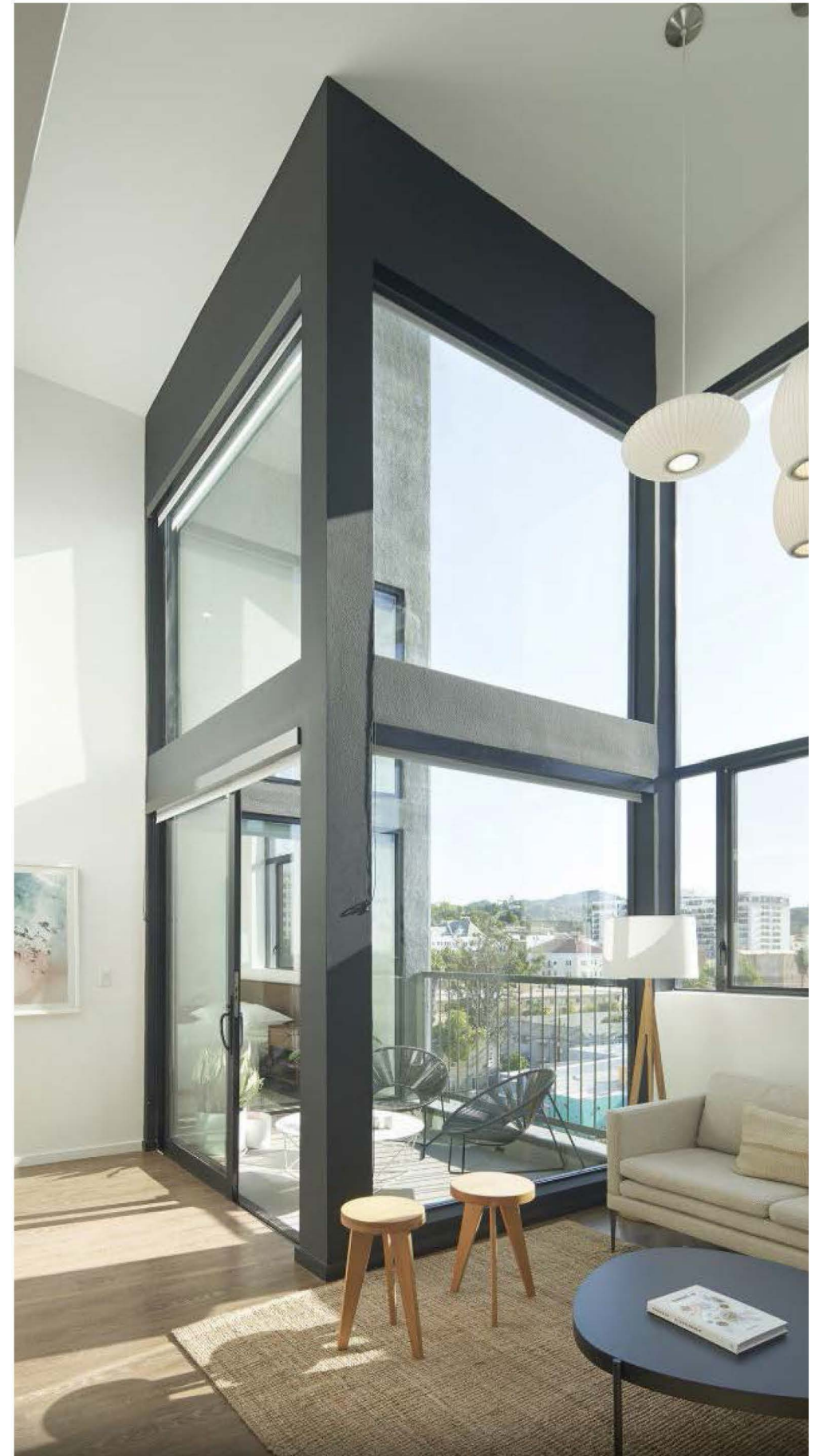
QUALITY OF SPACE: RESIDENTIAL OPEN SPACE

RFRM All ideas, designs, arrangements and plans indicated or represented by this drawing are owned by and property of rfm collective and were created, evolved and developed for use on and in connection with the specified project. None of such ideas, designs, arrangements, or plans shall be used by or disclosed to any person, firm or corporation for any purpose whatsoever without the written permission of rfm collective.



SAN FERNANDO PARKING LOT 3 DEVELOPMENT | RFQ Architectural Package | 01.31.20

RFRM COLLECTIVE | INFO@RFRMCOLLECTIVE.COM | 213 500 0547 | RFRMCOLLECTIVE.COM



RFRM All ideas, designs, arrangements and plans indicated or represented by this drawing are owned by and property of rfrm collective and were created, evolved and developed for use on and in connection with the specified project. None of such ideas, designs, arrangements, or plans shall be used by or disclosed to any person, firm or corporation for any purpose whatsoever without the written permission of rfrm collective.





SECTION 3

TEAM MEMBERS

TEAM MEMBERS

Azure Development is pleased to respond to the City of San Fernando's Request for Qualifications for the project site at Parking Lot #3 on San Fernando Mission Boulevard and Celis Street. Azure has assembled a team of development professionals with the experience and ability to deliver the City's vision for this site.

Azure Development was formed as an S-corporation in April 2016 and is a Los Angeles County based real estate development firm focused on creating exceptional communities and completing projects that become catalysts to inspire more vibrant cities throughout the Southwest. Each project that Azure develops includes careful collaboration with the community, stakeholders and local officials to allow for each retail, housing, or mixed-use project to become the centerpiece of its community.

Azure will be responsible for providing all master planning development responsibilities including project management, financial structuring and construction oversight.

RFRM Collective is the lead architectural firm providing site planning and design services. DRC Engineering is the lead engineering firm providing all technical building services.

The Development Team has staff with local and national development experience that work on a diverse portfolio of projects in a variety of markets. However, below are the names and contact information for staff that are available to answer questions provided in this response and will ultimately be the Project Management team for this important community-serving project.

PROJECT DEVELOPER

AZURE DEVELOPMENT

6055 E. Washington Blvd., Suite 495
Commerce, CA 90040
O: (323) 447-1160

Vanessa Delgado

President and Lead Contact
(310) 467- 7408 – Direct Telephone
vanessa@azuredevelopmentco.com

Evette Gonzalez

Vice President, Development
(310) 612-3594 – Direct Telephone
evette@azuredevelopmentco.com

Resumes for all Azure Team Members that will be managing the project are included at the end of this Section.

ARCHITECT**RFRM Collective**

848 South Oxford Avenue
Los Angeles, CA 90005
(213) 500-0547 – Office Telephone

Javier Meier Borrani
Principal
(213) 500-0547 – Office Telephone
Javier@rfrmcollective.com

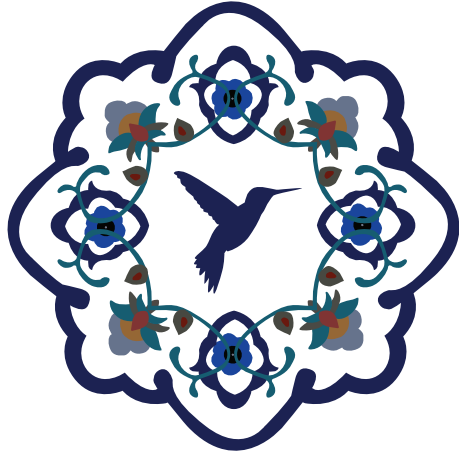
Michael Den Hartog
Principal
(213) 500-0547 – Office Telephone
Michael@rfrmcollective.com

ENGINEER**DRC ENGINEERING**

160 S Old Springs Rd # 210
Anaheim, CA 92808
(714) 685-6860 – Office Telephone

Lawrence M. Gates
President
714-685-6860 ext. 301 – Direct
lgates@drc-eng.com

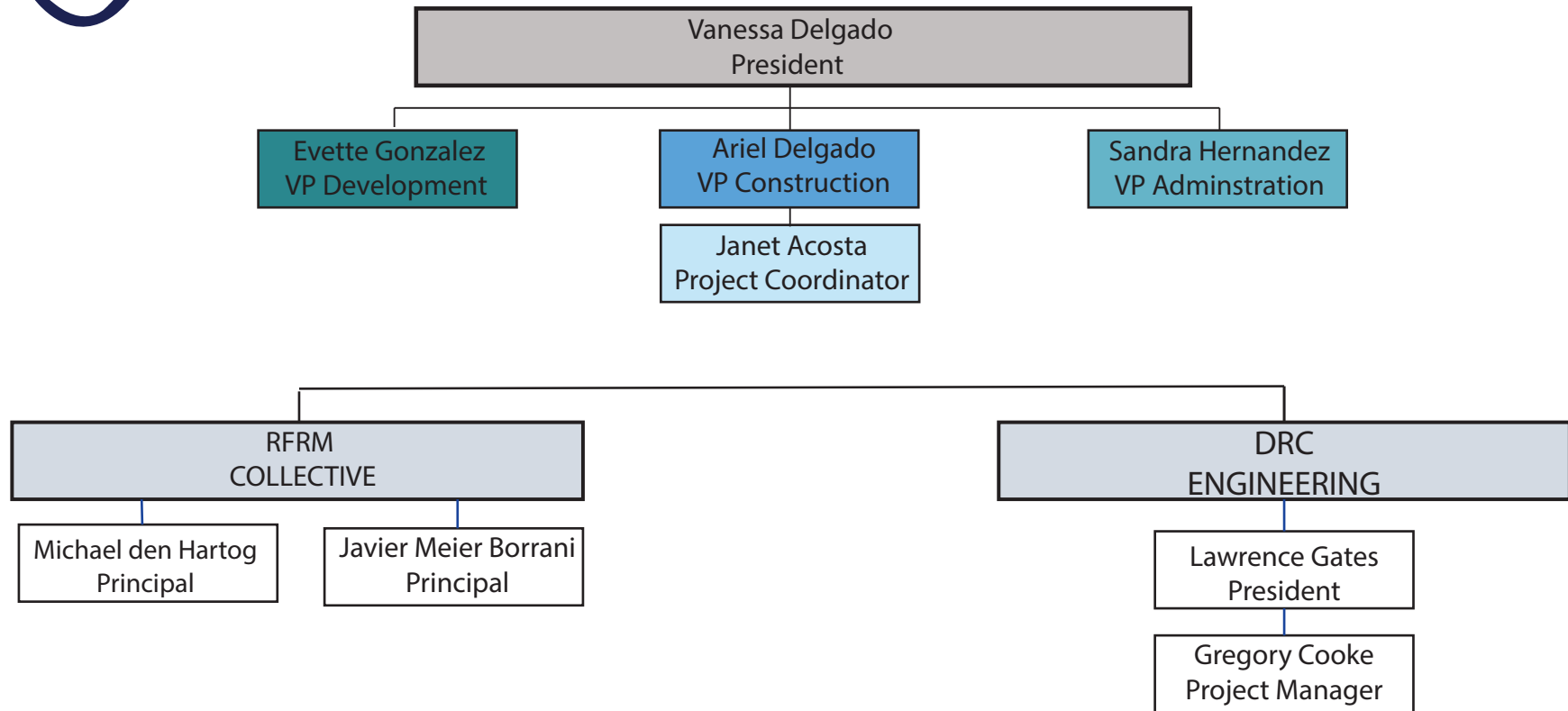
Gregory Cooke
Project Manager
714-685-6860 Ext 331 – Direct
gcooke@drc-eng.com



AZURE

DEVELOPMENT

ORGANIZATION CHART





VANESSA DELGADO PRESIDENT

AREA OF SPECIALIZATION

Public-Private Partnerships
Land Use + Entitlements
Mixed-Use Development
Brownfield Redevelopment

EDUCATION

MPA, Master of Public Administration,
University of Southern California, 2001

BA, Political Science and
Chicano/a Studies,
Stanford University, 1999

LICENSES

CA Broker License No. 01910425

AFFILIATIONS

Board Member, South Coast Air
Quality Management District (AQMD),
as of May 2019

California State Senator, District 32 (ret)

Former Mayor of the City of Montebello

International Council of
Shopping Centers (ICSC)

AZURE TEAM MEMBER SINCE 2016

Born and raised in Los Angeles, Vanessa is the **daughter of Mexican immigrants**. She received her undergraduate education at Stanford University with a dual major in Political Science and Chicano/a Studies and graduated with honors. She then completed a Master of Public Administration at the University of Southern California (USC) as a Dean's Fellow.

She began her career working for the cities of Pico Rivera, Anaheim and Downey, in **Economic Development** immediately after USC. Vanessa then spent eleven years as the Director of Development for Primestor Development and was a member of its Executive Team **building retail centers in California, Arizona and Nevada**. She was responsible for managing Primestor projects through the development and construction cycle including entitlements and public financing.

Ms. Delgado is now the **founder and Managing Partner of Azure Development**. Azure creates, designs and builds exceptional housing communities and commercial projects throughout the Southwest.

Vanessa pursued her passion for public service and ran for office in 2015. She was elected to the City Council of the City of Montebello in November 2015 and served as the **Mayor** in 2017. In 2018, she was elected to serve as a **State Senator** for District 32 and completed a short-term. Senator Vanessa Delgado was appointed to the South Coast **AQMD Governing Board** in May 2019. She was appointed by California State Senate Rules Committee and is looking forward to advancing air quality goals for the region.





EVETTE GONZALEZ

VICE PRESIDENT, DEVELOPMENT

AREA OF SPECIALIZATION

Land Use + Entitlements

Mixed-Use Development

Project Management

Tenant Coordination

Construction Management

EDUCATION

B.A. American Studies:
Urban Structures and Cultures,
University of California, Berkeley 2012

AFFILIATIONS

International Council of
Shopping Centers (ICSC)

Urban Land Institute (ULI)

AZURE TEAM MEMBER SINCE 2016

Ms. Gonzalez is a **Project Manager** with Azure Development where she researches and processes land use entitlements, manages projects through the **development and construction** cycles, builds relationships with local government, community groups and residents, and contributes to the marketing of each project. Azure creates, designs and builds exceptional housing communities and commercial projects throughout the Southwest. Azure is currently developing affordable housing for homeless families in Boyle Heights, townhomes for working class families in Bell Gardens and a commercial shopping center in Bellflower. Azure is also under contract to build fourteen CVS pharmacies throughout Los Angeles County and processes **complicated land use entitlements** for select private clients.

Prior to joining Azure in 2016, Ms. Gonzalez managed projects for Primestor Development. She was responsible for the coordination of **tenant build outs**, project development and construction, community and government relations as well as marketing.

Ms. Gonzalez' professional experience also includes working in the City of Carson's Planning and GIS departments, where she began her career as a Planning Intern and a **Public Administration Analyst**. She also performed **Construction Management** for Onni Contracting for residential turnkey projects that included a customizable penthouse and micro lofts.

Evette is the daughter of Mexican Immigrants and a **first generation Mexican American**. She was born and raised in Los Angeles County, and attended public schools in the South Bay Region. She received her undergraduate education at the University of California, Berkeley, with a major in American Studies and a concentration in Urban Structures and Cultures. Her senior thesis was focused centrally on the re-urbanization of Los Angeles and the shift in residential and commercial development in and around the downtown area.





ARIEL DELGADO VICE PRESIDENT, CONSTRUCTION

AREA OF SPECIALIZATION

Contract Administration
Site Supervision
Construction Management

EDUCATION

Bachelor of Science, with Honors
California State University, Northridge

CERTIFICATIONS

OSHA 30

AFFILIATIONS

ICSC
ULI

AZURE TEAM MEMBER SINCE 2020

Mr. Delgado is the **Vice President, Construction** for Azure Development where he builds all projects the company creates. Azure has experience with a range of project types including but not limited to Affordable Housing, Single Family Housing and Retail. He will lead all aspects of the construction process for Azure, ensuring projects stay on **schedule** and within **budget**. His work begins by getting involved with the Development team early to have a complete understanding of each unique project. This knowledge is implemented throughout the project to maintain the highest level of quality and attention to each site.

Ariel will also work to expand the company's **Construction Management** portfolio to assist select tenants, public clients and non-profits in implementing their vision for catalytic projects. Using Azure's proprietary project management forms, tools and processes, the Construction team can lead any unique project in the **under-served areas** we focus on.

Prior to joining Azure, Mr. Delgado spent five years at KPRS Construction. He joined the firm as a Project Coordinator and oversaw warehouse and distribution buildouts while managing **contracts and budgets** for various sites. He was soon promoted to Project Engineer and then Assistant Project Manager working on **new development office** and **mixed-use projects**. His work included site supervision, contract administration and obtaining permits.

During his time at KPRS, he oversaw projects throughout Southern California including Los Angeles, Orange and San Bernardino Counties.

Mr. Delgado received his High School Diploma from Loyola High School and achieved a Bachelor of Science degree with honors from California State University, at Northridge.





SANDRA HERNANDEZ

VICE PRESIDENT, ADMINISTRATION

AREA OF SPECIALIZATION

Office Administration

Accounting

Community Outreach

Business Development

Marketing

AFFILIATIONS

Board Assistant, South Coast AQMD
Governing Board Member
Vanessa Delgado

Former Legislative Aide, California
State Senator Vanessa Delgado,
District 32 (2018)

International Council of
Shopping Centers (ICSC)

Urban Land Institute (ULI)

AZURE TEAM MEMBER SINCE 2017

Ms. Hernandez is the **Operations Manager** for Azure Development, she oversees the day to day **office management** tasks for the firm including accounting, office policies, hiring of new personnel, acquisition process, among others. Ms. Hernandez also leads community outreach efforts for all projects. She serves as **liaison with the community**, coordinates meetings with stakeholders, neighborhood councils and community groups to ensure each project is designed to meet the needs of the communities they serve. She works alongside graphic designers to **create a brand** that highlights the history or story of each site we develop.

Prior to joining Azure, Ms. Hernandez was the Executive Assistant for the Director of Development at Primestor Development, where she performed **community outreach** related activities for the department that involved city officials, city staff, and event vendors. While at Primestor, she also served in a Project Coordinator capacity, **organizing construction activities**, tracking vendors and pay applications.

Ms. Hernandez' professional experience also includes serving as a **Legislative Aide in 2018 to Senator Vanessa Delgado for District 32**. There she was the main point of contact for constituent inquiries and city officials. She also coordinated district events and meetings. She currently serves as a **Board Assistant to Vanessa Delgado, South Coast AQMD Governing Board Member**.

Ms. Hernandez received her High School Diploma from Fontana High School. Since then, she has completed multiple courses mastering **administrative skills** and project management.





JANET ACOSTA PROJECT COORDINATOR

AREA OF SPECIALIZATION

Project Coordination

Office Management

Accounting

AFFILIATIONS

International Council of
Shopping Centers (ICSC)

Urban Land Institute (ULI)

AZURE TEAM MEMBER SINCE 2018

Ms. Acosta is the **Project Coordinator** for Azure Development, where she monitors **construction activities** for various projects, including tracking vendors and pay applications. She assists in **preparing comprehensive action plans**, including resources, time frames and budgets for projects. She assists in organizing necessary documents for project bids and ensures the projects stay within schedule.

Prior to joining Azure in 2018, Ms. Acosta was the **Operations Coordinator** for Wendy, Sue and Tobey's, where she performed office management tasks for the bakery. Her responsibilities consisted of tracking delivery schedules, accounting tasks, supply take offs, handling orders and maintaining relationships with vendors.

Ms. Acosta's professional experience also includes working at Gabriel Burgers where she **managed the day to day operations** for the restaurant, including accounting, inventory, employee supervision, hiring process, and maintained relationships with vendors. She was also responsible for acquiring vendor relationships as well as the **branding and marketing** of the restaurants.

Ms. Acosta received her High School Diploma from Manuel Dominguez High School. Since then, she has completed multiple courses in **accounting and business management**.



STUDIO PROFILE // PROJECT TEAM

November 15, 2019 // The Yianni Project



JAVIER MEIER BORRANI //
PRINCIPAL

Growing up in the city of Downey and completing his education at the University of Southern California, Javier has combined these experiences along with a diversity of professional practice to form the foundation of RFRM. Javier has worked closely with city officials, nonprofits and the community to bring high levels of design to his community.



MICHAEL DEN HARTOG //
PRINCIPAL

Michael finds projects which effectively combine commercial and public activity with community space most exciting. Michael has helped develop commercial and community concepts across Los Angeles which promote use and activity through density and adaptive designs. Michael received a degree in architecture from USC.



SAMUEL RAMPY //
PROJECT ARCHITECT

Sam graduated with a bachelors degree from USC in 2014. He has practiced architecture in the Bay Area and Southern California before joining RFRM. Sam brings a strong knowledge of construction processes as well as keen management skills to the team.



ELLIOT YAMAMOTO //
PROJECT DESIGNER

Elliot completed his studies at UCLA with degrees in architecture and geography. He melds his understanding of place and community with a strong aesthetic sense to help us realize our design intentions and communicate them to our clients.

RFRM COLLECTIVE CURRENT AND COMPLETED PROJECT LIST

- Single Family Residence Remodel, 1,800 sf / Downey, CA / Status: Complete
- Single Family Residence Remodel, 4,500 sf / Lodi, CA / Status: Complete
- Community Art Gallery, 3,000 sf / Downey, CA / Status: Complete
- Restaurant Interior Design, 2,300 sf / Downey, CA / Status: Complete
- Coffee Shop Interior Design, 1,700 sf / Downey, CA / Status: Complete
- Accessory Dwelling Unit, 1,200 sf / Altadena, CA / Status: Construction
- Private Office Building, 2,500 sf / Lodi, CA / Status: Construction
- Commercial Food Hall Development, 9,000 sf / Montebello, CA / Status: Bidding
- Restaurant and Site Renovation, 1,500 sf / South Los Angeles, CA / Status: Permitting
- Restaurant Renovation, 800 sf / Los Angeles, CA / Status: Permitting
- Technical College Renovation, 16,000 sf / South Gate, CA / Status: Permitting
- Commercial Retail Storefronts, 7,500 sf / Los Angeles, CA / Status: Design Development
- Public Art Space, 1,200 sf / Downey, CA / Status: Design Development
- Restaurant Building and Site Design, 2,500 sf / Santa Ana, CA / Status: Schematic Design
- Single Family Residence, 3,500 sf / Glendale, CA / Status: Design Review
- Gas Station and Store Remodel, 2,500 sf / Whittier, CA / Status: Concept Design
- Church Community Center, 20,000 sf / Downey, CA / Status: Concept Design
- Food Hall Development, 18,000 sf / Anaheim, CA / Status: Site Planning and Feasibility
- Science Museum and Plaza, 75,000 sf / Lodi, CA / Status: Concept Design and Feasibility

Lawrence M. Gates, PE

President



Mr. Gates has over 29 years of experience in the fields of civil and environmental engineering in Southern California. He has been responsible for the planning, design and construction management for projects ranging from subdivisions and site developments to landfill expansions.

Mr. Gates' recent responsibilities include providing design and management services for the development of a large retail and office mixed-use project on a large former aerospace facility and land re-use of a closed airport facility.

Education

M.B.A., Pepperdine University, Malibu, CA
B.S., Civil Engineering, California State Polytechnic University, Pomona

Registrations

California Registered Professional Engineer
No. C45715
Arizona Registered Professional Engineer
No. 32724
Nevada Registered Professional Engineer
No. 13343

Experience

DRC Engineering, Inc.
President / Principal
15 years
Environmental Solutions
Project Manager
3 years
Other Civil Engineering Firms
Project Engineer
9 years

Mr. Gates is currently managing the design of several commercial developments ranging from 30-acre drug stores to 100-acre plus power centers. He has comprehensive knowledge of government agency requirements, including those of the Army Corps of Engineers, Federal Emergency Management Agency, Los Angeles County Department of Public Works, Caltrans, Department of Fish and Game, Environmental Protection Agency, and State Water Resources Control Board, at all levels of project design.

Mr. Gates is on the National Development Council and the Chair of the College of Engineering Dean's Leadership Board at Cal Poly Pomona and is a member of the Young Presidents Organization.

Gregory R. Cooke, PE, PLS, QSD

Project Manager



Education

B.S., Civil Engineering, California State Polytechnic University, Pomona

Registrations

California Registered Professional Engineer No. C39478

California Licensed Surveyor No. 5892

Experience

DRC Engineering, Inc.

Project Manager

9 years

Huitt-Zollars, Inc.

Vice President

14 years

Western Pacific Engineering

Project Engineer

2 years

Psomas and Associates

Project Engineer

2 Years

John Rose & Associates

Project Engineer/Party Chief

7 years

Mr. Cooke has over 30 years of experience in the fields of civil engineering and land surveying in the Southern California region. He has participated in the planning, entitlement, design and construction oversight of a wide range of projects including:

- Design Build Public Facilities
- Public Works
- Residential subdivisions
- Master Planned Communities
- Office parks
- Commercial and industrial developments
- Hotels
- Retail developments

Mr. Cooke's current project assignments range from Offsite Improvements for a 100-acre retail site to design plans for a design build bus terminal project. Along with his civil engineering expertise, Mr. Cooke is a licensed land surveyor with skills in boundary reconnaissance, topographic surveys, reduction mapping, boundary establishment and construction staking. Mr. Cooke relies on his experience as a surveyor on construction sites and his education and experience as an engineer to assure that decisions made in the office translate to practical and cost-effective solutions in the field.



SECTION 4

RELEVANT PROJECT EXPERIENCE

RELEVANT PROJECT EXPERIENCE

Azure has the necessary experience working through public financing agreements and creative community engagement in Communities like the City of San Fernando. We believe we have assembled the best group to implement the vision for Parking Lot #3. We have experience in urban development that can attract successful retail tenants to the neighborhood as well as knowledge of multiple funding options for effective market rate or affordable housing.

OVERVIEW OF CURRENT DEVELOPMENT PROJECTS

Although the team has decades of experience completing projects throughout the Southwest, the following is a list of projects currently under development that are owned by Azure Development:

- **La Guadalupe Mixed-Use Project.** Development Agreement and Ground Lease with the City of Los Angeles, in a Joint Venture with Many Mansions (44 permanent supportive housing units and 7,500-square feet of ground floor retail at the intersection of First and Boyle in Boyle Heights).
- **Reseda Theatre and Housing.** Development Agreement and Purchase and Sale Agreement with the City of Los Angeles, in a Joint Venture with Tom Saffron Group (restoration of the Reseda Theatre and construction of 26 permanent supportive housing units in Reseda).
- **Belle Fleur Shopping Centre.** Active involvement of the City of Bellflower to create a 14,500 square foot catalytic retail center in an underserved area.
- **Bell Gardens Townhomes.** Active involvement of the City of Bell Gardens to create a 48-unit market-rate housing project on a former brownfield site.

Each of these projects has a separate Project Profile that details the scope of work, its current status and the sources of financing. All sites are managed by the current development team, highlighted in Section 3 of this submittal.

In addition to the Project Profiles, a complete list of all projects under management is also included in this Section. Azure performs Construction

Management services for select national tenants and private clients. These projects are all listed under our current Project Pipeline.

COMMUNITY OUTREACH EXPERIENCE

For the Azure team, working in the City of San Fernando is about meeting the Community's needs and creating a project that make a lasting positive impact. We welcome neighborhood input as we design spaces, attract tenants and construct the project. Local hiring has always been a key component of that work, whether projects are privately or publicly funded.

Azure team members have worked in multiple Communities and municipalities. The following includes a few Community outreach examples, not already included in the Project Profiles, of collaborations and accomplishments that resulted in great benefits to neighborhoods we have worked in:

Plaza Pacoima, Pacoima, City of Los Angeles

The creation of the Plaza Pacoima was the redevelopment of a contaminated piece of property into a vibrant shopping center that created needed jobs and sales tax in the Community. Plaza Pacoima was an award-winning public-private partnership with the City of Los Angeles. Working at Primestor Development, Vanessa Delgado directed the team that engaged the Community in an extensive Community Benefits Agreement (CBA). It serves as an example of a CBA that was negotiated by the Community, was implemented and benefitted those that needed it most.

Several issues were important to the Community in Pacoima, namely they wanted to create art in the City. They requested to manage a \$354,000 contribution made by the project to be left in a Trust Fund for the Community to spend as they recommended. The Development Team and Community also ensured that jobs in the shopping center would be living wage and offered to the local Community first. The Local Hiring was a resounding success and the shopping center remains a source of pride for the Community to date.


azalea Regional Shopping Center, South Gate

Working as a Primestor employee, Vanessa Delgado led the team that accomplished 98% local hiring for the azalea Regional Shopping Center. Along with the local hiring, residents of South Gate were able to participate in everything from naming the shopping center, the creation of

its logo, the design of the project and the selection of the tenants that were included in the development.

The active participation of the Community included over 50 neighborhood and stakeholder meetings and door-to-door outreach to 4,000 homes to get their important input. These efforts resulted in the obtainment of a national award through the International Conference of Shopping Centers: Best of Community Service.



AZURE DEVELOPMENT PROJECTS					 AZURE DEVELOPMENT	
PROJECT PIPELINE (2020-2021)						
PROJECT INTERSECTION/ADDRESS	CITY	DEVELOPMENT STAGE	PROJECT TYPE	COMMERCIAL SQUARE FOOTAGE	RESIDENTIAL UNITS	DEVELOPMENT COSTS
Bell Gardens Townhomes	Bell Gardens	Construction	Townhome (Home Ownership)	N/A	48 market-rate units	\$ 17,000,000
Wilshire and Vermont	Los Angeles, Koreatown	Construction	Ground Lease CVS and Tenant Improvement	14,697 SF	Not Applicable	\$ 8,267,458
Cesar Chavez and Broadway	Downtown LA	Construction	CVS Tenant Improvement within a Mixed Use Development	13,269 SF	By Master Developer	\$ 2,060,364
Imperial and Beach	La Habra	Construction	CVS Tenant Improvement within an existing shopping center	16,837 SF	Not Applicable	\$ 2,641,049
La Guadalupe	Boyle Heights	Pre-Construction	Mixed Use - Retail and Housing	7,500 SF	44 units (100% affordable)	\$ 28,000,000
Belle Fleur Centre	Bellflower	Pre-Construction	Shopping Center	14,500 SF	Not Applicable	\$ 11,000,000
Sherman Way and Woodman	Van Nuys	Pre-Construction	Ground Lease CVS and Tenant Improvement	15,786 SF	Not Applicable	\$ 5,147,059
Reseda Mixed-Use Project	Reseda	Pre-Construction	Renovation of theatre and new housing units	31,385 SF	26 units (100% affordable)	\$ 17,000,000
Vista Del Rio and Rio Norte	Santa Clarita	Pre-Construction	CVS Pad Lease within a new shopping center	13,445 SF	Not Applicable	\$ 4,672,281
Manchester and Western	South LA	Pre-Development	Ground Lease CVS and Tenant Improvement	11,702 SF	Not Applicable	\$ 5,269,635
12th and Flower	Downtown LA	Pre-Development	CVS Tenant Improvement within a Mixed Use Development	11,132 SF	Not Applicable	\$ 3,124,039
RECENTLY COMPLETED PROJECTS						
PROJECT INTERSECTION/ADDRESS	CITY	DEVELOPMENT STAGE	PROJECT TYPE	COMMERCIAL SQUARE FOOTAGE	RESIDENTIAL UNITS	DEVELOPMENT COSTS
Sunset and Crescent Heights	West LA	In Service, February 2017	CVS Tenant Improvement within an existing Shopping Center	15,471 SF	Not Applicable	\$ 1,592,033
8th and Grand	Downtown LA	In Service, March 2017	CVS Tenant Improvement within a Mixed Use Development	15,031 SF	Not Applicable	\$ 2,110,930
Adams and Central	South LA	In Service, April 2017	CVS Tenant Improvement within a Mixed Use Development	16,873 SF	By Master Developer	\$ 2,165,755
Washington and Hoover	South LA	In Service, November 2017	Ground Lease CVS and Tenant	15,146 SF	Not Applicable	\$ 5,583,744
Florence and State	Huntington Park	In Service, January 2018	Ground Lease CVS and Tenant Improvement within an existing Shopping Center	17,980 SF	Not Applicable	\$ 2,814,244
San Fernando and Mission	San Fernando	In Service, July 2018	Ground Lease CVS and Tenant Improvement within an existing Shopping Center	13,119 SF	Not Applicable	\$ 4,178,511
Artesia and Rindge	Redondo Beach	In Service, April 2019	Ground Lease CVS and Grocery Outlet, and CVS Tenant Improvement	32,224 SF	Not Applicable	\$ 4,005,005

As of January 2020

CONSTRUCTION MANAGEMENT PROJECTS



Azure Development, working under a contract from Boos Development, has completed seven **CVS Pharmacy** stores with scopes ranging from tenant improvement build outs, ground ups and full site reconstruction in the Cities of **Redondo Beach, Huntington Park, Los Angeles** and **San Fernando** with a value up to \$23,000,000. Four additional CVS pharmacy stores are in construction, set to open in 2020 and early 2021. Three more CVS pharmacy stores with openings for late 2021 and 2022 are in development.

Each CVS has a minute clinic or consultation room to provide **local health services to the neighborhoods** they serve and provide every day necessities through their front store's retail merchandise.

DEVELOPER:

Azure Development

ARCHITECT:

LittleDiversified

PROJECT COST:

\$57 Million



**DEVELOPERS:**

Azure Development
and Many Mansions

ARCHITECT:

Y & M Architects

PROJECT COST:

\$28 Million

LA GUADALUPE MIXED USE PROJECT

110 SOUTH BOYLE AVENUE, BOYLE HEIGHTS (LOS ANGELES), CA 90033

This City of Los Angeles public-private project includes **44 units of permanent supportive affordable units for very-low income and homeless families** and **7,500 square feet of retail** on the ground floor. The project also proposes approximately **5,700 square feet of open space** with a shared community room, sky deck and a courtyard with BBQs for residents.

The Permanent Supportive Housing is financed by **HHH bond funds, MHP, a Waterboard Brownfield Grant and 4% Tax Credits**. The retail will be financed with **New Market Tax Credits**. Construction is expected to begin **Fall of 2020**.



AZURE
DEVELOPMENT

LA GUADALUPE PROJECT SUMMARY



The City of Los Angeles has experienced a dramatic increase in the number of people experiencing homelessness over the last decade. As of May 2019, the Los Angeles Homelessness Services Authority estimated that **50,000 people are considered homeless in the Los Angeles area**. In a recent Survey USA study, 68% of Southern Californians considered homelessness to be a “major problem” or crisis.

La Guadalupe is a public-private partnership between government, for-profit and non-profit partners designed to address this public crisis. The project also activates a historically important yet vacant, blighted and contaminated corner in the **Boyle Heights neighborhood of East Los Angeles**. La Guadalupe is situated directly across the street from the Historic Mariachi Plaza on the corner of East First Street and Boyle Avenue and across the street from Metro’s Gold Line station, which is a main source of transportation for those who live in the area and those coming in from other areas of Los Angeles County.

Boyle Heights is a historically Hispanic community which is over 90 percent Latino, rich in culture, music, and the art that brings together the community and mariachi lovers. The median family income is roughly \$33,250, **significantly lower than LA County’s median income** of \$55,000.

La Guadalupe is a collaboration between **Azure Development, Many Mansions, and the City of Los Angeles**. The \$28M development will construct a 60,000 square foot five-story mixed-use building comprised of 44 permanent supportive affordable units, 7,500 square feet of ground floor retail, 41 subterranean parking stalls, and 5,700 square feet of communal space. La Guadalupe will offer studios, 1, and 2-bedroom units to families earning between 30 percent and 50 percent the AMI. The housing component is specifically available to individuals and families currently homeless or previously homeless. The 5,700 square feet of dedicated communal space includes a 1,136 SF community room, private rooms for the two (2) on-site Case Managers, a sky deck for resident use, and a courtyard comprised of tables, benches, BBQ pits, and other amenities.

Eligible residents will be selected to live at La Guadalupe through Los Angeles County’s Coordinated Entry System (CES) in partnership with **non-profit partners The People’s Concern and Jovenes Inc.**, as well as other local agencies such as the Department of Health Services and Los Angeles Homeless Services Authority. La Guadalupe will also be one of the first projects to be supported by a new pilot program established between the Housing Authority of the City of Los Angeles and the Los Angeles Unified School District. Through this partnership, LAUSD will coordinate long term operating subsidies to assist in the payment of rental obligations by the residents. All residents and their families will receive supportive services through their residency including on-site case management, financial education, food assistance, life skills training and transportation assistance.

The retail component of the project is as critical to the success of this project as the housing component to fully activate the site. The ground floor of La Guadalupe that includes 7,500 square feet of retail space is expected to be leased to three (3) separate tenants. Azure will market the site to **banks or credit unions who are willing to offer financial literacy programs** to the Boyle Heights Community. In addition, the Developer will seek restaurants or tenants who are committed to offering **healthy eating options** for this lower-income community. All tenants will be required to hire locally.





PROJECT COST

Total Project Cost: \$28,672,025 (\$5,288,760 Retail and \$23,382,265 Housing)

Acquisitions: \$0. Property controlled via Ground Lease with City of Los Angeles

Hard Costs: \$18,111,945 (\$2,765,981 Retail and \$15,345,964 Housing)

Soft costs: \$10,559,080 (\$2,522,779 Retail and \$8,036,301 Housing)

Project Size: 64,326 SF: Subterranean Parking: 14,455 SF; Commercial Space: 7,500 SF; Ground Floor Commercial Parking: 6,777 SF; Residential 2nd – 5th floor 35,594 SF

FUNDING SOURCES

<i>Lender/Investor/Other</i>	<i>Type</i>	<i>Amount</i>	<i>Status</i>	<i>Closing Date</i>
<i>HHH – HCID (Housing)</i>	<i>Loan</i>	<i>\$9,550,000</i>	<i>Awarded</i>	<i>3/2019</i>
<i>California State Water Quality Board</i>	<i>Grant</i>	<i>\$1,000,000</i>	<i>Awarded</i>	<i>9/2019</i>
<i>Former Redevelopment Agency Housing Bond</i>	<i>Bond Funds</i>	<i>\$1,842,500</i>	<i>Awarded</i>	<i>12/2019</i>
<i>MHP (Housing)</i>	<i>Loan</i>	<i>\$2,000,000</i>	<i>Awarded</i>	<i>12/2019</i>
<i>Limited Partner Capital</i>	<i>Tax Credits</i>	<i>\$9,453,007</i>	<i>Seeking</i>	<i>3/2020</i>
<i>Metro's Transit Oriented Communities Loan Program (Retail)</i>	<i>Loan</i>	<i>\$288,760</i>	<i>Seeking</i>	<i>6/2020</i>
<i>Leverage Loan Debt (Retail)</i>	<i>Loan</i>	<i>\$2,894,917</i>	<i>Seeking</i>	<i>8/2020</i>
<i>NMTC (Retail)</i>	<i>Tax Credit</i>	<i>\$1,579,500</i>	<i>Seeking</i>	<i>8/2020</i>
<i>Permanent Loan (Housing)</i>	<i>Loan</i>	<i>\$2,620,000</i>	<i>Seeking</i>	<i>8/2022</i>
<i>Deferred Developer Fee</i>	<i>Capital Investment</i>	<i>\$825,666</i>	<i>n/a</i>	<i>n/a</i>
<i>General Partner Capital</i>	<i>Capital Investment</i>	<i>\$494,182</i>	<i>n/a</i>	<i>n/a</i>



PROJECT STATUS

Status of Site Control: Exclusive Negotiation Agreement with the City of Los Angeles, signed September 2017. Disposal and Development Agreement approved August of 2019. Other project milestones include:

- Entitlement Hearing unanimously approved on March 14, 2019
- Construction Documents began November 2019
- General Contractor selected by February 2020
- Remediation to begin Spring 2020
- Permits are estimated to be Ready to Issue by July 2020
- Construction period is 14 months





RESEDA THEATER

18447 SHERMAN WAY AT RESEDA BOULEVARD, RESEDA, CA 91335

DEVELOPERS:

Azure Development and
Thomas Safran & Associates

ARCHITECT:

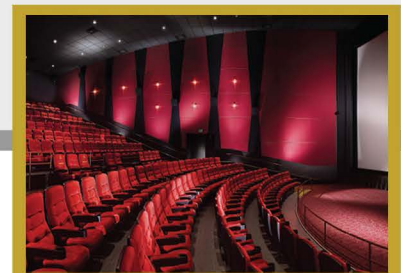
RD Collaborative

PROJECT COST:

\$17 Million

Located in the **heart** of the **San Fernando Valley**, this 8,400 sq. ft. existing theater will revive a landmark in the **Reseda Commercial District**. This fully entitled project will renovate the Reseda Theater into a boutique cinema. The project will include five screening rooms and a 2-level upscale **lounge area and bar** for guests. **Ample parking** is provided on City-owned lots within walking distance of the theater. The **Historic marquee** will be preserved and a large mural is planned for a building elevation which adds to tenant signage opportunity. The project will also include **26 affordable housing units** for low and very low-income families on an adjacent parcel.

The Affordable Housing is financed by **HHH bond funds** and **4% Tax Credits**. The Theater will be financed with **New Market Tax Credits**. Construction is set to begin late 2020 and **opening** scheduled for **2021**.



RESEDA THEATRE PROJECT SUMMARY

The Reseda Theatre and Housing project is a public-private partnership between government, for-profit and non-profit partners designed to address the homelessness crisis. The project also activates a historically significant yet vacant building in the **Reseda Commercial District**. The Reseda Theatre is situated at Sherman Way at Reseda Boulevard in the San Fernando Valley of the City of Los Angeles. The housing will be constructed on a vacant lot adjacent to the theatre.



The Reseda Theatre and Housing Project is a collaboration between **Azure Development, Tom Saffron Group, and the City of Los Angeles**. The \$17M development will construct a 31,385 square foot mixed-use project across two (2) sites comprised of 26 permanent supportive affordable units and the reactivation of the Reseda Theatre, a landmark in the San Fernando Valley.



Built in 1948, the Reseda Theatre was designed by the esteemed architect **S. Charles Lee**. The 8,400 square foot theatre will be fully upgraded and renovated into a boutique cinema with five (5) screening rooms. The building will include a 2-level lounge area for guests and will open in 2021. The historic marquee signage will be preserved and a large mural is planned for the building elevation which adds to tenant signage opportunity.

Behind the Reseda Theater, the proposed 26 units of permanent supportive housing for seniors, will reside on a 10,997 square foot (.25 acre) property with street frontage on Canby Avenue within a four-story apartment building. The site will have six (6) parking spaces on site and seven (7) parking spaces off site. Amenities include a gym, community room with a shared kitchen, laundry room and a TV/computer room to be shared by all residents. The project also has an at grade garden at the center, which allows for upper units to look over the community garden. Out of the 26 units, two (2) are two-bedroom units and the remainder are one-bedroom units. Each unit has a private patio of 500 square feet or above.

Eligible residents will be selected to live in the housing through Los Angeles County's Coordinated Entry System (CES). All residents and their families will receive supportive services through their residency including on-site case management, financial education, food assistance, life skills training and transportation assistance.

PROJECT COST

Total Project Cost:	\$17,261,412 (\$7,182,569 Retail and \$17,261,356 Housing)
Acquisitions:	\$1,320,000 (\$120,000 for Reseda Theater and \$1,200,000 for Housing)
Hard Costs:	\$10,762,030 (4,134,250 Retail and \$10,221,387 Housing)
Soft costs:	\$5,591,382 (\$2,603,319 Retail and \$5,839,969 Housing)
Project Size:	34,468 SF (8,400 SF Retail and 26,068 SF Housing)



FUNDING SOURCES

<i>Lender/Investor/Other</i>	<i>Type</i>	<i>Amount</i>	<i>Status</i>	<i>Closing Date</i>
<i>HCIDLA - Prop HHH (Housing)</i>	<i>Soft Loan (Residual Receipts)</i>	<i>\$4,060,000</i>	<i>Awarded</i>	<i>8/2020</i>
<i>No Place Like Home (Housing)</i>	<i>Soft Loan (Residual Receipts)</i>	<i>\$2,030,000</i>	<i>Awarded</i>	<i>8/2020</i>
<i>Land Loan from City of LA</i>	<i>Soft Loan (Residual Receipts)</i>	<i>\$1,200,000</i>	<i>Awarded</i>	<i>8/2020</i>
<i>4% Low Income Housing Tax Credit Equity (Housing)</i>	<i>Tax Credits</i>	<i>\$7,572,465</i>	<i>Seeking</i>	<i>8/2020</i>
<i>Deferred Developer Fee (Housing)</i>	<i>Deferred</i>	<i>\$98,891</i>	<i>N/A</i>	<i>8/2020</i>
<i>CCCRC Permanent Loan (Housing)</i>	<i>Hard Loan (Cash Flow)</i>	<i>\$2,030,000</i>	<i>Seeking</i>	<i>8/2022</i>
<i>Leverage Loan Debt (Retail)</i>	<i>Loan</i>	<i>\$3,916,650</i>	<i>Seeking</i>	<i>8/2020</i>
<i>NMTC (Retail)</i>	<i>Tax Credit</i>	<i>\$2,053,350</i>	<i>Seeking</i>	<i>8/2020</i>
<i>Former Redevelopment Agency Housing Bond (Retail)</i>	<i>Grant</i>	<i>\$530,000</i>	<i>Seeking</i>	<i>8/2020</i>
<i>General Partner Capital</i>	<i>Capital Investment</i>	<i>\$682,569</i>	<i>n/a</i>	<i>n/a</i>

PROJECT STATUS

Status of Site Control: Disposal and Development Agreement and entitlements approved.

Other project milestones include:

- Construction Documents to begin March 2020
- General Contractor selected by Fall 2020
- Permits Ready to Issue by Winter 2020
- Construction period is 12 months





BELLE FLEUR SHOPPING CENTRE

17640 BELLFLOWER AVENUE, BELLFLOWER, CA 90706

BELLE



FLEUR

CENTRE

DEVELOPER:

Azure Development

ARCHITECT:

MMA Architects

PROJECT COST:

\$11 Million



Belle Fleur Centre is an urban development that includes **14,500 square feet of new retail and restaurant uses** with a drive thru and shared patio spaces for outdoor dining. This site is a 1.4-acre underutilized corner in the **City of Bellflower**. The project is designed to accommodate seven tenants to provide **healthy eating options and a space to gather**. The architecture has been designed to the highest level of articulation and will celebrate the City's history. **Construction begins late 2020.**



AZURE
DEVELOPMENT

BELLE FLEUR CENTRE PROJECT SUMMARY

Belle Fleur Centre, located in the City of Bellflower, California was named and designed to celebrate the history of the City and to create a neighborhood shopping destination where the Community can gather. The project proposes the construction of 14,500 square feet of new retail and restaurant space over two (2) separate buildings complete with an on-site parking ratio of approximately 4 per 1,000 square feet which surpasses city code requirements. The improvements include one drive-thru and two outdoor seating areas with lush landscaping to allow for outdoor dining.



The center has been designed with vehicle entrances at both Cedar Street and Bellflower Boulevard and is pedestrian friendly for the community to easily access the site. Parking has been designed to maximize gross leasable area while exceeding the City's required parking spaces. All new utilities will be constructed underground, as feasible.

The project will be designed in the "Rustic Contemporary" architectural style with drought-tolerant landscaping and usable open space that can be shared by all the tenants. The elevations will be articulated and use varying materials to create an inviting and high-quality project. The Site Plan is designed to conform to the City of Bellflower's Design Standards for Development for the South Bellflower Commercial Area and General Commercial standards.

Azure Development entered into a Joint Venture with the Connolly Family Trust to act as the General Partner to create this exciting new shopping center.



PROJECT COST

Total Project Cost:	\$11,000,000
Acquisitions:	\$ 2,000,000
Hard Costs:	\$ 5,300,000
Soft Costs:	\$ 3,700,000
Project Size:	1.7 Acres with 14,500 square feet of commercial

The property was contributed to the Joint Venture limited liability company in 2019. The project is financed with a pre-development loan and private equity investment capital. A construction loan will be secured to complete the project. Belle Fleur Centre does not require public subsidies but is being developed with the active involvement of the City of Bellflower.



SOURCES OF FINANCING	AMOUNT	ENTITY
Pre-Development Loan	\$1,300,000	Secured through a Small Lender with established relationships with Azure
Land Value	\$2,000,000	Property held by Bellflower Cedar, LLC with Vanessa Delgado serving as Manager
Private Equity	\$300,000	Azure Development
Construction Loan	\$7,400,000	Expected late 2020
TOTAL	\$11,000,000	

PROJECT STATUS

Status of Site Control: Owned by Bellflower Cedar, LLC, a Joint Venture of the Connolly Trust and Azure Development. Limited liability company is managed and controlled by Azure Development.

Status of design drawings, guaranteed maximum price contract, and entitlements:

- Entitlement Submittal February 2019
- Entitlement Hearing Expected March 2020
- Construction Documents start April 2020
- Construction begins Fall 2020
- Grand Opening late 2021





BELL GARDENS TOWNHOMES

8000 BELL GARDENS AVENUE, BELL GARDENS, CA 90201

DEVELOPER:
Azure Development

ARCHITECT:
KRGY Architects

PROJECT COST:
\$17 Million

Located in the City of Bell Gardens, this 2.47-acre development project of **48-market rate townhomes** will be the first of its kind in this jurisdiction. This gated community also includes **25,000 square feet of open space** with shared picnic areas, a dog park and a courtyard with BBQs for residents. Units range from 2-bedrooms to 4-bedrooms and include a 2-car garage and private open space.

This project is **financed through a conventional construction loan and private equity**. The project required the processing of **complicated land use approvals and remediation of a brownfield condition**. Construction began **Spring of 2019**.



BELL GARDENS TOWNHOMES PROJECT SUMMARY

Azure Development is building this forty-eight-unit townhome project, each with a private garage and private open space, along with shared guest parking and common open space. The project is located in the heart of the City of Bell Gardens, California, a business-friendly community that needs a home-ownership product at affordable price point. The project is centrally located in Los Angeles County and is within 20 miles from the San Fernando Valley, Orange County, and the South Bay. Bell Gardens serves a young population of approximately 45,000 residents over a 2.5-mile area. The City is located 10 miles southeast of Downtown Los Angeles and is easily accessible off the 710-freeway.

The townhomes will feature five different floor plans for buyers to choose from that are all three stories. The project will be composed of eighteen 2-bedrooms, fourteen 3-bedrooms and sixteen 3-4 bedrooms. A percent of the townhomes may have the option for a ground floor patio depending on architectural, structural and privacy constraints. The project will be designed with drought-tolerant landscaping and useable open space. The elevations will be articulated with a high level of architecture and use of varying materials to create an inviting and high-quality home-ownership community.

The main parcel of the project was historically used as a repair shop and for tow-yard operations, though it is now currently vacant. Given the historic use of the site, the property was tested for contaminants; over fifty borings were taken from the site to fully understand the soil condition. The test results showed the site was impacted with lead contamination at shallow depths ranging from 1 to 5 feet and required removal of soil. The dig and haul operation to remove the contamination was conducted and completed in June 2019. The Los Angeles County Fire Department has certified the completion of the clean-up and issued a No Further Action approval letter.



PROJECT COST

Total Project Cost:	\$17,118,400
Acquisitions:	\$ 1,974,400
Hard Costs:	\$10,000,000
Soft costs:	\$ 3,744,000
Environmental Remediation:	\$ 1,400,000
Project Size:	2.47 Acres with 48 new townhomes

The project is financed with conventional construction loan financing through established Azure relationships and private equity investment capital. The Bell Gardens Townhome project does not require public subsidies but is being developed with the active involvement of the City of Bell Gardens.

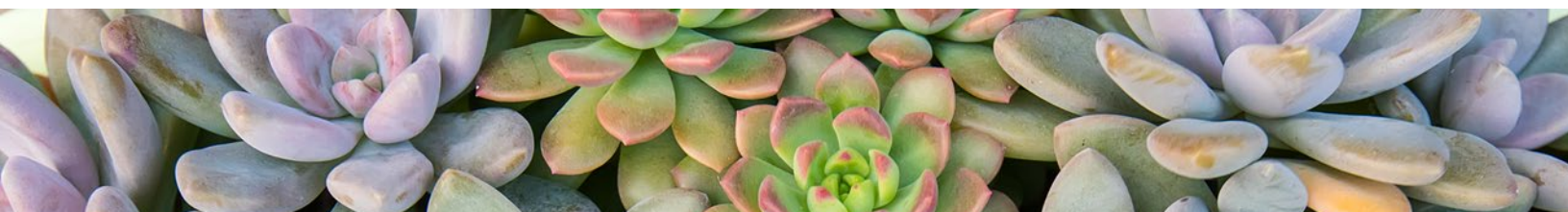
SOURCES OF FINANCING	AMOUNT	ENTITY
Pre-Development Loan	\$2,700,000	Secured through a Small Lender with established relationships with Azure
Private Equity	\$2,000,000	Secured through High Net Worth investors and Azure Development capital
Construction Loan	\$12,500,000	In Process
TOTAL	\$17,200,000	

PROJECT STATUS

Status of Site Control: Property acquired December 31, 2018.

Status of design drawings, guaranteed maximum price contract, and entitlements:

- Filed Entitlement Application September 2017
- Entitlements Approved with Hearings on November 7 and 12, 2018
- Close of Escrow on December 31, 2018
- Environmental Clean-up completed June 2019
- Construction Documents complete Summer 2020
- Start of Construction in Fall 2020
- Phase I Construction complete June 2021
- Phase II Construction complete August 2021





SECTION 5

PROJECT APPROACH

PROJECT APPROACH

Entitlements and Environmental Review

Entitlement and CEQA processing will begin immediately after the awarding of the ENA and concurrent to the DDA negotiation as the DDA cannot be awarded until environmental clearance is complete.

The Development Team's analysis and assumptions of the entitlements needed for the project are included below:

PROJECT SITE INFORMATION

Project Overview:	Mixed use building with retail and residential
Assessor Parcel Numbers:	2521-031-901 to -903
City:	San Fernando
County:	Los Angeles
Site Size:	62,726 square feet; 1.44 acres
Major Transit Service:	Sylmar Metrolink Station and LA Metro Busses

ZONING AND LAND USE OVERVIEW

Zone:	Corridors Specific Plan
Specific Plan District:	Downtown District
Overlays:	Residential Overlay

DEVELOPMENT REGULATIONS

Setbacks & Yards	<p><u>FRONT SETBACK:</u> N/A for non-residential ground floors</p> <p><u>SIDE STREET SETBACK:</u> N/A for non-residential 5' minimum for residential</p> <p><u>REAR SETBACK:</u> N/A with alley</p>
Height Limit	50 feet max
Number of Floors	4 stories
Floor Area Ratio	3.5 for Residential Mixed Use

Permitted Uses:	Commercial and Housing. Mixed Use.
Permitted with Conditional Use Permits:	Upper level residential in the upper floors
Density Restrictions:	24 du/ac (min) and 50 du/ac (max)
Parking Requirements:	<u>COMMERCIAL:</u> 1.6 spaces per 1,000 s.f. (min) and 3.3 spaces per 1,000 s.f. (max) <u>RESIDENTIAL:</u> 1 space per 1 bed/studio and 2 spaces for 2 beds or larger .2 spaces per unit for guest
Open Space:	<u>PUBLIC OPEN SPACE:</u> 150 square feet minimum <u>PRIVATE OPEN SPACE:</u> 60 square feet per unit with 6 feet minimum in one direction

DEVELOPMENT SCENARIO

PARKING

The project proposes to provide 6,000 square feet of retail therefore 10 parking spaces are required for the commercial space.

The project proposes 59 units with two+ bedrooms, therefore 118 parking spaces are required for the homeowners and 12 parking spaces are required for guests.

TOTAL PARKING REQUIRED

<u>TYPE</u>	<u>SPACES REQUIRED</u>
Commercial	10
Residential	130
TOTAL	140

ENTITLEMENTS REQUESTED

Per the Specific Plan's Table 4.1 – Land Use and Permit Requirements, residential units are allowed in the downtown district in the residential overlay with a Conditional Use Permit. It also states that parking on the ground floor is allowed if a minimum of 60% of the frontage is occupied by a business with retail-type shopfronts. Due to the nature of commercial being successful along major corridors, no additional commercial is proposed along the frontages of Celis Street and Pico Street, therefore relief from this requirement

is needed.

Entitlements Listed:

- Conditional Use Permit – to allow residential on upper floors
- Variance – to allow the ground floor parking
- CEQA – subject to review from City Staff

The project has been designed to comply with the San Fernando Corridors Specific Plan.

Community Engagement

Community Engagement will begin upon the awarding of the ENA. Azure Development believes in the active engagement of stakeholders, business groups, and area residents in all stages of the development process. The Community is encouraged to help the Development Team name the project, select from the available tenants and help understand the optimal open space amenities. Azure does not believe that Community outreach should solely be done through town-hall style meetings as many working-class families cannot attend these sessions. Our Active Engagement will include small group meetings with Stakeholders and business groups and then door-to-door outreach in the areas around Parking Lot #3.

Completion of Design Documents

Design Development and Construction Drawings are produced immediately following the completion of entitlements. Design Development is an opportunity to evolve the entitlement set to refine the elevations and is the time to coordinate between the civil engineer, architect, geotechnical engineer and landscape architect. Design Development takes three (3) months to fully complete.

Immediately following Design Development, Construction Drawings are produced over a four (4) month period. The Construction Drawings will include the retail component of the project. Many established housing developers overlook the importance of quality retail components and consider the ground floor something that can be understood after the housing is leased. Azure looks at the design holistically to make sure the tenants in the project work well with the design and are in keeping with the Community's needs.

Azure Development pre-leases the retail component of its mixed-use projects given its deep relationships with the commercial sector. Leasing of retail runs in parallel track to the creation of Construction Drawings as the demising of retail, its signage and HVAC needs drive many costly changes if done too late in the process.

The Construction Drawings will be submitted to the City and we anticipate the City will be a partner is helping to secure permits as soon as is possible.

Phasing of Residential and Commercial Construction

The construction drawings will be routed for construction bidding after the second plan check submittal. The plan set will be sent to a minimum of three (3) experienced contractors that understand prevailing wage and local hiring requirements. The bidding process runs parallel to the final permitting stage and finalization of financing.

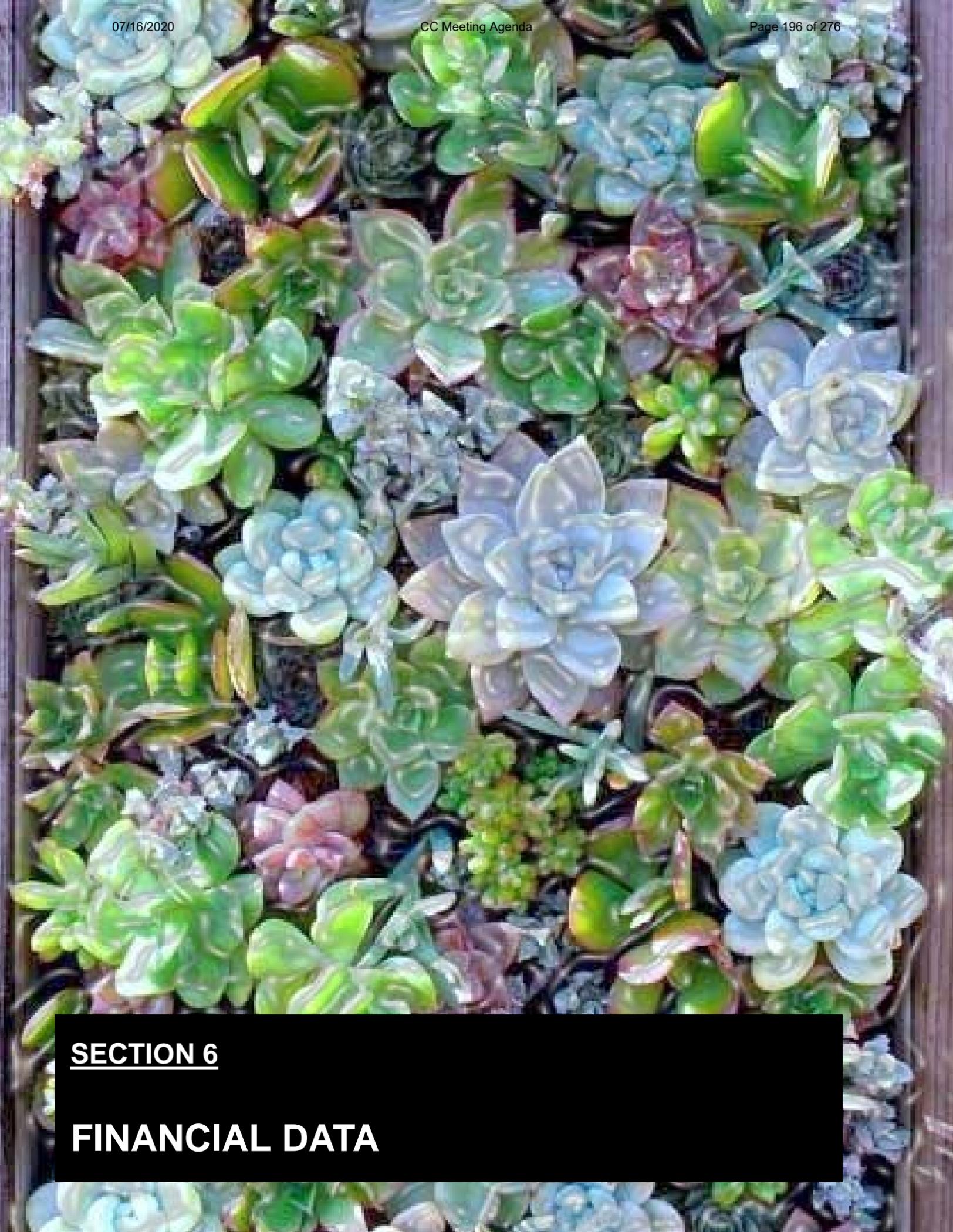
Once the project is permit ready and financing is complete, the selected General Contractor will be awarded the Construction Contract and sent a Notice to Proceed. Construction of this project will be done in one (1) phase, including the build-out of the

retail component. Construction is assumed to take 18-months to completion.

Absorption Rates

Marketing of the housing will happen concurrent to construction allowing for tenants to prepare for their financing. Tenants can move-in immediately after certificate of occupancy is achieved.

The retail component must be pre-leased to function successfully. Tenants usually require three (3) months of build-out once a space is delivered to them. This process will happen concurrent to the marketing of housing with tenant openings.



SECTION 6

FINANCIAL DATA

FINANCIAL DATA

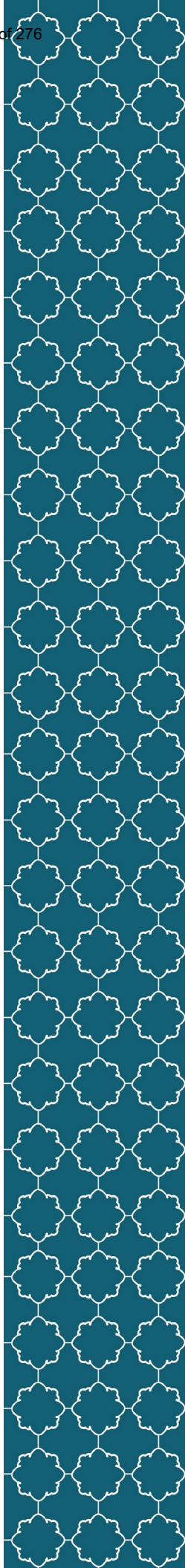
Azure is currently developing affordable housing for homeless families, townhomes for working class families and commercial shopping centers. Azure is under contract to project manage and build fifteen (15) CVS pharmacies throughout Los Angeles County. The firm also processes complicated land use entitlements, feasibility and property analysis, and provides project or construction management services for select private clients.

Azure has maintained profitability since its formation by providing these diverse contract services while purchasing and developing its own projects. Each project is owned by a separate single purpose limited liability company. Azure currently manages or owns \$130 million of development projects throughout Southern California.

Azure also has an established relationship with the AFL-CIO Housing Investment Trust for debt financing and its related entity Building America CDE, Inc. that provides New Market Tax Credits. A letter of support from the lender, specific to the funding of this project is enclosed, in this Section.

The proposed project will be financed utilizing private equity, traditional construction financing and available public grant resources for the construction of affordable housing. Azure intends to develop this project using the same tools it employs for its other projects. Specific details about the financing involved with current Azure projects is included in the Project Profiles in Section 4 of this proposal.

Complete financial statements showing the capacity to successfully complete Parking Lot #3 are available should the team proceed to Round Two of this Request for Proposals.





January 31, 2020

Ms. Vanessa Delgado
Managing Partner
Azure Development Company
6055 E Washington Blvd
Commerce, CA 90040

RE: *San Fernando Parcel Development Opportunity*

Dear Ms. Delgado:

Building America CDE, Inc. ("BACDE") is pleased to provide the following letter of interest ("LOI") to express its interest in providing New Markets Tax Credits ("NMTC") to finance the proposed development you are proposing in response to the City of San Fernando's RFQ ("Project"). This Project will be an important part of the revitalization of Downtown San Fernando.

BACDE is a subsidiary of the AFL-CIO Housing Investment Trust which was created in 2010 to receive allocations of NMTCs from the CDFI Fund. Since that time, Building America has been awarded \$185 million of NMTCs in four rounds of funding. To date, BACDE has allocated \$161.5 million of credits to 20 projects, supporting \$1 billion of development around the country. Through these projects we have promoted the creation of 5,100 union construction jobs and 2,900 permanent jobs.

This letter is based upon our current understanding of your Project and our review of the materials you have supplied, and is intended to be the basis of further discussions. This LOI is not and should not be construed as a commitment letter. Should BACDE receive an additional award of credits later in 2020 we would be happy to discuss our ability to participate in the Project.

Thank you for your consideration of the Trust's capabilities as you move forward with this major endeavor. If you have any questions, please feel free to contact me at 202-331-8055.

Best Regards,

A handwritten signature in black ink, appearing to read "Thalia Lankin", with a long, sweeping horizontal line extending to the right.

Thalia Lankin
Chief Executive Officer



SECTION 7

REFERENCES

REFERENCES

Azure Development's team members have extensive experience in creating public private partnerships with municipalities throughout Los Angeles County and have a history of successfully completing projects in partnership with City team members.

A list of Azure's current public-private partnerships is listed below with specific Project Profiles included in Section 4 of this submittal.

AZURE CURRENT PUBLIC-PRIVATE PARTNERSHIPS

- **La Guadalupe Mixed-Use Project.** Development Agreement and Ground Lease with the City of Los Angeles, in a Joint Venture with Many Mansions (44 permanent supportive housing units and 7,500 square feet of ground floor retail at the intersection of First and Boyle in Boyle Heights)
- **Reseda Theatre and Housing.** Development Agreement and Purchase and Sale Agreement with the City of Los Angeles, in a Joint Venture with Tom Saffron Group (restoration of the Reseda Theatre and construction of 26 permanent supportive housing units in Reseda)
- **Belle Fleur Shopping Centre.** Active involvement of the City of Bellflower to create a 14,500 square foot catalytic retail center in an underserved area.
- **Bell Gardens Townhomes.** Active involvement of the City of Bell Gardens to create a 48-unit market-rate housing project on a former brownfield site.

PUBLIC SECTOR REFERENCES

The following is a list of Azure's Public Sector references that have direct experience working on current projects with the team. Additional references are also available.

CITY OF LOS ANGELES

MR. STEVE ANDREWS

Manager, Mayor's Office

200 North Spring Street, Mail Stop 370

Los Angeles, CA 90012

(213) 978-1587

CITY OF SOUTH GATE

MR. MICHAEL FLAD

City Manager

8650 California Avenue

South Gate, CA 90802

(323) 563-9500

CITY OF BELLFLOWER

MR. JEFF STEWART

City Manager

MR. JIM DELLALONGA

Director of Economic Development

16600 Civic Center Drive

Bellflower, CA 90706

(562) 804-1424

CITY OF LAKEWOOD

Formerly at the City of Bell Gardens

MR. ABEL ALVARADO

Community Development Director

5050 Clark Avenue

Lakewood, CA 90712

(562) 866-9771



SECTION 8

LITIGATION HISTORY WITH PUBLIC AGENCIES

LITIGATION HISTORY

Azure Development has worked on numerous public-private partnerships throughout California and has never had litigation with public agencies.

In 2017, Azure Development was a Party of Interest in a lawsuit brought by Feliciano Serrano against the City of Los Angeles related to a Request for Proposals for 110 S. Boyle Avenue (now named La Guadalupe). The City of Los Angeles responded to the lawsuit and found the claims to be unfounded. It found that the City had followed its standard procedure for awarding an Exclusive Negotiation Agreement to Azure. Serrano dropped his lawsuit in 2018 and the project proceeded without incident.





AZURE DEVELOPMENT

Parking Lot #3 Development Project
City of San Fernando

MEET AZURE DEVELOPMENT

INTEGRITY. CREATIVITY. COMMUNITY.

We at Azure Development are focused on **creating transformational projects with integrity**. Our team brings **an expression of hope and are empowered** to customize each site and project. We understand that each building must work in harmony with the surrounding community and nature to thrive – **leaving a healthy neighborhood for families to flourish**.





- Recently completed the CVS Pharmacy in downtown San Fernando
- Experienced in **public-private partnerships** throughout the Southwest

PROJECTS IN DEVELOPMENT



BELLE



FLEUR
CENTRE

BELLE FLEUR SHOPPING CENTRE

17640 BELLFLOWER AVENUE, BELLFLOWER, CA 90706

PROJECTS IN DEVELOPMENT



AMADA HOMES BELL GARDENS, CALIFORNIA

48 New Townhomes
Coming 2020





Introducing LA GUADALUPE

SOUTH EAST CORNER OF 1ST STREET AND BOYLE AVENUE, BOYLE HEIGHTS. LOS ANGELES



PARKING LOT NO. 3



- 1.44-acre **site owned by City** (not Jack in the Box)
- **144** existing parking spaces
- City RFP envisioned a catalytic **mixed/blended-use project** that connects to the shops of the San Fernando Mall and future transit corridors



MARKET DATA:

Housing Supply is a critical need in the City

- Want to buy a house **under \$500,000** in the City? San Fernando Valley is one of **the most expensive** housing markets in the NATION
- Teachers, fire fighters, and first-time home buyers find saving for a **down-payment nearly impossible**
- Parking Lot No. 3 is an opportunity to **help working class families** who do not qualify for affordable housing programs.
- **Creative new retail** options to add to retail in the area



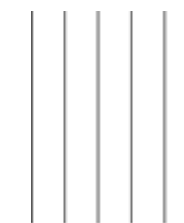
PICO STREET

EXISTING ALLEY

UTILITIES
3,000 SFRESIDENTIAL
PARKINGCOMMERCIAL //
PUBLIC PARKINGRESID.
UTILITY
375 SFRETAIL
UTILITY
725 SFRETAIL
2,000 SFRETAIL
2,000 SFRETAIL
2,000 SFRESIDENT
LOBBY
1,850 SFCOMMUNITY
STAIR //
OUTDOOR
SPACE
ACCESS

SAN FERNANDO MISSION BLVD.

PRELIMINARY GROUND FLOOR PLAN

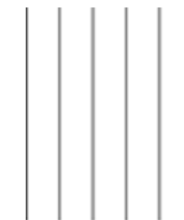


RFRM



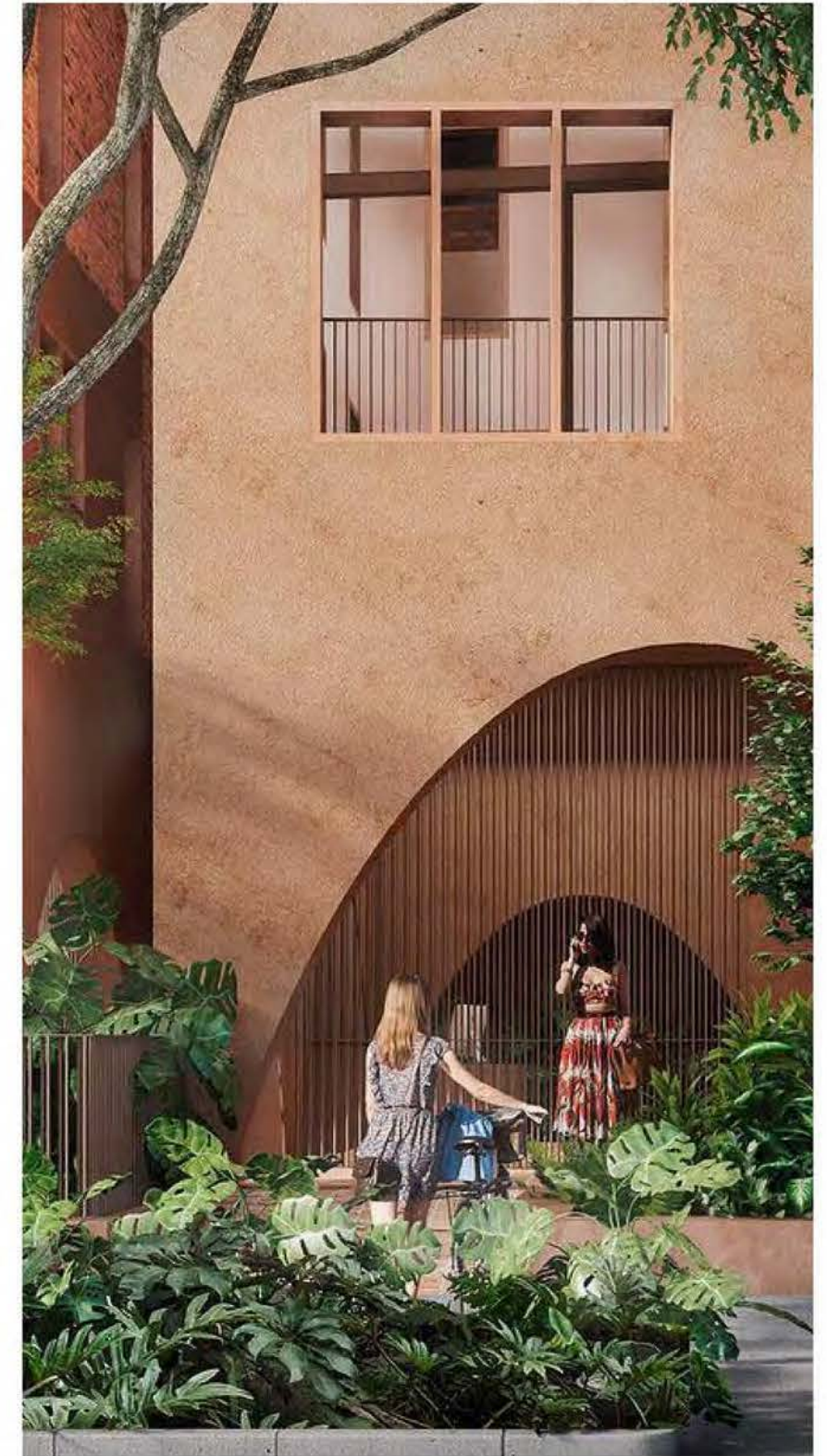


PRELIMINARY SECOND FLOOR PLAN



RFRM





ARCHITECTURAL STYLE: WARM MODERN - ROOTED IN SOCIAL VERNACULAR

RFRM All ideas, designs, arrangements and plans indicated or represented by this drawing are owned by and property of rfrm collective and were created, evolved and developed for use on and in connection with the specified project. None of such ideas, designs, arrangements, or plans shall be used by or disclosed to any person, firm or corporation for any purpose whatsoever without the written permission of rfrm collective.

SAN FERNANDO PARKING LOT 3 DEVELOPMENT | RFQ Architectural Package | 01.31.20

RFRM COLLECTIVE | 848 SOUTH OXFORD AVENUE, SUITE 301, LOS ANGELES CA 90005 | INFO@RFRMCOLLECTIVE.COM | 213 500 0547 | RFRMCOLLECTIVE.COM



SAN FERNANDO PARKING LOT 3 DEVELOPMENT | RFQ Architectural Package | 01.31.20

RFRM COLLECTIVE | 848 SOUTH OXFORD AVENUE, SUITE 301, LOS ANGELES CA 90005 | INFO@RFRMCOLLECTIVE.COM | 213 500 0547 | RFRMCOLLECTIVE.COM



QUALITY OF SPACE: RESIDENTIAL OPEN SPACE

RFRM All ideas, designs, arrangements and plans indicated or represented by this drawing are owned by and property of rfm collective and were created, evolved and developed for use on and in connection with the specified project. None of such ideas, designs, arrangements, or plans shall be used by or disclosed to any person, firm or corporation for any purpose whatsoever without the written permission of rfm collective.

SAN FERNANDO PARKING LOT 3 DEVELOPMENT | RFQ Architectural Package | 01.31.20

RFRM COLLECTIVE | 848 SOUTH OXFORD AVENUE, SUITE 301, LOS ANGELES CA 90005 | INFO@RFRMCOLLECTIVE.COM | 213 500 0547 | RFRMCOLLECTIVE.COM

NEXT STEPS

- An ENA is the start of the development process
- Our focus will be **Community Engagement**
- **Public Input will determine the final Site Plan**
 - Process City Approvals of Site Plan
 - Secure Financing for Project
 - Start Construction





AZURE DEVELOPMENT

Parking Lot #3 Development Project
City of San Fernando

*This Page
Intentionally
Left Blank*



AGENDA REPORT

To: Mayor Joel Fajardo and Councilmembers

From: Nick Kimball, City Manager

Date: July 20, 2020

Subject: Consideration to Place a Quarter-Cent Local Sales Tax and/or Transient Occupancy Tax Measure(s) on the November 3, 2020 General Municipal Election

RECOMMENDATION:

It is recommended that the City Council:

- a. Discuss placing a quarter-cent (0.25 percent) local sales tax measure on the November 3, 2020 ballot; and
- b. Discuss placing a Transient Occupancy Tax measure on the November 3, 2020 ballot; and
- c. Provide staff direction, as appropriate.

BACKGROUND:

1. In Fiscal Year (FY) 2012-2013, the City declared a fiscal emergency and held a special election for the San Fernando electorate to decide on a temporary half cent (0.5 percent) Transaction and Use Tax (also referred to as a local Sales Tax).
2. On June 4, 2013, the "City Services Emergency Protection Measure" (Measure "A") was approved by 60% of voters. The Tax became effective on October 1, 2013 with a sunset date of October 1, 2020.
3. Each September, the City provides a Measure A Annual report in accordance with Measure A requirements. The reports are available on the City's website: www.sfcity.org/measure-a.
4. On November 6, 2018, the "San Fernando Preservation and Beautification Measure" was approved by 69% of voters to extend the half cent local Sales Tax indefinitely.
5. On November 18, 2019, City Council discussed placing a quarter-cent sales tax measure on the Special Election on March 3, 2020. However, the City would have had to declare a fiscal

Consideration to Place a Quarter-Cent Local Sales Tax and/or Transient Occupancy Tax Measure(s) on the Regular Election in November 2020Page 2 of 6

emergency to place a tax measure on a special election, so it was decided not to move forward at that time.

6. On February 3, 2020, the City Council received a presentation from Urban Futures, Inc., regarding the City's unfunded Pension and Retiree Health obligations (Attachment "A") with recommendations for funding those liabilities.
7. On February 18, 2020, the City hosted the first Measure A Town Hall Meeting to provide information to the community regarding the management and use of Measure A funds. The PowerPoint Presentation and full recording of the Town Hall are available on the City's website: www.sfcity.org/measure-a.
8. On June 15, 2020, the City Council approved the Fiscal Year 2020-2021 Adopted Budget that included a deficit of approximately \$800,000 in the General Fund as a result of the loss of revenue caused by economic restrictions imposed to slow the spread of COVID-19. Staff is currently working with labor unions to reduce that deficit through a retirement incentive.

ANALYSIS:

Since declaring a fiscal emergency in FY 2012-2013, the City has implemented strict financial planning to eliminate a General Fund reserve deficit of \$5.7 million and accumulate a General Fund reserve surplus (i.e., Rainy Day Fund) of \$1.8 million as of July 1, 2019. There is still work to do though as the City's General Fund Reserve Balance Policy aims for a target balance of 20% of General Fund expenditures, or approximately \$4 million.

The City's half-cent sales tax, Measure A, has been critical to achieving the financial plan as revenues were used to repay debt, establish reserves in the Self Insurance and Equipment Replacement Funds, fund critical equipment and service enhancements, and eliminate the General Fund deficit fund balance. Unfortunately, the COVID-19 pandemic is projected to cost the City \$2 million in lost revenue and may get worse depending on how long economic restrictions continue to be imposed.

The City has taken a number of steps to reduce the impact on City services, including delaying repayment of internal debt and working with the labor unions to reduce personnel costs through a voluntary retirement incentive. However, the City will most likely need to use some of the General Fund reserve to cover operating costs in FY 2020-2021 and may need to look at service levels.

Prior to the financial challenges posed by the COVID-19 economic restrictions, the City had a number of priorities to maintain financial sustainability and enhance community services, including, but not limited to: pre-funding retiree health benefits; enhancing public safety;

Consideration to Place a Quarter-Cent Local Sales Tax and/or Transient Occupancy Tax Measure(s) on the Regular Election in November 2020

Page 3 of 6

increasing the miles of street and sidewalk repaired each year; trimming street and parkway trees more often; improving the conditions of City parks and park maintenance; adding new recreation programs; providing a more diverse offering of cultural events; and bolstering economic development efforts. Despite Measure A revenue and cost cutting measures implemented over the last seven years (See Deficit Elimination Plan – Attachment “B”), the City did not have a consistent revenue stream to fund those financial sustainability and community service enhancement priorities. Consequently, the City Council had to consider which priorities to fund and which priorities would need to be delayed during the budget process each year.

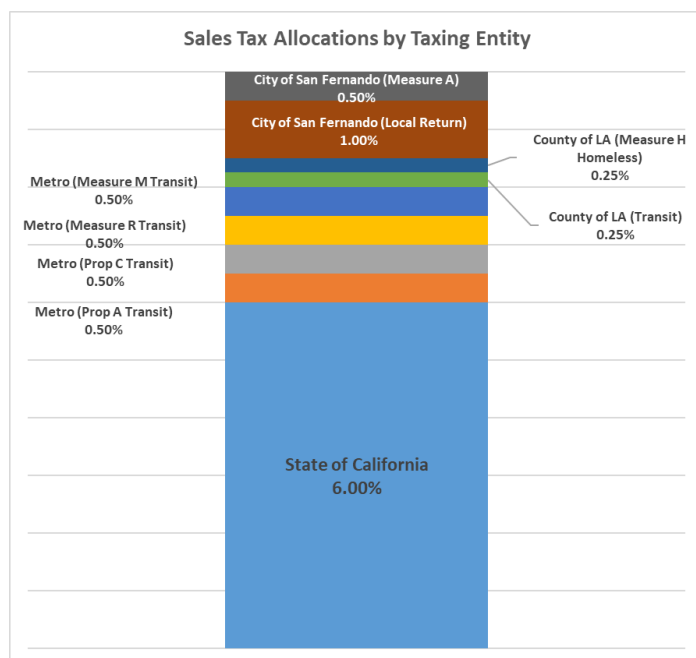
To address these priorities with a more consistent funding source and to keep the community’s tax dollars local rather than have them redistributed throughout the County of Los Angeles, staff is presenting two options for raising additional revenue. This first option is a ballot measure to increase the local sales tax by a quarter-cent to the maximum of 10.25% to ensure that sales tax revenue is kept local. The second option is to establish a new Transient Occupancy Tax that is levied on properties that are rented for 30 days or less. Also commonly referred to as a “bed tax,” Transient Occupancy Taxes typically apply to hotel rooms or short-term rentals. More information on both taxes are provided below.

California Sales Tax.

California has a state-mandated minimum sales tax of 7.25%. Counties, municipalities, and special districts are allowed to increase the sales tax in specific jurisdictions up to a total of 10.25%. The current sales tax in San Fernando is 10.00%. A complete list of sales tax rates in the County of Los Angeles, by City, is included as Attachment “C.”

As shown in the illustration, the State of California receives 6.00%, Metro and Los Angeles County combined receive 2.25% for transportation funding, Los Angeles County receives an additional 0.25% to provide homeless services, and the City of San Fernando receives 1.50% that is used locally to provide public safety, street repair, tree trimming, park maintenance, recreation programs and cultural events.

As previously mentioned, the cap for total sales tax is 10.25%. Consequently, there is an additional 0.25% that is currently available to be allocated to any taxing entity that receives voter approval for the additional sales tax funds. In the



Consideration to Place a Quarter-Cent Local Sales Tax and/or Transient Occupancy Tax Measure(s) on the Regular Election in November 2020

Page 4 of 6

recent past, a number of regional entities with taxing authority have considered sales tax measures to fund regional projects, including, but not limited to, the County of Los Angeles parks services, County of Los Angeles fire services, Air Quality Management District (AQMD), and Los Angeles County Metropolitan Transportation Authority (Metro). If such an additional sales tax is levied by a regional tax authority, a majority of the sales taxes paid by San Fernando businesses and residents would be spent in other areas of the County and not in San Fernando.

If the City were to receive voter approval to keep the remaining 0.25% sales tax local, then San Fernando taxpayers would not be subject to future sales tax measures put forth by other taxing entities and will retain control of funding raised in the City.

The table below includes the sales tax rate for all cities, taxing agencies, and unincorporated areas of Los Angeles County as of July 1, 2020:¹

Tax Rate	# of Cities*	% of Total
9.50%	49	53%
10.00%	9	10%
10.25%	33	36%
**10.50%	1	1%
	92	

*Includes unincorporated Los Angeles County.

**Santa Fe Springs was allowed to exceed the maximum through special state legislation (SB 703).

As the table shows, 37% of cities in Los Angeles County have local sales tax rates higher than San Fernando. In total, 53% of cities have the minimum sales tax rate in Los Angeles County and 47% have a local sales tax rate that is higher than the County minimum. Additional detail on sales tax rates, by City, is included as Attachment "C."

Transient Occupancy Tax.

A Transient Occupancy Tax (TOT), commonly known as a "bed tax," is a tax levied as a percentage rent charged to transient guests in hotels, motels, and properties rented through home sharing services like Airbnb. These taxes vary widely by jurisdiction, but commonly range from 10% to 14%. The current TOT in the City of Los Angeles, for example, is 14%.

The purpose of a TOT is to charge transients (i.e., visitors) their fair share for such services as road maintenance, park and facility maintenance, and police and fire safety while they are staying in the City. Therefore, the tax constitutes a debt owed by the transient to the City and is extinguished only by payment to the operator (e.g. property owner, lease agent, hotel operator, etc.) at the time the rent is paid. The operator is then responsible for remitting the collected

¹ Source: California Department of Tax and Fee Administration website: <https://www.cdtfa.ca.gov/taxes-and-fees/rates.aspx>; visited on 7/15/2020.

Consideration to Place a Quarter-Cent Local Sales Tax and/or Transient Occupancy Tax Measure(s) on the Regular Election in November 2020Page 5 of 6

amount to the City. TOT ordinances often provide the City with the right to audit an operator to ensure TOT is being correctly applied and collected from the transient and the proper amount is being remit to the City.

There are currently no hotel properties in the City and a limited number of residential properties being offered through services such as Airbnb, VRBO, or Expedia. Consequently, the amount of revenue to be generated from TOT currently is negligible. However, if there is a future hotel development and as the popularity of vacation rental or home sharing services increases, a TOT could generate significant revenue in the future.

Process to Place a Tax Measure on the Ballot at a Regular Election.

In order to place a tax measure on the ballot at a regular general election (November of even years), the City Council must adopt a resolution calling an election on November 3, 2020, requesting the consolidation with the County election, approving the ballot question, and directing the City Attorney to draft the impartial analysis prior to August 14, 2020. The City must also adopt an accompanying ordinance that, if approved by the voters in November 2020, would become law and effectuate the proposed tax. The resolution calling the election must be transmitted to the County of Los Angeles Registrar/Recorder no later than August 7, 2020. Both of these actions may be taken at a Regular or Special meeting of the City Council.

BUDGET IMPACT:

According to the Los Angeles County Registrar-Recorder/County Clerk, the estimated cost to hold a special election in November 2020 is approximately \$65,000. A 0.25% local Sales Tax would generate an estimated \$1.25 million per year that would, among other things, be available to pre-fund retiree healthcare costs, reduce long-term liability and fund City service enhancements.

The immediate impact of a TOT would be minimal (estimated to be less than \$2,500/year) in the short-term. If a future hotel or other short-term lease housing development is built in the City, a TOT has the potential to generate significant revenue.

CONCLUSION:

Staff recommends that the City Council discuss placing a 0.25% Sales Tax and/or Transient Occupancy Tax measure on the November 3, 2020 ballot to keep tax revenue local, and provide direction as appropriate.

Consideration to Place a Quarter-Cent Local Sales Tax and/or Transient Occupancy Tax Measure(s) on the Regular Election in November 2020Page 6 of 6

ATTACHMENTS:

- A. February 3, 2020 Agenda Item No. 9 – Review and Discuss the City’s Unfunded Pension and Retiree Health Benefit Liabilities and Related Ad Hoc Recommendations
- B. Deficit Elimination Plan
- C. Sales Tax Rates in County of Los Angeles, by City

**ATTACHMENT "A"****AGENDA REPORT**

To: Mayor Joel Fajardo and Councilmembers

From: Nick Kimball, City Manager

Date: February 3, 2020

Subject: Review and Discuss the City's Unfunded Pension and Retiree Health Benefit Liabilities and Related Ad Hoc Recommendations

RECOMMENDATION:

It is recommended that the City Council:

- a. Receive a presentation and report from staff;
- b. Discuss the recommendations from the Pension and Retiree Healthcare Ad Hoc Committee; and
- c. Provide additional direction as appropriate.

BACKGROUND:

1. On August 20, 2018, staff provided the City Council with an analysis and projection of the City's long-term pension and Other Post Employment Benefit (OPEB – Retiree Health) costs, as well as various funding strategies to address those liabilities.
2. Subsequent to receiving the presentation and discussing the report, the City Council directed staff to prepare a Request for Proposals (RFP) for financial advisory services to project long-term pension and OPEB obligations and propose various strategies to fund those obligations.
3. On October 1, 2018, the City Council reviewed the draft RFP, authorized the City Manager to release the RFP, and appointed an Ad Hoc Committee (Mayor Fajardo, Councilmember Gonzales) to review proposals, interview firms, and recommend selection of a firm to the full City Council.
4. On March 4, 2019, pursuant to the recommendation from the Ad Hoc Committee, City Council awarded a contract to Urban Futures, Inc. (UFI) to work with staff and the Ad Hoc Committee to develop cost projections and recommendations to address the City's long-term Pension and OPEB liabilities.

Review and Discuss the City's Unfunded Pension and Retiree Health Benefit Liabilities and Related Ad Hoc Recommendations

Page 2 of 8

- UFI has held multiple meetings with staff and the Ad Hoc Committee to ensure a proficient understanding of the state of pension and OPEB benefits throughout California, the current pension and OPEB benefits offered by the City, and the various strategies the City has in its financial toolbox to address these long-term liabilities.

ANALYSIS:

Pension Benefits.

The City of San Fernando provides a defined benefit pension plan to all full-time employees through the California Public Employees Retirement System (CalPERS). CalPERS defines "full-time" as working more than 1,000 hours per year for at least five years. The City's employees receive different pension benefits, based on the hire and/or retirement dates. CalPERS provides a separate actuarial report for each of the following pension benefit plans:

	Miscellaneous			Sworn Police Officers		
			Retirement			Retirement
	Rate	Income	Age	Rate	Income	Age
Tier I*	3.0%	Single Highest Year	60	3.0%	Single Highest Year	50
Tier II**	2.0%	36 month average	55	3.0%	36 month average	50
Tier III***	N/A	N/A	N/A	3.0%	36 month average	55
PEPRA****	2.0%	36 month average	62	2.7%	36 month average	57

*Misc. hired before 11/12/2005; Sworn hired before 1/6/1994

** Misc. hired before 1/1/2013; Sworn hired before 9/8/2012

*** Sworn hired before 1/1/2013

**** Per the Public Employees Pension Reform Act, applies to all employees hired after 1/1/2013

The Miscellaneous category above includes all employees that are not sworn police officers. CalPERS serves the majority of California cities, counties, and special districts and manages an investment portfolio of more than \$370 billion (as of June 30, 2019).

Annual Pension Costs.

The City's CalPERS pension costs are comprised of two components:

Normal Costs - Normal costs represents the amount earned by current employees during the year. Normal Costs are funded by a combination of employer (City) and employee contributions, which are based on a percentage of salary.

Unfunded Accrued Liability (UAL) - represents the gap between the value of prior contributions and cost of future payments. The UAL is effectively a "past due payment." The UAL is adjusted by CalPERS each year by adding new Amortization Bases that reflect changes in a number of factors, including actual rate of investment return, changes in life expectancy, and changes in

Review and Discuss the City's Unfunded Pension and Retiree Health Benefit Liabilities and Related Ad Hoc Recommendations

Page 3 of 8

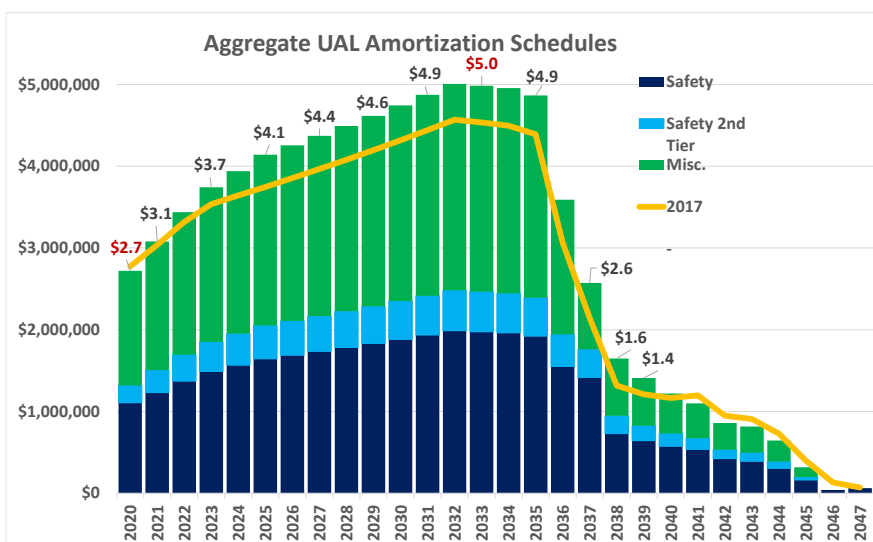
payroll. Each Amortization Base has a unique payment schedule, comprised of between fixed dollar payments, over five to over 30 years.

As of the most recent CalPERS actuarial report ending June 30, 2018, the City's has an Unfunded Accrued Liability (UAL) equal to \$43.6 million.

Unfunded Accrued Liability (UAL) 2018			Classic	2nd Tier	3rd Tier	PEPRA
MISCELLANEOUS PLAN						
Accrued Liability (AL)	\$ 64,257,324	\$	60,125,139	\$	3,870,628	\$ 261,557
Market Value Assets (MVA)	42,163,737		38,732,600		3,193,152	237,985
UAL = AL-MVA	\$ 22,093,587	\$	21,392,539	\$	677,476	\$ 23,572
	66%		64%		82%	91%
SAFETY PLAN						
Accrued Liability (AL)	\$ 61,524,486	\$	44,362,393	\$	16,670,584	\$ 257,225
Market Value Assets (MVA)	39,978,108		26,987,509		12,534,251	237,148
UAL = AL - MVA	\$ 21,546,378	\$	17,374,884	\$	4,136,333	\$ 15,084
	65%		61%		75%	94%
COMBINED UAL			\$ 43,639,965		2017 vs. 2018	
Balance as of June 30, 2018 (Page 5)					\$ 4,680,459	

The UAL is comprised of 38 Amortization Bases: 19 Miscellaneous Plan and 19 Safety Plan.

In 2018, CalPERS added four new bases, which increased the UAL by \$4.7 million, to \$43.6 million. The City's UAL payments are schedule to increase from \$2.7 million to \$5.0 million by 2031-32. Consequently, the City's pension override tax would need to increase, albeit below the maximum rate, in order to pay for these rising UAL payments.



Retiree Health Benefits.

The City provides medical benefits to its eligible retirees, which are referred to as Other Post Employment Benefits (OPEB). The level of benefits, depends on the hire date or date of retirement. In 2015, the City reduced the retiree medical benefits for all new employees to the lowest legal amount – the PEMCHA minimum \$139 per month.

Key Dates		Management & PCA & PEA
Tier 1	Hired 6/30/2005	Lifetime Medical
	Retired 6/30/2015	100% Employee & Dependents
Tier 2	Hired 6/30/2005	Lifetime Medical
	Retired 6/30/2015	100% Employee & Dependents
Tier 3	Hired 7/1/2015	PEMCHA Minimum

Tier 2 requires 10-years of service and retirement

Key Dates		Police (POA) & Police Management (PMU)
Tier 1	Hired 6/30/2008	Lifetime Medical
	Retired 6/30/2015	100% Employee & Dependents
Tier 2	Hired 7/1/2008	Lifetime Medical
	Retired 6/30/2015	100% Employee & Dependents
Tier 3	Hired 7/1/2015	PEMCHA Minimum

Tier 2 requires 10-years of service and retirement

Review and Discuss the City's Unfunded Pension and Retiree Health Benefit Liabilities and Related Ad Hoc Recommendations

Page 4 of 8

Unfunded OPEB Liability.

Although the City reduced the retiree medical premiums for new hires, it still has accrued a significant liability equal \$42.7 million for its legacy employees (hire prior to 2015). The City has not set aside any funds or established an OPEB 115 Trust to pre-fund its unfunded OPEB liability.

The City is currently paying the annual medical premiums for its eligible retirees on a cash or "pay-go" basis, which is equal to approximately \$1.1 million per year. However, these costs are projected to steadily increase over the next 10 to 12 years from \$1 million to \$3 million. Collectively, the city's unfunded retirement costs total \$86.4 million.

Pension Model.

Part of UFI's scope of service was to develop a customized pension model that enables the City to gain an in-depth understanding of the driving factors affecting the City's UAL and run scenario analyses to determine the financial impact of different funding solutions. The pension model enables the City to "target" or select specific amortization bases to determine maximum savings or optimize resources. This was completed and serves as the basis for the recommendations provided in this report.

Evaluation of Funding Solutions.

UFI took into consideration the City's financial position in developing potential financial solutions and policy recommendations. The City's major financial documents, including the CAFR, budget, CIP, MOUs, and the Pension Override Tax were all taken into account to determine the full extent of the City's long-term financial obligations. The following expenses were taken into account:

- UAL + Normal Costs
- OPEB Pay-Go costs
- Capital Improvement Plan (CIP)
- Projected Salary and Rate Increases

The Ad Hoc Committee requested that the consultant evaluate and present all available options. UFI presented seven solutions for addressing unfunded pension/OPEB liabilities. These solutions encompass budgeting /use of available resources or a financing mechanisms:

Budgeting / Use of Available Resources

1. Allocate costs among all responsible funds (i.e. Water & Sewer Fund)
2. Use reserves and one-time funds
3. Establish and fund an OPEB 115 Trust
4. Implement/increase employee cost sharing through labor negotiations

Review and Discuss the City's Unfunded Pension and Retiree Health Benefit Liabilities and Related Ad Hoc Recommendations

Page 5 of 8

Financing Mechanisms

5. Leveraged Refunding
6. Tax-Exempt Exchange
7. Issue Pension Obligation Bonds (POBs)

Cost Allocation.

The City has allocated its Pension and OPEB costs: 80% to General Fund, 16% to Enterprise Funds (Water & Sewer Funds), and 3-4% to Internal Service Funds (Facilities and Equipment Maintenance Funds). This cost allocation serves as the first step in the process and ensures all funds supporting personnel costs pay their commensurate share of pension and OPEB costs each year.

ALLOCATION AMONG MAJOR FUNDS - CAFR			
	General Fund	Water & Sewer	TOTAL
	84%	16%	
Net Pension	\$ 33,750,105	\$ 6,629,699	\$ 40,379,804
Total OPEB	37,164,246	7,033,750	44,197,996
TOTAL	\$ 70,914,351	\$ 13,663,449	\$ 84,577,800

Pension Override Tax.

The City has a voter-approved pension override tax, approved in 1946, that is collected on the annual property tax bill. The current tax rate is equal to 0.212129%, which generates approximately \$4.4 million per year to pay for the City's pensions costs.

Current court precedents have established that the City's Pension Tax Override should not be used to pay for enhanced benefits granted to employees after 1978. As a result, the City has obtained an actuarial study from Bartel & Associates, which has determined that the pension override tax can be used to pay for 87% of its UAL but only 80% of the City's Annual Normal Costs.

The Water and Sewer Funds (Enterprise Funds) are currently allocated 16% of the annual pension costs/UAL and the Facilities and Equipment Maintenance Funds (Internal Service Funds) are currently allocated approximately 3% of the annual pension costs. Additionally, certain City employee groups, including the Police Officers' Association, implemented cost sharing in 2019 and will be contributing 4% of their salary toward pension costs by 2022.

As a result of cost allocation to the Enterprise and Internal Service funds and recently implemented employee cost sharing, the City is in compliance with the limitations for use of the Pension Tax Override.

Pension Obligation Bonds (POBs).

Pension Obligation Bonds are a financing mechanism that may significantly reduce future liability. The City is currently paying more than 7% interest to CalPERS on the outstanding unfunded

Review and Discuss the City's Unfunded Pension and Retiree Health Benefit Liabilities and Related Ad Hoc Recommendations

Page 6 of 8

liability balance. The City can save a significant amount of money over the long-term by refinancing at the current rates (approximately 3.5%). Additional information on POB savings is included in the Budget Impact section of this report.

In California, POBs do not require voter approval due to a judicially created exception to the State Constitutional debt limitation. However, in order to obtain authorization to issue POBs, each agency is required to file a validation action with its respective County Superior Court.

The judicial proceedings are largely an administrative matter that is usually filed and managed by a specialized legal bond counsel firm. Fees typically range between \$25,000 to \$35,000, plus court filing fees (additional \$3,000 to \$5,000).

Before the validation action is filed, the City Council must first adopt a resolution: 1) authorizing the City to issue Pension Obligation Bonds (POBs) to refund its CalPERS Unfunded Accrued Liability (UAL); and 2) authorizing judicial validation proceedings related the issuance of such POBs. The authorizing resolution must also establish a not-to-exceed par value and maximum interest rate.

As part of its approval, the City Council will approve two key legal documents, in substantially final form: Trust Indenture and Bond Purchase Agreement. The Preliminary Official Statement (POS) will be drafted and approved by the City Council, after the validation is approved.

Timeline - The validation proceedings require a 7-step sequential process, which can take approximately 90 days or more. The process and estimated timeline are outlined below:

Action	Timeline
1 City Council passes a resolution authorizing the sale of POBs	
2 File Validation Action with County Superior Court	Next Day
3 Receive Order for Publication of Summons from the Court	1-2 weeks
4 Publish notice in local publication of general circulation	21 days
5 Waiting period to file petition- minimum 10 days	2-3 weeks
6 Clerk enters and schedules hearing for default judgement	2 weeks
7 Hearing for Default Judgement	
8 30-day Appeal Period	

Bonds can be sold after the 30-day Appeal Period has ended. Staff must return to the City Council to approve the POS and issuance of POBs.

Review and Discuss the City's Unfunded Pension and Retiree Health Benefit Liabilities and Related Ad Hoc Recommendations

Page 7 of 8

Ad Hoc Committee Recommendations.

Despite the projected increases over the next few years, as a result of prudent financial planning, the City is in a good position to take steps now to stabilize the Pension Override Tax rate for property owners and mitigate future retiree healthcare costs.

After multiple meetings with UFI, the Ad Hoc Committee has developed the following recommendations:

- 1) Establish a Pension and OPEB Funding Policy;
- 2) Commence Validation proceedings to provide the City legal authority to Issue Pension Obligation Bonds (POBs) to refinance a portion of the City's unfunded liability;
- 3) Use a portion of Retirement Tax Fund balance to pay down a portion of the City's CalPERS UAL; and
- 4) Continue to negotiate employee cost sharing of pension costs.

BUDGET IMPACT:

The cost of pension and other post-employment benefits, such as retiree healthcare, are the two of the most significant stressors on the long-term fiscal health of most government agencies. San Fernando has a voter-approved special tax that can only be used to fund CalPERS costs.

Pension Fund Reserves - Using a portion of the reserve balance in the Pension Fund to pre-pay the UAL will help the City realize more than 200% savings: a **\$2 million** pre-payment would save the City \$4.2 million in total UAL payments.

POBs - Since CalPERS requires annual fixed dollar UAL payments and the UAL is now included as a direct liability on the City's Balance Sheet, POBs should be viewed as "refinancing" the CalPERS liability at a lower rate. The current market rate for POBs is approximately 3.50%. The City could realize significant cash flows savings (\$15 to \$20 million) over the next 20 years by issuance POBs.

POBs are the most compelling option because they do not require the City to allocate its limited resources (i.e., reserves or annual revenues) to reduce its UAL payments. Like refinancing a home, POBs annual UAL payments more affordable by cutting the interest rate in half: 3.5% vs. 7%. Moreover, since the pension costs are paid directly by pension override tax, POBs result in direct savings to property owners in the City.

Review and Discuss the City's Unfunded Pension and Retiree Health Benefit Liabilities and Related Ad Hoc RecommendationsPage 8 of 8

Retiree healthcare is currently funded on a “pay-as-you-go” basis from the General Fund and Enterprise Funds. There is \$950,000 appropriated in the FY 2019-2020 General Fund budget to pay retiree healthcare costs.

CONCLUSION:

Despite the rising costs of pensions and retiree healthcare, San Fernando is well positioned to take steps to stabilize long-term costs.

ATTACHMENT:

A. UFI Pension and OPEB Presentation



Addressing Pension & Retiree Medical (OPEB) Liability Issues



THE CITY OF
SAN FERNANDO

Primer: Understanding Your Retirement Costs




2

THE CITY OF
SAN FERNANDO

Annual Pension/OPEB Payments

Normal Costs	+	Unfunded Accrued Liability (UAL)	+	OPEB
Benefits earned <u>this year</u> by employees		Unfunded benefits earned in <u>prior years</u> by employees + retirees		Net OPEB Liability + Unfunded Liability
% of Payroll		Fixed \$ Amount		Increasing \$ Amount
\$2.1 Million		\$2.8 Million		\$1.1 million
Current Payment		Past Due Payment		Cash "Pay-Go"





Unfunded Liability (UAL)

Unfunded Accrued Liability (UAL) 2018

MISCELLANEOUS PLAN

Accrued Liability (AL)	\$ 64,257,324
Market Value Assets (MVA)	42,163,737
UAL = AL - MVA	\$ 22,093,587
	66%

SAFETY PLAN

Accrued Liability (AL)	\$ 61,524,486
Market Value Assets (MVA)	39,978,108
UAL = AL - MVA	\$ 21,546,378
	65%

COMBINED UAL

\$ 43,639,965

Balance as of June 30, 2018 (Page 5)

2017 vs. 2018

\$ 4,680,459

Other Post Employment Benefits

Accrued Liability (AL) \$ 42,765,541

Market Value Assets (MVA) -

UAL = AL - MVA \$ 42,765,541

0%

Pay-Go Costs (2019) \$ 1,170,015

Source: Bartel & Associates June 30, 2018

Tier 1 (retire prior to 12/31/2012):


Lifetime medical employee & dependents

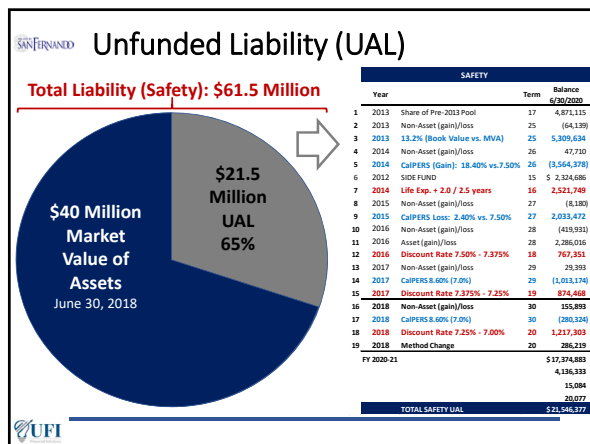
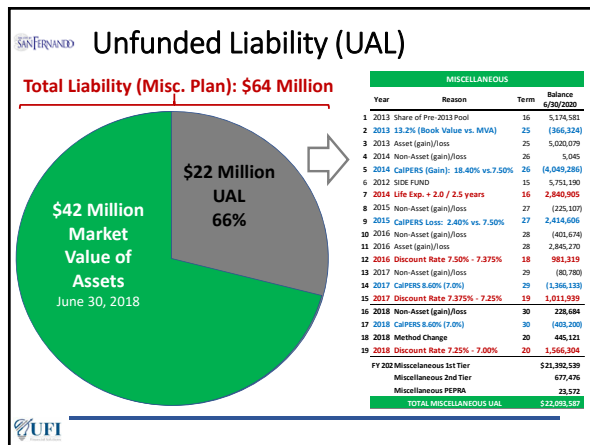
Tier 2 (retire after to 1/1/2013):

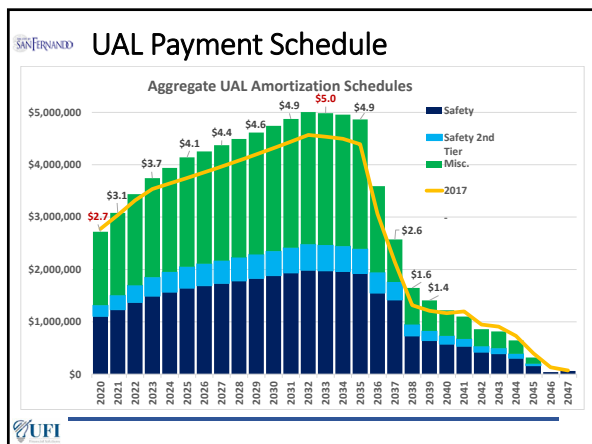
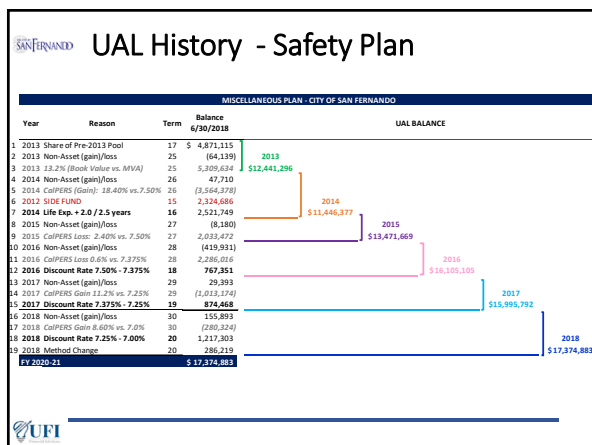
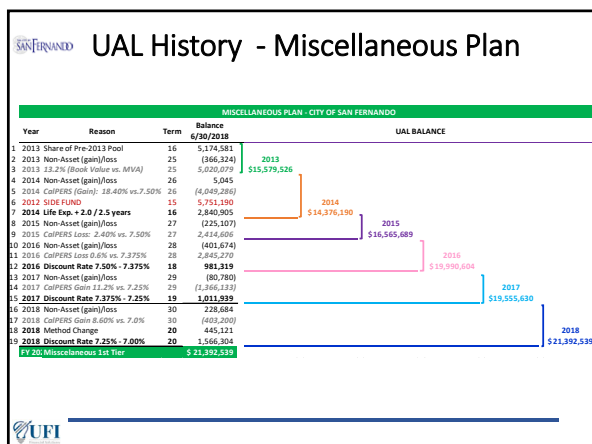
Lifetime medical employee & dependents
– 10 years service

Tier 3 (hired after 7/1/2015):

PEMCHA minimum \$136 per month







Other Post Employment Benefits (OPEB)

10

Summary of OPEB Benefits

Other Post Employment Benefits

Accrued Liability (AL) \$ 42,765,541

Market Value Assets (MVA) -

UAL = AL - MVA \$ 42,765,541

0%

Source: Bartel & Associates June 30, 2018

Annual Required Contribution = \$3.0 million

2017 GASB 45

Net OPEB Liability = \$15.4 million

Monthly Medical Premium Limits

\$ 780 Employee

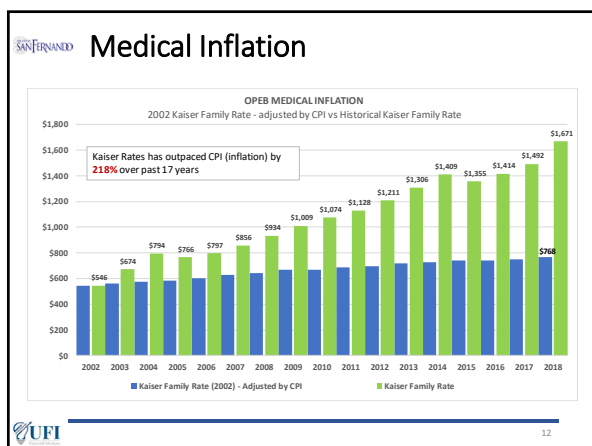
\$ 1,350 Dependent

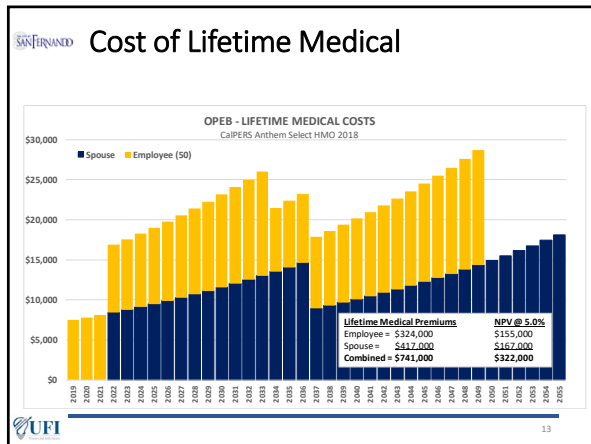
\$ 1,820 Family

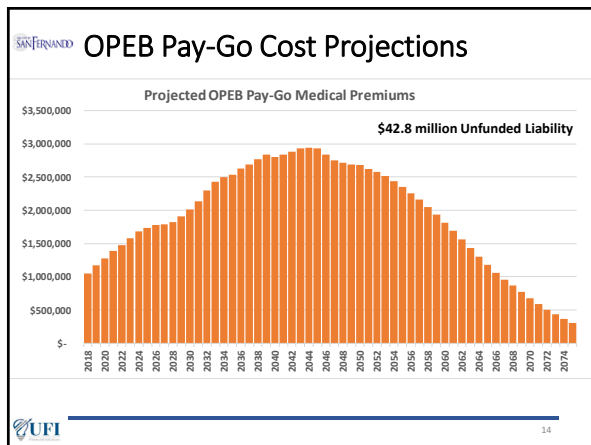
	Key Dates	Management & PCA & PEA
Tier 1	Hired 6/30/2005	Lifetime Medical
	Retired 6/30/2015	100% Employee & Dependents
Tier 2	Hired 6/30/2005	Lifetime Medical
	Retired 6/30/2015	100% Employee & Dependents
Tier 3	Hired 7/1/2015	PEMCHA Minimum

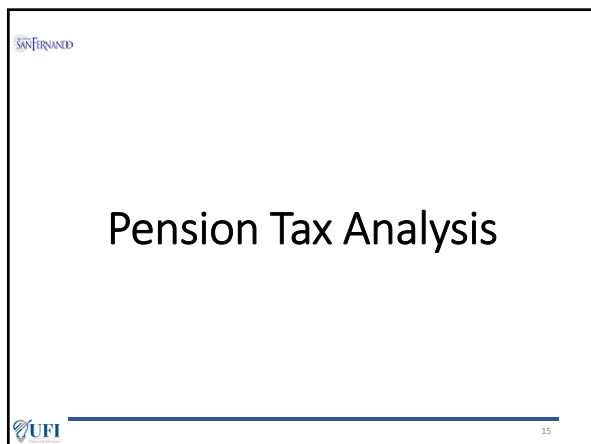
	Key Dates	Police (POA) & Police Management (PMU)
Tier 1	Hired 6/30/2008	Lifetime Medical
		100% Employee & Dependents
Tier 2	Hired 7/1/2008	Lifetime Medical
	Retired 6/30/2015	100% Employee & Dependents
Tier 3	Hired 7/1/2015	PEMCHA Minimum

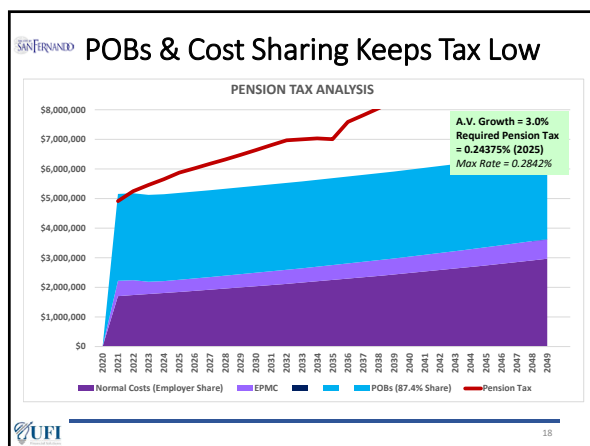
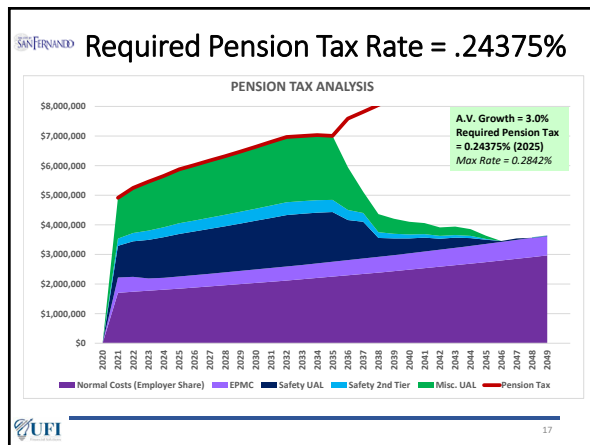
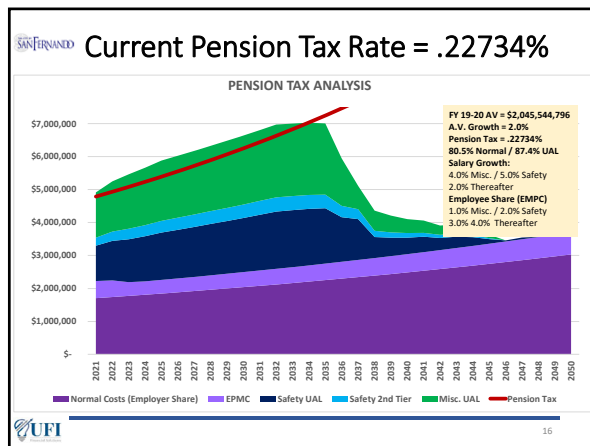
11














Comprehensive Management Strategy


 19



Process Taken


March 2019 UFI hired to help study pension funding solutions


- o 7 meetings w/ Ad Hoc & City Staff
- o Developed Pension Model
- o Considered & evaluated multiple solutions
 - o Different structures/options
 - o Long-term financial projections
 - o Recession Scenarios
- o Drafted 2 10-page memos
- o Developed recommendations



5 key Take-Aways

1. Pension/OPEB dynamic & ever-changing
2. Must Develop Comprehensive Management Plan
3. Adopt Pension Funding Policy
4. Pension UAL are expected to continue to rise
5. Will require constant monitoring

 20



Pension Funding Policy


Formal written policies:

- Financial metrics/targets:
 - Level of reserve and funding targets
 - Use of excess monies & reserves
- Allocation of Additional Resources (Targeting Strategies)
- Potential Funding Solutions
 - Funding objectives
 - Minimum Savings Levels
 - Structuring guidelines

POB Guidelines

- Target % Funded
- Maturity
- Structure
- Minimum Savings
- Coupon Differential
- Call Features

We believe that rating agencies will require agencies to formally adopt written policies to address unfunded pension/OPEB liabilities in the future.

 21

Pension/ OPEB Funding Solutions

22

Comprehensive Management Plan

Pension Funding Strategy:

1. Enterprise Fund Allocation
2. Pension Tax Surplus
3. Pre-Fund OPEB Trust
4. Tax-Exempt Exchange
5. Pension Obligation Bonds (POBs)
6. Employee Cost Sharing*

23

1. Enterprise Fund Allocation

Normal Costs \$2.1 million		Pension UAL \$43.6 million		OPEB \$42.7 million	
General Fund		Water & Sewer		General Fund	
84%		16%		84%	
General Fund \$1.75 million	Water & Sewer \$350,000	General Fund \$36.6 million	Water & Sewer \$7 million	General Fund \$35.8 million	Water & Sewer \$6.8 million
Pension Tax 80.4%		Pension Tax 87.4%		NO Pension Tax	
4% paid by employees & other funds				84% General Fund	

24

CITY OF SAN FERNANDO - POB 20 & Under

Year	Reason	Rate	Term	Balance	Payment
				4/9/2007	FF 20-21
2013	Share of Pre-2013 Pool	NO	16	5,024,057	432,602
6	2012 SIDE FUND	NO	15	5,544,253	500,057
7	2014 Assumption Change	100%	16	2,888,145	272,179
12	2016 Assumption Change	60%	18	1,063,657	57,911
15	2017 Assumption Change	40%	19	1,163,319	42,421
18	2018 Method Change	20%	20	912,677	9,559
19	2019 Assumption Change	35%	20	1,539,419	24,236

POB 20 & Under

\$ 18,095,587 \$ 1,346,624

REMAINING BASES

11	2014 Asset (gain)/loss	60%	28	3,120,904	123,000
16	2017 Non-Asset (gain)/loss	40%	29	(91,243)	(2,475)
18	2018 Non-Asset (gain)/loss	20%	30	361,821	1,576
				\$ 3,390,482	\$ 124,152

MERGED BASES

3	2013 Asset (gain)/loss	100%	25	5,095,278	345,020
4	2014 Non-Asset (gain)/loss	100%	26	5,268	348
9	2015 Asset (gain)/loss	80%	27	2,188,494	135,389
				\$ 7,493,040	\$ 481,657
2	2013 Non-Asset (gain)/loss	100%	25	(172,255)	(25,242)
5	2014 Asset (gain)/loss	100%	26	(4,238,630)	(278,620)
8	2015 Non-Asset (gain)/loss	80%	27	(241,138)	(12,622)
10	2016 Non-Asset (gain)/loss	60%	28	(441,838)	(17,364)
14	2017 Asset (gain)/loss	40%	29	(1,543,079)	(41,008)
17	2018 Asset (gain)/loss	20%	30	(461,626)	(6,305)
				\$ (7,286,632)	\$ (382,177)

NET IMPACT MERGED BASES

\$ 404,418 \$ 95,480

CITY OF SAN FERNANDO - SAFETY POB 20 & Under

Year	Reason	Rate	Term	Balance	Payment
				4/9/2007	FF 20-21
2013	Share of Pre-2013 Pool	NO	17	4,759,394	362,731
6	2012 SIDE FUND	NO	15	5,241,040	502,128
7	2014 Assumption Change	100%	16	2,557,083	242,246
12	2016 Assumption Change	60%	18	831,736	45,384
15	2017 Assumption Change	40%	19	988,504	36,083
18	2018 Assumption Change	20%	20	1,405,118	26,227

POB 20 & Under

\$ 12,942,756 \$ 943,672

REMAINING BASES

9	2014 Asset (gain)/loss	80%	27	2,179,912	114,058
11	2016 Asset (gain)/loss	60%	28	2,154,714	58,821
				\$ 4,604,626	\$ 212,845

MERGED BASES

3	2013 Asset (gain)/loss	100%	25	5,393,401	362,872
4	2014 Non-Asset (gain)/loss	100%	26	49,823	3,295
16	2018 Non-Asset (gain)/loss	20%	30	178,462	2,438
19	2018 Method Change	20%	20	327,979	6,115
				\$ 5,392,886	\$ 378,682
2	2013 Non-Asset (gain)/loss	100%	25	(65,152)	(4,428)
5	2014 Asset (gain)/loss	100%	26	(3,722,246)	(246,149)
8	2015 Non-Asset (gain)/loss	80%	27	(6,769)	(408)
10	2016 Non-Asset (gain)/loss	60%	28	(461,942)	(18,154)
14	2017 Asset (gain)/loss	40%	29	(1,144,402)	(38,428)
17	2018 Asset (gain)/loss	20%	30	(330,948)	(4,383)
				\$ (5,724,438)	\$ (382,970)

NET IMPACT MERGED BASES

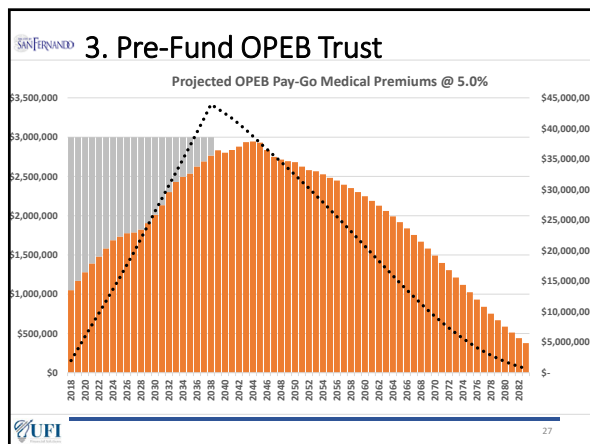
\$ 258,433 \$ 74,626

25

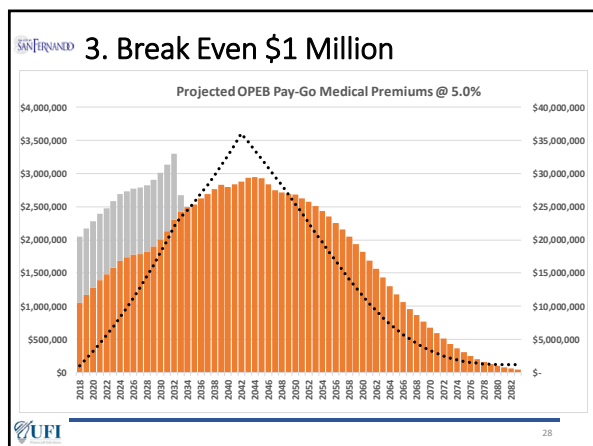
25

2. Pension Tax Surplus				MISC.	SAFETY	TOTAL
LAIF earning 2.5% vs CalPERS (UAL) @ 7.0%				1	2021	103,056
Pension Override Tax Fund				2	2022	107,602
• Current Balance = \$11.6 million				3	2023	79,916
• 1-year payments = \$5.0 million				4	2024	56,906
• Excess (pre-pay) = \$5.6 million				5	2025	55,429
• Balance = \$6.0 million				6	2026	56,953
Pre-Pay Bases:				7	2027	58,519
• Misc. Bases #16 = \$260,000				8	2028	60,128
• Safety Base #9 & #11 = \$4.7 million				9	2029	61,782
• Merged Bases = \$663,000				10	2030	63,481
TOTAL = \$5.6 million				11	2031	65,227
Savings = \$11.9 million				12	2032	67,021
				13	2033	68,864
				14	2034	70,757
				15	2035	72,703
				16	2036	74,702
				17	2037	76,757
				18	2038	78,868
				19	2039	81,036
				20	2040	83,265
				21	2041	85,555
				22	2042	(25,468)
				23	2043	(41,207)
				24	2044	(115,074)
				25	2045	(181,872)
				26	2046	-
				27	2047	-
						\$1,164,906
						\$10,714,472
						\$11,879,379

26



27



4. Tax-Exempt Exchange

Tax-Exempt Bonds

1. Identify "Pay-Go" Capital Project(s)
2. Issue 15-Year Tax-Exempt Bonds to finance Project

Budget Exchange

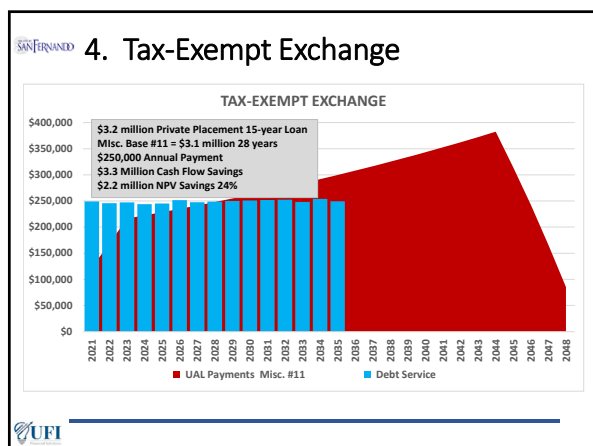
3. Reallocate Capital Project Budget to UAL
4. Pre-Pay UAL Bases with similar term (15+ years)

- UAL payments pay bond debt service
- 7.0% UAL paid at ~2.0% tax-exempt rates

Water & Sewer UAL = \$7 million (\$3.1 Capital Projects)

Miscellaneous Base #11 = \$3.1 million (28 years)

UF



18-Year 100% UAL POB

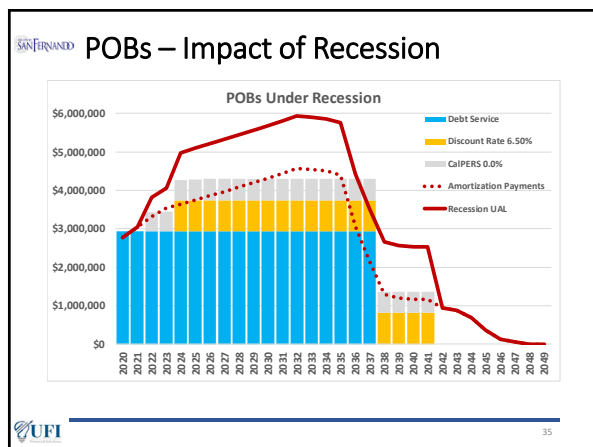
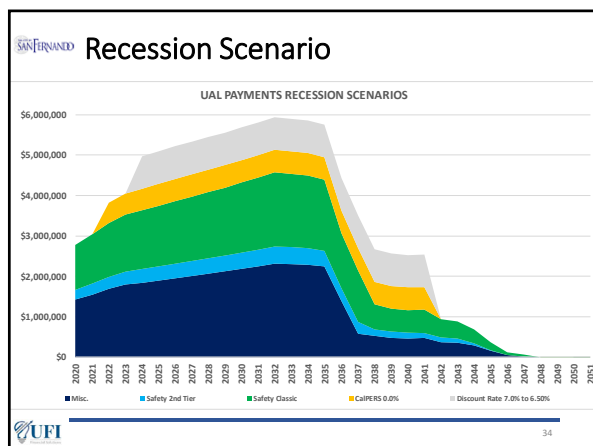
\$44.3 Million POB (100% of UAL)
\$19.3 Million Interest Cost Savings
\$12.1 Million NPV Savings = 27.4%

Legend:
 ■ Pension Tax POB
 ■ Water & Sewer POBs
 — CalPERS UAL Payments

Year	Pension Tax POB (\$)	Water & Sewer POBs (\$)	CalPERS UAL Payments (\$)
2021	3,000,000	0	3,000,000
2022	3,000,000	0	3,500,000
2023	3,000,000	0	4,000,000
2024	3,000,000	0	4,500,000
2025	3,000,000	0	4,800,000
2026	3,000,000	0	5,000,000
2027	3,000,000	0	5,000,000
2028	3,000,000	0	5,000,000
2029	3,000,000	0	5,000,000
2030	3,000,000	0	5,000,000
2031	3,000,000	0	5,000,000
2032	3,000,000	0	5,000,000
2033	3,000,000	0	5,000,000
2034	3,000,000	0	5,000,000
2035	3,000,000	0	5,000,000
2036	3,000,000	0	4,000,000
2037	3,000,000	0	2,500,000
2038	3,000,000	0	1,500,000
2039	3,000,000	0	1,200,000
2040	3,000,000	0	1,000,000
2041	3,000,000	0	800,000
2042	3,000,000	0	700,000
2043	3,000,000	0	600,000
2044	3,000,000	0	400,000
2045	3,000,000	0	200,000
2046	3,000,000	0	100,000
2047	0	0	0

Key Terms of GFOA POB Advisory	
<p><i>POBs are complex instruments that carry considerable risk.....</i></p> <ol style="list-style-type: none"> <i>1. Increase debt burden/reduce capacity (flexibility)</i> <i>2. "Make-whole" call features</i> <i>3. Finance normal costs or extend repayment period.</i> <i>4. Part of a comprehensive plan to address pension shortfalls</i> <i>5. Invested POB proceeds may fail to earn more than interest rate on the bonds</i> 	<p>Only issue plain-vanilla Fixed Rate Bonds (no swaps)</p> <ol style="list-style-type: none"> 1. POBs refinance existing debt GASB 68 on Balance Sheet. 2. Standard 10-year call 3. Repay UAL same or shorter amortization period 4. Pension Funding Policy with multiple solutions 5. Savings provide cushion. Hedging: Floor or Dollar-Cost-Averaging

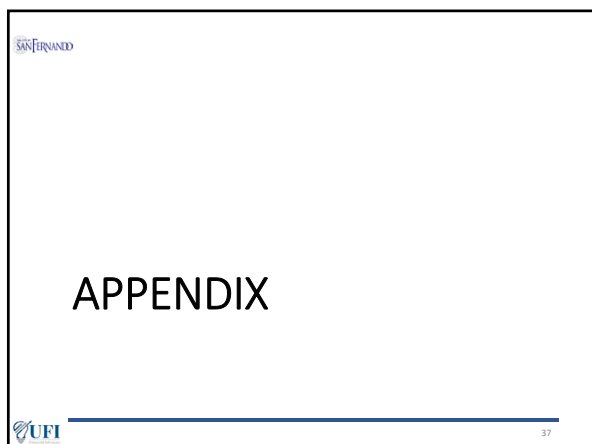
Recession Scenario

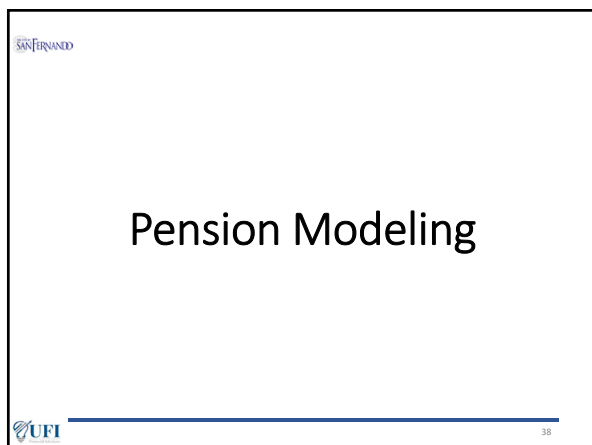



Recommendations & Next Steps

1. Develop Pension Funding Policies
2. Commence Validation Proceedings for POBs
 - Judicial Administrative Procedure – 90 to 120 days
 - Refinancing CalPERS liability – no voter approval required
3. Assemble Financing Team
 - Select Bond Counsel & Underwriter(s) via RFP
4. Establish OPEB 115 Trust

The chart is labeled with '36' at the bottom right.







Schedule of Amortization Bases

CITY OF SAN FERNANDO - MISC. "CLASSIC"


Year	Reason	Ramp Up	Term	Balance 6/30/2020	Payment FY 20-21
1	2013 Share of Pre-2013 Pool	NO	18	5,028,857	482,605
2	2013 Non-Asset (gain)/loss	100%	25	(372,103)	(25,242)
3	2013 Asset (gain)/loss	100%	25	5,099,278	345,920
4	2014 Non-Asset (gain)/loss	100%	26	5,268	348
5	2014 Asset (gain)/loss	100%	26	(4,228,630)	(279,628)
6	2012 SIDE FUND	NO	15	5,544,263	500,057
7	2014 Assumption Change	100%	16	2,856,145	271,775
8	2015 Non-Asset (gain)/loss	80%	27	(241,318)	(12,622)
9	2015 Asset (gain)/loss	80%	27	2,588,494	135,389
10	2016 Non-Asset (gain)/loss	60%	28	(441,858)	(17,364)
11	2016 Asset (gain)/loss	60%	28	3,129,904	123,051
12	2016 Assumption Change	60%	18	1,063,657	57,911
13	2017 Non-Asset (gain)/loss	40%	29	(91,243)	(2,425)
14	2017 Asset (gain)/loss	40%	29	(1,543,079)	(41,018)
15	2017 Assumption Change	40%	19	1,163,319	42,421
16	2018 Non-Asset (gain)/loss	20%	30	261,821	3,576
17	2018 Asset (gain)/loss	20%	30	(461,624)	(6,305)
18	2018 Method Change	20%	20	512,677	9,559
19	2018 Assumption Change	20%	20	1,838,479	34,296

FY 2020 Miscellaneous 1st Tier	\$ 21,710,497	\$ 1,572,256
Miscellaneous 2nd Tier	747,563	42,619
Miscellaneous PEPRA	40,086	4,943
TOTAL	\$ 22,499,815	\$ 1,619,818
COMBINED	\$ 44,636,368	\$ 3,132,811

CITY OF SAN FERNANDO - SAFETY "CLASSIC"

Year	Reason	Ramp Up	Term	Balance 6/30/2020	Payment FY 20-21
1	2013 Share of Pre-2013 Pool	NO	17	4,798,304	392,713
2	2013 Non-Asset (gain)/loss	100%	25	(65,153)	(4,432)
3	2013 Asset (gain)/loss	100%	25	5,393,401	365,872
4	2014 Non-Asset (gain)/loss	100%	26	49,823	3,295
5	2014 Asset (gain)/loss	100%	26	(3,722,345)	(246,142)
6	2012 SIDE FUND	NO	15	\$ 2,241,040	\$ 202,128
7	2014 Assumption Change	100%	16	2,537,052	241,246
8	2015 Non-Asset (gain)/loss	80%	27	(8,769)	(459)
9	2015 Asset (gain)/loss	80%	27	2,179,912	114,018
10	2016 Non-Asset (gain)/loss	60%	28	(461,942)	(18,154)
11	2016 Asset (gain)/loss	60%	28	2,514,714	98,825
12	2016 Assumption Change	60%	18	832,736	42,284
13	2017 Non-Asset (gain)/loss	40%	29	33,201	883
14	2017 Asset (gain)/loss	40%	29	(1,144,402)	(30,420)
15	2017 Assumption Change	40%	19	989,504	36,083
16	2018 Non-Asset (gain)/loss	20%	30	178,482	2,438
17	2018 Asset (gain)/loss	20%	30	(326,943)	(4,363)
18	2018 Assumption Change	20%	20	1,406,118	25,217
19	2018 Method Change	20%	20	327,979	6,115

FY 2020 Safety 1st Tier	\$ 17,718,814	\$ 1,236,440
Safety 2nd Tier	4,363,682	227,407
Safety 3rd Tier	20,971	2,489
Safety PEPRA	34,725	2,917
TOTAL	\$ 22,138,222	\$ 1,511,013

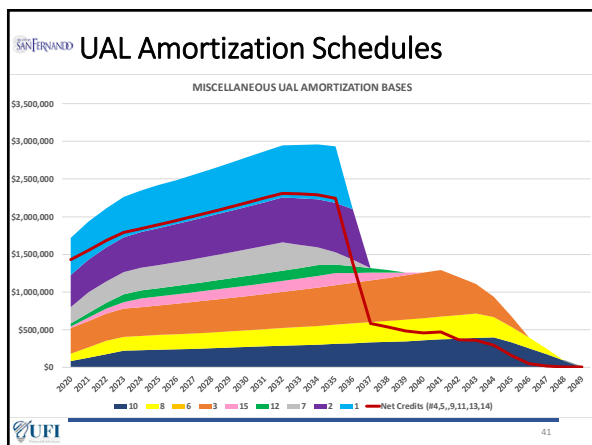


39

Amortization Schedules

Amortization Schedules for Miscellaneous 15 Bases

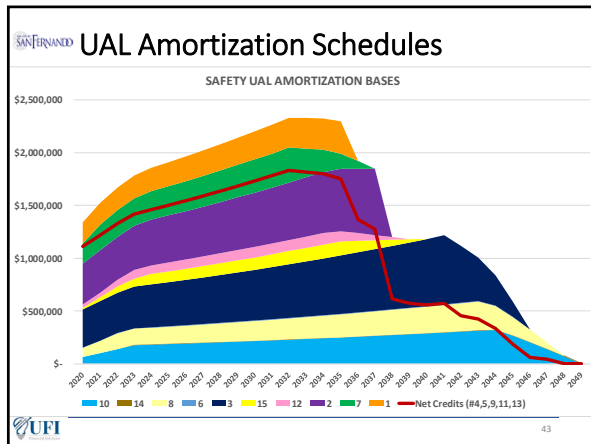
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Year	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60
2020	452,561	458,296	464,031	469,766	475,501	481,236	486,971	492,706	498,441	504,176	509,911	515,646	521,381	527,116	532,851
2021	504,102	509,837	515,572	521,307	527,042	532,777	538,512	544,247	549,982	555,717	561,452	567,187	572,922	578,657	584,392
2022	555,643	561,378	567,113	572,848	578,583	584,318	590,053	595,788	601,523	607,258	612,993	618,728	624,463	630,198	635,933
2023	607,184	612,919	618,654	624,389	630,124	635,859	641,594	647,329	653,064	658,799	664,534	670,269	675,994	681,729	687,454
2024	658,725	664,460	670,195	675,930	681,665	687,400	693,135	698,870	704,605	710,340	716,075	721,810	727,545	733,280	739,015
2025	710,266	716,001	721,736	727,471	733,206	738,941	744,676	750,411	756,146	761,881	767,616	773,351	779,086	784,821	790,556
2026	761,807	767,542	773,277	779,012	784,747	790,482	796,217	801,952	807,687	813,422	819,157	824,892	830,627	836,362	842,097
2027	813,348	819,083	824,818	830,553	836,288	842,023	847,758	853,493	859,228	864,963	870,698	876,433	882,168	887,903	893,638
2028	864,189	869,924	875,659	881,394	887,129	892,864	898,599	904,334	910,069	915,804	921,539	927,274	933,009	938,744	944,479
2029	915,030	920,765	926,500	932,235	937,970	943,705	949,440	955,175	960,910	966,645	972,380	978,115	983,850	989,585	995,320
2030	966,171	971,906	977,641	983,376	989,111	994,846	1,000,581	1,006,316	1,012,051	1,017,786	1,023,521	1,029,256	1,034,991	1,040,726	1,046,461
2031	1,017,312	1,023,047	1,028,782	1,034,517	1,040,252	1,045,987	1,051,722	1,057,457	1,063,192	1,068,927	1,074,662	1,080,397	1,086,132	1,091,867	1,097,602
2032	1,068,353	1,074,088	1,079,823	1,085,558	1,091,293	1,097,028	1,102,763	1,108,498	1,114,233	1,119,968	1,125,703	1,131,438	1,137,173	1,142,908	1,148,643
2033	1,119,394	1,125,129	1,130,864	1,136,599	1,142,334	1,148,069	1,153,804	1,159,539	1,165,274	1,171,009	1,176,744	1,182,479	1,188,214	1,193,949	1,200,000
2034	1,170,435	1,176,170	1,181,905	1,187,640	1,193,375	1,199,110	1,204,845	1,210,580	1,216,315	1,222,050	1,227,785	1,233,520	1,239,255	1,244,990	1,250,725
2035	1,221,476	1,227,211	1,232,946	1,238,681	1,244,416	1,250,151	1,255,886	1,261,621	1,267,356	1,273,091	1,278,826	1,284,561	1,290,296	1,296,031	1,301,766
2036	1,292,517	1,298,252	1,303,987	1,309,722	1,315,457	1,321,192	1,326,927	1,332,662	1,338,397	1,344,132	1,349,867	1,355,602	1,361,337	1,367,072	1,372,807
2037	1,363,848	1,369,583	1,375,318	1,381,053	1,386,788	1,392,523	1,398,258	1,403,993	1,409,728	1,415,463	1,421,198	1,426,933	1,432,668	1,438,403	1,444,138
2038	1,435,179	1,440,914	1,446,649	1,452,384	1,458,119	1,463,854	1,469,589	1,475,324	1,481,059	1,486,794	1,492,529	1,498,264	1,503,999	1,509,734	1,515,469
2039	1,506,220	1,511,955	1,517,690	1,523,425	1,529,160	1,534,895	1,540,630	1,546,365	1,552,100	1,557,835	1,563,570	1,569,305	1,575,040	1,580,775	1,586,510
2040	1,577,261	1,583,006	1,588,751	1,594,496	1,600,241	1,605,986	1,611,731	1,617,476	1,623,221	1,628,966	1,634,711	1,640,456	1,646,201	1,651,946	1,657,691
2041	1,648,732	1,654,467	1,660,202	1,665,937	1,671,672	1,677,407	1,683,142	1,688,877	1,694,612	1,700,347	1,706,082	1,711,817	1,717,552	1,723,287	1,729,022
2042	1,724,763	1,730,498	1,736,233	1,741,968	1,747,703	1,753,438	1,759,173	1,764,908	1,770,643	1,776,378	1,782,113	1,787,848	1,793,583	1,799,318	1,805,053
2043	1,800,794	1,806,529	1,812,264	1,817,999	1,823,734	1,829,469	1,835,204	1,840,939	1,846,674	1,852,409	1,858,144	1,863,879	1,869,614	1,875,349	1,881,084
2044	1,876,825	1,882,560	1,888,295	1,894,030	1,899,765	1,905,500	1,911,235	1,916,970	1,922,705	1,928,440	1,934,175	1,939,910	1,945,645	1,951,380	1,957,115
2045	1,957,856	1,963,591	1,969,326	1,975,061	1,980,796	1,986,531	1,992,266	1,998,001	2,003,736	2,009,471	2,015,206	2,020,941	2,026,676	2,032,411	2,038,146
2046	2,039,887	2,045,622	2,051,357	2,057,092	2,062,827	2,068,562	2,074,297	2,080,032	2,085,767	2,091,502	2,097,237	2,102,972	2,108,707	2,114,442	2,120,177
2047	2,121,918	2,127,653	2,133,388	2,139,123	2,144,858	2,150,593	2,156,328	2,162,063	2,167,798	2,173,533	2,179,268	2,185,003	2,190,738	2,196,473	2,202,208
2048	2,203,949	2,209,684	2,215,419	2,221,154	2,226,889	2,232,624	2,238,359	2,244,094	2,249,829	2,255,564	2,261,299	2,267,034	2,272,769	2,278,504	2,284,239
2049	2,285,980	2,291,715	2,297,450	2,303,185	2,308,920	2,314,655	2,320,390	2,326,125	2,331,860	2,337,595	2,343,330	2,349,065	2,354,800	2,360,535	2,366,270
2050	2,368,011	2,373,746	2,379,481	2,385,216	2,390,951	2,396,686	2,402,421	2,408,156	2,413,891	2,419,626	2,425,361	2,431,096	2,436,831	2,442,566	2,448,301
2051	2,450,032	2,455,767	2,461,502	2,467,237	2,472,972	2,478,707	2,484,442	2,490,177	2,495,912	2,501,647	2,507,382	2,513,117	2,518,852	2,524,587	2,530,322
2052	2,533,063	2,538,798	2,544,533	2,550,268	2,556,003	2,561,738	2,567,473	2,573,208	2,578,943	2,584,678	2,590,413	2,596,148	2,601,883	2,607,618	2,613,353
2053	2,615,094	2,620,829	2,626,564	2,632,299	2,638,034	2,643,769	2,649,504	2,655,239	2,660,974	2,666,709	2,672,444	2,678,179	2,683,914	2,689,649	2,695,384
2054	2,698,125	2,703,860	2,709,595	2,715,330	2,721,065	2,726,800	2,732,535	2,738,270	2,744,005	2,749,740	2,755,475	2,761,210	2,766,945	2,772,680	2,778,415
2055	2,780,156	2,785,891	2,791,626	2,797,361	2,803,096	2,808,831	2,814,566	2,820,301	2,826,036	2,831,771	2,837,506	2,843,241	2,848,976	2,854,711	2,860,446
2056	2,863,187	2,868,922	2,874,657	2,880,392	2,886,127	2,891,862	2,897,597	2,903,332	2,909,067	2,914,802	2,920,537	2,926,272	2,932,007	2,937,742	2,943,477
2057	2,947,218	2,952,953	2,958,688	2,964,423	2,970,158	2,975,893	2,981,628	2,987,363	2,993,098	2,998,833	3,004,568	3,010,303	3,016,038	3,021,773	3,027,508
2058	3,031,243	3,036,978	3,042,713	3,048,448	3,054,183	3,059,918	3,065,653	3,071,388	3,077,123	3,082,858	3,088,593	3,094,328	3,100,063	3,105,798	3,111,533
2059	3,115,264	3,120,999	3,126,734	3,132,469	3,138,204	3,143,939	3,149,674	3,155,409	3,161,144	3,166,879	3,172,614	3,178,349	3,184,084	3,189,819	3,195,554
2060	3,200,285	3,206,020	3,211,755	3,217,490	3,223,225	3,228,960	3,234,695	3,240,430	3,246,165	3,251,900	3,257,635	3,263,370	3,269,105	3,274,840	3,280,575

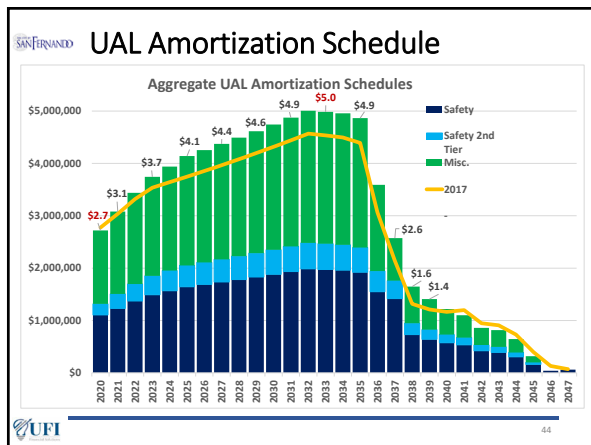


Amortization Schedules

Amortization Schedules for Safety 15 Bases

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Year	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60
2020	452,561	458,296	464,031	469,766	475,501	481,236	486,971	492,706	498,441	504,176	509,911	515,646	521,381	527,116	532,851
2021	504,102	509,837	515,572	521,307	527,042	532,777	538,512	544,247	549,982	555,717	561,452	567,187	572,922	578,657	584,392
2022	555,643	561,378	567,113	572,848	578,583	584,318	590,053	595,788	601,523	607,258	612,993	618,728	624,463	630,198	635,933
2023	607,184	612,919	618,654	624,389	630,124	635,859	641,594	647,329	653,064	658,799	664,534	670,269	675,994	681,729	687,454
2024	658,725	664,460	670,195	675,930	681,665	687,400	693,135	698,870	704,605	710,340	716,075	721,810	727,545	733,280	739,015
2025	710,266	716,001	721,736	727,471	733,206	738,941	744,676	750,411	756,146	761,881	767,616	773,351	779,086	784,821	790,556
2026	761,807	767,542	773,277	779,012	784,747	790,482	796,217	801,952	807,687	813,422	819,157	824,892	830,627	836,362	842,097
2027	813,348	819,083	824,818	830,553	836,288	842,023	847,758	853,493	859,228	864,963	870,698	876,433	882,168	887,903	893,638
2028	864,189	869,924	875,659	881,394	887,129	892,864	898,599	904,334	910,069	915,804	921,539	927,274	933,009	938,744	944,479
2029	915,030	920,765	926,500	932,235	937,970	943,705	949,440	955,175	960,910	966,645	972,380	978,115	983,850	989,585	995,320
2030	966,171	971,906	977,641	983,376	989,111	994,846	1,000,581	1,006,316	1,012,051	1,017,786	1,023,521	1,029,256	1,034,991	1,040,726	1,046,461
2031	1,017,312	1,023,047	1,028,782	1,034,517	1,040,252	1,045,987	1,051,722	1,057,457	1,063,192	1,068,927	1,074,662	1,080,397	1,086,132	1,091,867	1,097,602
2032	1,068,353	1,074,088	1,079,823	1,085,558	1,091,293	1,097,028	1,102,763	1,108,498	1,114,233	1,119,968	1,125,703	1,131,438	1,137,173	1,142,908	1,148,643
2033	1,120,334	1,126,069	1,131,804	1,137,539	1,143,274	1,149,009	1,154,744	1,160,479	1,166,214	1,171,949	1,177,684	1,183,419	1,189,154	1,194,889	1,200,624
2034	1,171,875	1,177,610	1,183,345	1,189,080	1,194,815	1,200,550	1,206,285	1,212,020	1,217,755	1,223,490	1,229,225	1,234,960	1,240,695	1,246,430	1,252,165
2035	1,223,416	1,229,151	1,234,886	1,240,621	1,246,356	1,252,091	1,257,826	1,263,561	1,269,296	1,275,031	1,280,766	1,286,501	1,292,236	1,297,971	1,303,706
2036	1,275,057	1,280,792	1,286,527	1,292,262	1,297,997	1,303,732	1,309,467	1,315,202	1,320,937	1,326,672	1,332,407	1,338,142	1,343,877	1,349,612	1,355,347
2037	1,326,698	1,332,433	1,338,168	1,343,903	1,349,638	1,355,373	1,361,108	1,366,843	1,372,578	1,378,313	1,384,048	1,389,783	1,395,518	1,401,253	1,406,988
2038	1,378,239	1,383,974	1,389,709	1,395,444	1,401,179	1,406,914	1,412,649	1,418,384	1,424,119	1,429,854	1,435,589	1,441,324	1,447,059	1,452,794	1,458,529
2039	1,429,780	1,435,515	1,441,250	1,446,985	1,452,720	1,458,455	1,464,190	1,469,925	1,475,660	1,481,395	1,487,130	1,492,865	1,498,600	1,504,335	1,510,070
2040	1,481,321	1,487,056	1,492,791	1,498,526	1,504,261	1,509,996	1,515,731	1,521,466	1,527,201	1,532,936	1,538,671	1,544,406	1,550,141	1,555,876	1,561,611
2041	1,532,862	1,538,597	1,544,332	1,550,067	1,555,802	1,561,537	1,567,272	1,573,007	1,578,742	1,584,477	1,590,212	1,595,947	1,601,682	1,607,417	1,613,152
2042	1,584,403	1,590,138	1,595,873	1,601,608	1,607,343	1,613,078	1,618,813	1,624,548	1,630,283	1,636,018	1,641,753	1,647,488	1,653,223	1,658,958	1,664,693
2043	1,635,944	1,641,679	1,647,414	1,653,149	1,658,884	1,664,619	1,670,354	1,676,089	1,681,824	1,687,559	1,693,294	1,699,029	1,704,764	1,710,499	1,716,234
2044	1,677,485	1,683,220	1,688,955	1,694,690	1,700,425	1,706,160	1,711,895	1,717,630	1,723,365	1,729,100	1,734,835	1,740,570	1,746,305	1,752,040	1,757,775
2045	1,719,026	1,724,761	1,730,496	1,736,231	1,741,966	1,747,701	1,753,436	1,759,171	1,764,906	1,770,641	1,776,376	1,782,111	1,787,846	1,793,581	1,799,316
2046	1,760,567	1,766,302	1,772,037	1,777,772	1,783,507	1,789,242	1,794,977	1,800,712	1,806,447	1,812,182	1,817,917	1,823,652	1,829,387	1,835,122	1,840,857
2047	1,802,108	1,807,843	1,813,578	1,819,313	1,825,048	1,830,783	1,836,518	1,842,253	1,847,988	1,853,723	1,859,458	1,865,193	1,870,928	1,876,663	1,882,398
2048	1,843,649	1,849,384	1,855,119	1,860,854	1,866,589	1,872,324	1,878,059	1,883,794	1,889,529	1,895,264	1,900,999	1,906,734	1,912,469	1,918,204	1,923,939
2049	1,885,190	1,890,925	1,896,660	1,902,395	1,908,130	1,913,865	1,919,600	1,925,335	1,931,070	1,936,805	1,942,540	1,948,275	1,954,010	1,959,745	1,965,480
2050	1,926,731	1,932,466	1,938,201	1,943,936	1,949,671	1,955,406	1,961,141	1,966,876	1,972,611	1,978,346	1,984,081	1,989,816	1,995,551	2,001,286	2,007,021
2051	1,968,272	1,974,007	1,979,742	1,985,477	1,991,212	1,996,947	2,002,682	2,008,417	2,014,152	2,019,887	2,025,622	2,031,357	2,037,092	2,042,827	2,048,562
2052	2,009,813	2,015,548	2,021,283	2,027,018	2,032,753	2,038,488	2,044,223	2,049,958	2,055,693	2,061,428	2,067,163	2,072,898	2,078,633	2,084,368	2,090,103
2053	2,051,354	2,057,089	2,062,824	2,068,559	2,074,294	2,080,029	2,085,764	2,091,499	2,097,234	2,102,969	2,108,704	2,114,439	2,120,174	2,125,909	2,131,644
2054	2,092,895	2,098,630	2,104,365	2,110,100	2,115,835	2,121,570	2,127,305	2,133,040	2,138,775	2,144,510	2,150,245	2,155,980	2,161,715	2,167,450	2,173,185
2055	2,134,436	2,140,171	2,145,906	2,151,641	2,157,376	2,163,111	2,168,846	2,174,581	2,180,316	2,186,051	2,191,786	2,197,521	2,203,256	2,208,991	2,214,726
2056	2,175,977	2,181,712	2,187,447	2,193,182	2,198,917	2,204,652	2,210,387	2,216,122	2,221,857	2,227,592	2,233,327	2,239,062	2,244,797	2,250,532	2,256,267
2057	2,217,518	2,223,253	2,228,988	2,234,723	2,240,458	2,246,193	2,251,928	2,257,663	2,263,398	2,269,133	2,274,868	2,280,603	2,286,338	2,292,073	2,297,808
2058	2,259,059	2,264,794	2,270,529	2,276,264	2,281,999	2,287,734	2,293,469	2,299,204	2,304,939	2,310,674	2,316,409	2,322,144	2,327,879	2,333,614	2,339,349
2059	2,300,600	2,306,335	2,312,070	2,317,805	2,323,540	2,329,275	2,335,010	2,340,745	2,346,480	2,352,215	2,357,950	2,363,685	2,369,420	2,375,155	2,380,890
2060	2,342,141	2,347,876	2,353,611	2,359,346	2,365,081	2,370,816	2,376,551	2,382,286	2,388,021	2,393,756	2,399,491	2,405,226	2,410,961	2,416,696	2,422,431
2061	2,383,682	2,389,417	2,395,152	2,400,887	2,406,622	2,412,357	2,418,092	2,423,827	2,429,562	2,435,297	2,441,032	2,446,767	2,452,502	2,458,237	2,463,972
2062	2,425,223	2,430,958	2,436,693	2,442,428	2,448,163	2,453,898	2,459,633	2,465,368	2,471,103	2,476,838	2,482,573	2,488,308	2,494,043	2,499,778	2,505,513
2063	2,466,764	2,472,499	2,478,234	2,483,969	2,489,704	2,495,439	2,501,174	2,506,909	2,512,644	2,518,379	2,524,114	2,529,849	2,535,584	2,541,319	2,547,054
2064	2,508,305	2,514,040	2,519,775	2,525,510	2,531,245	2,536,980	2,542,715	2,548,450	2,554,185	2,559,920	2,565,655	2,571,390	2,577,125	2,582,860	2,588,595
2065	2,549,846	2,555,581	2,561,316	2,567,051	2,572,786	2,578,521	2,584,256	2,589,991	2,595,726	2,601,461	2,607,196	2,612,931	2,618,666	2,624,401	2,630,136
2066	2,591,387	2,597,122	2,602,857	2,608,592	2,614,327	2,620,062	2,625,797	2,631,532	2,637,267	2,643,002	2,648,737	2,654,472	2,660,207	2,665,942	2,671,677
2067	2,632,928	2,638,663	2,644,398	2,650,133	2,655,868	2,661,603	2,667,338	2,673,073	2,678,808	2,684,543	2,690,278	2,696,013	2,701,748	2,707,483	2,713,218
2068	2,674,469	2,680,204	2,685,939	2,691,674	2,697,409	2,703,144	2,708,879	2,714,614	2,720,349	2,726,084	2,731,819	2,737,554	2,743,289	2,749,024	2,754,759
2069	2,716,010	2,721,745	2,727,480	2,733,215	2,738,950	2,744,685	2,750,420	2,756,155	2,761,890	2,767,625	2,773,360	2,779,095	2,784,830	2,790,565	2,796,300
2070	2,757,551	2,763,286	2,769,021	2,774,756	2,780,491	2,786,226	2,791,961	2,797,696	2,803,431	2,809,166	2,814,901	2,820,636	2,826,371	2,832,106	2,837,841
2071	2,799,092	2,804,827	2,810,562	2,816,297	2,822,032	2,827,767	2,833,502	2,839,237	2,844,972	2,850,707	2,856,442	2,862,177	2,867,912	2,873,647	2,879,382
2072	2,840,633	2,846,368	2,852,103	2,857,838	2,863,573	2,869,308	2,875,043	2,880,778	2,886,513	2,892,248	2,897,983	2,903,718	2,909,453	2,915,188	2,920,923
2073	2,882,174	2,887,909	2,893,644	2,899,379	2,905,114	2,910,849	2,916,584	2,922,319	2,928,054	2,933,789	2,939,524	2,945,259	2,950,994	2,956,729	2,962,464
2074	2,923,715	2,929,450	2,935,185	2,940,920	2,946,655	2,952,390	2,958,125	2,963,860	2,969,595	2,975,330	2,981,065	2,986,800	2,992,535		





How we compare?

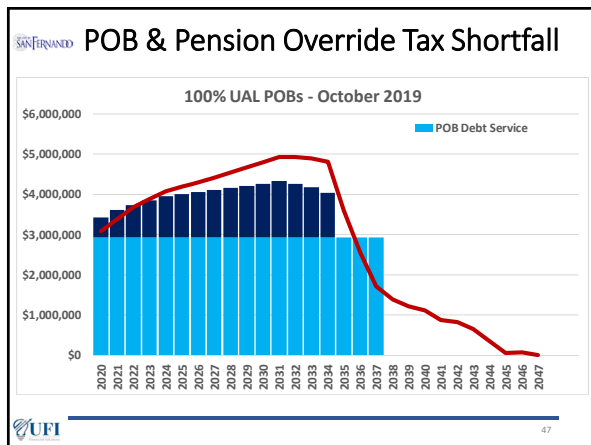
45




2017 vs. 2018




46





How We Compare



48



Primary Contributing Factors

CA League of Cities Pension Sustainability Report (2018)

5 Key factors that impact (unsustainability) CalPERS:

1. Enhanced & Retroactive Benefits
 - o SB 400 (1999) – Safety
 - o AB 616 (2001) - General
2. Investment Losses
3. Cost of Living Adjustments (COLA)
4. Demographics (life expectancy)
5. CalPERS Contribution Policy



49



MISCELLANEOUS + SAFETY

City	Misc. Normal	Safety Normal	Misc. Normal	Safety Normal	UAL Payment	Payroll	Pension Costs % Payroll	Unfunded Liability	% UAL
ALHAMBRA	11.35%	20.42%	1,823,172	3,306,190	9,544,669	32,256,677	45.5%	117,730,555	71.4%
ARCADIA	10.23%	20.43%	1,463,995	3,299,874	10,078,308	30,466,857	48.7%	142,356,163	63.7%
AZUSA	9.74%	26.15%	1,612,323	1,688,959	4,979,621	23,007,266	36.0%	70,979,186	73.8%
BALDWIN PARK	10.91%	21.93%	807,609	1,402,808	3,840,129	13,802,131	43.9%	53,423,150	71.8%
CLAREMONT	8.92%	21.93%	837,398	706,462	3,879,259	12,613,961	43.0%	49,634,189	69.7%
COVINA	11.24%	23.65%	843,722	1,191,349	3,490,430	12,540,988	44.1%	57,852,332	71.5%
EL MONTE	10.27%	25.72%	1,323,278	3,735,087	12,203,818	27,410,887	63.0%	124,499,748	72.7%
GLENDALE	9.87%	23.56%	1,026,294	1,230,167	3,867,541	15,614,439	39.2%	56,080,419	72.5%
IRVINDALE	10.87%	23.65%	329,946	406,183	1,283,126	4,753,126	42.5%	20,154,688	72.9%
LA VERNE	11.43%	21.93%	502,051	1,600,646	3,484,776	11,691,514	47.8%	50,370,578	71.4%
MONROVIA	11.67%	25.61%	1,272,824	2,259,137	-	19,732,096	17.9%	52,675,844	70.2%
MONTEBELLO	10.51%	20.73%	1,771,626	2,477,344	10,221,361	28,805,170	50.2%	131,521,687	68.9%
MONTEREY PARK	10.84%	18.88%	1,290,664	2,478,489	6,956,948	25,030,899	42.9%	95,189,347	71.3%
POMONA	8.90%	23.53%	2,188,706	4,093,427	13,322,905	42,003,587	46.7%	187,867,732	70.8%
SAN GABRIEL	13.95%	23.65%	622,359	1,590,493	5,307,924	11,186,946	67.2%	64,997,718	68.2%
SAN MARINO	10.87%	23.65%	321,783	734,431	1,933,664	6,065,719	49.3%	29,105,151	73.3%
SIERRA MADRE	12.14%	21.75%	240,608	264,627	1,165,132	3,198,409	52.2%	13,203,459	71.9%
SOUTH PASADENA	10.87%	19.23%	540,632	883,471	2,626,494	9,568,526	42.3%	35,512,650	73.2%
WEST COVINA	8.73%	19.95%	921,633	3,791,741	12,254,961	29,562,091	57.4%	180,178,314	65.4%
AVERAGE	10.7%	22.4%	\$ 1,038,980	\$ 1,954,783	\$ 5,813,161	\$ 18,911,120	46.3%	\$ 80,701,732	70.8%



50



Pew Charitable Trust - 2013 Pension Funding Status

Rank	State	% Funded	10-Year Return	Rank	State	% Funded	10-Year Return
1	Wisconsin	99%	5.20%	27	Alabama	67%	5.34%
2	South Dakota	97%	6.80%	28	North Dakota	66%	4.81%
3	Tennessee	94%	6.03%	29	New Mexico	65%	4.62%
4	New York	91%	5.69%	30	Kansas	65%	6.20%
5	Nebraska	89%	6.00%	31	Maryland	65%	4.90%
6	North Carolina	88%	5.50%	32	Vermont	64%	4.60%
7	Idaho	88%	6.00%	33	Michigan	64%	6.10%
8	Utah	86%	5.47%	34	Indiana	63%	5.00%
9	Washington	84%	6.18%	35	Alaska	63%	5.47%
10	Iowa	82%	6.31%	36	Arizona	60%	6.00%
11	Delaware	81%	6.50%	37	Louisiana	60%	5.90%
12	Oregon	81%	6.00%	38	New Hampshire	58%	6.00%
13	Florida	79%	5.85%	39	Massachusetts	58%	5.70%
14	Maine	77%	5.20%	40	Mississippi	58%	5.90%
15	Arkansas	77%	5.97%	41	South Carolina	54%	4.49%
16	Missouri	77%	5.90%	42	Rhode Island	54%	4.80%
17	Georgia	76%	6.40%	43	Minnesota	53%	6.50%
18	Wyoming	73%	4.10%	44	Pennsylvania	53%	4.30%
19	Texas	73%	5.27%	45	Hawaii	51%	5.66%
20	Virginia	72%	5.60%	46	Colorado	46%	5.20%
21	Nevada	72%	6.30%	47	Connecticut	41%	5.14%
22	Ohio	72%	5.11%	48	Illinois	36%	5.00%
23	West Virginia	72%	6.20%	49	Kentucky	31%	5.02%
24	Oklahoma	72%	6.20%	50	New Jersey	31%	5.92%
25	Montana	71%	5.89%	Average	68%	5.59%	
26	California	69%	5.10%				

Source: 2016 Pension & OPEB Funding Study



51

SAN FERNANDO

Pew Charitable Trust OPEB Funding Status

State	FUNDING STATUS		ANNUAL EXPENSES		State	FUNDING STATUS		ANNUAL EXPENSES	
	Liability \$Billion	% Funded	\$Million	% Expenses		Liability \$Billion	% Funded	\$Million	% Expenses
1 Arizona	\$ 2.2	72%	\$ 156	100%	27 California	\$ 80.3	1%	\$ 6,658	33%
2 Ohio	24.9	63%	1,724	329 19%	28 Texas	61.7	1%	4,640	1,272 27%
3 Oregon	0.6	56%	73	61 84%	29 Connecticut	22.7	1%	1,452	570 39%
4 Wisconsin	2.2	52%	190	96 50%	30 Pennsylvania	18.9	1%	1,281	832 65%
5 Alaska	17.4	43%	950	535 56%	31 New Hampshire	2.6	1%	182	101 56%
6 North Dakota	0.2	43%	16	14 84%	32 Vermont	1.7	1%	113	26 23%
7 Utah	0.4	37%	40	40 102%	33 New York	69.5	0%	3,399	1,446 43%
8 Kentucky	6.4	25%	529	384 73%	34 New Jersey	66.8	0%	6,351	1,839 29%
9 Virginia	6.5	21%	593	380 64%	35 Illinois	56.3	0%	4,003	856 21%
10 Idaho	0.1	21%	13	10 81%	36 Hawaii	13.7	0%	995	278 28%
11 Indiana	0.4	19%	32	19 60%	37 Louisiana	8.5	0%	584	271 46%
12 West Virginia	3.3	18%	290	171 59%	38 Florida	7.5	0%	453	129 28%
13 Colorado	2.1	14%	149	95 64%	39 Washington	7.4	0%	684	136 20%
14 Michigan	24.6	11%	2,271	1,778 78%	40 Arkansas	2.1	0%	228	59 26%
15 Maine	2.1	11%	149	101 68%	41 Tennessee	1.4	0%	152	70 46%
16 Alabama	12.5	10%	1,055	457 43%	42 Nevada	1.3	0%	141	59 42%
17 Rhode Island	0.8	8%	58	58 100%	43 Minnesota	1.0	0%	117	60 52%
18 South Carolina	10.1	7%	828	416 50%	44 Mississippi	0.7	0%	45	29 66%
19 Georgia	19.3	6%	1,683	627 37%	45 Iowa	0.5	0%	57	26 46%
20 New Mexico	3.9	6%	354	135 38%	46 Montana	0.4	0%	45	- 0%
21 North Carolina	26.9	5%	2,085	913 44%	47 Wyoming	0.2	0%	19	9 47%
22 Delaware	6.0	4%	484	209 43%	48 South Dakota	0.1	0%	8	4 47%
23 Missouri	3.3	4%	267	107 40%	49 Oklahoma	0.0	0%	0	0 57%
24 Massachusetts	15.8	3%	1,251	585 47%	50 Nebraska	-	-	-	- 0%
25 Kansas	0.5	3%	87	66 76%					
26 Maryland	9.0	2%	705	407 58%					

Based on 2013 Reported Data - 2016 Pension & OPEB Funding Study

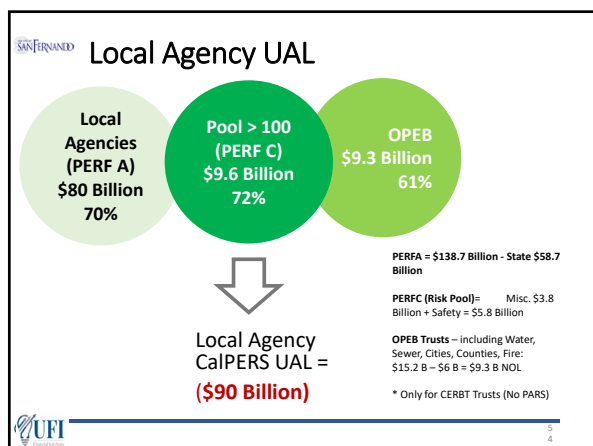
UFI

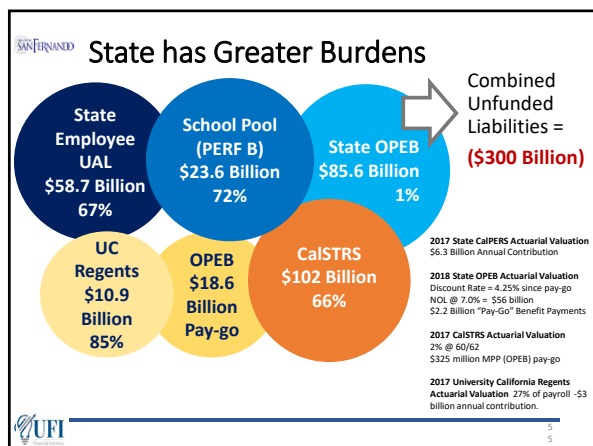
52

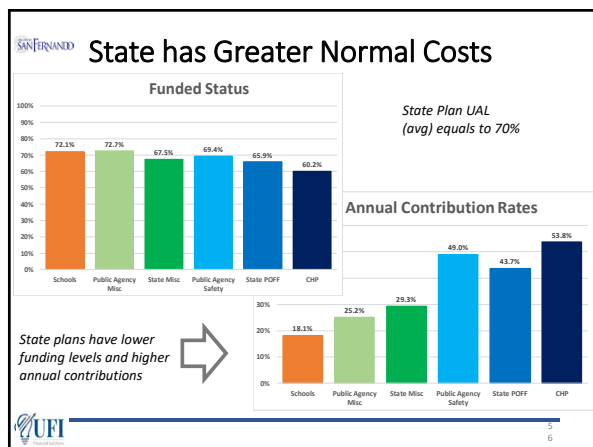
**Viability of
State-Funded Solution**

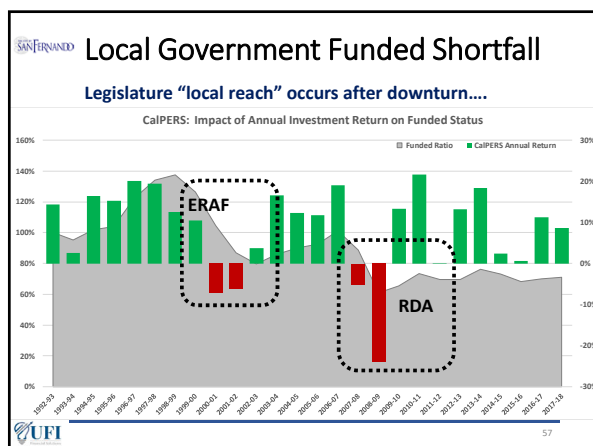
UFI

53









SAN FERNANDO

Historical State Funding Shortfalls

ERAF

- FY 02-03 - \$75 million
- FY 03-04 - \$135 million
- FY 04-05 - \$250 million
- FY 05-06 - \$250 million

TOTAL \$710 million

Triple-Flip

- FY 03-04 (Sales tax & VLF)

RDA

- FY 09-10 - \$1.7 Billion
- FY 10-11 - \$350 million

What's Next ?

State-wide sales tax to Fund School Pension

Water Dept. & Water Agencies

Another revenue source....

UFI

SAN FERNANDO

Why Can't I Just get out of CalPERS ?

2013 Pension Reform (PEPRA)

- New hires 2.0% @ 62 Misc. & 2.7% @ 57% Safety
- Employees pay 50% of the annual normal costs (no EPMC)

Public Employee Retirement Law (PERL)

- Benefits for "Classic" employees cannot be reduced, even if agreed upon by bargaining units.

California Rule

- Prohibits reduction of pension benefits unless they are offset by "comparable" new benefits.
- Prevented legislative and ballot-based initiatives to reduce pension levels.
- Recent decisions have more narrowly interpreted the rule.

Marin decision not entitled to an immutable, unchanging pension benefit for the entirety of employment, but are entitled only to a "reasonable" pension.

Alameda decision applying detrimental changes to the pension benefits of Classic employees is only justified by compelling evidence that the required changes manifest a material relation to the successful operation of the pension system.

UFI

SAN FERNANDO

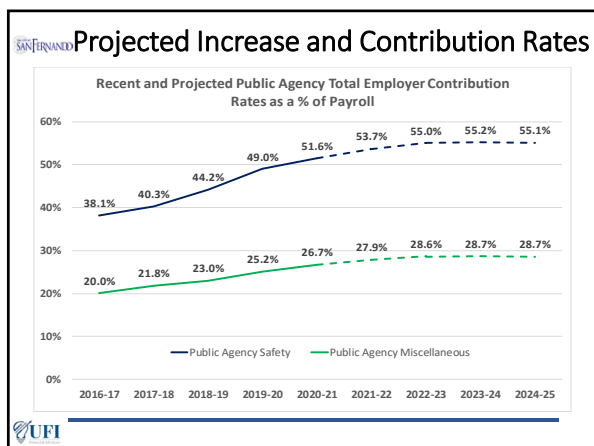
What Are the Alternatives?

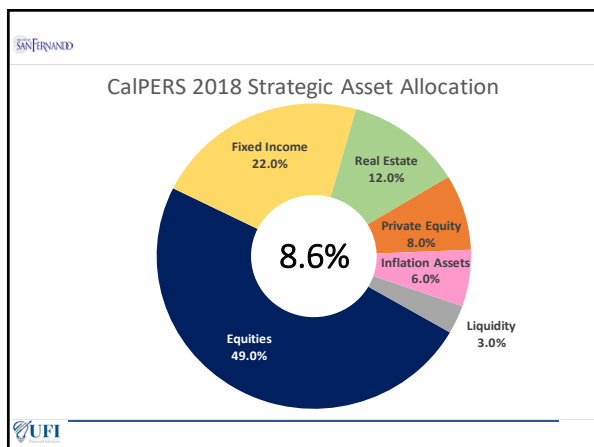
3 basic options available:

- Convert to Defined Contribution Plan / 401K (pay Termination Payment)
- Remain in CalPERS – implement solutions and negotiate cost-sharing.
- Retain Defined Benefit (DB) Plan – Convert to Alternative Investment Provider (PARS)

Potential Options	Investment / Performance Risk	Termination Payment	City Share	Social Security	UAL	Annual Costs
DC plan (401k)	Employee	Yes	8%	6%	-	14%
Convert to PARS	City (PARS)	No	8%	-	14%	22%
Remain in CalPERS	CalPERS	No	8%	-	14%	22%

UFI





OPEB Trusts Established

Agency Type	CalPERS	PARS	TOTAL	%
Special Districts	326	74	667	60%
Counties	13	23	58	62%
Schools	66	46	1,049	11%
Cities	144	66	482	44%
TOTAL	549	209	2,256	24%

Schools Districts: 560 Elementary, 330 USD, 87 High School, 58 County, 6 Special, 8 Charter

Source: CERBT / PARS / Wikipedia

UFI

San Fernando OPEB Trust (CERBT)

Funded status by employer type

Agency Type	OPEB Liabilities (\$ Billions)	CERBT Assets (\$ Billions)	Funding Status
Other Special Districts	\$1.7	\$1.1	66%
Sanitation	\$0.5	\$0.3	52%
Water	\$1.8	\$0.9	47%
Counties	\$4.3	\$2.0	46%
Cities	\$6.2	\$1.6	27%
Fire	\$0.8	\$0.2	25%
Courts	\$0.4	\$0.1	17%
Schools	\$21.5	\$1.1	5%
TOTAL	\$37.2	\$7.2	19.3%
State of California	\$68.0	\$0.8	1%

550 Agencies have funded OPEB Trusts (CERBT) with CalPERS

UFI

San Fernando 2. CalPERS vs 115 Trust

<p>CalPERS</p> <ul style="list-style-type: none"> No investment strategy choice Locked In to Higher Payments Likely Higher Long-Term Return Reduces Balance Sheet pension liability (GASB) reporting CalPERS is "Easier" CalPERS assumes investment risk 	<p>115 Trust</p> <ul style="list-style-type: none"> Choose from Range of investment strategies (flexible) Flexible Payment Schedule Likely Lower Long-Term Return Assets do not count toward book value of pension liability SOCWA assumes Investment Risk 	<p>Section 115 Trust</p> <p>Can place monies in legally restricted trust</p> <ul style="list-style-type: none"> Can only use monies to pay for (pension) designated costs Tool to manage pension liabilities <ul style="list-style-type: none"> Alternative investment vehicle to CalPERS Manage timing risk Pension Cost stabilization fund Make additional annual payments
---	--	--

UFI



THE CITY OF

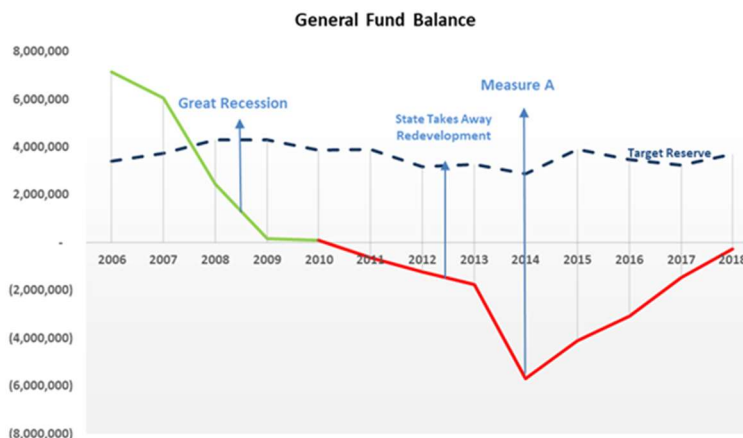
SAN FERNANDO

DEFICIT ELIMINATION PLAN

ATTACHMENT "B"

Long-Term Deficit Elimination Plan

The City's General Fund has been in a deficit fund balance position since FY 2010-2011. The City took a number of steps to stabilize ongoing finances, including re-negotiating labor contracts, reducing programs and services, reducing professional development and membership opportunities for City staff, implementing layoffs and furloughs, and freezing vacant positions. Many of these were short-term fixes that were necessary to remain solvent; however, continuing these cuts is not sustainable in the long-term.



In FY 2013-2014, the City Council began the development and implementation of a multi-year Deficit Elimination Plan. Put simply, the Deficit Elimination Plan aims to pay off debt, reduce ongoing expenditures and increase ongoing revenue. In 2013, the City declared a fiscal emergency and held a special election for a temporary one-half (½) cent local transaction and use tax, which was approved by sixty percent (60%) of voters. This local transaction tax, referred to as "Measure A," included a sunset date of October 2020.

The local transaction tax, originally projected to raise less than \$2 million per year, has generated close to \$2.5 million per year in additional general tax revenue and has been necessary to fund a number of critical one-time needs. Since the local transaction tax was set to sunset after seven years, it was prudent to use the revenue on non-recurring expenditures, including, but not limited to: 1) paying off existing debt, 2) eliminating recurring deficit fund balances in Grant and other Special Revenue funds, 3) establishing General Fund, Self-Insurance, Equipment Replacement, and Facility Maintenance fund reserves, 4) increase public safety by replacing outdated vehicles and equipment, 5) replacing and updating outdated computer hardware, software and telecommunications systems, and 6) funding capital projects to reduce the City's deferred maintenance backlog.

Nick Kimball, City Manager**Fiscal Year 2019-2020 Deficit Elimination Plan**Page 2 of 3

In addition to the short-term actions identified above, the City implemented a number of longer-term actions to address the City's deficit and improve long-term financial stability, including:

- Renegotiated the Fire and Emergency Services contract with the Los Angeles Fire Department to reduce the City's ongoing annual cost without reducing service (saved more than \$500,000/year).
- Transferred operational and financial responsibility of the San Fernando Regional Pool to the County of Los Angeles through a lease of up to 55 years (saved more than \$500,000/year).
- Reduced retiree health benefits to the statutory minimum for new employees to decrease the City's retiree health (OPEB) liability (significant long-term savings).
- Sold surplus land and used the land sale proceeds to reduce the General Fund deficit (generated \$1 million in proceeds).
- Developed a five-year General Fund projection to improve long-term decision making.
- Adopted a Development Agreement Ordinance to provide additional tools to increase economic development efforts and diversify the tax base.
- Re-established reserves for the Self-Insurance and Equipment Replacement Funds (more than \$1 million in reserve to protect against large lawsuits).
- Updated user fees, development fees, cost allocation calculations to ensure an appropriate cost recovery for City services (more than \$500,000/year in projected ongoing revenue).
- Updated the City's long term financial planning policies, including budget, purchasing, debt management, grant management, investment, and reserve policies, with an emphasis on creating long term fiscal sustainability.

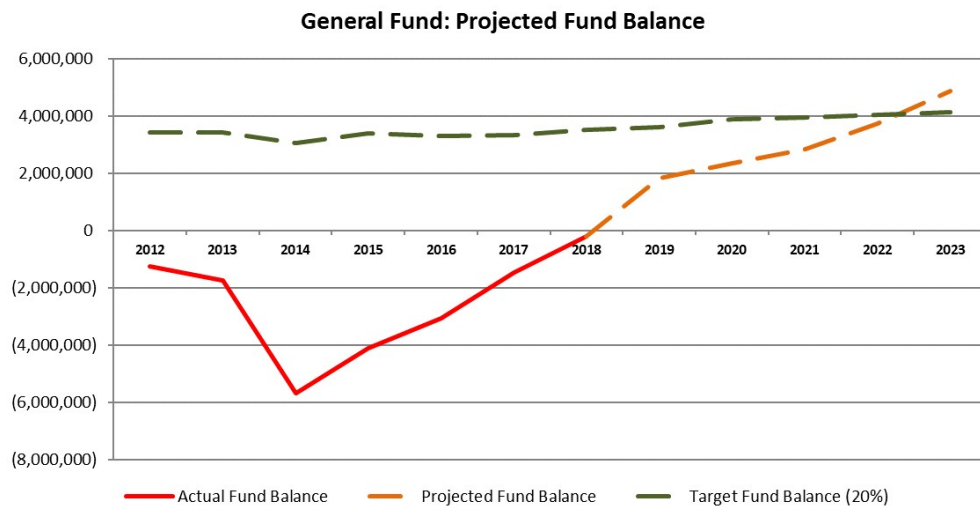
In November 2018, voters approved to extend the tax indefinitely, which will provide financial stability to the City in the foreseeable future. This also allows the City to consider Measure A Funds as ongoing, operating revenue to support ongoing expenditures. In FY 2019-2020, Measure A is projected to raise approximately \$2.55 million.

All of these actions have helped to restore the City to financial viability and the General Fund will end FY 2018-2019 with a reserve in excess of \$1.5 million. Despite the progress that has been made over the past few year, and the investments being funded in the upcoming fiscal year, the

Nick Kimball, City Manager**Fiscal Year 2019-2020 Deficit Elimination Plan**

Page 3 of 3

City must continue to implement best financial management practices, protect revenues, and strategically appropriate funds based on sound cost-benefit analysis. Continuing the implement the Deficit Elimination Plan will put the City on pace to meet the twenty percent (20%) General Fund Reserve requirement by FY 2021-2022.



SALES TAX RATES IN COUNTY OF LOS ANGELES, BY CITY**ATTACHMENT "C"**

Location	Rate	County
Agoura Hills*	9.50%	Los Angeles
Alhambra*	10.25%	Los Angeles
Arcadia*	10.25%	Los Angeles
Artesia*	9.50%	Los Angeles
Avalon*	10.00%	Los Angeles
Azusa*	10.25%	Los Angeles
Baldwin Park*	9.50%	Los Angeles
Bell Gardens*	9.50%	Los Angeles
Bell*	9.50%	Los Angeles
Bellflower*	9.50%	Los Angeles
Beverly Hills*	9.50%	Los Angeles
Bradbury*	9.50%	Los Angeles
Burbank*	10.25%	Los Angeles
Calabasas*	9.50%	Los Angeles
Carson*	9.50%	Los Angeles
Cerritos*	9.50%	Los Angeles
City of Commerce*	10.00%	Los Angeles
City of Industry*	9.50%	Los Angeles
Claremont*	9.50%	Los Angeles
Commerce*	10.00%	Los Angeles
Compton*	10.25%	Los Angeles
Covina*	10.25%	Los Angeles
Cudahy*	10.25%	Los Angeles
Culver City*	10.25%	Los Angeles
Diamond Bar*	9.50%	Los Angeles
Downey*	10.00%	Los Angeles
Duarte*	10.25%	Los Angeles
El Monte*	10.00%	Los Angeles
El Segundo*	9.50%	Los Angeles
Gardena*	10.25%	Los Angeles
Glendale*	10.25%	Los Angeles
Glendora*	10.25%	Los Angeles
Hawaiian Gardens*	9.50%	Los Angeles
Hawthorne*	10.25%	Los Angeles
Hermosa Beach*	9.50%	Los Angeles
Hidden Hills*	9.50%	Los Angeles
Huntington Park*	10.25%	Los Angeles
Industry*	9.50%	Los Angeles
Inglewood*	10.00%	Los Angeles
Irwindale*	10.25%	Los Angeles
La Canada- Flintridge*	9.50%	Los Angeles
La Habra Heights*	9.50%	Los Angeles
La Mirada*	9.50%	Los Angeles
La Puente*	10.00%	Los Angeles
La Verne*	10.25%	Los Angeles
Lakewood*	10.25%	Los Angeles
Lancaster*	9.50%	Los Angeles

Location	Rate	County
Lawndale*	10.25%	Los Angeles
Lomita*	9.50%	Los Angeles
Long Beach*	10.25%	Los Angeles
Los Angeles*	9.50%	Los Angeles
Lynwood*	10.25%	Los Angeles
Malibu*	9.50%	Los Angeles
Manhattan Beach*	9.50%	Los Angeles
Maywood*	9.50%	Los Angeles
Monrovia*	10.25%	Los Angeles
Montebello*	10.25%	Los Angeles
Monterey Park*	9.50%	Los Angeles
Norwalk*	10.25%	Los Angeles
Palmdale*	9.50%	Los Angeles
Palos Verdes Estates*	9.50%	Los Angeles
Paramount*	10.25%	Los Angeles
Pasadena*	10.25%	Los Angeles
Pico Rivera*	10.25%	Los Angeles
Pomona*	10.25%	Los Angeles
Rancho Palos Verdes*	9.50%	Los Angeles
Redondo Beach*	9.50%	Los Angeles
Rolling Hills Estates*	9.50%	Los Angeles
Rolling Hills*	9.50%	Los Angeles
Rosemead*	9.50%	Los Angeles
San Dimas*	9.50%	Los Angeles
San Fernando*	10.00%	Los Angeles
San Gabriel*	10.25%	Los Angeles
San Marino*	9.50%	Los Angeles
Santa Clarita*	9.50%	Los Angeles
Santa Fe Springs*	10.50%	Los Angeles
Santa Monica*	10.25%	Los Angeles
Sierra Madre*	10.25%	Los Angeles
Signal Hill*	9.50%	Los Angeles
South El Monte*	10.00%	Los Angeles
South Gate*	10.25%	Los Angeles
South Pasadena*	10.25%	Los Angeles
Temple City*	9.50%	Los Angeles
Torrance*	9.50%	Los Angeles
Unincorporated Los Angeles County	9.50%	Los Angeles
Vernon*	9.50%	Los Angeles
View Park*	9.50%	Los Angeles
Walnut*	9.50%	Los Angeles
West Covina*	9.50%	Los Angeles
West Hollywood*	9.50%	Los Angeles
Westlake Village*	9.50%	Los Angeles
Whittier*	10.25%	Los Angeles

* next to city indicates incorporated city

*This Page
Intentionally
Left Blank*



AGENDA REPORT

To: Mayor Joel Fajardo and Councilmembers

From: Councilmember Sylvia Ballin

Date: July 20, 2020

Subject: Discussion Regarding the City's Opposition of ICE Detention Facilities

RECOMMENDATION:

I have placed discussion regarding U.S. Immigration and Customs Enforcement (ICE) Detention Facilities on the agenda for City Council discussion and to provide direction to staff, as appropriate.

BUDGET IMPACT:

There is no impact to the budget by discussing this item. Additional future costs to be determined based on City Council direction.

ATTACHMENT:

- A. City Council Agenda Report Condemning Trump Administration's Immigration Policies (7/2/18)

AGENDA REPORT

To: Vice Mayor Antonio Lopez and Councilmembers

From: Mayor Sylvia Ballin

Date: July 2, 2018

Subject: Consideration to Adopt a Resolution Condemning the Trump Administration's Immigration Policies; Calling on All Members of Congress on Both Sides of the Aisle to Repudiate the Trump Administration's Incompetent Callous and Cruel Approach to Immigration; and Demanding that Congress Act Immediately to Enact Fair and Humane Comprehensive Immigration Reform

RECOMMENDATION:

I have placed this item on the agenda for consideration and recommend that the City Council adopt Resolution No. 7871 (Attachment "A") condemning the Trump Administration's immigration policies; calling on all Members of Congress on both sides of the aisle to repudiate the Trump Administration's incompetent callous and cruel approach to immigration; and demanding that Congress act immediately to enact fair and humane comprehensive immigration reform.

BUDGET IMPACT:

There is no impact to the budget by discussing this item. Additional future costs to be determined based on City Council direction.

ATTACHMENT:

A. Resolution No. 7871

RESOLUTION NO. 7871

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN FERNANDO, CALIFORNIA, CONDEMNING THE TRUMP ADMINISTRATION'S IMMIGRATION POLICIES; CALLING ON ALL MEMBERS OF CONGRESS ON BOTH SIDES OF THE AISLE TO REPUDIATE THE TRUMP ADMINISTRATION'S INCOMPETENT CALLOUS AND CRUEL APPROACH TO IMMIGRATION; AND DEMANDING THAT CONGRESS ACT IMMEDIATELY TO ENACT FAIR AND HUMANE COMPREHENSIVE IMMIGRATION REFORM

WHEREAS, the Trump Administration has implemented a “zero tolerance” policy under which the Justice Department has attempted to criminally prosecute persons who cross the U.S.-Mexico border, even if many could be legally seeking asylum or refugee status; and

WHEREAS, this “zero tolerance” policy dramatically increases the number of vulnerable minors who are in U.S. custody without the protection of their families; and

WHEREAS, in practice, this policy has resulted in 1,995 minors who have been cruelly and callously separated from their families between April 19, 2018 and May 31, 2018; and

WHEREAS, the purported goal of this policy is to serve as a deterrent to prevent people from crossing the border without documentation; and

WHEREAS, the adoption of the “zero tolerance” policy has led to the perverse, despicable and barbaric creation of “tender age” shelters that house migrant infants, toddlers, and young children who are forcibly separated from their parents; and

WHEREAS, this policy further escalates the increasing harassment and discrimination of immigrants caused by the Trump's Administration policies, including: 1. Regular public vilification of migrants, people of color, and people from certain countries; 2. Executive Orders authorizing increased raids and deportation of undocumented immigrants; 3. Reduction of the refugee quota; 4. A costly and unnecessary border wall; 5. A travel ban directed at select Muslim majority nations; 6. Threats to retaliate against law enforcement and cities that seek to keep communities safe through cooperation with immigrant communities; 7. Rejecting caravans of migrant asylum seekers from Central and South America; and 8. Targeting 700,000 young adult immigrants brought to the United States as children by rescinding the Deferred Action for Childhood Arrivals (DACA) program; and

WHEREAS, President Trump signed *Executive Order 13841: Affording Congress an Opportunity to Address Family Separation* on June 20, 2018, which declared “the policy of this Administration to maintain family unity, including by detaining alien families together where appropriate and consistent with law and available resources,” attempts to shift responsibility and accountability for the Administration's actions to Congress by calling for immigration reform, and

does not contain a clear commitment or plan to care for children currently in detention and separated from their families nor to reunite the thousands of families torn apart by a draconian policy of “zero tolerance”; and

WHEREAS, this “zero tolerance” policy of punishing innocent children and purposely disrupting families as a deterrent is a human rights abuse that causes unnecessary trauma to children and parents; and

WHEREAS, the number of young children in detention is increasing and these younger children face more risks because of their age; and

WHEREAS, these practices violate core American values; and

WHEREAS, the City of San Fernando opposes the unwarranted separation of undocumented children from their parents and the incarceration of unaccompanied minors, unless the child is in danger of abuse or neglect at the hands of the parent or legal guardian, or a danger to himself/herself or others; and

WHEREAS, the Trump Administration along with its shameless apologists and meek enablers are advised to recall the solemn words by Emma Lazarus that have greeted immigrants at the Statute of Liberty for decades:

*Not like the brazen giant of Greek fame,
With conquering limbs astride from land to land;
Here at our sea-washed, sunset gates shall stand
A mighty woman with a torch, whose flame
Is the imprisoned lightning, and her name
Mother of Exiles. From her beacon-hand
Glows world-wide welcome; her mild eyes command
The air-bridged harbor that twin cities frame.
"Keep, ancient lands, your storied pomp!" cries she
With silent lips. "Give me your tired, your poor,
Your huddled masses yearning to breathe free,
The wretched refuse of your teeming shore.
Send these, the homeless, tempest-tost to me,
I lift my lamp beside the golden door!"*

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


SECTION 1: The representations set forth in the Recitals above, are true and correct.

SECTION 2: That by the adoption of this Resolution, the City of San Fernando calls on the Trump Administration to take responsibility for the “zero tolerance” policy as it is wholly within the Administration’s power to rescind this policy.

SECTION 3: That by the adoption of this Resolution, the City of San Fernando urges the U.S. Senate and Congress to come together in a bipartisan support and adopt humane federal immigration legislation that will result in undocumented families not being separated and that does not demonize people on the basis of their race or national origin.

SECTION 4: That the City of San Fernando is committed to protect the safety of all children in our city and those who enter our community.

PASSED, APPROVED, AND ADOPTED this 2nd day of July, 2018.



Sylvia Ballin, Mayor

ATTEST:



Elena G. Chávez, City Clerk

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

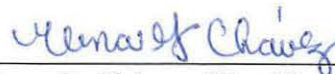
I, ELENA G. CHÁVEZ, City Clerk of the City of San Fernando, do hereby certify that the foregoing Resolution was adopted a regular meeting of the City Council held on the 2nd day of July, 2018 and was carried by the following roll call vote:

AYES: Ballin, Fajardo, Gonzales, Lopez – 4

NOES: None

ABSENT: Soto – 1

ABSTAIN: None



Elena G. Chávez, City Clerk

*This Page
Intentionally
Left Blank*



AGENDA REPORT

To: Mayor Joel Fajardo and Councilmembers

From: Councilmember Mary Mendoza

Date: July 20, 2020

Subject: Consideration to Adopt a Resolution Declaring that No Women Should be Subjected to Physical Assault and Urging the Department of Defense (DoD) to Conduct an Independent Investigation into the Death of United States Army Specialist Vanessa Guillen at Fort Hood, Texas

RECOMMENDATION:

I have placed this item on the agenda for consideration and recommend that the City Council:

- a. Adopt Resolution No. 8018 (Attachment "A") declaring that no women should be subjected to physical assault and urging the Department of Defense (DoD) Inspector General, to conduct an Independent Investigation into the death of United States Army Specialist Vanessa Guillen at Fort Hood, Texas; and
- b. Authorize the City Manager to forward copies of the resolution to the City's State and Federal Legislative Representatives and to appropriate officials within the Department of Defense.

BUDGET IMPACT:

There is no impact to the budget by discussing this item. Additional future costs to be determined based on City Council direction.

ATTACHMENT:

- A. Resolution No. 8018

ATTACHMENT “A”**RESOLUTION NO. 8018**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN FERNANDO, CALIFORNIA, DECLARING THAT NO WOMEN SHOULD BE SUBJECTED TO PHYSICAL ASSAULT AND URGING THE DEPARTMENT OF DEFENSE (DOD) INSPECTOR GENERAL, TO CONDUCT AN INDEPENDENT INVESTIGATION INTO THE DEATH OF UNITED STATES ARMY SPECIALIST VANESSA GUILLEN AT FORT HOOD

WHEREAS, United States Army Private First Class (PFC) Vanessa Guillen (“PFC Guillen”) was stationed at the Regimental Engineer Squadron Headquarters, 3rd Calvary Regiment, Fort Hood, Texas, and last seen on April 22, 2020 in the parking of her station. PFC Guillen is 20 years old of Hispanic descent and her Military Occupational Specialty is a 91F, Small Arms/Artillery Repairer; and

WHEREAS, the United States Army Criminal Investigation Command (CID), opened an investigation seeking information leading to the whereabouts of missing Fort Hood Soldier, PFC Guillen;

WHEREAS, family members reported that PFC Guillen would be filing harassment complaints against one of her sergeants, the day before she was reported missing;

WHEREAS, military authorities believe they have identified a suspect in the death of PFC Guillen; and

WHEREAS, it is imperative that officials not only hold those responsible for PFC Guillen’s death but that the military officials also examine how such incidents can be prevented in the future and whether institutional and cultural reforms regarding harassment and assault are needed.

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

SECTION 1: The representations set forth in the Recitals above, are true and correct.

SECTION 2: That by the adoption of this Resolution, the City of San Fernando resolves that no women should be subjected to harassment or physical assault of any kind.

SECTION 3: That by the adoption of this Resolution, the City of San Fernando urges the Department of Defense (DoD) Inspector General, to conduct an independent investigation into Fort Hood’s handling of United States Army Specialist Vanessa Guillen’s death and whether institutional and cultural reforms are also need to ensure that such incidents never occur again.

RESO. NO. 8018

SECTION 4: That the City of San Fernando is committed to protect the safety of women from physical assault.

SECTION 5: This resolution shall take effect upon approval by the City Council. The City Clerk shall certify the adoption of this Resolution by the City Council. The City Manager is also directed to forward copies of this Resolution to the City's State and federal legislative representatives and to appropriate officials within the Department of Defense.

PASSED, APPROVED, AND ADOPTED this 20th day of July, 2020.

Joel Fajardo, Mayor

ATTEST:

Julia Fritz, City Clerk

RESO. NO. 8018

CERTIFICATION

I, City Clerk of the City of San Fernando, California, do hereby certify that the foregoing is a full, true, and correct copy of Resolution No. 8018 which was adopted by the City Council of the City of San Fernando, California, at a regular meeting thereof held on the 20th day of July, 2020, by the following vote of the City Council:

AYES:

NAYS:

ABSENT:

ABSTAINED:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of San Fernando, California, this _____ day of July, 2020.

Julia Fritz, City Clerk