



**SOUTH GATE CITY COUNCIL
REGULAR MEETING AGENDA**

Tuesday, August 25, 2020 at 6:30 p.m.
TELECONFERENCE

DIAL-IN-NUMBER: 1 (669) 900-6833

MEETING ID: 868 9859 2078

<https://us02web.zoom.us/j/86898592078>

I. Call To Order/Roll Call

CALL TO ORDER	Maria Davila, Mayor
ROLL CALL	Carmen Avalos, City Clerk

II. City Officials

MAYOR Maria Davila	CITY CLERK Carmen Avalos
VICE MAYOR Al Rios	CITY TREASURER Gregory Martinez
COUNCIL MEMBERS Maria del Pilar Avalos Denise Diaz Gil Hurtado	CITY MANAGER Michael Flad
	CITY ATTORNEY Raul F. Salinas

III. COVID 19 Meeting Procedures

Pursuant to Governor Newsom’s Executive Order N-29-20, dated March 17, 2020, members of the South Gate City Council, staff, and the public will participate in the August 25, 2020 meeting via a teleconference. To avoid

exposure to COVID-19 this meeting will be held with City Council Members participating via teleconference by calling Dial-in-Number: 1 (669) 900-6833 and Meeting ID: 868 9859 2078 and <https://us02web.zoom.us/j/86898592078>

Additionally, you may submit your comments electronically by emailing the City Clerk at cavalos@sogate.org.

Procedure for Participation:

Any person wanting to participate may request to “speak” on an agenda item. Once acknowledged and authorized by the Mayor the person may speak. Alternatively, any person may submit comments on an item electronically by emailing cavalos@sogate.org. Submissions by email must be received 30 minutes prior to the posted start time of the meeting if emailing subject.

Subject line should read: **COMMENTS FOR ITEM _____, MEETING OF August 25, 2020.**

Please note, you will enter the meeting muted, but if you want to comment on an Agenda Item or during the public comment portion of the Agenda, raise your hand or press *9 at the appropriate time indicated by the Mayor. When you are selected to speak, you will hear that you are unmuted, this is the time to make your public comments. Your patience with these changes is appreciated as the City adjusts to new ways of conducting business during the COVID-19 pandemic. Thank you.

Accessibility: Reasonable accommodations for individuals with disabilities will be handled on a case-by-case basis and in accordance with the Americans with Disabilities Act and Governor Newsom’s Executive Order N-29-20. Please call the Office of the City Clerk at 323.563.9510.

IV. Meeting Compensation Disclosure

Pursuant to Government Code Section 54952.3: Disclosure of compensation for meeting attendance by City Council Members is \$650 monthly regardless of the amount of meetings.

V. Public Hearings

1. Resolution Approving Disposition Development Agreement With 5821 Firestone Boulevard, LLC For The Sale Of City-Owned Property Located At 5821 Firestone Boulevard

The City Council will conduct a Public Hearing to consider: (CD)

a. Accepting the determination that this project is Categorical Exempt under Class 32 (In-Fill Projects) Section 15332 of the California Environmental Quality Act; and

b. Adopting a **Resolution _____** approving the Disposition and Development Agreement with 5821 Firestone Boulevard, LLC, acting by and through its Manager, GVD Commercial Properties, Inc., for the acquisition and development of City-owned property located at 5821 Firestone Boulevard and authorizing the Mayor to execute said Agreement in a form acceptable to the City Attorney.

Documents:

ITEM 1 REPORT 08252020.PDF

2. Resolution Approving The 2020-2025 Consolidated Plan; Annual Action Plan; Analysis Of Impediments To Fair Housing Choice; And Citizen Participation Plan

The City Council will conduct a public hearing to consider: (CD)

- a. Adopting a **Resolution _____** approving the Fiscal Years 2020/21-2024/25 Consolidated Plan; the Annual Action Plan for Fiscal Year 2020/21; the 2020 Analysis of Impediments to Fair Housing Choice; and the Citizen Participation Plan; and authorizing the City Manager, or designee, to submit to the U.S. Department of Housing and Urban Development; and
- b. Providing direction on the appropriation of \$1,006,581 of un-programmed CDBG funds and \$907,967.67 of un-programmed HOME funds.

Documents:

ITEM 12 REPORT 08252020.PDF

3. Resolution Applying A 3.36% Rate Increase For Residential Refuse/Recycling Services Will Be Continued To September 22, 2020

The City Council will conduct a Public Hearing to consider continuing consideration of Resolution amending Resolution No. 7872 (Schedule of Fees) to apply a 3.36% rate increase to the residential refuse collection and recycling services for Fiscal Year 2020/21, retroactively effective July 1, 2020, to the regularly scheduled City Council meeting of September 22, 2020. (PW)

Documents:

ITEM 3 REPORT 08252020.PDF

4. Resolution Accepting Grant Funds From The Department Of Alcoholic Beverage Control For Fiscal Year 2020/21

The City Council will consider: (PD)

- a. Adopting a **Resolution _____** approving Agreement Number 20-APP47 accepting grant funds in the amount of \$21,049 from the State of California Department of Alcoholic Beverage Control for ABC enforcement and compliance for Fiscal Year 2020/21;
- b. Increasing the Fiscal Year 2020/21 revenue projection in account 231-4683 (Police Grants — ABC) by \$21,049, from \$0 to \$21,049;
- c. Amending the Fiscal Year 2020/21 Police Grants Fund budget by appropriating \$20,255 to account number 231-551-21-5111 (Overtime - Sworn), \$294 to account number 231-551-21-5220 (Medicare), and \$500 to

account number 231-551-21-6202 (Special Dept. Supplies): and

d. Authorizing the Chief of Police to execute the Grant Agreement in a form acceptable to the City Attorney.

Documents:

ITEM 4 REPORT 08252020.PDF

VI. Comments From The Audience

During this time, members of the public and staff may address the City Council regarding any items within the subject matter jurisdiction of the City Council. Comments from the audience will be limited to five (5) minutes per speaker; unless authorized by the Mayor, the time limit may not be extended by utilizing another member's time. There will be no debate or action on items not listed on the agenda unless authorized by law.

Note: The City Council desires to provide all members of the public with the opportunity to address the Council. Nevertheless, obscene language, comments intended to disrupt or interfere with the progress of the meeting or slanderous comments will not be tolerated and may result in ejection and/or may constitute a violation of South Gate Municipal Code Section 1.04.110.

VII. Reports And Comments From City Officials

During this time, members of the City Council will report on matters pertaining to their service on various intergovernmental boards and commissions as a representative of the City pursuant to Assembly Bill 1234. City Council Members will also have an opportunity to comment on matters not on the agenda.

Following the City Council Members, reports and comments will be heard by the City Clerk, City Treasurer, City Manager and Department Heads.

VIII. Consent Calendar Items

Agenda Items 5, 6, 7, 8, 9, 10, 11, 12 13 and 14 are consent Calendar Items. All items including Ordinances, Resolutions and Contracts, may be approved by adoption of the Consent Calendar, individually and collectively by one (1) motion. There will be no separate discussion of these items unless Members of the City Council, the public, or staff request that specific items be removed from the Consent Calendar for separate discussion and action.

Any Motion to introduce or adopt an Ordinance on the Consent Calendar shall be: (1) a motion to waive the reading of the Ordinance and introduce the Ordinance or (2) a motion to waive the reading of the Ordinance and adopt the Ordinance, as appropriate.

5. Community Development Block Grant Subrecipient Agreements For Fiscal Year 2020/2 1

The City Council will consider: (CD)

a. Approving Community Development Block Grant (CDBG) Program Subrecipient Agreements for Fiscal Year 2020/21 with:

1. The Fair Housing Foundation (**Contract # _____**) in the amount of \$24,000;
2. Southern California Rehabilitation Services (**Contract # _____**) in the amount of \$8,000;
3. The Salvation Army, DBA The Salvation Army Western Territory (**Contract # _____**) in the amount of \$22,500;
4. Helpline Youth Counseling (**Contract # _____**) in the amount of \$22,500;
5. The Tweedy Mile Association (**Contract # _____**) for a total amount of \$60,000; each of the ten participating businesses will receive a \$6,000 grant for exterior improvements; and

b. Authorizing the Mayor to execute the Agreements in a form acceptable to the City Attorney.

Documents:

ITEM 5 REPORT 08252020.PDF

6. Agreement With ASI Real Estate Investments, LLC, For Consulting Services For The Sale Of City-Owned Property Located At 5821 Firestone Boulevard

The City Council will consider: (CD)

- a. Approving the Listing Agreement (**Contract # _____**) to Sell (Agreement) with ASI Real Estate Investments, LLC, to coordinate a sales and purchase transaction and development of the City owned parking lot located at 5821 Firestone Boulevard with 5821 Firestone Boulevard, LLC, acting by and through its Manager, GVD Commercial Properties, Inc., through a Development and Disposition Agreement, in an amount not to exceed \$49,150;
- b. Appropriating \$49,150 from the unassigned General Fund balance to Account Number 100-603-41-6101 (General Fund — Planning Professional Services) to fund the cost of this Agreement; and
- c. Authorizing the Mayor to execute the Agreement in a form acceptable to the City Attorney.

Documents:

ITEM 6 REPORT 08252020.PDF

7. Agreement With Veronica Tam And Associates, Inc., For Housing Element Update Services For The 2021-2029 Cycle

The City Council will consider: (CD)

a. Approving Agreement (Contract _____) with Veronica Tam and Associates, Inc. for Housing Element update services for the 2021-2029 Cycle, in compliance with State law, in an amount not to exceed \$89,450; and

b. Authorizing the Mayor to execute the Agreement in a form acceptable to the City Attorney.

Documents:

ITEM 7 REPORT 08252020.PDF

8. Resolution Extending The Local Emergency As A Result Of The Ongoing COVID-19 Pandemic, Retroactively Effective July 11, 2020

The City Council will consider adopting a Resolution_____ extending the Local Emergency within the City as a result of the ongoing Coronavirus Disease 2019 pandemic, retroactively effective July 11,2020. (ADMIN)

9. Amendment No. 3 To Contract No. 3035 With ICON Enterprises, Inc., D/B/A CivicPlus For Additional Website Maintenance Support Services

The City Council will consider: (ADMIN)

a. Approving Amendment No. 3 to Contract No. 3035 with Icon Enterprises, Inc., d/b/a CivicPlus, extending website maintenance support services through August 26, 2021, in an amount not-to exceed \$9,994; and

b. Authorizing the Mayor to execute Amendment No. 3 in a form acceptable to the City Attorney.

Documents:

ITEM 09 REPORT 08252020.PDF

10. Amendment No. 2 To Contract No. 2940 With The Los Angeles Gateway Region Integrated Regional Water Management Joint Powers Authority For The Lower Los Angeles River Watershed Management Program

The City Council will consider: (PW)

a. Approving the Second Amendment to the Memorandum of Understanding (Contract No. 2940) between the Los Angeles Gateway Region Integrated Regional Water Management Joint Powers Authority and participating agencies for administration and cost sharing for the implementation of the Lower Los Angeles River Watershed Management Program and the Coordinated Integrated Monitoring Program from October 1, 2020 to

September 30, 2025 or the expiration of the forthcoming Municipal Separate Storm Sewer System (MS4) permit, whichever occurs first, in an amount not-to-exceed \$610,378; and

b. Authorizing the City Manager to execute the Second Amendment to Contract No. 2940 in a form acceptable to the City Attorney.

Documents:

ITEM 10 REPORT 08252020.PDF

11. Amendment No. 1 To Contract No. 3378 With METRO Retroactively Extending The Lapsing Date From June 30, 2020 To June 30, 2021 For The Boulevard Project

The City Council will consider: (PW)

a. Approving Amendment No. 1 to Measure R Funding Agreement (Contract No. 3378) with the Los Angeles County Metropolitan Transportation Authority (METRO) retroactively extending the lapsing date from June 30, 2020 to June 30, 2021, for the Firestone Boulevard Regional Corridor Capacity Enhancement Project, City Project No. 476-TRF, METRO Project ID No. MR306.33; and

b. Authorizing the Mayor to execute Amendment No. 1 in a form acceptable to the City Attorney.

Documents:

ITEM 11 REPORT 08252020.PDF

12. This Item Was Removed From The Agenda

13. Amendment No. 3 To Contract No. 2232 With Adminsure, Inc., For The City's Self-Insured Workers' Compensation Program

The City Council will consider: (ADMIN SRVS)

a. Approving Amendment No. 3 to Contract No. 2232 with AdminSure Inc., for the administration of the City's Self-Insured Workers' Compensation Program with a 2% rate increase for Fiscal Years 2020/21, 2021/22 and 2022/23; and

b. Authorizing the Mayor to execute Amendment No. 3 in a form acceptable to the City Attorney.

Documents:

ITEM 13 REPORT 08252020.PDF

14. Minutes

The City Council will consider: (CLERK)

A. Approving the Regular and Special City Council Meeting minutes of July 28, 2020.

B. Approving the Regular and Special City Council Meeting minutes of August 11,2020.

Documents:

ITEM 14 REPORT 08252020.PDF

IX. Reports, Recommendations And Requests

15. Warrants

The City Council will consider: (ADMIN SRVS)

- a. Approving Check No.89600 from August 11, 2020; and
- b. Approving the Warrant register for August 25, 2020

Total of Checks:	\$2,615,621.99
Voids:	(\$ 0.00)
Total Payroll Deductions (FY 2020/21)	(\$ 340,173.90)
Grand Total:	\$2,275,448.09

Documents:

ITEM 15 A REPORT 08252020.PDF
ITEM 15 B REPORT 08252020.PDF

X. Adjournment

I, Carmen Avalos, City Clerk, certify that a true and correct copy of the foregoing Meeting Agenda was posted August 20, 2020 at 5:30 as required by law.

Carmen Avalos, CMC
City Clerk

Materials related to an item on this Agenda submitted to the City Council after distribution of the agenda packet are available for public inspection in the City Clerk's Office

8650 California Avenue, South Gate, California 90280
(323) 563-9510 * fax (323) 563-5411 * www.cityofsouthgate.org

Meetings, please contact the Office of the City Clerk.

Notification 48 hours prior to the City Council Meeting will enable the City to make reasonable arrangements to assure accessibility.

RECEIVED

AUG 6 2020

City of South Gate
CITY COUNCIL

CITY OF SOUTH GATE
OFFICE OF THE CITY MANAGER

12:40pm

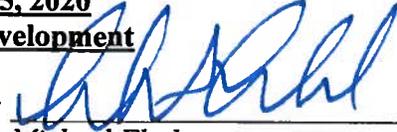
AGENDA BILL

For the Regular Meeting of: August 25, 2020
Originating Department: Community Development

Department Director:


Joe Perez

City Manager:


Michael Flad

SUBJECT: DISPOSITION AND DEVELOPMENT AGREEMENT WITH 5821 FIRESTONE BOULEVARD, LLC, ACTING BY AND THROUGH ITS MANAGER, GVD COMMERCIAL PROPERTIES, INC., FOR CITY OWNED PROPERTY LOCATED AT 5821 FIRESTONE BOULEVARD

PURPOSE: To approve a Disposition and Development Agreement (DDA) with 5821 Firestone Boulevard, LLC, acting by and through its Manager, GVD Commercial Properties, Inc., (Developer) for the acquisition and development of City-owned property located at 5821 Firestone Boulevard, identified as APN 6232-004-907 (the Site). This item was continued from the regularly scheduled City Council meetings of July 28, 2020 and August 11, 2020, at the request of City staff.

RECOMMENDED ACTIONS: Following the conclusion of the Public Hearing:

- a. Accept the determination that this project is Categorical Exempt under Class 32 (In-Fill Projects) Section 15332 of the California Environmental Quality Act; and
- b. Adopt Resolution approving the Disposition and Development Agreement with 5821 Firestone Boulevard, LLC, acting by and through its Manager, GVD Commercial Properties, Inc., for the acquisition and development of City-owned property located at 5821 Firestone Boulevard and authorizing the Mayor to execute said Agreement in a form acceptable to the City Attorney.

 **FISCAL IMPACT:** Approval of the proposed sale will generate \$400,000 (less customary closing costs allocated to a seller) in one-time general fund revenue, and an undetermined amount of on-going property and sales tax revenue following completion of the proposed project.

PUBLIC NOTIFICATION: Advertising and notification of the public hearing for this item was conducted in compliance with Chapter 11.50, Title 11 of the South Gate Municipal Code. Notice of the hearing was published in the Long Beach Press Telegram newspaper on July 18, 2020 (Attachment D). In addition, notices were mailed to property owners and addresses located within 1,000 feet of the proposed project area and property.

ALIGNMENT WITH COUNCIL GOALS: This proposed DDA meets the City Council's goal of encouraging economic development to develop a project on City-owned property that enhances the residents' quality of life, provides employment opportunities and increases property and sales tax revenue.

ENVIRONMENTAL EVALUATION: This project is Categorically Exempt under Class 32 (In-Fill Projects) Section 15332 of the California Environmental Quality Act. Class 32 consists of projects characterized as in-fill development meeting the conditions described in this section. The Project is consistent with the applicable South Gate General Plan designation and all applicable South Gate General Plan policies as well as with applicable zoning designation and regulations. The proposed development occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses. The Project site has no value as habitat for endangered, rare or threatened species. Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality.

ANALYSIS: Acquired by the former South Gate Community Development Commission (Redevelopment Agency) in 1994 to provide public parking for the El Paseo/South Gate Towne Center, the Site is located on the north side of Firestone Boulevard, just east of Garfield Avenue. The Site, containing approximately 20,125 square feet, was transferred to the City of South Gate after redevelopment agencies were dissolved by the State of California in 2012. The Site is currently improved as surface parking lot utilized by patrons of surrounding businesses within the shopping center, including Denny's Restaurant to the west and El Compa Restaurant to the east.

The Site is within the Regional Commercial Zone with a residential/mixed-use overlay. This Zone supports retail and service commercial uses as well as residential as part of mixed-use projects. The South Gate General Plan designation for the Site is El Paseo/South Gate Towne Center (Sub Area 1), which calls for uses such as retail/service, restaurant, office, entertainment, multi-family residential, and plazas/open space. The Site does not generate any income for the City.

Disposition and Development Agreement

The proposed DDA is between the City of South Gate and 5821 Firestone Boulevard, LLC, acting by and through its Manager, GVD Commercial Properties Inc. (Developer) for the redevelopment of the City owned parcel located at 5821 Firestone Boulevard and establishes mutual covenants and promises between both parties. The Developer desires to redevelop the Site with a single tenant or multi-tenant building for restaurant and/or retail services. The project will consist of up to approximately 3,500 square feet in of retail/restaurant space. Tenants may include restaurants such as, Raising Cane's Chicken Fingers, The Coffee Bean & Tea Leaf, Moe's Southwest Grill, Farmer Boys, Dunkin Donuts, Noah's Bagels, and Jimmy Johns.

Provided below are key terms of the DDA:

- Agreement is with the City of South Gate and 5821 Firestone Boulevard, LLC.
- City agrees to sell to Developer all City's rights, title and interests in and to the Site upon the terms and conditions set forth in Agreement.
- City will not be providing financial assistance to Developer in connection with Developer's acquisition of the Site or development of the Project.
- Developer shall be responsible for all construction and development costs to construct and/or hire to construct the Project on the Site.
- Once Developer receives all Entitlements and issuance of Permits, Developer will submit to City a non-refundable deposit in the amount of Twelve Thousand Five Hundred Dollars (\$12,500).
- Developer will provide all required landscaping and on-site improvements in accordance with applicable City regulations and standards.
- The City will sell the property for the value of \$400,000.

- Close Escrow no later than October 31, 2021.
- Begin construction of the Project within ninety 90 days after close of escrow.
- Completion of project shall be no later than one year after close of escrow.

The Project will provide a dining and/or retail development along the Firestone corridor, increase retail sales tax revenues, and create jobs.

Development Plan and Submittals

Following approval of the DDA, Project approval is subject to multiple submissions to City staff, and City Council review and approval. Developer shall submit the following materials to City staff:

- *Updated Proforma*- A detailed proforma tailored to the Project as contemplated in the Project Development Concept subject to the reasonable, prior written approval of the City Manager.
- *Updated Site Plan with Architectural Design and Parking Proposals*- A reasonably detailed Site Plan and development details for the elected Project Development Concept, along with a plan for ensuring compliance with City parking standards.
- *Updated Schedule of Performance*- Any final revisions to the proposed Project Schedule of Performance.

Material for City Council Approval

Upon submission of the Development Plan to the City Planning Division, the following materials will be presented to the City Council for review at a regularly-scheduled City Council meeting within 30 days:

- *The Updated Site Plan*- City Council approval will include (a) the proposed architectural design scheme; and (b) Developer’s parking proposal.
- *Updated Schedule of Performance*- Any proposed revisions to the proposed Project Schedule of Performance.

The City Council will decide whether to approve, disapprove, or approve with further conditions, the Developer’s ability to proceed with the Project Development Concept elected. Once Developer is authorized by the City Council to proceed with the Project Development Concept, then Developer shall submit to the City final drawings and specifications for development of the Site.

BACKGROUND: After the dissolution of redevelopment agencies in 2012, the Site was included in the State-required Long Range Property Management Plan (LRPMP). The South Gate 2015 LRPMP, which listed the Site as being transferred to the City of South Gate, was approved by the California Department of Finance.

On April 2018, the City approved an Exclusive Negotiation Agreement (ENA) with Primestor Development Inc., (Primestor), the developer of the successful 32-acre azalea Regional Shopping Center located at 8653 Atlantic Avenue, who expressed interest in acquiring and developing the Site. The ENA established a time period during which Primestor would have the exclusive right to negotiate the terms for the purchase and development of the Site. During the ENA period, Primestor conducted due diligence regarding the Site and analyzed the feasibility of developing the Site for a retail/restaurant use in accordance with the City’s vision for the Site. The specific use(s), design elements and size of the proposed development were determined by the research, discussions and reports that occurred during the exclusive negotiating period. The ENA allowed a commitment by both parties to negotiate in good faith towards the approval of a DDA.

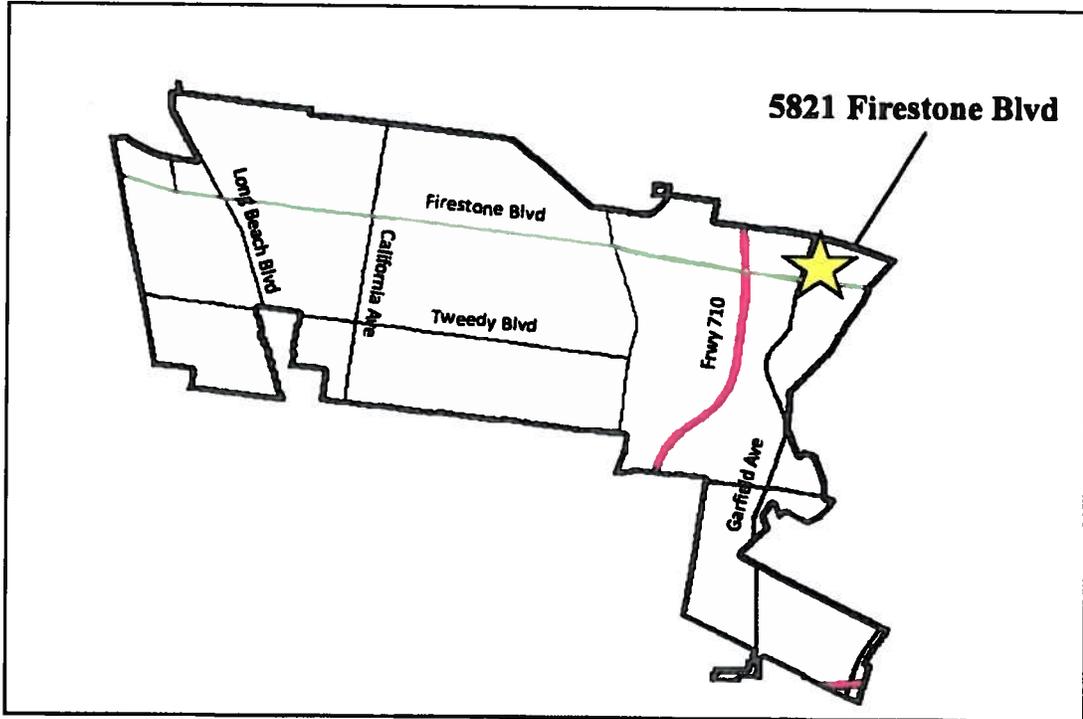
On April 23, 2019, the City Council approved Contract No. 3519, a Disposition and Development Agreement (DDA) with ASÍ Real Estate Investments, LLC (“Developer”) in conjunction with Arturo Sneider from Primestor Development, for the acquisition and development of City-owned property located at 5821 Firestone Boulevard.

Soon thereafter, the City was made aware of a 1994 Agreement that required the City to receive consent from GVD to sell the site. In April 24, 2020 GVD offered to acquire and develop the site under the same basic terms as the DDA approved in April 23, 2019. On May 14, 2019, the City Council directed staff to present at a future City Council meeting, a public hearing to reconsider the DDA with ASÍ Real Estate Investments, LLC.

The proposed developer for this project is 5821 Firestone Boulevard, LLC, acting by and through its Manager, GVD, a US-based real estate development, investment, and Management Company founded in 1974 by developer Gerald V. Dicker. GVD is known for its ability to quickly analyze, fund and close complex transactions, most of which involve prime properties held for long term investment. GVD is the current property owner of the South Gate Towne Shopping Center located between Firestone Boulevard & Garfield Avenue. GVD initially specialized in the acquisition, development, redevelopment, and management of shopping centers throughout California, the Southwest, and the Pacific Northwest. Over the years, GVD also accumulated a substantial portfolio of net leased investment properties across the country, and now owns over 100 properties in 18 states, totaling more than 2 Million square feet of buildings. The majority of GVD's assets are managed in-house by a staff of real estate professionals located in GVD's Orange, California and Spokane, Washington offices.

- ATTACHMENTS:**
- A. Location Map and Aerial
 - B. Proposed Resolution (with proposed Disposition and Development Agreement, Preliminary Site Plan, and Concepts)
 - C. Conceptual Elevations
 - D. Public Hearing Notice

Attachment A
Location Map and Aerial



RESOLUTION NO. ____

**CITY OF SOUTH GATE
LOS ANGELES COUNTY, CALIFORNIA**

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH GATE, CALIFORNIA, APPROVING THE DISPOSITION AND DEVELOPMENT AGREEMENT WITH 5821 FIRESTONE BOULEVARD, LLC, ACTING BY AND THROUGH ITS MANAGER, GVD COMMERCIAL PROPERTIES, INC., FOR THE ACQUISITION AND DEVELOPMENT OF CITY-OWNED PROPERTY LOCATED AT 5821 FIRESTONE BOULEVARD AND AUTHORIZING THE MAYOR TO EXECUTE SAID AGREEMENT IN A FORM ACCEPTABLE TO THE CITY ATTORNEY

WHEREAS, the City of South Gate is authorized and empowered by law to enter into agreements for the acquisition, development and disposition of real property;

WHEREAS, the City of South Gate previously acquired that certain real property consisting of approximately 20,037 square feet located at 5821 Firestone Boulevard (the "Site") from the former Community Development Commission of the City of South Gate (successor-in-interest to the Redevelopment Agency of the City of South Gate) ("Former Agency") following the passage of California Assembly Bill x1 26 which added Parts 1.8 and 1.85 to Division 24 of the California Health and Safety Code (the "H&SC") and caused the dissolution of all redevelopment agencies in the State of California and wind down of the affairs of the former agencies, including as such laws were amended by Assembly Bill 1484 and by other subsequent legislation (together, as amended, the "Dissolution Law");

WHEREAS, pursuant to the Dissolution Law, the Successor Agency to the Community Development Commission of the City of South Gate ("Successor Agency") was required to prepare a "long-range property management plan" (the "LRPMP") addressing the future disposition and use of all real properties of the Former Agency no later than six months following the California Department of Finance's issuance to the Successor Agency of a finding of completion under Section 34179.7 of the H&SC;

WHEREAS, the Site was included in the State-required LRPMP for the City of South Gate and, in the South Gate 2015 LRPMP, the Site was listed as being transferred to the City of South Gate which was approved by the California Department of Finance;

WHEREAS, the Site is located within the El Paseo South Gate Shopping Center, is currently improved as a surface parking lot utilized by patrons of surrounding businesses within the shopping center, including Denny's Restaurant to the west of the Site, but does not generate any income for the City of South Gate;

WHEREAS, the Site is within the Regional Commercial Zone with a residential/mixed use overlay, which zone supports retail and service commercial uses as well as residential as part of mixed use projects, and the South Gate General Plan designation for the Site is El Paseo/South Gate Towne Center (Sub Area 1), which call for uses such as retail/service, restaurant, office, entertainment, multi-family residential, and plaza/open space;

WHEREAS, City staff has negotiated the terms of a Disposition and Development Agreement (the "DDA") with 5821 Firestone Boulevard, LLC, acting by and through its Manager,

GVD Commercial Properties, Inc., or its duly approved assignee ("Developer"), for the sale, purchase and redevelopment of the Site, a copy of which DDA is attached to this Resolution as Exhibit "A";

WHEREAS, the DDA would provide, among other things, for the City of South Gate to sell the Site to Developer in its present "as is" condition for a purchase price of \$400,000, which is the market value of the Site, with the proceeds of sale to be distributed to the taxing entities under Section 34191.5(c)(2)(B) of the H&SC;

WHEREAS, Developer desires to purchase and redevelop the Site with a single tenant or multi-tenant building for restaurant and/or retail and services, which will be in compliance with all applicable laws and subject to the City of South Gate's discretionary approval of all plans and specifications in accordance with City ordinances and regulations including zoning regulations (the "Project"), it being the intent of Developer and the City of South Gate that the Project will provide a dining and/or retail development along the Firestone Boulevard corridor which would enhance the quality of life of residents, provide employment opportunities and increase retail sale tax revenue;

WHEREAS, the proposed Project is consistent with the applicable South Gate General Plan designation and all applicable South Gate General Plan policies as well as with applicable zoning designation and regulations, would occur within the city limits on a project site of no more than five acres substantially surrounded by urban uses, and has no value as habitat for endangered, rare or threatened species and approval of the Project would not result in any significant effects relating to traffic, noise, air quality, or water quality;

WHEREAS, the sale and development of the Site in accordance with the DDA is in the best interests of the City of South Gate and the health, safety and welfare of its residents; and in accordance with the goals, objectives and public purposes and provisions of applicable state and local laws and requirements;

WHEREAS, Developer acknowledges that the City of South Gate will not be providing financial assistance to Developer in connection with Developer's acquisition of the Site or development of the Project; provided, however, the City of South Gate, at no cost to the City of South Gate, agrees to reasonably cooperate and assist Developer in its efforts to secure other public sources of funding (including subsidies), if any; and

WHEREAS, the City of South Gate published notice of the proposed DDA and held a public hearing on August 11, 2020, in accordance with Section 33431 of the H&SC and, following the public hearing, the City of South Gate considered and by this Resolution desires to approve the DDA.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SOUTH GATE DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The foregoing recitals are true and correct and constitute a substantive part of this Resolution.

SECTION 2. The City Council hereby approves the terms and conditions of the DDA for the sale of the Site to Developer in substantially the form attached hereto as Attachment 1, which is fully incorporated by this reference.

SECTION 3. The City Council hereby authorizes the Mayor to execute the DDA in a form acceptable to the City Attorney and is further authorized to take such actions as may be necessary or appropriate to implement the DDA, including executing a grant deed and such other instruments, certificates and agreements, and taking such other appropriate actions to perform the obligations and exercise the rights of the City of South Gate under the DDA. A copy of the DDA when fully executed and approved shall be placed on file in the office of the City Clerk.

SECTION 4. The City Council hereby accepts the determination that this Project is within a Class 32 "Infill" Categorical Exemption pursuant to California Environmental Quality Act Guideline Section 15332. A Class 32 Exemption exempts certain in-fill development meeting the conditions described in the section. The Project qualifies for a Class 32 Exemption because of the following conditions: (a) the Project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations; (b) the Project occurs within city limits on a site of no more than five acres substantially surrounded by urban uses; (c) the Project's site has no value as habitat for endangered, rare or threatened species; (d) approval of the Project would not result in any significant effects relating to traffic, noise, air quality, or water quality; and (e) the site can be adequately served by all required utilities and public services.

SECTION 5. The City Clerk shall certify to the adoption of this Resolution which shall be effective upon its adoption.

PASSED, APPROVED and ADOPTED this 25th day of August 2020.

CITY OF SOUTH GATE:

By: _____
Maria Davila, Mayor

ATTEST:

By: _____
Carmen Avalos, City Clerk
(SEAL)

APPROVED AS TO FORM:

By:  _____
Raul F. Salinas, City Attorney

EXHIBIT "A"
DISPOSITION AND DEVELOPMENT AGREEMENT
[to be attached]

**DISPOSITION AND DEVELOPMENT AGREEMENT
BETWEEN THE CITY OF SOUTH GATE AND 5821 FIRESTONE BOULEVARD, LLC,
ACTING BY AND THROUGH ITS MANAGER, GVD COMMERCIAL PROPERTIES, INC.**

This Disposition and Development Agreement for the acquisition and development of City-owned property located at 5821 Firestone Boulevard, South Gate, California 90280, identified as APN 6232-004-907, is made and entered into on August 25, 2020, by and between the City of South Gate, a California municipal corporation (“City”), and 5821 Firestone Boulevard, LLC, acting by and through its Manager, GVD Commercial Properties, Inc., a California limited liability company, or assignee (“Developer”). City and Developer are sometimes hereinafter individually referred to as a “Party” and collectively as “Parties.” For and in consideration of the mutual covenants and promises set forth herein, the Parties agree as follows:

RECITALS

A. The subject matter of this Agreement concerns real property parcels shown and described in **Exhibit A**, including the following parcel:

1. *City Parcel*. A parcel of real property owned by the City improved as parking lot and commonly known as 5821 Firestone Boulevard, APN 6232-004-907, in the City of South Gate, County of Los Angeles, State of California, consisting of approximately 20,037 square feet of land area and is legally described in **Exhibit A** hereto (the “City Parcel”);
2. [Intentionally Omitted.]

B. The City is the owner in fee of the City Parcel, which parcel is the subject of conveyance under this Agreement. The City Parcel is sometimes referred to herein as the “Site.”

C. Developer desires to redevelop the Site with a single tenant or multi-tenant building for restaurant and/or retail and services (the “Project”), which Project will be in compliance with all applicable laws and subject to City’s discretionary approval of all plans and specifications in accordance with the City ordinances and regulations including zoning regulations. In addition to the parking requirements for the Project, if Developer elects to proceed with the Project as provided in this Agreement (subject to City’s approval as provided herein), Developer will provide all required landscaping and on-site improvements in accordance with applicable City regulations and standards:

1. “Project Development Concept”: If Developer acquires the Site, then the Project shall be similar to the site plan depicted in **Exhibit B** hereto and consisting of up to approximately 3,500 square feet of retail/restaurant space and in compliance with Reciprocal Easement Agreements recorded as Document Nos. 86-1044843, 86-1044845, and 86-1044846, and Resolution No. 94-08; and such other covenants, conditions and restrictions and other encumbrances and title exceptions approved by Developer under Section 405 below;

D. City and Developer desire to enter into this Agreement to accomplish the sale of the Site to Developer and development of the Project pursuant to this Agreement, and the fulfillment generally of this Agreement are in the best interests of the City of South Gate and the health, safety, and welfare of its residents, and in accord with the public purposes and provisions of applicable federal, state and local laws and requirements.

E. The fair market value of the Site is Four Hundred Thousand Dollars (\$400,000) and Developer's "Purchase Price" is Four Hundred Thousand Dollars (\$400,000) for the Site. Developer shall purchase all City's right, title and interests to the Site upon satisfaction of all Developer conditions to Closing and deposit of the Purchase Price into Escrow. City shall provide Developer with appropriate information and assistance for Developer's acquisition of the Site all in keeping with the appropriate escrow instructions and customary practices.

NOW, THEREFORE, based on the above recitals, which are deemed true and correct and which are incorporated into the terms of this Agreement, and in consideration of the mutual covenants set forth herein, the parties hereto agree as follows:

(§100) PURPOSE OF THE AGREEMENT.

A. (§101) Purpose of the Agreement.

Developer hereby agrees to purchase from City, and City agrees to sell to Developer all City's rights, title and interests in and to the Site upon the terms and conditions hereinafter set forth. This Agreement is intended to effectuate the designated use and development of the Site in accordance with the best interests of the City of South Gate, and the development of the Project thereon (**Exhibit B**). The sale of the Site is (i) in the best interests of the City and the health, safety and welfare of its residents; and (ii) in accordance with the public purposes and provisions of applicable federal, state and local laws.

Through this Agreement, it is the intent of the parties and the City that the Project will: (i) Provide a dining and/or retail development along the Firestone corridor, (ii) Increase retail sales tax revenues and, (iii) Create jobs.

B. (§102) No City Financial Assistance.

Developer acknowledges that City will not be providing financial assistance to Developer in connection with Developer's acquisition of the Site or development of the Project; provided, however, City, at no cost to City, agrees to reasonably cooperate and assist Developer in its efforts to secure other public sources of funding, if any (including subsidies).

Except as may otherwise be provided in this Agreement, Developer, at its sole expense, shall be responsible for all construction and development costs to construct and/or hire to construct the Project on the Site, including: grading and site preparation; building construction; site development and infrastructure; design; building permit and development fees; and financing. The Project is more particularly described in the Scope of Development, complete with the Project Development Concept (**Exhibit B**).

C. (§103) Deposit.

After receipt by Developer of all Entitlements and issuance of all necessary Permits, Developer shall submit to City a non-refundable deposit (the "Non-Refundable Deposit") in the amount of Twelve Thousand Five Hundred and 00/100 Dollars (\$12,500.00). The Non-Refundable Deposit shall be in the form of cash or cashier's check payable to City to reimburse City for its Project related costs, including professional services of outside legal counsel and consultants, incurred in connection with or related to the preparation of this Agreement. Any unused amount of the Non-Refundable Deposit shall be kept by City for its own account.

(§200) DEFINITIONS.

The following terms as used in this Agreement shall have the meanings given unless expressly provided to the contrary:

A. (§201) City Parcel Delivery Date.

The term "City Parcel Delivery Date" shall mean the date on or before the date on which Escrow for the sale and purchase of the City Parcel shall have closed, which Closing shall be no later than October 31, 2021.

B. (§202) Agreement.

The term "Agreement" shall mean this entire Disposition and Development Agreement, including all attachments, which attachments are a part hereof and incorporated herein in their entirety, and all other documents incorporated herein by reference.

C. (§203) Intentionally Deleted.

D. (§204) City.

The term "City" shall mean the City of South Gate, a California municipal corporation.

E. (§205) Site.

The term "Site" shall mean the parcel of real property owned by the City improved as a parking lot and commonly known as 5821 Firestone Boulevard, APN 6232-004-907, in the City of South Gate, County of Los Angeles, State of California, legally described in Exhibit A hereto.

F. (§206) Closing.

The term "Closing" shall mean the date of recording of the Grant Deed and the closing of the Escrow by the Escrow Agent's distribution of the funds and documents received through Escrow to the party entitled thereto as provided herein, which closing shall occur on or before the date established in the Schedule of Performance.

G. (§ 207) Covenants, CC&Rs, or REAs.

The term “Covenants,” “CC&Rs,” or “Reciprocal Easement Agreements” shall refer to that certain Regulatory Agreement(s), Declaration of Covenants and Restrictions, or Reciprocal Easement Agreements, pursuant to which Developer agrees to develop and maintain the Project on the Site.

H. (§208) Days.

The term “days” shall mean calendar days and the statement of any time period herein shall be calendar days, excluding Saturdays, Sundays and federal and state holidays, unless otherwise specified. If the date (“Performance Date”) on which any action is to be taken, any obligation is to be performed, or any notice is to be given under this Agreement falls on a Friday when South Gate City Hall is closed for business, or on a Saturday, Sunday or federal or state holiday, such Performance Date shall be automatically extended to the next calendar day.

I. (§209) Effective Date.

The “Effective Date” of this Agreement shall occur on the date this Agreement is executed on behalf of the City after public hearing.

J. (§210) Enforced Delay.

The term “Enforced Delay” shall mean any delay described in Section 1003 caused without fault and beyond the reasonable control of a party, which delay shall justify an extension of time to perform as provided in Section 1003.

K. (§211) Escrow.

The term “Escrow” shall mean the escrow established pursuant to this Agreement for the conveyance of the Site from City to Developer.

L. (§212) Entitlements.

The term “Entitlements” shall mean any and all final, non-appealable approvals, authorizations and entitlements relating to land use from governmental authorities with jurisdiction that Developer deems necessary or appropriate in order to develop and improve the Site with the Project.

M. (§213) Escrow Agent.

The term “Escrow Agent” shall mean First American Title Insurance Company National Commercial Services, at the address of 777 S. Figueroa St, Suite 400, Los Angeles, CA 90017, with the escrow officer being Maria Martinez who may be contacted at phone (213) 271-1780.

N. (§214) Grant Deed.

The term “Grant Deed” shall refer to that certain Grant Deed, which shall be substantially

in the form attached hereto as **Exhibit C**, for the conveyance of the Site from City to Developer.

O. (§215) Permits.

The term "**Permits**" shall mean any and all permissions, permits, licenses and other indicia of governmental approvals from governmental authorities, including permits relating to alcoholic beverages.

P. (§216) Project.

The term "**Project**" shall mean all of the improvements to be constructed by Developer on the Site pursuant to this Agreement, including, but not limited to, construction of the building, glass and concrete work, landscaping, construction of parking areas, and related improvements. The Project is more particularly described in the Scope of Development, attached hereto as **Exhibit B**, which Project is subject to the Project Development Concept:

1. "**Project Development Concept**": If Developer acquires the Site, then the Project shall be similar to the site plan depicted in **Exhibit B** hereto and consisting of up to approximately 3,500 square feet of retail/restaurant space subject to the Reciprocal Easement Agreements Recorded as Document Nos. 86- 1044843, 86-1044845, and 86-1044846, and Resolution No. 94-08, and such other covenants, conditions and restrictions and other encumbrances and title exceptions approved by Developer under Section 405 below.

Q. (§217) Release of Construction Covenants.

The term "**Release of Construction Covenants**" shall mean that document prepared in accordance with Section 714 of this Agreement, which shall evidence that the construction and development of the improvements required by this Agreement has been satisfactorily completed.

R. (§218) Schedule of Performance.

The term "**Schedule of Performance**" shall mean that certain Schedule of Performance attached hereto as **Exhibit D**.

S. (§219) Title.

The term "**Title**" shall mean the fee simple interest to the Site conveyed to Developer.

T. (§220) Title Company.

The term "**Title Company**" shall mean First American Title Insurance Company National Commercial Services, with the title officer being Liz Thymius may be contacted at (213) 271-1744.

(§ 300) PARTIES TO THE AGREEMENT.

A. (§301) City.

City is a California municipal corporation. The office of City is located at 8650 California Avenue, South Gate, California 90280. City hereby represents the following to Developer for the purpose of inducing Developer to enter into this Agreement and to consummate the transactions contemplated hereby, all of which shall be true as of the date hereof and as of the date of the Closing with respect to the conveyance of Title to Developer:

1. The City has the legal power, right and authority to enter into this Agreement and the instruments and documents referenced herein to which the City is a party, to consummate the transactions contemplated hereby, to take any steps or actions contemplated hereby, and to perform its obligations hereunder.
2. All requisite action has been taken by the City and all requisite consents have been obtained in connection with City entering into this Agreement and the instruments and documents referenced herein to which the City is a party, and to the best knowledge of City, comply with all applicable laws, statutes, ordinances, rules and governmental regulations.
3. Reasonable and good faith inquiry has determined that there is no pending or threatened litigation which would prevent the City Parcel from being conveyed in the condition of title required hereunder, or which would prevent the City from performing its duties and obligations hereunder.
4. To the actual knowledge of City's Director of Community Development, without any duty of investigation or inquiry, City has not received any written notice to the effect that the City Parcel is not in compliance with applicable laws or codes or any private restrictions.
5. City has not entered into any executory contracts for the sale of the City Parcel and, except as may be disclosed by the Reciprocal Easement Agreements Recorded as Document Nos. 86-1044843, 86-1044845, and 86-1044846 and Resolution No. 94-08, and such other covenants, conditions and restrictions and other encumbrances and title exceptions approved by Developer under Section 405 below, there do not exist any rights of first refusal, option rights or other preferential rights to acquire, purchase or ground lease the City Parcel.

B. (§302) Developer.

1. **Identification.**

Developer is 5821 Firestone Boulevard, LLC, a California limited liability company, or its assignee. The principal office of Developer for the purposes of this Agreement is located at 1915-A East Katella Avenue, Orange, California 92867. Developer hereby warrants and represents to City for the purpose of inducing City to enter into this Agreement and to consummate the transactions contemplated hereby, all of which shall be true as of the date hereof and as of the date of the Closing, that Developer (i) is duly qualified to do business in good standing under the laws of the State of California, (ii) has taken all requisite action and obtained all requisite consents in connection with Developer entering into this Agreement, and (iii) has all requisite power and authority to carry out Developer's business as now and whenever conducted and to enter into and perform Developer's obligations under this Agreement.

Except as may be expressly provided herein, all of the terms, covenants and conditions of this Agreement shall be binding on, and shall inure to the benefit of Developer, and the permitted successors, assigns and nominees of Developer. Wherever the term “Developer” is used herein, such term shall include any of its permitted successors and assigns, as herein provided.

2. **Qualifications.**

Subject to the provisions of Section 303, the qualifications and identity of Developer are of particular concern to City, and it is because of such qualifications and identity that City has entered into this Agreement with Developer. City has considered the Site location and characteristics, the public costs of transferring the City Parcel for development of the Project and return on investment, and the kinds of uses necessary to produce a successful commercial project of the type desired by City. Based upon these considerations, City has imposed those restrictions on transfer set forth in this Agreement.

C. **(§303) Broker.**

Broker is ASÍ Real Estate Investments, LLC, an Arizona limited liability company. The principal office of Broker for the purposes of this Agreement is located 10000 Washington Blvd., Suite 300, Culver City, CA 90232. Broker warrants and represents to City and Developer, that Broker is duly qualified to do business in good standing under the laws of the State of California. For the purpose of this Agreement, Broker will facilitate the communication between City and Developer; and will provide leasing support to Developer for the Project.

D. **(§304) Restrictions on Transfer.**

1. **Transfer Defined.**

As used in this section, the term “transfer” shall include any assignment, hypothecation, mortgage, pledge, conveyance, or encumbrance of this Agreement or the Site. A transfer shall also include the transfer to any person or group of persons acting in concert of more than forty-nine percent (49%) of the present ownership and/or control of Developer in the aggregate taking all transfers into account on a cumulative basis. In the event Developer or its successor is a corporation, limited liability company, or trust, such transfer shall refer to the transfer of the issued and outstanding capital stock of Developer, or of membership interests or of beneficial interests of such trust, as applicable; in the event that Developer is a limited or general partnership, such transfer shall refer to the transfer of more than twenty-five percent (25%) of the limited or general partnership interest; in the event that Developer is a joint venture, such transfer shall refer to the transfer of more than forty-nine percent (49%) of the ownership and/or control of any such joint venture partner, taking all transfers into account on a cumulative basis.

This prohibition shall not be deemed to prevent the granting of temporary or permanent easements or Permits to facilitate the development of the Site. In the event of a transfer as a result of or in connection with the judicial or non-judicial foreclosure, consensual sale (such as a deed in lieu of foreclosure) or transfer arising from or relating to a holder of a mortgage loan or deed of

trust exercising its remedies under such lien (provided that the same was permitted under this Agreement), City shall not have any right to approve or disapprove any transfer, sale or conveyance to any other party or parties acquiring the Site from such holder of a mortgage loan or deed of trust; provided, however that any party or parties acquiring the Site from such holder of a mortgage loan or deed of trust shall assume the rights and obligations and be bound under the terms, conditions and covenants of this Agreement as though they were parties hereto by written agreement in form and substance reasonably satisfactory to City with respect to the Site or any portion thereof in which the holder has an interest.

2. Restrictions Prior to Completion.

Prior to issuance of the Release of Construction Covenants, Developer shall not transfer this Agreement or any of Developer's rights hereunder, or any interest in the Site, directly or indirectly, voluntarily or by operation of law, without the prior written approval of City, which approval will not be unreasonably withheld, conditioned or delayed, and if so purported to be transferred, the same shall be null and void; provided, however, that City agrees to grant its approval to a special purpose entity owned and/or controlled by Developer (or its principals) provided a financially viable party agrees to guarantee completion of the Project. In considering whether City will grant approval to any assignment by Developer of its interest in the Site before the issuance of the Release of Construction Covenants, which assignment requires City approval, City shall consider factors such as (i) whether the completion of the Project is jeopardized; (ii) the financial strength and capability of the proposed assignee to perform Developer's obligations hereunder; (iii) the proposed assignee's experience and expertise in the planning, financing, development, ownership, and operation of similar projects; and (iv) how the proposed assignee will have the ability to finance, own, operate and maintain a high-quality retail facility in the City, similar to the Project in terms of reputation and amount of anticipated sales to be generated from the City Parcel.

No attempted assignment or transfer of any of Developer's obligations hereunder shall be effective unless and until the successor party executes and delivers to City an assumption agreement in a form approved by City assuming such obligations. Upon execution and approval of an assumption agreement as provided for herein, the assignor/transferor shall be released and have no further obligations or liability under this Agreement with respect to the interest which is transferred, except to the extent assignor/transferor is in default under the terms of this Agreement prior to said transfer.

3. Exceptions.

Notwithstanding any other provision set forth in this Agreement to the contrary, the restrictions on transfer set forth in this Section 304 shall not apply and City approval of a transfer shall not be required in connection with any of the following:

- (a) Developer shall be permitted to finance or refinance Developer's direct and indirect costs to acquire the Site and develop the Project thereon utilizing a deed of trust or other form of conveyance, provided that Developer shall notify City in advance of any such mortgage, deed of trust, or other form of conveyance for financing pertaining to the Site.

- (b) The conveyance or dedication of any portion of the Site to the City or other appropriate governmental agency, and/or the granting of easements or Permits to facilitate the development of the Site.
- (c) A sale or transfer of fifty percent (50%) or more of ownership or control interest between members of the same family; or transfers to a trust, testamentary or otherwise, in which the beneficiaries consist solely of members of the trustor's family; or transfers to a corporation or partnership or other legal entity in which the members of the transferor's family have a controlling majority interest of fifty-one percent (51%) or more.
- (d) A conveyance of the Site to any entity which is wholly owned or controlled by Developer, or any entity owned and controlled by any one of its respective members, partners, managers general partners or principals (each a "Developer Affiliate").
- (e) Any transfer as a result of or in connection with the judicial or non-judicial foreclosure, consensual sale (such as a deed in lieu of foreclosure) or transfer arising from or relating to a holder of a mortgage loan or deed of trust exercising its remedies under such lien (provided that the same was permitted under this Agreement), and in the event that such holder of a mortgage loan or deed of trust (or its affiliate) acquires title to the Site, City shall not have any right to approve or disapprove any transfer, sale or conveyance to any other party or parties acquiring the Site from such holder of a mortgage loan or deed of trust; provided, however that any party or parties acquiring the Site from such holder of a mortgage loan or deed of trust shall assume the rights and obligations and be bound under the terms, conditions and covenants of this Agreement as though they were parties hereto by written agreement in form and substance reasonably satisfactory to City with respect to the Site or any portion thereof in which the holder has an interest.

(§ 400) ACQUISITION AND DISPOSITION OF THE CITY PARCEL.

A. (§ 401) Acquisition of City Parcel.

In accordance with and subject to all the terms, covenants and conditions of this Agreement, City agrees to convey the Site to Developer subject to the terms of the Grant Deed, and Developer agrees to accept the Site pursuant to the terms herein and develop the Project.

B. (§ 402) Opening of Escrow & Investigation Contingencies.

Escrow shall be opened within the time period specified in the Schedule of Performance, with the following conditions precedent to the opening of Escrow:

1. Developer shall, within one hundred twenty (120) days after opening Escrow, elect a Project Development Concept or two alternative Project Concepts, each to be approved by City, as described in Section 702(3); and
2. Opening of Escrow shall not occur later than the date provided in the Schedule of Performance, and if for any reason Escrow has not opened within thirty (30) days of such date, then either City or Developer shall have the right to terminate this Agreement upon giving not less than five (5) days written notice of termination to the other whereupon this Agreement shall expire and terminate as though Escrow terminated pursuant to Section 406.

This Agreement shall constitute the joint escrow instructions of City and Developer, and a duplicate original of this Agreement shall be delivered to the Escrow Agent upon the opening of Escrow. Escrow Agent is empowered to act under these instructions. City and Developer shall promptly prepare, execute, and deliver to the Escrow Agent such additional escrow instructions consistent with the terms herein as shall be reasonably necessary. No provision of any additional escrow instructions shall modify this document without specific written approval of the modification(s) by both Developer and City.

C. (§ 403) Conditions to Close of Escrow.

1. City's Conditions to Closing.

City's obligation to convey the Site and to close Escrow hereunder shall be mandatory and irrevocable once all of the following conditions have occurred within the time provided in the Schedule of Performance:

- (a) Developer shall have received all required Entitlements for the Project, including those described in Section 702, and shall have received, or be in a position to cause the issuance of, upon payment of the normal City fees (in the case of its building permit), all required Permits for the Project.
- (b) Developer shall have deposited into Escrow the full Purchase Price for the City Parcel.
- (c) Developer shall have deposited into Escrow its share of the Escrow costs, title and transfer fees as determined by the Escrow Agent.
- (d) Developer shall not have made a transfer in violation of Section 304.
- (e) Developer shall have approved (or waived) in accordance with Section 501 the physical and environmental condition of the Site, to ensure that the Site shall be in substantially the same condition at Closing as at the time Developer approved (or waived) such condition, and shall be free of any material adverse change in condition.

- (f) As of the Closing, Developer shall not be in default hereunder in any of its obligations to City, nor shall there be any event or occurrence which with the passage of time or giving of notice or both would constitute such a default by Developer under this Agreement.

Should City fail to convey title to the Site once each of foregoing conditions set forth in paragraphs (a) through (g), inclusive, have been satisfied, Developer may seek specific performance of this obligation. Any waiver of the foregoing conditions must be express and in writing. In the event that City is not in default and either Developer fails to satisfy City's foregoing conditions or Developer defaults in the performance of its obligations hereunder, City may terminate the Escrow without any liability to either party.

2. Developer's Conditions to Closing on Site.

Developer's obligation to accept title to the Site and to close Escrow hereunder shall be mandatory and irrevocable once each and all of the following conditions have occurred within the time provided in the Schedule of Performance:

- (a) City shall have deposited into Escrow the duly executed and acknowledged Grant Deed.
- (b) Title shall be conveyed subject only to those exceptions to title approved in writing by Developer pursuant to Section 405. The Title Company shall be prepared and committed to issue the Title Policy described in Section 405. City shall have deposited into Escrow its share of the Escrow costs, title and transfer fees as determined by the Escrow Agent. At the scheduled date for the Closing, City shall not be in default hereunder, nor shall there be any event or occurrence which with the passage of time or giving of notice or both would constitute such a default by City. City shall indemnify Developer from any disputes or collections arising from any default in payment or reimbursement of the Common Area Maintenance charges as pursuant to Reciprocal Easement Agreement recorded as Document Nos. 86- 1044845.
- (c) Developer shall have received all required Entitlements for the Project, including those described in Section 702, and shall have received, or be in a position to cause the issuance of, upon payment of the normal City fees (in the case of its building permit), all required Permits for the Project.
- (d) City shall have deposited into Escrow a certificate ("FIRPTA Certificate") in such form as may be required by the Internal Revenue Service pursuant to Section 1445 of the Internal Revenue Code.
- (e) Developer shall have approved (or waived) the physical and

environmental condition of the Site, to ensure that the Site shall be in substantially the same condition at Closing as at the time Developer approved (or waived) such condition and shall be free of any material adverse change in condition.

Any waiver of the foregoing conditions must be express and in writing. In the event that Developer is not in default and either Developer fails to satisfy Developer's foregoing conditions or City defaults in the performance of its obligations hereunder, Developer may terminate the Escrow pursuant to Section 406 without any liability to either party.

D. (§ 404) Conveyance of the Site.

1. Time for Conveyance of Site.

Escrow shall close after satisfaction (or waiver by the benefited party) of all conditions to the Closing of Escrow, but not later than the date specified in the Schedule of Performance, unless extended by the mutual agreement of the parties or any Enforced Delay. Possession of the Site shall be delivered to Developer concurrently with the conveyance of Title to the Site.

2. Escrow Agent to Advise of Costs.

On or before the date set in the Schedule of Performance, the Escrow Agent shall advise City and Developer in writing of the fees, charges, and costs necessary to clear title and the Closing of Escrow, and of any documents which have not been provided by said party and which must be deposited in Escrow to permit timely Closing.

3. Deposits by City and Developer Prior to Closing.

On or before the business day prior to the date set for Closing in the Schedule of Performance, City shall execute and deliver to the Escrow Agent a certificate ("Taxpayer ID Certificate") in such form as may be required by the IRS pursuant to Section 6045 of the Internal Revenue Code, or the regulations issued pursuant thereto, certifying as to the description of the City Parcel, date of closing, gross price, if any, and taxpayer identification number for Developer and City. Prior to Closing, Developer and City shall cause to be delivered to the Escrow Agent such other items, instruments, and documents, and the parties shall take such further actions, as may be necessary or desirable in order to complete the Closing.

4. Recordation and Disbursement of Funds.

Upon the completion by City and Developer of the deliveries and actions specified in these escrow instructions that are necessary for the Closing, the Escrow Agent shall be authorized to buy, affix and cancel any documentary stamps and pay any transfer tax and recording fees, if required by law, and thereafter cause to be recorded in the Official Records of Los Angeles County, California, the Grant Deed, and any other appropriate instruments delivered through this Escrow, if necessary or proper to, and provided that the Title can, vest in Developer in accordance with the terms and provisions herein. Promptly after Closing, the Escrow Agent shall cause the Title Company to deliver the Title Policy to Developer insuring title and conforming to the requirements

of Section 405, and the Escrow Agent shall cause the Title Company to deliver copies of all recorded instruments to Developer and City. In addition, after deducting any sums specified in this Agreement, the Escrow Agent shall disburse funds to the party entitled thereto.

E. (§ 405) Title Matters.

1. Condition of Title.

At the Closing, City shall convey to Developer Title to the Site, subject only to: (i) the South Gate Development Plan (if still shown as an encumbrance on title), this Agreement, and the Grant Deed; (ii) current taxes, a lien not yet payable; (iii) Reciprocal Easement Agreements Recorded as Document Nos. 86-1044843, 86-1044845, and 86-1044846; and Resolution No. 94-08; and (iv) such other covenants, conditions and restrictions and other encumbrances and title exceptions approved by Developer under this Section 405. City shall convey title pursuant to the Grant Deed in the form set forth in Exhibit C hereto.

2. Exclusion of Oil, Gas, and Hydrocarbons.

Title shall be conveyed subject to the exclusion(s) therefrom to the extent now or hereafter validly excepted and reserved by the parties named in deeds, leases and other documents of record of all oil, gas, hydrocarbon substances and minerals of every kind and character lying more than five hundred feet (500') below the surface, together with the right to drill into, through, and to use and occupy all parts of the Site lying more than five hundred feet (500') below the surface thereof for any and all purposes incidental to the exploration for and production of oil, gas, hydrocarbon substances or minerals from the Site but without, however, any right to use either the surface of the Site or any portion thereof within five hundred feet (500') of the surface for any purpose or purposes whatsoever. City hereby warrants to Developer that City shall not exercise its drilling rights as provided in this subsection without express written permission of Developer, which permission shall not be unreasonably withheld, conditioned or refused by Developer.

3. City Not to Encumber Site.

City hereby warrants to Developer that it has not and will not, from the time of Developer's review of the preliminary title report until the Closing, transfer, sell, hypothecate, pledge, or otherwise encumber the Site without express written permission of Developer, which permission shall not be unreasonably withheld, conditioned or refused by Developer.

4. Approval of Title Exceptions.

Prior to the date specified in the Schedule of Performance, Developer shall obtain a preliminary title report, dated no earlier than the date of this Agreement, including copies of all documents referenced therein. Prior to the date specified in the Schedule of Performance, Developer shall deliver to City written notice specifying in detail any exception disapproved and the reason therefor. All monetary liens or encumbrances, whether or not specifically objected to, shall constitute disapproved exceptions. Prior to the date in the Schedule of Performance, City shall deliver written notice to Developer as to whether City will or will not cure the disapproved exceptions. If City elects not to cure the disapproved exceptions, Developer may either terminate

the Escrow but without any liability of City to Developer, or Developer may withdraw its earlier disapproval in which event Developer shall be deemed to have approved such exception. If City so elects to cure the disapproved exceptions, City shall notify Developer of its election within the time specified in the Schedule of Performance and in such event the cure shall be completed on or before the Closing.

5. Title Policy.

At the Closing, the Title Company shall furnish Developer with an ALTA Owner's Policy of Title Insurance (the "Title Policy") covering the Developer's fee interest, wherein the Title Company shall insure that Title to the City Parcel is vested in Developer, with no exception to such Title which has not been approved or waived by Developer in accordance with this Section. The Title Policy shall also include any available additional or extended coverage or endorsements that Developer has reasonably requested. City shall pay only for that portion of the title insurance premium attributable to the premium required for standard coverage for a CLTA policy in the amount of the Purchase Price and for any endorsements necessary to cure any disapproved title exceptions, and Developer shall pay for the premium for said additional or extended coverage, including but not limited to an ALTA policy or special endorsements or survey.

6. 1994 Agreement.

Dicker Warmington Properties II, a California general partnership ("DWP"), the Community Redevelopment Agency of the City of South Gate, a California municipal entity ("Agency"), Gotham Grill South Gate, Inc., a California corporation ("Gotham Grill"), and Henry S. Attina, individually ("Attina"), entered into that certain Agreement dated August 9, 1994 (the "1994 Agreement") concerning, among other things, (i) the approval of DWP to the expansion of the Gotham Grill restaurant footprint including a patio, (ii) the Agency's agreement to demolish and remove the building, fixtures and equipment formerly located on the Site and to construct additional parking spaces thereon to be available for reciprocal use by tenants and patrons of the Towne Center Shopping Center and subject to any applicable Reciprocal Easement Agreement, and (iii) the Agency's further agreement not to sell, build or otherwise utilize the Site without the prior written consent of DWP. A memorandum summarizing the 1994 Agreement was recorded by GVD Commercial Properties, Inc., a California corporation ("GVD"), as ultimate successor-in-interest of DWP, on May 13, 2019, as Document No. 2019433326, Official Records of Los Angeles County, California. Nothing in this Agreement shall be construed as a waiver of GVD's rights under the 1994 Agreement, all of which are expressly reserved hereby.

F. (§ 406) Procedure in Event of Failure of Conditions(s) to Closing; Termination.

In the event one or more of the Developer's or City's conditions to Closing per Section 403 above or Section 405 above, as applicable, is not timely satisfied or waived by the benefited party, that party shall have the right to terminate the Escrow and this Agreement. In such event, the terminating party may, in writing, demand return of its money, papers, or documents from the Escrow Agent and shall deliver a copy of such demand to the non-terminating party, which notice shall state the condition that has not been satisfied. No demand shall be recognized by the Escrow

Agent until ten (10) days after the Escrow Agent shall have mailed copies of such demand to the non-terminating party, and if no objections are raised in writing to the terminating party and the Escrow Agent by the non-terminating party within the ten (10) day period the Escrow Agent shall comply with the terminating party's request. In the event the non-terminating party timely objects, an additional thirty (30) day opportunity to cure or otherwise satisfy the unperformed conditions shall be provided and only if the unperformed condition remains unsatisfied at the end of said 30-day period shall the termination occur. Upon termination of this Agreement, the Escrow shall terminate, and Escrow Agent shall immediately return all documents, instruments and monies to the party that deposited same (without any additional instructions from City or Developer). Also upon termination, except as otherwise specifically provided herein, each party shall bear its own costs incurred, including one-half of any Escrow cancellation charges, and neither City nor Developer shall have any further rights or obligations hereunder (except for any indemnity obligations of either party pursuant to the other provisions herein and obligations herein that specifically provide that they survive termination of this Agreement).

G. (§ 407) Costs of Escrow.

1. Allocation of Costs.

The Escrow Agent is authorized to allocate costs as follows: City shall pay only for that portion of the title insurance premium for the Title Policy attributable to the premium required for standard coverage for a CLTA policy as provided in Section 405(5) above while Developer shall pay premiums for the balance of the title insurance premium for the Title Policy and any additional insurance, extended coverage or special endorsements requested by Developer. City shall pay the documentary transfer tax as well as all recording fees (if any). Developer and City shall each pay one-half of all Escrow and similar fees, provided that if one party defaults under this Agreement or cancels the escrow through no fault of the other, the defaulting or canceling party shall pay all Escrow fees and charges. Each party shall pay its own attorneys' fees.

2. Prorations and Adjustments.

Ad valorem taxes and assessments on the Site for the current year (if any) shall be prorated by the Escrow Agent as of the date of Closing with City responsible for those levied, assessed or imposed prior to Closing and Developer responsible for those after Closing. If the actual taxes are not known at the date of Closing, the proration shall be based upon the most current tax figures. When the actual taxes for the year of Closing become known, Developer and City shall, within thirty days thereafter, re-prorate the taxes in cash between the parties.

3. Extraordinary Services of Escrow Agent.

It is understood that Escrow fees and charges contemplated by this Agreement incorporate only the ordinary services of the Escrow Agent as listed in these instructions. In the event that the Escrow Agent renders any service not provided for in this Agreement, or that the Escrow Agent is made a party to, or reasonably intervenes in, any litigation pertaining to this escrow or the subject matter thereof, then the Escrow Agent shall be reasonably compensated for such extraordinary services and reimbursed for all costs and expenses occasioned by such default, controversy or

litigation.

4. **Escrow Agent's Right to Retain Documents.**

Escrow Agent shall have the right to retain all documents and/or other things of value at any time held by it hereunder until such compensation, fees, costs and expenses shall be paid.

H. **(§ 408) Responsibility of Escrow Agent.**

1. **Deposit of Funds.**

All funds received in Escrow shall be deposited by the Escrow Agent in a special escrow account with any state or national bank doing business in the State of California and may not be combined with other escrow funds of Escrow Agent or transferred to any other general escrow account or accounts.

2. **Notices.**

All communications from the Escrow Agent shall be directed to the addresses and in the manner provided in Section 1001 of this Agreement for notices, demands and communications between City and Developer.

3. **Sufficiency of Documents.**

The Escrow Agent is not to be concerned with the sufficiency, validity, correctness of form, or content of any document prepared outside of escrow and delivered to Escrow. The sole duty of the Escrow Agent is to accept such documents and follow Developer's and City's instructions for their use.

4. **Exculpation of Escrow Agent.**

The Escrow Agent shall in no case or event be liable for the failure of any of the Conditions to Closing of this escrow, or for forgeries or false impersonation, unless such liability or damage is the result of negligence or willful misconduct by the Escrow Agent.

5. **Responsibilities in the Event of Controversies.**

If any controversy arises between Developer and City or with any third party with respect to the subject matter of this Escrow or its terms or conditions, the Escrow Agent shall not be required to determine the same, to return any money, papers or documents, or take any action regarding the Site prior to settlement of the controversy by a final decision by an arbitrator, by a court of competent jurisdiction, or by written agreement of the parties to the controversy, as the case may be. The Escrow Agent shall be responsible for timely notifying Developer and City of the controversy. In the event of such a controversy, the Escrow Agent shall not be liable for interest or damage costs resulting from failure to timely Close Escrow or take any other action unless such controversy has been caused by the failure of the Escrow Agent to perform its responsibilities hereunder.

(§ 500) PHYSICAL AND ENVIRONMENTAL CONDITION OF SITE.

A. (§ 501) Developer's Approval of Physical and Environmental Condition of City Parcels; Site Assessment and Remediation.

Prior to, and after, the Effective Date of this Agreement, Developer and its employees, agents and contractors shall have had the right to enter onto the Site to conduct soils, engineering, or other tests and studies, to perform preliminary work and for any other purposes to carry out the terms of this Agreement, upon giving City not less than five (5) days' prior written notice accompanied by a detailed scope of work for any such tests and studies or preliminary work. City reserves the right to have any representative(s) or agent(s) present at the Site at all times while Developer or any of its employees, agents or contractor have entered the Site. Developer agrees to indemnify, defend and hold City harmless (with counsel reasonably acceptable to City) from and against any claims, injuries or damages arising out of any such entry, any on-site soils testing or sampling or any other activity as provided in Section 706; provided that such indemnity shall not apply to Developer's mere discovery of or encounter with Hazardous Materials or other pre-existing conditions at the Site. Any such activity shall be undertaken only after securing any necessary permits from appropriate governmental agencies.

Prior to the Effective Date, City represents and warrants that, to the actual knowledge of City's Director of Community Development, without any duty of investigation or inquiry, City has delivered to Developer copies of all documents in City's possession concerning the physical and/or environmental condition of the Site (the "City Parcel Documents"). City represents and warrants that City's Director of Community Development has no actual knowledge, without any duty of investigation or inquiry, regarding physical defects or violations of Environmental Laws or threatened or pending claims affecting the Site, except as may be set forth in the City Parcel Documents. Developer has reviewed the City Parcel Documents and the Site and, upon Closing, will be deemed to have waived all Developer conditions to Closing in this regard.

B. (§ 502) Disclaimer of Warranties for Site.

Upon the Closing, Developer shall acquire the Site in its "AS-IS" condition and, except as otherwise expressly set forth in this Agreement, shall be responsible for any defects in the Site, whether patent or latent, including, without limitation, the physical, environmental and geotechnical condition of the Site, and the existence of any contamination, Hazardous Materials, vaults, debris, pipelines, or other structures located on, under or about the Site or any other portion of the Site, and City makes no other representation or warranty concerning the physical, environmental, geotechnical or other condition of the Site, the suitability of the Site for the Project, or the present use of the Site, and City specifically disclaims all representations or warranties of any nature concerning any portion of the Site made by City and its employees, agents, contractors and representatives. The foregoing disclaimer includes, without limitation, topography, climate, air, water rights, utilities, soil, subsoil, existence of Hazardous Materials or similar substances, the purpose for which the Site is suited, or drainage. City makes no representation or warranty concerning the compaction of soil upon the Site, nor of the suitability of the soil for construction.

C. (§ 503) Hazardous Materials.

Developer understands and agrees that in the event Developer incurs any loss or liability concerning Hazardous Materials (as hereinafter defined), whether attributable to events occurring prior to or following the Closing, then Developer may look to prior owners of the Site but in no event shall Developer look to City for any liability or indemnification regarding Hazardous Material. Developer, from and after the Closing, hereby waives, releases, remises, acquits and forever discharges City, its directors, officers, shareholders, employees, and agents, and its heirs, successors, personal representatives and assigns, of and from any and all Environmental Claims, Environmental Cleanup Liability and Environmental Compliance Costs, as those terms are defined below, and from any and all actions, suits, legal or administrative orders or proceedings, demands, actual damages, punitive damages, loss, costs, liabilities and expenses, which concern or in any way relate to the physical or environmental conditions of the Site, the existence of any Hazardous Materials thereon, or the release or threatened release of Hazardous Materials therefrom, whether existing prior to, at or after the Closing. It is the intention of the parties pursuant to this release that if the Closing occurs any and all responsibilities and obligations of City, and any and all rights, claims, rights of action, causes of action, demands or legal rights of any kind of Developer, its successors or assigns, against City, arising by virtue of the physical or environmental condition of the Site, the existence of any Hazardous Materials thereon, or any release or threatened release of Hazardous Material therefrom, whether existing prior to, at or after the Closing, are by this release provision declared null and void and of no present or future force and effect as to the parties; provided, however, that no parties other than the Indemnified Parties (defined below) shall be deemed third party beneficiaries of such release.

IN CONNECTION THEREWITH, DEVELOPER EXPRESSLY AGREES TO WAIVE ANY AND ALL RIGHTS WHICH SAID PARTY HAD, HAS OR MAY HAVE WITH RESPECT TO SUCH RELEASED CLAIMS. IN FURTHERANCE OF THIS WAIVER, DEVELOPER FURTHER EXPRESSLY AGREES TO WAIVE ANY AND ALL RIGHTS UNDER SECTION 1542 OF THE CALIFORNIA CIVIL CODE WHICH PROVIDES AS FOLLOWS:

“A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.”

Developers Initials: _____

Developer shall, from and after the Closing, defend, indemnify and hold harmless City (with counsel reasonably acceptable to City) and its officers, directors, employees, agents and representatives (collectively, the “City Indemnified Parties”) from and against any and all Environmental Claims, Environmental Cleanup Liability, Environmental Compliance Costs, and any other claims, actions, suits, legal or administrative orders or proceedings, demands or other liabilities resulting at any time from the physical and/or environmental conditions of the Site after the Closing or from the existence of any Hazardous Materials or the release or threatened release of any Hazardous Materials of any kind whatsoever, in, on or under the Site occurring at any time

after the Closing, including, but not limited to, all foreseeable and unforeseeable damages, fees, costs, losses and expenses, including any and all attorneys' fees and environmental consultant fees and investigation costs and expenses, directly or indirectly arising therefrom, and including fines and penalties of any nature whatsoever, assessed, levied or asserted against any City Indemnified Parties to the extent that the fines and/or penalties are the result of a violation or an alleged violation of any Environmental Law. Notwithstanding anything to the contrary in this Section, Developer's limited release and indemnification of City and the City Indemnified Parties from liability pursuant to this Section shall not extend to Hazardous Materials brought onto the Site by City or City Indemnified Parties or their respective contractors, agents or employees after the Closing of Escrow.

For purposes of this Section 503, the following terms shall have the following meanings:

“Environmental Claim” means any claim for personal injury, death and/or property damage made, asserted or prosecuted by or on behalf of any third party, including, without limitation, any governmental entity, relating to the Site or its operations and arising or alleged to arise under any Environmental Law.

“Environmental Cleanup Liability” means any cost or expense of any nature whatsoever incurred to contain, remove, remedy, clean up, or abate any contamination or any Hazardous Materials on or under all or any part of the Site, including the ground water thereunder, including, without limitation, (A) any direct costs or expenses for investigation, study, assessment, legal representation, cost recovery by governmental agencies, or ongoing monitoring in connection therewith and (B) any cost, expense, loss or damage incurred with respect to the Site or its operation as a result of actions or measures necessary to implement or effectuate any such containment, removal, remediation, treatment, cleanup or abatement.

“Environmental Compliance Cost” means any cost or expense of any nature whatsoever necessary to enable the Site to comply with all applicable Environmental Laws in effect. “Environmental Compliance Cost” shall include all costs necessary to demonstrate that the Site is capable of such compliance.

“Environmental Law” means any federal, state or local statute, ordinance, rule, regulation, order, consent decree, judgment or common-law doctrine, and provisions and conditions of permits, licenses and other operating authorizations relating to (A) pollution or protection of the environment, including natural resources, (B) exposure of persons, including employees, to Hazardous Materials or other products, raw materials, chemicals or other substances, (C) protection of the public health or welfare from the effects of by-products, wastes, emissions, discharges or releases of chemical sub-stances from industrial or commercial activities, or (D) regulation of the manufacture, use or introduction into commerce of chemical substances, including, without limitation, their manufacture, formulation, labeling, distribution, transportation, handling, storage and disposal.

“Hazardous Material” is defined to include any hazardous or toxic substance, material or waste which is or becomes regulated by any local governmental authority (other than the City or), the State of California, or the United States Government. The term “Hazardous Material” includes, without limitation, any material or substance which is: (A) petroleum or oil or gas or any direct or

derivate product or byproduct thereof; (B) defined as a “hazardous waste,” “extremely hazardous waste” or “restricted hazardous waste” under Sections 25115, 25117 or 25122.7, or listed pursuant to Section 25140, of the California Health and Safety Code, Division 20, Chapter 6.5 (Hazardous Waste Control Law); (C) defined as a “hazardous substance” under Section 25316 of the California Health and Safety Code, Division 20, Chapter 6.8 (Carpenter-Presley-Tanner Hazardous Substance Account Act); (D) defined as a “hazardous material,” “hazardous substance,” or “hazardous waste” under Sections 25501(j) and (k) and 25501.1 of the California Health and Safety Code, Division 20, Chapter 6.95 (Hazardous Materials Release Response Plans and Inventory); (E) defined as a “hazardous substance” under Section 25281 of the California Health and Safety Code, Division 20, Chapter 6.7 (Underground Storage of Hazardous Substances); (F) “used oil” as defined under Section 25250.1 of the California Health and Safety Code; (G) asbestos; (H) listed under Chapter 11 of Division 4.5 of Title 22 of the California Code of Regulations, or defined as hazardous or extremely hazardous pursuant to Chapter 10 of Division of Title 22 of the California Code of Regulations; (I) defined as waste or a hazardous substance pursuant to the Porter-Cologne Act, Section 13050 of the California Water Code; (J) designated as a “toxic pollutant” pursuant to the Federal Water Pollution Control Act, 33 U.S.C. § 1317; (K) defined as a “hazardous waste” pursuant to the Federal Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq. (42 U.S.C. § 6903); (L) defined as a “hazardous substance” pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 et seq. (42 U.S.C. § 9601); (M) defined as “Hazardous Material” pursuant to the Hazardous Materials Transportation Act, 49 U.S.C. § 5101 et seq.; or (N) defined as such or regulated by any “Superfund” or “Superlien” law, or any other federal, state or local law, statute, ordinance, code, rule, regulation, or order or decree regulating, relating to, or imposing liability or standards of conduct concerning Hazardous Materials and/or underground storage tanks, as now, or at any time hereafter, in effect.

Notwithstanding any other provision of this Agreement, Developer’s limited release and the indemnification provisions of this Section, as well as all other provisions of this Section, shall survive the Closing and termination of this Agreement and shall continue in perpetuity.

(§600) Intentionally Deleted

(§ 700) DEVELOPMENT OF THE SITE.

A. (§ 701) Scope of Development.

Subject to the Conditions to Closing and other terms of this Agreement, the Site shall be developed by Developer as provided in the Scope of Development and the plans and Entitlements and Permits approved by City pursuant to Section 702. Notwithstanding any other provision set forth in this Agreement to the contrary, in the event of any conflict between the narrative description of the Project in this Agreement (including the Scope of Development) and the approved plans and Entitlements and Permits, the approved plans, Entitlements and Permits shall govern.

B. (§ 702) Development Plans, Final Building Plans, Environmental Review.

1. Proposed Development's Consistency With Plans and Codes.

City warrants and represents that the City's General Plan and Zoning Ordinance permit the Project, and construction, operation, and use of the Site as provided in this Agreement, including without limitation the Scope of Development, subject only those Entitlements and Permits yet to be obtained, described below in this Section 702; provided that it is expressly understood by the parties hereto that City makes no representations or warranties with respect to approvals required by any governmental entity other than City, nor does City make any representation or warranty that City acting in its regulatory capacity will exercise its discretionary police power authority over the Project as to any development approvals described below in any particular manner. Nothing in this Agreement shall be deemed to be a prejudgment or commitment with respect to such items or a guarantee that such approvals or permits will be issued within any particular time or with or without any particular conditions.

2. Entitlements and Permits During Escrow.

City hereby authorizes Developer to commence processing and securing those Entitlements and Permits for the Project before the Closing. To this end, and at no cost to City, City shall reasonably cooperate and assist Developer in obtaining and expediting its Entitlements and Permits including executing such documents as may be reasonably required for Developer to process and secure said Entitlements and Permits.

3. Evolution of Development Plan; Election of Project.

Concurrently with the approval of this Agreement, City has approved the Developer's basic concept drawings, a copy of which are included as part of the Scope of Development at **Exhibit B** herein. Developer's election of a Project is subject to multiple submissions to City staff, and City Council review and approval as follows:

- (a) **Submissions.** For the Project Development Concept elected by Developer, Developer shall submit the following materials to City staff promptly following the Effective Date:
 - a. ***Updated Proforma.*** A detailed proforma tailored to the Project as contemplated in the Project Development Concept subject to the reasonable, prior written approval of the City Manager.
 - b. ***Updated Site Plan with Architectural Design and Parking Proposals.*** A reasonably detailed Site Plan and development details for the elected Project Development Concept. A plan for ensuring compliance with City parking standards shall be included and such assurances as needed to ensure that parking standards for the proposed uses are adequate (e.g., parking analysis based on range of proposed uses, feasibility of parking structure, etc.). This shall also include a proposal for the architectural design theme to be implemented in the

Project.

- c. *Updated Schedule of Performance.* Any final revisions to the proposed Project Schedule of Performance, including any Project Schedule details not currently presented in **Exhibit D** hereto.
- (b) Materials for City Council Approval. Upon submission of the above items to City Planning, the following materials will be presented to the City Council for review at a regularly-scheduled City Council meeting within 30 days, reasonably subject to then-existing agenda loads and the requirements of the Ralph M. Brown Act, Government Code §§ 54950 *et seq.*:
 - i. *The Updated Site Plan.* City Council approval shall include (a) the proposed architectural design scheme; and (b) Developer's parking proposal.
 - ii. *Updated Schedule of Performance.* Any proposed revisions to the proposed Project Schedule of Performance, including any Project Schedule details not currently presented in **Exhibit D** hereto.

The City Council shall decide whether to approve, disapprove, or approve with further conditions, the Project Development Concept elected by Developer.

If the City Council disapproves Developer's election of a Project Development Concept, either Developer or City may terminate this Agreement upon written notice to the other party, with no further rights or obligations between the parties. If the City Council conditionally approves Developer's election of the Project Development Concept, then Developer may accept such conditions and proceed with the Project Development Concept as conditionally approved or terminate this Agreement upon written notice to the City Manager with no further rights or obligations between the parties.

Once Developer is authorized by the City Council to proceed with the Project Development Concept, then by the dates set forth in the Schedule of Performance, Developer shall submit to the City final drawings and specifications for development of the Site in accordance with the elected and approved Project Development Concept, and all in accordance with the City's requirements and normal planning process. The term final drawings shall be deemed to include a site plan, building shell plan, and elevations, grading plan (if applicable), landscaping plan, parking plan, signage, a description of structural, mechanical, and electrical systems, and, excluding all interior finishes and tenant improvement plans, all other plans, drawings and specifications. Final drawings will be in sufficient detail to obtain a building permit. Said plans, drawings and specifications shall be consistent with the Scope of Development and the various development approvals referenced hereinabove, except as such items may be amended by City (if applicable) and by mutual consent of City and Developer. Plans (concept, final and construction) shall be progressively more detailed and will be approved if a logical evolution of plans, drawings or specifications previously approved. Developer shall submit to City plans in sufficient detail to obtain all discretionary land use approvals, including for site plan approval, conditional use permit,

and other actions requiring Planning Commission approval.

4. Developer Efforts to Obtain Approvals.

Developer shall exercise commercially reasonable diligence to submit all documents and information necessary to obtain all Entitlements and Permits from the City in a timely manner. Not by way of limitation of the foregoing, in developing and constructing the Project, Developer shall comply with all applicable development standards in City's Municipal Code and shall comply with all building code, landscaping, signage, and parking requirements, except as may be permitted through approved variances and modifications.

5. City Assistance.

Subject to Developer's compliance with (i) the applicable City development standards for the Site, and (ii) all applicable laws and regulations governing such matters as public hearings, site plan review and environmental review, City agrees to provide reasonable assistance to Developer in the expeditious processing of Developer's submittals required under this Section in order that Developer can obtain a final City action on such matters within the times set forth in the Schedule of Performance. The failure of Developer to obtain necessary approvals or Entitlements and Permits within such time periods, after and despite Developer's reasonable efforts to submit the documents and information necessary to obtain the same, shall constitute an Enforced Delay under Section 1003.

6. CEQA.

City shall be responsible for obtaining the approval of this Agreement and the Project as required by the California Environmental Quality Act ("CEQA"), California Public Resources Code, Sections 21000-21178, and Title 14 CCR, Section 753, and Chapter 3, Sections 15000-15387, including the application of any CEQA exemptions. Developer agrees to supply information and otherwise assist City, upon City's request, to determine the environmental impact of the proposed development and to allow City to prepare and process such environmental documents, if any, as may need to be completed for the development pursuant to the requirements of CEQA.

7. Disapproval.

City shall approve or disapprove any submittal made by Developer pursuant to this Section as called for in the Schedule of Performance attached. All submittals made by Developer will note the time limits in the Schedule of Performance, and specifically reference this Agreement and the Schedule of Performance. Any disapproval shall state in writing the reason for the disapproval and the changes which City requests be made. Developer shall make the required changes and revisions and resubmit for approval as required in the Schedule of Performance. Thereafter, City shall review the resubmittal in the time line allowed in the Schedule of Performance, but if City disapproves the resubmittal, then the cycle shall repeat, until City's approval has been obtained, all within the time line of the Schedule of Performance. In the event City, through no fault of Developer, is delayed in issuing approval or disapproval of any submittals made by Developer beyond the time

frame set forth in the Schedule of Performance, Developer shall be entitled to extend the time for its performance under the Schedule of Performance on a day-by-day basis equal to the number of days City is delayed.

C. (§ 703) Cost of Construction.

Developer, at its sole expense, shall be responsible to construct the Project on the Site. If Developer elects to proceed with the Project Development Concept, all costs of renovation, remediation (if any) and construction upon the Site as authorized by Section 702(3)(ii) shall be Developer's sole responsibility and expense. Developer shall defend, indemnify and hold City harmless (with counsel reasonably acceptable to City) from and against any all claims, liability, loss, damage, costs, or expenses (including reasonable attorneys' fees and court costs) arising from or as a result of any Developer's entry or construction activities upon the Parcel, consistent with Developer's indemnity obligations under Section 706 below.

D. (§ 704) Financial Assistance.

City is not and will not be providing any direct or indirect financial assistance to Developer pursuant to this Agreement for the Project. To the actual knowledge of City's Director of Community Development, with no duty of investigation or inquiry, City is unaware of any fact or circumstance which would make any part of the Project a "public work" "paid for in whole or in part out of public funds," as described in California Labor Code Section 1720, such that it would cause Developer to be required to pay prevailing wages for any aspect of the development. Notwithstanding the foregoing, if Developer obtains such subsidies or public funds (with City's support and assistance) which trigger the requirement that Developer comply with prevailing wage requirements, or to the extent that (contrary to the parties' intent) Developer determines Developer is prepared to pay prevailing wages for the Project, Developer shall indemnify and hold City harmless (with counsel reasonably acceptable to City) from and against any all increase in construction costs, or other liability, loss, damage, costs, or expenses (including reasonable attorneys' fees and court costs) arising from or as a result of any action or determination that the Project is subject to payment of prevailing wages. City, at no cost to City, shall reasonably cooperate with Developer regarding any action by Developer hereunder challenging any determination that the Project is subject to the payment of prevailing wages. Notwithstanding the foregoing, City retains the right to settle or abandon the matter without Developer's consent as to City's liabilities or rights only, but should City do so, City shall waive the indemnification herein, except City's decision to settle or abandon the matter following an adverse judgment or failure to appeal shall not cause a waiver of the indemnification rights herein. In the event Developer determines, in good faith, based upon opinion of counsel, that the Project will be subject to prevailing wage requirements under California law, Developer may, in its sole discretion, terminate this Agreement upon not less than ten (10) days' written notice to City.

E. (§ 705) Schedule of Performance; Progress Reports.

The parties shall begin and complete all plans, reviews, construction and development specified in the Scope of Development within the times specified in the Schedule of Performance or such reasonable extensions of said dates as may be mutually approved in writing by the parties. The City Manager shall have the authority on behalf of City to approve extensions of time not to

exceed a cumulative total of one hundred eighty (180) days with respect to the development of the Site; extensions over a cumulative total of one hundred eighty (180) days will require City Council approval.

Once construction is commenced, Developer shall diligently pursue to completion the entire Project, as described in **Exhibit B**, and shall not abandon or substantially suspend any construction for more than sixty (60) consecutive days, except when due to an Enforced Delay. Developer shall keep the City informed of the progress of construction and submit to the City written reports of the progress of the construction when and in the form reasonably requested by the City.

F. (§ 706) Indemnification During Demolition and Construction.

During the periods of construction on the Site and until such time as City has issued a Release of Construction Covenants with respect to the construction of the improvements thereon, Developer agrees to and shall indemnify and hold City and its officers, employees and agents harmless (with counsel reasonably acceptable to City) from and against all liability, loss, damage, costs, or expenses (including reasonable attorneys' fees and court costs) arising from or as a result of the death of any person or any accident, injury, loss, or damage whatsoever caused to any person or to the property of any person which shall occur on the Site and which shall be directly or indirectly caused by any acts done thereon or any errors or omissions of Developer or its agents, servants, employees, or contractors. Developer shall not be responsible for (and such indemnity shall not apply to) any negligent acts, errors, or omissions of City or its respective agents, servants, employees, or contractors or the mere discovery of or encounter with Hazardous Materials or other pre-existing conditions at the Site. City shall not be responsible for any acts, errors, or omissions of any person or entity except City and respective agents, servants, employees, or contractors, subject to any and all statutory and other immunities. The provisions of this Section shall survive the termination or expiration of this Agreement.

G. (§ 707) Bodily Injury, Site Damage and Workers' Compensation Insurance.

1. Types of Insurance.

Prior to the entry of Developer on the Site and the commencement of any Project construction by or on behalf of Developer, Developer shall procure and maintain, at its sole cost and expense, in a form and content reasonably satisfactory to City, during the entire term of such entry or construction, the following policies of insurance:

- (a) **Commercial General Liability Insurance.** Developer shall keep or cause to be kept in force for the mutual benefit of, City, and Developer comprehensive broad form commercial general liability insurance against claims and liability for personal injury or death arising from the use, occupancy, disuse or condition of the Site, improvements or adjoining areas or ways, affected by such use of the Site or for property damage, providing protection of at least One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) general aggregate.

- (b) Builder's Risk Insurance. Developer shall procure and shall maintain in force "all risks" builder's risk insurance including vandalism and malicious mischief, covering improvements in place and all material and equipment at the job site furnished under contract, but excluding contractor's, subcontractor's, and construction manager's tools and equipment and property owned by contractor's or subcontractor's employees, with limits and at least One Million Dollars (\$1,000,000.00) per occurrence.
- (c) Worker's Compensation. Developer shall also furnish evidence that any contractor with whom Developer has contracted for the performance of any work for which Developer is responsible hereunder carries workers' compensation insurance as required by law. Employer's liability limits usually should be One Million Dollars (\$1,000,000) to be equal to general and auto liability limits.
- (d) Auto and Other Insurance. Automobile liability coverage in the amounts of One Million Dollars (\$1,000,000) combined single limit (CSL) per accident. Developer may procure and maintain any insurance not required by this Agreement.

2. Insurance Policy Form, Content and Insurer.

All insurance required by express provisions hereof shall be carried only by responsible insurance companies licensed to do business by California, rated "A" or better in the most recent edition of Best Rating Guide, the Key Rating Guide or in the Federal Register, and only if they are of a financial category Class IX or better. All such policies shall contain language, to the extent obtainable, to the effect that (i) any loss shall be payable notwithstanding any act of negligence of City, or Developer that might otherwise result in the forfeiture of the insurance, (ii) the insurer waives the right of subrogation against City and against City's agents and representatives; (iii) the policies are primary and noncontributing with any insurance that may be carried by City; and (iv) the policies cannot be canceled or materially changed except after thirty (30) days' written notice by the insurer to City or City's designated representative. Developer shall furnish City with copies of all such policies promptly on receipt of them, or with certificates evidencing the insurance. City shall be named as additional insureds on all policies of insurance required to be procured by the terms of this Agreement.

3. Failure to Maintain Insurance and Proof of Compliance.

Developer shall deliver to City, in the manner required for notices, copies of certificates of all insurance policies required hereunder together with evidence satisfactory to City of payment required for procurement and maintenance of each policy within the following time limits:

For insurance required above, prior to entry of Developer on the Site and the commencement of any construction by or on behalf of Developer.

For any renewal or replacement of a policy already in existence, at least ten (10) days before expiration or termination of the existing policy.

If Developer fails or refuses to procure or maintain insurance as required hereby or fails or refuses to furnish City with required proof that the insurance has been procured and is in force and paid for, such failure or referral shall be a default hereunder, subject to the applicable cure period.

H. (§ 708) City and Other Governmental Agency Permits.

Before commencement of construction or development of any buildings, structures, or other works of improvement upon the Site, which are Developer's responsibility under the Scope of Development, Developer shall at its own expense secure or cause to be secured any and all Permits which may be required by City or any other governmental agency affected by such construction, development or work. Developer shall not be obligated to Close the Escrow or commence construction if any such Permit is not issued despite good faith effort by Developer. If there is delay beyond the usual time for obtaining any such Permits due to no fault of Developer, the Schedule of Performance shall be extended for a reasonable amount of time to allow Developer to obtain such Permit or Permits. Developer shall pay all applicable City development and building fees as set forth in Section 702 of this Agreement and other reasonable legal, normal and customary fees and charges applicable to such Permits and any fees or charges hereafter imposed by City which are standard for and uniformly applied to similar projects in the City, provided that nothing in this Agreement is intended as a waiver by Developer of its right to object to or challenge new or increased City fees imposed after the Effective Date.

I. (§ 709) Rights of Access.

Representatives of City shall have the reasonable right of access to the Site without charges or fees, at any time during normal construction hours during the period of construction, for the purpose of assuring compliance with this Agreement, including but not limited to the inspection of the construction work being performed by or on behalf of Developer; provided, however, such representatives shall avoid unreasonably interfering or impeding any construction work then in progress. Such representatives of City shall be those who are so identified in writing by the City Manager. Each such representative of City shall identify himself or herself at the job site office upon his or her entrance to the Site, and shall provide Developer, or the construction superintendent or similar person in charge on the Site, a reasonable opportunity to have a representative accompany him or her during the inspection.

J. (§ 710) Applicable Laws.

Developer shall carry out the construction of the improvements to be constructed by Developer in conformity with all applicable laws, including all applicable federal and state labor laws.

K. (§ 711) Anti-discrimination During Construction.

Developer, for itself and its successors and assigns, agrees that in the construction of the improvements to be constructed by Developer, it shall not discriminate against any employee or

applicant for employment because of race, color, creed, religion, sex, marital/familial status, sexual orientation, ancestry, national origin, age, disability or other handicap.

L. (§ 712) Taxes, Assessments, Encumbrances and Liens.

If applicable, City shall pay, when due, all real estate taxes and assessments assessed or levied prior to conveyance of the Site. Developer shall pay, when due, all real estate taxes and assessments assessed or levied subsequent to conveyance of the Site that relate to periods after the conveyance of the Site, if any. Prior to conveyance of the Site, Developer shall not place or allow to be placed thereon any mortgage, trust deed, encumbrance or lien (except mechanic's liens prior to suit to foreclose the same being filed) prohibited by this Agreement. Developer shall remove or have removed any levy or attachment made on the City Parcels or assure the satisfaction thereof, within a reasonable time, but in any event prior to any foreclosure or execution of any kind upon such levy or attachment. Nothing herein contained shall be deemed to prohibit Developer from contesting the validity or amounts of any tax, assessment, encumbrance or lien, or to limit the remedies available to Developer in respect thereto.

M. (§ 713) Rights of Holders of Approved Security Interests in City Parcels.

1. Definitions.

As used in this Section, the term any mortgage, whether a leasehold mortgage or otherwise, deed of trust, or other security interest, or sale and lease-back, or any other form of conveyance for financing. The term "holder" shall include the holder of any such mortgage, deed of trust, or other security interest, or the lessor under a lease-back, or the grantee under any other conveyance for financing.

2. No Encumbrances Except Mortgages to Finance the Project.

Notwithstanding the restrictions on transfer in Section 303, mortgages required for any reasonable method of financing Developer's acquisition of the City Parcels and development or construction of the Project are permitted before issuance of a Release of Construction Covenants but only for the purpose of securing loans of funds used or to be used for financing Developer's direct and indirect costs for acquisition of the Site, for the construction of improvements thereon, and for any other expenditures necessary and appropriate to develop the Site under this Agreement, or for restructuring or refinancing any of same. Developer (or any entity permitted to acquire title under this Section) shall notify City in advance of any mortgage, if Developer or such entity proposes to enter into the same before issuance of the Release of Construction Covenants. Developer or such entity shall not enter into any such conveyance for financing without the prior written approval of City as provided in this Section 713, which such approval shall not be unreasonably withheld. Any lender approved by City pursuant to this Section 713 shall not be bound by any amendment, implementation, or modification to this Agreement subsequent to its approval without such lender giving its prior written consent thereto. In any event, Developer shall promptly notify City of any mortgage, encumbrance, or lien that has been created or attached thereto prior to issuance of a Release of Construction Covenants, whether by voluntary act of Developer or otherwise.

3. Developer's Breach Shall Not Defeat Mortgage Lien.

Developer's breach of any of the covenants or restrictions contained in this Agreement shall not defeat or render invalid the lien of any mortgage made in good faith and for value as to the City Parcels, or any part thereof or interest therein, but unless otherwise provided herein, the terms, conditions, covenants, restrictions, easements, and reservations of this Agreement shall be binding and effective against the holder of any such mortgage of the City Parcels whose interest is acquired by foreclosure, trustee's sale or otherwise.

4. Holder Not Obligated to Construct or Complete Improvements.

The holder of any mortgage shall in no way be obligated by the provisions of this Agreement to construct or complete the improvements or to guarantee such construction or completion. Nothing in this Agreement shall be deemed or construed to permit or authorize any such holder to devote the Site or any portion thereof to any uses, or to construct any improvements thereon, other than those uses or improvements provided for or authorized by this Agreement.

5. Notice of Default to Mortgagee, Deed of Trust or Other Security Interest Holders.

Whenever City shall deliver any notice or demand to Developer with respect to any breach or default by Developer hereunder, City shall endeavor at the same time to deliver a copy of such notice or demand to each holder of record of any mortgage who has previously made a written request to City therefor, or to the representative of such lender as may be identified in such a written request by the lender. No notice of default shall be effective as to the holder unless such notice is given.

6. Right to Cure.

Each holder shall have the right, at its option, within ninety (90) days after the receipt of City's notice of Developer's breach or default, to:

- (a) Obtain possession, if necessary, and to commence and diligently pursue said cure until the same is completed, and
- (b) Add the cost of said cure to the security interest debt and the lien or obligation on its security interest;

provided that in the case of a default which cannot with diligence be remedied or cured within such ninety (90) day period, such holder shall have additional time as reasonably necessary to remedy or cure such default.

In the event there is more than one such holder, the right to cure or remedy a breach or default of Developer under this Section shall be exercised by the holder first in priority or as the holders may otherwise agree among themselves, but there shall be only one exercise of such right to cure and remedy a breach or default of Developer under this Section.

No holder shall undertake or continue the construction or completion of the improvements (beyond the extent necessary to preserve or protect the improvements or construction already made) without first having expressly assumed Developer's obligations to City by written agreement in form and substance reasonably satisfactory to City with respect to the Site or any portion thereof in which the holder has an interest. The holder must agree to complete, in the manner required by this Agreement, the improvements to which the lien or title of such holder relates. Any holder properly completing such improvements shall be entitled, upon written request made to City, to a Release of Construction Covenants.

7. City's Rights upon Failure of Holder to Complete Improvements.

In any case where one hundred eighty (180) days after default by Developer in completion of construction of improvements under this Agreement, the holder of any mortgage creating a lien or encumbrance upon the Site or improvements thereon has not exercised the option to construct afforded in this Section or if it has exercised such option and has not proceeded diligently with construction, City may, after ninety (90) days' notice to such holder and if such holder has not exercised such option to construct within said additional ninety (90) day period, purchase the mortgage, upon payment to the holder of an amount equal to the sum of the following:

- (a) The unpaid mortgage debt plus any accrued and unpaid interest (less all appropriate credits, including those resulting from collection and application of rentals and other income received during foreclosure proceedings, if any);
- (b) All expenses, incurred by the holder with respect to foreclosure, if any
- (c) The net expenses (exclusive of general overhead), incurred by the holder as a direct result of the ownership or management of the City Parcels, such as insurance premiums or real estate taxes, if any;
- (d) The costs of any improvements made by such holder, if any; and
- (e) An amount equivalent to the interest that would have accrued on the aggregate of such amounts had all such amounts become part of the mortgage debt and such debt had continued in existence to the date of payment by City.

In the event that the holder does not exercise its option to construct afforded in this Section, and City elects not to purchase the mortgage of holder, upon written request by the holder to City, City agrees to use reasonable efforts to assist the holder selling the holder's interest to a qualified and responsible party or parties (as reasonably determined by City), who shall assume the obligations of making or completing the improvements required to be constructed by Developer, or such other improvements in their stead by written agreement in form and substance reasonably satisfactory to City. The proceeds of such a sale shall be applied first to the holder of those items specified in subparagraphs (a) through (e) hereinabove, and any balance remaining thereafter shall

be applied as follows:

- a) First, to reimburse City, on its own behalf and on behalf of City, for all costs and expenses actually and reasonably incurred by City with respect to such sale, including but not limited to payroll expenses, management expenses, legal expenses, and others.
- b) Second, to reimburse City, on its own behalf and on behalf of City, for all payments made by City to discharge any other encumbrances or liens on the Site or to discharge or prevent from attaching or being made any subsequent encumbrances or liens due, to obligations, defaults, or acts of Developer, its successors or transferees.
- c) Third, any balance remaining thereafter shall be paid to Developer.

8. Right of City to Cure Mortgage, Deed of Trust or Other Security Interest Default.

In the event of a default or breach by Developer (or entity permitted to acquire title under this Section) of a mortgage prior to the issuance by City of a Release of Construction Covenants for the City Parcels or portions thereof covered by said mortgage, and the holder of any such mortgage has not timely exercised its option to complete the development, City may cure the default prior to completion of any foreclosure. In such event, City shall be entitled to reimbursement from Developer or other entity of all costs and expenses incurred by City in curing the default, including legal costs and attorneys' fees, which right of reimbursement shall be secured by a lien upon the City Parcels to the extent of such costs and disbursements. Any such lien shall be subject to:

- (a) Any mortgage for financing permitted by this Agreement; and
- (b) Any rights or interests provided in this Agreement for the protection of the holders of such mortgages for financing;

provided that nothing herein shall be deemed to impose upon City any affirmative obligations (by the payment of money, construction or otherwise) with respect to the Site in the event of its enforcement of its lien.

9. Right of the City to Satisfy Other Liens on the Site After Conveyance of Title.

After the conveyance of title and prior to the recordation of a Release of Construction Covenants for construction and development, and after Developer has had a reasonable time to challenge, cure, or satisfy any liens or encumbrances on the Site or any portion thereof, City shall have the right to satisfy any such liens or encumbrances; provided, however, that nothing in this Agreement shall require Developer to pay or make provision for the payment of any tax, assessment, lien or charge so long as Developer in good faith shall contest the validity or amount thereof, and so long as such delay in payment shall not subject the City Parcels or any portion

thereof to forfeiture or sale.

10. Minor Amendments

The City Manager shall be authorized to approve and execute minor non-substantive amendments to this Agreement as may be requested by Developer's lender in relation to the protection of such lender's security interest in the Site without formal approval of the City Council.

N. (§ 714) Release of Construction Covenants.

Upon the completion of all construction required to be completed by Developer on the Site and in no event later than the date on which City allows occupancy of the completed building on the Site to occur, City shall furnish Developer with a Release of Construction Covenants within thirty (30) days following receipt of written request therefor by Developer. The Release of Construction Covenants shall be executed and notarized so as to permit it to be recorded in the Office of the Recorder of Los Angeles County.

A Release of Construction Covenants shall be, and shall state that it constitutes, conclusive determination of satisfactory completion of the construction and development of the improvements required by this Agreement upon the Site and of full compliance with the terms of this Agreement with respect to development of the Project. A partial Release of Construction Covenants applicable to less than the entire Project and Site shall not be permitted. After issuance of a Release of Construction Covenants, City shall not have any rights or remedies under this Agreement, except as otherwise set forth in the Grant Deed.

City shall not unreasonably withhold the Release of Construction Covenants. If City refuses or fails to furnish a Release of Construction Covenants within thirty (30) days after written request from Developer, City shall provide a written statement of the reasons City refused or failed to furnish a Release of Construction Covenants. The statement shall also contain City's opinion of the action Developer must take to obtain a Release of Construction Covenants. If the reason for such refusal is confined to the immediate availability of specific items or materials for landscaping, or other minor so-called "punch list" items, City will issue its Release of Construction Covenants upon the posting of a bond in an amount representing one hundred fifty percent (150%) of the fair value of the work not yet completed or other assurance reasonably satisfactory to City.

A Release of Construction Covenants shall not constitute evidence of compliance with or satisfaction of any obligation of Developer to any holder of a mortgage, or any insurer of a mortgage securing money loaned to finance the improvements, or any part thereof. Such Release of Construction Covenants is not notice of completion as referred to in the California Civil Code Section 3093. Nothing herein shall prevent or affect Developer's right to obtain a certificate of occupancy from City before the Release of Construction Covenants is issued.

O. (§ 715) Estoppels.

Not later than twenty (20) days following receipt of a request of Developer or any holder of a mortgage or deed of trust, City shall, from time to time and upon the request of such holder, execute and deliver to Developer or such holder a written statement of City that, to the best of

knowledge of the Director of Community Development, without duty of inquiry or investigation, no default or breach exists (or would exist with the passage of time, or giving of notice or both) by Developer under this Agreement, if such be the fact, and certifying as to whether or not Developer has at the date of such certification complied with any obligation of Developer hereunder as to which Developer or such holder may inquire. The form of any estoppel letter shall be prepared by the holder or Developer and shall be at no cost to City and subject to the reasonable approval of City.

(§ 800) USES OF THE SITE.

A. (§ 801) Uses of the Site.

Developer covenants and agrees for itself, its successors, its assigns and every successor in interest that during construction and thereafter, that Developer and such successors and such assigns shall devote the Site to commercial/retail/restaurant uses or any other plans as may be approved by the City. It is acknowledged and understood that the Site is situated in one of the City's main corridors and it is Developer's full intent to obtain a quality national, regional, or local commercial tenant known by reputation, operational experience, and sufficient financial resources subject to the City's approval to not be reasonably withheld. Such Tenants may include:

- Raising Cane's Chicken Fingers
- The Coffee Bean & Tea Leaf
- Moe's Southwest Grill
- Farmer Boys
- Dunkin Donuts
- Jimmy Johns
- Noah's Bagels
- Dog Haus

B. (§802) Intentionally Deleted

C. (§ 803) Obligation to Refrain from Discrimination.

There shall be no discrimination against, or segregation of, any persons, or group of persons, on account of race, color, creed, religion, sex, marital/familial status, sexual orientation, national origin, ancestry, age or disability or other handicap in the rental, sale, lease, sublease, transfer, use, occupancy, or enjoyment of the City Parcels, or any portion thereof, nor shall Developer, or any person claiming under or through Developer, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the City Parcels or any portion thereof. The nondiscrimination and non-segregation covenants contained herein shall remain in effect in perpetuity.

D. (§ 804) Form of Nondiscrimination and Non-segregation Clauses.

Developer shall refrain from restricting the rental, sale, or lease of any portion of the City

Parcels on the basis of race, color, creed, religion, sex, marital status, sexual orientation, ancestry, national origin, age or disability or other handicap of any person. All such deeds, leases or contracts shall contain or be subject to substantially the following nondiscrimination or non-segregation clauses:

1. Deeds.

In Deeds the following language shall appear: “The grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, sexual orientation, national origin, ancestry, age or disability or other handicap in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land herein conveyed, nor shall the grantee, or any persons claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the land herein conveyed. The foregoing covenants shall run with the land.”

2. Leases.

In Leases the following language shall appear: “The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital/familial status, sexual orientation, national origin, ancestry, age or disability or other handicap in the leasing, subleasing, transferring, use, occupancy, tenure or enjoyment of the premises herein leased nor shall the lessee, or any person claiming under or through him or her, establish or permit any such practice or practices, of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, sublessees, subtenants or vendees in the premises herein leased.”

3. Contracts.

Any contracts which Developer or, Developer’s heirs, executors, administrators, or assigns propose to enter into for the sale, transfer, or leasing of the City Parcels shall contain a nondiscrimination and non-segregation clause substantially as set forth in Section 803 and in this Section. Such clause shall bind the contracting party and subcontracting party or transferee under the instrument.

E. (§ 805) Maintenance of Improvements.

As further provided in the Grant Deed, Developer covenants and agrees for itself, its successors and assigns, and every successor in interest to the City Parcels or any part thereof, that, after City’s issuance of its Release of Construction Covenants Developer shall be responsible for maintenance of all improvements that may exist on the Site from time to time, including without limitation buildings, parking lots, lighting, signs, and walls, in first-class condition and repair, and shall keep the Site free from any accumulation of debris or waste materials. Developer shall also

maintain all landscaping required pursuant to Developer's approved landscaping plan in a healthy condition, including replacement of any dead or diseased plants. The foregoing maintenance obligations shall run with the land and thereby become the obligations of any transferee of the Site or any portion thereof. Developer's further obligations to maintain the Site, and City's remedies in the event of Developer's default in performing such obligations, are set forth in the Grant Deed.

F. (§ 806) Effect of Covenants.

City is deemed a beneficiary of the terms and provisions of this Agreement and of the restrictions and covenants running with the land for and in its own right for the purposes of protecting the interests of the community in whose favor and for whose benefit the covenants running with the land have been provided. The covenants in favor of City shall run without regard to whether City has been, remains or is an owner of any land or interest therein in the Site. City shall have the right, if any of the covenants set forth in this Agreement which are provided for its benefit are breached, to exercise all rights and remedies and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breaches to which it may be entitled. With the exception of City (and except as may be provided in the Reciprocal Easement Agreements recorded as Document Nos. 86-1044843, 86-1044845, 86-1044846, and Resolution No. 94-08 and such other covenants, conditions and restrictions and other encumbrances and title exceptions approved by Developer under Section 405 above), no other person or entity shall have any right to enforce the terms of this Agreement under a theory of third-party beneficiary or otherwise. The covenants running with the land and their duration are set forth in the CC&Rs or the Grant Deed.

(§ 900) DEFAULTS, REMEDIES AND TERMINATION.

A. (§ 901) Defaults, Right to Cure and Waivers.

Subject to any Enforced Delay, failure or delay by either party to timely perform any covenant of this Agreement constitutes a default under this Agreement, but only if the party who so fails or delays does not commence to cure, correct or remedy such failure or delay within thirty days after receipt of a notice specifying such failure or delay, and does not thereafter prosecute such cure, correction or remedy with diligence to completion; provided that if the default is an immediate danger to the health, safety and general welfare, then the injured party may specify a shorter period and require immediate action, as may be reasonable under the circumstances.

The injured party shall give written notice of default to the party in default, specifying the default complained of by the injured party. Except as required to protect against further damages, the injured party may not institute proceedings against the party in default until thirty (30) days after giving such notice, except if a shorter time applies as specified above in this Section 901. Failure or delay in giving such notice shall not constitute a waiver of any default, nor shall it change the time of default.

1. No Waiver.

Except as otherwise provided in this Agreement, waiver by either party of the performance of any covenant, condition, or promise shall not invalidate this Agreement, nor shall it be

considered a waiver of any other covenant, condition, or promise. Waiver by either party of the time for performing any act shall not constitute a waiver of time for performing any other act or an identical act required to be performed at a later time. The delay or forbearance by either party in exercising any remedy or right as to any default shall not operate as a waiver of any default or of any rights or remedies or to deprive such party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert, or enforce any such rights or remedies.

B. (§ 902) Legal Actions.

2. Institution of Legal Actions.

In addition to any other rights or remedies, and subject to the requirements of Section 901, either party may institute legal action to cure, correct or remedy any default, to recover damages for any default, or to obtain any other remedy consistent with the purpose of this Agreement. Legal actions must be instituted and maintained in the Superior Court of the County of Los Angeles, State of California, in any other appropriate court in that county.

3. Applicable Law and Forum.

The internal laws of the State of California shall govern the interpretation and enforcement of this Agreement without regard to conflict of law principles.

4. Acceptance of Service of Process.

In the event that any legal action is commenced by Developer against City, service of process on City shall be made by personal service upon the City Manager or City Clerk, or in such other manner as may be provided by law. In the event that any legal action is commenced by City against Developer, service of process on Developer shall be made in such manner as may be provided by law and shall be valid whether made within or without the State of California.

C. (§ 903) Rights and Remedies are Cumulative.

Except as otherwise expressly stated in this Agreement, the rights and remedies of the parties are cumulative, and the exercise by either party of one or more of its rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

D. (§ 904) Specific Performance.

In addition to any other remedies permitted by this Agreement, if subsequent to the Closing either party defaults hereunder by failing to perform any of its obligations herein, (subject to any applicable notice and cure period), the other party shall be entitled to seek the judicial remedy of specific performance. In this regard, Developer specifically acknowledges that City is entering into this Agreement for the purpose of assisting in the redevelopment of the Site and not for the purpose of enabling Developer to speculate with land. Notwithstanding any other provision set forth in this Agreement to the contrary, in no event shall City have a right prior to the Closing to seek specific

performance or other equitable relief to compel Developer to Close the Escrow or proceed with development of the Project.

E. (§ 905) Intentionally Deleted.

F. (§ 906) Attorneys' Fees.

If either party to this Agreement is required to initiate or defend any action or proceeding in any way arising out of the parties' agreement to, or performance of this Agreement, or is made a party to any action or proceeding by the Escrow Agent or other third party, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorney's fees from the other. As used herein, the "prevailing party" shall be the party determined as such by a court of law pursuant to the definition in Code of Civil Procedure Section 1032(a)(4), as it may be subsequently amended. Attorney's fees shall include attorney's fees on any appeal, and in addition a party entitled to attorney's fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

G. (§907) Participation in Litigation; Indemnity.

Developer agrees to indemnify City and its elected boards, commissions, officers, agents and employees (collectively, including City, the "City Indemnified Parties") and will hold and save them and each of them harmless (with counsel reasonably acceptable to City) from any and all actions, suits, claims, liabilities, losses, damages, penalties, judgments, settlements, obligations and expenses (including but not limited to attorneys' fees and costs) concerning any Claims or Litigation (defined below). The term "Claims or Litigation" shall mean any challenge by adjacent owners or any other third parties: (i) to the legality, validity or adequacy of the General Plan, development approvals, this Agreement, or other actions of City Indemnified Parties pertaining to the Project, (ii) seeking damages against City Indemnified Parties as a consequence of the foregoing actions or for the taking or diminution in value of their property, or in any other manner, or (iii) for any tort claim or action against the City Indemnified Parties arising in connection with Developer's construction of the Project; excepting that "Claims or Litigation" subject to the indemnity and defense obligations in this Section shall not include those arising out of or relating solely to the negligence, gross negligence, willful misconduct, or violation of law by any of the City Indemnified Parties, including violations of the Ralph M. Brown Act. Each City Indemnified Party seeking defense or indemnity from Developer concerning Claims or Litigation shall provide Developer with prompt notice of the pendency of any action for which it believes it is entitled to indemnity under this Section and request that Developer defend it regarding such action (but any delay or failure to notify Developer will only reduce Developer's obligations to defend or indemnify an Indemnified Party to the extent of any actual prejudice suffered by Developer due to the delay or failure). Developer may utilize City's legal counsel or use legal counsel of its choosing in such action, but shall reimburse City for any necessary legal cost incurred by either or both of them to the extent those costs relate to Claims or Litigation. If Developer refuses or fails to defend a City Indemnified Party concerning any Claims or Litigation, the City Indemnified Party may

defend the action and Developer shall pay the cost thereof to the extent those costs concern Claims or Litigation, but if a City Indemnified Party chooses not to defend the action, it shall have no liability to Developer. If Developer elects to defend a City Indemnified Party, which City Indemnified Party, at no cost to the City Indemnified Party, shall reasonably cooperate with Developer concerning the defense. Developer's obligation to pay the defense costs concerning Claims or Litigation shall extend until judgment. In the event of an appeal or a settlement offer, the parties will confer in good faith as to how to proceed. Notwithstanding Developer's indemnity for Claims and Litigation, City retains the right to settle any particular claims or causes of action brought against either of them in their sole and absolute discretion as the approving governmental entities and Developer shall remain liable except as follows: (i) the settlement would reduce the scope of the Project by 10% or more, and (ii) Developer opposes the settlement. In such case City may still settle the litigation, but shall then be responsible for their own litigation expenses and shall bear no other liability to Developer. Subject to City's reasonable approval, Developer reserves the right to settle any Claims or Litigation by terminating this Agreement and not proceeding with the Project without any liability hereunder.

All indemnity provisions set forth in this Agreement shall survive termination of this Agreement for any reason other than City's Default.

(§ 1000) GENERAL PROVISIONS.

A. (§ 1001) Notices, Demands and Communications Between the Parties.

Except as expressly provided to the contrary herein, any notice, consent, report, demand, document or other such item to be given, delivered, furnished or received hereunder shall be deemed given, delivered, furnished, and received when given in writing and personally delivered to an authorized agent of the applicable party, or upon delivery by the United States Postal Service, first-class registered or certified mail, postage prepaid, return receipt requested, or by an "overnight courier" such as Federal Express, at the time of delivery shown upon such receipt; in either case, delivered to the address, addresses and persons as each party may from time to time by written notice designate to the other and who initially are:

If to Developer:	5821 Firestone Boulevard, LLC c/o GVD Commercial Properties, Inc. 1915-A East Katella Avenue Orange, California 92867 Attn: Gerald V. Dicker
A copy to:	David H. Dicker, Esq. Dicker & Dicker, LLP 4580 E. Thousand Oaks Blvd., Suite 350 Westlake Village, California 91362

If to City: City of South Gate
8650 California Avenue
South Gate, California 90280
Attn: Joe Perez, Director of Community Development

Copies to: City of South Gate
8650 California Avenue
South Gate, California 90280
Attn: Carmen Avalos, City Clerk

and

City of South Gate
8650 California Avenue
South Gate, California 90280
Attn: Raul F. Salinas, City Attorney

B. (§ 1002) Nonliability of City Officials and Employees: Conflicts of Interest: Commissions.

1 Personal Liability.

No member, official, employee, agent or contractor of City shall be personally liable to Developer in the event of any default or breach by City or for any amount which may become due to Developer or on any obligations under the terms of the Agreement; provided, it is understood that nothing in this Section 1002 is intended to limit City's liability. No member, official, employee, agent or contractor of Developer shall be personally liable to City in the event of any default or breach by Developer or for any amount which may become due to City or on any obligations under the terms of the Agreement; provided, it is understood that nothing in this Section 1002 is intended to limit Developer's liability.

2 Financial Interest.

No member, official, employee, contractor or agent of City shall have any financial interest, direct or indirect, in this Agreement, nor participate in any decision relating to this Agreement which is prohibited by law and, promptly following receipt of a request from City at any time or from time to time, Developer shall disclose to City the names and affiliations (to the extent known) of all individuals with whom Developer has retained or otherwise consulted on this Project.

3 Commissions.

City has not retained any broker or finder or paid or given, and will not pay or give, any third person any money or other consideration for obtaining this Agreement. City shall not be liable for any real estate commissions, brokerage fees or finders' fees which may arise from this Agreement, and Developer agrees to hold City harmless (with counsel reasonably acceptable to City) from any claim by any broker, agent, or finder retained by Developer. City agrees to hold Developer harmless from any claim by any broker, agent, or finder retained by City.

C. (§ 1003) Enforced Delay: Extension of Times of Performance.

Time is of the essence in the performance of this Agreement.

Notwithstanding the foregoing, in addition to specific provisions of this Agreement, performance by either party hereunder shall not be deemed to be in default where delays or defaults are due to war; insurrection; strikes; lock-outs; riots; floods; earthquakes; fires; casualties; supernatural causes; acts of the "public enemy"; epidemics; pandemic; virus or viral outbreaks; quarantine restrictions; freight embargoes; governmental restrictions; unusually severe weather; delays of any contractor, subcontractor or supplier; acts of another party; acts or the failure to act of a public or governmental agency or entity); or any other causes beyond the reasonable control or without the fault of the party claiming an extension of time to perform. In the event of such a delay (herein "Enforced Delay"), the party delayed shall (a) promptly give written notice to the other party of the Enforced Delay in sufficient detail for the other party to confirm the existence of the Enforced Day and (b) continue to exercise reasonable diligence to minimize the period of the delay. An extension of time for any such cause shall be limited to the period of the Enforced Delay, and shall commence to run from the time of the commencement of the cause and shall expire when the cause of the delay is resolved to the reasonable satisfaction of the parties.

Developer's failure to obtain financing for the Project shall not be considered an Enforced Delay nor as events or causes beyond the control of Developer and shall not entitle Developer to an extension of time to perform. City's financial condition shall similarly not be considered as events or causes beyond the control of City and shall not entitle City to an extension of time to perform.

Times of performance under this Agreement may also be extended by mutual written agreement by City and Developer. The City Manager shall have the authority on behalf of City to approve extensions of time not to exceed a cumulative total of one hundred eighty (180) days with respect to the development of the Site.

D. (§ 1004) Books and Records.

1. Developer to Keep Records.

Developer shall prepare and maintain all books, records and reports necessary to substantiate Developer's compliance with the terms of this Agreement or reasonably required by the City.

2. Right to Inspect.

Prior to the Release of Construction Covenants, either party shall have the right, upon not less than seventy-two (72) hours' notice, at all reasonable times, to inspect the books and records of the other party pertaining to the Site as pertinent to the purposes of this Agreement.

3. Ownership of Documents.

Copies of all reports of environmental site assessment, investigation, inspection and analysis, including all supporting documentation, performed by Developer, its employees, agents and subcontractors regarding the City Parcel as provided in this Agreement shall be delivered to City upon request in the event of a termination of this Agreement if such termination occurs due to a cause that is not a default by City, and in such event Developer shall have no claim for compensation as a result of this Section 1004(3) hereunder. Insofar as Developer is concerned, City shall have an unrestricted right to use such documents and materials as if it were in all respects the owner of the same, subject to the ownership or proprietary rights of third parties (as to which Developer makes no warranty, representation, or assurance). Developer makes no warranty or representation regarding the accuracy or sufficiency of such documents for any future use by City, and Developer shall have no liability therefor. Notwithstanding the foregoing, the City shall not have any right to sell, license, convey or transfer the documents and materials to any third party, or to use the documents and materials for any other site.

E. (§ 1005) Assurances to Act in Good Faith: Approvals Not to Be Unreasonably Withheld.

City and Developer agree to execute all documents and instruments and to take all action, including deposit of funds in addition to such funds as may be specifically provided for herein, and as may be required in order to consummate conveyance and development of the Site as herein contemplated, and shall use their best efforts to accomplish the closing and subsequent development of the Site in accordance with the provisions hereof. City and Developer shall each diligently and in good faith pursue the satisfaction of any conditions or contingencies subject to their approval. In the event the approval of a party is required hereunder, such approval shall not be unreasonably withheld, delayed, or conditioned except as may be otherwise expressly set forth herein.

F. (§ 1006) Interpretation.

The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply. The Section headings are for purposes of convenience only, and shall not be construed to limit or extend the meaning of this Agreement. This Agreement includes all Exhibits attached hereto, which are by this reference incorporated in this Agreement in their entirety.

G. (§ 1007) Entire Agreement, Waivers and Amendments.

This Agreement integrates all of the terms and conditions mentioned herein, or incidental hereto, and this Agreement supersedes all negotiations and previous agreements between the parties with respect to all or any part of the subject matter hereof, including without limitation mutually accepted proposal between City and GVD dated on or about May 13, 2020. All waivers of the provisions of this Agreement, unless specified otherwise herein, must be in writing and signed by the appropriate authorities of City or Developer, as applicable, and all amendments hereto must be in writing and signed by the appropriate authorities of City and Developer.

H. (§ 1008) Severability.

In the event any term, covenant, condition, provision or agreement contained herein is held to be invalid, void or otherwise unenforceable, by any court of competent jurisdiction, such holding shall in no way affect the validity or enforceability of any other term, covenant, condition, provision or agreement contained herein.

I. (§ 1010) Time for Acceptance of Agreement by City.

This Agreement, when executed by Developer and delivered to City, must be authorized, executed and delivered by City, not later than the time set forth in the Schedule of Performance or this instrument shall be void, except to the extent that Developer shall consent in writing to further extensions of time for the authorization, execution, and delivery of this Agreement.

J. (§ 1011) Execution.

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute but one and the same instrument. Executed copies of the signature pages of this Agreement sent by facsimile or transmitted electronically in either Tagged Image Format Files ("TIFF") or Portable Document Format ("PDF") shall be treated as originals, fully binding and with full legal force and effect, and the parties waive any rights they may have to object to such treatment. Any party delivering an executed counterpart of this Agreement by facsimile, TIFF or PDF also shall deliver a manually executed counterpart of this Agreement, but the failure to deliver a manually-executed counterpart shall not affect the validity, enforceability, and binding effect of this Agreement.

K. (§ 1012) Miscellaneous Representations and Warranties.

1. City represents and warrants that: (i) it is a California general law city duly organized and existing under the laws of the State of California; (ii) by proper action of City Council, City has been duly authorized to execute and deliver this Agreement, acting by and through its duly authorized officers; and (iii) the entering into this Agreement by City does not violate any provision of any other agreement to which City is a party.

2. Developer represents and warrants that: (i) it is a limited liability company duly organized and existing under the laws of the State of California; (ii) by proper action of Developer, Developer has been duly authorized to execute and deliver this Agreement, acting by and through its duly authorized representative; and (iii) the entering into this Agreement by Developer does not violate any provision of any other agreement to which Developer is a party.

[signatures of the parties on following pages]

IN WITNESS WHEREOF, City, acting by and through its Mayor and attested to by its City Clerk, has executed this Agreement as of the set forth opposite its signature to be effective as of the date of such execution.

CITY OF SOUTH GATE,
a California municipal corporation

By: _____
Maria Davila, Mayor

Dated: _____

ATTEST:

By: _____
Carmen Avalos, City Clerk
(SEAL)

APPROVED AS TO FORM:

By:  _____
Raul F. Salinas, City Attorney

[signature of Developer on following page]

IN WITNESS WHEREOF, Developer, acting by and through its authorized representative, has executed this Agreement as of the set forth opposite its signature.

5821 FIRESTONE BOULEVARD, LLC,
a California limited liability company

By: GVD Commercial Properties, Inc.,
a California corporation, its Manager

Dated: August 4, 2020

By: 
Name: Dave Case
Its: Chief Financial Officer

EXHIBIT A

DESCRIPTION OF CITY PARCEL

THAT PORTION OF LOT A OF TRACT NO. 486, IN THE CITY OF SOUTH GATE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 15, PAGE(S) 30 AND 31 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTHERLY LINE OF THE SOUTHERLY 62.00 FEET OF LOT A, DISTANT THEREON NORTH 82° 36' 05" WEST 687.39 FEET FROM THE SOUTHEASTERLY LINE OF THE LAND DESCRIBED AS PARCEL NO. 450.1 AND 452.1 IN DEED FROM LOS ANGELES COUNTY FLOOD CONTROL DISTRICT RECORDED JANUARY 22, 1982 AS INSTRUMENT NO. 82-78253, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE CONTINUING ALONG SAID NORTHERLY LINE NORTH 82° 36' 05" WEST 115.00 FEET; THENCE NORTH 7° 23' 55" EAST 175.00 FEET; THENCE SOUTH 82° 36' 05" EAST 115.00 FEET; THENCE SOUTH 7° 23' 55" WEST 175.00 FEET TO THE POINT OF BEGINNING.

Exhibit A

Disposition and Development Agreement
5821 Firestone Boulevard, South Gate, CA

EXHIBIT B

PROJECT DEVELOPMENT CONCEPT

[1.11.19 – 5821 Firestone Blvd – Concept Site Plan and Elevations]

Exhibit B

Disposition and Development Agreement
5821 Firestone Boulevard, South Gate, CA

EXHIBIT C

GRANT DEED

FREE RECORDING REQUESTED BY:

City Clerk
City of South Gate
8650 California Avenue
City of South Gate, California 90280

AND WHEN RECORDED MAIL TO:

City of South Gate
8650 California Avenue
City of South Gate, California 90280
Attention: City Clerk

(Space Above This Line for Recorder's Office Use Only)
(Exempt from Recording Fee per Gov. Code §6103)

GRANT DEED

FOR A VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, the **CITY OF SOUTH GATE**, a California municipal corporation ("**Grantor**") hereby grants to [**NAME OF GRANTEE ENTITY**], a California _____ ("**Grantee**"), that certain real property in the City of South Gate, County of Los Angeles, State of California, as more particularly described in Exhibit "A" attached hereto and incorporated herein by this reference ("**Site**").

1. Governing Restrictions. The Site is conveyed subject to the following:

- a) All easements, covenants, conditions, restrictions, rights and encumbrances of record.
- b) That certain Disposition and Development Agreement dated as of August 11, 2020 ("**DDA**") by and between Grantor and Grantee which is a public record on file with the City Clerk of the Grantor located at 8650 California Avenue, South Gate, California 90280, California, and is hereby incorporated by reference.
- c) That certain Declaration of Covenants, Conditions and Restrictions of even date herewith made by Grantee as "**Declarant**" in favor of Grantor and the City of South Gate, which was recorded concurrently with this Grant Deed.

2. Non-Discrimination. Grantee covenants that there shall be no discrimination against, or segregation of, any persons, or group of persons, on account of race, color, creed, religion, sex, sexual orientation, marital/familial status, age, ancestry, national origin, disability or other handicap in the rental, sale, lease, sublease, transfer, use, occupancy, or enjoyment of the Site,

Exhibit C

Disposition and Development Agreement
5821 Firestone Boulevard, South Gate, CA

or any portion thereof, nor shall Grantee, or any person claiming under or through Grantee, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, subtenants, sublessees, or vendees of the Site or any portion thereof. The nondiscrimination and non-segregation covenants contained herein shall remain in effect in perpetuity.

3. **Form of Nondiscrimination Clauses in Agreements.** Grantee shall refrain from restricting the rental, sale, or lease of any portion of the Site on the basis of race, color, creed, religion, sex, sexual orientation, marital/familial status, age, ancestry, national origin, disability or other handicap of any person. All such deeds, leases, or contracts shall contain or be subject to substantially the following nondiscrimination or non-segregation clauses:

(a) **Deeds:** In deeds the following language shall appear: “The grantee herein covenants by and for itself, its heirs, executors, administrators, and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, sexual orientation, marital/familial status, age, ancestry, national origin, disability or other handicap in the sale, lease, rental, sublease, transfer, use, occupancy, tenure, or enjoyment of the land herein conveyed, nor shall the grantee itself, or any persons claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the land herein conveyed. The foregoing covenants shall run with the land.”

(b) **Leases:** In leases the following language shall appear: “The lessee herein covenants by and for itself, its heirs, executors, administrators, successors, and assigns, and all persons claiming under or through them, and this lease is made and accepted upon and subject to the following conditions:

“That there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, sexual orientation, marital/familial status, age, ancestry, national origin, disability or other handicap in the leasing, subleasing, renting, transferring, use, occupancy, tenure, or enjoyment of the land herein leased nor shall the lessee itself, or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, sublessees, subtenants, or vendees in the land herein leased.”

(c) **Contracts:** In contracts pertaining to conveyance of the realty the following language shall appear: “There shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, sexual orientation, marital/ familial status, age, ancestry, national origin, disability or other handicap in the sale, lease, rental, sublease, transfer, use, occupancy, tenure, or enjoyment of the land, nor shall the transferee itself, or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, subtenants, sublessees,

Exhibit C

Disposition and Development Agreement
5821 Firestone Boulevard, South Gate, CA

or vendees of the land.”

The foregoing covenants shall remain in effect in perpetuity.

4. **Mortgage Protection.** No violation or breach of the covenants, conditions, restrictions, provisions or limitations contained in this Grant Deed shall defeat or render invalid or in any way impair the lien or charge of any mortgage, deed of trust or other financing or security instrument permitted by and approved by Grantor pursuant to the DDA; provided, however, that any successor of Grantee to the Site shall be bound by such remaining covenants, conditions, restrictions, limitations and provisions, whether such successor’s title was acquired by foreclosure, deed in lieu of foreclosure, trustee’s sale or otherwise.

5. **Covenants to Run With the Land.** The covenants contained in this Grant Deed shall be construed as covenants running with the land and not as conditions which might result in forfeiture of title, and shall be binding upon Grantee, its heirs, successors and assigns to the Site, whether their interest shall be fee, easement, leasehold, beneficial or otherwise.

6. **Counterparts.** This Grant Deed may be executed in any number of counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, Grantor and Grantee have caused this instrument to be executed on their behalf by their respective officers or agents hereunto as of the date first above written.

GRANTOR:

CITY OF SOUTH GATE,
a California municipal corporation

By: _____
Maria Davila, Mayor

Dated: _____

ATTEST:

By: _____
Carmen Avalos, City Clerk
(SEAL)

APPROVED AS TO FORM:

By: _____
Raul F. Salinas, City Attorney

Exhibit C

Disposition and Development Agreement
5821 Firestone Boulevard, South Gate, CA

ACCEPTANCE BY GRANTEE

By its acceptance of this Grant Deed, Grantee hereby agrees as follows:

1. Grantee expressly understands and agrees that the terms of this Grant Deed shall be deemed to be covenants running with the land and shall apply to all of the Grantee's successors and assigns (except as specifically set forth in the Grant Deed).
2. The provisions of this Grant Deed are hereby approved and accepted.

GRANTEE:

[__NAME OF GRANTEE ENTITY__],
a California _____

Dated: _____, 2020

By: _____
Name: _____
Its: _____

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)

On _____, 2020, before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify UNDER PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (seal)

Exhibit C

Disposition and Development Agreement
5821 Firestone Boulevard, South Gate, CA

Exhibit A
Legal Description

All that land situated in the City of South Gate, County of Los Angeles, State of California, and being more particularly described as follows:

THAT PORTION OF LOT A OF TRACT NO. 486, IN THE CITY OF SOUTH GATE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 15, PAGE(S) 30 AND 31 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTHERLY LINE OF THE SOUTHERLY 62.00 FEET OF LOT A, DISTANT THEREON NORTH 82° 36' 05" WEST 687.39 FEET FROM THE SOUTHEASTERLY LINE OF THE LAND DESCRIBED AS PARCEL NO. 450.1 AND 452.1 IN DEED FROM LOS ANGELES COUNTY FLOOD CONTROL DISTRICT RECORDED JANUARY 22, 1982 AS INSTRUMENT NO. 82-78253, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE CONTINUING ALONG SAID NORTHERLY LINE NORTH 82° 36' 05" WEST 115.00 FEET; THENCE NORTH 7° 23' 55" EAST 175.00 FEET; THENCE SOUTH 82° 36' 05" EAST 115.00 FEET; THENCE SOUTH 7° 23' 55" WEST 175.00 FEET TO THE POINT OF BEGINNING.

Exhibit C

Disposition and Development Agreement
5821 Firestone Boulevard, South Gate, CA

EXHIBIT D

SCHEDULE OF PERFORMANCE

It is understood that the foregoing Schedule is subject to all of the terms and conditions of the text of the Agreement. The summary of the items of performance in this Schedule is not intended to supersede or modify the more complete description in the text; in the event of any conflict or inconsistency between this Schedule and the text of the Agreement, the text shall govern the City Manager shall have the authority on behalf of City to extend the time for performance as permitted in Section 705.

	<i>Item of Performance</i>	<i>Time for Performance</i>
1.	Effective Date.	Upon execution of the Agreement by City.
2.	Escrow Opening Date.	Five (5) business days from the Effective Date.
3.	Developer submits proof of insurance. (Section G.707.1)	General Liability – Complete All other insurance – No later than seven (7) days before commencement of construction.
4.	Developer submits Final Construction Drawings for City review in compliance with Agreement.	No later than thirty (30) days before the commencement of construction.
5.	Developer submits draft loan and other financing documents if applicable.	No later than sixty (60) days before the commencement of construction.
6.	“Closing Date”; recordation of Grant Deed.	Provided that Developer has met the requirements set forth in this Agreement, thirty (30) days from City’s receipt of Developer’s notice of Closing but in no event later than October 31, 2021.
7.	Developer commences or cause to commence grading and site work for construction of the Project.	No later than ninety (90) days after the Closing Date.
8.	Project Completion.	No later than one (1) year after the Closing Date.

Exhibit D

Disposition and Development Agreement
5821 Firestone Boulevard, South Gate, CA

**PUBLIC NOTICE
CITY OF SOUTH GATE
CITY COUNCIL**

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that the City Council of the City of South Gate will hold a public hearing to consider adoption of a resolution approving a Disposition and Development Agreement (“DDA”) for the sale of property located at 5821 Firestone Blvd., in the City of South Gate, CA.

DATE OF HEARING: Tuesday, July 28, 2020

TIME OF HEARING: 6:30 pm

LOCATION OF HEARING: Members of the public wishing to observe the meeting may join through a Call-In Conference. For the updated Dial-In Number and Conference Code for the July 28th City Council meeting please visit the City’s website at www.cityofsouthgate.org/AgendaCenter

PROJECT LOCATION: 5821 Firestone Blvd. South Gate, CA 90280

PROJECT DESCRIPTION: Resolution approving a Disposition and Development Agreement (“DDA”) for the sale of property located at 5821 Firestone Blvd., in the City of South Gate.

ENVIRONMENTAL REVIEW: Passage of the proposed amendment would be deemed to be a “Project” under the California Environmental Quality Act, pursuant to Section 15378 of the State CEQA Guidelines codified at 14 CCR § 13578. However, that project has also been deemed Categorically Exempt under Section 15061 (b)(3) of the State CEQA Guidelines codified at 14 CCR § 15061, which states “A project is exempt from CEQA if: [. . . the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA].”

INVITATION TO BE HEARD: All interested persons are invited to the public hearing to be heard in favor of or in opposition to the proposed resolution or to provide comments. In addition, written comments may be submitted to the Community Development Department prior to the hearing. If you challenge the action taken on this proposal in court, you may be limited to raising only those issues you or someone else raised at the public hearing, described in this Notice, or in written correspondence delivered to the City of South Gate prior to or at the public hearing.

Those desiring a copy of the staff report or further information related to this project should contact:

Contact: Dianne Guevara, Management Analyst
Phone: 323-563-9535
E-mail: dguevara@sogate.org

Mailing Address: Community Development Department
City of South Gate
8650 California Avenue
South Gate, CA 90280-3075

ESPAÑOL

Información en Español acerca de esta junta puede ser obtenida llamando al 323-563-9535

Published: July 18, 2020

RECEIVED

Item No. 2

AUG 20 2020

City of South Gate
CITY COUNCIL

CITY OF SOUTH GATE
OFFICE OF THE CITY MANAGER

2:55pm

AGENDA BILL

For the Regular Meeting of: August 25, 2020
Originating Department: Community Development

Department Director:

William Gungawo
Joe Perez

City Manager:

Michael Flad
Michael Flad

SUBJECT: FISCAL YEARS 2020/21-2024/25 FIVE-YEAR CONSOLIDATED PLAN, 2020/21 ANNUAL ACTION PLAN, 2020 ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE, AMENDMENT TO THE CITIZEN PARTICIPATION PLAN (CPP), AND ALLOCATION OF UNPROGRAMMED FUNDS

PURPOSE: The City, as a recipient of Community Development Block Grant (CDBG) funds from the federal government, is required to prepare a Five-Year Consolidated Plan and an Annual Action Plan for the use of those resources. Included in that mandate is the furthering of fair housing within the jurisdiction through such means as the preparation of an Analysis of Impediments to Fair Housing Choice. These documents were originally to be submitted to the Department of Housing and Urban Development (HUD) by August 16, 2020, however, staff submitted a waiver request that will extend the deadline to August 16, 2021. The City Council will also consider appropriating un-programmed CDBG and HOME funds. This item was continued from the regularly scheduled City Council Meeting of August 11, 2020.

RECOMMENDED ACTIONS: Following the conclusion of the Public Hearing:

- a. Adopt Resolution approving the Fiscal Years 2020/21-2024/25 Consolidated Plan; the Annual Action Plan for Fiscal Year 2020/21; the 2020 Analysis of Impediments to Fair Housing Choice; and the Citizen Participation Plan; and authorizing the City Manager, or designee, to submit to the U.S. Department of Housing and Urban Development; and
- b. Provide direction on the appropriation of \$1,006,581 of un-programmed CDBG funds and \$907,967.67 of un-programmed HOME funds.

FISCAL IMPACT: In Fiscal Year 2020/21, the City will receive \$1,487,150 in CDBG funds and \$664,918 in HOME funds. Additionally, as a result of prior year unspent CDBG and HOME funds, the City has \$1,006,581 of CDBG funds and \$907,967.67 of HOME funds available for new projects. (Please refer to details provided on pages 5 & 6).

NOTICING REQUIREMENT: Advertising and notification of the Public Hearing was conducted in compliance with Municipal Code Section 11.50.020 (Public Hearing Notification) and was published in the Long Beach Press Telegram newspaper on August 1, 2020. Due the coronavirus pandemic, HUD has allowed for added flexibility to reduce the required public comment period from 30 days to not-less-than five (5) days. The noticing conducted by the City complies with these requirements.

ALIGNMENT WITH COUNCIL GOALS: The proposed Fiscal Years 2020/21-2024/25 Consolidated Plan, the Fiscal Year 2020/21 Annual Action Plan, the 2020 Analysis of Impediments to Fair Housing Choice, and the Citizen Participation Plan (CPP) support the City Council goals of creating and protecting strong and sustainable neighborhoods by supporting organizations that provide needed services and programs that benefit low-and moderate-income residents of South Gate.

ANALYSIS: This report covers five major elements, all related to the federal Community Development Block Grant (CDBG) and Home Investment Partnership Program (HOME), as described in the following sections below:

Consolidated Plan

The Consolidated Plan is a HUD-required document that must be completed every five years to receive CDBG and HOME funds. The consolidated planning process serves as the framework for community-wide dialogue to identify housing and community development priorities that align with and focus funding from the CDBG and HOME funds.

The Consolidated Plan has a duration of five years and is carried out through Annual Action Plans, which provide concise summaries of the actions, activities, and resources that will be used each year to address the priority needs and specific goals identified by the Consolidated Plan. The Fiscal Year 2020/21 Annual Action Plan will be included as a component of the proposed five-year Consolidated Plan for Fiscal Years 2020/21-2024/25.

Some of the goals and accomplishments for the previous Consolidated Plan for 2015-2019 included the activities referenced in Table 1, page 5 of the Fiscal Years 2020/21-2024/25 Consolidated Plan.

CDBG funds may be used for the following program activities: Community/Public Facilities, Community Services, Infrastructure Improvements, Special Needs Services, Neighborhood Services, Business Assistance, Employment/Job Services, Homeless Services, Affordable Housing Services, and Affordable Housing Facilities.

The Fiscal Years 2020/21-2024/25 Consolidated Plan process was initiated in February 2020. In June, we hosted two virtual community outreach meetings and released a Community Needs and Fair Housing Survey asking citizens to identify the highest priorities for the Fiscal Years 2020/21-2024/25 Consolidated Plan. Over 217 individuals responded to the community needs and fair housing survey.

In addition to encouraging participation in the needs survey and workshop, the City consulted directly with a variety of public and private sector agencies that provide services in South Gate to help determine available resources and community needs. Stakeholders that were reached out to and/or responded included:

- Maria Davila, Mayor
- Al Rios, Vice Mayor
- Denise Diaz, Council Member
- Gil Hurtado, Council Member
- Pilar Avalos, Council Member
- City Department Directors
- The Fair Housing Foundation
- Helpline Youth Counseling

- The Salvation Army, d/b/a The Salvation Army Western Territory
- Southern California Rehabilitation Services
- The Tweedy Mile Association

Stakeholders listed the following most common issues and needs:

- Responding to the COVID-19 pandemic
- Emergency preparedness and response
- Affordable housing. When asked about their housing options, almost 50% of respondents stated they “Cannot afford the rent or mortgage in a preferred neighborhood.”
- Rental assistance
- Senior housing
- Improvements and upgrades to parks & recreational facilities and programs
- ADA accessibility improvements to public roads and facilities. Ninety-one percent of respondents think that “ADA accessibility improvements to public roads/facilities” is either “important” or “extremely important.”
- Homeless prevention
- Emergency shelters
- Safe routes to schools
- Street improvements
- First time home buyer programs
- Green building
- Neighborhood crime prevention programs
- Technology upgrades, including broadband and bridging the digital divide
- Economic and workforce development
- Infrastructure maintenance
- Non-profit capacity building and social services

Some of the most common housing problems identified was housing cost burden, which most impacts renters.

The summary of goals of the Fiscal Years 2020/21-2024/25 Consolidated Plan include:

- Preservation and rehabilitation of the existing housing stock using CDBG and HOME funds
- Expand and improve the quality and quantity of public service programs
- Promote fair housing
- Provide infrastructure and public facility funding
- Provide financial assistance for the rehabilitation of commercial façade improvements
- Economic Development activities that promote employment and preserve local businesses
- Housing rehabilitation
- Public Services

Annual Action Plan

Each year, the City prepares an Annual Action Plan in connection with the five-year Consolidated Plan, which details how the City will spend its allocated CDBG and HOME funds. During a Consolidated Plan year, the Annual Action Plan is submitted as part of the Consolidated Plan and must align with the new five-year goals. Over the next four years, the Annual Action Plan will be presented

to the City Council as an independent action following City Council’s funding approval of public service activities and other HUD funded City projects and programs. The Annual Action Plan has two principal purposes:

- Identify the projects and programs to be undertaken during the upcoming fiscal year, and the proposed objective and outcomes to be achieved within the overall context of the five-year consolidated plan; and
- Act as the City’s application process for federal formula grants, comprised of the CDBG programs.

Under the CDBG program regulations, up to 15% of the annual allocation can be used for public service providers. However, HUD recently waived the 15% requirements for public services that can be attributed to preventing, preparing for, or responding to COVID-19.

During the month of October 2019, letters were sent to non-profit organizations and city departments and a legal notice of funding availability was published on October 10, 2019, to inform prospective applicants of the availability of CDBG funds for Fiscal Year 2020/21. Completed applications were accepted in the City Clerk’s office up until the deadline date of November 28, 2019. The CAC reviewed the applications and later heard presentations from the applicants at their meetings of January 22, 2020 and January 29, 2020. On February 5, 2020, the CAC discussed and recommended approval of projects and allocations. On April 28, 2020, the City Council approved the Citizens’ Advisory Committee’s (CAC) recommended projects and funding amounts to be appropriated from Community Development Block Grant (CDBG) funds for Fiscal Year 2020/21.

At the time the CDBG funding allocations were presented to the CAC, we expected to receive a total of \$1,400,000 in CDBG funding, which is the total amount of funding the CAC discussed and provided their recommended projects and funding allocations for. The CDBG entitlement allocation for Fiscal Year 2020/21 ended up being \$1,487,150, which includes an additional \$87,150 in CDBG funding for Fiscal Year 2020/21. The Fiscal Year 2020/21 HOME allocation is \$664,918. In addition, there is available approximately \$936,861 of unspent CDBG funds and \$1,128,255.67 of unspent HOME funds remaining from previous fiscal years. Therefore, the total amount of funding available for Fiscal Year 2020/21 is listed below:

- CDBG Funds \$2,424,011.00
- HOME Funds \$1,793,173.67

The proposed CDBG funding allocations approved by the Citizens Advisory Committee for Fiscal Year 2020/21 are listed below:

CDBG Allocation (\$1,400,000):

Program Administration (Maximum 20% of allocation) (Program Admin Includes Fair Housing Foundation funding of \$24,000)	\$ 280,000
Program Delivery	\$ 100,000
Non-Public Service Projects	\$ 810,000
Public Service Allocation Cap at 15%:	<u>\$ 210,000</u>
Total Allocation	<u>\$1,400,000</u>

Non-Public Service Projects (\$810,000):

S.G. Park Fence Restoration and Replacement:	\$ 400,000
Commercial Façade Improvement	\$ 350,000
Tweedy Mile - Window/Door Repairs:	\$ 60,000
Total Non-Public Service Projects	<u>\$ 810,000</u>

Public Service Projects (\$210,000):

Police Department - Family Violence Prevention & Education:	\$ 10,000
Police Department - Police Explorers:	\$ 7,000
Public Works Department - Graffiti Abatement:	\$ 140,000
The Salvation Army - Homeless Shelter:	\$ 22,500
Helpline Youth Counseling - Homelessness Prevention:	\$ 22,500
Southern California Rehabilitation Services:	\$ 8,000
Total Public Service Projects	<u>\$ 210,000</u>

The revised proposed budget for Fiscal Year 2020/21 is as follows (this includes the revised program administration amount):

CDBG Funding Allocation for FY 2020/21		\$1,487,150
Unspent funds from Previous FYs		\$936,861
Total Available Funds for Programming in FY 2020/21		\$2,424,011
<i>Revised Proposed Budget for FY 2020/21:</i>		
Administration (20%)*	\$297,430	
• Fair Housing (\$24,000)		
• Program Administration (\$273,430)		
Helpline Youth Counseling	\$22,500	
Salvation Army	\$22,500	
Tweedy Mile	\$60,000	
Southern CA Rehab	\$8,000	
Police Explorer	\$7,000	
Family Violence Prevention	\$10,000	
Commercial Façade	\$350,000	
Park Fence Repair	\$400,000	
Graffiti Abatement	\$140,000	
Program Delivery - HOME program	\$100,000	
<i>Total Funds Proposed to be Programmed for FY 2020/21</i>		\$1,417,430
CDBG Funds Available for New Projects		\$1,006,581

*The City is allowed to use 20 percent of the CDBG funding allocation towards the administration of the program. Since the City will be receiving a larger funding allocation than originally estimated for this Fiscal Year, the administration budget will increase by \$17,430, from \$280,000 (amount previously provided to the CAC) to \$297,430.

The proposed HOME funding allocations for FY 2020/21 are listed below:

HOME Funding Allocation for FY 2020/21		\$664,918.00
Unspent funds from Previous FYs		\$ 1,128,255.67
Total Available Funds for Programming in FY 2020/21		\$1,793,173.67
<i>Proposed Budget for FY 2020/21:</i>		
Administration (25%)	\$166,229.00	
HOME Program	\$450,000.00	
Community Housing Dev. Organization (CHDO) (15%)	\$268,977.00	
<i>Total Funds Proposed to be Programmed for FY 2020/21</i>		\$885,206.00
HOME Funds Available for New Projects		\$907,967.67

Un-Programmed CDBG and HOME Funds

The City has approximately \$1,006,581 of CDBG funds and \$907,967.67 of HOME funds that are un-programmed and available for new projects. These amounts include some carryover from previous fiscal years. These are one time funds that can be used to address additional needs, including those created by the current COVID-19 pandemic. It is recommended that the City Council provide direction to staff on the proposed allocation of these funds. The City Council could also consider having the Citizens Advisory Committee (CAC) provide recommendations to the City Council on the CDBG un-programmed funds. If the City Council decides to ask the CAC to provide recommendations on the un-programmed funds, then the final allocations would ultimately be reviewed and approved by the City Council as a substantial amendment to the Annual Action Plan at a future public hearing.

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CDBG FUNDS: The City has \$1,006,581 of CDBG funds currently available for new projects. For discussion purposes, provided below are current CDBG-funded programs:

NON-PUBLIC SERVICE PROJECTS	CDBG Reprogrammed Funds FY 2019-20	CDBG-CV FY 2019-20	CDBG FY 2020-21	Total
Fence Repair (Parks)			\$400,000	\$400,000
Commercial Façade Improvement			\$350,000	\$350,000
Tweedy Mile, Upgrading Business Fronts			\$60,000	\$60,000
Small Business Job Retention Program	\$200,000			\$200,000
Total Non-Public Service Programs	\$200,000	\$0	\$810,000	\$1,010,000

PUBLIC SERVICE PROJECTS	CDBG Reprogrammed Funds FY 2019-20	CDBG-CV FY 2019-20	CDBG FY 2020-21	Total
Police Explorers			\$7,000	\$7,000
Graffiti Abatement			\$140,000	\$140,000
Southern California Rehabilitation Svcs			\$8,000	\$8,000
Family Violence Prevention and Education		\$20,000	\$10,000	\$30,000
Salvation Army (Bell Shelter)		\$45,000	\$22,500	\$67,500
Helpline Youth Counseling - Homeless Prevention & Counseling		\$125,000	\$22,500	\$147,500
Alta-Med - Assessment and Testing		\$62,500		\$62,500
Comptator - Mental Health Services		\$81,173		\$81,173
Bet Tzedek - Legal Advocacy Program		\$80,000		\$80,000
Senior Food Distribution Program		\$286,200		\$286,200
HUB Cities - Workforce Development	\$175,000			\$175,000
Total Public Service Programs	\$175,000	\$699,873	\$210,000	\$1,084,873

HOME FUNDS: The City has \$907,967.67 of HOME funds currently available for new projects. The City uses most of its HOME funds for the Residential Rehabilitation Program, however, other uses could include a first-time homebuyer program as well as for property acquisition and the development of affordable housing.

Analysis of Impediments to Fair Housing Choice

The Analysis of Impediments (AI) for Fair Housing Choice provides a review of policies, procedures, and practices within the community (in the public and private sectors) that affect the location, availability, and accessibility of housing and current residential patterns and conditions related to fair housing choice. The goal of a completed AI is to help jurisdictions become fully aware of the existence, nature, extent, and causes of fair housing problems and the resources available to solve them. HUD suggests that local jurisdictions conduct or update their AI concurrently with the Consolidated Plan cycle. The last time the City updated the AI was on October 13, 2015.

Valuable input to the AI was provided by the following:

- Residents who responded to the Analysis of Impediments to Fair Housing Choice Survey
- The Fair Housing Foundation
- The Los Angeles County Office on Aging
- The California Tax Credit Allocation Committee (CTCAC)
- The California Department of Fair Employment and Housing (DFEH)
- The California Department of Housing and Community Development (HCD)
- National Fair Housing Alliance (NFHA)
- U.S. Department of Housing and Urban Development, Los Angeles Field Office
- U.S. Department of Housing and Urban Development – Fair Housing and Equal Opportunity (FHEO), San Francisco Regional Office

An “Analysis of Impediments to Fair Housing Choice Survey” was a component of community outreach. There were 217 responses to the survey of which 177 were residents, 25 were persons who worked in the City, and 15 neither lived nor worked in the City of South Gate. Eighty percent of the residents have lived in South Gate for 10 years or longer. A summary of the responses includes:

- 88% of the respondents believe that “housing for the disabled” is either “important” or “extremely important.”
- 91% of the respondents think that “ADA accessibility improvements to public roads/facilities” is either “important” or “extremely important.”
- 21% of the persons answering the survey think that they or someone they know has encountered housing discrimination.
- 67% of the people who have encountered housing discrimination would take action by reporting the incident to the authorities or contact the person responsible for the discriminatory act.
- 32% of the respondents indicated that they believe housing discrimination occurs in South Gate.
- The most frequent types of housing discrimination include race, ethnicity, and disability (49%); source of income (51%); children (37%); and criminal history record (34%). Source of income likely refers to discrimination against Section 8 voucher holders. “Children” probably refers to the familial status protected class.
- 41% of the people responding to the survey stated they are aware of a tenant’s right to request a reasonable accommodation. Examples of the requests that had been made included improving the accessibility of a unit; assistance with an animal; parking space related; and live-in aide.
- 16% of the respondents believe there is a need for housing units with accessible kitchens and bathrooms.
- When asked about their housing options, almost 50% stated they “Cannot afford the rent or mortgage in a preferred neighborhood.”
- Another 8% stated they were “Not shown housing in the neighborhoods we wanted to move to.”

Overall, the survey results demonstrate there is also a keen understanding that people with disabilities are a protected class and that meeting their housing needs is important. Still, some people who have experienced housing discrimination do not report the incident. The City allocates \$24,000 of CDBG funds to the Fair Housing Foundation to assist South Gate tenants and landlords with fair housing practices.

Below is a summary of the FY 2015/16- 2019/20 AI:

FY 2015/16 – 2019/20 Impediments and Objectives	FY 2015/16 – 2019/20 Implementation Progress
<p>Impediment 1: High concentration of low-income households, substandard housing and inadequate public infrastructure and improvements throughout the City.</p> <p>Objective 1: Hold public workshops on fair housing, the American with Disabilities Act, and tenant rights. Provide information and resources to tenants so they can advocate for their housing rights.</p>	<p>Accomplished. The Fair Housing Foundation (FHF) hosted Tenant’s Rights Workshops annually</p>
<p>Impediment 2: Concentrations of substandard housing and inadequate public infrastructure.</p> <p>Objective 2: Continue to support use of the Housing Rehabilitation Program in eligible and target improvements in these areas over the next five years.</p>	<p>Accomplished. Housing units were improved by the HOME-funded Home Improvement Program</p>
<p>Impediment 3: Unequal access to mortgage lending for persons of Hispanic origin.</p> <p>Objective 3: Work with the Fair Housing Foundation of Long Beach (FHF), the Rancho Southeast Association of Realtors, and Hispanic minority groups to provide fair housing education for borrowers and lenders through workshops and written materials.</p>	<p>During the Rental Counseling Workshops, the Fair Housing Foundation discusses savings goals to overcome renting barriers</p>
<p>Impediment 4: Lack of oversight to discourage discriminatory leasing practices.</p> <p>Objective 4: Work with the FHF to continue test of leasing practices to determine fair housing compliance. In addition, continue to allocate CDBG Public Service funds to FHF to represent low income tenants in fair housing violation cases.</p>	<p>Testing was not complete. CDBG funds were allocated to the FHF to support low income tenants in fair housing violations.</p>

The potential and actual impediments to fair housing choice for FY 2020/21 through 2024/25 Fair Housing Action Plan are described in:

- Section VI – Private Sector Impediments Analysis
- Section VII – Public Sector Impediments Analysis
- Section VIII - Private/Public Sector Impediments Analysis

Based on HUD guidelines and a detailed analysis, each of the above sections presents conclusions regarding whether an impediment exists and, if so, recommends actions to remove or mitigate the identified impediments to fair housing choice. In some instances, even though an impediment was not found to exist, the City or Fair Housing Foundation will undertake actions to affirmatively further fair housing (AFFH). Actions to AFFH mean actions which contribute to eliminating housing discrimination and segregation; foster inclusive neighborhoods; provide housing for disabled persons (a protected class); and otherwise create positive impacts and change by promoting fair housing.

The following table outlines the recommended actions to remove/mitigate private sector, public sector, and private/public sector fair housing impediments:

PRIVATE SECTOR	
Impediment	Actions to Remove/Mitigate Impediments
<p>Population Diversity Areas of minority population concentration and high poverty rates create an impediment to fair housing because the neighborhoods lack access to opportunities (e.g., education and employment)</p>	<p>Action 1: Evaluate Place-Based strategies</p> <p>Action 2: Implement the Consolidated Plan Anti-Poverty Strategy.</p> <p>Action 3: Encourage development of market rate housing</p>
<p>Housing Discrimination</p>	<p>Action 1: Continue to Provide Fair Housing Services</p> <p>Action 2: Increase Fair Housing awareness and education through the City's website.</p>
<p>Steering 8% of the respondents to the fair housing survey stated that they were "Not shown housing in the neighborhoods we wanted to move to."</p>	<p>Action 1: Provide Information on Steering at Consumer Fair Housing Workshops</p> <p>Action 2: Provide information on Steering at Landlord Workshops</p>
<p>Lending Practices Improve loan approval rates of all racial and ethnic borrowers that want to buy a home in South Gate.</p>	<p>Action 1: Provide information on reasons for loan denials</p> <p>Action 2: Continue to collect and analyze Home Mortgage Disclosure Act (HMDA) data to determine lending trends</p>
<p>Property Management Practices Address practices concerning service and companion animals, reasonable accommodations, and reasonable modifications.</p>	<p>Action 1: Provide information on prohibited property management practices at landlord workshops</p>
Public Sector	
<p>Definition of Disability</p>	<p>Action 1: Revise Definition of Disability The Zoning Code disability definition will be amended to follow the State definition. The reference to "substantially limits" will be deleted and will include "limitation."</p> <p>The City will also include a reference to how the State law, which provides broader protections than the federal law, defines disability.</p>
<p>Transitional & Supportive Housing</p>	<p>Action 1: Amend the Transitional and Supportive Housing Zoning requirements per state law</p>

	<ul style="list-style-type: none"> • Add transitional housing as a permitted use in the CC and UN Zones. • Incorporate in the Zoning Ordinance the by right use requirements of AB 2162 (Housing development; supportive housing)
<p>Reasonable Accommodation Procedure Ensure procedure is consistent with federal and state guidance, and best practices.</p>	<p>Action 1: Revise Zoning Code to clarify that a reasonable accommodation request is processed and considered <i>separately</i> from any land use discretionary permits.</p> <p>Action 2: Increase community awareness by preparing a brochure to promote the Reasonable Accommodation procedure and posting an application on the City’s website.</p>
Private/Public Sector	
<p>Location of Affordable Rental Housing Developments The City is required to update its Housing Element by October 2021 to cover the period from October 2021 to October 2029. The updated Housing Element must identify sites that can accommodate the housing needs of lower income families, including sites for multifamily rental housing developments.</p>	<p>Action 1: Pursue Placed-Based Improvement Strategies in existing neighborhoods by continuing to implement the Community Design Element goals, objectives, and policies regarding neighborhoods, multifamily and high-density residential development.</p>
Private and Public Sectors	
<p>Appraisal Practices Address discriminatory appraisal practices that adversely impact real estate transactions.</p>	<p>Action 1: Provide Information on the appraisal process at Consumer Fair Housing Workshops</p>
<p>Single Housekeeping Definition</p>	<p>Action 1: Evaluate the merits of including in the Zoning Code a definition of “Single Housekeeping Unit.”</p>

Citizen Participation Plan

The Citizen Participation Plan (CPP) sets forth policies and procedures to encourage citizen involvement regarding the use of federal funds, notably the Community Development Block Grant (CDBG) and Home Investment Partnership Program (HOME) funds. The CPP provides an opportunity for nonprofit service agencies and the community to work in partnership with the City to identify needs and allocate CDBG and HOME funds. The proposed CPP incorporates HUD flexibilities in response to the recent pandemic and to account for other emergency situations.

The proposed CPP incorporates HUD flexibilities in response to the recent pandemic and to account for other emergency situations. The U.S Department of Housing and Urban Development (HUD) released a memorandum to waive Community Planning and Development (CPD) Grant Program and Consolidated Plan Requirements to prevent the spread of COVID-19 and mitigate economic impacts

caused by COVID-19. In order to balance the need to respond quickly to the growing spread and effects of COVID-19, and given the need to expedite actions to respond to COVID-19, HUD is currently waiving 24 CFR 91.105(c)(2) and (k), 91.115(c)(2) and (i), in regards to the statutory requirement to provide reasonable notice and opportunity for citizens to comment on substantial amendments concerning the proposed uses of CDBG and HOME funds.

In addition, HUD recognizes that the efforts to contain COVID-19 require limiting public gatherings, such as those often used to obtain citizen participation. Therefore, HUD is allowing grantees to determine what constitutes reasonable notice and opportunity to allow public comment given these circumstances.

In addition to the HUD flexibilities language, the proposed changes to the Citizens Participation Plan (CPP) include:

- Adding the City's website to make documents available as an alternative format for persons needing reasonable accommodation and in response the COVID-19 restrictions.
- Clarification on what constitutes a Substantial Amendment for the purpose of the Consolidated Plan. A Substantial Amendment is proposed to be defined as a cumulative change equal to or more than 50% of the City's CDBG or HOME entitled for the program year.
- A Substantial Amendment shall be noticed announcing a 30-day public review and comment period. A Public hearing will no longer be required.
- Added a section addressing the Analysis of Impediments to Fair Housing Choice further outlining the public engagement process, noticing, comment period and hearing requirements.
- Added a section addressing the Annual Action Plan further outlining the public engagement process, noticing, comment period and hearing requirements.
- Added a section pertaining to Amendments to the Citizens Participation Plan further outlining the public engagement process.
- Removed the 20-member requirement for the Citizen's Advisory Committee (CAC) and clarified that the terms for CAC members run concurrent with City Council member term of office or when the City Council member makes a new appointment.
- Removed redundant language related to the CAC involvement in the Consolidated Plan Development and Review and Public Meetings.
- Added a section addressing Contingency Plan in the Event of an Emergency/Disaster allowing reduced noticing requirement to at least 5 calendar days and allows City Council to reprogram funds in response to such emergency when in session or ratification of the reallocation when the City Council is in recess.

BACKGROUND: The City of South Gate has been a recipient of CDBG funds annually since the enactment of the Housing and Community Development Act of 1974, due to its status as an "entitlement" jurisdiction (having a population above 50,000, and meeting certain other demographic criteria). CDBG funding can be used for a variety of projects and programs primarily benefiting persons of low- and moderate-income.

Guidelines established for jurisdictions participating in HUD's formula grant programs, including CDBG, as found in Title 24 CFR (Code of Federal Regulations) Part 91 and Part 570, mandate the preparation and submission of a Consolidated Plan (ConPlan) every five years, and an Annual Action Plan (AAP) each year. The ConPlan can be viewed as a strategic plan for the use of CDBG funds as

well as other resources that the City devotes toward the achievement of similar objectives over a five-year period, with the AAP constituting the annual update of that strategy.

HUD will evaluate the ConPlan and AAP against three basic objectives for the CDBG program:

- Provision of decent housing,
- Provision of a suitable living environment, and
- Provision of expanded economic opportunities.

Essentially, a ConPlan consists of the following components:

- Consultations with public and private agencies regarding housing and non-housing issues,
- A Housing and Market Analysis describing the City's demographics, housing and facilities and services for the homeless as well as non-homeless persons with special needs,
- Assessment of housing and non-housing community development needs for the City, and
- Five-year strategies for such issues as affordable housing and homelessness, non-housing community development, and housing.

The City's most recent ConPlan was submitted in 2015, and covers CDBG Program Years 2015 through 2019 (encompassing the period beginning July 1, 2015 and ending June 30, 2020). The City must now submit to HUD a new ConPlan for Program Years 2020 through 2025 (encompassing the period beginning July 1, 2020 and ending June 30, 2025). As it has done each year, the City must also submit an AAP for Program Year 2020 (the period beginning July 1, 2020 and ending June 30, 2021), which, as the first year of the ConPlan cycle, will be included as part of the ConPlan.

HUD also mandates that recipient jurisdictions take affirmative steps to further fair housing within their boundaries. Specifically, jurisdictions are required to periodically prepare an Analysis of Impediments to Fair Housing Choice (AI). HUD recommends that jurisdictions prepare AIs at the same time that they prepare their ConPlans, and the City is complying with that recommendation.

The purpose of the AI is to serve as the substantive, logical basis for fair housing planning, and provide essential and detailed information to policy makers, administrative staff, housing providers, lenders, and fair housing advocates. It accomplishes this purpose by reviewing the impediments to fair housing that may exist in the private and public sectors in the subject jurisdiction, in accordance with the Fair Housing Act.

An AI involves:

- A comprehensive review of the jurisdiction's laws, regulations, and administrative policies, procedures, and practices,
- An assessment of how those laws, regulations, administrative policies, procedures, and practices affect the location and availability of housing, services, commercial and retail development, and
- An assessment of conditions, both public and private, affecting fair housing choice in areas of low and high opportunity.

The HUD regulations regarding ConPlans and AAPs mandate a citizen participation and public review process. This includes a minimum of two public hearings prior to the submission of a ConPlan or an AAP. City staff convened two public input sessions on the Consolidated Plan and the Analysis of Impediments on June 16, 2020 and June 17, 2020.

The draft Consolidated Plan issued for public review and comment (Attachment A) includes the recommended Program Year 2020/21 Annual Action Plan allocations adopted by the CAC. These services are critical in assisting the City in fulfilling the aforementioned mandate to affirmatively further fair housing, and in carrying out many of the recommendations in the draft Analysis of Impediments (Attachment B).

- ATTACHMENTS:**
- A. Draft 2020/21-2024/25 Five-Year Consolidated Plan (including the FY 2020/21 Annual Action Plan)
 - B. Draft Analysis of Impediments to Fair Housing Choice
 - C. Draft Citizens Participation Plan
 - D. 2020/21 CDBG Proposed Project Summary Table
 - E. Public Hearing Notice

RESOLUTION NO. _____

**CITY OF SOUTH GATE
LOS ANGELES COUNTY, CALIFORNIA**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH GATE,
CALIFORNIA, APPROVING THE 2020-2025 CONSOLIDATED PLAN;
THE ANNUAL ACTION PLAN FOR FISCAL YEAR 2020/21; THE 2020 ANALYSIS
OF IMPEDIMENTS TO FAIR HOUSING CHOICE; AND
THE CITIZEN PARTICIPATION PLAN; AND AUTHORIZING THE CITY
MANAGER, OR DESIGNEE, TO SUBMIT TO THE U.S. DEPARTMENT
OF HOUSING AND URBAN DEVELOPMENT**

WHEREAS, the City of South Gate (“City”) participates in the U.S. Department of Housing and Urban Development’s (“HUD”) Consolidated Plan Process and receives both Community Development Block Grant (“CDBG”) and Home Investment Partnership (“HOME”) funds. Agencies that receive funds from HUD are required to prepare and submit a Five-Year Consolidated Plan and an Annual Action Plan;

WHEREAS, the City wishes to receive HUD funds to provide decent housing, a suitable living environment, and economic opportunities to develop a viable urban community for low to moderate income households; and

WHEREAS, the City has developed a Consolidated Plan, including an Annual Action Plan, an Analysis of Impediments to Fair Housing Choice, a Citizens Participation Plan, and has satisfactorily followed HUD requirements for the creation of each.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SOUTH GATE DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The City Council does hereby declare that the above recitals are true and correct and are incorporated herein by reference.

SECTION 2. The City Council hereby approves the 2020-2025 Consolidated Plan and Annual Action Plan for Fiscal Year 2020/21 attached hereto as Exhibit “A”; the Analysis of Impediments to Fair Housing Choice attached hereto as Exhibit “B”; and the Citizen Participation Plan attached hereto as Exhibit “C”; and directs any necessary budgetary adjustments be incorporated into the Fiscal Year 2020/21 Operating Budget.

SECTION 3. The adoption of this Resolution will serve as approval of the 2020-2025 Consolidated Plan, Annual Action Plan for Fiscal Year 2020/21, the 2020 Analysis of Impediments to Fair Housing Choice, and the Citizen Participation Plan.

SECTION 4. The City Manager, and/or his designee, is authorized to take reasonable action needed to implement this Resolution, including submittal of the Consolidated Plan and Action Plan to the appropriate HUD office on behalf of the City. The City Manager, or designee, is further authorized to promulgate and implement administrative policies and procedures needed to

effectuate the Consolidated Plan, Annual Action Plan, Analysis of Impediments to Fair Housing Choice, and the Citizen Participation Plan.

SECTION 5. If any part of this Resolution or its application is deemed invalid by a court of competent jurisdiction, the City Council intends that such invalidity will not affect the effectiveness of the remaining provisions or applications and, to this end, the provisions of this Resolution are severable.

SECTION 6. The City Manager and/or his designee is hereby directed to file a copy of said Consolidated Plan, Annual Action Plan, Analysis of Impediments to Fair Housing Choice, and Citizen's Participation Plan to HUD.

SECTION 7. The City Manager is hereby authorized to enter into agreements with eligible sub-recipients, in a form acceptable to the City Attorney.

SECTION 8. The City Clerk shall certify to the adoption of this Resolution which shall be effective upon its adoption.

PASSED, APPROVED, and ADOPTED on this 25th day of August 2020.

CITY OF SOUTH GATE:

By: _____
Maria Davila, Mayor

ATTEST:

By: _____
Carmen Avalos, City Clerk
(SEAL)

APPROVED AS TO FORM:

By:  _____
Raul F. Salinas, City Attorney



DRAFT

Consolidated Plan for Fiscal Years:

2020-2021, 2021-2022, 2022-2023, 2023-2024, 2024-2025

& 2020-2021 Annual Action Plan

Community Development Department

August 25, 2020

Prepared by Avant Garde Inc.

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ES-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

The United States Department of Housing and Urban Development (HUD) requires that entitlement jurisdictions submit a Consolidated Plan on the Integrated Disbursement and Information System (IDIS). The IDIS template contains relevant sections and a series of questions to complete the Consolidated Plan. The 2020-2025 Consolidated Plan was developed using the IDIS template and in accordance with statutory requirements and federal regulations.

Prior to receiving funds, the City must submit to HUD a Five-Year Consolidated Plan which outlines a five-year plan for the use of CDBG and HOME funds, an Annual Action Plan, which describes the annual goals and objectives to be met in a program year in relation to the Five-Year Consolidated Plan and a Consolidated Annual Performance Evaluation Report (CAPER), which reports on the goals that were accomplished during the program year within the Consolidated Plan year.

Annually, the City of South Gate receives Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME) funds from the U.S. Department of Housing and Urban Development (HUD) based on a HUD formula.

South Gate is one of 1,209 communities in the country that receive CDBG funds.

In 1990, Congress passed the Cranston-Gonzalez National Affordable Housing Act (P.L. 101-625), or NAHA, which stated that the nation's housing policy was not meeting the goal of providing "decent, safe, sanitary, and affordable living environments for all Americans" that was first set out in the Housing Act of 1949. The law revised, amended, or repealed several existing housing programs and authorized some new programs, including the HOME Investment Partnerships Program (often just referred to as HOME).

HOME funds are awarded annually as formula grants to participating jurisdictions (PJs). The program's flexibility allows local governments to use HOME funds for grants, direct loans, loan guarantees or other forms of credit enhancements, or rental assistance or security deposits.

South Gate is one of 587 localities in the country that receive HOME funds.

2. Summary of the objectives and outcomes identified in the Plan Needs Assessment Overview

The CDBG and HOME funds will be used to meet the objectives and goals/outcomes established in the 2020-2025 Consolidated Plan. The goals and objectives have been informed by the needs assessment and developed in consultation with residents, service agencies, other funding partners, and businesses to provide decent housing, a suitable living environment, and economic opportunities for low to moderate income households.

The goals of the 2020-2025 Consolidated Plan include:

- Preservation and rehabilitation of the existing housing stock using CDBG and HOME funds.
- Expand and improve the quality and quantity of public service programs.
- Promote fair housing.
- Provide infrastructure and public facility funding.
- Target code enforcement activities to public health and safety issues.
- Provide financial assistance for the rehabilitation of commercial façade improvements.
- Economic Development activities that promote employment and preserve local businesses.
- Housing rehabilitation.
- Public Services.

3. Evaluation of past performance

The City continually strives to improve the performance of its operations and those of its funded agencies. The City prepares the Consolidated Annual Performance Evaluation and Report (CAPER) annually, which documents progress toward meeting needs and achieving strategies established in the Consolidated Plan and the Annual Action Plans.

Over the past years, the City's CDBG funds were used exclusively for meeting the three goals of providing decent housing; creating a suitable living environment; and expanding economic opportunities to low-and moderate-income persons in South Gate

City Table 1 describes past performance for the first four years of the five-year 2015-2020 Consolidated Plan.

**City Table 1
Accomplishments-Consolidates Plan- FY 2015-2016-FY 2018-2019**

Goal	Program Indicator	5-Year Objectives	4-Year Accomplishments	Percent Completed
Code Enforcement	Housing Code Enforcement and Foreclosed Property Care	12,500 Housing Units	11,492	91.9%
Commercial Rehabilitation	Businesses Assisted	15 Businesses Assisted	51	340%
Fair Housing	Other	3000 Other	1,430	47.7%
Housing	Rental Units Rehabilitated	2 Rental Housing Units	0	0%
Housing	Homeowner Housing Rehabilitated	25 Homeowner Housing Units	24	96%
Infrastructure and Public Facility	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	100,000 Persons Assisted	210,436	210.44%

Public Services	Public Service Activities other than Low/Moderate Income Housing Benefit	3,000 Persons Assisted	2,546	84.87%
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4. Summary of citizen participation process and consultation process

Community outreach is an important component of developing the Consolidated Plan. Outreach efforts included informing the public that the City was in the process of creating the 2020-2025 Consolidated Plan and encouraging public participation. To ensure that its 2020-2025 Consolidated Plan was based on an accurate needs assessment, the City used the following approaches to involve residents, service providers, and other interested persons and organizations.

South Gate Citizens Advisory Committee (CAC): The CAC is an advisory board created by the City Council to ensure constant dialog exists between City Hall and the community. The role of the CAC is twofold, first to ensure that the City Council is appraised of the needs, desires, and interests of City residents. Second, to review funding applications and to make recommendations to the City Council on funding allocations.

The CAC, which meets six times a year, is comprised of 20 members representing the demographic and social range of residents in the City. The CAC was actively involved in the 2020-2025 Consolidated Plan process. The CAC reviewed the Community Needs Survey and Public Services Application packet. Additionally, the CAC reviewed the 2020-2021 Public Services applications and made selection and funding recommendations to the City Council for inclusion in the 2020/2021 Annual Action Plan. It is anticipated that the CAC will continue to serve in an advisory role to the CDBG process.

2020-2025 Consolidated Plan Survey: To ensure that it correctly analyzed the needs of the community, the City created a Community Needs Survey. The survey was published in English and Spanish and posted on the City’s webpage and social media platforms. The survey asked respondents about priority needs, affordable housing, target populations, how to address homeless needs, among other needs and priorities.

The City received a total of 217 responses. Close to 90% of the responses received were from South Gate residents. Other respondents included people who work in South Gate, business owners, rental housing providers, and service providers. The survey responses were reviewed and incorporated into the Consolidated Plan.

Community Meetings: The City held a workshop to encourage residents, service providers, and other interested persons and organizations to voice their perceptions of community needs, to prioritize those needs, and to discuss the best way to distribute limited CDBG funds. The community meetings were held on June 16, 2020 and June 17, 2020. One community member attended each meeting. A notice of the meeting was mailed to all known service providers operating in the City, published in a local newspaper,

and posted on the City's website and social media platforms. A presentation was given during the meetings with an overview and purpose of the Consolidated Plan and CDBG activities.

Stakeholder Interviews: In addition to encouraging participation in the needs survey and workshop, the City consulted directly with a variety of public and private sector agencies that provide services in South Gate to help determine available resources and community needs. Stakeholders that were reached out to and/or responded included:

- Al Rios, Vice Mayor
- Arturo Cervantes, Assistant City Manager/Director of Public Works
- Councilmember Pilar Avalos
- Denise Diaz, Council Member
- Fair Housing Foundation
- Gil Hurtado, Council Member
- Helpline Youth Counseling
- Maria Davila, Mayor
- Salvation Army
- Southern California Rehabilitation Services
- Steve Costley, Interim Director of Parks & Recreation
- Tweedy Mile Association

Stakeholders listed the following most common issues and needs:

- Responding to the COVID-19 pandemic
- Emergency preparedness and response
- Affordable housing. When asked about their housing options, almost 50% of respondents stated they "Cannot afford the rent or mortgage in a preferred neighborhood."
- Rental assistance
- Senior housing
- Improvements and upgrades to parks & recreational facilities and programs
- ADA accessibility improvements to public roads and facilities. 91% of respondents think that "ADA accessibility improvements to public roads/facilities" is either "important" or "extremely important."
- Homeless prevention
- Emergency Shelters
- Safe routes to schools
- Street improvements
- First time buyer programs
- Green building
- Neighborhood crime prevention programs
- Technology upgrades, including broadband and bridging the digital divide
- Economic and workforce development
- Infrastructure maintenance
- Non-profit capacity building and social services

City Council Public Hearing-August 11, 2020- At the Public Hearing, staff provided an overview of the draft Consolidated Plan, Annual Action Plan, and Analysis of Impediments to Fair Housing Choice. Staff went over the proposed CDBG and HOME budgets for Fiscal year 2020-2021.

5. Summary of public comments

To be added after the 30-day public review period for the Consolidated Plan.

6. Summary of comments or views not accepted and the reasons for not accepting them

To be added after the 30-day public review period for the Consolidated Plan.

7. Summary

To be added after the 30-day public review period for the Consolidated Plan.

PR-05 Lead & Responsible Agencies 24 CFR 91.200(b)

1. Describe agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	City of South Gate	Community Development Department, Housing Division
HOME Administrator	City of South Gate	Community Development Department, Housing Division

Table 1 – Responsible Agencies

Narrative

The City of South Gate (City) is the Lead Agency for the CDBG and HOME entitlement programs. The City’s Community Development Department is responsible for the administration and preparation of the Consolidated Plan, Annual Action Plans and Consolidated Annual Performance Evaluation Reports (CAPER).

Consolidated Plan Public Contact Information

The Community Development Director, Housing Administrator, and Management Analyst are the public contacts for the Consolidated Plan and Annual Action Plans:

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PR-10 Consultation - 91.100, 91.200(b), 91.215(l)

1. Introduction

The consolidated planning process requires entitlement grantees to reach out to and consult with other public and private agencies during the development of the 5-Year Consolidated Plan (Plan). The City of South Gate consulted with key City departments in the development of the 2020-2025 Consolidated Plan including: Building and Safety, Planning, Code Enforcement, Parks and Recreation, and Public Works.

Information contained in the needs assessment was collected in consultation with the public and public service organizations as described in several narratives of the Consolidated Plan. These agencies represented a wide range of needs including homeless persons, low-income youth, persons with disabilities, elderly persons, and persons with alcohol/substance abuse problems. City staff actively sought to obtain a complete understanding of the problems in South Gate and then suggested solutions from these community partners who work directly with the most vulnerable populations.

Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l)).

The City staff consulted with the following agencies/entities in preparing the Consolidated Plan:

- **Affordable Housing:** South Gate Housing staff, South Gate Housing Authority, and local Community Housing Development Organizations (CHDOs) that assist low-income individuals, seniors, and disabled populations.
- **Health Services:** Los Angeles County Public Health Department, (specifically the Childhood Lead-Based Paint Poisoning Prevention Program).
- **Homeless Services:** Los Angeles Homeless Services Authority (LAHSA), The Salvation Army Bell Shelter, People Assisting the Homeless (PATH), and Southeast Churches Service Center, which assists families with obtaining adequate food.
- **Special Needs:** Home Ownership for Personal Empowerment (HOPE) and Southern California Rehabilitation Services.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness

In December of 1993, the Los Angeles County Board of Supervisors and the Los Angeles Mayor and City Council created the Los Angeles Homeless Services Authority (LAHSA) as an independent, joint powers authority. LAHSA is the lead agency in the Los Angeles Continuum of Care, which is the regional planning body that coordinates housing and services for homeless families and individuals in Los Angeles County. LAHSA coordinates and manages over \$300 million annually in federal, state, county, and city funds for programs that provide shelter, housing, and services to people experiencing homelessness.

Coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness included: reviewing data provided by the LAHSA, consultations with the Salvation Army Bell Shelter and PATH.

The *Los Angeles Continuum of Care 2018 Homeless Count* estimates that South Gate has 261 unsheltered homeless persons. Unsheltered data combines homeless persons found outside with the estimate of persons residing in cars, vans, campers/RVs, tents, and other encampments. 4,934 demographic survey interviews were conducted, within the LAHSA service area, with homeless persons from December 2017 to March 2018. The count does not include persons in domestic violence shelters and the CalWORKs Homeless Assistance Program. The data does not include unaccompanied minors, transitional age youth, and young families experiencing unsheltered homelessness.

The City's unsheltered homeless are found in various situations. "Persons in makeshift shelters" (91) and "persons living on the street" (75) together comprise almost two-thirds (64%) of all homeless persons. The other homeless persons are "in tents" (27); "in RVs/campers" (26); "in vans" (24); and "in cars" (18). The data source for the City's homeless count is Los Angeles Continuum of Care, *Greater Los Angeles 2018 Homeless County by City/Community*.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards and evaluate outcomes, and develop funding, policies, and procedures for the administration of HMIS

South Gate does not receive or allocate Emergency Solutions Grand (ESG) funds. The City collaborates with local service providers and will generally fund agencies based in South Gate as well as in the neighboring communities to meet the needs of the homeless and provide regional coverage. The City continues to collaborate with LAHSA and local service providers to assist this segment of the population.

2. Describe Agencies, groups, organizations, and others who participated in the process and describe the jurisdictions consultations with housing, social service agencies and other entities

Table 2 identifies the entities that participated in the process of developing the Consolidated Plan.

Table 3 describes the planning efforts considered during the preparation of the Consolidated Plan.

In addition, the City consulted several reports and studies which identified needs, strategies, and goals such as those listed below:

- County of Los Angeles, Department of Public Health, *Los Angeles Coordinated HIV Needs Assessment (LACHNA)*, 2017 Final Report
- County of Los Angeles, Department of Public Social Services, *Caseload Characteristics Report*, December 2015
- LACountyStrategicPlan.com, *A Consensus Strategic Plan for Economic Development in Los Angeles*

County

- County of Los Angeles, *Los Angeles County Strategic Plan for Economic Development*
- Los Angeles County Workforce Development Board, *2017-2020 Local Area Plan: Business Engagement, Program Alignment & Skills Building, Creating Pathways to the Middle Class*
- Los Angeles County Childhood Lead Poisoning Prevention Program (CLPPP)
- Mount Saint Mary's University, *2016 Report on the Status of Women in Los Angeles County*
- Los Angeles County PSA 19, Area Agency on Aging, 2016-2020 Area Plan, April 13, 2016
- Los Angeles Continuum of Care, 2019 Greater Los Angeles Homeless Count, July 29, 2019
- City of South Gate , 2014-2021 Housing Element
- U.S. Department of Housing and Urban Development, City of Bellflower Comprehensive Housing Affordability Strategy ("CHAS") Data, 2012-2016 American Community Survey
- Gateway Cities Council of Governments, Comprehensive Economic Development Strategy (CEDs) for the Gateway Cities Region, November 17, 2015

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	FAIR HOUSING FOUNDATION
	Agency/Group/Organization Type	Service-Fair Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Organization was contacted and provided input on housing affordability, fair housing issues, and landlord/tenant complaints.
2	Agency/Group/Organization	NEWSTART HOUSING CORPORATION, INC.
	Agency/Group/Organization Type	Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Organization was contacted and provided input on housing. NewStart has developed affordable housing in South Gate.
3	Agency/Group/Organization	HOME OWNERSHIP FOR PERSONAL EMPOWERMENT (HOPE)
	Agency/Group/Organization Type	Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Organization was contacted and provided input on housing and supportive services for adults with special needs. HOPE has developed affordable housing in South Gate.

Identify any Agency Types not consulted and provide rationale for not consulting

All major agencies providing a full range of public services in and around the City of South Gate were contacted to request comments.

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
State Plan for Independent Living (SPIL) for 2017-2019	State Independent Living Council (SILC)	The Strategic Plan has goals in support of the State Plan for Independent Living because many of South Gate’s seniors are frail and disabled.
Los Angeles Continuum of Care	Los Angeles Homeless Services Authority (LAHSA)	The Continuum of Care identifies funding and activities assisting LA County’s homeless including one project helping South Gate’s homeless population. The City’s homeless goals and strategy support those of the Continuum of Care.
Four-Year Area Plan on Aging July 1, 2016 to June 30, 2020 Area Plan Update July 1, 2017 to June 30, 2018	Los Angeles Department of Aging	The Strategic Plan supportive housing goals for the elderly and frail elderly support those of the Area Plan on Aging.
Los Angeles County Comprehensive HIV Plan (2017-2021)	Los Angeles County Commission on HIV County of Los Angeles Department of Public Health	The Strategic Plan includes goals based on the goals, needs, and strategies identified in the County’s Comprehensive HIV Plan.
2014-2021 Housing Element of the General Plan	City of South Gate	The Strategic Plan goals are based on those included in the 2014-2021 Housing Element.
Gateway to the Future: Capital Improvement Program	City of South Gate	Public facility and public improvement needs and goals are based in part on those described in the Capital Improvement Plan.

Table 3 – Other local / regional / federal planning efforts

Describe cooperation and coordination with other public entities, including the State and any adjacent units of general local government, in the implementation of the Consolidated Plan (91.215(I))

South Gate staff has contacted other local jurisdictions within Los Angeles County to consult on their CDBG projects as well as their planning coordination. Among these cities are Cudahy, Lynwood, and Huntington Park.

Narrative (optional):

PR-15 Citizen Participation

1. Summary of citizen participation process/Efforts made to broaden citizen participation

Summarize citizen participation process and how it impacted goal setting

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	2020-2025 Consolidated Plan survey March 2, 2020	Non-target/broad Community All interested persons	217 persons responded to the survey	Survey responses are presented in the appropriate sections of the Consolidated Plan	All comments accepted	N/A
2	Community Meeting June 16, 2020	Non-target/broad Community All interested persons	1 person representing the City Library	Person was interested in CDBG services	All comments accepted	N/A
3	Community Meeting June 17, 2020	Non-target/broad Community All interested persons	1 City resident	Person was interested in CDBG public service funding	All comments accepted	N/A
4	Public Review Period August 4 – August 11, 2020	Non-target/broad Community All interested persons	N/A	TBD	All comments accepted	N/A
5	Public Hearing August 11, 2020	Non-target/broad Community All interested persons	TBD	TBD	All comments accepted	N/A

Table 4 – Citizen Participation Outreach

Needs Assessment

NA-05 Overview

Needs Assessment Overview

The needs assessment includes data on:

- Housing Needs Assessment (NA-10)
- Disproportionately Greater Need: Housing Problems (NA-15)
- Disproportionately Greater Need: Severe Housing Problems (NA-20)
- Disproportionately Greater Need: Housing Cost Burdens (NA-25)
- Public Housing (NA-35)
- Homeless Needs Assessment (NA-40)
- Non-Homeless Special Needs Assessment (NA-45)
- Non-Housing Community Development Needs (NA-50)

Housing needs refer to:

- A housing unit that lacks complete kitchen facilities
- A housing unit that lacks complete plumbing facilities
- Crowding – more than one person per room
- Severe crowding - more than 1.5 persons per room
- Cost burden - more than 30% of gross income spent on housing costs
- Severe cost burden - more than 50% of gross income spent on housing costs

NA-10 Housing Needs Assessment - 24 CFR 91.205 (a,b,c)

Summary of Housing Needs

Table 5 shows that the number of households and population slightly increased between 2009 and 2015, increasing by 1%. The number of households decreased to 23,400 resulting in a decrease of 1%. Table 5 also shows that the median household increased 2% from \$42,556 to \$43,552 between 2009 and 2015.

Table 6 shows the number of households by income group and household type. Seventy-one percent of all households have low/moderate incomes. Low/moderate incomes consists of households with less than 80% of the area median income.

The table shows that the majority (49%) of households in South Gate are comprised of small family households. Small family households consist of two (2) to four (4) persons. Large family households consist of five (5) or more persons. Large family households comprise 29% of the households in the City of South Gate.

Elderly households (those with at least one person 62 years of age or older) comprised 29% of households in South Gate.

As defined by HUD in the Comprehensive Housing Affordability Strategy (CHAS) data, housing problems include:

- Units with physical defects (lacking complete kitchen or bathroom)
- Overcrowded conditions (housing units with more than one person per room)
- Housing cost burden (including utilities) exceeding 30% of gross income
- Severe housing cost burden (including utilities) exceeding 50% of gross income

There is a need for affordable housing in South Gate. Housing problems in the City impact renter households more significantly than owner households. In general, renter-households experience substandard housing, overcrowding and severe cost burdens to a greater extent than owner-households. (Refer to the total renter/owner columns in Table 7 – Housing Problems Table)

To further dissect the housing problems, the following tables provide additional details on housing needs and problems:

- Table 7 presents the number of households with one or more housing problems (inadequate housing, overcrowding, cost burden of 50%, or cost burden of 30%) by income and tenure.
- Table 8 summarizes the number of households with more than one or more severe housing problems by income and tenure. Severe housing problems are inadequate housing, severe overcrowding (1.51 persons or more per room), and housing cost burden of 50%.
- Table 9 isolates those households with housing cost burdens of over 30% (inclusive of those with a cost burden of over 50%) by income and tenure.
- Table 10 further isolates those households with a cost burden of over 50%.
- Table 11 presents overcrowding by household type.
- Table 12 is intended to show overcrowding for households with children. However, the American Community Survey provides no data for the City.

Demographics	Base Year: 2009	Most Recent Year: 2015	% Change
Population	94,396	95,350	1%
Households	23,749	23,400	-1%
Median Income	\$42,556.00	\$ 43,552.00	2%

Table 5 - Housing Needs Assessment Demographics

Data Source: 2005-2009 (Base Year), 2011-2015 ACS (Most Recent Year)

Number of Households Table

	0-30% HAMFI	>30-50% HAMFI	>50-80% HAMFI	>80-100% HAMFI	>100% HAMFI
Total Households	5,535	5,290	5,740	2,680	4,150
Small Family Households	2,400	2,770	2,885	1,310	2,190
Large Family Households	1,120	1,535	1,680	1,035	1,320
Household contains at least one person 62-74 years of age	1,050	875	1,320	620	845
Household contains at least one-person age 75 or older	655	445	395	220	275
Households with one or more children 6 years old or younger	1,630	1,830	1,525	735	459

Table 6 - Total Households Table

Data Source: 2011-2015 CHAS

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Housing Needs Summary Tables

1. Housing Problems (Households with one of the listed needs)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Substandard Housing - Lacking complete plumbing or kitchen facilities	160	45	40	0	245	0	15	25	0	40
Severely Overcrowded - With >1.51 people per room (and complete kitchen and plumbing)	665	400	170	80	1,315	30	75	165	75	345
Overcrowded - With 1.01-1.5 people per room (and none of the above problems)	740	825	585	185	2,335	65	245	330	305	945
Housing cost burden greater than 50% of income (and none of the above problems)	2,235	485	60	0	2,780	580	730	350	50	1,710
Housing cost burden greater than 30% of income (and none of the above problems)	340	1,550	635	65	2,590	125	210	1,275	370	1,980
Zero/negative Income (and none of the above problems)	100	0	0	0	100	80	0	0	0	80

Table 7 – Housing Problems Table

Data Source: 2011-2015 CHAS

2. Housing Problems 2 (Households with one or more Severe Housing Problems: Lacks kitchen or complete plumbing, severe overcrowding, severe cost burden)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Having 1 or more of four housing problems	3,800	1,755	850	260	6,665	675	1,060	870	430	3,035
Having none of four housing problems	560	1,835	1,955	770	5,120	325	640	2,065	1,220	4,250

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Household has negative income, but none of the other housing problems	100	0	0	0	100	80	0	0	0	80

Table 8 – Housing Problems 2

Data 2011-2015 CHAS
Source:

3. Cost Burden > 30%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	2,000	1,725	430	4,155	245	610	1,090	1,945
Large Related	880	785	250	1,915	170	380	675	1,225
Elderly	665	220	54	939	320	185	159	664
Other	540	240	115	895	60	54	55	169
Total need by income	4,085	2,970	849	7,904	795	1,229	1,979	4,003

Table 9 – Cost Burden > 30%

Data 2011-2015 CHAS
Source:

4. Cost Burden > 50%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	1,725	355	35	2,115	200	485	185	870
Large Related	775	225	10	1,010	160	285	130	575
Elderly	550	30	4	585	240	120	60	420
Other	460	25	20	505	60	50	20	130
Total need by income	3,510	635	69	4,214	660	940	395	1,995

Table 10 – Cost Burden > 50%

Data 2011-2015 CHAS
Source:

5. Crowding (More than one person per room)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Single family households	1,240	960	545	165	2,910	90	145	260	180	675
Multiple, unrelated family households	200	275	205	95	775	4	175	230	200	609
Other, non-family households	15	10	4	0	29	0	0	4	0	4
Total need by income	1,455	1,245	754	260	3,714	94	320	494	380	1,288

Table 11 – Crowding Information – 1/2

Data Source: 2011-2015 CHAS

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
Households with Children Present	0	0	0	0	0	0	0	0

Table 12 – Crowding Information – 2/2

Describe the number and type of single person households in need of housing assistance.

According to the 2017 American Community Survey (ACS), approximately 12.5% (N =2,991) of the City’s households are single person households. The tenure breakdown of single person households was: 38% were homeowners while 62% were renters. Furthermore, almost 1,400 of the 1-person households have one or more persons 65 years of age or older.

An indicator of the households in need of housing assistance is poverty. The 2017 ACS reports that almost 1,000 householders living alone had incomes below the poverty level. This number represents approximately one-third of all one-person households.

Estimate the number and type of families in need of housing assistance who are disabled or victims of domestic violence, dating violence, sexual assault, and stalking.

Persons with Disabilities: The 2017 ACS estimates that there are 8,832 disabled persons living in South Gate: 4,315 persons have one disability and 4,517 have 2 or more disabilities. The disabled persons can be either a *member* of a household (say someone less than 18 years of age), or a *disabled householder* who owns or rents the housing, or a disabled person living in a *group home*. The ACS (72) and State Department of Finance (88) report a low number of disabled and non-disabled persons living in group

quarters. Thus, almost all disabled persons live in a household and not group housing or in an assisted living facility or other types of housing designed to meet the needs of people with disabilities.

Approximately 25% (2,162/8,832) of disabled persons had poverty level incomes, according to the 2016 American Community Survey. This percentage is an indicator of the need for housing assistance. Specific data are unavailable on the housing problems (i.e., cost burden) experienced by disabled householders. Since most disabled persons live in households with one or more disabled person, it is reasonable to assume that such households also experience housing problems to the same or greater extent that households with no disabled members do. That is, problems such as cost burden and severe cost burden are also problems confronting households with a disabled member.

Like most individuals, people with disabilities prefer to live independent and productive lives in their own homes. They have a need and desire for safe and decent housing.

During the Area Plan on Aging public hearings, one participant commented that “Assistance is needed for individuals with disabilities and Alzheimer’s disease.”

Another participant said that “Housing issues and being homeless can upend your mental health.”

According to the 2018 Los Angeles County Homeless Count, 26% of the homeless reported a serious mental illness

Victims of Domestic Violence: Data compiled by the Lucile Packard Foundation for Children’s Health indicates that in 2014 there were 275 domestic violence calls for assistance in South Gate. The *2016 Report on the Status of Women in Los Angeles County* explains that in 2014 in Los Angeles County 34% of the calls for assistance involved a weapon; where a weapon was involved, “personal weapons” as in fists, feet, etc. were most commonly used in the assault. The *2018 Greater Los Angeles Homeless Count* found that 3,076 homeless persons were homeless due to fleeing domestic/intimate partner violence, a number that represents 6% of all homeless individuals.

Dating Violence, Sexual Assault and Stalking: According to the California Women’s Health Survey (CWHs), approximately 40% of California women experience physical intimate partner violence in their lifetimes (male lifetime prevalence rates are not available).

Emergency shelter as well as counseling and other services often are needed by the victims of domestic violence, dating violence, sexual assault, and stalking.

What are the most common housing problems?

As mentioned previously, the most common and severe housing problem in South Gate is housing cost burden. In fact, approximately 11,900 low/mod income households are cost burdened (>30%). Units with physical defects, or substandard units, were the least common housing problem for the City.

City Table 2 describes the number of *low- and moderate-income* renter and owner households that experience cost burden and severe cost burden. Among low- and moderate-income *renters*, 73% are cost

burdened and 39% are extremely cost burdened. The data demonstrate that 70% of all low- and moderate-income *owners* are cost burdened and 35% are severely cost burdened.

**City Table 2
City of South Gate
Cost Burden and Severe Cost Burden
by Income and Tenure: 2014**

Tenure	Total Low/Moderate Income	Number Cost Burdened	Percent Cost Burdened	Number Severely Cost Burdened	Percent Severely Cost Burdened
Renters	10,855	7,905	73%	4,215	39%
Owners	5,715	4,000	70%	1,985	35%

Note: Low/moderate income means less than 80% of the area median income

Cost burden = 30% or more of income spent on housing costs

Severe cost burden = 50% or more spent on housing costs

Source: Comprehensive Housing Affordability Strategy ("CHAS") Data, 2011-2015 American Community Survey

Low- and moderate-income households are especially adversely impacted by severe housing cost burdens. A recent Harvard study remarked on the consequences of high housing costs:

After paying large shares of their incomes for housing, cost burdened households cut back spending on other vital needs. According to the 2014 Consumer Expenditure Survey, severely burdened households in the bottom expenditure quartile (a proxy for low income) had just \$500 left over to cover all other monthly expenses, while otherwise similar households living in affordable housing had more than twice that amount to spend. As a result, severely cost-burdened households spent 41 percent less on food and 74 percent less on healthcare than their counterparts living in housing they could afford. To avoid cost burdens, low-income households often trade off location for affordability. In consequence, low-income households living in housing they can afford spend nearly three times more on transportation than households with severe burdens. Low-income households without cost burdens are also more likely to live in inadequate units.

Are any populations/household types more affected than others by these problems?

Overall, renter-households are more impacted by housing cost burden issues than owner households. In fact, renters constitute 64% of all cost-burdened households. Renters also experience crowding and severe overcrowding to a greater extent than owners. Small related families comprise the largest number of cost burdened householders, exceeding the number of large related and elderly households.

Describe the characteristics and needs of Low-income individuals and families with children (especially extremely low-income) who are currently housed but are at imminent risk of either residing in shelters or becoming unsheltered 91.205(c)/91.305(c)). Also discuss the needs of formerly homeless families and individuals who are receiving rapid re-housing assistance and are nearing the termination of that assistance

The City has 3,300 *extremely low-income* renter households who are extremely cost burdened.

Within the 3,300 total there are 650 extremely low-income renter large related families who are severely cost burdened.

These families face difficulties in meeting their monthly housing obligations and could lose their housing because of the lack of financial resources.

If a jurisdiction provides estimates of the at-risk population(s), it should also include a description of the operational definition of the at-risk group and the methodology used to generate the estimates:

Households at risk of becoming homeless include those extremely low-income households with a severe housing cost burden (spending 50% or more of their income on housing).

Specify particular housing characteristics that have been linked with instability and an increased risk of homelessness

Extremely low-income households with a severe housing cost burden are more likely to lose their housing in the event of loss of employment or other unexpected expenses. Income stagnation combined with rising rents increase the risk of homelessness.

Whereas incomes have not increased over the past few years, rents have continued to rise. The rental housing cost index of the Consumer Price Index increased by 5.4% between November 2018 and November 2019 in the Los Angeles County-Orange County area.

While efforts to produce affordable housing are important to reducing disproportionate housing needs, it also is important to find ways to increase household incomes through jobs having higher wages and other economic development strategies.

Discussion

See discussions above.

NA-15 Disproportionately Greater Need: Housing Problems – 91.205 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need.

Introduction

A disproportionately greater need exists when the members of a racial or ethnic group at a given income level experience housing problems at a greater rate (10 percentage points or more) than the income level. For example, assume that 60% of all low-income households within a jurisdiction have a housing problem and 70% of low-income Hispanic households have a housing problem. In this case, low-income Hispanic households have a disproportionately greater need.

This section has four tables that capture the number of housing problems by income, race, and ethnicity. Each table provides data for a different income level (0–30%, 30–50%, 50–80%, and 80–100% AMI). The four housing problems are: 1) lacks complete kitchen facilities; 2) lacks complete plumbing facilities; 3) more than one person per room; and 4) cost burden greater than 30%. The four tables are:

- Table 13 - Disproportionally Greater Need 0-30% AMI
- Table 14 - Disproportionally Greater Need 30 - 50% AMI
- Table 15 - Disproportionally Greater Need 50 - 80% AMI
- Table 16 - Disproportionally Greater Need 80 - 100% AMI

Households having no/negative income (column 4 in the tables) refers to the number of households whose income is zero or negative due to self-employment, dividends, and net rental income. These households are not included in the other two categories. Households with zero or negative income cannot actually have a cost burden, but still require housing assistance and are, therefore, counted separately.

0%-30% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	4,940	415	180
White	205	80	0
Black / African American	70	0	0
Asian	20	4	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	4,635	320	180

Table 13 - Disproportionally Greater Need 0 - 30% AMI

Data 2011-2015 CHAS
Source:

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

30%-50% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	4,575	715	0
White	130	90	0
Black / African American	74	0	0
Asian	4	4	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	4,365	620	0

Table 14 - Disproportionally Greater Need 30 - 50% AMI

Data 2011-2015 CHAS
Source:

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

50%-80% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	3,625	2,115	0
White	100	275	0
Black / African American	20	20	0
Asian	30	0	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	10	0
Hispanic	3,470	1,795	0

Table 15 - Disproportionally Greater Need 50 - 80% AMI

Data 2011-2015 CHAS
Source:

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

80%-100% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	1,130	1,555	0
White	35	55	0
Black / African American	0	4	0
Asian	10	20	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	1,090	1,460	0

Table 16 - Disproportionally Greater Need 80 - 100% AMI

Data 2011-2015 CHAS
Source:

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

Discussion

The racial and ethnic groups experiencing disproportionate housing needs include:

- 0%-30 % Area Median Income: Black/African American. 100% of the households have one or more of the four housing problems.
- 30%-50% Area Median Income: Black/African American. 100% of the households have one or more of the four housing problems.
- 50%-80% Area Median Income: Asian. 100% of the households have one or more of the four housing problems.
- 80%-100% Area Median Income: None

NA-20 Disproportionately Greater Need: Severe Housing Problems – 91.205 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

A disproportionately greater need exists when the members of racial or ethnic group at a given income level experience housing problems at a greater rate (10 percentage points or more) than the income level as a whole. The following tables identify the extent of *severe* housing problems by income and race. Severe housing problems include inadequate housing (lacking complete kitchen or plumbing facilities), severe overcrowding (1.51 persons per room), and housing cost burden of 50% or more.

This section has four tables that capture the number of housing problems by income, race, and ethnicity. The four tables are:

- Table 17 – Severe Housing Problems 0-30% AMI
- Table 18 – Severe Housing Problems 30 - 50% AMI
- Table 19 – Severe Housing Problems 50 - 80% AMI
- Table 20 – Severe Housing Problems 80 - 100% AMI

0%-30% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	4,475	885	180
White	180	100	0
Black / African American	60	10	0
Asian	20	4	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	4,205	750	180

Table 17 – Severe Housing Problems 0 - 30% AMI

Data Source: 2011-2015 CHAS

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

30%-50% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	2,815	2,475	0
White	50	165	0
Black / African American	8	65	0
Asian	4	4	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	2,745	2,240	0

Table 18 – Severe Housing Problems 30 - 50% AMI

Data 2011-2015 CHAS
Source:

*The four severe housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than 1.5 persons per room,
4. Cost Burden over 50%

50%-80% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	1,720	4,020	0
White	45	330	0
Black / African American	4	35	0
Asian	15	14	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	10	0
Hispanic	1,660	3,605	0

Table 19 – Severe Housing Problems 50 - 80% AMI

Data 2011-2015 CHAS
Source:

*The four severe housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than 1.5 persons per room,
4. Cost Burden over 50%

80%-100% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	690	1,990	0
White	10	80	0
Black / African American	0	4	0
Asian	0	30	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	685	1,860	0

Table 20 – Severe Housing Problems 80 - 100% AMI

Data 2011-2015 CHAS
Source:

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

Discussion

None of the racial and ethnic groups are experiencing disproportionate *severe* housing needs.

The primary reason for this outcome is that Hispanic householders comprise the overwhelming majority of all householders and, therefore, contribute to the “jurisdiction as a whole” percentages. Thus, Hispanics and “jurisdiction as a whole” percentages are almost identical, On the other hand, White householders have incomes generally higher than the other population groups and, consequently, would not experience disproportionate housing needs. The two groups that have disproportionate housing needs are Black/African American and Asian householders.

NA-25 Disproportionately Greater Need: Housing Cost Burdens – 91.205 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction:

A disproportionate greater need exists when the members of a racial or ethnic group at a given income level experience housing problems at a greater rate (10 percentage points or more) than the income level as a whole.

Housing Cost Burden

Housing Cost Burden	<=30%	30-50%	>50%	No / negative income (not computed)
Jurisdiction as a whole	10,290	6,620	6,270	225
White	785	190	255	0
Black / African American	100	120	69	0
Asian	130	35	30	0
American Indian, Alaska Native	0	0	0	0
Pacific Islander	20	0	0	0
Hispanic	9,210	6,255	5,905	225

Table 21 – Greater Need: Housing Cost Burdens AMI

Data Source: 2011-2015 CHAS

Discussion:

The racial and ethnic groups experiencing disproportionate housing needs include:

Almost 56% of all householders spend 30% of more of their income on housing costs, including utilities. The percentages of households by race and ethnicity that are cost burdened are listed below:

- White: 36.2%
- Black/African American: 65.4%
- Asian: 33.3%
- American Indian/Alaska Native: 0%
- Pacific Islander: 0%
- Hispanic: 56.9%

Black/African American greater needs in terms of housing cost burdens.

NA-30 Disproportionately Greater Need: Discussion – 91.205(b)(2)

Are there any Income categories in which a racial or ethnic group has disproportionately greater need than the needs of that income category as a whole?

Please refer to the discussions provided under specific needs by income group presented earlier.

If they have needs not identified above, what are those needs?

Housing needs of low- and moderate-income minority households have been previously identified.

Are any of those racial or ethnic groups located in specific areas or neighborhoods in your community?

South Gate does not have a “racially or ethnically concentrated area of poverty” meaning “a geographic area with significant concentrations of poverty and minority concentrations.” The term “racially or ethnically concentrated areas of poverty” refers to a census tract that –

- Has a minority population of 50% or more
- Has 40% or more individuals living at or below the poverty line

None of South Gate’s census tracts meet these two thresholds.

DRAFT

NA-35 Public Housing – 91.205(b)

Introduction

The South Gate Housing Authority (SGHA) provides management and oversight of all units and vouchers in the City.

The SGHA administers the Section 8 Housing Voucher program for the South Gate area. A Section 8 voucher assists eligible families pay the rent for apartments owned by private landlords. Participating families are responsible for finding an apartment and landlord that will accept the voucher. Families must meet income guidelines to qualify for the Section 8 program. Both parties will enter into a lease agreement, with the tenant paying the security deposit. The SGHA inspects Section 8 properties prior to move-in and on a yearly basis to ensure that apartments comply with HUD standards for safety, size, and accessibility. The Housing Authority also offers several affordable senior housing developments, some with units accessible for persons with disabilities.

The City of South Gate does not administer Public Housing units.

The following tables contain additional information:

- Table 22 Vouchers in use
- Table 23 Income and other characteristics of tenants
- Table 24 Race of residents
- Table 25 Ethnicity of residents

Totals in Use

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project - based	Tenant - based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers in use	0	0	0	500	0	499	1	0	0

Table 22 - Public Housing by Program Type

*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Data Source: PIC (PIH Information Center)

Characteristics of Residents

	Program Type							
	Certificate	Mod-Rehab	Public Housing	Vouchers				
				Total	Project - based	Tenant - based	Special Purpose Voucher	
							Veterans Affairs Supportive Housing	Family Unification Program
Average Annual Income	0	0	0	14,204	0	14,211	10,669	0
Average length of stay	0	0	0	9	0	9	1	0
Average Household size	0	0	0	2	0	2	2	0
# Homeless at admission	0	0	0	1	0	1	0	0
# of Elderly Program Participants (>62)	0	0	0	239	0	239	0	0
# of Disabled Families	0	0	0	68	0	68	0	0
# of Families requesting accessibility features	0	0	0	500	0	499	1	0
# of HIV/AIDS program participants	0	0	0	0	0	0	0	0
# of DV victims	0	0	0	0	0	0	0	0

Table 23 – Characteristics of Public Housing Residents by Program Type

Data Source: PIC (PIH Information Center)

Race of Residents

Race	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project - based	Tenant - based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
White	0	0	0	469	0	468	1	0	0
Black/African American	0	0	0	30	0	30	0	0	0
Asian	0	0	0	0	0	0	0	0	0
American Indian/Alaska Native	0	0	0	1	0	1	0	0	0
Pacific Islander	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0

*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Table 24 – Race of Public Housing Residents by Program Type

Data Source: PIC (PIH Information Center)

Ethnicity of Residents

Ethnicity	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project - based	Tenant - based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
Hispanic	0	0	0	450	0	449	1	0	0
Not Hispanic	0	0	0	50	0	50	0	0	0

*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Table 25 – Ethnicity of Public Housing Residents by Program Type

Data Source: PIC (PIH Information Center)

Section 504 Needs Assessment: Describe the needs of public housing tenants and applicants on the waiting list for accessible units:

South Gate does not administer Public Housing and does not currently maintain a Section 8 Housing Choice Voucher list.

Most immediate needs of residents of Public Housing and Housing Choice voucher holders

N/A

How do these needs compare to the housing needs of the population at large?

N/A

Discussion

N/A

NA-40 Homeless Needs Assessment – 91.205(c)

Introduction:

According to the 2019 PIT Homeless Count, 53% of people experiencing first-time homelessness cited “economic hardship” as a leading factor causing their homelessness. Approximately one fourth of unsheltered adults lost their housing in 2018 and is experiencing homelessness for the first time. Among other factors cited in the 2019 PIT Homeless Count are wages not keeping pace with rental costs and the lack of affordable housing production.

The *Los Angeles Continuum of Care 2020* PIY homeless count has been completed, however the data at the City/Community geographic area has not yet been released. The *Los Angeles Continuum of Care 2019 Homeless Count* estimates that South Gate has 357 unsheltered homeless persons. Unsheltered data combines homeless persons found living in the following arrangements:

- In makeshift shelters 129
- On the street 81
- In vans 44
- In tents 41
- In cars 36
- In RVs/campers 26

The count does not include persons in domestic violence shelters, unaccompanied minors, transitional age youth, and persons receiving motel vouchers.

South Gate is located within Service Planning Area 7. The 2019 homeless count estimates that there are 563 homeless youth within Service Planning Area 7.

If data is not available for the categories "number of persons becoming and exiting homelessness each year," and "number of days that persons experience homelessness," describe these categories for each homeless population type (including chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth):

The Greater Los Angeles 2019 Homeless Count does not provide estimates on the above characteristics of the homeless population at the city/community geographic level. Therefore, this information is unavailable for South Gate’s homeless population. The 2019 Homeless Count did find that 8,950 adults experienced homelessness for the first time within the last year

Nature and Extent of Homelessness: (Optional)

Race:	Sheltered:	Unsheltered (optional)
Ethnicity:	Sheltered:	Unsheltered (optional)

Estimate the number and type of families in need of housing assistance for families with children and the families of veterans.

Among the 357 unsheltered homeless it is unknown how many are individuals, families, families with children, or veterans. The *Greater Los Angeles 2019 Homeless County by City/Community* does not provide estimates of these characteristics at the city level. It is assumed that most, if not all, homeless people need housing assistance because they have zero or negative incomes. However, 53% of people experiencing homelessness for the first time cited “economic hardship” as a leading factor causing their homelessness. Additionally, LAHSA has described the lack of affordable housing production as driving the regional increase in homelessness.

Describe the Nature and Extent of Homelessness by Racial and Ethnic Group.

The Greater Los Angeles 2019 Homeless Count by City/Community does not provide estimates of the race or ethnicity of the City’s 357 unsheltered homeless persons. Both the 2019 and 2020 homeless counts provide data on the race and ethnicity of the homeless population counted for the entire Los Angeles Continuum of Care. The 2020 homeless counts show the following:

- Hispanic or Latino: 36%
- Black/African American: 34%
- White: 25%
- American Indian/Alaska Native: 1%
- Multi-Racial/Other: 2%
- Asian: 1%
- Native Hawaiian/Other Pacific Islander: . - %

Data on homeless subpopulations are unavailable from the 2019 and 2020 counts for the City of South Gate. However, the 2020 subpopulation data for the entire geographic area encompasses within the Los Angeles Continuum of Care are noted below:

Chronically homeless	24,484	38% of total homeless count
Substance abuse disorder	15,203	27% of 18+ years homeless count
Serious mental illness	14,125	25% of 18+ years homeless count
Physically disabled	10,833	19% of 18+ years homeless count
Developmentally disabled	5,292	9% of 18+ years homeless count
Domestic Violence	3,884	7% of 18+ years homeless count
Veterans	3,681	6% of total homeless count
HIV/AIDs	1,165	2% of 18+ years homeless count
Unaccompanied youth	69	---

Describe the Nature and Extent of Unsheltered and Sheltered Homelessness.

South Gate has an estimated 357 *unsheltered* homeless persons. *Sheltered* homeless persons include individuals, families, and unaccompanied minors sleeping in emergency shelters, transitional housing, or

safe havens that are located within the boundaries of the community on the night of the Homeless Count. However, there are no shelter accommodations located within South Gate.

Discussion:

Despite all the best efforts to end homelessness, individuals and families experience temporary homelessness due to a lack of sufficient and stable income, chronic or sudden health problems, domestic violence, untreated mental illness, chronic substance abuse, and youth who lack parental, foster or institutional care among other causes.

NA-45 Non-Homeless Special Needs Assessment - 91.205 (b,d)

Introduction:

Certain households, because of their age, frailties, disabilities, or substance abuse have unique or special housing needs which differ from those of the general population. Some may require special accommodations while others may have difficulty finding housing due to their special needs. Special needs groups include the elderly, frail elderly, persons with disabilities, persons with alcohol or drug addiction, and victims of domestic violence.

Describe the characteristics of special needs populations in your community:

Elderly: According to the 2018 American Community Survey (ACS) South Gate's elderly population (62+) is comprised of 10,981 persons, which represents 11.6% of the total population (N = 94,439). The City's elderly population is comprised of 5,486 women and 5,495 men. The ratio of females to males is about 1.0.

In 2018, according to the ACS, the City had 4,131 elderly householders (65+), a number that represents about 17% of all households in the City.

Frail Elderly: The American Community Survey provides two indicators to approximate the size of the frail elderly population:

Self-care difficulty refers to survey respondents who said they had "difficulty dressing or bathing." Difficulty with these activities are two of six specific Activities of Daily Living (ADLs) often used by health care providers to assess patients' self-care needs.

Independent living difficulty refers to survey respondents who stated that due to a physical, mental, or emotional condition; they had difficulty "doing errands alone such as visiting a doctor's office or shopping." Difficulty with this activity is one of several Instrumental Activities of Daily Living (IADL) used by health care providers in making care decisions.

South Gate's frail elderly population could be as large as approximately 3,380 persons. This number represents seniors 65 years of age or older with a self-care difficulty (N= 1,326) or an independent living difficulty (N=2,054). It is possible that some elderly have both difficulties.

Many of the frail elderly also live on fixed incomes. And many also need home modifications to help prevent falls.

Persons with Mental, Physical, and/or Developmental Disabilities: As aptly described in the *2014-2021 Housing Element*:

Disabled individuals have unique housing needs because they may be limited in mobility or in their ability to care for themselves. In addition, the earning power of disabled persons may be limited. Their housing need is also often compounded by design and location requirements, which can drive up housing costs. For example, wheelchair-bound or semi-ambulatory individuals may require ramps, holding bars, special bathroom designs, wider doorways, lower cabinets, and other interior and exterior design features.

Mentally Disabled Population: In addition to collecting data on persons with self-care and independent living difficulties, the ACS gathers information pertaining to persons with a cognitive difficulty, which is an indicator of mental disabilities. According to the ACS *cognitive difficulty* refers to persons who have serious difficulty concentrating, remembering, or making decisions.

Medically speaking, cognitive disorders (CDs), also known as neurocognitive disorders (NCDs), are a category of mental health disorders that primarily affect cognitive abilities including learning, memory, perception, and problem solving. Neurocognitive disorders include delirium and mild and major neurocognitive disorder (previously known as dementia). They are defined by deficits in cognitive ability that are acquired (as opposed to developmental), typically represent decline, and may have underlying brain pathology.

According to MentalHealth.net:

Cognitive disorders can be caused by all sorts of brain problems, including tumors, strokes, closed-head injuries, infections, exposure to neurotoxins (i.e., substances that are toxic to the brain), genetic factors, and disease. The specific type of cognitive disorder someone develops depends on the part of the brain that is affected. For instance, a tumor that grows in the brain's speech centers will result in problems with communication. Similarly, an infection in the brain's motor centers will cause problems with movement.

Approximately 2,640 of South Gate's residents indicated they had a cognitive difficulty, a number that represents 3% of the City's population.

Physically Disabled Population: The ACS also gathers data on persons with hearing, vision, and ambulatory difficulties. The ACS estimates that 6,973 residents have one or more of these three disabling difficulties. Sixty-two percent of the 6,973 residents experience an ambulatory difficulty. The ACS defines these disabling conditions as follows:

Hearing difficulty refers to respondents who stated that they were "deaf or ... [had] serious difficulty hearing."

Vision difficulty includes respondents who stated that they were "blind or ... [had] serious difficulty seeing even when wearing glasses."

Ambulatory difficulty refers to respondents who stated that they had "serious difficulty walking or climbing stairs."

Developmentally Disabled Population: As defined in Section 4512 of the Welfare and Institutions Code, developmental disability means “a disability that originates before an individual attains age 18 years, continues, or can be expected to continue, indefinitely, and constitutes a substantial disability for that individual. As defined by the Director of Developmental Services, in consultation with the Superintendent of Public Instruction, this term shall include mental retardation, cerebral palsy, epilepsy, and autism. This term shall also include disabling conditions found to be closely related to mental retardation or to require treatment similar to that required for individuals with mental retardation but shall not include other handicapping conditions that are solely physical in nature.”

The City’s *2014-2021 Housing Element* provides an estimate of the developmentally disabled population. As noted in the *Housing Element*, neither the U.S. Census nor American Community Survey asks a specific question on whether the respondent is developmentally disabled. However, according to the U.S. Administration on Developmental Disabilities, an accepted estimate of the percentage of the population that can be defined as developmentally disabled is 1.5%. This means that an estimated 1,416 South Gate residents have a developmental disability, based on the 2018 ACS population estimate (.015 X 94,374).

According to the State’s Department of Developmental Services, as of November 2012, approximately 664 South Gate residents with developmental disabilities were being assisted at the South Central Los Angeles Regional Center. Most of these individuals were residing in a private home with their parent or guardian and 350 of these persons with developmental disabilities were under the age of 18.

Many developmentally disabled persons can live and work independently within a conventional housing environment. More severely disabled individuals require a group living environment where supervision is provided. The most severely affected individuals may require an institutional environment where medical attention and physical therapy are provided. Because developmental disabilities exist before adulthood, the first issue in supportive housing for the developmentally disabled is the transition from the person’s living situation as a child to an appropriate level of independence as an adult.

Persons with Alcohol or Other Drug Addiction: The U.S. Department of Health and Human Services conducts annual National Surveys on Drug Use and Health (NSDUH). Estimates are based on annual averages of data collected in 2016. The Survey found that 6% of the population aged 12 or older were heavy alcohol users. According to American Community Survey, in 2018, approximately 74,127 persons residing in the City were over the age of 12. Therefore, an estimated 4,448 persons over the age of 12 may be considered as having an alcohol addiction.

Estimates of “illicit drug use” reported from NSDUH reflect the data from these 10 drug categories: marijuana, cocaine (including crack), heroin, hallucinogens, inhalants, and methamphetamine, as well as the misuse of prescription pain relievers, tranquilizers, stimulants, and sedatives. In 2016, the Survey found that 1 in 10 Americans aged 12 or older were current (past month) illicit drug users, meaning that they had used an illicit drug during the month prior to the survey interview. The 1 in 10 number translates to 7,934 persons in the City.

Victims of Domestic Violence: The National Domestic Violence Hotline defines domestic violence “as a pattern of behavior in any relationship that is used to gain or maintain power and control over an intimate partner.”

Domestic violence is defined by the California penal code as abuse against an adult by a present or former spouse, a present or former cohabitant, someone with whom the victim has had a child, or by someone

in a current or former dating relationship. This term is often used interchangeably with Intimate Partner Violence (IPV).

According to the County of Los Angeles Public Health Department:

Domestic violence (DV) exacts a tremendous toll on Los Angeles County [and South Gate] residents. However, the precise magnitude of the problem is difficult to measure due to the inability to collect consistent data on the occurrence and circumstances of individual DV events and the need to rely on multiple dissimilar data sources. In general, DV statistics come from three main sources: the law enforcement and criminal justice systems, the healthcare and public health systems, and self-reported surveys. Any of these data sources can be reported at the national, state or local level, but each source provides only limited information conforming to specific agency missions or survey focus, and none of the sources are linked to each other in a manner that would present a more complete view of the cycle of DV.

Source: County of Los Angeles Department of Public Health, Los Angeles County Domestic Violence Data Sources, April 2010, page 1

The *2016 Report on the Status of Women in Los Angeles County* states that women are disproportionately affected by domestic violence or IPV. The 2016 Report also states that, according to the 2011 National Intimate Partner and Sexual Violence Survey, 85% of domestic violence victims across the country are women. More than one in four women (22%) across the United States have been the victim of severe physical violence by an intimate partner, compared with just one in 10 men (14%).

Domestic violence victims may need to leave their homes several times and, therefore, experience multiple periods of homelessness. Emergency shelter resources are needed to accommodate these victims of domestic violence. Women survivors of domestic violence also face numerous barriers to securing safe housing such as limited incomes, lack of a credit history, and landlord discrimination. The Federal Fair Housing act bans landlords and housing providers from discriminating against domestic violence survivors by either denying an applicant or evicting a survivor.

Data compiled by the Lucile Packard Foundation for Children's Health indicates that in 2014 there were 275 domestic violence calls for assistance in South Gate. The *2016 Report on the Status of Women in Los Angeles County* explains that in 2014 in Los Angeles County 34% of the calls for assistance involved a weapon; where a weapon was involved, "personal weapons" as in fists, feet, etc. were most commonly used in the assault. The *2018 Greater Los Angeles Homeless Count* found that 3,076 homeless persons were homeless due to fleeing domestic/intimate partner violence, a number that represents 6% of all homeless individuals.

What are the housing and supportive service needs of these populations and how are these needs determined?

Elderly: Among the top elderly needs, as reported in the *FY 2016-2020 Area Plan on Aging*, were: transportation and housing. Participants at the Area Plan Update public hearings expressed many affordable housing and transportation related questions, concerns, and issues. Three examples are provided below:

- “The importance of advocating for affordable housing for older adults.”
- “The scoring/criteria for affordable housing are skewed against older adults.”
- “Better compensation for In-Home Supportive Service workers.”

The major needs were identified by respondents to a Needs Assessment Questionnaire.

The top five “areas of concern” discussed during focus groups were:

- Safety
- Income
- Elder abuse
- Accessing services
- Homelessness

Among the goals adopted as part of the *Area Plan* were the following:

- Goal # 2 Goal: *Promote accessible and affordable transportation options for older adults and individuals with disabilities.*

Rationale: Good transportation options, including a reliable and affordable public transportation system working in conjunction with both private transportation services and non-profit community-based transportation alternatives, is essential to ensuring that many older adults maintain their independence and an adequate quality of life.

- Goal # 3 Goal: *Addressing the issue of homelessness and promote affordable housing.*

Rationale: With an estimated shortage of 500,000 housing units, the City of Los Angeles has one of the most unaffordable housing markets in the nation. The Mayor and City Council are addressing this issue by promoting the creation of new housing units and developing a comprehensive plan to address the increasing homeless population.

Frail Elderly: By definition, the frail elderly need assistance to perform daily living activities. The frail elderly may have trouble eating, bathing, toileting, etc. by oneself and/or difficulty using the telephone, getting outside, shopping, and doing light housework, etc. by oneself. The frail elderly may be assisted by in-home care, or by residing in supportive housing arrangements.

Seniors participating in the *Area Plan on Aging* public hearings frequently stated there is a need “for affordable housing for older adults.” Displacement from their existing housing also was a concern of the public hearing participants. One participant stated, “Some landlords are trying to make older adults leave their rent-controlled apartments.”

Persons with Mental, Physical, and/or Developmental Disabilities: In general, the special housing needs of the disabled populations include independent living units with affordable housing costs; supportive housing with affordable housing costs; and housing with design features that facilitate mobility and independence. The shortage of available, accessible, and/or affordable housing is an acute problem for most people with disabilities (PWD). Like most individuals, people with disabilities prefer to live independent and productive lives in their own homes. They have a need and desire for safe and decent housing.

During the *Area Plan on Aging* public hearings, one participant commented that “Assistance is needed for individuals with disabilities and Alzheimer’s disease.”

Another participant said that “Housing issues and being homeless can upend your mental health.”

The City provides CDBG funds to a number of programs and supportive services for persons with disabilities, such as the Meals on Wheels Program for frail and home-bound seniors and Southern California Rehabilitation Services (which provides home improvements that can range from installing grab bars, constructing wheel chair ramps, and widening doorways to persons with disabilities). The Housing Choice Vouchers Program also provides rental assistance to lower income households, including households with disabled persons.

The City recently completed two HOPE projects, consisting of four units each for a total of eight units, for extremely low-income, developmentally disabled individuals.

Residents in need of transportation can also utilize South Gate Phone-A-Ride (P.A.R.), which provides low cost transportation services to local destinations within the City limits as well as medical appointments at 16 approved destinations outside of the City.

Persons with Alcohol or Other Drug Addiction: In general, the residents of South Gate are more likely to abuse pharmaceuticals than illicit drugs. Health professionals have identified the following needs: raise awareness about prescription drug abuse; make mandatory the usage of Controlled Substance Utilization and Evaluation System/Prescription Drug Monitoring Program (CURES/PDMP), which can be used to identify clinicians with patterns of inappropriately prescribing and dispensing controlled substances; and assistance with the safe disposal.

Some of the key needs of this special needs population include obtaining stable housing and employment; improving their mental health and coping skills, getting needed medical treatment, and maintaining good health.

Victims of Domestic Violence: Women who are victims of domestic violence experience unique housing issues. Women and their children are often forced to move out of their homes away from their abuser to seek other housing where they are safe. Emergency housing is needed to fill a short-term need. Barriers are confronted when seeking permanent housing because of a limited income, lack of credit, and housing discrimination. Transitional housing and transitional housing with supportive services is needed.

Discuss the size and characteristics of the population with HIV/AIDS and their families within the Eligible Metropolitan Statistical Area:

As of December 31, 2016, there were 50,289 persons living with diagnosed HIV infection (PLWH) in Los Angeles County (LAC), corresponding to a prevalence of 492 PLWH per 100,000 population. From 2006 through 2016, the number of PLWH in LAC steadily increased overall. The slight decrease observed in number of PLWH from 2015 to 2016 may be attributed to the implementation of enhanced electronic lab reporting (ELR) in November 2015. As a result, the availability and reporting of updated residential information has allowed for better documentation of migration in and out of LAC and a more accurate representation of PLWH currently living in LAC.

Los Angeles County's HIV epidemic is predominantly cis male (87.5% of all PLWH and 87.6% of recently diagnosed PLWH). This is dramatically higher than the proportion of cis males in the general population (49.3%). (Cisgender, often abbreviated to simply *cis*, is a term for people whose gender identity matches the sex that they were assigned at birth.)

The majority of PLWH are from communities of color, especially Latino/Hispanic (41.8% all PLWH and 46.2% of recently diagnosed) and Blacks/African Americans (20.2% all PLWH and 22.8% of recently diagnosed). Latinos/Hispanics comprise 48.2% and Blacks/African Americans 8.6% of the general county population in 2014. In terms of age, PLWH are older with the largest proportion between 40 and 59 years old (60.1%). Recently diagnosed PLWH are younger, with the majority (61.3%) between 20 and 39 years old. Nearly one third (32.6%) of all recently diagnosed persons are young adults 20-29 years old.

South Gate is located within health Service Planning Area 7 which also includes communities such as Bellflower, East Los Angeles, and Whittier. According to the *2016 Annual HIV Surveillance Report*, the PLWH rate is 261 per 100,000 people. This equates to approximately 249 persons living with aids who are residents of South Gate.

The *Los Angeles County HIV/AIDS Strategy for 2020 and Beyond* establishes the following three goals:

Goal I: Reduce annual HIV infections to 500 by 2022

Goal II: Increase the proportion of persons living with HIV who are diagnosed to at least 90% by 2022

Goal III: Increase the proportion of diagnosed PLWH who are virally suppressed to 90% by 2022

According to HUD, the lack of affordable and medically appropriate housing for persons living with HIV/AIDS and their families is an ongoing concern for AIDS housing providers, policy makers, and advocates across the country. Stable housing promotes improved health status, sobriety or decreased use of nonprescription drugs, and a return for some persons with AIDS to productive work and social activities. HUD has pointed out that stable housing is the cornerstone of HIV/AIDS treatment.

Recent studies, according to HUD, confirm that persons living with HIV/AIDS must have stable housing to access comprehensive healthcare and adhere to complex HIV/AIDS drug therapies. Even though stable housing has been shown to be a necessary link to medical and supportive services, accessing housing is difficult as the wait for affordable housing increases in many communities across the country. Compounding the problem of waiting lists is access to housing with the services to care and treat

the increasing number of persons living not only with HIV/AIDS but also with histories of homelessness, mental illness, and substance abuse.

Persons living with HIV/AIDS and their families may require housing that provides emergency, transitional, or long-term affordable solutions. A variety of HUD programs and projects provide such housing; however, this housing often is not the typical “house” structure. HIV/AIDS housing includes short and long-term rental assistance, live-in medical facilities, and housing sites developed exclusively for people living with AIDS.

The *2016 Los Angeles Coordinated HIV Needs Assessment (LACHNA 2016)* collected interview data from a representative sample of 277 respondents from 35,276 persons living with HIV who were in medical care in 2014. Respondents were asked about their use of, need for, and access to 16 selected HIV-related care and support services in the previous 12 months. Housing Services ranked high in service gaps at #3 with 58.5% (n=62) of respondents reporting that they did not receive this needed service. The top main and the most common barrier to Housing Services was “Didn’t know where to go or whom to call” (35.5% and 50.0%, respectively). These findings were similar to LACHNA-2011, in which rental assistance and short-term rent/mortgage ranked #2 and #3. Previous barriers were similar and included both individual (not aware service was available, not aware of location or did not know whom to ask for help) and organizational (service provider insensitive to concerns, wait time too long, provided wrong referrals) barriers.

Sources:

Division of HIV and STD Programs, Los Angeles County Department of Public Health. 2016 Annual HIV Surveillance Report. <http://publichealth.lacounty.gov/dhsp/Reports.htm>. Published June 2018.

Division of HIV and STD Programs, Los Angeles County Department of Public Health and the Los Angeles County Commission on HIV, Los Angeles Coordinated HIV Needs Assessment (LACHNA) 2016: Final Report, July 2017:1-77.

Los Angeles County Commission on HIV and the Los Angeles County Department of Public Health Division of HIV and STD Programs. Los Angeles County Comprehensive HIV Plan (2017- 2021), September 2016:1-165

Discussion:

Refer to narratives above.

NA-50 Non-Housing Community Development Needs – 91.215 (f)

Describe the jurisdiction’s need for Public Facilities:

“Public facilities” includes, but is not limited to, neighborhood/community facilities and facilities for persons with special needs (e.g. homeless shelters, group homes, and halfway houses).

Various needs include, but are not limited to, a new municipal park known as the Urban Orchard Project that will add 7 acres of new park land and public facilities; Renovate Cookhouse at South Gate Park; Replace Floor at the Girls Clubhouse; Replace Roof at South Gate Park Auditorium; Renovate Restrooms and Paint/Refinish Interior Meeting Room at Recreation Hut No. 3 at South Gate Park; Reseal, Reroof and Replaced Doors of Restroom No. 6 at South Gate Park.

How were these needs determined?

Public facility needs were determined through public input via the Community Needs Survey, agency and stakeholder consultation, Capital Improvement Program, and staff recommendations.

Describe the jurisdiction’s need for Public Improvements:

CDBG funds may be used for the acquisition, construction, reconstruction, rehabilitation, or installation of public improvements or public facilities. “Public improvements” includes, but is not limited to, streets, sidewalks, water and sewer lines, and parks.

The City has over 180-acres of municipal parks. Various needs include, but are not limited to, a new municipal park known as the Urban Orchard Project that will add 7 acres of new park land; South Gate Park Electrical System Upgrades Project; Playground Upgrades at Cesar Chavez; and Replacement of PA System at the Sport Center; Reroof and Paint Park Yard Bays.

The City of South Gate is fully built-out. It is supported by a 125-mile roadway network that spans the entire City. City roadways are equipped with sidewalks, curbing, curb ramps and other. Therefore, the City already has roads, sidewalk and curbing where they are needed most such as in residential, commercial and industrial areas, and areas with schools, public facilities, municipal parks and shopping districts (Priority Areas). However, it should be noted that the design and the condition of the roadway network could be enhanced in Priority Areas. For example, according to the ADA Self Evaluation and Transition Plan, the roadway network is in need of \$26.9 Million in improvements to comply with ADA. According to the Pavement Management Plan, road pavement maintenance back-log is \$77 Million. According to the Bike Transportation Plan, the roadway network is in need of miles of bike lanes. Finally, there are limited segments of road that are without sidewalks, such as Firestone Boulevard over the I-710 Freeway, Alameda Streets between Sequoia Dr. and Seminole Ave., Howery St, Fleet Dr, Cloverlawn Dr in the Hollydale area and Frontage Road by the Thunderbird Villa Mobile Home Park.

The City has a sanitary sewer system equipped with 120 miles of sewer mains. It was recently assessed through a Sewer Master Plan (SMP). The SMP includes a 5-year Capital Improvement Program (CIP Program) that plans for \$3.5 Million in improvements. This includes annual sewer lining improvements, and sewer main upgrades. The improvements are planned however not currently funded. The City’s current CIP Program includes a funded improvement project for the sewer system. The project will

rehabilitate the sewer mainline located on California Ave from Tweedy Blvd to the southern City limits. The CIP Program also includes a funded improvement to the municipal water system. It entails replacing temporary chlorination systems with permanent systems

How were these needs determined?

Public improvement needs were determined through agency and stakeholder consultation, Capital Improvement Program, Sewer Master Plan, ADA Self Evaluation and Transition Plan, Pavement Management Plan, and staff recommendations.

Describe the jurisdiction's need for Public Services:

Public services are also generally eligible under the CDBG Program. These public service activities may include, but are not limited to job training and employment services, health care and substance abuse services, childcare, crime prevention, and fair housing counseling.

Public service needs in the City include the following:

- Domestic Violence Prevention/Education: There is a disproportionate number of domestic violence cases in the City
- Substance Abuse Services: For both youth and adults, substance abuse services are a priority in the community
- Senior Services: The Senior Center's facility and services should be expanded to meet the growing need in the community
- Youth Services: Leadership, guidance and direction for youth is a priority in the City
- Graffiti Abatement: Left unchecked, graffiti can be a major contributor to increased gang activity

Additionally, the need for public and supportive services in the City is extensive, especially for persons with special needs.

How were these needs determined?

Public services needs were determined through public input via the Community Needs Survey, agency, and stakeholder consultation, social services need indicators (e.g., poverty), and staff recommendations. (With regard to social services need indicators refer to the Anti-Poverty Strategy – SP 70).

Additionally, CDBG funds may also be expended on activities related to economic development. The following are examples of eligible activities that can be funded by CDBG: microenterprise assistance, commercial rehabilitation, and special economic development activities.

Housing Market Analysis

MA-05 Overview

Housing Market Analysis Overview:

The housing market analysis includes data on:

- Number of Housing Units (MA-10)
- Housing Market Analysis: Cost of Housing (MA-15)
- Housing Market Analysis: Condition of Housing (MA-20)
- Public and Assisted Housing (MA-25)
- Homeless Facilities and Services (MA-30)
- Special Needs Facilities and Services (MA-35)
- Barriers to Affordable Housing (MA-40)
- Non-Housing Community Development Assets (MA-45)
- Needs and Market Analysis Discussion (MA-50)

The housing market analysis provides information on the number and type of housing units as well as the cost and condition of housing. The information also discusses the facilities and services that are available to address the needs of homeless persons as well as special needs populations such as the elderly, frail elderly and disabled. Information also is presented on the public sector barriers to the development of affordable housing. Finally, an analysis is presented of community development assets with a focus on employment and local economic conditions.

MA-10 Number of Housing Units – 91.210(a)&(b)(2)

Introduction

Table 26 shows the number of housing units by structure size based on the 2011-2015 ACS. Single-family homes (1-unit structures) make up most of the housing market within the City. These homes comprise 65% of the housing market, with 57% of the housing market consisting of 1-unit detached structures alone. Multi-family units decrease in number with the increase of unites. The breakdown is as follows 2-4 units (18%), 5-19 units (12%) and 20+ units (4%).

Table 27 shows the number of housing units by unit size and tenure based on the 2011-2015 ACS. In total, owner-occupied homes represent about 45% of the overall housing stock. In terms of unit size, most owner-occupied homes are 3 or more bedrooms (60%), with a small amount representing two-bedroom homes (37%), and just 4% consisting of one- or zero-bedroom homes. This differs from renter-occupied units, where the largest portion consists of one-bedroom units (41%). These are followed by two-bedroom units (38%), 3+ bedroom units (16%), and no bedroom units (5%). In total, renter-occupied households represent about 55% of the housing stock.

The unit size distribution demonstrates the housing stock can meet the needs of persons living alone, small families as well as large families.

All residential properties by number of units

Property Type	Number	%
1-unit detached structure	13,840	57%
1-unit attached structure	1,955	8%
2-4 units	4,380	18%
5-19 units	2,810	12%
20 or more units	865	4%
Mobile Home, boat, RV, van, etc.	310	1%
Total	24,160	100%

Table 26 – Residential Properties by Unit Number

Data Source: 2011-2015 ACS

Unit Size by Tenure

	Owners		Renters	
	Number	%	Number	%
No bedroom	105	1%	685	5%
1 bedroom	265	3%	5,200	41%
2 bedrooms	3,910	37%	4,850	38%
3 or more bedrooms	6,315	60%	2,060	16%
Total	10,595	101%	12,795	100%

Table 27 – Unit Size by Tenure

Data Source: 2011-2015 ACS

Describe the number and targeting (income level/type of family served) of units assisted with federal, state, and local programs.

Nine publicly subsidized, multifamily rental developments which have a total of 321 subsidized affordable housing units are located in the City. Federal, state, and local funding programs are described below:

The federal Section 8 New Construction Program subsidized the development of Pennsylvania Square. Federal HOME funds and local Redevelopment Housing Set-Aside funds subsidized the development of Dudlex II Senior Apartments.

Federal HOME funds contributed to the development of Burke Avenue Apartments (8 units); 11343 Pennsylvania Avenue (4 units); and 2418 Glenwood Place (4 units).

Federal/State low income housing tax credits subsidized the development of Hollydale Plaza Apartments (101 units).

Local Redevelopment Housing Set-Aside funds contributed to the development of Pine Place (18 units); Ardmore Terrace Senior Apartments (22 units) and California Senior Plaza (69 units).

All of the affordable housing units are targeted to seniors and people with developmental disabilities.

Provide an assessment of units expected to be lost from the affordable housing inventory for any reason, such as expiration of Section 8 contracts.

Six of the nine developments have terms of affordability lasting to between 2033 and 2061. The three at-risk housing developments are listed below:

Pennsylvania Square: This 75-unit complex was developed with a HUD Section 221(D)(4) market-rate financing which places no affordability control on the units developed. The affordability of this senior complex is maintained by a Section 8 contract that is due to expire on January 12, 2014; however, this contract is expected to be renewed prior to the expiration date as the property owner has not yet filed the required Notice of Intent to opt out of the Section 8 program.

Dudlex II Senior Apartments (South Gate Park Villas): The 20-unit Dudlex II Senior Apartments were constructed with federal HOME funds and a City of South Gate Redevelopment Agency land write down.

Pine Place: This 22-unit complex is occupied by qualified senior citizens. Pine Place is a locally assisted development with funds provided through the South Gate Redevelopment Agency. Additionally, the project was granted parking concessions that also constituted local assistance. The project was completed in 1986 and has a total of 18 subsidized units with a 30-year deed restriction due to expire in 2016.

Does the availability of housing units meet the needs of the population?

The City's housing stock is comprised of approximately 24,500 to 24,600 housing units. Single-family detached structures comprise almost two of every three housing units. Therefore, there is an abundance of housing available for owner occupancy by the elderly, small families, and large families.

The rental housing inventory meets a variety of housing needs. However, there is a need for additional affordable rental housing as a high percentage of renters are cost burdened. The City continues to work with the CHDO non-profit housing organizations to expand the affordable housing stock. However, the state-mandated dissolution of the Redevelopment Agency hinders these efforts. The Redevelopment Agency was the source for the Low- and Moderate-Income Housing Fund.

Describe the need for specific types of housing:

The *2014-2021 Housing Element* included goals, objectives, and policies for the types of housing needed in the community.

One goal is to: Provide a range of housing prices, unit types, and sizes to accommodate the varied needs of all socioeconomic segments of South Gate, fostering diverse and balanced community.

One objective is to: Encourage the development of housing that caters to the special needs groups, including the elderly, persons with disabilities, students, large families, and the homeless.

One policy is: The City will promote the development of a continuum of housing options for seniors, ranging from granny flats, small single-family homes, condominiums/townhomes, apartments, assisted living, to residential care facilities.

Discussion

Refer to the discussion in the preceding paragraphs.

MA-15 Housing Market Analysis: Cost of Housing - 91.210(a)

Introduction

One of the most important factors in evaluating a community's housing market is the cost of housing and, even more significant, whether the housing is affordable to households who live there or would like to live there. Housing problems directly relate to the cost of housing in a community. If housing costs are relatively high in comparison to household income, a correspondingly high rate of housing cost burden and overcrowding could result.

Cost of Housing

The American Community Survey annually reports rental costs. The *median gross rents* for these three time periods are as follows:

2005	\$788
2010	\$948
2017	\$1,011

The *median home values* for the same three time periods are listed below:

2005	\$396,400
2010	\$288,700
2017	\$420,800

The 2010 median home value reflects the downward pressures caused by the Great Recession. The 2017 figure surpasses the 2005 median home value which happened at the height of the housing bubble.

Additional rental cost of housing is described below:

Gross Rent	Number	%
Less than \$500	279	2.1%
\$500 to \$999	4,705	35.3%
\$1,000 to \$1,999	7,910	59.3%
\$2,000 or more	<u>442</u>	<u>3.3%</u>
	13,336	100.0%

As noted above, nearly 40% of all renters had monthly rents of \$1,000 or less. To afford a \$1,000 monthly rent, an annual income of \$40,000 is necessary based on 30% of income being allocated to the cost of housing. Almost 60% of all renters had monthly gross rents in the range of \$1,000 to \$1,999. Although this is a wide range indeed, these rent levels are not affordable to many of the City's renter households.

Additionally, the 2017 American Community Survey reported that 377 renters paid no cash rent. According to the ACS, "housing units that are renter occupied without payment of rent are shown separately as "No rent paid." The unit may be owned by friends or relatives who live elsewhere and who allow occupancy without charge. Rent-free houses or apartments may be provided to compensate caretakers, ministers, tenant farmers, sharecroppers, or others. "

Cost of Housing

	Base Year: 2009	Most Recent Year: 2015	% Change
Median Home Value	405,200	312,200	(23%)
Median Contract Rent	844	954	13%

Table 28 – Cost of Housing

Data Source: 2005-2009 ACS (Base Year), 2011-2015 ACS (Most Recent Year)

Rent Paid	Number	%
Less than \$500	674	5.3%
\$500-999	6,755	52.8%
\$1,000-1,499	4,005	31.3%
\$1,500-1,999	1,130	8.8%
\$2,000 or more	220	1.7%
Total	12,784	99.9%

Table 29 – Rent Paid

Data Source: 2011-2015 ACS

Housing Affordability

% Units affordable to Households earning	Renter	Owner
30% HAMFI	440	No Data
50% HAMFI	2,445	134
80% HAMFI	9,940	1,124
100% HAMFI	No Data	4,124
Total	12,825	5,382

Table 30 – Housing Affordability

Data Source: 2011-2015 CHAS

Monthly Rent

Monthly Rent (\$)	Efficiency (no bedroom)	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Fair Market Rent	1,158	1,384	1,791	2,401	2,641
High HOME Rent	1,158	1,253	1,506	1,730	1,911
Low HOME Rent	913	979	1,175	1,357	1,515

Table 31 – Monthly Rent

Data Source: HUD FMR and HOME Rents

Is there sufficient housing for households at all income levels?

Numerically, there is a sufficient supply of housing for all households. There are 737 vacant housing units (a 3% vacancy rate.) However, the cost of housing exceeds the ability to pay of many low- and moderate-

income households. Thus, a significant number of both owner and renter low/moderate income households are cost burdened or crowded or both.

How is affordability of housing likely to change considering changes to home values and/or rents?

The median household increased from \$36,695 to \$42,776 (+20%) between 2000 and 2013. The American Community Survey estimates that the City’s 2017 median household income was \$51,959, a 21% increase from the 2013 figure.

Per the 2011-2015 ACS, South Gate’s median home value is \$312,200 and the median monthly contract rent is \$954. About 40% of all renter households pay between \$1,000 and \$1,999 a month for housing.

Although there is a supply of housing (13,643) affordable to moderate income (50%-80% AMI) owners and renters, housing affordable to extremely low- and very low-income owners and renters is very limited (Table 30).

In general, incomes have not kept pace with the rising cost of both rental and owner housing.

How do HOME rents / Fair Market Rent compare to Area Median Rent? How might this impact your strategy to produce or preserve affordable housing?

The Fair Market Rents and HOME rents (Table 30) generally approximate South Gate rents. The City’s 2017 median gross rents by number of bedrooms are listed below:

No bedrooms	\$844
1 bedroom	\$940
2 bedrooms	\$1,237
3 bedrooms	\$1,629
4 bedrooms	\$1,581
Total	\$1,111

Gross rent is the contract rent plus the estimated average monthly cost of utilities (electricity, gas, and water and sewer) and fuels (oil, coal, kerosene, wood, etc.) if these are paid by the renter (or paid for the renter by someone else). Gross rent is intended to eliminate differentials that result from varying practices with respect to the inclusion of utilities and fuels as part of the rental payment.

A comparison of the City’s median gross rents to the FMRs and HOME rents indicates that more than one-half of the City’s supply of rental housing has rents at or below the limits of the Fair Market Rents and HOME rents.

Thus, maximum rent limits probably would not pose a major barrier to the rehabilitation and preservation of housing with HOME funds. The production of new rental housing would likely command rents higher than the FMRs and HOME rents. However, deep subsidies are necessary to produce housing affordable to extremely low- and low-income households. HOME funds often need to be combined with other state and federal resources to facilitate the production of affordable rental housing developments of 20 or more dwellings.

Discussion

Please refer to the text in the preceding paragraphs.

MA-20 Housing Market Analysis: Condition of Housing – 91.210(a)

Introduction

Assessing housing conditions in South Gate can provide the basis for developing policies and programs to maintain and preserve the quality of the housing stock. The American Community Survey (ACS) defines a "selected condition" as owner- or renter-occupied housing units having at least one of the following conditions: 1) lacking complete plumbing facilities, 2) lacking complete kitchen facilities, 3) more than one occupant per room, and 4) selected monthly housing costs greater than 30% of household income.

Definitions

The condition of housing narrative must include definitions of the following:

- "standard condition"
- "substandard condition but suitable for rehabilitation"

The City defines a housing unit in standard condition as a unit that meets all state and local codes.

The City defines a housing unit in substandard condition but suitable for rehabilitation as a unit that does not meet one or more state or local code requirements but it structurally and financially feasible to rehabilitate.

The City provides general code compliance citywide through the Community Development Department's Building Division Code Enforcement Program. This program is both pro-active and re-active. Staff contacts the person against whom a complaint was filed or where a possible violation is observed to request an inspection to assess whether a code violation does exist. City staff works with individuals to correct violations, with corrections including improvement of substandard housing conditions and blight as well as neighborhood safety.

Condition of Units

Housing is considered suitable for rehabilitation when it is economically feasible to renovate the building and bring it up to standard condition meeting all codes, including City codes.

Typically, housing over 30 years of age needs some form of major rehabilitation, such as a new roof, foundation work, and plumbing. With a vast majority (approximately 90 percent) of the City's housing stock built prior to 1980, housing rehabilitation is clearly a priority need for the community. City staff estimates approximately 25 percent of housing units in the City require substantial rehabilitation and no housing units require replacement.

Table 32 shows that most housing units have one selected condition for both owners and renters. This is followed by units with no selected conditions for both owners and renters. Housing units with two conditions are greater in the renter units (20%) versus owner-occupied units (8%).

Table 33 data shows that 61% of the owner-occupied housing units were built before 1950, compared to the 36% for renter occupied units. Units built after 1950 are occupied by renters at a higher rate than homeowners.

HUD did not provide data for Table 35 – Vacant Units.

Condition of Units	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
With one selected Condition	3,380	37%	7,190	51%
With two selected Conditions	375	4%	2,015	14%
With three selected Conditions	0	0%	50	0%
With four selected Conditions	0	0%	0	0%
No selected Conditions	5,335	59%	4,835	34%
Total	9,090	100%	14,090	99%

Table 32- Condition of Units

Data Source: 2011-2015 ACS

Year Unit Built

Year Unit Built	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
2000 or later	495	5%	539	4%
1980-1999	1,315	14%	2,560	18%
1950-1979	5,530	61%	9,385	67%
Before 1950	1,755	19%	1,600	11%
Total	9,095	99%	14,084	100%

Table 33 – Year Unit Built

Data Source: 2011-2015 CHAS

Risk of Lead-Based Paint Hazard

Risk of Lead-Based Paint Hazard	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
Total Number of Units Built Before 1980	7,285	80%	10,985	78%
Housing Units build before 1980 with children present	1,185	13%	265	2%

Table 34 – Risk of Lead-Based Paint

Data Source: 2011-2015 ACS (Total Units) 2011-2015 CHAS (Units with Children present)

Vacant Units

	Suitable for Rehabilitation	Not Suitable for Rehabilitation	Total
Vacant Units			
Abandoned Vacant Units			
REO Properties			
Abandoned REO Properties			

Table 35 - Vacant Units

Need for Owner and Rental Rehabilitation

Age is an important determinant in the condition of housing stock. Typically, the older housing is, the more likely it is to need maintenance or rehabilitation. With a vast majority (approximately 86%) of the City's housing stock built prior to 1980, housing rehabilitation is clearly a priority need for the community.

The rehabilitation of the aging existing housing stock is facilitated by the City's Housing Improvement Program. The financial features of the program are described below:

Deferred Payment Loan – offers a zero % interest loan which is deferred until title is transferred or property is sold or refinanced. Eligible repairs include roofing, painting, stucco, garage doors, driveway, window replacement, and correction of code violations, with the exception of garage restoration fees. Work must be completed by a State licensed General Contractor. Maximum loan amount is \$65,000. If any rental units are rehabilitated along with the owner-occupied unit on the same lot, a minimum affordability period of 10 -15 years will be required for the rental units. Work must be completed in six (6) months.

Special Grant – must be used in conjunction with a Deferred Payment Loan. Provides grant funds for lead paint testing and abatement, termite inspection and repairs. This Special Grant does not have to be repaid. Work must be completed by a State licensed Contractor. The maximum Special Grant amount is \$10,000.

Estimated Number of Housing Units Occupied by Low- or Moderate-Income Families with LBP Hazards

Housing age is the key variable used to estimate the number of housing units with lead-based paint (LBP). Starting in 1978, the federal government prohibited the use of LBP on residential property.

A HUD-EPA study found that "...83 percent of all privately occupied housing units in the United States built before 1980 have lead-based paint on some surface in or around the building." In the West region, the prevalence rate was 73%. The US prevalence rates by age of housing were:

Before 1940	88%
1940-1959	92%
1960-1959	88%

The City's age of housing cohorts (Table 33) are not the same as those listed above. Therefore, the West Region 73% prevalence rate was applied to the 20,648 housing units built before 1980. Thus, it is estimated that approximately 15,100 may contain lead-based paint.

Based on 2011-2015 ACS data, 71% of all households have low-and moderate-incomes – that is, less than 80% of the area median income. Applying this percentage (73%) to the total number of units that may have lead-based paint (15,100) results in an estimated 11,000 housing units that may contain LBP hazards occupied by low/moderate income families.

The City has addressed the issue of LBP hazards by providing notices to Landlords and Tenants that participate in the Section 8 Housing Choice Voucher Program and Borrowers/Tenants of the City's

Rehabilitation Loan Program, warning them of the hazards of LBP. Additionally, all rental units that are rehabilitated with CDBG and HOME funds are subject to LBP compliance requirements. Through the creation of new affordable housing units, low-income households can reside in new housing units that are free of LBP hazards.

Discussion

The City will continue to encourage the rehabilitation of the existing housing stock through the Housing Improvement Program and other programs that may become available in the future. South Gate will also continue to apply for other funds from the State Department of Housing and Community Development (HCD) to provide grants to assist owner households with needed repairs.

MA-25 Public and Assisted Housing – 91.210(b)

Introduction

The City does not participate in public housing activities.

Totals Number of Units

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project -based	Tenant -based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers available				654			0	0	0
# of accessible units									

***includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition**

Table 36 – Total Number of Units by Program Type

Data Source: PIC (PIH Information Center)

Describe the supply of public housing developments:

Describe the number and physical condition of public housing units in the jurisdiction, including those that are participating in an approved Public Housing Agency Plan:

The South Gate Housing Authority (SGHA) does not own or operate any public housing units. The SGHA administers 654 Housing Choice Vouchers which must pass an annual Housing Quality Standards (HQS) inspection in addition to an HQS inspection prior to move-in to the assisted unit.

The SGHA Administrative Plan addresses strategies to educate low-income voucher holders on HQS information, offers suggestions on how to talk to potential landlords about the voucher program and encourages participants to know their rights as tenants. All these efforts help ensure that voucher holders occupying private rental units are living in safe and decent conditions.

Public Housing Condition

Public Housing Development	Average Inspection Score

Table 37 - Public Housing Condition

Describe the restoration and revitalization needs of public housing units in the jurisdiction:

Typically, HQS inspection failures in the HCV program are due to minor maintenance issues that are repaired in 30 days or less following the failed inspection. The SGHA takes a proactive approach in working with property owners and managers on safety and habitability issues, such as sharing information on new requirements regarding carbon monoxide detectors.

Describe the public housing agency's strategy for improving the living environment of low- and moderate-income families residing in public housing:

In addition to ensuring safety and habitability through HQS compliance and other efforts, such as requirements for carbon monoxide detectors, the HCV program also provides notices to landlords and tenants warning them of the hazards of lead-based paint.

Although the HCV program primarily serves extremely-low and very-low income families, the Housing Authority provides information to the general public about quality affordable housing developments, and referrals to Fair Housing and local building code enforcement departments to assist families in improving their living environments.

Discussion:

Refer to the above narratives.

MA-30 Homeless Facilities and Services – 91.210(c)

Introduction

MA-30 requires a brief inventory of facilities, housing, and services that meet the needs of homeless persons within the City, particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth. The inventory of services must include both services targeted to homeless persons and mainstream services, such as health, mental health, and employment services to the extent those services are used to complement services targeted to homeless persons.

Homeless facilities and services are defined below:

- **Emergency Shelter:** Any facility, the primary purpose of which is to provide a temporary shelter for the homeless in general or for specific populations of the homeless, and which does not require occupants to sign leases or occupancy agreements.
- **Transitional Housing:** Housing, where all program participants have signed a lease or occupancy agreement, the purpose of which is to facilitate the movement of homeless individuals and families into permanent housing within 24 months or such longer period as HUD determines necessary. The program participant must have a lease or occupancy agreement for a term of at least one month that ends in 24 months and cannot be extended.
- **Permanent Housing:** Community-based housing without a designated length of stay and includes both permanent supportive housing and rapid re-housing. To be permanent housing, the program participant must be the tenant on a lease for a term of at least one year, which is renewable for terms that are a minimum of one month long and is terminable only for cause.
- **Permanent Supportive Housing:** Permanent housing in which supportive services are provided to assist homeless persons with a disability to live independently.

Table 38 - Facilities and Housing Targeted to Homeless Households – shows that homeless facilities and housing are not located within the City of South Gate.

Facilities and Housing Targeted to Homeless Households

	Emergency Shelter Beds		Transitional Housing Beds	Permanent Supportive Housing Beds	
	Year-Round Beds (Current & New)	Voucher / Seasonal / Overflow Beds	Current & New	Current & New	Under Development
Households with Adult(s) and Child(ren)	0	0	0	0	0
Households with Only Adults	0	0	0	0	0
Chronically Homeless Households	0	0	0	0	0
Veterans	0	0	0	0	0
Unaccompanied Youth	0	0	0	0	0

Table 38 - Facilities and Housing Targeted to Homeless Households

Describe mainstream services, such as health, mental health, and employment services to the extent those services are used to complement services targeted to homeless persons

The City of South Gate participates in the County of Los Angeles' Continuum of Care system that provides services and facilities for the homeless and is comprised of local government jurisdictions, federal agencies, non-profit service and housing providers, technical assistance organizations, and organizations from the faith community.

The Los Angeles County Department of Health Services (DHS) aims to ensure access to high quality, patient-centered, cost-effective health care to Los Angeles County residents through direct services at DHS facilities and through collaboration with community and university partners. The DHS provides a range of family, emergency, and specialty health services.

The Los Angeles County Department of Public Social Services (DPSS) is another County resource that offers various programs to promote health among low-income County residents. For example, the homeless programs and services for CalWORKS families are described below:

- Homeless Assistance Program (Temporary, Permanent, and Permanent Arrearages)
- Moving Assistance (MA) Program
- Emergency Assistance to Prevent Eviction (EAPE) Program
- 4-Month Rental Assistance (RA) Program
- Homeless Case Management Program
- District Access Team
- Temporary Homeless Assistance Program (THAP)

These homeless benefits and services are administered together by Eligibility Workers and Homeless Case Managers in CalWORKS district offices and Homeless Supportive GAIN Services Workers in (Greater Avenues for Independence Program (GAIN) regions.

Services offered by the Los Angeles County Department of Mental Health (DMH) include assessments, case management, crisis intervention, medication support, peer support, and other rehabilitative services.

Employment plays a key role in ending homelessness. It also supports recovery for those suffering from mental and substance use disorders. Unfortunately, homeless people face many barriers to finding and sustaining employment. People who are chronically homeless often suffer the impacts of mental illness, substance abuse and co-occurring disorders. Homeless people also confront serious personal challenges, such as a lack of interviewing skills, job credentials, a fixed address and phone number, identification cards, and interview clothes. They may also have issues adapting to a regular work schedule or work environment and problems with their personal appearance or hygiene. Homeless youth face additional obstacles, including a lack of education or vocational preparation. Moreover, many homeless individuals are on the wrong side of the "digital divide," meaning they are unfamiliar or uncomfortable with increasingly prevalent modern technology such as computers. In addition, many mainstream employment programs do not effectively serve this population.

The Hub Cities WorkSource Center is made possible through funding and support from a variety of partners. All services are provided to employers and job seekers at no cost through the Federal Workforce Innovation Opportunity Act (WIOA). Hub Cities One-Stop Career Center, based in Huntington Park,

California, was founded in 1988 as the primary public job training and placement center for residents of the cities of Huntington Park, South Gate, Lynwood, Cudahy, Maywood and Bell Gardens.

HUB Cities offers several job seeker services including training assistance, referrals to ESL programs, services for veterans, and assistive devices for individuals with disabilities.

The Veteran Administration's Compensated Work Therapy (CWT) Program is a national vocational program comprised of three unique programs which assist homeless veterans in returning to competitive employment: Sheltered Workshop, Transitional Work, and Supported Employment. Veterans in CWT are paid at least the federal or state minimum wage, whichever is higher.

List and describe services and facilities that meet the needs of homeless persons, particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth. If the services and facilities are listed on screen SP-40 Institutional Delivery Structure or screen MA-35 Special Needs Facilities and Services, describe how these facilities and services specifically address the needs of these populations.

There are a variety of agencies in the region that provide housing options and case management assistance including those returning from mental and physical health institutions. They provide the option of living independently in a group setting. They are:

- **Rio Hondo Temporary Home, Norwalk** – Provides emergency food and transitional shelter for families with children in the Cerritos, Downey, La Mirada, Montebello, Norwalk, Pico Rivera, Santa Fe Springs and Whittier areas. There are no geographical restrictions for residents.
- **Santa Fe Springs Transitional Living Center, Whittier** – Provides shelter for homeless families in transition, most of whom are single parents or victims of domestic violence and substance abuse, in Los Angeles County.
- **Hospitality Housing, Whittier** – Provides homeless support services for single adults 18 years and older and families with children.
- **Birch Grove Homes, Norwalk** - Provides supportive services to 20 persons in an existing permanent housing program for persons with mental health disabilities.
- **Community Housing Options, scattered sites** - Provides permanent supportive housing to homeless persons and families living with HIV/AIDS or dual diagnoses.
- **Denker House/Harvest House, scattered sites** - Provides supportive services in an existing permanent housing program for persons with disabilities.
- **Homes for Life Foundation, Norwalk** - Provides permanent housing to eight persons with mental health disabilities in eight one-bedroom apartment style units.
- **Su Casa Domestic Violence Network, Lakewood** - Provides crisis intervention service for domestic violence victims and their children, for a maximum of 30 consecutive days.
- **Salvation Army, Bell Shelter** – Provides emergency shelter services and transitional care for up to 350 homeless men and women.
- **The Southern California Rehabilitation Services** – An independent living resource center in Downey which offers programs to eligible South Gate residents that provide people with the tools to learn how to live independently including cooking, budgeting, reading and finding employment. They also offer disability assistance for improvements on homes for people with disabilities.

The City also assists low income, special needs and homeless with the CDBG Public Service Category of funding to local non-profits. The eligible activities include, but are not limited to, employment services (e.g. job training), crime prevention and public safety, child care, health services, substance abuse services (e.g., counseling and treatment), fair housing counseling, education programs, services for senior citizens and services for homeless persons.

The City staff administers two homeless programs:

Homeless Prevention Program

The City of South Gate plans, coordinates and organizes strategies to assist the City's homeless population in collaboration with other public and private organizations. The County of Los Angeles through Los Angeles Homeless Services Authority (LAHSA) has the primary responsibility for providing regional homeless services.

Individuals and families who do not qualify as South Gate residents are referred to People Assisting the Homeless (PATH) for screening.

Homeless Outreach Program

The South Gate Police Department, in cooperation with The Salvation Army Bell Shelter, operates a homeless outreach program which consists of a mobile outreach team. A Police Department Liaison and personnel from the Bell Shelter coordinate street outreach efforts by vehicle and by foot.

Street outreach, case management, and referrals are provided to homeless families and individuals through this program. Homeless clients are provided guidance in the identification of barriers to overcoming homelessness and the development of a plan to address these challenges. The team then assists clients at a highly supportive level to address those needs which may include accessing mainstream services, increasing income, developing self-determination, and accessing shelter and housing.

MA-35 Special Needs Facilities and Services – 91.210(d)

Introduction

Special needs groups include the elderly, frail elderly, persons with disabilities, persons with alcohol or drug addiction, and victims of domestic violence.

Including the elderly, frail elderly, persons with disabilities (mental, physical, developmental), persons with alcohol or other drug addictions, persons with HIV/AIDS and their families, public housing residents and any other categories the jurisdiction may specify, and describe their supportive housing needs

The Southern California Rehabilitation Center (SCRS) assists people with disabilities to live more independently and to remove architectural and attitudinal barriers in society that limit their independence. Staff provides information and referrals, advocacy, independent living skills, peer support, nursing home transitions, and home modifications. SCRS maintains a waiting list for all cities served by the organization.

In addition, senior and disabled persons live in an Adult Residential Facility (ARF). According to the California Department of Social Services, an ARF is a residential home for adults ages 18 through 59 with mental health care needs or who have physical or developmental disabilities and require or prefer assistance with care and supervision. There are six adult residential care facilities located in South Gate. Five are in single family homes that have a combined capacity of 19 persons. Eden Manor, which has a capacity of 45 persons, is the other adult residential facility.

Nine publicly subsidized, multifamily rental developments which have a total of 321 subsidized affordable housing units are in the City. All the affordable housing units are targeted to seniors and people with disabilities.

In addition, PATH Villas at South Gate is a proposed 60-unit affordable apartment community for veterans and men and women with fragile health moving out of homelessness. The development, which is scheduled for completion in Spring 2020, will include 31 studio apartments, 28 one-bedroom units, and 1 two-bedroom manager's unit.

Describe programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing

The City of South Gate does not receive funding from Federal sources that require the implementation of supportive housing programs for persons returning from mental and physical health institutions.

State law and the Los Angeles County Department of Mental Health (DMH) regulations require a discharge planning process for Acute Care Hospitals, State Mental Hospitals, and Institutions for Mental Disease programs. Housing resources on discharge include independent living with rental assistance, family reunification, living with roommates, permanent supportive housing (PSH), and nursing homes.

California law requires hospitals/regional hospital associations to have protocols for homeless patients. The Hospital Association of Southern California, National Health Foundation, and Illumination

Foundation's Recuperative Care Program must provide post-hospital healthcare services to homeless patients moving from acute care. Services include housing location assistance, residential medical and social support.

Los Angeles County Department of Health Services (DHS) regulations require health care facilities to provide appropriate housing location and supportive services to avoid discharge into homelessness. Programs include: The Recuperative Care Program, nursing facilities, board and care, family reunification, permanent supportive housing (PSH), and affordable housing. DHS also funds 24/7 ES medical services where Case Managers work with patients to obtain housing, services, and benefits.

Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. 91.315(e)

The City will add transitional housing as a permitted use in the Civic Center and Urban Neighborhood zones. The City will also incorporate into the zoning ordinance the by right use requirements of AB 2162. Government Code 65651(a) states:

Supportive housing shall be a use by right in zones where multifamily and mixed uses are permitted, including nonresidential zones permitting multifamily uses, if the proposed housing development satisfies ... certain requirements, including affordability.

For entitlement/consortia grantees: Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. (91.220(2))

The City of South Gate is not an entitlement/consortia grantee.

MA-40 Barriers to Affordable Housing – 91.210(e)

Negative Effects of Public Policies on Affordable Housing and Residential Investment

According to HUD's guidance (Using IDIS to Prepare the Consolidated Plan, May 2018), MA-40 must describe regulatory barriers to affordable housing and describe public policies that affect the cost of housing and incentives to develop, maintain or improve affordable housing. The descriptions must focus on the negative effects on affordable housing of public policies such as *tax policy* affecting land and other property, *land use controls, zoning ordinances, building codes, fees and charges, growth limits,* and policies that affect the *return on residential investment*.

Tax policy affecting land and other property is governed by California state law. Property taxes are based on a property's assessed value. Property tax bills show land and improvement values. *Improvements* include all assessable buildings and structures on the land. *It does not necessarily mean recently "improved" property.* State law mandates that all property is subject to taxation unless otherwise exempted. In general, properties that are owned and used by educational, charitable, religious or government organizations may be **exempt** from certain property taxes.

Housing for low-income households owned and operated by a qualifying nonprofit organization is eligible for exemption from property taxes. The eligibility is based on family household income and the following restrictions:

- The property use is restricted to low-income housing by a regulatory agreement, recorded deed restriction, or other legal document;
- The funds that would have been necessary to pay property taxes are used to maintain the affordability of the housing or to reduce the rents for the units occupied by lower income households; and
- The property receives either state or federal low-income housing tax credits or government financing, or 90 percent or more of the tenants are qualified low-income tenants within the prescribed rent levels.

Therefore, South Gate's affordable housing developments owned by nonprofit organizations are eligible for exemption from property taxes.

The City's *2014-2021 Housing Element* identified land use controls that could create barriers to affordable housing.

The Housing Element includes a program to bring the City's zoning regulations into compliance with State and federal laws. The program called for the Zoning Code update to add provisions for various types of special needs housing and remove all previously identified housing constraints. The removal and/or amelioration of the identified barriers were accomplished by the adoption of a comprehensive Zoning Ordinance update that was approved in March 2015. The Zoning Ordinance include updated policies and standards regarding density bonuses; second dwelling units; reasonable accommodation; and definitions for residential care facility, supportive housing, target population, transitional housing, and senior housing.

The City does not have growth limits, or policies and ordinances that regulate the number of housing units that can be constructed annually.

The City does not have ordinances such as rent control that directly affect the residential investment rate of return. In affordable for-sale and for-rent projects, however, the City does enact controls to maintain affordability.

MA-45 Non-Housing Community Development Assets – 91.215 (f)

Introduction

The discussion of non-housing community development assets involves an analysis of the following tables:

- Table 39 – Business Activity
- Table 40 – Labor Force
- Table 41 – Occupations by Sector
- Table 42 – Travel Time
- Table 43 – Educational Attainment by Employment Status
- Table 44 – Education Attainment by Age
- Table 45 – Median Earnings in the Past 12 Months

Economic Development Market Analysis

Business Activity

Business by Sector	Number of Workers	Number of Jobs	Share of Workers %	Share of Jobs %	Jobs less workers %
Agriculture, Mining, Oil & Gas Extraction	386	5	1	0	-1
Arts, Entertainment, Accommodations	3,911	1,872	12	10	-3
Construction	1,615	1,088	5	6	1
Education and Health Care Services	4,600	2,067	14	11	-4
Finance, Insurance, and Real Estate	1,271	357	4	2	-2
Information	523	96	2	0	-1
Manufacturing	5,210	5,203	16	27	10
Other Services	1,167	254	4	1	-2
Professional, Scientific, Management Services	1,742	714	5	4	-2
Public Administration	0	0	0	0	0
Retail Trade	4,103	2,876	13	15	2
Transportation and Warehousing	1,830	3,180	6	16	11
Wholesale Trade	2,562	959	8	5	-3
Total	28,920	18,671	--	--	--

Table 39 - Business Activity

Data 2011-2015 ACS (Workers), 2015 Longitudinal Employer-Household Dynamics (Jobs)
Source:

Labor Force

Total Population in the Civilian Labor Force	46,290
Civilian Employed Population 16 years and over	40,110
Unemployment Rate	13.34
Unemployment Rate for Ages 16-24	29.57
Unemployment Rate for Ages 25-65	8.61

Table 40 - Labor Force

Data Source: 2011-2015 ACS

Occupations by Sector	Number of People
Management, business, and financial	4,120
Farming, fisheries, and forestry occupations	2,440
Service	4,815
Sales and office	10,690
Construction, extraction, maintenance, and repair	4,085
Production, transportation, and material moving	3,870

Table 41– Occupations by Sector

Data Source: 2022-2015 ACS

Travel Time

Travel Time	Number	Percentage
< 30 Minutes	19,280	51%
30-59 Minutes	13,895	36%
60 or More Minutes	4,930	13%
Total	38,105	100%

Table 42 - Travel Time

Data Source: 2011-2015 ACS

Education:

Educational Attainment by Employment Status (Population 16 and Older)

Educational Attainment	In Labor Force		Not in Labor Force
	Civilian Employed	Unemployed	
Less than high school graduate	12,990	1,740	6,680
High school graduate (includes equivalency)	8,925	1,250	3,020
Some college or Associate degree	7,840	955	1,795
Bachelor's degree or higher	3,320	295	425

Table 43 - Educational Attainment by Employment Status

Data Source: 2011-2015 ACS

Educational Attainment by Age

	Age				
	18–24 yrs	25–34 yrs	35–44 yrs	45–65 yrs	65+ yrs
Less than 9th grade	195	1,270	2,670	8,925	4,765
9th to 12th grade, no diploma	2,290	2,310	2,875	3,360	1,065
High school graduate, GED, or alternative	3,920	4,670	3,995	4,520	1,115
Some college, no degree	4,410	4,200	1,930	2,230	535
Associate degree	305	940	495	800	180
Bachelor's degree	425	1,400	980	825	195
Graduate or professional degree	20	355	250	240	105

Table 44 - Educational Attainment by Age

Data Source: 2011-2015 ACS

Educational Attainment – Median Earnings in the Past 12 Months

Educational Attainment	Median Earnings in the Past 12 Months
Less than high school graduate	20,620
High school graduate (includes equivalency)	24,876
Some college or Associate's degree	30,318
Bachelor's degree	41,583
Graduate or professional degree	56,420

Table 285 – Median Earnings in the Past 12 Months

Data Source: 2011-2015 ACS

Based on the Business Activity table above, what are the major employment sectors within your jurisdiction?

South Gate has fewer jobs (approximately 18, 600) located within the City limits than workers (approximately 28,900) (Table 39).

The business sectors offering the most jobs within South Gate include Manufacturing: 5,203, Transportation and Warehousing: 3,180, and Retail Trade: 2,876.

Most residents are employed in the following business sectors Manufacturing: 5,210, Education and Health Care Services: 4,600, Retail Trade: 4,103, and Arts, Entertainment, and Accommodations: 3,911.

South Gate is home to several major employers who provide plenty of jobs for the local workforce: Koo's Manufacturing, HUDD Transportation Services, B. Hunt Transport, Inc., Tesoro, AltaMed, Primestor, Rock View, World Oil, IRS Demo, and Edison International.

The Southern California Association of Governments (SCAG) also has prepared estimates of the total jobs in the South Gate. According to SCAG, total jobs include wage and salary jobs and jobs held by business owners and self-employed persons. The total job count does not include unpaid volunteers or family workers, and private household workers. In 2017, total jobs in the City of South Gate numbered 22,440, an increase of 9.3% from 2007. A sector-by-sector analysis is provided in the following paragraphs.

Manufacturing jobs include those employed in various sectors including food, apparel, metal, petroleum and coal, machinery, computer and electronic products, and transportation equipment. In 2017, the total manufacturing jobs numbered 3,373. Between 2007 and 2017, the number of manufacturing jobs in the City decreased by 13.1%.

Construction jobs include those engaged in both residential and non-residential construction. In 2017, the total construction jobs numbered 617. Between 2007 and 2017, construction jobs in the City decreased by 18.3%.

Retail trade jobs include those at various retailers including motor vehicle and parts dealers, furniture, electronics and appliances, building materials, food and beverage, clothing, sporting goods, books, and office supplies. In 2017, total retail trade jobs numbered 4,203. Between 2007 and 2017, the number of retail trade jobs in the City increased by 18.6%.

Jobs in the professional and management sector include those employed in professional and technical services, management of companies, and administration and support. In 2017, the total number of professional and management sector jobs numbered 1,201. Between 2007 and 2017, the number of professional and management jobs in the City increased by 5.6%.

Additional information on the workforce concerns their commuting patterns. City Table 3 shows the top 10 places where residents commute to work. Approximately 7% of all workers who live in the City also work in South Gate. One of every four residents' commutes to Los Angeles to work.

**City Table 3
City of South Gate
Top 10 Places Where Residents Commute to Work: 2016**

Rank	Local Jurisdiction	Number of Commuters	Percent of Total Commuters
1	Los Angeles	8,064	25.8%
2	South Gate	2,067	6.6%
3	Long Beach	1,167	3.7%
4	Vernon	1,126	3.6%
5	Commerce	798	2.6%
6	Santa Fe Springs	794	2.5%
7	Downey	750	2.4%
8	Carson	675	2.2%
9	Torrance	576	1.8%
10	Lynwood	495	1.6%
All Other Destinations		14,700	47.2%

Source: Southern California Association of Governments, Profile of the City of South Gate, May 2019, page 21 and U.S. Census Bureau, 2019, LODES Data; Longitudinal-Employer Household Dynamics Program, <https://lehd.ces.census.gov/data/lodes/>

Describe the workforce and infrastructure needs of the business community:

According to the ACS, South Gate’s unemployment rate was almost 14% in 2015 (Table 40). Currently, the State Employment Development Department (EDD) reported that 43,600 South Gate residents were in the labor force with 41,500 residents employed. The City’s unemployment rate – as of October 2018 – was 4.8%.

Few residents are employed in farming, fishing, and forestry occupations (Table 41). The largest number and percentage of residents have sales and office occupations. Most workers (51%) have jobs located within 30 minutes of their South Gate home. (Table 42). About 34% of the employed labor force have obtained some college, an Associate’s degree, or Bachelor’s degree. The majority (66%) of the employed labor force have a high school education or less (Table 43)

Describe any major changes that may have an economic impact, such as planned local or regional public or private sector investments or initiatives that have affected or may affect job and business growth opportunities during the planning period. Describe any needs for workforce development, business support or infrastructure these changes may create.

South Gate is a member jurisdiction of the Southern California Association of Governments (SCAG). According to SCAG:

Overall, member jurisdictions since 2000 have been impacted by a variety of factors at the national, regional, and local levels. For example, most member jurisdictions included in the 2017 Local Profiles reflect national demographic trends toward an older and more diverse population. Evidence of continued progress toward economic recovery is also apparent through gradual increases in employment, retail sales, building permits, and home prices. Work destinations and commute times correlate with regional development patterns and the geographical location of local jurisdictions, particularly in relation to the regional transportation system.

The Los Angeles County Economic Development Corporation (LAEDC) projects that most industries located in Los Angeles County will add jobs over the next five years. According to the LAEDC:

The strongest job growth will be in population serving service-oriented industries that will continue to serve the growing population in Los Angeles County.

The City of South Gate’s commitment to economic development includes attracting, retaining, and expanding the City’s business community to support job creation; stimulate an economy that grows the local tax base; and securing a competitive business climate. The City works in partnership with its business organizations such as the South Gate Chamber of Commerce, facilitating access to business incentives and programs.

The major business corridors/areas include:

- Historic Tweedy Mile Corridor
- Firestone Boulevard Corridor
- Hollydale Corridors
- El Paseo
- The Azalea Shopping Center

Examples of recent economic development include the Atlantic Avenue Commercial Center; AltaMed, a 2-story medical facility; The Crossroads at Firestone Boulevard Shopping Center; and the Calden Court Apartments, an affordable 216 multi-family housing development.

How do the skills and education of the current workforce correspond to employment opportunities in the jurisdiction?

Jobs located within South Gate match well with the skills and education of the local workforce. Business sectors offering the jobs that may not require a high school graduation include retail trade, accommodation and food services, other services, manufacturing, and warehousing. Workers with less than a high school education would benefit from training so they could compete for better paying jobs. The median annual income earnings of workers with less than a high school education is less than \$21,000 (Table 45).

HUB Cities One-Stop Career Center (HCCC), based in Huntington Park, was founded in 1988 as the primary public job training and placement center for residents of the cities of Huntington Park, South Gate, Lynwood, Cudahy, Maywood, and Bell Gardens.

While HCCC has many one-stop counterparts in LA County, none have quite the same set of challenges faced by this organization and the cities in the immediate area. The population density of HUB Cities area is 15,512 persons per square mile, which is approximately 637% more dense than the Los Angeles County average and well over 7,000% that of the State of California. HCCC's, population is younger than in LA County or California, with 43% being younger than 20 years of age. In contrast, the population of those less than 24 years of age in LA County and the State of California are just 35% and 35.9% respectively. According to the HUB Cities, one contributing factor and area of concern is the fact that one in seven young women in the region will give birth before turning 20.

Among the most severe challenges facing HUB Cities' local communities is the overall low level of educational attainment. The attrition rate for high school students in the high school district ranges from 54% to 36%.

Reflecting on population's low educational attainment levels, the per capita income of the area is just \$9,140. The income levels are 65% lower than the average in Los Angeles County and 68% lower than the State of California. According to the HUB Cities improvements to the area's per capita income cannot be expected until the level of educational attainment improves significantly

Describe any current workforce training initiatives, including those supported by Workforce Investment Boards, community colleges and other organizations. Describe how these efforts will support the jurisdiction's Consolidated Plan.

The Hub Cities WorkSource Center is made possible through funding and support from a variety of partners. All services are provided to employers and job seekers at no cost through the Federal Workforce Innovation Opportunity Act (WIOA). HUB Cities is located approximately 2.6 miles from South Gate's City Hall. HUB Cities offers several job seeker services including training assistance, referrals to ESL programs, services for veterans, and assistive devices for individuals with disabilities.

Funds for economic development are limited and with so many reductions, the City will be hard pressed to fund economic development activities in the future. However, City officials and staff will continue to work with private and other public partners to assist in the retention and expansion of local businesses with the objective of increasing average incomes with particular emphasis on expansion of a sustainable local economy.

Does your jurisdiction participate in a Comprehensive Economic Development Strategy (CEDS)?

No

If so, what economic development initiatives are you undertaking that may be coordinated with the Consolidated Plan? If not, describe other local/regional plans or initiatives that impact economic growth.

Not applicable to the City of South Gate.

A Planning Organization seeking to formulate and implement a regional economic development program will benefit from developing a CEDS. Successful economic development efforts are based on CEDS that provide an economic roadmap to diversify and strengthen regional economies. The Public Works and Economic Development Act of 1965, as amended (PWEDA), requires a CEDS to apply for investment assistance under EDA's Public Works or Economic Adjustment Assistance Programs. At EDA's discretion, EDA may accept CEDS that it has funded or CEDS prepared independently of EDA investment assistance or oversight.

The City of South Gate has not independently prepared a CEDS and does not participate in a Comprehensive Economic Development Strategy (CEDS).

During this Consolidated Plan period, South Gate will continue to assess and coordinate economic development initiatives in partnership with local workforce boards to implement local or regional economic initiatives.

Discussion

Refer to the analysis in the preceding paragraphs.

MA-50 Needs and Market Analysis Discussion

Are there areas where households with multiple housing problems are concentrated? (include a definition of "concentration")

The geographic distribution of housing problems mirrors that of the low-and moderate-income population. Housing problems impacting lower income households such as cost burden and crowding are not geographically concentrated.

Housing quality problems are correlated with the age of housing. As noted above, the City has an older housing stock. There are no census tract areas where the "youthful" housing stock predominates. Therefore, housing quality problems are not concentrated in certain areas or neighborhoods.

Housing cost-burden is the most common housing problem adversely impacting owners and renters alike. This type of housing problem is prevalent throughout the City and is not necessarily concentrated in a few neighborhoods.

Are there any areas in the jurisdiction where racial or ethnic minorities or low-income families are concentrated? (include a definition of "concentration")

A concentration is defined by HUD when a minority percentage exceeds the citywide percentage by 10%. Because, in South Gate, minority residents comprise 97% of the City's population there is no area or neighborhood concentration. City Table 4 shows the number of persons residing in each census tract by race and ethnicity.

Almost 68% of South Gate's population have low/moderate incomes (<80% AMI). Nine of the City's 57 block groups have a low/mod income population that comprises less than 50% of the population. Therefore, most South Gate's residents live in 48 block groups that have most of the low/mod income population. For details, refer to City Table 5.

City Table 4
City of South Gate
Minority population by Census Tract

Census Tract	White alone	Hispanic or Latino (of any race)	Black or African American alone	American Indian and Alaska Native alone	Asian alone	Native Hawaiian and Other Pacific Islander alone	Some other race alone	Two or more races	Total	Percent Minority
5355.01	54	3,876	5	0	4	5	0	5	3,949	98.6%
5355.02	118	5,012	45	0	27	0	0	0	5,202	97.7%
5355.03	26	2,339	0	12	0	0	0	16	2,393	98.9%
5356.03	13	3,511	62	0	7	0	0	0	3,593	99.6%
5356.04	26	4,326	0	0	0	0	0	0	4,352	99.4%
5356.05	25	4,589	0	0	40	0	0	0	4,654	99.5%
5356.06	62	2,006	14	0	0	6	0	18	2,106	97.1%
5356.07	50	4,994	31	0	0	0	0	0	5,075	99.0%
5357.01	50	5,593	0	0	99	0	0	7	5,749	99.1%
5357.02	286	4,448	0	0	0	0	0	29	4,763	94.0%
5358.02	347	6,172	0	0	0	13	0	25	6,557	94.7%
5358.03	40	4,405	0	0	9	0	22	0	4,476	99.1%
5358.04	139	5,458	34	0	0	0	0	0	5,631	97.5%
5359.01	51	5,673	10	0	0	0	0	0	5,734	99.1%
5359.02	309	6,684	0	0	40	0	0	21	7,054	95.6%
5360	49	3,724	13	24	12	0	0	0	3,822	98.7%
5361.02	730	2,641	17	0	14	9	0	8	3,419	78.6%
5361.03	117	5,434	7	0	18	0	0	34	5,610	97.9%
5361.04	79	3,818	131	0	18	53	3	20	4,122	98.1%
5362	462	6,181	206	0	267	43	0	0	7,159	93.5%
Total	3,033	90,884	575	36	555	129	25	183	95,420	96.8%
Percent	3.2%	95.2%	0.6%	0.0%	0.6%	0.1%	0.0%	0.2%	100.0%	

Source: American FactFinder 2013-2017 American Community Survey, Table DP05 ACS Demographic and Housing Estimates

**City Table 5
City of South Gate
Percent Low/Moderate Income Population
By Census Tract and Block Group: 2010**

Census Tract	Block Group	Number Low/Mod	Low/Mod Universe	Percent Low/Mod
5355.01	1	1,800	2,015	89.3%
5355.01	2	1,175	1,545	76.1%
5355.02	1	1,495	2,390	62.6%
5355.02	2	2,320	3,050	76.1%
5355.03	1	1,730	2,230	77.6%
5356.03	1	1,370	1,805	75.9%
5356.03	2	1,465	2,010	72.9%
5356.04	1	1,645	1,815	90.6%
5356.04	2	1,380	2,255	61.2%
5356.05	1	1,875	2,480	75.6%
5356.05	2	1,325	1,730	76.6%
5356.06	1	1,455	2,065	70.5%
5356.07	1	1,165	1,545	75.4%
5356.07	2	870	1,075	80.9%
5356.07	3	510	825	61.8%
5356.07	4	625	715	87.4%
5357.01	1	1,275	1,940	65.7%
5357.01	2	1,300	2,050	63.4%
5357.01	3	1,585	2,355	67.3%
5357.02	1	1,205	1,340	89.9%
5357.02	2	1,125	1,445	77.9%
5357.02	3	630	1,020	61.8%
5357.02	4	1,275	1,490	85.6%
5358.02	1	1,505	1,870	80.5%
5358.02	2	615	1,360	45.2%
5358.02	3	1,115	1,420	78.5%
5358.02	4	1,695	2,215	76.5%
5358.03	1	1,335	1,620	82.4%
5358.03	2	1,415	1,725	82.0%
5358.03	3	875	975	89.7%
5358.04	1	1,555	2,625	59.2%
5358.04	2	2,055	2,650	77.5%
5359.01	1	635	1,275	49.8%
5359.01	2	845	1,640	51.5%
5359.01	3	935	1,410	66.3%
5359.01	4	1,265	1,765	71.7%
5359.02	1	1,200	1,530	78.4%

**City Table 5-continued
City of South Gate
Percent Low/Moderate Income Population
By Census Tract and Block Group: 2010**

Census Tract	Block Group	Number Low/Mod	Low/Mod Universe	Percent Low/Mod
5359.02	1	940	1500	62.67%
5359.02	2	580	1,575	36.83%
5359.02	3	750	2,410	31.12%
5359.02	4	1,140	2,340	48.72%
5360	1	650	880	73.86%
5360	2	2,095	3,045	68.80%
5361.02	1	750	1,355	55.35%
5361.02	2	335	710	47.18%
5361.02	3	800	1240	64.52%
5361.03	1	1095	1245	87.95%
5361.03	2	930	2,085	44.60%
5361.03	3	1,240	2,050	60.49%
5361.04	1	1070	1,200	89.17%
5361.04	2	550	1,220	45.08%
5361.04	3	970	1300	74.62%
5361.04	4	210	480	43.75%
5362	1	1,125	2,035	55.28%
5362	2	895	1,790	50.00%
5362	3	560	880	63.64%
5362	4	1075	1550	69.35%
5362	5	1040	1,345	77.32%

U.S. Department of Housing and Urban Development, *FY 2018 LMISD Local Governments by State, Based on 2011-2015 American Community Survey*

What are the characteristics of the market in these areas/neighborhoods?

There are no concentrations areas or neighborhoods. Therefore, indicators of the characteristics (e.g., prices, rents, foreclosures) can be based on conditions in the City as a whole.

According to SCAG, between 2000 and 2018, the median home sales price of existing homes increased 190% from \$150,000 to \$435,000. The median home sales price increased by 81.3% between 2010 and 2018. In 2018, the median home sales price in the City was \$435,000, \$162,000 lower than that in the county overall. Median home sales price reflects resale of existing homes, which varies due to type of units sold. Between 2000 and 2018, the largest single year increase was 32%.

SCAG data indicates that housing costs accounted for an average of 35.1% of total household income for renters. Housing costs accounted for an average of 28.1% of total household income for homeowners.

There were 12 foreclosures in 2018. Many more neighborhoods of the City were adversely impacted by foreclosures in the past. SCAG data indicates that between 2007 and 2018 there were 1,262 foreclosures.

Source: Southern California Association of Governments, *Profile of the City of South Gate*, May 2019, pages 15-17

Are there any community assets in these areas/neighborhoods?

There are several community assets in these areas/neighborhoods, including two Libraries, Senior Center, Farmers Market, and City Hall. Additionally, South Gate Park, a regional park centrally located within the City, is perhaps the single most important asset serving over 5,000 visitors daily. South Gate Park covers a total of 96.8 acres and includes six different facilities (e.g., golf course, Sports Center, etc.)

Are there other strategic opportunities in any of these areas?

During the 2020-2025 Consolidated Plan period, the City will continue to encourage funding alternatives to increase strategic opportunities in low-and moderate-income areas including the development of a new 7 acre park.

MA-60 Broadband Needs of Housing occupied by Low- and Moderate-Income Households - 91.210(a)(4), 91.310(a)(2)

Describe the need for broadband wiring and connections for households, including low- and moderate-income households and neighborhoods.

Pursuant to the Consolidated Plan regulations, during the process of developing the Consolidated Plan the City's consultation process included gathering information on broadband internet service providers, organizations engaged in narrowing the digital divide, agencies whose primary responsibilities include the management of flood prone areas, public land or water resources, and emergency management agencies.

Broadband Internet Service Providers/Organization Engaged in Narrowing the Digital Divide

Dozens of internet service providers make coverage available in South Gate.

High-speed fiber internet is available in some South Gate neighborhoods through Frontier Fios. This ISP's service map runs from the City center to Garfield Avenue in the east.

AT&T is available primarily in the far western and eastern parts of South Gate. Covered neighborhoods include Nebraska Avenue, Tweedy Boulevard, and Hollydale.

Cable service is provided by Time Warner Spectrum in many parts of South Gate. The central part of the City falls outside the service area.

Cable service is also available through Charter in a handful of neighborhoods. Through Charter, service is available in San Vincent, Firestone, and Adella.

Those living in the western half of South Gate enjoy consistent internet service through Sonic.net.

Another popular option in South Gate is New Edge Networks, which covers much of the City within its service area.

A summary is provided below:

Provider	Type	Download Speeds Up To
AT&T	DSL & Fiber	100 Mbps
Spectrum	Cable	100 Mbps
Viasat	Satellite	25 Mbps
New Edge Networks	Other Copper Wireline	2 Mbps
Sonic.net	DSL	25 Mbps

According to Stanford University, the "digital divide" refers to the growing gap between the underprivileged members of society, especially the poor, rural, elderly, and handicapped portion of the

population who do not have access to computers or the internet; and the wealthy, middle-class, and young Americans living in urban and suburban areas who do have access.

Stanford University has described the following governmental initiatives:

- The Schools and Libraries Division of the Universal Service Administrative Company (USAC)

Enables schools, libraries, and rural health care providers - that could normally not afford them - with network wiring and access to both telecommunications and Internet services. Otherwise known as the "E-rate" program, requires telecommunications companies to provide services to those eligible at rates discounted from 20% to 90%. The highest priority and discounts are given to the most economically or geographically disadvantaged schools and libraries, based on the household incomes of student's families. Congress and the FCC approved \$2.25 billion in annual funding. In the first year of funding, the program helped connect 80,000 schools and 38 million children.

- The Community Technology Center's Program sponsored by the U.S. Department of Education

Promotes the development of programs aimed at increasing and demonstrating the value of technology in "urban and rural areas and economically distressed communities." The program awards three-year grants on a competitive basis to fund Community Technology Centers.

- The Neighborhood Networks Program sponsored by the U.S. Department of Housing and Urban Development (HUD)

As a community-based initiative, encourages the development of resource and computer learning centers in privately owned HUD-assisted and HUD-insured housing to make technology more accessible. Each community independently plans, manages, and funds their Neighborhood Networks center, but HUD often provides grants, loans, and volunteer service. The centers mainly offer computer access, computer assistance and training, GED certification, health and social services. The program currently contains 608 active centers and plans on establishing 705 more with the help of business and community partners.

South Gate's libraries offer a Digital Library that provides online learning, e-books, video classes, etc.

MA-65 Hazard Mitigation - 91.210(a)(5), 91.310(a)(3)

Describe the jurisdiction's increased natural hazard risks associated with climate change.

Management of Flood Prone Areas

The flood prone areas within the City have been mapped by the County of Los Angeles and the Federal Emergency Management Agency (FEMA).

Flood events occur whenever water covers what is normally considered dry land. They often occur during heavy precipitation events, when the amount of rainwater exceeds storm drains or flood control channel capacity. The force of a flood is sufficient to carry away large objects and smash them into structures, causing considerable damage to buildings and infrastructure. In severe instances, floodwaters themselves can destroy structures or move them off their foundation. Floods can saturate and weaken soil, potentially making structures built on them more susceptible to damage or collapse. FEMA has identified elevated risk of flooding in the eastern portion of the community near the Los Angeles River and the Rio Hondo drainage channel.

Areas of the City east of Jackson Avenue and Burke Avenue are within the 500-year floodplain, meaning that there is a 0.2% chance (one in 500) that the area will be subjected to flooding in any given year. Overall, nearly half of the community is located within the 500-year flood zone. The only parts of South Gate within the 100-year floodplain are the Los Angeles River and the Rio Hondo drainage channel itself, although there is land in northeastern Lynwood (immediately south of South Gate) in the 100-year floodplain. Areas within the 100-year floodplain have a 1% chance (one in 100) of flood occurring in any given year.

The Los Angeles River and Rio Hondo Channel represent the primary flood risk for the City of South Gate. During a flood in 1980, the lower Los Angeles River reached its flood control capacity and the U.S. Army Corps of Engineers determined that portions of the system provided less than a 40-year level of flood protection, far below the minimum federal standard for flood control channels of 100 years. The Los Angeles County Drainage Area (LACDA) Project, completed in 2001 and administered by the Los Angeles County Department of Public Works, was a response to this flooding danger. The project raised the height of 21 miles of levee along the Los Angeles River from the Southern Pacific Railroad to the confluence with the Rio Hondo, and along the Rio Hondo Channel from the confluence with the Los Angeles River to just downstream of the Whittier Narrows Dam.

The LACDA provided 133-year storm flood protection in the areas in which it was installed, including through the City of South Gate. As a result, National Flood Insurance Program (NFIP) river and flood hazard insurance is no longer required anywhere within South Gate City limits. This is demonstrated in the LACDA Overflow Map, which identifies areas in Los Angeles County where flood insurance is mandatory and shows South Gate outside of these areas. The recreational benefits from the LACDA included improvements to equestrian and bicycle trails, installation of rest stops, and landscaping. Because the City's elevation is around 115 feet there is little to no risk of tsunamis, which rarely rise more than 40 feet above sea level before hitting land.

Emergency Management Agencies

Regional agencies and partnerships play an important role in emergency response in South Gate. Los Angeles County facilitates and manages key emergency response efforts in the community.

The Los Angeles County Office of Emergency Management is responsible for maintenance of the County Emergency Operations Center. The center serves as a first responder for disaster events in the county, including incorporated cities. The County is also responsible for activating other emergency operation centers throughout the county, as needed, depending on the type or location of disastrous event.

The City of South Gate does have a designated emergency operations center, which is located within the South Gate Police Department. In the event of an emergency, Los Angeles County implements Alert LA County, an emergency mass notification system to contact County residents and businesses. The system sends text messages, voice mail messages, and e-mail messages to alert the community of emergency events. The responsibility for emergency notification services throughout the county is held by the County Office of the Sheriff. This Office also has responsibility to issue calls for evacuation. If emergency shelters are necessary, the County Department of Public Social Services is responsible for the activation and coordination of shelters with jurisdictions throughout the county.

Emergency response services are available to all neighborhoods, including the City's low- and moderate-income neighborhoods.

Land or Water Resources

South Gate is an entirely urbanized area. Plants and trees are limited to parks, streetscaping, some riparian zones around the Los Angeles River and Rio Hondo Channel, and private yards and gardens. There are no known threatened or endangered species and very sparse wildlife, though migratory or native birds may be found in natural areas such as South Gate Park or areas around the Los Angeles River.

Many of the City's best opportunities for greening the City involve preserving and enhancing existing spaces, and in some cases rehabilitating or converting them back to biologically active areas. Improving parks and open space, enhancing the Rio Hondo Channel and Los Angeles River, and streetscape improvements are the major policy goals that can achieve this. Improving the "urban forest" - the network of trees throughout the City - is another important opportunity to enhance the City's biological resources.

Strategic Plan

SP-05 Overview

Strategic Plan Overview

The Strategic Plan describes how the City will continue to maintain compliance in managing its federal grant funds received by addressing market conditions, geographic distribution of needs and priorities, the resources expected to be available to meet community needs, the structure in place for delivering services, goals, barriers to meeting the goals, and how those barriers may be overcome. The Strategic Plan also includes a discussion of public housing, homelessness and lead-based paint and describes the City’s anti-poverty initiatives and its plans to monitor performance and compliance.

For 2020-2025, the City and the Citizen Advisory Committee (CAC) developed major goals, objectives, and implementation strategies. The City's 5-year Strategic Plan is focused on goals to provide public services for low- to moderate-income youth, seniors, those with special needs and the low-income population in general. Typically supported services include educational programs, food and nutrition programs, health care, enrichment programs, and activities for youth and seniors, and similar services.

Another high priority of the Strategic Plan is improving South Gate’s infrastructure in neighborhoods where the highest percentage of low- to moderate-income people reside. Expected projects during the five-year period includes improvements to sidewalks and crosswalks, improvements to parks and open space projects, and other similar public improvements.

The City and the CAC will continue to identify and discuss emerging needs in the City of South Gate. New and alternative approaches to meeting these needs within the established goals and objectives will be considered.

SP-10 Geographic Priorities – 91.215 (a)(1)

Geographic Area

Table 29 - Geographic Priority Areas

1	Area Name:	Citywide
	Area Type:	Other
	Other Target Area Description:	Other
	HUD Approval Date:	
	% of Low/ Mod:	
	Revitalization Type:	
	Other Revitalization Description:	
	Identify the neighborhood boundaries for this target area.	
	Include specific housing and commercial characteristics of this target area.	

	How did your consultation and citizen participation process help you to identify this neighborhood as a target area?	
	Identify the needs in this target area.	
	What are the opportunities for improvement in this target area?	
	Are there barriers to improvement in this target area?	

General Allocation Priorities

Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA)

HUD encourages grantees, here appropriate, to identify locally designated areas where geographically targeted revitalization efforts are carried out through multiple activities in a concentrated and coordinated manner. For the purpose of the Consolidated Plan, local target areas are loosely defined and do not need to conform to a set of specific standards.

The City will seek to disburse federal entitlement dollars strategically within low-and moderate-income (LMI) census tracts; however, no specific neighborhoods are targeted for expenditure of funds. Investments in public facilities and services serving special needs populations and primarily low- and moderate-income persons will be made throughout the City. The City will evaluate each eligible project and program based on urgency of needs, availability of other funding sources and financial feasibility. Residential rehabilitation assistance will be available to income-qualified households citywide.

SP-25 Priority Needs - 91.215(a)(2)

Priority Needs

The Consolidated Plan indicates the general priorities for allocating investment of available resources among different needs. Priority needs are those that *will be addressed* by the goals outlined in the Strategic Plan. HUD has not issued guidance on how to structure the priority need information. Grantees may choose to organize their priority needs according to the structure presented in the regulations at 24 CFR 91.215:

Affordable Housing

- ✓ Rental assistance
- ✓ Production of new units
- ✓ Rehabilitation of existing units
- ✓ Acquisition of existing units

Homelessness

- ✓ Outreach
- ✓ Emergency shelter and transitional housing
- ✓ Rapid Re-housing
- ✓ Prevention

Non-housing Community Development

- ✓ Public Facilities
- ✓ Public Improvements and Infrastructure
- ✓ Public Services
- ✓ Economic Development

Although there is no prescribed format for organizing the priority needs, for each priority need, the City must assign a priority level of “low” or “high.” The priority level simply indicates relative preference among the needs listed. HUD has stated that jurisdictions have the option of using the narrative sections to elaborate on the meaning of “low” and “high.” For example, a jurisdiction may state that it plans on using available resources described in the plan to address “high” priorities and expects other funding sources or community stakeholders to address “low” priorities. For the City of South Gate Consolidated Plan, a High Priority means one that will be fund by CDBG or HOME funds. All Priority Needs described in the Priority Needs Summary have been assigned a High Priority.

The City also can indicate one or more populations to be served according to income, family type, homeless population, and special need.

Table 47 – Priority Needs Summary

1	Priority Need Name	Preserve the supply of affordable housing
	Priority Level	High
	Population	Extremely Low Low Moderate Large Families Families with Children Elderly Frail Elderly Persons with Physical Disabilities Persons with Developmental Disabilities
	Geographic Areas Affected	Other
	Associated Goals	Housing
	Description	The age and condition of South Gate’s housing stock is an important indicator of potential rehabilitation needs. The <i>2014-2021 Housing Element</i> states that “housing rehabilitation is a priority need for the community.” Furthermore, the Housing Element estimates that 6,000 housing units need substantial rehabilitation. Commonly, housing over 30 years of age needs some form of major rehabilitation, such as roof replacement, foundation work and plumbing systems. Housing over 15 years of age will generally exhibit deficiencies in terms of paint, weatherization, heating / air conditioning systems, hot water heaters and finish plumbing fixtures. Low income homeowners generally are not in a financial position to properly maintain and rehabilitation their homes.
	Basis for Relative Priority	Preservation of the physical and functional integrity of existing housing units occupied by low income households is a cost-effective way to invest limited resources to retain existing housing units that are already affordable to low-and moderate-income households in the community. Addressing substandard housing conditions through housing preservation activities provide that all economic segments of the community have the means to ensure that their property meets local standards and that all South Gate residents have the opportunity to live in decent housing. Housing preservation is rated as a high priority need based on the demand for service reported by the City's Residential Rehabilitation Program staff.
2	Priority Need Name	Ensure equal access to housing opportunities
	Priority Level	High

	Population	Extremely Low Low Moderate Middle Large Families Families with Children Elderly Public Housing Residents Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities Persons with HIV/AIDS and their Families
	Geographic Areas Affected	Other
	Associated Goals	Fair Housing
	Description	HUD mandates that all recipients of federal housing and community development assistance such as CDBG and HOME take actions to affirmatively further fair housing choice within their communities. The City of South Gate will certify its compliance with HUD’s requirement to affirmatively further fair housing choice in each Annual Action Plan requesting an annual allocation of CDBG and HOME funds.
	Basis for Relative Priority	The City’s <i>2020-2025 Analysis of Impediments to Fair Housing Choice</i> indicates that from August 2010, through August 2019, the Fair Housing Foundation (FHF) received 12 complaints from within the City of South Gate. Seven of the twelve complaints claimed to be based on their familial status. Four other complaints were based on national origin. Affirmatively furthering fair housing choice by ensuring equal access to housing opportunities is a high priority for HUD and the City of South Gate. In accordance with HUD requirements, this priority will be addressed using CDBG funds.
3	Priority Need Name	Provide public services for low income residents
	Priority Level	High
	Population	Extremely Low Low Moderate
	Geographic Areas Affected	Other
	Associated Goals	Public Services
	Description	The City will provide funding to improve access to public services for low- and moderate-income persons.

	Basis for Relative Priority	Indicators of the need for public services funding are: 67% of the population have low/moderate incomes, 19.6% have incomes below the poverty level, 19.4% are without health insurance, 14.8% have used food stamps/SNAP benefits in the past year, and 5.7% rely on cash public assistance. Consistent with the results of the Community Needs Survey, the provision of a wide range of public services for low-and moderate-income residents is a high priority.
4	Priority Need Name	Infrastructure and Public Facilities
	Priority Level	High
	Population	Extremely Low Low Moderate Non-housing Community Development
	Geographic Areas Affected	Other
	Associated Goals	Infrastructure and Public Facility Code Enforcement
	Description	In consultation with the City of South Gate Public Works Department, Parks and Recreation, and Community Development Department, a high level of need exists within the CDBG areas for activities such as graffiti removal, code compliance, public facilities improvements (including ADA improvements) and infrastructure improvements.
	Basis for Relative Priority	Based on need and available resources and results of the Community Needs Survey, the improvement of neighborhoods, public facilities and infrastructure is rated as a high priority need for CDBG funds.
5	Priority Need Name	Planning and Administration
	Priority Level	High
	Population	Extremely Low Low Moderate
	Geographic Areas Affected	Other
	Associated Goals	Administration
	Description	The City will reserve no more than 20% of its annual CDBG allocation to Planning, Administration, and Fair Housing. The City will provide funding to the Fair Housing Foundation to administer a fair housing complaint intake, enforcement, education, and outreach program annually. The City will reserve no more than 20% of its annual HOME allocation to Planning and Administration.
	Basis for Relative Priority	The assignment of priority levels is primarily a result of input from public and private agencies responding to the City's Community Needs Survey, consultation interviews, and statistical data compiled from the Needs Assessment.

6	Priority Need Name	Commercial Rehabilitation
	Priority Level	High
	Population	Extremely Low Low Moderate Non-housing Community Development
	Geographic Areas Affected	Other
	Associated Goals	Commercial Rehabilitation
	Description	The City will provide financial assistance for the rehabilitation of commercial facade improvements.
	Basis for Relative Priority	The South Gate General Plan 2035 determined that “major corridors in the City-including Long Beach , Firestone Boulevard, California, Imperial, and Atlantic – are visually unattractive and do not contribute to the overall appearance and identity of the City.” Additionally, the General Plan stated: “Some of the buildings suffer from lack of upkeep or are in disrepair.” The City will provide financial assistance for the rehabilitation of commercial facade improvements.
7	Priority Need Name	Business Assistance Program
	Priority Level	High
	Population	Extremely Low Low Moderate
	Geographic Areas Affected	Citywide
	Associated Goals	Job Creation and Retention Business Assistance
	Description	The City will provide funds to assist businesses servicing LMA areas and for the creation and retention of jobs employing eligible LMI persons.
	Basis for Relative Priority	This program allows businesses to continue to provide services to LMA areas and to retain and create jobs to impact the local economy positively.

Narrative (Optional)

The Needs Assessment describes four categories of need: housing, homelessness, supportive housing and non-housing community development (public facilities, public improvements, and public services).

Priority needs refer to those that will be addressed by the goals outlined in the Strategic Plan.

- *High Priority* means that CDBG and HOME funds will be allocated to address that need.

- *Low Priority* means that funding may be allocated if funds from other sources become available

SP-30 Influence of Market Conditions – 91.215 (b)

Influence of Market Conditions

Affordable Housing Type	Market Characteristics that will influence the use of funds available for housing type
Tenant Based Rental Assistance (TBRA)	Median monthly rents are generally about the same as the Fair Market Rents (FMRS). However, rental assistance through monthly subsidies is expensive. TBRA is not a program that will be funded by HOME due to its expense and the fact that it would seriously reduce funds for other activities that could be funded by the HOME program. Instead, the City will rely on the rental assistance provided by the South Gate Housing Authority.
TBRA for Non-Homeless Special Needs	TBRA for non-homeless special populations also will not be funded for the reasons mentioned above. The gap between 30% of income and market rents is too large and, if the City chose to provide TBRA with HOME funds, other pressing needs such as improving the quality of existing housing would become neglected.
New Unit Production	The production of new affordable housing is constrained by limited land availability, the high cost of residential land, high development costs, fees, and construction standards and requirements. Consequently, funds in addition to HOME are needed to facilitate new unit production. The City will continue to explore funding opportunities with non-profit and private developers of affordable housing.
Rehabilitation	South Gate’s housing stock is older, and many homes are in need of minor, modest, and major repairs. Because of this market condition and homeowner acceptance, the City plans to continue to use HOME and CDBG funds on improving the quality of the existing housing stock.
Acquisition, including preservation	CDBG and HOME funds can be used as gap financing based on costs and resources, targeting different income levels within the community. The City may consider using CDBG and HOME for Acquisition, including preservation. This latter strategy is especially important because South Gate has a very limited supply of vacant land.

Table 48 – Influence of Market Conditions

SP-35 Anticipated Resources - 91.215(a)(4), 91.220(c)(1,2)

Introduction

The following table outlines the anticipated resources to include CDBG and HOME that the City anticipates having available during the 2020-2025 period covered by this Consolidated Plan. It is followed by narratives about other resources these funds will leverage.

The City anticipates that over the course of the Strategic Plan it will have CDBG and HOME funds available for use. Along with these federal entitlements, the City may elect to utilize Section 108, Low-Income Housing Tax Credits, and the State of California's housing programs to support housing development, such as CalHome. Other resources that may be used include City General Fund as well as program income. One of the main obstacles to meeting community needs is inadequate resources for programs that could address these needs. Funding within California and federal and private funding sources for housing and community development programs is and will remain limited for the foreseeable future due to the current economic situation.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	\$1,487,150	\$0	\$1,152,808.50	\$2,639,958.50	\$5,948,600	A HUD formula-based program that annually allocates funds for a wide range of eligible housing and community development activities.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	\$664,918	\$0	\$1,128,255.67	\$1,626,255.67	\$2,659,672	A HUD formula-based program that annually allocates funds to support affordable housing programs.

Table 49 - Anticipated Resources

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

Leveraging

The City and HUD share an interest in leveraging HUD resources to the maximum extent feasible to address priority needs and associated goals.

During the 5-year period of the Consolidated Plan the City will seek funds to leverage the Federal CDBG and HOME funds.

In the past, South Gate has actively leveraged its affordable housing projects, mostly with Redevelopment Set-aside funds. As the Redevelopment Agency was dissolved in 2012, the City will continue its efforts to leverage projects with other available resources. Some potential leveraging resources are listed below:

Low-income Housing Tax Credit (LIHTC) - The California Tax Credit Allocation Committee (TCAC) facilitates the investment of private capital into the development of affordable rental housing for low-income Californians. TCAC allocates federal and state tax credits to the developers of these projects. Corporations provide equity to build the projects in return for the tax credits. TCAC verifies that the developers have met all the requirements of the program and ensures the continued affordability and habitability of the developments for the succeeding 55 years.

Affordable Housing Sustainable Communities Housing Program: AHSC directs investments to historically under-invested communities, giving more Californians access to opportunity. At least 50% of AHSC funding is required by state law to be allocated to affordable housing and projects in, or that provide a benefit to, disadvantaged communities. These communities are defined by the California Environmental

Protection Agency's CalEnviroScreen tool, which combines environmental, health and socioeconomic data by census tract to indicate the level to which communities are impacted by pollution. New legislation will also require AHSC to invest in low-income census tracts throughout the state.

Additional housing resources are listed below:

Housing Choice Vouchers: The South Gate Housing Authority's Section 8 rental voucher program provides rental assistance to help very low-income families afford decent, safe, and sanitary rental housing. The Housing Authority accepts the application for rental assistance, selects the applicant for admission, and issues the selected family a rental voucher confirming the family's eligibility for assistance. The family must then find and lease a dwelling unit suitable to the family's needs and desires in the private rental market. The Housing Authority pays the owner a portion of the rent (a housing assistance payment (HAP)) on behalf of the family.

654 City households currently receive Section 8 housing vouchers.

Mortgage Credit Certificate Program - Income tax credits are available to first-time homebuyers to buy new or existing single-family housing. The County of Los Angeles administers this program on behalf of jurisdictions in the County.

A Mortgage Credit Certificate (MCC) entitles qualified home buyers to reduce the amount of their federal income tax liability by an amount equal to a portion of the interest paid during the year on a home mortgage. This tax credit allows the buyer to qualify more easily for a loan by increasing the effective income of the buyer. The LA County MCC Program provides for a 20% rate which can be applied to the interest paid on the mortgage loan. The borrower can claim a tax credit equal to 20% of the interest paid during the year. Since the borrower's taxes are being reduced by the amount of the credit, this increases the take-home pay by the amount of the credit. The buyer takes the remaining 80% interest as a deduction. When underwriting the loan, a lender takes this into consideration and the borrower can qualify for a larger loan than would otherwise be possible.

Matching Requirements

A participating jurisdiction (PJ) receiving HOME funds is required to contribute a 25% match of non-HOME funds for every dollar of HOME funds spent. In general, as cities draw their HOME funds, they will incur a match liability, which must be satisfied by the end of each fiscal year. The HOME statute also provides a reduction of the matching contribution under three conditions: 1) Fiscal distress, 2) severe fiscal distress, and 3) presidential disaster declarations.

A PJ may be entitled to a greater reduction if an increase in its poverty rate or a decrease in its per capita income causes it to be eligible for a 100% match reduction. If a PJ satisfies both distress criteria, it is determined to be in severe fiscal distress and receives a 100% reduction of match.

The City of South Gate will still be eligible for the (100%) match reduction during PY 2020-2021 due to the percentage of poverty level families (19.6%) and the low per capita income (\$17,017, ACS, 2017 1-year estimates, Table B19301).

If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

There is no publicly owned land that is available at this time to address the needs described in the Consolidated Plan. However, the City does explore opportunities to partner with non-profits to address unmet housing needs. In some cases, the partnership involves land and/or existing property.

Discussion

Please refer to preceding paragraphs.

SP-40 Institutional Delivery Structure – 91.215(k)

Explain the institutional structure through which the jurisdiction will carry out its consolidated plan including private industry, non-profit organizations, and public institutions.

Responsible Entity	Responsible Entity Type	Role	Geographic Area Served
CITY OF SOUTH GATE	Government	Homelessness Non-homeless special needs Ownership Planning Rental neighborhood improvements public facilities public services	Jurisdiction
NESTART HOUSING CORPORATION, INC.	CHDO	Ownership Rental	Jurisdiction
HOME OWNERSHIP FOR PERSONAL EMPOWERMENT (HOPE)	CHDO	Non-homeless special needs Ownership Rental	Jurisdiction
SOUTH GATE HOUSING AUTHORITY	PHA	Rental	Jurisdiction
LOS ANGELES HOMELESS SERVICES AUTHORITY (LAHSA)	Continuum of care	Homelessness	Region

Table 50 - Institutional Delivery Structure

Assess of Strengths and Gaps in the Institutional Delivery System

The City of South Gate’s Community Development Department Housing Division will take the lead role in implementing the housing and community development strategies, as defined throughout the Strategic Plan, over the next five years. The City is responsible for implementing the Federal Community Development Block Grant (CDBG) Program and the Home Investment Partnership Program (HOME). CDBG grants will be awarded to subrecipients using the application process outlined in the Citizen Participation Plan.

The strength of the delivery system is that the work of the City, the South Gate Housing Authority, Citizen Advisory Committee, and other non-profits and for-profit entities is closely coordinated. Gaps in the delivery system are minimal and relate only to the lack of resources to implement needed activities or to expand programs rather than inadequate institutional capacity.

Availability of services targeted to homeless persons and persons with HIV and mainstream services

Homelessness Prevention Services	Available in the Community	Targeted to Homeless	Targeted to People with HIV
Homelessness Prevention Services			
Counseling/Advocacy	X		
Legal Assistance	X		
Mortgage Assistance	X		
Rental Assistance	X		
Utilities Assistance			
Street Outreach Services			
Law Enforcement	X	X	
Mobile Clinics			
Other Street Outreach Services	X	X	
Supportive Services			
Alcohol & Drug Abuse	X		
Child Care	X		
Education	X		
Employment and Employment Training	X		
Healthcare	X		
HIV/AIDS	X		
Life Skills	X		
Mental Health Counseling	X		
Transportation	X		
Other			
Fair Housing	X		

Table 51 - Homeless Prevention Services Summary

Describe how the service delivery system including, but not limited to, the services listed above meet the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth)

The City staff administers two homeless programs:

Homeless Prevention Program

The City of South Gate plans, coordinates and organizes strategies to assist the City's homeless population in collaboration with other public and private organizations. The County of Los Angeles through Los Angeles Homeless Services Authority (LAHSA) has the primary responsibility for providing regional homeless services.

Individuals and families who do not qualify as South Gate residents are referred to People Assisting the Homeless (PATH) for screening.

Homeless Outreach Program

The South Gate Police Department, in cooperation with The Salvation Army Bell Shelter, operates a homeless outreach program which consists of a mobile outreach team. A Police Department Liaison and personnel from the Bell Shelter coordinate street outreach efforts by vehicle and by foot.

Street outreach, case management, and referrals are provided to homeless families and individuals through this program. Homeless clients are provided guidance in the identification of barriers to overcoming homelessness and the development of a plan to address these challenges. The team then assists clients at a highly supportive level to address those needs which may include accessing mainstream services, increasing income, developing self-determination, and accessing shelter and housing.

Describe the strengths and gaps of the service delivery system for special needs population and persons experiencing homelessness, including, but not limited to, the services listed above

The City has cooperative relationships with surrounding jurisdictions, diverse types of agencies, and nonprofits to meet the Consolidated Plan goals. This coordination has led to solid working relationships that enable all service providers to better assist those in need.

Non-Profit Organizations: The City utilizes a variety of nonprofit organizations to address community needs, such as homelessness, special needs, fair housing, and food distribution services.

Public Housing Authority: The South Gate Housing Authority continues to administer the Housing Choice Voucher Program (Section 8) for City residents. The City will work with the Housing Authority to improve the living environment of residents.

Coordination with those described above has led to solid working relationships that assisted to enable all service providers to better assist those in need and created a strong network of individual agencies working toward a common goal.

Provide a summary of the strategy for overcoming gaps in the institutional structure and service delivery system for carrying out a strategy to address priority needs

With resources becoming more and more limited, the City proposes to overcome gaps in institutional structure by:

- 1) Maintaining open communication with subgrantees and other consolidated planning partners;
- 2) Utilizing technology to share, distribute information, foster, and maintain constant contact with community planning partners; and
- 3) Recommending and assisting to coordinate the use of volunteers (volunteer-based organizations) in which to fill gaps where it logically makes sense

SP-45 Goals Summary – 91.215(a)(4)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Administration	2020	2025	Administration	Citywide	Planning and Administration	CDBG: \$1,367,150 HOME: \$831,145	Other: 0 Other
2	Fair Housing	2020	2025	Administration	Citywide	Ensure equal access to housing opportunities	CDBG: \$120,000 HOME: \$0	Other: 1350 Other
3	Housing	2020	2025	Affordable Housing	Citywide	Preserve the supply of affordable housing	CDBG: \$500,000 HOME: \$2,493,445	Homeowner Housing Rehabilitated: 30 Households/ Housing Units
4	Commercial Rehabilitation	2020	2025	Non-Housing Community Development	Citywide	Commercial Rehabilitation	CDBG: \$2,050,000 HOME: \$0	Businesses assisted: 85 Businesses Assisted
5	Infrastructure and Public Facility	2020	2025	Non-Housing Community Development	Citywide	Infrastructure and Public Facilities	CDBG: \$2,700,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit:
6	Public Services	2020	2025	Non-Housing Community Development	Citywide	Provide public services for low income residents	CDBG: \$350,000 HOME: \$0	Public service activities other than Low/Moderate Income Housing Benefit: 550 Persons Assisted

Table 52– Goals Summary

Goal Descriptions

1	Goal Name	Administration
	Goal Description	Provide planning and administrative services.
2	Goal Name	Fair Housing
	Goal Description	Promote fair housing.
3	Goal Name	Housing
	Goal Description	Promote and maintain affordable housing options
4	Goal Name	Commercial Rehabilitation
	Goal Description	Provide financial assistance for the rehabilitation of commercial facade improvements.
5	Goal Name	Infrastructure and Public Facility
	Goal Description	Provide funding projects such as: Street Lighting, water, sewer, street, alley, and sidewalk improvements. Park Improvements. Retrofitting public facilities to meet the Americans with Disabilities Act (ADA) and comparable State law.
6	Goal Name	Public Services
	Goal Description	Expand and improve the quality and quantity of public service programs.

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.315(b)(2)

The City will assist in providing affordable housing in the next five years to the following number of families by income group:

1. Extremely low-income families: 3
2. Low-income families: 3
3. Moderate-income families: 3

SP-50 Public Housing Accessibility and Involvement – 91.215(c)

Need to Increase the Number of Accessible Units (if Required by a Section 504 Voluntary Compliance Agreement)

There are no public housing units in the City of South Gate; therefore, this section does not apply.

Activities to Increase Resident Involvements

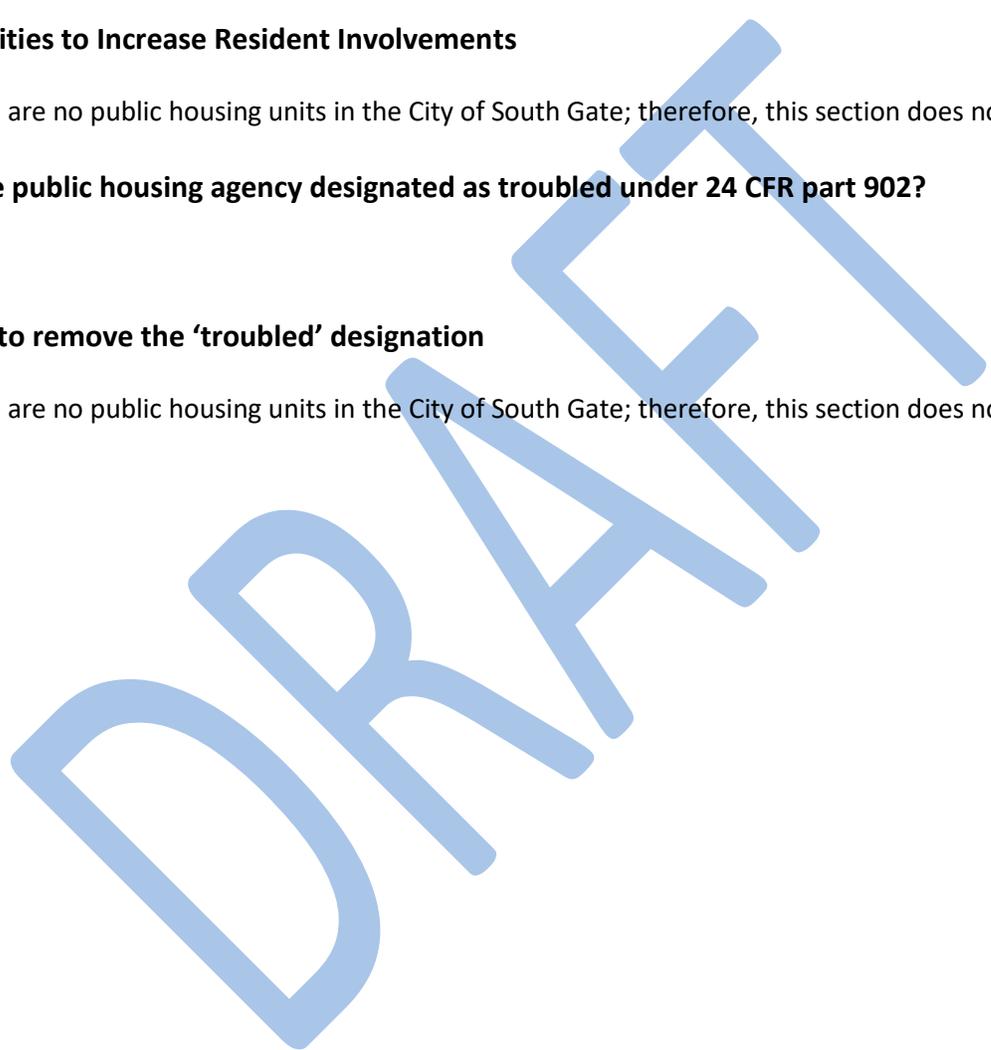
There are no public housing units in the City of South Gate; therefore, this section does not apply.

Is the public housing agency designated as troubled under 24 CFR part 902?

N/A

Plan to remove the ‘troubled’ designation

There are no public housing units in the City of South Gate; therefore, this section does not apply.



SP-55 Barriers to affordable housing – 91.215(h)

Barriers to Affordable Housing

Strategy to Remove or Ameliorate the Barriers to Affordable Housing

According to HUD guidance, the Strategic Plan must identify strategies for removing or ameliorating the negative effects of public policies that serve as barriers to affordable housing which were described in MA-40. The *2014-2021 Housing Element* includes a program to “Provide Assistance for Affordable Housing Development,” which is described as follows:

Provide technical assistance, financial support, and expedited review for affordable housing development. Given the City’s current financial situation, providing direct subsidies to gap-finance affordable housing development may not be an immediately feasible option. However, as funding permits, the City may consider offering financial assistance to support affordable housing development:

Land Assemblage and Write-Down: The City may utilize CDBG and HOME funds to write-down the cost of land for the development of low-and moderate-income housing and housing for special needs, including for persons with disabilities. As part of the land write-down, the City may also assist in acquiring and assembling property, subsidizing on-site and off-site improvements, and assisting in relocation activities as well as clearing and demolition. The City has previously worked with HOPE to pursue affordable housing development, including eight units for persons with developmental disabilities. HOME funds were allocated to assist these projects.

Direct Financial Assistance: The City may utilize HOME funds to provide direct financial assistance in support of affordable housing development.

In addition, the City may provide other forms of support for affordable housing development:

Application for State and Federal Housing Funds: The City will apply for funding directly or support the application for affordable housing funds by developers if the proposed projects are determined to be consistent with the goals of this Housing Element.

Expedited Review and Priority Processing: The City will expedite and prioritize the review of housing or mixed-use developments that incorporate an affordable housing component to reduce the holding costs associated with delays (such as increased construction financing costs).

Fee Deferrals: The City will consider fee deferrals for housing or mixed-use developments that incorporate an affordable housing component.

SP-60 Homelessness Strategy – 91.215(d)

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

Homelessness affects many people from all social, economic, and racial backgrounds. The causes of homelessness are varied and include loss of employment, mental illness, substance abuse, a health crisis, domestic violence, foreclosure, limited income (such as SSI for elderly and people with disabilities which prevent them from aging in place due to high cost of living) and loss of familial support. Individuals or families that are homeless have a variety of special needs, including emergency shelter, counseling, job training, transitional housing, and permanent supportive housing. The long-term housing needs are for transitional housing and permanent supportive housing.

The South Gate Police Department, in cooperation with The Salvation Army Bell Shelter, operates a homeless outreach program which consists of a mobile outreach team. A Police Department Liaison and personnel from the Bell Shelter coordinate street outreach efforts by vehicle and by foot.

Street outreach, case management, and referrals are provided to homeless families and individuals through this program. Homeless clients are provided guidance in the identification of barriers to overcoming homelessness and the development of a plan to address these challenges. The team then assists clients at a highly supportive level to address those needs which may include accessing mainstream services, increasing income, developing self-determination, and accessing shelter and housing.

Addressing the emergency and transitional housing needs of homeless persons

Locally, the Salvation Army Bell Shelter operates a comprehensive program that offers transitional care for up to 350 homeless men and women. The goal of the Bell Shelter is to meet the needs of the homeless population by addressing the myriad of reasons why people become homeless and assisting them in developing a higher quality of life through independence. Services offered include emergency shelter, transitional housing, substance abuse rehabilitation, case management, counseling, on-site health care and medical referrals, HIV/AIDS education, ESL classes, computer training, vocational assistance, job referrals and life skills classes. In 2018, the City is awarding the Salvation Army \$20,000 in CDBG funds.

The South Gate Domestic Violence Education and Prevention program administered by the South Gate Police Department provides shelter, court advocacy, counseling, 24-hour hotline, crisis intervention, support groups and case management to domestic and sexual abuse victims.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again.

There are a variety of service providers in South Gate that assist low income individuals and families. These

providers ensure that they are meeting the needs of the community to the best of their abilities.

Help low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families who are likely to become homeless after being discharged from a publicly funded institution or system of care, or who are receiving assistance from public and private agencies that address housing, health, social services, employment, education or youth needs

There are a variety of agencies in the region that provide housing options and case management assistance including those returning from mental and physical health institutions. They provide the option of living independently in a group setting. These agencies are described in section *MA-30 Homeless Facilities and Services - 91.210 (c)*

DRAFT

SP-65 Lead based paint Hazards – 91.215(i)

Actions to address LBP hazards and increase access to housing without LBP hazards

The City's strategy in addressing lead-based paint hazards involves an educational component for the public, printed outreach information to those households in the "lead hot zones" as identified by the County, and printed information are given to participants in the City's rehabilitation loan programs.

The reduction of Lead Based Paint (LBP) hazards in the City's housing stock is an annual objective in South Gate. As a part of its HOME funded Housing Rehabilitation Program, the City of South Gate offers assistance to homeowners to make repairs and address code violations and safety issues. One of the first procedures of this rehabilitation program is to have certified Lead Based Paint (LBP) inspectors and risk assessors perform inspections and assessments on all properties built prior to January 1st, 1978 to test for lead. When any units test positive for lead, certified contractors are hired for remediation and abatement of the lead. Occupants are not allowed back into the unit until the unit has been completely remediated.

How the actions are listed above related to the extent of lead poisoning and hazards?

Most of the homes in South Gate were built prior to 1978 and have lead-based paint somewhere on the structure. Lead based paint is found on windowsills, doorways, or under the eaves. The hazards of lead-based paint are primarily to young children up to age 6, as they are more likely to eat peeling paint. Lead adversely affects the development of a child's brain and other organs. As noted above, the City focuses its efforts on "lead hot zones" as identified by the County of Los Angeles.

How are the actions listed above integrated into housing policies and procedures?

Lead-based paint hazards are found in homes built prior to 1978. All Grantees and Participating Jurisdictions must assess homes built prior to 1978 for lead hazards and conduct interim or abatement controls as warranted.

All units in a project assisted with CDBG and HOME funds must comply with the regulations found at 24 CFR Part 35. The purpose of the regulation is to identify and address lead-based paint hazards before children are exposed to lead. This requirement has been in effect since September 15, 2000.

The Residential Rehabilitation Program focuses on rehabilitating existing housing stock throughout the City covering interior and exterior home improvement and/or repairs. In combination with the Residential Rehabilitation Program, the City offers \$10,000 grants to be used for termite and lead abatement. Lead assessments are conducted on all housing projects, both single family and multi-family units. All HCV participant rental units are inspected annually.

SP-70 Anti-Poverty Strategy – 91.215(j)

Jurisdiction Goals, Programs and Policies for reducing the number of Poverty-Level Families

The Consolidated Plan must include the following information:

- A concise summary of the City's goals, programs, and policies for reducing the number of poverty-level families.
- Description of the coordination of housing programs funded through the Consolidated Plan with the City's other programs and services to reduce the number of poverty-level families.
- Description of the job training, job placement, life skills training, and welfare to work programs designed to reduce the number of poverty-level families
- Description of the policies for providing employment and training opportunities to Section 3 residents pursuant to 24 CFR 135

The strategy, according to HUD, should focus on activities designed to reduce the number of persons in poverty rather than on services provided to persons in poverty. In addition, the plan should focus on factors over which the jurisdiction has control.

South's Gate's Poverty Levels

South Gate's poverty rate is 19.6%. In contrast, the poverty rate for the entire Los Angeles County area is 14.9%. The number of poor persons is estimated to be 18,690. Of this number 7,614 or 41% of all poor persons are 17 years of age or younger.

The 2017 American Community Survey estimates that 4,954 households (21% of all households) have incomes below the poverty level. An estimated 3,842 of the 4,954 households are family households.

HUD has declared that neighborhoods of *extreme* poverty are those having a poverty rate that exceeds 40% or is three times the poverty rate for the metropolitan area, whichever is *lower*.

Source: U.S. Department of Housing and Urban Development, *Affirmatively Furthering Fair Housing (AFFH) Data Documentation*, July 7, 2015, page 9

In connection with the Section 8 Management Assessment Program (SEMAP) certification, 24 CFR 985.3(h) defines "low poverty":

A low poverty census tract is defined as a census tract where the poverty rate of the tract is at or below 10 percent, or at or below the overall poverty rate for the principal operating area of the

PHA, whichever is greater. The PHA [public housing authority] determines the overall poverty rate for its principal operating area using the most recent available decennial Census data.

The poverty rate for Los Angeles County is 14.9% and, thus, that percentage is the upper limit of a “low poverty” census tract. Based on the above analysis, four categories are appropriate for a proper analysis:

- Low Poverty 14.9% or less
- Normal Poverty 15.0% to 30%
- High Poverty 30.1% to 40.0%
- Extreme Poverty 40.1%+

City Table 6 shows the poverty rate for each census tract. The poverty rates range from a low of 5.6% to a high of 29.1%. The number of census tracts in each category is listed below:

- Low Poverty 4
- Normal Poverty 14
- High Poverty 0
- Extreme Poverty 0

**City Table 6
City of South Gate
Poverty Rates by Census Tract**

Census Tract	Population for whom poverty status is determined	Below poverty level	Percent below poverty level
5355.01	3,949	1,015	25.7%
5355.02	5,133	1,108	21.6%
5355.03	2,380	627	26.3%
5356.03	3,593	784	21.8%
5356.04	4,332	990	22.9%
5356.05	4,639	1,151	24.8%
5356.06	2,106	394	18.7%
5356.07	5,075	1,199	23.6%
5357.01	5,739	648	11.3%
5357.02	4,756	1,386	29.1%
5358.02	6,536	947	14.5%
5358.03	4,476	1,076	24.0%
5358.04	5,631	1,297	23.0%
5359.01	5,734	1,238	21.6%
5359.02	7,012	393	5.6%
5360.00	3,797	635	16.7%
5361.02	3,386	266	7.9%
5362.00	7,159	1,373	19.2%

American Factfinder, 2017 American Community Survey 1-Year Estimates, Table S1701, Poverty Status in the Past 12 Months
Note: these are entire CTs. Also the l/m data had a CT 5361.01 but AFF did not show that that CT existed.

Safety net programs such as CalWORKs, General Relief, Cal Fresh, Earned Income Tax Credit (EITC), and Social Security help to reduce poverty levels throughout the state. According to the Public Policy Institute of California (PPIC), the California Poverty Measure (CPM) for the state as a whole would increase from 22.0% to 29.8% if all safety net programs except Social Security were not counted, and it would soar to 34.4% percent if all programs, including Social Security, were not counted. In the absence of cash-based, in-kind, and tax-based safety net programs, the PPIC estimate of child poverty would be 39.0%, 13.9% higher than the actual estimate of 25.1 %.

Sources: Public Policy Institute of California, *The California Poverty Measure: A New Look at the Social Safety Net*, October 2013, page 1

As noted, Federal and state safety net programs contribute to reducing poverty. According to the Los Angeles County Department of Public Social Services (DPSS), the number of South Gate residents who as of December 2015 participated in three safety net programs is as follows:

- CalWORKs 4,102
- General Relief 190
- Cal Fresh 12,367

Source: County of Los Angeles, Department of Public Social Services, *Caseload Characteristics Report*, December 2015, South Gate City Report

Absent these and other safety net programs, the poverty rate in South Gate would increase significantly.

Goals

The City's major goal is to *reduce the poverty rates of the City's population and neighborhoods.*

A related goal is to *reduce the poverty rates in the three census tracts/neighborhoods having the highest poverty rates, all exceeding 25%.*

Programs

In the short-term (the 5 years between 2020 and 2025), the most direct path to reducing the poverty rates is to concentrate efforts on the *working poor and jobless adults in the labor force.* As previously noted, almost 41% of the poor persons are too young to attend school or are attending school (K-12). When the parents of these children have incomes above the poverty level, the children also will be lifted out of poverty.

Specific actions to reduce poverty are described below:

Provide Job Skills Training to the Working Poor and Jobless Adults: The City will work to provide jobs skills training to unemployed persons living in the poorest neighborhoods. A key poverty reducing strategy is

to provide appropriate technical education and training to low wage workers and unemployed workers in the labor force.

Increase Participation in Poverty Reducing Programs: The City will work to inform poor families of poverty reducing programs such as the Earned Income Tax Credit (EITC). Research has demonstrated that increasing participation in safety net programs helps to reduce poverty rates.

Source: Public Policy Institute of California, Sarah Bohn and Caroline Danielson, *Improving California Children's Participation in Nutrition Programs, the Safety Net in California*, December 2016, 14 pages

Although the EITC is one of the most efficient anti-poverty programs, *unclaimed* EITC dollars are never spent on local business, fewer jobs are created or supported, fewer wages are paid, and eventually less tax revenue goes to state and local governments. In 2012, the amount of Los Angeles County unclaimed EITC payments was \$566,019,750 which resulted in 4,314 lost jobs and foregone labor income of \$236,862,336.

Source: Antonio Avalos, Ph.D., University Business Center, California University, Fresno, *The Costs of Unclaimed Earned Income Tax Credits to California's Economy: Update of the "Left on the Table" Report*, March 2015, 28 pages

Research indicates that families mostly use the EITC to pay for necessities, repair homes, maintain vehicles that are needed to commute to work, and in some cases, obtain *additional education or training* to boost their employability and earning power.

Source: Center on Budget and Policy Priorities, *Policy Basics: The Earned Income Tax Credit*, October 21, 2016, 4 pages

Increase the Educational Attainment of Workers Living in Neighborhoods with the Highest Poverty Rates: The City will work with other agencies to improve the educational attainment of low wage or unemployed workers who live in the neighborhoods with the highest poverty rates.

Provide Job search and Placement Services to Low Wage and Unemployed Workers Living in the Neighborhoods with the Highest Poverty Rates: The Hub Cities WorkSource Center is made possible through funding and support from a variety of partners. All services are provided to employers and job seekers at no cost through the Federal Workforce Innovation and Opportunity Act (WIOA). HUB Cities is located approximately 2.6 miles from South Gate's City Hall. HUB Cities offers several job seeker services including training assistance, referrals to ESL programs, services for veterans, and assistive devices for individuals with disabilities.

Policies

Anti-Poverty Policy #1: To continue to support and coordinate with public and private efforts aimed at preventing and reducing poverty level incomes.

Anti-Poverty Policy #2: To conduct outreach with public and private agencies whose mission is to reduce poverty level incomes such as United Way of Greater Los Angeles, County of Los Angeles Department of Public Social Services (DPSS), Los Angeles County Community Action Board, and non-profit organizations.

(DPSS administers the Community Services Block Grant (CSBG) Program which is designed to provide a range of services to assist low-income individuals and families attain the skills, knowledge, and motivation necessary to achieve self-sufficiency. The purpose of the CSBG Program is aligned with the Los Angeles County Community Action Board's (CAB) three-part mission: 1) Empower the poor to become self-sufficient, 2) Alleviate the immediate challenges of poverty, and 3) Address the underlying causes of poverty through community action and advocacy.)

Anti-Poverty Policy #3: Allocate CDBG public service funds to projects and activities that will help persons and families who have incomes fall below the poverty level.

How are the Jurisdiction poverty reducing goals, programs, and policies coordinated with this affordable housing plan?

The Anti-Poverty Strategy is directly coordinated with the City's Affordable Housing Plan/Strategy. A fundamental purpose of the housing programs is to reduce the cost burdens experienced by low-and moderate-income families. Many of these families have extremely low incomes and, therefore, likely to have poverty level incomes.

With respect to Section 8 rental assistance, the City will carry out the following anti-poverty actions in coordination with its Affordable Housing Plan:

- The City will continue to support the South Gate Housing Authority's Section 8 Housing Choice Voucher Program.
- The South Gate Housing Authority will continue to encourage families receiving Section 8 rental assistance to participate and graduate from the Family Self-Sufficiency Program (FSSP). The City will periodically request information from the Housing Authority on FSS participation and graduation levels.
- The City will provide and/or seek funding for childcare services. Access to childcare is a policy that contributes to helping the working poor to make ends meet and avoid poverty.

According to the California Budget Project, access to childcare is a policy that contributes to helping the working poor to make ends meet. The California Budget Project states:

Quality childcare can be prohibitively expensive to low-income working families. Some families are able to obtain assistance through California's childcare programs, which provide low-cost childcare for eligible families. However, state and federal funding for childcare programs has failed to keep pace with the need.

The National Center for Children in Poverty suggests a strategy to reduce low-income families work related expenses through childcare and after school care programs. The Center also recommends making housing available to the many low-income children in both working and jobless families who are without this basic resource.

Describe the standards and procedures that the jurisdiction will use to monitor activities carried out in furtherance of the plan and will use to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

Overview

The City of South Gate’s Community Development staff is responsible for ensuring that the CDBG and HOME funds it manages and allocates toward subrecipient projects are in compliance with federal regulations and guidelines. As a part of these compliance measures, South Gate staff performs monitoring activities that include contractual agreements, technical assistance, desk reviews, annual risk assessments, on-site monitoring of recipient agencies, and complying with federal and City contracting regulations.

Contractual Agreements

An initial step the City of South Gate takes to ensure long-term compliance with program requirements and comprehensive planning requirements is entering into a contractual agreement with each of its subrecipients, contractors, grantees, etc. These agreements include a detailed scope of services with measurable objectives. The federal general provisions, along with reference to the appropriate U.S. Office of Management and Budget (OMB) Circulars, are included in contractual agreements to ensure compliance. The budget line items must be reflective of the goals and objectives. In situations where the terms and conditions of the subrecipient’s written agreement require compliance beyond the end term of the agreement, the project must continue to meet CDBG and HOME national objectives.

Desk Reviews

City staff also uses desk reviews to monitor active projects for compliance with federal regulations. In addition to City staff offering technical assistance and guidance with questions, this monitoring procedure takes place on a daily basis as staff check eligibility of reimbursement requests and performance reports to make sure these are consistent with the terms of the subrecipient agreements. The desk monitoring process also helps City staff conduct annual risk assessments, which are used to determine which subrecipients will receive an on-site monitoring visit.

Annual Risk Assessments

In addition to serving as an indicator for on-site monitoring, the City’s annual risk assessment also serves as the primary measuring tool in evaluating a subrecipient’s performance. At the end of the second quarter each program year, the Community Development team will meet to evaluate high risk activities based on indicators of need and the capacity of subrecipients with open activities. If a subrecipient falls below a designated point level, an on-site monitoring is triggered. As a part of an on-site monitoring, South Gate staff will evaluate agencies’ programmatic and fiscal management policies, open project or

activity files, and recent financial audits. City staff will utilize their combined HOME and CDBG Monitoring Tools from the City's CDBG Procedural Manual, as well as the HUD Monitoring Desk Guide to determine CDBG and HOME program compliance. In addition to staff monitoring, Community Development programs may also be selected for review by the City's internal and external auditors.

Compliance with Federal and City Contracting Regulations

The City also ensures compliance with all Federal and City contracting regulations, including procurement, Federal Labor Standards, Davis-Bacon, equal opportunity (Minority Business Enterprise and Women Business Enterprise), Section 3, as well. While construction projects are underway, on-site compliance interviews with the workers are conducted. In addition, staff ensures compliance with the OMB requirements for conducting single audits, as well as complies with the HUD reporting requirements for accomplishment in the Integrated Disbursement and Information System (IDIS).

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South Gate Fiscal Year 2020-2021 Annual Action Plan

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Annual Action Plan Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

The City of South Gate's 2020-2021 Action Plan for funding and program activities is based on priorities established by the City's Five-Year Consolidated Plan. The 2020-2021 Action Plan is the first year of the five-year strategy for 2020 through 2021. The Five-Year Consolidated Plan combines two Federal Department of Housing and Urban Development (HUD) Programs: Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME).

The City's Community Development Department, Housing Division, coordinates, manages plans, submits and implements the process. The Division continues to be involved in activities which enhance the coordination among public and non-profit, private housing providers, and health and service agencies.

The 2020-2021 Action Plan serves as the City's blueprint for providing decent affordable housing to lower-income households, providing suitable living environments, expanding economic opportunities, and expanding the capacity of nonprofit housing providers to the citizens of South Gate. This strategic plan sets forth goals, objectives, and performance benchmarks for measuring and establishing a framework for progress. The City will receive \$1,487,150 in PY 2020-2021 CDBG funds and is allocating \$936,861 in CDBG carryover funds from prior years. CDBG funds will be assigned to a CDBG eligible activities for FY 2020-2021. The City is receiving \$664,918 in HOME funds for PY 2020-2021 and is allocating \$1,128,255.67 in HOME carryover funds from prior years.

It should be noted that the City received \$874,841 in CDBG-CV funds in FY 19/20 and the 19/20 Action Plans was amended to program most of the funds on eligible activities. It has been determined that 20 cents were omitted. The City is revising the Senior Food Distribution activity to \$286,200 to account for the 20 cents omitted.

The proposed plan includes the following initiatives under CDBG funding: Community Service Programs (i.e. supporting Youths, homeless, etc.); General Administration, Program Delivery, Minor Home Improvement Program, Code Enforcement, Public Improvements, Commercial Façade Program, and Fair Housing. The funds serve extremely-low to moderate-income residents.

HOME funded activities include: General Administration, affordable housing acquisition and development, first-time homebuyer down payment assistance, and residential rehab programs. The populations served are low-to moderate-income.

2. Summarize the objectives and outcomes identified in the Plan

The CDBG and HOME funds will be used to meet the goals and objectives established in the 2020-2025 Consolidated Plan. The goals and objectives have been developed in consultation with citizens, service agencies, other funding partners, and businesses to provide decent housing, a suitable living environment and economic opportunities for low-to moderate-income households.

The City will pursue these goals and objectives by working with the non-profit community, neighborhood groups, associated businesses, stakeholders, labor union representatives, other local government entities, residents and partners. The City will also work closely with other City departments to jointly plan, implement and evaluate the program's core activities.

The City of South Gate will strive to meet the following goals and objectives between 2020 and 2025. These goals are based on assumptions as to future funding levels for the Consolidated Plan programs. Because these funding sources are subject to annual Congressional appropriations as well as potential changes in funding distribution formulas or the number of communities eligible to receive entitlement grants, the accomplishment projections and planned activities are subject to change with availability of funding.

Summary of Goals

The goals of the 2020-2025 Consolidated Plan include:

- Preservation and rehabilitation of the existing housing stock using CDBG and HOME funds.
- Expand and improve the quality and quantity of public service programs.
- Promote fair housing.
- Provide infrastructure and public facility funding.
- Target code enforcement activities to public health and safety issues.
- Provide financial assistance for the rehabilitation of commercial façade improvements.
- Economic Development activities that promote employment and preserve local businesses.
- Housing rehabilitation.
- Public Services.

3. Evaluation of past performance

The City continually strives to improve the performance of its operations and those of its funded agencies. The City prepares the Consolidated Annual Performance Evaluation and Report (CAPER) annually, which documents progress toward meeting needs and achieving strategies established in the Consolidated Plan and the Annual Action Plans.

Over the past years, the City's CDBG funds were used for meeting the three goals of providing decent housing; creating a suitable living environment; and expanding economic opportunities to low-and moderate-income persons in South Gate

City Table 1 describes past performance for the first four years of the five-year 2015-2020 Consolidated Plan.

City Table 1
Accomplishments-Consolidates Plan- FY 2015-2016-FY 2018-2019

Goal	Program Indicator	5-Year Objectives	4-Year Accomplishments	Percent Completed
Code Enforcement	Housing Code Enforcement and Foreclosed Property Care	12,500 Housing Units	11,492	91.9%
Commercial Rehabilitation	Businesses Assisted	15 Businesses Assisted	51	340%
Fair Housing	Other	3000 Other	1,430	47.7%
Housing	Rental Units Rehabilitated	2 Rental Housing Units	0	0%
Housing	Homeowner Housing Rehabilitated	25 Homeowner Housing Units	24	96%
Infrastructure and Public Facility	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	100,000 Persons Assisted	210,436	210.44%
Public Services	Public Service Activities other than Low/Moderate Income Housing Benefit	3,000 Persons Assisted	2,546	84.87%

4. Summary of Citizen Participation Process and consultation process

Community outreach is an important component of the Action Plan process. To foster community participation, the City developed a Citizen Participation Plan, which establishes policies and procedures for the establishment of the Consolidated Plan, its Annual Action Plans, its Consolidated Annual Performance and Evaluation Reports (CAPER), and for any substantial amendments that may be proposed to the Consolidated Plan or the Action Plans or if the City applies for Section 108 loan assistance. A second component of the City's community outreach effort is consultation with private and public agencies that

have been providing services and research data in the City. During the development of this Action Plan, the City adhered to its Citizen Participation Plan, provided multiple opportunities for community input, and consulted with a variety of social service agencies.

The City is committed to maximizing community participation in the CDBG and HOME process. To ensure that its 2020-2021 Action Plan was based on an accurate needs assessment, the City used the following approach to create participation of residents, service providers, and other interested persons and organizations:

South Gate Citizens Advisory Committee

The South Gate Citizens Advisory Committee (CAC) is an advisory board created by City Council to ensure constant dialog exists between City Hall and the community. The role of the CAC is twofold. First, to ensure that City Council is appraised of the needs, desires, and interests of City residents. Second, to review and make recommendations on CDBG funding to City Council. The CAC, which meets six times a year, is comprised of 20 members representing the demographic and social range of residents in the City. The CAC was actively involved in the current Annual Action Plan process. The CAC reviewed the 2020-2021 Public Services applications and made CDBG selection and funding recommendations to City Council for the Annual Action Plan. It is anticipated that the CAC will continue to serve in an advisory role to the CDBG process.

Annual Public Services Application Process

The annual Public Services selection process established by the City requires applicants to submit an application describing their proposed project or program and detailing how the project meets local and national CDBG objectives and federal requirements. City staff and CAC CDBG review the public services applications and make a recommendation for CDBG funding to City Council. The CAC is comprised of residents who keep the City Council informed on concerns and opportunities in the community and advise on relevant and topical issues. The annual CAC recommendation and Council selection of public service grantees is based on the following criteria:

- Consistency of service activity with national objectives and federal requirements;
- Consistency of service activity with the goals, objectives, and strategies of the 5-year Consolidated Plan;
- Experience and competency of the applicant; and
- Demonstrated need and lack of other sources of funding.

5. Summary of public comments

The Annual Action Plan was made available for public review from August 4, 2020 through August 11, 2020, using a HUD waiver. The City prepared a notice announcing the Draft Action Plan was available for public review on the City's website. The notice was published in the local newspaper. The notice also

indicated the date, time, and location of the City Council public hearing for adoption of the Final Consolidated Plan and included the amount of HOME and CDBG assistance expected to be received during the plan duration.

No comments were received in writing or orally. On August 11, 2020 the City Council conducted a public hearing on the Final Action Plan. No comments were received.

6. Summary of comments or views not accepted and the reasons for not accepting them

No comments or views were not accepted.

7. Summary

For 2020-2021, the City of South Gate will receive an allocation of \$1,487,150 in CDBG and \$664,918 in HOME entitlement funds from the US Department of Housing and Urban Development (HUD) to spend on housing and community development activities that address the priority needs and goals established in the Consolidated Plan. In addition, the City is committing \$936,861 of CDBG carryover funds from prior years and \$1,128,255.67. As such the City anticipates funding projects to meet the priorities and corresponding goals during the five-year period.

It should be noted that the City received \$874,841 in CDBG-CV funds in FY 19/20 and the 19/20 Action Plans was amended to program most of the funds on eligible activities. It has been determined that 20 cents were omitted. The City is revising the Senior Food Distribution activity to \$286,200 to account for the 20 cents omitted.

PR-05 Lead & Responsible Agencies – 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

Describe the agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	SOUTH GATE	Community Development Department, Housing Division
HOME Administrator	SOUTH GATE	Community Development Department, Housing Division

Table 30 – Responsible Agencies

Narrative (optional)

The City of South Gate (City) is the Lead Agency for the CDBG and HOME entitlement programs. The City's Community Development Department is responsible for the administration and preparation of the Consolidated Plan, Annual Action Plans and Consolidated Annual Performance Evaluation Reports (CAPER).

Consolidated Plan Public Contact Information

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AP-10 Consultation – 91.100, 91.200(b), 91.215(l)

1. Introduction

Consultation for the 2020-2021 Annual Action Plan was achieved through a variety of strategies, including the CAC, public hearings and public meetings. All efforts were made to contact appropriate parties and obtain thorough input. These consultations, in conjunction with participation from citizens, provided the plan direction and scope.

Provide a concise summary of the jurisdiction’s activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l))

Activities to enhance coordination between public and assisted housing providers and governmental health, mental health and service agencies are conducted on a regular basis. The City of South Gate's activities will include: 1) Accepting funding applications from housing, health care and service providers through its Annual Action Plan process. 2) Participating in local and regional committees such as the Los Angeles Homeless Services Authority (LAHSA) Continuum of Care and the Southern California Council of Governments (SCAG). Continued coordination is anticipated for planning efforts, as well as project implementation, between all of these groups.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

The City of South Gate is in Service Planning Area (SPA) 7 within LAHSA’s Continuum of Care. LAHSA was established in December 1993 as a Joint Powers Authority to coordinate the effective and efficient utilization of Federal and local funding in providing services to homeless people throughout Los Angeles city and County. LAHSA coordinates and manages over \$70 million dollars annually in Federal, State, County and City funds for programs that provide shelter, housing and services to homeless persons in Los Angeles City and County.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

Not Applicable. The City does receive ESG funds.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction’s consultations with housing, social service agencies and other entities

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Table 31 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	FAIR HOUSING FOUNDATION
	Agency/Group/Organization Type	Service-Fair Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Organization was contacted and provided input on housing affordability, fair housing issues, and landlord/tenant complaints.
2	Agency/Group/Organization	NEWSTART HOUSING CORPORATION, INC.
	Agency/Group/Organization Type	Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Organization was contacted and provided input on housing. NewStart has developed affordable housing in South Gate.
3	Agency/Group/Organization	HOME OWNERSHIP FOR PERSONAL EMPOWERMENT (HOPE)
	Agency/Group/Organization Type	Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Organization was contacted and provided input on housing and supportive services for adults with special needs. HOPE has developed affordable housing in South Gate.

Identify any Agency Types not consulted and provide rationale for not consulting

None.

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
State Plan for Independent Living (SPIL) for 2017-2019	State Independent Living Council (SILC)	The Strategic Plan has goals in support of the State Plan for Independent Living because many of South Gate’s seniors are frail and disabled.
Los Angeles Continuum of Care	Los Angeles Homeless Services Authority (LAHSA)	The Continuum of Care identifies funding and activities assisting LA County’s homeless including one project helping South Gate’s homeless population. The City’s homeless goals and strategy support those of the Continuum of Care.
Four-Year Area Plan on Aging July 1, 2016 to June 30, 2020 Area Plan Update July 1, 2017 to June 30, 2018	Los Angeles Department of Aging	The Strategic Plan supportive housing goals for the elderly and frail elderly support those of the Area Plan on Aging.
Los Angeles County Comprehensive HIV Plan (2017-2021)	Los Angeles County Commission on HIV County of Los Angeles Department of Public Health	The Strategic Plan includes goals based on the goals, needs, and strategies identified in the County’s Comprehensive HIV Plan.
2014-2021 Housing Element of the General Plan	City of South Gate	The Strategic Plan goals are based on those included in the 2014-2021 Housing Element.
Gateway to the Future: Capital Improvement Program	City of South Gate	Public facility and public improvement needs and goals are based in part on those described in the Capital Improvement Plan.

Table 32 – Other local / regional / federal planning efforts

Narrative (optional)

None.

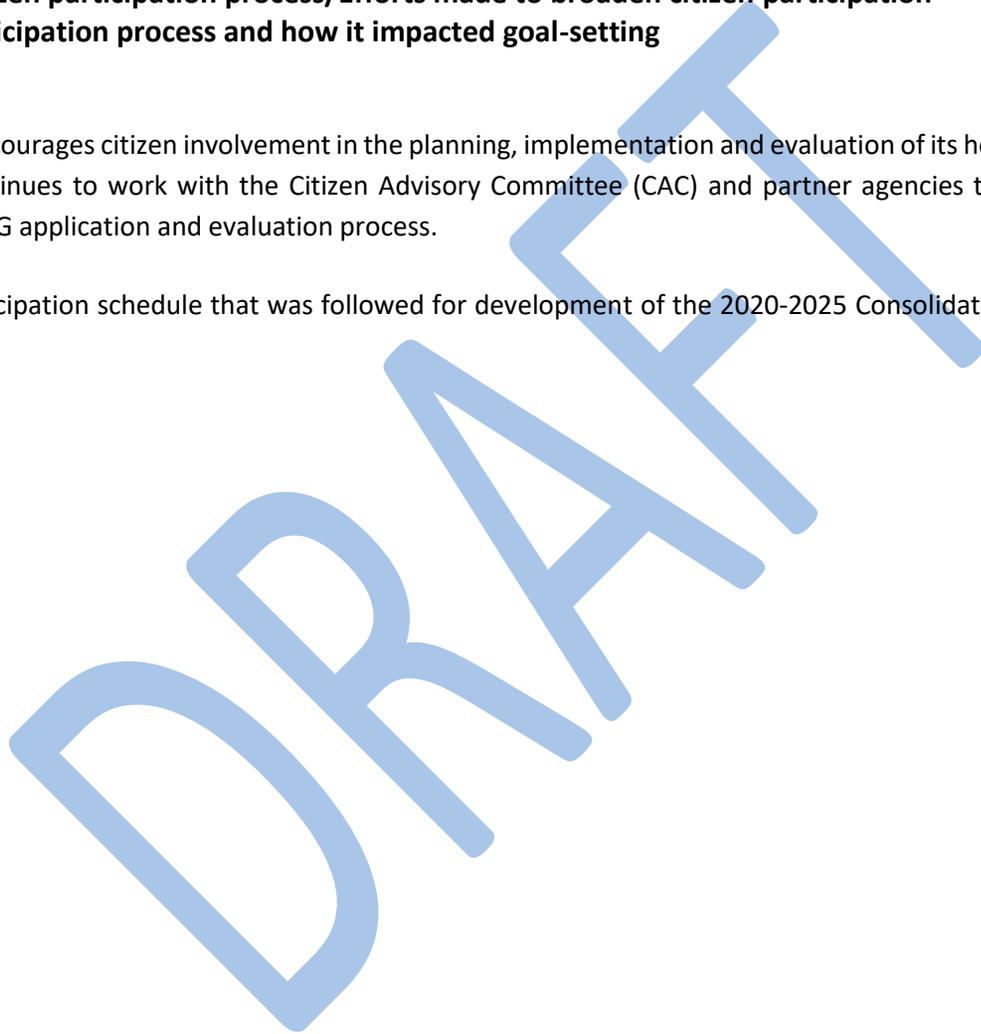
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AP-12 Participation – 91.105, 91.200(c)

**1. Summary of citizen participation process/Efforts made to broaden citizen participation
Summarize citizen participation process and how it impacted goal-setting**

The City of South Gate encourages citizen involvement in the planning, implementation and evaluation of its housing and community development programs. City staff continues to work with the Citizen Advisory Committee (CAC) and partner agencies to increase citizen participation and improve the PY 2020 CDBG application and evaluation process.

Below, is the citizen participation schedule that was followed for development of the 2020-2025 Consolidated Plan and FY 2020-2021 One-Year Action Plan.



Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	2020-2025 Consolidated Plan survey March 2, 2020	Non-target/broad Community All interested persons	220 persons responded to the survey	Survey responses are presented in the appropriate sections of the Consolidated Plan	All comments accepted	N/A
2	Community Meeting June 16, 2020	Non-target/broad Community All interested persons	1 person representing the City Library	Person was interested in CDBG services	All comments accepted	N/A
3	Community Meeting June 17, 2020	Non-target/broad Community All interested persons	1 City resident	Person was interested in CDBG public service funding	All comments accepted	N/A
4	Public Review Period August 4 – August 11, 2020	Non-target/broad Community All interested persons	N/A	TBD	TBD	N/A
5	Public Hearing August 11, 2020	Non-target/broad Community All interested persons	TBD	TBD	TBD	N/A

Table 33 – Citizen Participation Outreach

Expected Resources

AP-15 Expected Resources – 91.220(c)(1,2)

Introduction

South Gate, like many jurisdictions, is faced with the challenging task of meeting increasing needs with fluctuating and/or decreasing federal and State resources.

The City anticipates that over the course of the 2020-2025 Consolidated Plan it will continue to receive CDBG and HOME funds. Along with these federal entitlements, the City may elect to utilize Section 108, Low-Income Housing Tax Credits and the State of California's housing such as CalHome to support housing development. Other resources that may be used include City General Fund as well as Program Income.

For FY 2020-2021, the City will receive the following funding:

HOME Investment Partnerships (HOME): The City will receive a grant allocation of \$664,918 and will utilize \$936,861 in carryover funds; of which twenty-five percent (25%) or \$166,229.50 will be used for Program Administration; Fifteen percent (15%) or \$244,042 will be allocated to a Community Housing Development Organization (CHDO) and the remaining seventy-five percent (75%) or \$932,903 will be spent on the affordable housing acquisition and development, first-time homebuyer down payment assistance, and residential rehab programs. The City does not have HOME Program Income (PI) to report at this time.

Community Development Block Grant (CDBG): The City will receive a grant allocation of \$1,487,150 and will utilize \$936,861; of which twenty percent (20%) or \$297,430 will be used for Program Administration which includes an allocation of \$24,000 for Fair Housing Foundation; the remaining balance of \$2,342,528.50 will be programmed in Public Service projects and City Services projects. The City does not have CDBG Program Income to report at this time. It should be noted that the City received \$874,841 in CDBG-CV funds in FY 19/20 and the 19/20 Action Plans was amended to program most of the funds on eligible activities. It has been determined that 20 cents were omitted. The City is revising the Senior

Food Distribution activity to \$286,200 to account for the 20 cents omitted.

The figures shown in the table below reflect HUD's current allocations. The figure for "Expected Amount Available Remainder of ConPlan" anticipates level funding using the 2020 allocation amounts and projecting those amounts over the two remaining years covered by the Consolidated Plan. If there are further funding cuts to CDBG over the coming years, the City will adjust accordingly and craft Annual Action Plans reflective of funding realities.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	\$1,487,150	\$0	\$936,861	\$2,424,011	\$5,948,600	A HUD formula-based program that annually allocates funds for a wide range of eligible housing and community development activities.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	\$664,918	\$0	\$1,128,255.67	\$1,626,944.17	\$2,659,672	A HUD formula-based program that annually allocates funds to support affordable housing programs.
CDBG-CV	public - federal	Other	\$.20	0	\$286,200	\$286,200.20	0	To prevent, prepare for and respond to Coronavirus.

Table 34 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

The City recognizes that the City's annual entitlement and formula allocations are not sufficient to meet all of its needs, and that leveraging resources is critical to achieving the City's goals. The City continues to cultivate funding partners who can match the City's investment of CDBG and HOME funds. The need remains great, and additional funds are sought to ensure that more affordable housing and important programs and activities are available for those in need. To that end the City seeks funds from the State and grants from other entities, both public and private.

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If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

There is currently no publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan.

Discussion

The City, in collaboration with existing and potential CHDOs are working to identify potential projects and plan to meet new expenditure deadlines as established by HUD.

Also, the City of South Gate anticipates a 100% HOME Match reduction for FY 20-21 as in past years. HOME match reductions are due to areas of fiscal distress, severe fiscal distress, and Presidential disaster declarations as designated by HUD.

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Annual Goals and Objectives

AP-20 Annual Goals and Objectives

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Administration	2020	2021	Administration	Citywide	Planning and Administration	CDBG: \$273,430 HOME: \$166,229	Other: 0 Other
2	Fair Housing	2020	2021	Administration	Citywide	Ensure equal access to housing opportunities	CDBG: \$24,000 HOME: \$0	Other: 270 Other
3	Housing	2020	2021	Affordable Housing	Citywide	Preserve the supply of affordable housing	CDBG: \$100,000 HOME: \$498,689	Homeowner Housing Rehabilitated: 6 Households/ Housing Units;
4	Commercial Rehabilitation	2020	2021	Non-Housing Community Development	Citywide	Commercial Rehabilitation	CDBG: \$410,000	Businesses assisted: 17 Businesses Assisted
5	Infrastructure and Public Facility	2020	2021	Non-Housing Community Development	Citywide	Infrastructure and Public Facilities	CDBG: \$540,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit:

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
6	Public Services	2020	2021	Non-Housing Community Development	Citywide	Provide public services for low income residents	CDBG: \$70,000 HOME: \$0	Public service activities other than Low/Moderate Income Housing Benefit: 110 Persons Assisted

Table 35 – Goals Summary

Goal Descriptions

1	Goal Name	Administration
	Goal Description	Provide planning and administrative services.
2	Goal Name	Fair Housing
	Goal Description	Promote fair housing.
3	Goal Name	Housing
	Goal Description	Promote and maintain affordable housing options
4	Goal Name	Commercial Rehabilitation
	Goal Description	Provide financial assistance for the rehabilitation of commercial facade improvements.
5	Goal Name	Infrastructure and Public Facility
	Goal Description	Provide funding projects such as: Street Lighting, water, sewer, street, alley, and sidewalk improvements. Park Improvements. Retrofitting public facilities to meet the Americans with Disabilities Act (ADA) and comparable State law.
6	Goal Name	Public Services
	Goal Description	Expand and improve the quality and quantity of public service programs.

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Projects

AP-35 Projects – 91.220(d)

Introduction

To address the priority needs identified in the 2020-2025 Consolidated Plan, the City of South Gate will invest CDBG and HOME funds in projects that preserve affordable housing, provide fair housing services, provide services to low-and moderate-income residents, provide services to residents with special needs, prevent homelessness, preserve neighborhoods, improve public facilities and infrastructure and facilitate the creation or retention of small businesses. Together, these projects will address the housing, community and economic development needs of South Gate residents.

The 2020-2021 Annual Plan sets forth a description of activities for the use of funds that will become available during the coming federal fiscal year, determines goals for individuals and households to be served, and describes the implementation plan and geographic location of the activities to be undertaken.

Projects

#	Project Name
1	CDBG ADMINISTRATION
2	FAIR HOUSING FOUNDATION
3	REHABILITATION ADMINISTRATION (Activity Delivery Costs)
4	TWEEDY MILE ASSOCIATION
5	COMMERCIAL FACADE IMPROVEMENT
6	GRAFFITI ABATEMENT
7	SALVATION ARMY BELL SHELTER
8	FAMILY VIOLENCE PREVENTION AND EDUCATION PROGRAM
9	POLICE EXPLORERS
10	PUBLIC PARK IMPROVEMENT (FENCE)
11	HELPLINE YOUTH COUNSELING
12	SOUTHERN CALIFORNIA REHABILITATION SERVICES
13	UNPROGRAMMED CDBG FUNDS
14	SENIOR FOOD DISTRIBUTION
15	HOME PROGRAM ADMINISTRATION
16	RESIDENTIAL REHABILITATION PROGRAM
17	HOME - CHDO
18	UNPROGRAMMED HOME FUNDS

Table 36 - Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

The primary obstacles to meeting the underserved needs of low-and moderate-income people include lack of funding from federal, state and other local sources, the high cost of housing that is not affordable to low-and moderate-income people and the lack of availability of home improvement financing in the private lending industry. To address these obstacles, the City is investing CDBG and HOME funds through the 2020-2021 Action Plan in projects that provide deferred loans to low-and moderate-income homeowners for home improvements, projects that provide public and neighborhood services to low-and moderate-income people and those with special needs, and projects that prevent homelessness. To address underserved needs, the City is allocating 100 percent of its non-administrative CDBG and HOME investments for program year 2020-2021 to projects and activities that benefit low-and moderate-income people.

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AP-38 Project Summary
Project Summary Information

DRAFT

1	Project Name	CDBG ADMINISTRATION
	Target Area	Citywide
	Goals Supported	Administration
	Needs Addressed	Planning and Administration
	Funding	CDBG: \$273,430
	Description	The City of South Gate receives Community Development Block Grant funds to administer, design, implement and plan eligible CDBG activities.
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	The entire Community will benefit from the City's Administration of the CDBG Grant, though the direct beneficiaries of each funded activity will be primarily low- and moderate-income residents.
	Location Description	Citywide
	Planned Activities	The City of South Gate receives Community Development Block Grant funds to administer, design, implement and plan eligible CDBG activities.
2	Project Name	FAIR HOUSING FOUNDATION
	Target Area	Citywide
	Goals Supported	Fair Housing
	Needs Addressed	Ensure equal access to housing opportunities
	Funding	CDBG: \$24,000
	Description	The Fair Housing Foundation administers a comprehensive program that includes: 1) discrimination complaint intake and investigation; 2) outreach and education; 3) general housing (landlord/tenant counseling; and 4) enforcement and impact litigation.
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	270 households
	Location Description	Citywide

	Planned Activities	The Fair Housing Foundation administers a comprehensive program that includes: 1) discrimination complaint intake and investigation; 2) outreach and education; 3) general housing (landlord/tenant counseling; and 4) enforcement and impact litigation.
3	Project Name	REHABILITATION ADMINISTRATION (Activity Delivery Costs)
	Target Area	Citywide
	Goals Supported	Housing
	Needs Addressed	Preserve the supply of affordable housing
	Funding	CDBG: \$100,000
	Description	CDBG funds will be used for delivery costs (including staff, other direct costs, and service costs) directly related to carrying out HOME housing rehabilitation activities. These CDBG funds will not be used for the costs of actual rehabilitation and will not be used for costs unrelated to running a rehabilitation program.
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	N/A
Location Description	The Residential Rehabilitation Program is administered by the Community Development Department located at 8650 California Avenue, South Gate, CA 90280.	
Planned Activities	CDBG funds will be used for delivery costs (including staff, other direct costs, and service costs) directly related to carrying out HOME housing rehabilitation activities. These CDBG funds will not be used for the costs of actual rehabilitation and will not be used for costs unrelated to running a rehabilitation program.	
4	Project Name	TWEEDY MILE ASSOCIATION
	Target Area	Citywide
	Goals Supported	Commercial Rehabilitation
	Needs Addressed	Commercial Rehabilitation
	Funding	CDBG: \$60,000
	Description	This program will provide local businesses with funds for improvements such as window repair or replacement.

	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	10 businesses
	Location Description	The Program is administered by the Tweedy Mile Association located at 3470 Tweedy Avenue, South Gate, CA 90280.
	Planned Activities	This program will provide local businesses with funds for façade improvements such as window and awning repair or replacement.
5	Project Name	COMMERCIAL FACADE IMPROVEMENT
	Target Area	Citywide
	Goals Supported	Commercial Rehabilitation
	Needs Addressed	Commercial Rehabilitation
	Funding	CDBG: \$350,000
	Description	Commercial Facade Improvement (CFI) program will offer a grant of up to \$50,000 to existing or new business owners to make exterior commercial improvements.
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	7 businesses
	Location Description	The Program is administered by the Community Development Department located at 8650 California Avenue, South Gate, CA 90280.
	Planned Activities	Commercial Façade Improvement (CFI) program will offer a grant of up to \$50,000 to existing or new business owners to make exterior commercial façade improvements.
6	Project Name	GRAFFITI ABATEMENT
	Target Area	Citywide
	Goals Supported	Infrastructure and Public Facility
	Needs Addressed	Infrastructure and Public Facilities
	Funding	CDBG: \$140,000

	Description	The Graffiti Abatement Program operates in CDBG low- and moderate-income service areas throughout the city to remove graffiti from hardscape areas such as walls, sidewalks, street furniture, poles and signs. Funds pay for labor, supplies and material.
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	19 census tracts
	Location Description	The Activity is administered by the Public Works Department located at 8650 California Avenue, South Gate, CA 90280.
	Planned Activities	The Graffiti Abatement Program operates in CDBG low- and moderate-income service areas throughout the city to remove graffiti from hardscape areas such as walls, sidewalks, street furniture, poles and signs. Funds pay for labor, supplies and material.
7	Project Name	SALVATION ARMY BELL SHELTER
	Target Area	Citywide
	Goals Supported	Public Services
	Needs Addressed	Provide public services for low income residents
	Funding	CDBG: \$22,500
	Description	Provide emergency shelter for residents who are experiencing homelessness.
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	12 people
	Location Description	This Program is administered by the Salvation Army located at 5600 Rickenbacker Road #2A, Bell, CA 90057.
	Planned Activities	Provide emergency shelter for residents who are experiencing homelessness.
8	Project Name	FAMILY VIOLENCE PREVENTION AND EDUCATION PROGRAM
	Target Area	Citywide
	Goals Supported	Public Services

	Needs Addressed	Provide public services for low income residents
	Funding	CDBG: \$10,000
	Description	The Family Violence Prevention and Education Program will offer empowerment workshops and individual counseling sessions to battered spouses and family members. In addition, the program promotes awareness and education on sexual assault and family violence throughout the community.
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	60 people
	Location Description	The Program is administered by the Police Department located at 8620 California Avenue, South Gate, CA 90280.
	Planned Activities	The Family Violence Prevention and Education Program will offer empowerment workshops and individual counseling sessions to battered spouses and family members. In addition, the program promotes awareness and education on sexual assault and family violence throughout the community.
9	Project Name	POLICE EXPLORERS
	Target Area	Citywide
	Goals Supported	Public Services
	Needs Addressed	Provide public services for low income residents
	Funding	CDBG: \$7,000
	Description	The South Gate Police Explorers Program will provide training and orientation to young adults (ages 14-21), where 51% of whom are low- or moderate-income, who are interested in pursuing a career in law enforcement.
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	7 youth
	Location Description	The Program is administered by the Police Department located at 8620 California Avenue, South Gate, CA 90280

	Planned Activities	The South Gate Police Explorers Program will provide training and orientation to young adults (ages 14-21), where 51% of whom are low- or moderate-income, who are interested in pursuing a career in law enforcement.
10	Project Name	PUBLIC PARK IMPROVEMENT (FENCE)
	Target Area	Citywide
	Goals Supported	Infrastructure and Public Facility
	Needs Addressed	Infrastructure and Public Facilities
	Funding	CDBG: \$400,000
	Description	Funds will be used to hire a landscape architectural firm to assess needs regarding fence repair.
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	The South Gate Park is a regional park that services over 95,000 South Gate residents.
	Location Description	This Program is administered by the Community Development Department located at 8650 California Avenue, South Gate, CA 90280.
	Planned Activities	Repair/replace fencing at baseball diamonds, tennis courts, swim stadium, and other park designated places.
11	Project Name	HELPLINE YOUTH COUNSELING
	Target Area	Citywide
	Goals Supported	Public Services
	Needs Addressed	Provide public services for low income residents
	Funding	CDBG: \$22,500
	Description	Helpline Youth Counseling assist low-to-moderate income City of South Gate households at risk of experiencing homelessness and helps them achieve & maintain housing stability. Services provided are Homelessness Prevention Activities: income payments for low-income eligible residents, case management, and Rapid Re-Housing Activities.
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	14 households

	Location Description	The Program is administered by Helpline Youth Counseling located at 14181 Telegraph Rd., Whittier, CA 90604.
	Planned Activities	Helpline Youth Counseling assist low-to-moderate income City of South Gate households at risk of experiencing homelessness and helps them achieve & maintain housing stability. Services provided are Homelessness Prevention Activities: income payments for low-income eligible residents, case management, and Rapid Re-Housing Activities.
12	Project Name	SOUTHERN CALIFORNIA REHABILITATION SERVICES
	Target Area	Citywide
	Goals Supported	Public Services
	Needs Addressed	Provide public services for low income residents
	Funding	CDBG: \$8,000
	Description	Will provide home modifications, durable medical equipment and technology devices to South Gate residents with disabilities.
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	17 people
	Location Description	This Program is administered by the Southern California Rehabilitation Services, Inc. located at 7830 Quill Drive, Suite D, Downey, CA 90242.
	Planned Activities	Will provide home modifications, durable medical equipment and technology devices to South Gate residents with disabilities.
13	Project Name	UNPROGRAMMED CDBG FUNDS
	Target Area	
	Goals Supported	
	Needs Addressed	
	Funding	CDBG: \$1,006,581
	Description	
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	

	Location Description	
	Planned Activities	
14	Project Name	SENIOR FOOD DISTRIBUTION
	Target Area	Citywide
	Goals Supported	Support special needs programs and services
	Needs Addressed	Support special needs programs and services
	Funding	CDBG-CV: \$.20
	Description	The Senior Food & Food Distribution program will assist senior South Gate residents by providing them with emergency food and nutrition assistance. It should be noted that \$286,000 of CDBG -CV was included in the 18/19 substantial amendment and the amount is being revised in this document to add .20 of remaining CDBG-CV funds. Total amount programmed for this activity is \$286,200.20
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	300 seniors
	Location Description	City Wide
	Planned Activities	The Senior Food & Food Distribution program will assist senior South Gate residents by providing them with emergency food and nutrition assistance.
	15	Project Name
Target Area		Citywide
Goals Supported		Administration
Needs Addressed		Planning and Administration
Funding		HOME: \$166,229
Description		The entire Community will benefit from the City's Administration of the HOME Grant, though the direct beneficiaries of each funded activity will be primarily low- and moderate-income residents.
Target Date		6/30/2021

	Estimate the number and type of families that will benefit from the proposed activities	n/a
	Location Description	The HOME grant is administered by the Community Development Department located at 8650 California Avenue, South Gate, CA 90280
	Planned Activities	The entire Community will benefit from the City's Administration of the HOME Grant, though the direct beneficiaries of each funded activity will be primarily low- and moderate-income residents.
16	Project Name	RESIDENTIAL REHABILITATION PROGRAM
	Target Area	Citywide
	Goals Supported	Housing
	Needs Addressed	Preserve the supply of affordable housing
	Funding	HOME: \$398,952
	Description	This program provides deferred loans to qualified homeowners for rehab on their properties. The loan is due and payable when title is transferred, or property is refinanced or sold. The property must be brought up to certain housing standards as part of the rehab assistance. The property must be owner-occupied and may have up to four units. Qualified households must have an annual income at or less that 80% of the area median income.
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	6 projects
	Location Description	The Rehabilitation Program is administered by the Community Development Department located at 8650 California Avenue, South Gate, CA 90280.
Planned Activities	This program provides deferred loans to qualified homeowners for rehab on their properties. The loan is due and payable when title is transferred, or property is refinanced or sold. The property must be brought up to certain housing standards as part of the rehab assistance. The property must be owner-occupied and may have up to four units. Qualified households must have an annual income at or less that 80% of the area median income.	

17	Project Name	HOME - CHDO
	Target Area	Citywide
	Goals Supported	Housing
	Needs Addressed	Preserve the supply of affordable housing
	Funding	HOME: \$99,737
	Description	At least 15 percent of HOME Investment Partnerships Program (HOME) funds must be set aside for specific activities to be undertaken by a special type of nonprofit called a Community Housing Development Organization (CHDO). A CHDO is a private nonprofit, community-based organization that has staff with the capacity to develop affordable housing for the community it serves. In order to qualify for designation as a CHDO, the organization must meet certain requirements pertaining to their legal status, organizational structure, and capacity and experience.
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	4 households
	Location Description	City wide
Planned Activities	At least 15 percent of HOME Investment Partnerships Program (HOME) funds must be set aside for specific activities to be undertaken by a special type of nonprofit called a Community Housing Development Organization (CHDO). A CHDO is a private nonprofit, community-based organization that has staff with the capacity to develop affordable housing for the community it serves. In order to qualify for designation as a CHDO, the organization must meet certain requirements pertaining to their legal status, organizational structure, and capacity and experience.	
18	Project Name	UNPROGRAMMED HOME FUNDS
	Target Area	
	Goals Supported	
	Needs Addressed	
	Funding	HOME: \$932,902.54
	Description	

	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	

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AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

HUD-funded activities are limited to the City’s low-and moderate-income areas, which encompass the majority of the City’s residential areas. Areas of the City outside of the CDBG low-and moderate-income areas will benefit from activities that are limited-clientele in nature, i.e., a person/household can benefit from a federally assisted program provided they meet the program’s eligibility criteria. Eligibility is typically established by household income and household size.

CDBG program funds will be expended based on program criteria. For example, public services are available on a citywide basis for qualified beneficiaries; fair housing and program administration activities will also be carried out on a citywide basis. Code enforcement and community development projects (i.e. street and park improvement projects) will be carried out in the City’s low and moderate-income areas; i.e., areas of the City where the majority of residents meet HUD’s low and moderate-income definition.

HOME funds will be utilized to support housing acquisition and rehabilitation activities for low-income tenants and homeowners. To qualify for these funds an evaluation of household income will be undertaken.

Geographic Distribution

Target Area	Percentage of Funds
Citywide	100

Table 37 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

As previously stated, the assignment of priority levels is primarily a result of input from public and private agencies responding to the City's Housing and Community Development Needs Survey, consultation interviews, and statistical data compiled from the Needs Assessment.

The City will evaluate each eligible project and program based on urgency of needs, availability of other funding sources and financial feasibility. Only eligible activities that received a High, Medium or Low

priority levels in the Consolidated Plan may be funded during the next five years.

Discussion

The City anticipates spending at least 70 percent of its entitlement funds in target areas, including areas that have low-and moderate-income concentrations or minority concentrations.

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Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

As noted earlier, the most important impediment to affordable housing revolves around the lack of federal and state resources for affordable housing initiatives. The lack of programs and resources to reduce excessive rent or mortgage burdens to qualified persons is a key factor.

Another barrier to affordable housing in South Gate is the high cost of housing created by a demand for housing, both existing and new, which exceeds the current supply. Despite the recent downturn in the housing market nationally, housing prices, both purchase and rental, remain high, especially for lower income households.

In addition, both the cost of site acquisition and development costs are very high. These facts make housing construction expensive and put affordable housing out of the reach of low-income households.

As stated, there are limited opportunities and funding available to provide affordable housing opportunities. The City will attempt to seek new partnerships in the upcoming year. During PY 2020-2021 the City will address affordable housing needs through the following programs:

Housing Choice Voucher Program: The City will continue to provide rental assistance to extremely low- and low-income households through the South Gate Housing Authority's Housing Choice Voucher Program. Renter-households will be assisted, which will include elderly, single-parent, and disabled special needs households. However, these are not counted toward the affordable housing goals.

Fair Housing Program: In addition, the City's Fair Housing Program is administered by the Fair Housing Foundation, who will provide fair housing services and landlord/tenant information to all residents who request counseling, resource referral, complaint investigation, and public education on all forms of housing discrimination. Renter-households will be assisted, which will include elderly, single-parent, and disabled special needs households. However, these are not counted toward the affordable housing goals.

Homeowner Rehabilitation Program: This program provides deferred loans to qualified homeowners for rehabilitation on their properties. The property must be brought up to certain housing standards as part of the rehabilitation assistance. The program expects to assist 6 households this program year.

First Time Homebuyer Downpayment Assistance: This program makes HOME program funds available in the form of forgivable loans for down payment, principal reduction, and closing costs associated with the purchase of a home.

Acquisition and Development of Affordable Housing: Funds will support the acquisition, new

construction or rehabilitation of single-family homes; to support the acquisition of dilapidated multi-family properties to increase the availability of affordable rental housing.

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	0
Special-Needs	0
Total	0

Table 38 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	0
Rehab of Existing Units	6
Acquisition of Existing Units	0
Total	6

Table 39 - One Year Goals for Affordable Housing by Support Type

Discussion

The Consolidated Plan identifies a high priority need to expand the supply of affordable housing and a high priority need to preserve the supply of affordable housing. During the 2020-2021 program year, the City will invest CDBG and HOME funds in the preservation of affordable housing units. Specifically, CDBG and HOME funds will be used to support affordable housing preservation projects including the City of South Gate’s Residential Rehabilitation Program and Minor Home Improvement Program.

AP-60 Public Housing – 91.220(h)

Introduction

The South Gate Housing Authority administers over 600 Housing Choice Vouchers (HCV) and does not own or operate any public housing units. The South Gate Housing Authority was consulted during this consolidated planning process. It is the intention of the Authority to continue to provide safe, attractive affordable housing to its HCV clients.

Actions planned during the next year to address the needs to public housing

Not Applicable - The City does not have public housing.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

Not Applicable - The City does not have public housing.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

Not Applicable

Discussion

None.

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

The City is located within the Los Angeles Homeless Services Authority (LAHSA) Continuum. The continuum provides oversight of federal homeless assistance dollars and collaborates with local communities to provide the best service to our residents who are homeless. The Los Angeles Continuum conducts quarterly community meetings and the public is invited. However, in 2015, HUD informed the City that it will no longer receive Emergency Solutions Grant funds due to formula threshold changes. With the loss of ESG funding, the City will have a difficult time addressing the needs of the homeless. During PY 2020, the City is awarding the Bell Shelter and Helpline Youth Counseling CDBG funds. These agencies will assist low-to-moderate income City of South Gate households at risk of experiencing homelessness and helps them achieve & maintain housing stability. Services provided are Homelessness Prevention Activities: income payments for low-income eligible residents, case management, and Rapid Re-Housing Activities including emergency shelter for residents who are experiencing homelessness. The City has programmed additional funding. This funding will become available to agencies requiring assistance to address the needs of the homeless or individuals at risk of becoming homeless.

Homelessness affects many people from all social, economic, and racial backgrounds. The causes of homelessness are varied and include loss of employment, mental illness, substance abuse, a health crisis, domestic violence, foreclosure, limited income (such as SSI, for elderly and people with disabilities which prevent them from aging in place due to high cost of living) and loss of familial support. Individuals or families that are homeless have a variety of special needs, including emergency shelter, counseling, job training, transitional housing, and permanent supportive housing. The long-term housing needs are for transitional housing and permanent supportive housing.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The City of South Gate also participates quarterly in the Southern California Council of Governments (SCAG) committee that is comprised of LAHSA, Helpline Youth Counseling and other local stakeholders and homeless advocates. During meetings, the committee provides updates and provides information on their current needs of their clients. Usually the outcome includes multiple agencies teaming up to meet

the needs of those said clients.

Addressing the emergency shelter and transitional housing needs of homeless persons

During PY 2020, the City is awarding the Bell Shelter and Helpline Youth Counseling CDBG funds. These agencies will assist low-to-moderate income City of South Gate households at risk of experiencing homelessness and helps them achieve & maintain housing stability. Services provided are Homelessness Prevention Activities: income payments for low-income eligible residents, case management, and Rapid Re-Housing Activities including emergency shelter for residents who are experiencing homelessness.

Locally, the Salvation Army Bell Shelter operates a comprehensive program that offers transitional care for up to 350 homeless men and women. The goal of the Bell Shelter is to meet the needs of the homeless population by addressing the myriad of reasons why people become homeless and assisting them in developing a higher quality of life through independence. Services offered include: emergency shelter, transitional housing, substance abuse rehabilitation, case management, counseling, on-site health care & medical referrals, HIV/AIDS education, ESL classes, computer training, vocational assistance, job referrals and life skills classes.

The South Gate Domestic Violence Education and Prevention program administered by the South Gate Police Department provides shelter, court advocacy, counseling, 24-hour hotline, crisis intervention, support groups and case management to domestic and sexual abuse victims.

The City has programmed additional funding. This funding will become available to agencies requiring assistance to address the needs of the homeless or individuals at risk of becoming homeless.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

There are a variety of service providers in South Gate that assist low income individuals and families. These providers ensure that they are meeting the needs of the community to the best of their abilities.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded

institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

There are a variety of agencies in the region that provide housing options and case management assistance including those returning from mental and physical health institutions. They provide the option of living independently in a group setting. They are:

- **Rio Hondo Temporary Home, Norwalk** – Provides emergency food and transitional shelter for families with children in the Cerritos, Downey, La Mirada, Montebello, Norwalk, Pico Rivera, Santa Fe Springs and Whittier areas. There are no geographical restrictions for residents.
- **Santa Fe Springs Transitional Living Center, Whittier** – Provides shelter for homeless families in transition, most of whom are single parents or victims of domestic violence and substance abuse, in Los Angeles County.
- **Hospitality Housing, Whittier** – Provides homeless support services for single adults 18 years and older and families with children.
- **Birch Grove Homes, Norwalk** - Provides supportive services to 20 persons in an existing permanent housing program for persons with mental health disabilities.
- **Community Housing Options, scattered sites** - Provides permanent supportive housing to homeless persons and families living with HIV/AIDS or dual diagnoses.
- **Denker House/Harvest House, scattered sites** - Provides supportive services in an existing permanent housing program for persons with disabilities.
- **Homes for Life Foundation, Norwalk** - Provides permanent housing to eight persons with mental health disabilities in eight one-bedroom apartment style units.
- **Su Casa Domestic Violence Network, Lakewood** - Provides crisis intervention service for domestic violence victims and their children, for a maximum of 30 consecutive days.
- **Salvation Army, Bell Shelter** – Provides emergency shelter services and transitional care for up to 350 homeless men and women.
- **The Southern California Rehabilitation Services** – An independent living resource center in Downey offers programs to eligible South Gate residents that provide people with the tools to learn how to live independently including cooking, budgeting, reading and finding employment. They also offer disability assistance for improvements on homes for people with disabilities.

Discussion

Continuing in 2020, the City will assist low income, special needs and homeless with the Public Service Category of funding to local non-profits. The eligible activities include but are not limited to employment services (e.g. job training), crime prevention and public safety, child care, health services, substance abuse

services (e.g., counseling and treatment), fair housing counseling, education programs, services for senior citizens and services for homeless persons. The Salvation Army, for example, will provide food and emergency or transitional housing to men, women, or families in need and Helpline Youth Counseling will provide counseling and assistance to at-risk, low income children, youth and their families to help eliminate barriers and create opportunities to those in need.

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AP-75 Barriers to affordable housing – 91.220(j)

Introduction:

The impact on housing affordability disproportionately affects those who are lower income. HUD considers a housing unit affordable if the occupant household expends no more than 30% of its income on housing cost. In the situation where the household expends greater than 30% of its income on housing cost, the household is considered cost burdened. Cost burdened households have less financial resources to meet other basic needs (food, clothing, transportation, medical, etc.), less resources to properly maintain the housing structure, and are at greater risk for foreclosure or eviction.

Recent sales data for South Gate shows that housing prices continue to increase, while household incomes have failed to keep pace with home prices. There are also other factors that create barriers to affordable housing growth. The barriers that typically affect housing costs are as follows:

- Lack of developable land and/or where development is due to zoning.
- Cost of developable land and construction.
- Credit worthiness of potential buyers for homeownership.
- Social opinions discouraging affordable development in particular neighborhoods (“Not in My Backyard NIMBY”).
- Lack of responsible landlords for maintaining safe and clean-living conditions.
- Credit worthiness of potential renters.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

The City adopted General Plan 2035 in 2009. As part of the General Plan update, a new concept in dealing with land use and development standards was introduced. Unlike traditional Euclidean land use and zoning system, the proposed South Gate General Plan uses a “form based” system to determine location and intensity of uses.

The new Zoning Ordinance update was adopted in March 2015. The City’s current estimated number of dwelling units is about 24,242 units. The Zoning Update has created density and development standards to accommodate an estimated growth of over 4,538 units over the next 25 years. This growth rate of

additional units will help alleviate the projected population and issues of affordability.

DRAFT

AP-85 Other Actions – 91.220(k)

Introduction:

Despite efforts made by the City and social service providers, a number of significant obstacles to meeting underserved resident needs remain. With funding resources being scarce, funding becomes the greatest obstacle for the City of South Gate to meet its underserved needs. Insufficient funding results in limits to the availability of services many worthy public service programs, activities and agencies provide.

Actions planned to address obstacles to meeting underserved needs

The primary obstacles to meeting the underserved needs of low-and moderate-income people include lack of funding from federal, state and other local sources, the high cost of housing that is not affordable to low-and moderate-income people and the lack of availability of home improvement financing in the private lending industry. To address these obstacles, the City is investing CDBG and HOME funds through the 2020-2021 Action Plan in projects that provide deferred loans to low-and moderate-income homeowners for home improvements, creating a down payment assistance program, projects that provide public and neighborhood services to low-and moderate-income people and those with special needs, and projects that prevent homelessness. To address underserved needs, the City is allocating 100 percent of its non-administrative CDBG and HOME investments for program year 2020-2021 to projects and activities that benefit low-and moderate-income people.

Actions planned to foster and maintain affordable housing

The City has been active in providing affordable housing through awarding HOME funds to Developers for senior citizen rental units, and acquisition and rehabilitation of deteriorated rental units for lower income households. The City also provides rental assistance through the Housing Choice Voucher Program to very low-income households through its Housing Authority. The City certifies Community Housing Development Organizations (CHDOs) in an effort to provide affordable housing using low HOME rents.

Actions planned to reduce lead-based paint hazards

All units in a project assisted with CDBG and HOME funds must comply with the regulations found at 24 CFR Part 35. The purpose of the regulation is to identify and address lead-based paint hazards before children are exposed to lead. This requirement has been in effect since September 15, 2000.

Lead-based paint hazards are found in homes built prior to 1978. All Grantees and Participating Jurisdictions must assess homes built prior to 1978 for lead hazards and conduct interim or abatement controls as warranted. The majority of the homes in South Gate were built prior to 1978 and have lead-based paint somewhere on the structure. Lead based paint is found on windowsills, doorways or under

the eaves. The hazards of lead-based paint are primarily to young children up to age 6, as they are more likely to eat peeling paint. Lead adversely affects the development of a child's brain and other organs.

The City's strategy in addressing lead based paint hazards involves an educational component for the public, printed outreach information to those households in the "lead hot zones" as identified by the County, and printed information are given to participants in the City's rehabilitation loan programs.

The Residential Rehabilitation Program focuses on rehabilitating existing housing stock throughout the City covering interior and exterior home improvement and/or repairs. In combination with the Residential Rehabilitation Program, the City offers \$10,000 grants to be used for termite and lead abatement. Lead assessments are conducted on all housing projects, both single family and multi-family units. All HCV participant rental units are inspected annually.

Actions planned to reduce the number of poverty-level families

The implementation of CDBG and HOME activities meeting the goals established in the 2020-2025 Consolidated Plan and this Annual Action Plan will help to reduce the number of poverty level families by:

- Supporting activities that expand the supply of housing that is affordable to low-and moderate-income households;
- Supporting activities that preserve the supply of decent housing that is affordable to low-and moderate-income households;
- Supporting a continuum of housing and public service programs to prevent and eliminate homelessness;
- Supporting housing preservation programs that assure low income households have a safe, decent and sanitary place to live; and
- Supporting public services for low-and moderate-income residents including those with special needs and those at risk of homelessness offered by nonprofit organizations.

In addition to these local efforts, mainstream state and federal resources also contribute to reducing the number of individuals and families in poverty. In California, the primary programs that assist families in poverty are CalWORKs, CalFresh (formerly food stamps) and MediCal. Together, these programs provide individuals and families with employment assistance, subsidies for food, medical care, childcare and cash payments to meet basic needs such as housing, nutrition and transportation. Other services are available

to assist persons suffering from substance abuse, domestic violence and mental illness.

Actions planned to develop institutional structure

The City has made an effort to develop an institutional structure that will help identify and access resources to improve the community. The City will continue to work with nonprofit entities to deliver public services. As a member of the LAHSA, the City will provide critical information to the County of Los Angeles for preparation of the County's Continuum of Care Homeless Assistance grant applications. South Gate will provide critical information regarding mainstream funds the City will make available to serve the homeless, and will also assist in identifying and prioritizing gaps and needs in the regional system of care.

Externally, the City is in direct contact with the Chamber of Commerce and the Tweedy Mile Business Association, both of which represent private industry. The City also partners with various nonprofit organizations to provide affordable housing opportunities. These nonprofits act as subrecipients to provide a variety of services to the community. The City continues to contract with the Salvation Army Bell Homeless Shelter which provides emergency shelter and support services.

Actions planned to enhance coordination between public and private housing and social service agencies

The City of South Gate is proactive in coordinating with assisted-housing providers, particularly the City's Housing Authority, homeless assistance centers and programs, youth and family oriented social service organizations and health organizations which provide outreach and counseling.

The Community Development department is comprised of Building & Safety, Planning, Housing and Code Enforcement Divisions, who work closely together to coordinate programs with local social service providers to either meet needs directly or to make referrals to outside services as necessary. Currently, staff makes referrals based upon the available known assistance data.

Discussion:

See discussion above.

Program Specific Requirements

AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

Introduction:

In the implementation of programs and activities under the 2020-2021 Annual Action Plan, the City of South Gate will follow all HUD regulations concerning the use of program income, forms of investment, overall low-and moderate-income benefit for the CDBG program and recapture requirements for the HOME program.

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

- | | |
|--|----------|
| 1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed | 0 |
| 2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan. | 0 |
| 3. The amount of surplus funds from urban renewal settlements | 0 |
| 4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan | 0 |
| 5. The amount of income from float-funded activities | 0 |
| Total Program Income: | 0 |

Other CDBG Requirements

- | | |
|---|---------|
| 1. The amount of urgent need activities | 0 |
| 2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan. | 100.00% |

**HOME Investment Partnership Program (HOME)
Reference 24 CFR 91.220(I)(2)**

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

The City will not use any other forms of investment beyond those identified in Section 92.205. The Homeowner Rehabilitation Program provides deferred loans to qualified homeowners for rehab on their properties. The loan is due and payable when title is transferred, or property is refinanced or sold. The property must be brought up to certain housing standards as part of the rehab assistance. The property must be owner-occupied and may have up to four units. Qualified households must have an annual income at or less than 80% of the area median income. The program expects to assist five households this program year.

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

In PY 2020-2021, the City does not plan to use HOME funds for homebuyer down payment assistance. However, some homebuyers that were assisted in prior years may decide to sell their homes during the upcoming program year. In that event, the City will enforce the resale and recapture guidelines.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

Not Applicable

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

The City does not intend to use HOME funds under the 2020-2021 Annual Action Plan to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds.

In the implementation of programs and activities under the 2020-2021 Annual Action Plan, the City of South Gate will follow all HUD regulations concerning the use of program income, forms of investment, overall low and moderate-income benefit for the CDBG program and recapture requirements for the HOME program.

The City, in collaboration with existing and potential CHDOs are working to identify potential projects and plan to meet new expenditure deadlines as established by HUD.

Also, the City of South Gate anticipates a 100% HOME Match reduction for FY 20-21 as in past years. HOME match reductions are due to areas of fiscal distress, severe fiscal distress, and Presidential disaster declarations as designated by HUD.

Action Plan Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

The City of South Gate's 2020-2021 Action Plan for funding and program activities is based on priorities established by the City's Five-Year Consolidated Plan. The 2020-2021 Action Plan is the first year of the five-year strategy for 2020 through 2021. The Five-Year Consolidated Plan combines two Federal Department of Housing and Urban Development (HUD) Programs: Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME).

The City's Community Development Department, Housing Division, coordinates, manages plans, submits and implements the process. The Division continues to be involved in activities which enhance the coordination among public and non-profit, private housing providers, and health and service agencies.

The 2020-2021 Action Plan serves as the City's blueprint for providing decent affordable housing to lower-income households, providing suitable living environments, expanding economic opportunities, and expanding the capacity of nonprofit housing providers to the citizens of South Gate. This strategic plan sets forth goals, objectives, and performance benchmarks for measuring and establishing a framework for progress. The City will receive \$1,487,150 in PY 2020-2021 CDBG funds and is allocating \$1,152,808.50 in CDBG carryover funds from prior years. CDBG funds will be assigned to a CDBG eligible activities for FY 2020-2021. The City is receiving \$664,918 in HOME funds for PY 2020-2021 and is allocating \$1,128,255.67 in HOME carryover funds from prior years.

It should be noted that the City received \$874,841 in CDBG-CV funds in FY 19/20 and the 19/20 Action Plans was amended to program most of the funds on eligible activities. It has been determined that 20 cents were omitted. The City is revising the Senior Food Distribution activity to \$286,200 to account for the 20 cents omitted.

The proposed plan includes the following initiatives under CDBG funding: Community Service Programs (i.e. supporting Youths, homeless, etc.); General Administration, Program Delivery, Minor Home

Improvement Program, Code Enforcement, Public Improvements, Commercial Façade Program, and Fair Housing. The funds serve extremely-low to moderate-income residents.

HOME funded activities include: General Administration, affordable housing acquisition and development, first-time homebuyer down payment assistance, and residential rehab programs. The populations served are low-to moderate-income.

2. Summarize the objectives and outcomes identified in the Plan

The CDBG and HOME funds will be used to meet the goals and objectives established in the 2020-2025 Consolidated Plan. The goals and objectives have been developed in consultation with citizens, service agencies, other funding partners, and businesses to provide decent housing, a suitable living environment and economic opportunities for low-to moderate-income households.

The City will pursue these goals and objectives by working with the non-profit community, neighborhood groups, associated businesses, stakeholders, labor union representatives, other local government entities, residents and partners. The City will also work closely with other City departments to jointly plan, implement and evaluate the program's core activities.

The City of South Gate will strive to meet the following goals and objectives between 2020 and 2025. These goals are based on assumptions as to future funding levels for the Consolidated Plan programs. Because these funding sources are subject to annual Congressional appropriations as well as potential changes in funding distribution formulas or the number of communities eligible to receive entitlement grants, the accomplishment projections and planned activities are subject to change with availability of funding.

Summary of Goals

The goals of the 2020-2025 Consolidated Plan include:

- Preservation and rehabilitation of the existing housing stock using CDBG and HOME funds.
- Expand and improve the quality and quantity of public service programs.
- Promote fair housing.
- Provide infrastructure and public facility funding.
- Target code enforcement activities to public health and safety issues.

- Provide financial assistance for the rehabilitation of commercial façade improvements.
- Economic Development activities that promote employment and preserve local businesses.
- Housing rehabilitation.
- Public Services.

3. Evaluation of past performance

The City continually strives to improve the performance of its operations and those of its funded agencies. The City prepares the Consolidated Annual Performance Evaluation and Report (CAPER) annually, which documents progress toward meeting needs and achieving strategies established in the Consolidated Plan and the Annual Action Plans.

Over the past years, the City's CDBG funds were used for meeting the three goals of providing decent housing; creating a suitable living environment; and expanding economic opportunities to low-and moderate-income persons in South Gate

City Table 1 describes past performance for the first four years of the five-year 2015-2020 Consolidated Plan.

**City Table 1
Accomplishments-Consolidates Plan- FY 2015-2016-FY 2018-2019**

Goal	Program Indicator	5-Year Objectives	4-Year Accomplishments	Percent Completed
Code Enforcement	Housing Code Enforcement and Foreclosed Property Care	12,500 Housing Units	11,492	91.9%
Commercial Rehabilitation	Businesses Assisted	15 Businesses Assisted	51	340%
Fair Housing	Other	3000 Other	1,430	47.7%
Housing	Rental Units Rehabilitated	2 Rental Housing Units	0	0%
Housing	Homeowner Housing Rehabilitated	25 Homeowner Housing Units	24	96%
Infrastructure and Public Facility	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	100,000 Persons Assisted	210,436	210.44%
Public Services	Public Service Activities other than Low/Moderate Income Housing Benefit	3,000 Persons Assisted	2,546	84.87%

4. Summary of Citizen Participation Process and consultation process

Community outreach is an important component of the Action Plan process. To foster community participation, the City developed a Citizen Participation Plan, which establishes policies and procedures for the establishment of the Consolidated Plan, its Annual Action Plans, its Consolidated Annual Performance and Evaluation Reports (CAPER), and for any substantial amendments that may be proposed to the Consolidated Plan or the Action Plans or if the City applies for Section 108 loan assistance. A second component of the City's community outreach effort is consultation with private and public agencies that have been providing services and research data in the City. During the development of this Action Plan, the City adhered to its Citizen Participation Plan, provided multiple opportunities for community input, and consulted with a variety of social service agencies.

The City is committed to maximizing community participation in the CDBG and HOME process. To ensure that its 2020-2021 Action Plan was based on an accurate needs assessment, the City used the following approach to create participation of residents, service providers, and other interested persons and organizations:

South Gate Citizens Advisory Committee

The South Gate Citizens Advisory Committee (CAC) is an advisory board created by City Council to ensure constant dialog exists between City Hall and the community. The role of the CAC is twofold. First, to ensure that City Council is appraised of the needs, desires, and interests of City residents. Second, to review and make recommendations on CDBG funding to City Council. The CAC, which meets six times a year, is comprised of 20 members representing the demographic and social range of residents in the City. The CAC was actively involved in the current Annual Action Plan process. The CAC reviewed the 2020-2021 Public Services applications and made CDBG selection and funding recommendations to City Council for the Annual Action Plan. It is anticipated that the CAC will continue to serve in an advisory role to the CDBG process.

Annual Public Services Application Process

The annual Public Services selection process established by the City requires applicants to submit an application describing their proposed project or program and detailing how the project meets local and national CDBG objectives and federal requirements. City staff and CAC CDBG review the public services applications and make a recommendation for CDBG funding to City Council. The CAC is comprised of residents who keep the City Council informed on concerns and opportunities in the community and advise on relevant and topical issues. The annual CAC recommendation and Council selection of public service grantees is based on the following criteria:

- Consistency of service activity with national objectives and federal requirements;

- Consistency of service activity with the goals, objectives, and strategies of the 5-year Consolidated Plan;
- Experience and competency of the applicant; and
- Demonstrated need and lack of other sources of funding.

5. Summary of public comments

The Annual Action Plan was made available for public review from August 4, 2020 through August 11, 2020, using a HUD waiver. The City prepared a notice announcing the Draft Action Plan was available for public review on the City's website. The notice was published in the local newspaper. The notice also indicated the date, time, and location of the City Council public hearing for adoption of the Final Consolidated Plan and included the amount of HOME and CDBG assistance expected to be received during the plan duration.

No comments were received in writing or orally. On August 11, 2020 the City Council conducted a public hearing on the Final Action Plan. No comments were received.

6. Summary of comments or views not accepted and the reasons for not accepting them

No comments or views were not accepted.

7. Summary

For 2020-2021, the City of South Gate will receive an allocation of \$1,487,150 in CDBG and \$664,918 in HOME entitlement funds from the US Department of Housing and Urban Development (HUD) to spend on housing and community development activities that address the priority needs and goals established in the Consolidated Plan. In addition, the City is committing \$1,152,808.50 of CDBG carryover funds from prior years and \$1,128,255.67. As such the City anticipates funding projects to meet the priorities and corresponding goals during the five-year period.

It should be noted that the City received \$874,841 in CDBG-CV funds in FY 19/20 and the 19/20 Action Plans was amended to program most of the funds on eligible activities. It has been determined that 20 cents were omitted. The City is revising the Senior Food Distribution activity to \$286,200 to account for the 20 cents omitted.

PR-05 Lead & Responsible Agencies – 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

Describe the agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	SOUTH GATE	Community Development Department, Housing Division
HOME Administrator	SOUTH GATE	Community Development Department, Housing Division

Table 40 – Responsible Agencies

Narrative (optional)

The City of South Gate (City) is the Lead Agency for the CDBG and HOME entitlement programs. The City's Community Development Department is responsible for the administration and preparation of the Consolidated Plan, Annual Action Plans and Consolidated Annual Performance Evaluation Reports (CAPER).

Consolidated Plan Public Contact Information

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AP-10 Consultation – 91.100, 91.200(b), 91.215(I)

1. Introduction

Consultation for the 2020-2021 Annual Action Plan was achieved through a variety of strategies, including the CAC, public hearings and public meetings. All efforts were made to contact appropriate parties and obtain thorough input. These consultations, in conjunction with participation from citizens, provided the plan direction and scope.

Provide a concise summary of the jurisdiction’s activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(I))

Activities to enhance coordination between public and assisted housing providers and governmental health, mental health and service agencies are conducted on a regular basis. The City of South Gate's activities will include: 1) Accepting funding applications from housing, health care and service providers through its Annual Action Plan process. 2) Participating in local and regional committees such as the Los Angeles Homeless Services Authority (LAHSA) Continuum of Care and the Southern California Council of Governments (SCAG). Continued coordination is anticipated for planning efforts, as well as project implementation, between all of these groups.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

The City of South Gate is in Service Planning Area (SPA) 7 within LAHSA’s Continuum of Care. LAHSA was established in December 1993 as a Joint Powers Authority to coordinate the effective and efficient utilization of Federal and local funding in providing services to homeless people throughout Los Angeles city and County. LAHSA coordinates and manages over \$70 million dollars annually in Federal, State, County and City funds for programs that provide shelter, housing and services to homeless persons in Los Angeles City and County.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

Not Applicable. The City does receive ESG funds.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction’s consultations with housing, social service agencies and other entities

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Table 41 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	FAIR HOUSING FOUNDATION
	Agency/Group/Organization Type	Service-Fair Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Organization was contacted and provided input on housing affordability, fair housing issues, and landlord/tenant complaints.
2	Agency/Group/Organization	NEWSTART HOUSING CORPORATION, INC.
	Agency/Group/Organization Type	Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Organization was contacted and provided input on housing. NewStart has developed affordable housing in South Gate.
3	Agency/Group/Organization	HOME OWNERSHIP FOR PERSONAL EMPOWERMENT (HOPE)
	Agency/Group/Organization Type	Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Organization was contacted and provided input on housing and supportive services for adults with special needs. HOPE has developed affordable housing in South Gate.

Identify any Agency Types not consulted and provide rationale for not consulting

None.

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
State Plan for Independent Living (SPIL) for 2017-2019	State Independent Living Council (SILC)	The Strategic Plan has goals in support of the State Plan for Independent Living because many of South Gate’s seniors are frail and disabled.
Los Angeles Continuum of Care	Los Angeles Homeless Services Authority (LAHSA)	The Continuum of Care identifies funding and activities assisting LA County’s homeless including one project helping South Gate’s homeless population. The City’s homeless goals and strategy support those of the Continuum of Care.
Four-Year Area Plan on Aging July 1, 2016 to June 30, 2020 Area Plan Update July 1, 2017 to June 30, 2018	Los Angeles Department of Aging	The Strategic Plan supportive housing goals for the elderly and frail elderly support those of the Area Plan on Aging.
Los Angeles County Comprehensive HIV Plan (2017-2021)	Los Angeles County Commission on HIV County of Los Angeles Department of Public Health	The Strategic Plan includes goals based on the goals, needs, and strategies identified in the County’s Comprehensive HIV Plan.
2014-2021 Housing Element of the General Plan	City of South Gate	The Strategic Plan goals are based on those included in the 2014-2021 Housing Element.
Gateway to the Future: Capital Improvement Program	City of South Gate	Public facility and public improvement needs and goals are based in part on those described in the Capital Improvement Plan.

Table 42 – Other local / regional / federal planning efforts

Narrative (optional)

None.

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AP-12 Participation – 91.105, 91.200(c)

**1. Summary of citizen participation process/Efforts made to broaden citizen participation
Summarize citizen participation process and how it impacted goal-setting**

The City of South Gate encourages citizen involvement in the planning, implementation and evaluation of its housing and community development programs. City staff continues to work with the Citizen Advisory Committee (CAC) and partner agencies to increase citizen participation and improve the PY 2020 CDBG application and evaluation process.

Below, is the citizen participation schedule that was followed for development of the 2020-2025 Consolidated Plan and FY 2020-2021 One-Year Action Plan.

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Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	2020-2025 Consolidated Plan survey March 2, 2020	Non-target/broad Community All interested persons	217 persons responded to the survey	Survey responses are presented in the appropriate sections of the Consolidated Plan	All comments accepted	N/A
2	Community Meeting June 16, 2020	Non-target/broad Community All interested persons	1 person representing the City Library	Person was interested in CDBG services	All comments accepted	N/A
3	Community Meeting June 17, 2020	Non-target/broad Community All interested persons	1 City resident	Person was interested in CDBG public service funding	All comments accepted	N/A
4	Public Review Period August 4 – August 11, 2020	Non-target/broad Community All interested persons	N/A	TBD	TBD	N/A
5	Public Hearing August 11, 2020	Non-target/broad Community All interested persons	TBD	TBD	TBD	N/A

Table 43 – Citizen Participation Outreach

Expected Resources

AP-15 Expected Resources – 91.220(c)(1,2)

Introduction

South Gate, like many jurisdictions, is faced with the challenging task of meeting increasing needs with fluctuating and/or decreasing federal and State resources.

The City anticipates that over the course of the 2020-2025 Consolidated Plan it will continue to receive CDBG and HOME funds. Along with these federal entitlements, the City may elect to utilize Section 108, Low-Income Housing Tax Credits and the State of California's housing such as CalHome to support housing development. Other resources that may be used include City General Fund as well as Program Income.

For FY 2020-2021, the City will receive the following funding:

HOME Investment Partnerships (HOME): The City will receive a grant allocation of \$664,918 and will utilize \$1,152,808.50 in carryover funds; of which twenty-five percent (25%) or \$166,229.50 will be used for Program Administration; Fifteen percent (15%) or \$244,042 will be allocated to a Community Housing Development Organization (CHDO) and the remaining seventy-five percent (75%) or \$932,903 will be spent on the affordable housing acquisition and development, first-time homebuyer down payment assistance, and residential rehab programs. The City does not have HOME Program Income (PI) to report at this time.

Community Development Block Grant (CDBG): The City will receive a grant allocation of \$1,487,150 and will utilized \$1,152,808.50; of which twenty percent (20%) or \$297,430 will be used for Program Administration which includes an allocation of \$24,000 for Fair Housing Foundation; the remaining balance of \$2,342,528.50 will be programmed in Public Service projects and City Services projects. The City does not have CDBG Program Income to report at this time. It should be noted that the City received \$874,841 in CDBG-CV funds in FY 19/20 and the 19/20 Action Plans was amended to program most of the funds on eligible activities. It has been determined that 20 cents were omitted. The City is revising the

Senior Food Distribution activity to \$286,200 to account for the 20 cents omitted.

The figures shown in the table below reflect HUD's current allocations. The figure for "Expected Amount Available Remainder of ConPlan" anticipates level funding using the 2020 allocation amounts and projecting those amounts over the two remaining years covered by the Consolidated Plan. If there are further funding cuts to CDBG over the coming years, the City will adjust accordingly and craft Annual Action Plans reflective of funding realities.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	\$1,487,150	\$0	\$1,152,808.50	\$2,639,958.50	\$5,948,600	A HUD formula-based program that annually allocates funds for a wide range of eligible housing and community development activities.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	\$664,918	\$0	\$1,128,255.67	\$1,626,255.67	\$2,659,672	A HUD formula-based program that annually allocates funds to support affordable housing programs.
CDBG-CV	public - federal	Other	\$.20	0	\$286,200	\$286,200.20	0	To prevent, prepare for and respond to Coronavirus.

Table 44 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

The City recognizes that the City's annual entitlement and formula allocations are not sufficient to meet all of its needs, and that leveraging resources is critical to achieving the City's goals. The City continues to cultivate funding partners who can match the City's investment of CDBG and HOME funds. The need remains great, and additional funds are sought to ensure that more affordable housing and important programs and activities are available for those in need. To that end the City seeks funds from the State and grants from other entities, both public and private.

DRAFT

If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

There is currently no publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan.

Discussion

The City, in collaboration with existing and potential CHDOs are working to identify potential projects and plan to meet new expenditure deadlines as established by HUD.

Also, the City of South Gate anticipates a 100% HOME Match reduction for FY 20-21 as in past years. HOME match reductions are due to areas of fiscal distress, severe fiscal distress, and Presidential disaster declarations as designated by HUD.

DRAFT

Annual Goals and Objectives

AP-20 Annual Goals and Objectives

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Administration	2020	2021	Administration	Citywide	Planning and Administration	CDBG: \$273,430 HOME: \$166,229	Other: 0 Other
2	Fair Housing	2020	2021	Administration	Citywide	Ensure equal access to housing opportunities	CDBG: \$24,000 HOME: \$0	Other: 270 Other
3	Housing	2020	2021	Affordable Housing	Citywide	Preserve the supply of affordable housing	CDBG: \$100,000 HOME: \$498,689	Homeowner Housing Rehabilitated: 6 Households/ Housing Units;
4	Commercial Rehabilitation	2020	2021	Non-Housing Community Development	Citywide	Commercial Rehabilitation	CDBG: \$410,000	Businesses assisted: 17 Businesses Assisted
5	Infrastructure and Public Facility	2020	2021	Non-Housing Community Development	Citywide	Infrastructure and Public Facilities	CDBG: \$540,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit:

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
6	Public Services	2020	2021	Non-Housing Community Development	Citywide	Provide public services for low income residents	CDBG: \$70,000	Public service activities other than Low/Moderate Income Housing Benefit: 110 Persons Assisted

Table 45 – Goals Summary

Goal Descriptions

1	Goal Name	Administration
	Goal Description	Provide planning and administrative services.
2	Goal Name	Fair Housing
	Goal Description	Promote fair housing.
3	Goal Name	Housing
	Goal Description	Promote and maintain affordable housing options
4	Goal Name	Commercial Rehabilitation
	Goal Description	Provide financial assistance for the rehabilitation of commercial facade improvements.
5	Goal Name	Infrastructure and Public Facility
	Goal Description	Provide funding projects such as: Street Lighting, water, sewer, street, alley, and sidewalk improvements. Park Improvements. Retrofitting public facilities to meet the Americans with Disabilities Act (ADA) and comparable State law.
6	Goal Name	Public Services
	Goal Description	Expand and improve the quality and quantity of public service programs.

Projects

AP-35 Projects – 91.220(d)

Introduction

To address the priority needs identified in the 2020-2025 Consolidated Plan, the City of South Gate will invest CDBG and HOME funds in projects that preserve affordable housing, provide fair housing services, provide services to low-and moderate-income residents, provide services to residents with special needs, prevent homelessness, preserve neighborhoods, improve public facilities and infrastructure and facilitate the creation or retention of small businesses. Together, these projects will address the housing, community and economic development needs of South Gate residents.

The 2020-2021 Annual Plan sets forth a description of activities for the use of funds that will become available during the coming federal fiscal year, determines goals for individuals and households to be served, and describes the implementation plan and geographic location of the activities to be undertaken.

Projects

#	Project Name
1	CDBG ADMINISTRATION
2	FAIR HOUSING FOUNDATION
3	REHABILITATION ADMINISTRATION (Activity Delivery Costs)
4	TWEEDY MILE ASSOCIATION
5	COMMERCIAL FACADE IMPROVEMENT
6	GRAFFITI ABATEMENT
7	SALVATION ARMY BELL SHELTER
8	FAMILY VIOLENCE PREVENTION AND EDUCATION PROGRAM
9	POLICE EXPLORERS
10	PUBLIC PARK IMPROVEMENT (FENCE)
11	HELPLINE YOUTH COUNSELING
12	SOUTHERN CALIFORNIA REHABILITATION SERVICES
13	UNALLOCATED CDBG FUNDS
14	SENIOR FOOD DISTRIBUTION
15	HOME PROGRAM ADMINISTRATION
16	RESIDENTIAL REHABILITATION PROGRAM
17	HOME - CHDO
18	UNALLOCATED HOME FUNDS

Table 46 - Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

The primary obstacles to meeting the underserved needs of low-and moderate-income people include lack of funding from federal, state and other local sources, the high cost of housing that is not affordable to low-and moderate-income people and the lack of availability of home improvement financing in the private lending industry. To address these obstacles, the City is investing CDBG and HOME funds through the 2020-2021 Action Plan in projects that provide deferred loans to low-and moderate-income homeowners for home improvements, projects that provide public and neighborhood services to low-and moderate-income people and those with special needs, and projects that prevent homelessness. To address underserved needs, the City is allocating 100 percent of its non-administrative CDBG and HOME investments for program year 2020-2021 to projects and activities that benefit low-and moderate-income people.

DRAFT

AP-38 Project Summary
Project Summary Information

DRAFT

1	Project Name	CDBG ADMINISTRATION
	Target Area	Citywide
	Goals Supported	Administration
	Needs Addressed	Planning and Administration
	Funding	CDBG: \$273,430
	Description	The City of South Gate receives Community Development Block Grant funds to administer, design, implement and plan eligible CDBG activities.
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	The entire Community will benefit from the City's Administration of the CDBG Grant, though the direct beneficiaries of each funded activity will be primarily low- and moderate-income residents.
	Location Description	Citywide
	Planned Activities	The City of South Gate receives Community Development Block Grant funds to administer, design, implement and plan eligible CDBG activities.
2	Project Name	FAIR HOUSING FOUNDATION
	Target Area	Citywide
	Goals Supported	Fair Housing
	Needs Addressed	Ensure equal access to housing opportunities
	Funding	CDBG: \$24,000
	Description	The Fair Housing Foundation administers a comprehensive program that includes: 1) discrimination complaint intake and investigation; 2) outreach and education; 3) general housing (landlord/tenant counseling; and 4) enforcement and impact litigation.
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	270 households
	Location Description	Citywide

	Planned Activities	The Fair Housing Foundation administers a comprehensive program that includes: 1) discrimination complaint intake and investigation; 2) outreach and education; 3) general housing (landlord/tenant counseling; and 4) enforcement and impact litigation.
3	Project Name	REHABILITATION ADMINISTRATION (Activity Delivery Costs)
	Target Area	Citywide
	Goals Supported	Housing
	Needs Addressed	Preserve the supply of affordable housing
	Funding	CDBG: \$100,000
	Description	CDBG funds will be used for delivery costs (including staff, other direct costs, and service costs) directly related to carrying out HOME housing rehabilitation activities. These CDBG funds will not be used for the costs of actual rehabilitation and will not be used for costs unrelated to running a rehabilitation program.
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	The Residential Rehabilitation Program is administered by the Community Development Department located at 8650 California Avenue, South Gate, CA 90280.
Planned Activities	CDBG funds will be used for delivery costs (including staff, other direct costs, and service costs) directly related to carrying out HOME housing rehabilitation activities. These CDBG funds will not be used for the costs of actual rehabilitation and will not be used for costs unrelated to running a rehabilitation program.	
4	Project Name	TWEEDY MILE ASSOCIATION
	Target Area	Citywide
	Goals Supported	Commercial Rehabilitation
	Needs Addressed	Commercial Rehabilitation
	Funding	CDBG: \$60,000
	Description	This program will provide local businesses with funds for improvements such as window repair or replacement.

	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	10 businesses
	Location Description	The Program is administered by the Tweedy Mile Association located at 3470 Tweedy Avenue, South Gate, CA 90280.
	Planned Activities	This program will provide local businesses with funds for façade improvements such as window and awning repair or replacement.
5	Project Name	COMMERCIAL FACADE IMPROVEMENT
	Target Area	Citywide
	Goals Supported	Commercial Rehabilitation
	Needs Addressed	Commercial Rehabilitation
	Funding	CDBG: \$350,000
	Description	Commercial Facade Improvement (CFI) program will offer a grant of up to \$50,000 to existing or new business owners to make exterior commercial improvements.
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	7 businesses
	Location Description	The Program is administered by the Community Development Department located at 8650 California Avenue, South Gate, CA 90280.
	Planned Activities	Commercial Façade Improvement (CFI) program will offer a grant of up to \$50,000 to existing or new business owners to make exterior commercial façade improvements.
6	Project Name	GRAFFITI ABATEMENT
	Target Area	Citywide
	Goals Supported	Infrastructure and Public Facility
	Needs Addressed	Infrastructure and Public Facilities
	Funding	CDBG: \$140,000

	Description	The Graffiti Abatement Program operates in CDBG low- and moderate-income service areas throughout the city to remove graffiti from hardscape areas such as walls, sidewalks, street furniture, poles and signs. Funds pay for labor, supplies and material.
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	19 census tracts
	Location Description	The Activity is administered by the Public Works Department located at 8650 California Avenue, South Gate, CA 90280.
	Planned Activities	The Graffiti Abatement Program operates in CDBG low- and moderate-income service areas throughout the city to remove graffiti from hardscape areas such as walls, sidewalks, street furniture, poles and signs. Funds pay for labor, supplies and material.
7	Project Name	SALVATION ARMY BELL SHELTER
	Target Area	Citywide
	Goals Supported	Public Services
	Needs Addressed	Provide public services for low income residents
	Funding	CDBG: \$22,500
	Description	Provide emergency shelter for residents who are experiencing homelessness.
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	12 people
	Location Description	This Program is administered by the Salvation Army located at 5600 Rickenbacker Road #2A, Bell, CA 90057.
Planned Activities	Provide emergency shelter for residents who are experiencing homelessness.	
8	Project Name	FAMILY VIOLENCE PREVENTION AND EDUCATION PROGRAM
	Target Area	Citywide
	Goals Supported	Public Services

	Needs Addressed	Provide public services for low income residents
	Funding	CDBG: \$10,000
	Description	The Family Violence Prevention and Education Program will offer empowerment workshops and individual counseling sessions to battered spouses and family members. In addition, the program promotes awareness and education on sexual assault and family violence throughout the community.
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	60 people
	Location Description	The Program is administered by the Police Department located at 8620 California Avenue, South Gate, CA 90280.
	Planned Activities	The Family Violence Prevention and Education Program will offer empowerment workshops and individual counseling sessions to battered spouses and family members. In addition, the program promotes awareness and education on sexual assault and family violence throughout the community.
9	Project Name	POLICE EXPLORERS
	Target Area	Citywide
	Goals Supported	Public Services
	Needs Addressed	Provide public services for low income residents
	Funding	CDBG: \$7,000
	Description	The South Gate Police Explorers Program will provide training and orientation to young adults (ages 14-21), where 51% of whom are low- or moderate-income, who are interested in pursuing a career in law enforcement.
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	7 youth
	Location Description	The Program is administered by the Police Department located at 8620 California Avenue, South Gate, CA 90280

	Planned Activities	The South Gate Police Explorers Program will provide training and orientation to young adults (ages 14-21), where 51% of whom are low- or moderate-income, who are interested in pursuing a career in law enforcement.
10	Project Name	PUBLIC PARK IMPROVEMENT (FENCE)
	Target Area	Citywide
	Goals Supported	Infrastructure and Public Facility
	Needs Addressed	Infrastructure and Public Facilities
	Funding	CDBG: \$400,000
	Description	Funds will be used to hire a landscape architectural firm to assess needs regarding fence repair.
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	The South Gate Park is a regional park that services over 95,000 South Gate residents.
	Location Description	This Program is administered by the Community Development Department located at 8650 California Avenue, South Gate, CA 90280.
	Planned Activities	Repair/replace fencing at baseball diamonds, tennis courts, swim stadium, and other park designated places.
11	Project Name	HELPLINE YOUTH COUNSELING
	Target Area	Citywide
	Goals Supported	Public Services
	Needs Addressed	Provide public services for low income residents
	Funding	CDBG: \$22,500
	Description	Helpline Youth Counseling assist low-to-moderate income City of South Gate households at risk of experiencing homelessness and helps them achieve & maintain housing stability. Services provided are Homelessness Prevention Activities: income payments for low-income eligible residents, case management, and Rapid Re-Housing Activities.
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	14 households

	Location Description	The Program is administered by Helpline Youth Counseling located at 14181 Telegraph Rd., Whittier, CA 90604.
	Planned Activities	Helpline Youth Counseling assist low-to-moderate income City of South Gate households at risk of experiencing homelessness and helps them achieve & maintain housing stability. Services provided are Homelessness Prevention Activities: income payments for low-income eligible residents, case management, and Rapid Re-Housing Activities.
12	Project Name	SOUTHERN CALIFORNIA REHABILITATION SERVICES
	Target Area	Citywide
	Goals Supported	Public Services
	Needs Addressed	Provide public services for low income residents
	Funding	CDBG: \$8,000
	Description	Will provide home modifications, durable medical equipment and technology devices to South Gate residents with disabilities.
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	17 people
	Location Description	This Program is administered by the Southern California Rehabilitation Services, Inc. located at 7830 Quill Drive, Suite D, Downey, CA 90242.
	Planned Activities	Will provide home modifications, durable medical equipment and technology devices to South Gate residents with disabilities.
13	Project Name	UNPROGRAMMED CDBG FUNDS
	Target Area	
	Goals Supported	
	Needs Addressed	
	Funding	CDBG: \$1,006,581
	Description	
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	

	Location Description	
	Planned Activities	
14	Project Name	SENIOR FOOD DISTRIBUTION
	Target Area	Citywide
	Goals Supported	Support special needs programs and services
	Needs Addressed	Support special needs programs and services
	Funding	CDBG-CV: \$.20
	Description	The Senior Food & Food Distribution program will assist senior South Gate residents by providing them with emergency food and nutrition assistance. It should be noted that \$286,000 of CDBG -CV was included in the 18/19 substantial amendment and the amount is being revised in this document to add .20 of remaining CDBG-CV funds. Total amount programmed for this activity is \$286,200.20
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	300 seniors
	Location Description	City Wide
	Planned Activities	The Senior Food & Food Distribution program will assist senior South Gate residents by providing them with emergency food and nutrition assistance.
	15	Project Name
Target Area		Citywide
Goals Supported		Administration
Needs Addressed		Planning and Administration
Funding		HOME: \$166,229
Description		The entire Community will benefit from the City's Administration of the HOME Grant, though the direct beneficiaries of each funded activity will be primarily low- and moderate-income residents.
Target Date		6/30/2021

	Estimate the number and type of families that will benefit from the proposed activities	n/a
	Location Description	The HOME grant is administered by the Community Development Department located at 8650 California Avenue, South Gate, CA 90280
	Planned Activities	The entire Community will benefit from the City's Administration of the HOME Grant, though the direct beneficiaries of each funded activity will be primarily low- and moderate-income residents.
16	Project Name	RESIDENTIAL REHABILITATION PROGRAM
	Target Area	Citywide
	Goals Supported	Housing
	Needs Addressed	Preserve the supply of affordable housing
	Funding	HOME: \$450,000
	Description	This program provides deferred loans to qualified homeowners for rehab on their properties. The loan is due and payable when title is transferred, or property is refinanced or sold. The property must be brought up to certain housing standards as part of the rehab assistance. The property must be owner-occupied and may have up to four units. Qualified households must have an annual income at or less than 80% of the area median income.
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	6 projects
	Location Description	The Rehabilitation Program is administered by the Community Development Department located at 8650 California Avenue, South Gate, CA 90280.
Planned Activities	This program provides deferred loans to qualified homeowners for rehab on their properties. The loan is due and payable when title is transferred, or property is refinanced or sold. The property must be brought up to certain housing standards as part of the rehab assistance. The property must be owner-occupied and may have up to four units. Qualified households must have an annual income at or less than 80% of the area median income.	

17	Project Name	HOME - CHDO
	Target Area	Citywide
	Goals Supported	Housing
	Needs Addressed	Preserve the supply of affordable housing
	Funding	HOME: \$244,042
	Description	At least 15 percent of HOME Investment Partnerships Program (HOME) funds must be set aside for specific activities to be undertaken by a special type of nonprofit called a Community Housing Development Organization (CHDO). A CHDO is a private nonprofit, community-based organization that has staff with the capacity to develop affordable housing for the community it serves. In order to qualify for designation as a CHDO, the organization must meet certain requirements pertaining to their legal status, organizational structure, and capacity and experience.
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	4 households
	Location Description	City wide
	Planned Activities	At least 15 percent of HOME Investment Partnerships Program (HOME) funds must be set aside for specific activities to be undertaken by a special type of nonprofit called a Community Housing Development Organization (CHDO). A CHDO is a private nonprofit, community-based organization that has staff with the capacity to develop affordable housing for the community it serves. In order to qualify for designation as a CHDO, the organization must meet certain requirements pertaining to their legal status, organizational structure, and capacity and experience.
18	Project Name	UNPROGRAMMED HOME FUNDS
	Target Area	
	Goals Supported	
	Needs Addressed	
	Funding	HOME: \$932,902.17
	Description	

	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	

AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

HUD-funded activities are limited to the City’s low-and moderate-income areas, which encompass the majority of the City’s residential areas. Areas of the City outside of the CDBG low-and moderate-income areas will benefit from activities that are limited-clientele in nature, i.e., a person/household can benefit from a federally assisted program provided they meet the program’s eligibility criteria. Eligibility is typically established by household income and household size.

CDBG program funds will be expended based on program criteria. For example, public services are available on a citywide basis for qualified beneficiaries; fair housing and program administration activities will also be carried out on a citywide basis. Code enforcement and community development projects (i.e. street and park improvement projects) will be carried out in the City’s low and moderate-income areas; i.e., areas of the City where the majority of residents meet HUD’s low and moderate-income definition.

HOME funds will be utilized to support housing acquisition and rehabilitation activities for low-income tenants and homeowners. To qualify for these funds an evaluation of household income will be undertaken.

Geographic Distribution

Target Area	Percentage of Funds
Citywide	100

Table 47 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

As previously stated, the assignment of priority levels is primarily a result of input from public and private agencies responding to the City's Housing and Community Development Needs Survey, consultation interviews, and statistical data compiled from the Needs Assessment.

The City will evaluate each eligible project and program based on urgency of needs, availability of other funding sources and financial feasibility. Only eligible activities that received a High, Medium or Low

priority levels in the Consolidated Plan may be funded during the next five years.

Discussion

The City anticipates spending at least 70 percent of its entitlement funds in target areas, including areas that have low-and moderate-income concentrations or minority concentrations.

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

As noted earlier, the most important impediment to affordable housing revolves around the lack of federal and state resources for affordable housing initiatives. The lack of programs and resources to reduce excessive rent or mortgage burdens to qualified persons is a key factor.

Another barrier to affordable housing in South Gate is the high cost of housing created by a demand for housing, both existing and new, which exceeds the current supply. Despite the recent downturn in the housing market nationally, housing prices, both purchase and rental, remain high, especially for lower income households.

In addition, both the cost of site acquisition and development costs are very high. These facts make housing construction expensive and put affordable housing out of the reach of low-income households.

As stated, there are limited opportunities and funding available to provide affordable housing opportunities. The City will attempt to seek new partnerships in the upcoming year. During PY 2020-2021 the City will address affordable housing needs through the following programs:

Housing Choice Voucher Program: The City will continue to provide rental assistance to extremely low- and low-income households through the South Gate Housing Authority's Housing Choice Voucher Program. Renter-households will be assisted, which will include elderly, single-parent, and disabled special needs households. However, these are not counted toward the affordable housing goals.

Fair Housing Program: In addition, the City's Fair Housing Program is administered by the Fair Housing Foundation, who will provide fair housing services and landlord/tenant information to all residents who request counseling, resource referral, complaint investigation, and public education on all forms of housing discrimination. Renter-households will be assisted, which will include elderly, single-parent, and disabled special needs households. However, these are not counted toward the affordable housing goals.

Homeowner Rehabilitation Program: This program provides deferred loans to qualified homeowners for rehabilitation on their properties. The property must be brought up to certain housing standards as part of the rehabilitation assistance. The program expects to assist 6 households this program year.

First Time Homebuyer Downpayment Assistance: This program makes HOME program funds available in the form of forgivable loans for down payment, principal reduction, and closing costs associated with the purchase of a home.

Acquisition and Development of Affordable Housing: Funds will support the acquisition, new

construction or rehabilitation of single-family homes; to support the acquisition of dilapidated multi-family properties to increase the availability of affordable rental housing.

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	0
Special-Needs	0
Total	0

Table 48 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	0
Rehab of Existing Units	6
Acquisition of Existing Units	0
Total	6

Table 49 - One Year Goals for Affordable Housing by Support Type

Discussion

The Consolidated Plan identifies a high priority need to expand the supply of affordable housing and a high priority need to preserve the supply of affordable housing. During the 2020-2021 program year, the City will invest CDBG and HOME funds in the preservation of affordable housing units. Specifically, CDBG and HOME funds will be used to support affordable housing preservation projects including the City of South Gate’s Residential Rehabilitation Program and Minor Home Improvement Program.

AP-60 Public Housing – 91.220(h)

Introduction

The South Gate Housing Authority administers over 600 Housing Choice Vouchers (HCV) and does not own or operate any public housing units. The South Gate Housing Authority was consulted during this consolidated planning process. It is the intention of the Authority to continue to provide safe, attractive affordable housing to its HCV clients.

Actions planned during the next year to address the needs to public housing

Not Applicable - The City does not have public housing.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

Not Applicable - The City does not have public housing.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

Not Applicable

Discussion

None.

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

The City is located within the Los Angeles Homeless Services Authority (LAHSA) Continuum. The continuum provides oversight of federal homeless assistance dollars and collaborates with local communities to provide the best service to our residents who are homeless. The Los Angeles Continuum conducts quarterly community meetings and the public is invited. However, in 2015, HUD informed the City that it will no longer receive Emergency Solutions Grant funds due to formula threshold changes. With the loss of ESG funding, the City will have a difficult time addressing the needs of the homeless. During PY 2020, the City is awarding the Bell Shelter and Helpline Youth Counseling CDBG funds. These agencies will assist low-to-moderate income City of South Gate households at risk of experiencing homelessness and helps them achieve & maintain housing stability. Services provided are Homelessness Prevention Activities: income payments for low-income eligible residents, case management, and Rapid Re-Housing Activities including emergency shelter for residents who are experiencing homelessness. The City has programmed additional funding. This funding will become available to agencies requiring assistance to address the needs of the homeless or individuals at risk of becoming homeless.

Homelessness affects many people from all social, economic, and racial backgrounds. The causes of homelessness are varied and include loss of employment, mental illness, substance abuse, a health crisis, domestic violence, foreclosure, limited income (such as SSI, for elderly and people with disabilities which prevent them from aging in place due to high cost of living) and loss of familial support. Individuals or families that are homeless have a variety of special needs, including emergency shelter, counseling, job training, transitional housing, and permanent supportive housing. The long-term housing needs are for transitional housing and permanent supportive housing.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The City of South Gate also participates quarterly in the Southern California Council of Governments (SCAG) committee that is comprised of LAHSA, Helpline Youth Counseling and other local stakeholders and homeless advocates. During meetings, the committee provides updates and provides information on their current needs of their clients. Usually the outcome includes multiple agencies teaming up to meet

the needs of those said clients.

Addressing the emergency shelter and transitional housing needs of homeless persons

During PY 2020, the City is awarding the Bell Shelter and Helpline Youth Counseling CDBG funds. These agencies will assist low-to-moderate income City of South Gate households at risk of experiencing homelessness and helps them achieve & maintain housing stability. Services provided are Homelessness Prevention Activities: income payments for low-income eligible residents, case management, and Rapid Re-Housing Activities including emergency shelter for residents who are experiencing homelessness.

Locally, the Salvation Army Bell Shelter operates a comprehensive program that offers transitional care for up to 350 homeless men and women. The goal of the Bell Shelter is to meet the needs of the homeless population by addressing the myriad of reasons why people become homeless and assisting them in developing a higher quality of life through independence. Services offered include: emergency shelter, transitional housing, substance abuse rehabilitation, case management, counseling, on-site health care & medical referrals, HIV/AIDS education, ESL classes, computer training, vocational assistance, job referrals and life skills classes.

The South Gate Domestic Violence Education and Prevention program administered by the South Gate Police Department provides shelter, court advocacy, counseling, 24-hour hotline, crisis intervention, support groups and case management to domestic and sexual abuse victims.

The City has programmed additional funding. This funding will become available to agencies requiring assistance to address the needs of the homeless or individuals at risk of becoming homeless.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

There are a variety of service providers in South Gate that assist low income individuals and families. These providers ensure that they are meeting the needs of the community to the best of their abilities.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded

institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

There are a variety of agencies in the region that provide housing options and case management assistance including those returning from mental and physical health institutions. They provide the option of living independently in a group setting. They are:

- **Rio Hondo Temporary Home, Norwalk** – Provides emergency food and transitional shelter for families with children in the Cerritos, Downey, La Mirada, Montebello, Norwalk, Pico Rivera, Santa Fe Springs and Whittier areas. There are no geographical restrictions for residents.
- **Santa Fe Springs Transitional Living Center, Whittier** – Provides shelter for homeless families in transition, most of whom are single parents or victims of domestic violence and substance abuse, in Los Angeles County.
- **Hospitality Housing, Whittier** – Provides homeless support services for single adults 18 years and older and families with children.
- **Birch Grove Homes, Norwalk** - Provides supportive services to 20 persons in an existing permanent housing program for persons with mental health disabilities.
- **Community Housing Options, scattered sites** - Provides permanent supportive housing to homeless persons and families living with HIV/AIDS or dual diagnoses.
- **Denker House/Harvest House, scattered sites** - Provides supportive services in an existing permanent housing program for persons with disabilities.
- **Homes for Life Foundation, Norwalk** - Provides permanent housing to eight persons with mental health disabilities in eight one-bedroom apartment style units.
- **Su Casa Domestic Violence Network, Lakewood** - Provides crisis intervention service for domestic violence victims and their children, for a maximum of 30 consecutive days.
- **Salvation Army, Bell Shelter** – Provides emergency shelter services and transitional care for up to 350 homeless men and women.
- **The Southern California Rehabilitation Services** – An independent living resource center in Downey offers programs to eligible South Gate residents that provide people with the tools to learn how to live independently including cooking, budgeting, reading and finding employment. They also offer disability assistance for improvements on homes for people with disabilities.

Discussion

Continuing in 2020, the City will assist low income, special needs and homeless with the Public Service Category of funding to local non-profits. The eligible activities include but are not limited to employment services (e.g. job training), crime prevention and public safety, child care, health services, substance abuse

services (e.g., counseling and treatment), fair housing counseling, education programs, services for senior citizens and services for homeless persons. The Salvation Army, for example, will provide food and emergency or transitional housing to men, women, or families in need and Helpline Youth Counseling will provide counseling and assistance to at-risk, low income children, youth and their families to help eliminate barriers and create opportunities to those in need.

AP-75 Barriers to affordable housing – 91.220(j)

Introduction:

The impact on housing affordability disproportionately affects those who are lower income. HUD considers a housing unit affordable if the occupant household expends no more than 30% of its income on housing cost. In the situation where the household expends greater than 30% of its income on housing cost, the household is considered cost burdened. Cost burdened households have less financial resources to meet other basic needs (food, clothing, transportation, medical, etc.), less resources to properly maintain the housing structure, and are at greater risk for foreclosure or eviction.

Recent sales data for South Gate shows that housing prices continue to increase, while household incomes have failed to keep pace with home prices. There are also other factors that create barriers to affordable housing growth. The barriers that typically affect housing costs are as follows:

- Lack of developable land and/or where development is due to zoning.
- Cost of developable land and construction.
- Credit worthiness of potential buyers for homeownership.
- Social opinions discouraging affordable development in particular neighborhoods (“Not in My Backyard NIMBY”).
- Lack of responsible landlords for maintaining safe and clean-living conditions.
- Credit worthiness of potential renters.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

The City adopted General Plan 2035 in 2009. As part of the General Plan update, a new concept in dealing with land use and development standards was introduced. Unlike traditional Euclidean land use and zoning system, the proposed South Gate General Plan uses a “form based” system to determine location and intensity of uses.

The new Zoning Ordinance update was adopted in March 2015. The City’s current estimated number of dwelling units is about 24,242 units. The Zoning Update has created density and development standards to accommodate an estimated growth of over 4,538 units over the next 25 years. This growth rate of

additional units will help alleviate the projected population and issues of affordability.

AP-85 Other Actions – 91.220(k)

Introduction:

Despite efforts made by the City and social service providers, a number of significant obstacles to meeting underserved resident needs remain. With funding resources being scarce, funding becomes the greatest obstacle for the City of South Gate to meet its underserved needs. Insufficient funding results in limits to the availability of services many worthy public service programs, activities and agencies provide.

Actions planned to address obstacles to meeting underserved needs

The primary obstacles to meeting the underserved needs of low-and moderate-income people include lack of funding from federal, state and other local sources, the high cost of housing that is not affordable to low-and moderate-income people and the lack of availability of home improvement financing in the private lending industry. To address these obstacles, the City is investing CDBG and HOME funds through the 2020-2021 Action Plan in projects that provide deferred loans to low-and moderate-income homeowners for home improvements, creating a down payment assistance program, projects that provide public and neighborhood services to low-and moderate-income people and those with special needs, and projects that prevent homelessness. To address underserved needs, the City is allocating 100 percent of its non-administrative CDBG and HOME investments for program year 2020-2021 to projects and activities that benefit low-and moderate-income people.

Actions planned to foster and maintain affordable housing

The City has been active in providing affordable housing through awarding HOME funds to Developers for senior citizen rental units, and acquisition and rehabilitation of deteriorated rental units for lower income households. The City also provides rental assistance through the Housing Choice Voucher Program to very low-income households through its Housing Authority. The City certifies Community Housing Development Organizations (CHDOs) in an effort to provide affordable housing using low HOME rents.

Actions planned to reduce lead-based paint hazards

All units in a project assisted with CDBG and HOME funds must comply with the regulations found at 24 CFR Part 35. The purpose of the regulation is to identify and address lead-based paint hazards before children are exposed to lead. This requirement has been in effect since September 15, 2000.

Lead-based paint hazards are found in homes built prior to 1978. All Grantees and Participating Jurisdictions must assess homes built prior to 1978 for lead hazards and conduct interim or abatement controls as warranted. The majority of the homes in South Gate were built prior to 1978 and have lead-based paint somewhere on the structure. Lead based paint is found on windowsills, doorways or under the eaves. The hazards of lead-based paint are primarily to young children up to age 6, as they are more

likely to eat peeling paint. Lead adversely affects the development of a child's brain and other organs.

The City's strategy in addressing lead based paint hazards involves an educational component for the public, printed outreach information to those households in the "lead hot zones" as identified by the County, and printed information are given to participants in the City's rehabilitation loan programs.

The Residential Rehabilitation Program focuses on rehabilitating existing housing stock throughout the City covering interior and exterior home improvement and/or repairs. In combination with the Residential Rehabilitation Program, the City offers \$10,000 grants to be used for termite and lead abatement. Lead assessments are conducted on all housing projects, both single family and multi-family units. All HCV participant rental units are inspected annually.

Actions planned to reduce the number of poverty-level families

The implementation of CDBG and HOME activities meeting the goals established in the 2020-2025 Consolidated Plan and this Annual Action Plan will help to reduce the number of poverty level families by:

- Supporting activities that expand the supply of housing that is affordable to low-and moderate-income households;
- Supporting activities that preserve the supply of decent housing that is affordable to low-and moderate-income households;
- Supporting a continuum of housing and public service programs to prevent and eliminate homelessness;
- Supporting housing preservation programs that assure low income households have a safe, decent and sanitary place to live; and
- Supporting public services for low-and moderate-income residents including those with special needs and those at risk of homelessness offered by nonprofit organizations.

In addition to these local efforts, mainstream state and federal resources also contribute to reducing the number of individuals and families in poverty. In California, the primary programs that assist families in poverty are CalWORKs, CalFresh (formerly food stamps) and MediCal. Together, these programs provide individuals and families with employment assistance, subsidies for food, medical care, childcare and cash payments to meet basic needs such as housing, nutrition and transportation. Other services are available to assist persons suffering from substance abuse, domestic violence and mental illness.

Actions planned to develop institutional structure

The City has made an effort to develop an institutional structure that will help identify and access

resources to improve the community. The City will continue to work with nonprofit entities to deliver public services. As a member of the LAHSA, the City will provide critical information to the County of Los Angeles for preparation of the County's Continuum of Care Homeless Assistance grant applications. South Gate will provide critical information regarding mainstream funds the City will make available to serve the homeless, and will also assist in identifying and prioritizing gaps and needs in the regional system of care.

Externally, the City is in direct contact with the Chamber of Commerce and the Tweedy Mile Business Association, both of which represent private industry. The City also partners with various nonprofit organizations to provide affordable housing opportunities. These nonprofits act as subrecipients to provide a variety of services to the community. The City continues to contract with the Salvation Army Bell Homeless Shelter which provides emergency shelter and support services.

Actions planned to enhance coordination between public and private housing and social service agencies

The City of South Gate is proactive in coordinating with assisted-housing providers, particularly the City's Housing Authority, homeless assistance centers and programs, youth and family oriented social service organizations and health organizations which provide outreach and counseling.

The Community Development department is comprised of Building & Safety, Planning, Housing and Code Enforcement Divisions, who work closely together to coordinate programs with local social service providers to either meet needs directly or to make referrals to outside services as necessary. Currently, staff makes referrals based upon the available known assistance data.

Discussion:

See discussion above.

Program Specific Requirements

AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

Introduction:

In the implementation of programs and activities under the 2020-2021 Annual Action Plan, the City of South Gate will follow all HUD regulations concerning the use of program income, forms of investment, overall low-and moderate-income benefit for the CDBG program and recapture requirements for the HOME program.

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	0

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	100.00%

HOME Investment Partnership Program (HOME)
Reference 24 CFR 91.220(l)(2)

5. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

The City will not use any other forms of investment beyond those identified in Section 92.205. The Homeowner Rehabilitation Program provides deferred loans to qualified homeowners for rehab on their properties. The loan is due and payable when title is transferred, or property is refinanced or sold. The property must be brought up to certain housing standards as part of the rehab assistance. The property must be owner-occupied and may have up to four units. Qualified households must have an annual income at or less than 80% of the area median income. The program expects to assist five households this program year.

6. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

In PY 2020-2021, the City does not plan to use HOME funds for homebuyer down payment assistance. However, some homebuyers that were assisted in prior years may decide to sell their homes during the upcoming program year. In that event, the City will enforce the resale and recapture guidelines.

7. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

Not Applicable

8. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

The City does not intend to use HOME funds under the 2020-2021 Annual Action Plan to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds.

In the implementation of programs and activities under the 2020-2021 Annual Action Plan, the City of South Gate will follow all HUD regulations concerning the use of program income, forms of investment, overall low and moderate-income benefit for the CDBG program and recapture requirements for the HOME program.

The City, in collaboration with existing and potential CHDOs are working to identify potential projects and plan to meet new expenditure deadlines as established by HUD.

Also, the City of South Gate anticipates a 100% HOME Match reduction for FY 20-21 as in past years. HOME match reductions are due to areas of fiscal distress, severe fiscal distress, and Presidential disaster declarations as designated by HUD.

RECEIVED

City of South Gate
CITY COUNCIL

Item No. 3

AUG 19 2020

CITY OF SOUTH GATE
OFFICE OF THE CITY MANAGER

AGENDA BILL

11:45am

For the Regular Meeting of: August 25, 2020

Originating Department: Public Works

Department Director:


Arturo Cervantes

City Manager:


Michael Flad

SUBJECT: PUBLIC HEARING AND RESOLUTION AMENDING THE SCHEDULE OF FEES TO INCREASE THE RESIDENTIAL REFUSE COLLECTION AND RECYCLING SERVICES RATES FOR FISCAL YEAR 2020/21

PURPOSE: This item was continued from the regularly scheduled City Council Meeting of August 11, 2020. The City has a Franchise Agreement with USA Waste of California, Inc., dba Waste Management of Los Angeles (WM) that stipulates automatic, annual rate increases to the residential refuse collection and recycling services rates based on the Consumer Price Index (CPI). Annually, the City Council amends the schedule of fees to apply said rate increase. Accordingly, the City Council must adopt a Resolution to amend the Schedule of Fees for Fiscal Year 2020/21 to reflect the new rates, retroactive to July 1, 2020.

RECOMMENDED ACTION: Open the Public Hearing and continue consideration of a Resolution amending Resolution No. 7872 (Schedule of Fees) to apply a 3.36% rate increase to the residential refuse collection and recycling services for Fiscal Year 2020/21, retroactively effective July 1, 2020, to the regularly scheduled City Council meeting of September 22, 2020.

9/1/20
FISCAL IMPACT: There is no fiscal impact to the General Fund. The residential refuse collection and recycling service rates for WM will increase by 3.36%. As an example of the new service rates, the standard monthly service charge for residential accounts will increase from \$18.78 to \$19.41. Attachment "A" contains the amended schedule of fees.

NOTICING REQUIREMENTS: A public hearing notice was duly published in *the Los Angeles Wave*, a newspaper of general circulation, on Thursday, July 30, 2020.

ANALYSIS: The City has a Schedule of Fees that sets all rates, fees, charges, deposits, refunds, reimbursements and other City fees imposed or collected by the City. Established in Resolution No. 7872, the Schedule of Fees also contains the rates for residential refuse collection and recycling services approved for Fiscal Year 2019/20. The Schedule of Fees must be amended by Resolution of the City Council to make any changes. As such, the City Council must amend the Schedule of Fees to apply the rate increase required under the Waste Management Franchise Agreement for Fiscal Year 2020/21. The proposed Resolution is required to amend the Schedule of Fees established in Resolution No. 7872, which requirement is established by the South Gate Municipal Code Section 2.76.010, (Fee Resolution Established), of Chapter 2.76 (South Gate Fee Resolution), of Title 2 (Licenses – Business Regulations). This section of the code requires the Schedule of Fees to be amended by Resolution of the City Council.

The proposed Resolution focuses on the rates for residential refuse collection and recycling services; however, commercial/industrial service rates will also increase by 3.36%. Following the increase, a typical residential customer can expect to pay an increase of \$0.63, monthly. The impact of the increase to commercial/industrial customers will depend on the services they are subscribed to. For example, some commercial/industrial customers have subscribed for organics and recycling services. The proposed 3.36% rate increase is retroactively effective July 1, 2020.

BACKGROUND: On May 10, 2005, the City Council approved Contract No. 2222, a Franchise Agreement with USA Waste of California, Inc., dba Waste Management of Los Angeles (WM), authorizing WM to be the exclusive provider of refuse collection and recycling services in the City. As the City's franchise refuse hauler, WM services residential, commercial and industrial properties. WM provides numerous services which include but not limited to: refuse collection, recyclables collection, organic waste collection, sharps collection by mail, roll off bins, free backyard service for disabled residents and bulky item pick up.

Section 4.7 (Rate Adjustments) of Contract No. 2222 with WM stipulates that the service rates shall be increased annually, by an annual CPI adjustment, for both (a) Commercial/Industrial services, and (b) Residential Refuse Collection and Recycling Services. The proposed Resolution is specifically focused on increasing the rates for residential refuse collection and recycling services because the City bills customers on behalf of Waste Management for said services. Although the Commercial/Industrial rates will also increase, the proposed Resolution does not focus on them since the City does not bill those customers on behalf of Waste Management.

Section 4.7.3 (Annual CPI Adjustment), of Contract No. 2222, as amended in 2011, entitles WM to annually increase all components of the residential, commercial and industrial service rates by the percentage increase in the "*Consumer Price Index (CPI), All Urban Consumers, for the Los Angeles/Riverside/Orange County metropolitan area, as published by the United States Department of Labor, Bureau of Labor Statistics.*" However, this CPI no longer exists and has been replaced with the CPI, All Urban Consumers, for the Los Angeles/Long Beach/Anaheim metropolitan area, as published by the United States Department of Labor, Bureau of Labor Statistics. According to the Franchise Agreement, in the event that the CPI is "discontinued, the parties shall utilize the index most nearly the same." Accordingly, the agreement was to use the Los Angeles/ Long Beach/Anaheim CPI. Said CPI for the period of February 2019 to February 2020 is 3.36% for all services provided by WM.

Under Contract No. 2222 between the City and WM, WM pays an annual Franchise Fee; the exact amount is dependent on revenues they collect. For example, for the last five fiscal years, WM paid the City \$866,321 (2015/16), \$948,833 (2016/17) and \$936,317 (2017/18), \$977,349 (2018/19), \$1,038,930 (2019/20).

ATTACHMENT: Notice of Public Hearing

AM:lc

JUL 27 2020

FILED

CITY OF SOUTH GATE
NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that the City Council of the City of South Gate, California, will conduct a Public Hearing to consider adopting a resolution amending the City's Schedule of Fees to establish the 2020/21 residential refuse collection and recycling service fees.

A copy of the proposed service rates may be reviewed in the City Clerk's office during normal business hours. The Public Hearing is schedule for:

DATE: TUESDAY, AUGUST 11, 2020
TIME: 6:30 p.m.
LOCATION: COUNCIL CHAMBERS
SOUTH GATE CITY HALL
8650 CALIFORNIA AVENUE
SOUTH GATE, CA 90280

NOTICE IS HEREBY GIVEN that any and all persons interested in the matter hereinabove set forth are privileged to attend said hearing and then and there testify or present evidence upon any matter relating thereto.

THIS NOTICE IS GIVEN by the order of the City Clerk of said City and is dated this July 27, 2020.


Carmen Avalos, City Clerk

Publication date: July 30, 2020

Account No.: 251-714-25-6302

RECEIVED

AUG 1'8 2020

City of South Gate

Item No. 4

CITY COUNCIL

CITY OF SOUTH GATE
OFFICE OF THE CITY MANAGER

11:30am

AGENDA BILL

For the Regular Meeting of: August 25, 2020

Originating Department: Police

Department Director:

Randall Davis
Randall Davis

City Manager:

Michael Flad
Michael Flad

SUBJECT: RESOLUTION ACCEPTING GRANT ASSISTANCE PROGRAM FUNDS FROM THE STATE OF CALIFORNIA DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL

PURPOSE: To approve Agreement Number 20-APP47 with the Department of Alcoholic Beverage Control (ABC) for the grant assistance program for Fiscal Year 2020/21.

RECOMMENDED ACTIONS:

- a. Adopt Resolution approving Agreement Number 20-APP47 accepting grant funds in the amount of \$21,049 from the State of California Department of Alcoholic Beverage Control for ABC enforcement and compliance for Fiscal Year 2020/21;
- b. Increase the Fiscal Year 2020/21 revenue projection in account 231-4683 (Police Grants – ABC) by \$21,049, from \$0 to \$21,049;
- c. Amend the Fiscal Year 2020/21 Police Grants Fund budget by appropriating \$20,255 to account number 231-551-21-5111 (Overtime - Sworn), \$294 to account number 231-551-21-5220 (Medicare), and \$500 to account number 231-551-21-6202 (Special Dept. Supplies); and
- d. Authorize the Chief of Police to execute the Grant Agreement in a form acceptable to the City Attorney.

FISCAL IMPACT: There is no fiscal impact to the General Fund and no matching fund requirements. The total amount of the grant awarded to the City is \$21,049.

PUBLIC NOTICE: A legal notice was published in the *Los Angeles Wave* newspaper on August 13, 2020.

ANALYSIS: The proposed Grant Agreement was explored to allow the Police Department additional fiscal resources for ABC enforcement and compliance.

BACKGROUND: The South Gate Police Department is committed to enhancing current levels of enforcement, public education and outreach regarding ABC-licensed establishments and issues associated with alcohol sales. South Gate Police Officers will work in partnership with ABC investigators to implement the objectives of the Young Adults and Alcohol Project, including sting operations, conduct Informed Merchants Preventing Alcohol-Related Crime Tendencies inspections (IMPACT), and prevention and education programs that educate licensees how they can be part of the solution to reduce alcohol-related crimes. Additional goals include Licensee Education on Alcohol and Drugs (LEAD) training, voluntary prevention and education programs for retail licensees and their employees, and outreach efforts to increase public awareness of ABC's rules, regulations and enforcement activities.

ATTACHMENTS: Proposed Resolution (with ABC Grant Agreement)

RESOLUTION NO. _____

**CITY OF SOUTH GATE
LOS ANGELES COUNTY, CALIFORNIA**

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH GATE, CALIFORNIA, APPROVING AGREEMENT NUMBER 20-APP47 ACCEPTING GRANT FUNDS IN THE AMOUNT OF \$21,049 FROM THE STATE OF CALIFORNIA DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL FOR ABC ENFORCEMENT AND COMPLIANCE FOR FISCAL YEAR 2020/21

WHEREAS, the City of South Gate (“City”) desires to undertake the Grant Assistance Program (“GAP”) administered by the State of California Department of Alcoholic Beverage Control (“ABC”) in the amount of \$21,049 for the program term of July 1, 2020, through and including June 30, 2021;

WHEREAS, the South Gate Police Department will work in association with ABC Investigators to implement the objectives of the program, including sting operations, prevention and education programs that educate licensees on how they can be part of the solution to reduce alcohol related crimes;

WHEREAS, the grant award to the City is \$21,049, of which \$20,549 is to be used to pay sworn Police Officers’ overtime expenses for Police Officers deployed for enforcement activities within the City for Fiscal Year 2020/21, and the remainder of \$500 will be used for operating expenses; and

WHEREAS, the City will comply with all administrative requirements of the GAP to facilitate receipt of the City’s share of funds, and the City will work with the City of Huntington Park to timely submit all required documentation.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SOUTH GATE DOES HEREBY RESOLVE AS FOLLOWS:

[Remainder of page left blank intentionally]

SECTION 1. The City Council hereby approves Agreement Number 20-APP47 attached hereto as Exhibit "A" accepting grant funds in the amount of \$21,049 from the State of California Department of Alcoholic Beverage Control for ABC enforcement and compliance for Fiscal Year 2020/21.

SECTION 2. The City Council hereby authorizes the Chief of Police to execute Agreement Number 20-APP47 in a form acceptable to the City Attorney

SECTION 3. The City Clerk shall certify to the adoption of this Resolution which shall be effective upon its adoption.

PASSED, APPROVED and ADOPTED this 25th day of August, 2020.

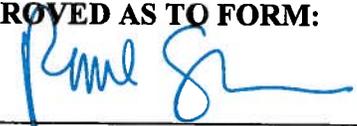
CITY OF SOUTH GATE:

By: _____
Maria Davila, Mayor

ATTEST:

By: _____
Carmen Avalos, City Clerk
(SEAL)

APPROVED AS TO FORM:

By:  _____
Raul F. Salinas, City Attorney

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES

STANDARD AGREEMENT

STD 213 (Rev. 03/2019)

AGREEMENT NUMBER 20-APP47	PURCHASING AUTHORITY NUMBER (If Applicable) ABC-2100
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1. This Agreement is entered into between the Contracting Agency and the Contractor named below:

CONTRACTING AGENCY NAME

Alcoholic Beverage Control

CONTRACTOR NAME

City of South Gate through the South Gate Police Department

2. The term of this Agreement is:

START DATE

July 1, 2020

THROUGH END DATE

June 30, 2021

3. The maximum amount of this Agreement is:

\$ 21,049.00 Twenty one thousand forty nine dollars and no cents

4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement.

Exhibits	Title	Pages
Exhibit A	Scope of Work	2
Exhibit B	Budget Detail and Payment Provisions	3
Exhibit C *	General Terms and Conditions	4
+ - Exhibit D	Special Terms and Conditions	1
+ - Attachment RFP	RFP Scope of Work	7

Items shown with an asterisk (*), are hereby incorporated by reference and made part of this agreement as if attached hereto.

These documents can be viewed at <https://www.dgs.ca.gov/OJ/S/Resources>

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

CONTRACTOR

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)

City of South Gate through the South Gate Police Department

CONTRACTOR BUSINESS ADDRESS

8620 California Avenue

CITY

South Gate

STATE

CA

ZIP

90280

PRINTED NAME OF PERSON SIGNING

Randall Davis

TITLE

Chief of Police

CONTRACTOR AUTHORIZED SIGNATURE



DATE SIGNED

SCO ID: 2100-20APP47

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES

STANDARD AGREEMENT

STD 213 (Rev. 03/2019)

AGREEMENT NUMBER 20-APP47	PURCHASING AUTHORITY NUMBER (if Applicable) ABC-2100
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STATE OF CALIFORNIA

CONTRACTING AGENCY NAME

Alcoholic Beverage Control

CONTRACTING AGENCY ADDRESS

3927 Lennane Drive, Suite 100

CITY

Sacramento

STATE

CA

ZIP

95834

PRINTED NAME OF PERSON SIGNING

Patty Nelson

TITLE

Chief, Business Management Branch

CONTRACTING AGENCY AUTHORIZED SIGNATURE

DATE SIGNED

CALIFORNIA DEPARTMENT OF GENERAL SERVICES APPROVAL

EXEMPTION (if Applicable)

EXHIBIT A SCOPE OF WORK

I. SCOPE OF WORK

- Contractor agrees to implement the Department of Alcoholic Beverage Control (ABC), Alcohol Policing Partnership program. This program is intended to work with law enforcement agencies to develop an effective, comprehensive and strategic approach to eliminate the crime and public nuisance problems associated with problem alcoholic beverage outlets.
- Contractor agrees to implement ABC's Minor Decoy, Shoulder Tap Programs and conduct Informed Merchants Preventing Alcohol-Related Crime Tendencies (IMPACT) Inspections. These Programs target both ABC licensed premises and individuals who furnish alcoholic beverages to the underage operators. The project is targeted to reduce underage drinking and the resultant DUI driving injuries and fatalities, and/or property damages, reduce youth access to alcoholic beverages through the education of licensee, enforcement intervention and the impressions of omnipresence of law enforcement. In addition, Contractor agrees to the following goals:
 1. The operation period of the grant is July 1, 2020 through June 30, 2021.
 2. Contractor agrees to raise public awareness that selling, serving and/or furnishing alcoholic beverages to individuals under twenty-one years old is a criminal violation that will be prosecuted by local city and district attorneys.
 3. Minor Decoy operations are designed to educate and deter licensed locations from selling/furnishing alcohol to minors. Contractor agrees to conduct Minor Decoy Operations at both "On-Sale" and "Off-Sale" licensed establishments within the operation period of the grant.
 4. Shoulder Tap operations are used to detect and deter adult furnishers outside of a licensed business. Contractor agrees to conduct Shoulder Tap Operations at "Off-Sale" licensed locations to apprehend adults that are unaffiliated with the licensed businesses and who are purchasing alcohol for minors outside of the stores within the operation period of the grant.
 5. Informed Merchants Preventing Alcohol-Related Crime Tendencies (IMPACT) primary goal is to educate licensee's on alcohol related laws to help reduce alcohol-related crime in and around licensed premises. Contractor agrees to conduct visits and inspections of licensed premises identifying areas of non-compliance at "On-Sale" and "Off-Sale" licensed locations within the operation period of the grant.

II. GOALS AND OBJECTIVES

1. Conduct at least two (2) Task Force operations targeting disorderly licensed establishments
2. Conduct at least five (5) Minor Decoy operations
3. Conduct at least one (1) Shoulder Tap operation
4. Conduct at least two (2) IMPACT operation

5. Conduct at least six (6) Roll Call trainings on alcohol-related issues for all sworn personnel
6. Promote at least one (1) LEAD training
7. Issue at least three (3) press releases regarding special enforcement operations and other activities under this grant

Contractor agrees to issue press releases as follows:

- A. To announce the start of the program;
 - B. At the conclusion of each Minor Decoy Operation has been held (to announce the number of licensed premises who sold to the minor decoy)
 - C. At the conclusion of each Shoulder Tap Operation has been held (to announce the number of adults arrested for purchasing alcoholic beverages for the decoy).
8. Contractor will fax (916) 419-2599 or email each press release to the Department's Public Information Officer (John.carr@abc.ca.gov) as soon as it is released.
 9. Contractor agrees in all press releases, in addition to any credits the agency wishes to give, will include the following statement: "This project is part of the Department of Alcoholic Beverage Control's Alcohol Policing Partnership."

Contractor agrees to complete and submit monthly reports, on a format designed and provided by the Department of Alcoholic Beverage Control due no later than 15th of the following month.

III. PROJECT REPRESENTATIVES

The project representatives during the term of this agreement will be:

South Gate Police Department
Sam Brown, Sergeant
8620 California Avenue
South Gate, CA 90280
(323) 563-5476
sbrown@sogate.org

Department of Alcoholic Beverage Control
Isaac Borunda, APP Agent
3927 Lennane Drive, Suite 100
Sacramento, CA 95834
(559) 575-6455
Isaac.borunda@abc.ca.gov

Direct all fiscal inquiries to:

South Gate Police Department
Jacquelyn Acosta, Director of Admin. Serv.
8650 California Avenue
South Gate, CA 90280
(323) 563-9524
jacosta@sogate.org

Department of Alcoholic Beverage Control
Kristine Okino, Grant Coordinator
3927 Lennane Drive, Suite 100
Sacramento, CA 95834
(916) 419-2572
Kristine.okino@abc.ca.gov

EXHIBIT B BUDGET DETAIL AND PAYMENT PROVISIONS

I. INVOICING AND PAYMENT

- For services satisfactorily rendered and upon receipt and approval of the invoice, the Department of Alcoholic Beverage Control agrees to pay a monthly payment of approved reimbursable costs per the Budget Detail of personnel overtime and benefits (actual cost) and/or allowable costs.
- Invoices shall clearly reference this contract number (20-APP47) and must not exceed the contract total authorized amount of \$21,049.00. Invoices are to be submitted on a monthly basis, on the prescribed form designed by the Department of Alcoholic Beverage Control.

Submit to: Department of Alcoholic Beverage Control
 Attn: Kristine Okino, Grant Coordinator
 3927 Lennane Drive, Suite 100
 Sacramento, California 95834

- Payment shall be made in arrears within 30 days from the receipt of an undisputed invoice. Nothing contained herein shall prohibit advance payments as authorized by Item 2100-101-3036, Budget Act, Statutes of 2021.
- Contractor understands in order to be eligible for reimbursement, cost must be incurred on or after the effective date of the project, July 1, 2020 and on or before the project termination date, June 30, 2021.
- Revisions to the "Scope of Work" and the "Budget Detail" may be requested by a change request letter submitted by the Contractor. If approved, the revised Grant Scope of Work and/or Budget Detail supersedes and replaces the previous grant and will initiate an amendment. No revisions can exceed allotted amount as shown on the Budget Detail. The total amount of the grant must remain unchanged.
- Contractor agrees to refund to the State any amounts claimed for reimbursement and paid to Contractor which are later disallowed by the State after audit or inspection of records maintained by the Contractor.
- Only the costs displayed in the Budget Detail are authorized for reimbursement by the State to Contractor under this agreement. Any other costs incurred by Contractor in the performance of this agreement are the sole responsibility of Contractor.
- Title shall be reserved to the State for any State-furnished or State-financed property authorized by the State which is not fully consumed in the performance of this agreement. Contractor is responsible for the care, maintenance, repair, and protection of any such property. Inventory records shall be maintained by Contractor and submitted to the State upon request. All such property shall be returned to the State upon the expiration of this grant unless the State otherwise directs.
- Prior approval by the State in writing is required for the location, costs, dates, agenda, instructors, instructional materials, and attendees at any reimbursable training seminar, workshop or conference, and over any reimbursable publicity or educational materials to be made available for distribution. Contractor is required to acknowledge the support of the State whenever publicizing the work under this grant in any media.

II. BUDGET DETAIL

COST CATEGORY	TOTAL COST
A. Personnel Services	
<u>Overtime</u>	
Officers	\$20,255.00
Benefits (1.45%)	\$294.00
TOTAL Personnel	\$20,549.00
B. Operating Expenses (attach receipts)	
"Buy Money"	\$500.00
TOTAL Operating	\$500.00
C. Equipment (attach receipts)	
n/a	\$0.00
TOTAL Equipment	\$0.00
D. Travel Costs	
n/a	\$0.00
TOTAL Travel	\$0.00
GRANT TOTAL	\$21,049.00

III. BUDGET CONTINGENCY CLAUSE

- It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement and Contractor shall not be obligated to perform any provisions of this Agreement.
- If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either cancel this Agreement with no liability occurring to the State, or offer an agreement amendment to Contractor to reflect the reduced amount.
- Due to current and on-going fiscal uncertainty caused by the COVID-19 crisis, the grantee may spend no more than fifty percent (50%) of the grant amount without prior written authorization from the Department. The Department intends to authorize expenditures beyond the amount of fifty percent (50%) should its fiscal condition allow.

IV. PROMPT PAYMENT CLAUSE

- Payment will be made in accordance with, and within the time specified in, Government Code Chapter 4.5, commencing with Section 927.

EXHIBIT C GENERAL TERMS AND CONDITIONS

1. **APPROVAL:** This Agreement is of no force or effect until signed by both parties and approved by the Department of General Services, if required. Contractor may not commence performance until such approval has been obtained.
2. **AMENDMENT:** No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or Agreement not incorporated in the Agreement is binding on any of the parties.
3. **ASSIGNMENT:** This Agreement is not assignable by the Contractor, either in whole or in part, without the consent of the State in the form of a formal written amendment.
4. **AUDIT:** Contractor agrees that the awarding department, the Department of General Services, the Bureau of State Audits, or their designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. Contractor agrees to maintain such records for possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated. Contractor agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Contractor agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement. (Gov. Code §8546.7, Pub. Contract Code §10115 et seq., CCR Title 2, Section 1896).
5. **INDEMNIFICATION:** Contractor agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, suppliers, laborers, and any other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by Contractor in the performance of this Agreement.
6. **DISPUTES:** Contractor shall continue with the responsibilities under this Agreement during any dispute.
7. **TERMINATION FOR CAUSE:** The State may terminate this Agreement and be relieved of any payments should the Contractor fail to perform the requirements of this Agreement at the time and in the manner herein provided. In the event of such termination the State may proceed with the work in any manner deemed proper by the State. All costs to the State shall be deducted from any sum due the Contractor under this Agreement and the balance, if any, shall be paid to the Contractor upon demand.
8. **INDEPENDENT CONTRACTOR:** Contractor, and the agents and employees of Contractor, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of the State.

9. **RECYCLING CERTIFICATION:** The Contractor shall certify in writing under penalty of perjury, the minimum, if not exact, percentage of post-consumer material as defined in the Public Contract Code Section 12200, in products, materials, goods, or supplies offered or sold to the State regardless of whether the product meets the requirements of Public Contract Code Section 12209. With respect to printer or duplication cartridges that comply with the requirements of Section 12156(e), the certification required by this subdivision shall specify that the cartridges so comply (Pub. Contract Code §12205).

10. **NON-DISCRIMINATION CLAUSE:** During the performance of this Agreement, Contractor and its subcontractors shall not deny the contract's benefits to any person on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status, nor shall they discriminate unlawfully against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status. Contractor shall insure that the evaluation and treatment of employees and applicants for employment are free of such discrimination. Contractor and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12900 et seq.), the regulations promulgated thereunder (Cal. Code Regs., tit. 2, §11000 et seq.), the provisions of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of the Government Code (Gov. Code §§11135-11139.5), and the regulations or standards adopted by the awarding state agency to implement such article. Contractor shall permit access by representatives of the Department of Fair Employment and Housing and the awarding state agency upon reasonable notice at any time during the normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, and all other sources of information and its facilities as said Department or Agency shall require to ascertain compliance with this clause. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. (See Cal. Code Regs., tit. 2, §11105.)

Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Agreement.

11. **CERTIFICATION CLAUSES:** The CONTRACTOR CERTIFICATION CLAUSES contained in the document CCC 04/2017 are hereby incorporated by reference and made a part of this Agreement by this reference as if attached hereto.

12. **TIMELINESS:** Time is of the essence in this Agreement.

13. **COMPENSATION:** The consideration to be paid Contractor, as provided herein, shall be in compensation for all of Contractor's expenses incurred in the performance hereof, including travel, per diem, and taxes, unless otherwise expressly so provided.

14. **GOVERNING LAW:** This contract is governed by and shall be interpreted in accordance with the laws of the State of California.

15. **ANTITRUST CLAIMS:** The Contractor by signing this agreement hereby certifies that if these services or goods are obtained by means of a competitive bid, the Contractor shall comply with the requirements of the Government Codes Sections set out below.

- a. The Government Code Chapter on Antitrust claims contains the following definitions:
 - 1) "Public purchase" means a purchase by means of competitive bids of goods, services, or materials by the State or any of its political subdivisions or public agencies on whose behalf the Attorney General may bring an action pursuant to subdivision (c) of Section 16750 of the Business and Professions Code.
 - 2) "Public purchasing body" means the State or the subdivision or agency making a public purchase. Government Code Section 4550.
 - b. In submitting a bid to a public purchasing body, the bidder offers and agrees that if the bid is accepted, it will assign to the purchasing body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, materials, or services by the bidder for sale to the purchasing body pursuant to the bid. Such assignment shall be made and become effective at the time the purchasing body tenders final payment to the bidder. Government Code Section 4552.
 - c. If an awarding body or public purchasing body receives, either through judgment or settlement, a monetary recovery for a cause of action assigned under this chapter, the assignor shall be entitled to receive reimbursement for actual legal costs incurred and may, upon demand, recover from the public body any portion of the recovery, including treble damages, attributable to overcharges that were paid by the assignor but were not paid by the public body as part of the bid price, less the expenses incurred in obtaining that portion of the recovery. Government Code Section 4553.
 - d. Upon demand in writing by the assignor, the assignee shall, within one year from such demand, reassign the cause of action assigned under this part if the assignor has been or may have been injured by the violation of law for which the cause of action arose and (a) the assignee has not been injured thereby, or (b) the assignee declines to file a court action for the cause of action. See Government Code Section 4554.
16. CHILD SUPPORT COMPLIANCE ACT: For any Agreement in excess of \$100,000, the contractor acknowledges in accordance with Public Contract Code 7110, that:
- a. The contractor recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and
 - b. The contractor, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

17. UNENFORCEABLE PROVISION: In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.
18. PRIORITY HIRING CONSIDERATIONS: If this Contract includes services in excess of \$200,000, the Contractor shall give priority consideration in filling vacancies in positions funded by the Contract to qualified recipients of aid under Welfare and Institutions Code Section 11200 in accordance with Pub. Contract Code §10353.
19. SMALL BUSINESS PARTICIPATION AND DVBE PARTICIPATION REPORTING REQUIREMENTS:
 - a. If for this Contract Contractor made a commitment to achieve small business participation, then Contractor must within 60 days of receiving final payment under this Contract (or within such other time period as may be specified elsewhere in this Contract) report to the awarding department the actual percentage of small business participation that was achieved. (Govt. Code § 14841.)
 - b. If for this Contract Contractor made a commitment to achieve disabled veteran business enterprise (DVBE) participation, then Contractor must within 60 days of receiving final payment under this Contract (or within such other time period as may be specified elsewhere in this Contract) certify in a report to the awarding department: (1) the total amount the prime Contractor received under the Contract; (2) the name and address of the DVBE(s) that participated in the performance of the Contract; (3) the amount each DVBE received from the prime Contractor; (4) that all payments under the Contract have been made to the DVBE; and (5) the actual percentage of DVBE participation that was achieved. A person or entity that knowingly provides false information shall be subject to a civil penalty for each violation. (Mil. & Vets. Code § 999.5(d); Govt. Code § 14841.)
20. LOSS LEADER: If this contract involves the furnishing of equipment, materials, or supplies then the following statement is incorporated: It is unlawful for any person engaged in business within this state to sell or use any article or product as a "loss leader" as defined in Section 17030 of the Business and Professions Code. (PCC 10344(e).)

EXHIBIT D SPECIAL TERMS AND CONDITIONS

1. **Disputes:** Any disputes concerning a question of fact arising under this contract which is not disposed of by agreement shall be decided by the Director, Department of Alcoholic Beverage Control, or designee, who shall reduce his decision in writing and mail or otherwise furnish a copy thereof to the Contractor. The decision of the Department shall be final and conclusive unless, within 30 days from the date of receipt of such copy, the Contractor mails or otherwise furnishes to the State a written appeal addressed to the Director of the Department of Alcoholic Beverage Control. The decision of the Director of Alcoholic Beverage Control or his duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, capricious, arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence. In connection with any appeal proceeding under this clause, the contractor shall be afforded an opportunity to be heard and to offer evidence in support of its appeal. Pending final decision of a dispute hereunder, Contractor shall proceed diligently with the performance of the contract and in accordance with the decision of the State.
2. **Cancellation/Termination:** This agreement may be cancelled or terminated without cause by either party by giving thirty (30) calendar days advance written notice to the other party. Such notification shall state the effective date of termination or cancellation and include any final performance and/or payment/invoicing instructions/requirements. No penalty shall accrue to either party because of contract termination.
3. **Contract Validity:** This contract is valid and enforceable only if adequate funds are appropriated in Item 2100-101-3036, Budget Act of 2021, for the purposes of this program.
4. **Contractor Certifications:** By signing this agreement, Contractor certifies compliance with the provisions of CCC 04/2017, Standard Contractor Certification Clauses. This document may be viewed at: <https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/Standard-Contract-Language>
5. If the State determines that the grant project is not achieving its goals and objectives on schedule, funding may be reduced by the State to reflect this lower level of project activity and/or cancel the agreement.



State of California
Department of Alcoholic Beverage Control
Alcohol Policing Partnership Program

PROPOSAL COVER SHEET
 (TO BE COMPLETED BY APPLICANT AGENCY)

1. Name of Applicant Agency: South Gate Police Department	
2. Description of Applicant Agency: Provide your city or county and a brief summary of department size, staffing, and structure. The South Gate Police Department is a full service police department providing public safety service to the City of South Gate. It consists of 72 sworn officers and 45 civilian support staff employees. The sworn personnel include a Police Chief, 2 Captains, 5 Lieutenants, 11 Sergeants, 12 Detectives, and 46 patrol officers. The South Gate Police Department is subdivided into 3 Divisions: Patrol, Administration, and Services Divisions. Each Division contains specialty assignments such as Crime Impact Team, Narcotics, Detective Bureau, SWAT, K9 and Traffic.	
3. Number of Licenses in Project Area: 119	4. Population of Service Area: 95,538
5. Project Description: Provide a list of your project's goals and objectives and briefly summarize. The South Gate Police Department is committed to enhancing and increasing their current levels of outreach, enforcement, and public education in regards to issues associated with alcohol sales in ABC licensed establishments.	
6. Funds Requested: \$23,549	7. Project Period: July 1, 2020 – June 30, 2021
8. Acceptance of Conditions: By submitting this proposal, the applicant signifies acceptance of the responsibility to comply with all requirements stated in the Request for Proposals. The applicant understands that ABC is not obligated to fund the project until the applicant submits correctly completed documents required for the contract.	
A. Project Director (person having day-to-day responsibility for the project)	B. Chief of Police or Sheriff (authorizing official)
Name: Sam Brown Address: 8620 California Ave, South Gate, CA 90280 Phone: (323) 563-5476 Fax: (323) 563-5488 EMail Address: sbrown@sogate.org Signature:	Name: Randall Davis Address: 8620 California Ave, South Gate, Ca 90280 Phone: (323) 563-5408 Fax: (323) 563-5488 EMail Address: rdavis@sogate.org Signature:
Title: Sergeant	Title: Chief of Police
C. Fiscal or Accounting Official	D. ABC USE ONLY
Name: Jacquelyn Acosta Address: 8650 California Ave, South Gate, CA 90280 Phone: (323) 563-9524 Fax: (323) 563-9552 EMail Address: jacosta@sogate.org Signature:	<div style="border: 1px solid black; padding: 10px; width: fit-content; margin: auto;"> <p style="margin: 0;">RECEIVED</p> <p style="margin: 0; font-size: small;">JUL 1 2020</p> <p style="margin: 0; font-size: x-small;">DEPT OF ALCOHOLIC BEVERAGE CONTROL ADMINISTRATION</p> </div>
Title: Director of Administrative Services	

SCOPE OF WORK

I. SUMMARY

a. Agency Description:

The South Gate Police Department is a full service police department providing public safety service to the City of South Gate. It consists of 72 sworn officers and 45 civilian support staff employees. The sworn personnel include a Police Chief, 2 Captains, 5 Lieutenants, 10 Sergeants, 11 Detectives, and 43 patrol officers. The South Gate Police Department is subdivided into 3 divisions; Patrol, Administration, and Services Divisions. Each division contains specialty assignments such as Crime Impact Team, Narcotics, Detective Bureau, SWAT, K9 and Traffic.

The City of South Gate is approximately 7.49 square miles and is located in Southeast Los Angeles County. The approximate population of South Gate is 95,538. According to US Census records the City's demographics is predominantly Hispanic 95%, White 3.5%, Asian 1%, African American 5%, with a median household age of 30.2. The median household income is \$41,851 and has about 20.6% of its population at poverty level. There are a total of 119 licensed ABC establishments which consist of 53 on-sale and 66 off-sale.

b. Funding Request:

The South Gate Police Department is requesting the amount of \$23,549 to enforce alcohol related laws and to enhance the departments and communities education of ABC rules and regulations.

c. Goals and Objectives:

The South Gate Police Department is committed to enhancing and increasing their current levels of outreach, enforcement and public education in regards to issues associated with alcohol sales in ABC licensed establishments. The South Gate Police Department will work in partnership with ABC agents to implement the objectives of the program which will include Minor Decoy/ Shoulder Tap operations, IMPACT inspections, Task Force operations, and LEAD training. The South Gate Police Department will conduct various undercover operations on licensed establishments that have been identified as problematic ABC locations; due to problems associated with B-girls, prostitutions, narcotics activity and human trafficking. The department will incorporate prevention and education programs that will educate ABC licensed establishments as well as the community on ABC rules and regulations. This will allow the community to be part of the solution to reduce underage drinking, alcohol related crimes and how to identify problem locations. Additionally, the department will engage other public organizations and community groups, including but not limited to, Los Angeles Unified School District, Neighborhood Watch Groups, and the business community to support outreach efforts in increasing public awareness of ABC's rules and regulations. The South Gate Police Department will employ press releases that support the efforts of the grant program as well as submit articles and notices of events to the press, related to the program objectives.

These goals and objectives have the full support and commitment of the Chief of Police, Command

SCOPE OF WORK

Staff, and members of the department, in order to successfully impact the issues associated with alcohol sales from ABC licensed establishments. The South Gate Police Department believes that ABC licensees in the city will benefit greatly from the proposed efforts on targeting alcohol related issues within the community. Attempting to reduce alcohol related violations will allow patrol officers to focus on patrol activities, crime prevention and other law enforcement activities to reduce overall crime and make a significant impact on the quality of life in The City of South Gate.

d. Number of ABC Licensed Locations:

The City of South Gate currently has 119 ABC licensed locations, 53 on-sale and 66 off-sale.

e. Number of Police Officer Positions:

The City of South Gate currently has 72 full time police officers but has a total of 85 budgeted positions.

2. PROBLEM STATEMENT

The City of South Gate is situated in the southeast area of Los Angeles County. The South Gate Police Department is a municipal police department that provides public safety service to a large community population which is predominately Hispanic. Serious crime involving alcohol is a major concern. The City has ongoing problems associated with ABC licensed establishments failing to check identifications, selling alcohol to minors, selling to obviously intoxicated persons and the Police Department is fighting to reduce DUI's, public intoxication, adults purchasing alcohol for minors, beer runs and house parties that serve alcohol to minors. The South Gate Police Department receives constant complaints of intoxicated adults and/or minors out in public displaying disruptive behaviors such as urinating in public or fighting. In 2019 the South Gate Police Department made 164 DUI arrests, 217 arrests for individuals who were drunk in public, and responded to a total of 99 DUI related traffic collisions. The 2017 rankings from the California Office of Traffic Safety show that the City of South Gate was ranked 15 out of 106 cities, with a total of 52 DUI related injury traffic collisions.

The City of South Gate has a substantial Hispanic/ Latino community and diverse culture which is reflected in the demographics of owners and employees of ABC licensed retailers. The department strongly believes that due to the language barrier there is a lack of knowledge of ABC laws, rules and regulations and the licensee and/or their employees are not fully able to adhere to the ABC guidelines. Therefore, each agency will conduct LEADS training in both Spanish and English, which should reduce the sales to minors and adherence to ABC guidelines, in addition increase the quality of life issues of each community. The South Gate Police Department has been balancing manpower shortages with high calls for service. Additionally, State Assembly Bill 109, "Realignment" mandates individuals sentenced to non-serious, non-violent, non-sex related offenses serve their time in county jail instead of state prison. This shifts the financial strain onto counties and on local municipalities such as South Gate. Street gangs from neighboring communities have adversely impacted crime rate due to their mobility. The effort to track and mitigate gang related violence and crime requires extensive resources and time taking a greater toll on the already limited resources. If this grant is awarded it will help alleviate these issues and free up manpower and provide resources to address the alcohol issues in hope to decrease the number of alcohol related crimes in our community.

SCOPE OF WORK

Alcohol establishments, regardless of the type, have been problematic to law enforcement, especially in communities with many establishments located within or in close proximity to residential areas. The owners and employees of these establishments are prone to sell alcohol to underage individuals because of the high demand and potential for profit. Juveniles, especially gang members that cannot buy alcohol or get someone to purchase it for them will engage in a "beer run." On occasion, these types of incidents can become violent and turn into a robbery for the alcoholic beverage. The South Gate Police Department will attempt to curtail this illegal activity.

The South Gate Police Department last received an ABC grant since the 2016-2017 ABC grant period. During the time period that the department had the ABC grant it has seen a decrease in overall alcohol related crimes, it is believed that it is due in part to the success of the ABC grant details.

Even though the South Gate Police Department has not had an ABC grant for several years, the department continues to respond to a high volume of calls for service related to ABC licensed establishments. These calls for service put a strain on the limited manpower resources. The vast majority of these calls for service occur during peak demand for police service and consist of general disturbances, noise complaints, assaults, and suspicious incidents as a result of intoxicated individuals. These calls predominately occur during the later hours of operation and involve as least one or more persons under the influence of alcohol. Due to frequent encounters with extremely intoxicated and belligerent patrons at the scene of these investigations, it is strongly suspected that the establishments are contributing factors to these criminal investigations possibly due to over serving alcohol and exceeding maximum occupancy of their establishments. In addition, several off-sale establishments have experienced reports of gang activity, assaults, public urination, loitering, drinking in public, noise complaints, and public drunkenness on site requiring police response.

3. PROJECT DESCRIPTION

1. Identify and target problematic ABC licensed establishments.
2. Develop and implement a multi-agency task force concept (involving ABC, Labor Law, Health Department, code enforcement, etc.) to target disorderly locations.
3. Develop and implement an ongoing standard operating ABC enforcement procedure and training program within the agency.
4. Conduct 2 Task Force operations targeting disorderly-licensed premises.
5. Prepare a written evaluation of the existing system of transmitting arrest reports involving licensees to the ABC (as required by Section 24202 Business & Professions Code).
6. Implement a new/improved system of transmitting arrest reports by thirty days.
7. Conduct at least 5 Minor Decoy operations.
8. Conduct at least 1 Shoulder Tap operation.
9. Provide roll call training on alcohol-related issues for all sworn personnel on a regular and continual basis. This will be done monthly in conjunction with a DUI hotlist which is required by the Office of Traffic Safety.
10. Coordinate and conduct 1 IMPACT (Informed Merchants Preventing Alcohol- Related Crime Tendencies) Operations.
11. Schedule and coordinate 1 LEAD (Licensee Education on Alcohol and Drugs) Class.
12. Develop a policy and procedure to inform citizens in our community about this project and give periodic updates on the status and accomplishments of the project.
13. Issue 3 press releases regarding the grant and/or the activities conducted under the grant.
14. Send two officers to the APP conference.

SCOPE OF WORK

4. PROJECT PERSONNEL:

The South Gate Police Department's ABC grant will operate under the direction and supervision of Sergeant Sam Brown. Depending on the needs of the detail, the South Gate PD will utilize the specific training and experience of personnel from the Narcotics and Special Problems Unit, Crime Impact Team, Detectives, and Patrol Officers with ABC operations.

5. BUDGET:

a. Budget Detail:

Task force operations 2x (1 Sergeant, 4 Officers @ a total of \$430 an hour for 5 hours= \$2,150)= \$4,300

Minor Decoy operations 5x(1 Sergeant, 4 Officers @ a total of \$430 an hour for 5 hours= \$2,150)= \$10,750

Shoulder Tap operation 1x(1 Sergeant, 4 Officers @ a total of \$430 an hour for 5 hours= \$2,150)= \$2,150

IMPACT operation 1x(1 Sergeant, 4 Officers @ a total of \$430 an hour for 5 hours= \$2,150)= \$2,150

LEAD class 1x(2 officers @ a total of \$181 an hour for 5 hours= \$905)= \$905

Total cost of operations: \$20,255

Benefits @ \$20,255 @ 1.45% = \$294

b. Other Funding Sources:

The South Gate Police Department participates in the Office of Traffic Safety STEP grant. With this grant the South Gate Police Department participates in DUI check points, DUI enforcement, and DUI education.

BUDGET DETAIL

Exhibit B

BUDGET CATEGORY AND LINE-ITEM DETAIL	COST (Round budget amounts to nearest dollar)
A. Personnel Services (Straight Time Salaries, Overtime, and Benefits)	
A.1 Straight Time None	\$0.00
A.2 Overtime Officer overtime for operations	\$20,255.00
A.3 Benefits Benefits @ 1.45%	\$294.00
TOTAL PERSONNEL SERVICES	\$20,549.00
B. Operating Expenses (maximum \$2,500)	
Decoy Operations	\$500.00
Shoulder Tap Operations	
"Buy Money"	
TOTAL OPERATING EXPENSES	\$500.00
C. Equipment (maximum \$2,500) (Attach receipts for all equipment purchases to monthly billing invoice)	
TOTAL EQUIPMENT	\$0.00
D. Travel Expense/Registration Fees (maximum \$2,500) (Registration fee for July 2020 APP Conference attendee is \$325 each)	
APP Conference for 2 officers @ \$ 325 each	\$650.00
Travel, per diem, and lodging for 2 officers	\$1,850.00
TOTAL TRAVEL EXPENSE	\$2,500.00
TOTAL BUDGET DETAIL COST, ALL CATEGORIES	\$23,549.00

OTHER FUNDING SOURCES

Complete the following to report the total funds available to support the activities related to accomplishing the goals and objectives of the contract. In the "Grant Funds" column, report the ABC funds requested by category. In the "Other Funds" column, report all other funds available to support the project by category (if none, leave blank). Then calculate the totals by category in the "Program Total" column. Total each column down to arrive at the total program funds available. (Round all budget amounts to the nearest dollar—No Cents.)

BUDGET CATEGORY	GRANT FUNDS	OTHER FUNDS	PROGRAM TOTAL
Personnel Services			\$0.00
Operating Expenses			\$0.00
Travel/Registration Fees			\$0.00
Equipment			\$0.00
TOTALS	\$0.00	\$0.00	\$0.00

This form does not become part of the contract but is required in the Request for Proposals package.

Office of the
South Gate City Clerk

AUG - 6 2020

FILED

CITY OF SOUTH GATE
NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that the City Council of South Gate, California will conduct a public hearing for the purpose of discussing and considering the use of the Fiscal Year 2020/2021 grant agreement with the Department of Alcoholic Beverage Control (ABC).

The Department of Alcoholic Beverage Control (ABC) Grant to the South Gate Police Department is in the amount of \$21,049. A copy of the City Council Agenda Bill with the budget and summary report of the program may be reviewed in the City Clerk's office during normal business hours. The Public Hearing is scheduled for:

DATE: TUESDAY, AUGUST 25, 2020
TIME: 6:30 P.M.
LOCATION: COUNCIL CHAMBERS
SOUTH GATE CITY HALL
8650 CALIFORNIA AVE
SOUTH GATE, CA 90280

NOTICE IS HEREBY GIVEN that any and all persons interested in the matter hereinabove set forth the privilege to attend said hearing and then and there testify or present evidence upon any matter relating thereto.

THIS NOTICE IS GIVEN by order of the City Clerk of said City and is dated this August 13, 2020.



Carmen Avafos, City Clerk

Publication date: August 13, 2020

RECEIVED

Item No. 5

AUG 18 2020

City of South Gate
CITY COUNCIL

CITY OF SOUTH GATE
OFFICE OF THE CITY MANAGER

11:50am

AGENDA BILL

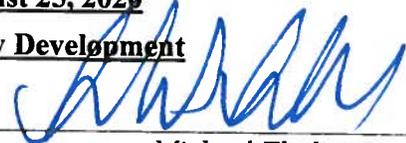
For the Regular Meeting of: August 25, 2020

Originating Department: Community Development

Department Director:


Joe Perez

City Manager:


Michael Flad

**SUBJECT: COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM
SUBRECIPIENT AGREEMENTS FOR FISCAL YEAR 2020/21**

PURPOSE: To approve the Community Development Block Grant (CDBG) Program Subrecipient Agreements for Fiscal Year 2020/21 with eligible organizations to provide services that will benefit low- and moderate income South Gate residents. This item was continued from the August 11, 2020 city council meeting.

RECOMMENDED ACTIONS:

- a. Approve Community Development Block Grant (CDBG) Program Subrecipient Agreements for Fiscal Year 2020/21 with:
 - 1. The Fair Housing Foundation in the amount of \$24,000;
 - 2. Southern California Rehabilitation Services in the amount of \$8,000;
 - 3. The Salvation Army, DBA The Salvation Army Western Territory in the amount of \$22,500;
 - 4. Helpline Youth Counseling in the amount of \$22,500;
 - 5. The Tweedy Mile Association for a total amount of \$60,000; each of the ten participating businesses will receive a \$6,000 grant for exterior improvements; and
- b. Authorize the Mayor to execute the Agreements in a form acceptable to the City Attorney.

FISCAL IMPACT: There is no fiscal impact to the General Fund. Funds, in the amount of \$137,000, were included in the Fiscal Year 2020/21 CDBG budget for these Agreements. Funding is from the U.S. Department of Housing and Urban Development (HUD).

ALIGNMENT WITH COUNCIL GOALS: These proposed Subrecipient Agreements support the City Council's goals of creating and protecting strong and sustainable neighborhoods by supporting organizations that provide needed services and programs that benefit low- and moderate- income residents of South Gate.

ANALYSIS: During the regularly scheduled City Council meeting of April 28, 2020, the City Council reviewed and approved the Citizens Advisory Committee's (CAC) funding recommendations for the award of the CDBG funds for Fiscal Year 2020/21.

The proposed CDBG Subrecipient Agreements reflect the approved allocations for Fiscal Year 2020/21 under the CDBG Program. The following services will be provided to eligible low- and moderate- income residents by each awarded subrecipient during Fiscal Year 2020/21:

- The Fair Housing Foundation will offer tenant and landlord counseling and mediation; discrimination complaint intake and investigation as well as community education and outreach. Funding amount: \$24,000.
- Southern California Rehabilitation Services will provide home modifications and medical equipment to residents with disabilities. Funding amount: \$8,000.
- The Salvation Army will provide assistance with transitional and permanent housing for homeless residents. Funding amount: \$22,500.
- Helpline Youth Counseling will assist residents at risk of becoming homeless to achieve and maintain housing stability. Funding amount \$22,500.
- The Tweedy Mile Association will provide eligible business owners along the Tweedy Mile funding for upgrading and maintaining their business storefronts. Each of the ten participating businesses will receive a \$6,000 grant for exterior improvements. Total funding amount: \$60,000.

ATTACHMENTS: Proposed CDBG Subrecipient Agreements

**COMMUNITY DEVELOPMENT BLOCK GRANT SUBRECIPIENT AGREEMENT
BETWEEN THE CITY OF SOUTH GATE AND
FAIR HOUSING FOUNDATION**

This Community Development Block Grant Subrecipient Agreement ("Agreement") is made and entered into on August 25, 2020, and retroactively effective as of July 1, 2020, by and between the City of South Gate, a municipal corporation ("Grantee") and Fair Housing Foundation of Long Beach, a California non-profit public benefit corporation, doing business as Fair Housing Foundation ("Subrecipient"). The Grantee and Subrecipient are sometimes hereinafter individually referred to as a "Party" and collectively as "Parties."

RECITALS

WHEREAS, Grantee has applied for and received Community Development Block Grant ("CDBG") funds from the United States Government through its Department of Housing and Urban Development, hereinafter referred to as "HUD" under Title 1 of Housing and Community Development Act of 1974, as amended, hereinafter referred to as the "ACT";

WHEREAS, Grantee wishes to engage Subrecipient, which is qualified by reason of experience, preparation, organization, staffing, and facilities, to provide the program and/or services as described below in "Scope of Services"; and

WHEREAS, Grantee recognizes the public benefit in providing the program and/or services described below in the Scope of Services to low- and moderate-income ("LMI") persons and desires Subrecipient to carry out said program and/or services on Grantee's behalf.

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

1. SCOPE OF SERVICES

A. Activities

The Subrecipient will provide general counseling, investigation, enforcement and litigation on landlord/tenant issues, housing discrimination as well as outreach and education to South Gate residents.

B. National Objectives

The Subrecipient certifies that the activities carried out with funds provided under this Contract will benefit low-and moderate-income persons, as defined under 24 CFR Part 570.208 (a) (2) of the CDBG Program National Objectives.

C. Levels of Accomplishment

Total number of City of South Gate residents to be served during Fiscal Year 2019-2020 and Fiscal Year 2020-2021: **270 individuals.**

2. TIME OF PERFORMANCE

The program and/or services to be provided by Subrecipient hereunder shall commence retroactively to July 1, 2020, and shall be completed no later than June 30, 2021. This Agreement does not reimburse

any expenditure incurred by Subrecipient prior to the date of commencement and execution of this Agreement by Grantee. This Agreement does not reimburse any expenditure made after the completion date without written authorization to extend the contract, but not more than 12 months, as set forth in Section 27, Time of Performance Modifications. Notwithstanding any provision contained herein to the contrary, this Agreement shall remain in effect during any period of time that Subrecipient has control over CDBG funds, including program income as provided in Section 11, Program Income below.

3. COMPENSATION AND METHOD OF PAYMENT

It is expressly agreed and understood that the total amount to be paid by Grantee under this Agreement shall not exceed the sum of **TWENTY-FOUR THOUSAND DOLLARS (\$24,000.00)** of Fiscal Year 2020-2021 CDBG funds. Notwithstanding Section 7, Budget Modifications, below and Section 8, Changes in Grant Allocation, below, Grantee, in its sole discretion exercisable at any time hereunder, may increase the compensation payable hereunder to Subrecipient ("Additional Funding") by giving Subrecipient a written notice offering the Additional Funding ("Additional Funding Offering Notice") for the program and/or services provided under Section 1, Scope of Services above, together with such additional levels of accomplishment, if any, that Grantee may prescribe as a condition to accepting the Additional Funding. Subrecipient may accept the Additional Funding and agree to comply with the additional levels of accomplishment, if any, set forth in the Additional Funding Offering Notice by delivering to Grantee a written notice of acceptance ("Additional Funding Acceptance Notice") within five (5) business days after Subrecipient's receipt of the Additional Funding Offering Notice. If Subrecipient for any reason does not deliver to Grantee the Additional Funding Acceptance Notice within such 5-business day period, then the failure to deliver the Additional Funding Acceptance Notice shall be deemed Subrecipient's rejection of the Additional Funding. This payment shall constitute full and complete compensation for Subrecipient services under this Agreement. For the purpose of this Agreement, Grantee shall disburse the CDBG funds and monitor Subrecipient's performance in satisfying the Scope of Services under the terms of this Agreement. Notwithstanding the foregoing, Grantee shall not be obligated to disburse to Subrecipient any funds that Grantee does not directly or indirectly receive from HUD for the CDBG program for this Agreement.

Disbursement of payments to Subrecipient shall be made upon Grantee's receipt of the **Request for Reimbursement Form** together with true and correct copies of receipts, timesheets, invoices, and such other documentation as may be reasonably requested by Grantee.

Expenditures shall be documented with supportive evidence for each expenditure and proof of payment, in accordance with HUD regulations. Payments may also be contingent upon certification that Subrecipient's financial management system is in accordance with the standards specified in OMB Circular A-110. After timely receipt by Grantee of each properly documented expenditure submittal, Grantee will draw a warrant in favor of Subrecipient for the approved expenditure amount within thirty (30) days.

4. QUARTERLY PERFORMANCE REPORTS

Quarterly Performance Reports shall be submitted by Subrecipient corresponding to the quarters of the Agreement year: Quarter 1 = July - September, Quarter 2 = October - December, Quarter 3 = January - March and Quarter 4 = April - June. A complete Quarterly Performance Report must be received by the Grantee within 30 days after the end of Quarters 1, 2 and 3, and within 10 days of June 30th after the 4th Quarter.

5. BUDGET SECTION

No more than the amounts specified in the Program Budget may be spent for the separate cost categories specified in the Budget Summary without express prior written approval of Grantee. Subrecipient acknowledges that verbal authorizations shall not be deemed a substitute for written approval.

6. USE OF FUNDS

Funds allocated pursuant to this Agreement shall be used exclusively for costs included in Subrecipient program budget. Agreement funds shall not be used as security or to guarantee payments for any non-program obligations, nor as loans for non-program activities.

7. BUDGET MODIFICATIONS

Grantee, or its designee, may allow budget modifications to this Agreement when such modifications are approved in advance in writing and: a) do not exceed Eight Thousand Dollars (\$8,000) per budget cost category; b) are specifically requested by Subrecipient; c) do not alter the amount of compensation with this Agreement; d) will not change the eligibility of the project goals or Scope of Services under this Agreement; e) are in the best interests of Grantee and Subrecipient in performing the Scope of Services; and f) when related to salaries, are in accordance with applicable salary ordinances or laws. Requests for modification as described above are subject to review for compliance with the Consolidated Plan, budget summary and program description by the Housing Administrator.

8. CHANGES IN GRANT ALLOCATION

Grantee reserves the right to reduce the amount of CDBG funds to be paid hereunder when Grantee's fiscal monitoring indicates that Subrecipient rate of expenditure will result in unspent funds at the end of the program year. Changes in the grant allocation will be done after consultation with Subrecipient and written notification by Grantee.

9. REVENUE DISCLOSURE REQUIREMENT

By its execution of this Agreement, Subrecipient certifies that it has previously filed with Grantee a written statement listing all revenue received, or expected to be received, by Subrecipient from Federal, State, City or County of Los Angeles sources, or from other governmental or private agencies, and applied or expected to offset in whole or in part any of the costs incurred by Subrecipient in conducting current or prospective projects, programs, services, or business activities, including, but not necessarily limited to, the project, program, service or business activity which is the subject of this Agreement. Such statement shall reflect the name and a description of such project, program, service, or business activity, the dollar amount of funding provided, or to be provided, by each and every agency for each such project, program, service, or business activity, and the full name and address of each such agency. During the term of this Agreement, Subrecipient shall prepare and file a similar written statement each time it receives funding from any agency which is in addition to that revenue disclosed in Subrecipient's initial revenue disclosure statement hereunder. Such statement shall be filed by Subrecipient with Grantee within fifteen (15) calendar days following receipt of such additional funding. Subrecipient shall make available for inspection and audit by Grantee's employees, agents, contractors, or other representatives, upon request, at any time during the duration of this Agreement and during a period of three (3) years thereafter, all of its books and records relating to the operation by it of each project, program, service, or business activity which is funded in whole or in part with governmental monies, whether or not such monies are received through Grantee. All such books and records shall be maintained by Subrecipient. Failure of Subrecipient to comply with the requirements of this section of the Agreement shall constitute a material breach of contract upon which Grantee may cancel, terminate, or suspend this Agreement.

10. JOINT FUNDING

For programs in which there are sources of funds in addition to CDBG funds, Subrecipient shall provide proof of such funding. Grantee shall not pay for any projects, programs, services, or business activities provided by Subrecipient which are funded by other sources. All restrictions and/or requirements provided in this Agreement relative to accounting, budgeting, and reporting applies to the total program regardless of funding sources.

11. PROGRAM INCOME

Program income represents net income directly generated from the use of CDBG funds by Subrecipient as a result of the activity funded under the terms of this Agreement. When such income is generated by an activity only partially assisted with CDBG funds, the income shall be prorated to reflect the percentage of CDBG funds used. Subrecipient shall return program income to Grantee. Program income shall be returned to Grantee within thirty (30) days after the occurrence of any of the following: (A) disposition or sale of real or personal property occurs or; (B) cumulative program income reaches increments of One Thousand Dollars (\$1,000); or (C) the end of each fiscal year. Subrecipient shall include the reports required by Section 22, Program Reporting, all sources and amounts of program income on a monthly and year-to-date basis.

12. FISCAL LIMITATIONS

HUD may place programmatic or fiscal limitation(s) on CDBG funds not presently anticipated by the parties. Accordingly, Grantee reserves the right to revise, rescind, terminate for convenience or otherwise modify this Agreement because of or related to actions affecting HUD program funding. Where Grantee has reasonable grounds to question Subrecipient's fiscal accountability, financial soundness, or compliance with this Agreement, Grantee may act to suspend the operation of this Agreement for up to sixty (60) days upon three (3) days' notice to Subrecipient of Grantee's intention to so act, pending an audit or other resolution of such questions. Subrecipient expressly acknowledges that such changes shall not be the basis for a claim for monetary or other damages. In no event, however, shall any revision made by Grantee affect expenditures and legally binding commitments made by Subrecipient before Subrecipient received notice of such revision, provided that such amounts have been committed in good faith and are otherwise allowable and that such commitments are consistent with HUD cash withdrawal guidelines.

13. NONEXPENDABLE PROPERTY

Subrecipient shall maintain an accurate and independently verifiable record for each item of nonexpendable property acquired for this program with CDBG funds. This record shall be provided to Grantee upon request. "Nonexpendable property" shall include tangible personal property, including but not limited to computer equipment, office equipment, and real property and any interest in such real property, including any mortgage or other encumbrance of real property as well as any funds derived from the sale or disposal of nonexpendable property. Any utilization of funds derived from the sale or disposition of nonexpendable property must have prior approval of Grantee and otherwise comply with all applicable laws and regulations. Upon termination of this Agreement, Grantee reserves the right to determine the final disposition of said nonexpendable property acquired for this program with CDBG funds, including funds derived therefrom. Said disposition may include Grantee taking possession and title of said nonexpendable property. Nonexpendable personal property means tangible personal property having a useful life of more than one (1) year and an acquisition cost of Five Hundred Dollars (\$500) or more per unit.

14. EXPENDABLE PERSONAL PROPERTY

Expendable personal property refers to all tangible personal property other than nonexpendable personal property.

15. PURCHASE OR LEASE OF NONEXPENDABLE PROPERTY OR EQUIPMENT

Subrecipient shall obtain competitive bids prior to purchasing or leasing any nonexpendable personal property or equipment over Five Hundred Dollars (\$500) in unit value and having a life expectancy of more than one (1) year. Such property shall be properly tagged and inventoried. This inventory shall be provided to Grantee promptly upon request.

16. ACQUISITION OF SUPPLIES AND EQUIPMENT

Subrecipient may purchase from a related agency/organization only if: a) prior authorization is obtained in writing from Grantee; b) charges do not exceed the authorized amount and minimum written specifications are met; c) a community related benefit is derived from such Subrecipient -related acquisition; and d) no conflict of interest for private gain accrues to Subrecipient or its directors, employees, agents or officers or their respective relatives by blood or marriage. For purposes of this Agreement, "relatives" includes parents, child, spouse, brother, sister, in-laws and step relationships.

Grantee reserves the right to disallow any purchase from any vendor of supplies, equipment, nonexpendable property or expendable property which is purchased in whole or in part with funds provided by this Agreement. Subrecipient may seek prior approval of Grantee for any such expenditure, and prior approval which is granted shall be binding on Grantee unless such expenditure violates federal law or regulations or is disallowed by HUD.

17. PURCHASE

Purchase of equipment or property must be completed before the end of the 4th quarter in any calendar year and all equipment invoices must be submitted by the end of the last month of the term of this Agreement.

18. TRAVEL AND CONFERENCE RESTRICTIONS

Subrecipient certifies and agrees that travel and conference expenses for persons other than employees of Subrecipient, will not be paid by funds provided through this Agreement. No travel expenses for out-of-state travel shall be included in this Agreement unless specifically listed in the Budget Summary, attached hereto. Subrecipient further agrees that any travel expense incurred by Subrecipient which is not listed in the Program Budget shall not be paid by funds provided through this Agreement.

19. USE OF FUNDS FOR ENTERTAINMENT, GIFTS, OR FUND-RAISING ACTIVITIES

Subrecipient certifies and agrees that it will not use funds provided through this Agreement to pay for any entertainment, gifts, or fund-raising activities.

20. MONITORING

Grantee will conduct quarterly program monitoring to review beneficiary files and program records. Grantee and HUD shall have the right of access to all activities and facilities operated by Subrecipient under this Agreement. Facilities include all files, records and other documents related to the performance of this Agreement. Activities include attendance staff, board of directors, advisory committee and advisory board meetings and observation of on-going program functions. Subrecipient will permit on-site inspection by Grantee and HUD and ensure that its employees and board members furnish such information as, in the judgment of Grantee and HUD representatives, may be relevant to compliance with contractual conditions and HUD directives, or the effectiveness, legality and achievements of the program.

Substandard performance as determined by Grantee will constitute non-compliance with and a breach of this Agreement. If action to correct and cure such substandard performance is not taken and completed by Subrecipient within a reasonable period of time after being notified by Grantee, this Agreement may be suspended or terminated by Grantee in accordance with its suspension or termination procedures.

21. BENEFICIARY QUALIFICATION

Persons qualifying for program services on the basis of income, hereinafter referred to as beneficiaries, shall have an annual household gross income equal to or less than the low- and moderate-income limits defined by the U.S. Department of Housing and Urban Development (HUD) Income Limits. Subrecipient is responsible for obtaining from Grantee the current applicable HUD Income Guidelines for each year of the

Agreement term identified in Section 2, Time of Performance. Under CDBG regulations, the following clientele categories qualify as presumed to benefit persons, 51% of whom are low-and-moderate income: Abused Children; Battered Spouses; Elderly Persons (62 and older); Handicapped Persons; Homeless Persons; Illiterate Persons; Migrant Farm Workers. However, Subrecipient shall document the household income of all beneficiaries by obtaining from beneficiaries, completed "Beneficiary Qualification Statements."

22. PROGRAM REPORTING

Subrecipient agrees to prepare and submit financial, program progress, evaluations and other reports as required by HUD or Grantee directives. Subrecipient shall maintain such property, personnel, financial and other records and accounts as are considered necessary by HUD or Grantee to assure proper accounting for all Agreement funds. All Subrecipient records, with the exception of confidential client information, shall be made available to representatives of Grantee and the appropriate Federal agencies. Subrecipient is required to submit data necessary to complete the "Annual Grantee Performance Report" or "Consolidated Annual Performance and Evaluation Report (CAPER)", in accordance with HUD regulations in the format and at the time designated by Grantee.

23. FINANCIAL MANAGEMENT

A. Accounting

Subrecipient agrees to comply with OMB Circular A-110 and further agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

B. Cost Principles

Subrecipient shall administer its program in conformance with OMB Circulars A-122 "Cost Principles for Non-Profit Organizations" or A-21 "Cost Principles for Education Institutions," as applicable, for all costs incurred whether charged on a direct or indirect basis.

24. DOCUMENTATION AND RECORD KEEPING

A. Records to be Maintained

Subrecipient shall maintain all records required by the Federal regulations specified in 24 CFR Part 570.506 that are pertinent to the activities to be funded under this Agreement. Such records shall include but not be limited to:

- a. Records providing a full description of each activity undertaken;
- b. Records demonstrating that each activity undertaken meets one of the National objectives of the CDBG program;
- c. Records required for determining the eligibility of activities;
- d. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
- e. Records documenting compliance with the Fair Housing and Equal Opportunity components of the CDBG program;
- f. Financial records as required by 24 CFR part 570.502, and OMB Circular A 110; and
- g. Other records necessary to document compliance with Subpart K of 24 CFR 570.

B. Retention

Subrecipient shall retain all records pertinent to expenditures incurred under this Agreement for a period of four (4) years after the termination of this Agreement. Records for non-expendable property acquired with funds under this Agreement shall be retained for four (4) years after final disposition of such property. Records for any displaced person must be kept for four (4) years after he/she has received final payment. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the three-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the four-year period, whichever occurs later.

C. Client Data

Subrecipient shall maintain and submit client data demonstrating client eligibility for services provided by obtaining completed "Beneficiary Qualification Statements." Such data shall include, but not be limited to, client name, address, income or for determining eligibility and description of service provided. Such information shall be made available to Grantee monitors or their designees for review upon request during on-site monitoring.

D. Disclosure

Subrecipient understands that client information collected under this Agreement is private and the use, dissemination, transmission or other disclosure of such information, when not directly connected with the administration of the Grantee's or Subrecipient's responsibilities with respect to services provided under this Agreement, is strictly prohibited unless written consent is obtained from such person receiving service and, in the case of a minor, that of a responsible parent/guardian. Subrecipient shall take all commercially reasonable action and implement such necessary procedures to safeguard the privacy of all client information and shall provide Grantee promptly upon request a narrative description of such safeguards.

E. Property Records

Subrecipient shall maintain real property inventory records which clearly identify properties purchased, improved or sold. Properties retained shall continue to meet eligibility criteria and shall conform to the "changes in use" restrictions specified in 25 CFR Parts 570.503(b) (8), as applicable.

F. Close-Outs

Subrecipient's obligation to the Grantee under this Agreement shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of program assets, including the return of all unused material, equipment, unspent cash advances, program income balances, and accounts receivable to Grantee and determining the custodianship of records.

G. Audit and Inspections

Subrecipient shall arrange for an independent financial/compliance audit to be performed within the direction of Generally Accepted Auditing Standards and Government Auditing Standards and conducted for each fiscal year during the term of this Agreement. Such audit shall be completed not later than one hundred twenty (120) days following the end of such fiscal year. In the event Subrecipient receives Five Hundred Thousand Dollars (\$500,000) or more in the aggregate in federal funds from all federal funding sources within a fiscal year, Subrecipient shall be required to perform an audit in compliance with OMB Circular A-133.

Subrecipient shall submit a copy of the audit report to Grantee within thirty (30) days of completion. Within thirty (30) days of the submittal of said audit report, Subrecipient shall provide to Grantee a "Corrective Action Plan" which shall contain a written response to any concerns or findings identified in said audit report. The response must examine each concern or finding and explain a proposed resolution, including a schedule for correcting any deficiency. All actions to correct said conditions or findings shall be taken within six (6) months after receipt of the audit report. Any concern or finding will be referred to the HUD field office.

Grantee, or HUD, may make additional audits or reviews, as necessary, to carry out the responsibilities of Subrecipient under Federal, State or Local laws and regulations. Subrecipient agrees to cooperate fully with all persons conducting said additional audits or reviews. Grantee and its authorized representatives shall, at all times, have access for the purpose of audit or inspection, to any and all books, documents, papers, records, property and premises of Subrecipient.

If indications of misappropriation or misapplication of the funds of this Agreement cause Grantee to require an additional audit, the cost of the audit will be encumbered and deducted from this Agreement budget. Should Grantee subsequently determine that the additional audit was not warranted, the amount encumbered will be restored to the Agreement budget. Subrecipient shall reimburse all misappropriation or misapplication of funds to Grantee.

25. ASSIGNMENT

This Agreement is not assignable by Subrecipient without the express written consent of Grantee. Any attempt by Subrecipient to assign any performance of the terms of this Agreement shall be null and void and shall constitute a material breach of this Agreement.

26. TERMINATION AND TERMINATION COSTS

This Agreement may be terminated in whole or in part at any time by either party upon giving thirty (30) days' notice in writing to the other party. Grantee and Subrecipient shall set forth the reasons and conditions for termination in compliance with the provisions of federal regulations at 24 CFR Part 85.44, Termination for Convenience.

Grantee may immediately terminate this Agreement upon the termination, suspension, discontinuation or substantial reduction in CDBG funding for the Agreement activity, or if for any reason the timely completion of the work under this Agreement is rendered improbable, infeasible or impossible. If Subrecipient materially fails to comply with any term of this Agreement, Grantee may take one or more of the actions provided under federal regulation at 24 CFR Part 85.43, including, without limitation, temporarily withholding cash, disallowing non-compliant costs, wholly or partly terminating the award, withholding future awards, and other remedies that are legally available. In such event, Subrecipient shall be compensated for all services rendered and all necessarily incurred costs performed in good faith in accordance with the terms of this Agreement that have been previously reimbursed, to the date of said termination to the extent that CDBG funds are available from HUD.

27. REVERSION OF ASSETS

Upon termination of this Agreement Subrecipient shall transfer to Grantee all real property acquired or improved in whole or in part with CDBG funds in excess of Twenty Five Thousand Dollars (\$25,000) under this Agreement; or it must be disposed of in a manner resulting in a reimbursement to Grantee in the amount of the current fair market value of the property less any portion thereof attributable to expenditures of non-CDBG funds for the acquisition of, or improvement to, the property.

28. TIME OF PERFORMANCE MODIFICATIONS

Grantee may grant time of performance modifications to this Agreement when such modifications:

- a. In aggregate do not exceed twelve (12) calendar months;
- b. Are specifically requested by Subrecipient;
- c. Will not change the project goals or scope of services;
- d. Are in the best interests of Grantee and Subrecipient in performing the scope of services under this Agreement; and
- e. Do not alter the amount of compensation under this Agreement.

29. INDEPENDENT CONTRACTOR

At all times hereunder, each of Grantee and Subrecipient will be acting in an independent capacity and not as agents, employees, partners, joint venture, or associates of one another. The employees or agents of one party shall not be deemed or construed to be the agent or employees of the other party for any purpose whatsoever.

30. AFFIRMATIVE ACTION AND CONTRACT COMPLIANCE

Subrecipient shall make every commercially reasonable good faith effort to ensure that all projects funded wholly or in part by CDBG funds shall provide equal employment and career advancement opportunities for minorities and women, consistent with Federal and State laws. In addition, Subrecipient shall make every commercially reasonable good faith effort to employ residents of the area and shall keep a record of the positions that have been created directly or as a result of this program.

Subrecipient agrees to comply with the provisions of the Affirmative Action Compliance Program of Grantee and rules and regulations adopted pursuant thereto. Subrecipient shall comply with Executive Orders 11246, 11375, 11625, 12138, 12432, 12250, Title VII of the Civil Rights Act of 1964, the California Fair Housing and Employment Act, applicable California Public Contracts Code and other applicable Federal, State, and Grantee laws, regulations and policies relating to equal employment and contracting opportunities, including laws and regulations hereafter enacted.

31. PERSONNEL AND PARTICIPANT CONDITIONS

A. Civil Rights

1. Compliance

Subrecipient agrees to comply with Title I of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 104 (b) and Section 109 of Title 1 of the Housing and Community Development Act of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and with Executive Order 11246 as amended by Executive Orders 11365 and 12086.

2. Nondiscrimination

Subrecipient will not discriminate against any employee or applicant for employment because of race, creed, gender, gender identity (including gender expression), color, religion, ancestry, sexual orientation, national origin, disability, age, marital status, family/parental status, or veteran/military status, or status with regard to public assistance. Subrecipient will take affirmative action to ensure

that all employment practices are free from such discrimination. Such employment practices include but are not limited to the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Subrecipient agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting agency setting forth the provisions of this nondiscrimination clause.

3. Land Covenants

This Agreement is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and 24 CFR 570.601 and 602 in regards to the sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this Agreement, Subrecipient shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination as herein defined, in the sale, lease or rental, or in the use or occupancy of such land, or in any improvements erected or to be erected thereon, providing that the Grantee and the United States Government are beneficiaries of and entitled to enforce such covenants. Subrecipient, in undertaking its obligation to carry out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and will not itself so discriminate.

4. SECTION 504

Subrecipient agrees to comply with any Federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C 706), which prohibits discrimination against the handicapped in any Federally assisted program.

B. Affirmative Action

1. Access to Records

Subrecipient shall furnish and cause each of its own subrecipients or subcontractors to furnish all information and reports required hereunder and will permit access to its books, records and accounts by the Grantee, HUD or its agent, or other authorized Federal officials for purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein.

2. EEO/AA Statement

Subrecipient will, in all solicitations or advertisements for employees placed by or on behalf of the Subrecipient, state that it is an Equal Opportunity or Affirmative Action employer.

32. RELIGIOUS PROSELYTIZING OR POLITICAL ACTIVITIES

Subrecipient agrees that it will not perform or permit any religious proselytizing or political activities in connection with the performance of this Agreement. Funds under this Agreement will be used exclusively for performance of the work required under this Agreement and no funds made available under this Agreement shall be used to promote any religious or political activities.

33. CONFLICT OF INTEREST

Subrecipient, its directors, officers, agents and employees shall comply with all applicable Federal, State and Local laws and regulations governing conflict of interest. To this end, Subrecipient will make available to its directors, officers, agents and employee's copies of all applicable Federal, State, and Local laws and

regulations governing conflict of interest. In particular, the following Federal regulation paraphrased from 24 CFR 570-611, Conflict of Interest: Except for salaries and related administrative or personnel costs, no employees, agents consultants, officers or elected officials or appointed officials, of subrecipients which receive CDBG funds, who exercise or have exercised any CDBG functions or who are in a position to participate in a decision making process or gain inside information, may obtain a personal or financial interest or benefit from a CDBG assisted activity or any CDBG funded contract, subcontract or agreement, during their tenure or for one year thereafter.

Subrecipient shall furnish to Grantee, prior to Grantee's execution of this Agreement, a written list of all current or proposed subgrantees/subcontractors, vendors or personal service providers, including subsidiaries of Subrecipient. This list should be limited to those subgrantees/subcontractors, vendors or personal service providers, including subsidiaries of Subrecipient, which will receive Ten Thousand Dollars (\$10,000) or more during the term of this Agreement. Such a list shall include the names, addresses, telephone numbers, and identification of principal party (ies), and a description of services to be provided. During the term of this Agreement, Subrecipient shall notify Grantee in writing of any change in the list of subgrantees/ subcontractors, vendors, personal service providers or subsidiaries of Subrecipient within fifteen (15) days of change.

34. REPRESENTATIONS AND WARRANTIES

Subrecipient represents and warrants: (A) that Subrecipient is a duly organized and validly existing nonprofit corporation in good standing under the laws of the state of its incorporation; (B) that the form, terms and provisions of this Agreement have been approved in all respects by Subrecipient's governing board at a meeting duly noticed and held; (C) that Subrecipient's executive director has been duly authorized to execute and deliver this Agreement on behalf of Subrecipient; (D) that Subrecipient's execution, delivery and performance of this Agreement are not in contravention of any provision of law, or of any agreement, by which Subrecipient is bound; (E) no action or proceeding is now pending or, to the best of Subrecipient's knowledge, is threatened, against Subrecipient, in equity or otherwise, before any court, board, commission, agency or instrumentality of the Federal Government or any state government or of any municipal government or any agency or subdivision thereof; or before any arbitrator or panel of arbitrators; (F) Subrecipient is not in default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any material contractual obligation of Subrecipient, and no condition exists which with the giving of notice or the lapse of time or both would constitute such a default; (G) all financial statements furnished to Grantee by Subrecipient are true, correct and complete in all material respects and all other information previously furnished by or on behalf of Subrecipient to Grantee in connection with this Agreement is true, complete and correct in all material respects and does not fail to state any material fact necessary to make the statements made not misleading; and (H) no material adverse change in the operations or financial condition of Subrecipient has occurred since the selection of Subrecipient and the allocated award of CDBG funds were approved by the City Council of the City of South Gate at the duly noticed public hearing held on April 28, 2020.

35. INDEMNIFICATION

Subrecipient shall indemnify, hold harmless and defend Grantee (with legal counsel selected by Grantee) and its authorized officers, employees, agents and volunteers from any and all claims, actions, losses, damages, and/or liability arising from Subrecipient acts, errors or omissions and for any costs or expenses incurred by Grantee on account of any claim therefore, except where such indemnification is prohibited by law. Subrecipient shall promptly notify Grantee in writing of the occurrence of any such claims, actions, losses, damages, and/or liability. Subrecipient shall indemnify and hold harmless Grantee against any liability, claims, losses, demands, and actions incurred by Grantee as a result of the determination by HUD or its successor that activities undertaken by Subrecipient under the program(s) fail to comply with any

laws, regulations or policies applicable thereto or that any funds billed by and disbursed to Subrecipient under this Agreement were improperly expended.

36. INSURANCE REQUIREMENTS

Without in any way affecting the indemnity herein provided and in addition thereto, Subrecipient shall secure and maintain throughout the Agreement the following types of insurance with limits as shown:

Workers' Compensation - A program of Worker's Compensation insurance or a State-approved Self Insurance Program in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employer's Liability with \$250,000 limits, covering all persons providing services on behalf of Subrecipient and all risks to such persons under this Agreement.

Commercial General and Automobile Liability Insurance - This coverage to include contractual coverage and automobile liability coverage for owned, hired, and non-owned vehicles. The policy shall have combined single limits for bodily injury and property damage of not less than One Million Dollars (\$1,000,000).

Additional Named Insurance - All policies, shall contain additional endorsements naming Grantee and its officers, employees, agents, and volunteers as additional named insured with respect to liabilities arising out of the performance of services hereunder.

Policies Primary and Non-Contributory - All policies required above are to be primary and non-contributory with any insurance or self-insurance programs carried or administered by Grantee.

Proof of Coverage - Subrecipient shall immediately furnish certificates of insurance to Grantee evidencing the insurance coverage, including endorsements, above required prior to the commencement of performance of services hereunder, which shall provide that such insurance shall not be terminated or expire without thirty (30) days written notice to Grantee, and Subrecipient shall maintain such insurance from the time Subrecipient commences performance of services hereunder until the completion of such services. Within sixty (60) days of the commencement of this Agreement, Subrecipient shall furnish to Grantee certified copies of the policies and all endorsements. Subrecipient shall complete and submit, Insurance Inventory, along with the above required insurance documents.

Insurance Review - The above insurance requirements are subject to periodic review by Grantee. Grantee's Risk Manager is authorized, but not required, to reduce or waive any of the above insurance requirements whenever the Risk Manager determines that any of the above insurance is not available, is unreasonably priced, or is not needed to protect the interests of Grantee. In addition, if the Risk Manager determines that heretofore unreasonably priced or unavailable types of insurance coverage or coverage limits become reasonably priced or available, the Risk Manager is authorized, but not required, to change the above insurance requirements, to require additional types of insurance coverage or higher coverage limits, provided that any such change is reasonable in light of past claims against Grantee, inflation, or any other item reasonably related to the Grantee's risk.

Any such reduction or waiver for the entire term of the Agreement and any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Agreement. Subrecipient agrees to execute any such amendment within thirty (30) days of receipt.

37. ENVIRONMENTAL CONDITIONS

A. Air and Water

Subrecipient agrees to comply with the following requirements insofar as they apply to the performance of this Agreement:

- i. Clean Air Act, 42 U.S. C., 7401, et seq.
- ii. Federal Water Pollution Control Act, as amended, 33 U.S. C. 1251, et seq., as amended, 1318 relating to inspection, monitoring, entry, reports and information, as well as other requirements specified in said Section 115 and Section 308, and all regulations and guidelines issued thereunder.
- iii. Environmental Protection Agency (EPA) regulations pursuant to 40 C.F. R., Part 50, as amended.

B. Flood Disaster Protection

In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 USC 4001), Subrecipient shall assure that for activities located in an area identified by FEMA as having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

C. Lead-Based Paint

Subrecipient agrees that any construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations in 24 CFR 570.608 and 24 CFR Part 35. Such regulations pertain to all HUD-assisted housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-based paint is found on the property, abatement measures may be undertaken.

D. Historic Preservation

Subrecipient agrees to comply with the Historic Preservation requirement set forth in the National Historic Preservation Act of 1966, as amended (17 U.S.C. 470) and the procedures set forth in 36 CFR, Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this Agreement.

In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, State, or Local historic property list.

38. COMPLIANCE WITH LAWS

Subrecipient agrees to comply with all applicable Federal, State, and Local laws, ordinances, regulations, and directives as they pertain to the performance of this Agreement. This Agreement is subject to and incorporates the terms of the ACT; 24 Code of Federal Regulations, Part 570 and Part 85, Chapter V; and U.S. Office of Management and Budget Circulars A-110, A-122, and A-133.

39. LOBBYING

Subrecipient agrees that no funds provided, nor personnel employed under this Agreement, shall be in any

way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V, United States Code.

Subrecipient certifies that:

- a. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement; and
- b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying." in accordance with its instructions; and
- c. It will require that the language of this certification be included in any award documents for all sub awards at all tiers (including subcontracts, sub grants, and contracts under grant, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.

40. AMENDMENTS

This Agreement with exhibits embodies the whole of agreements of the Parties hereto. There are no oral agreements not contained herein. No amendment of this Agreement shall be valid unless made in the form of a written amendment to this Agreement formally approved and executed by both Parties.

41. NOTICES

All notices shall be served in writing. The notices shall be sent to the following addresses:

CITY OF SOUTH GATE:

Joe Perez, Community Development Director
Community Development Department
8650 California Avenue
South Gate, CA 90280
Phone: (323) 563-9585
Fax: (323) 567-0725
E-Mail: jperez@sogate.org

WITH COURTESY COPY TO:

Carmen Avalos, City Clerk
City of South Gate
8650 California Avenue
South Gate, CA 90280
Phone: (323) 563-9511
Fax: (323) 563-5411
E-Mail: cavalos@sogate.org

SUBRECIPIENT:

Stella Verdeja, Executive Director
Fair Housing Foundation
3605 Long Beach Blvd., #302
Long Beach, CA 90807
Phone: (562) 989-1206 ext. 1100
E-Mail: sverdeja@fhfca.org

42. COUNTERPART EXECUTION

This Agreement may be executed in one or more counterparts. When executed, each counterpart shall be deemed an original irrespective of date of execution. Said counterparts shall together constitute one and the same Agreement.

The selection of Subrecipient and the allocated award of CDBG funds were previously approved at the duly noticed public hearing held on April 28, 2020, by the City Council of the City of South Gate. This Agreement is an acknowledgment of that selection and allocation of CDBG funds and subsequent responsibilities of the Subrecipient and Grantee.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed and attested by their respective officers thereunto duly authorized.

CITY OF SOUTH GATE:

By: _____
Maria Davila, Mayor

Dated: _____

ATTEST:

By: _____
Carmen Avalos, City Clerk
(SEAL)

APPROVED AS TO FORM:

By:  _____
Raul F. Salinas, City Attorney

FAIR HOUSING FOUNDATION:

By: _____
Stella Verdeja, Executive Director

Dated: _____

**COMMUNITY DEVELOPMENT BLOCK GRANT SUBRECIPIENT AGREEMENT
BETWEEN THE CITY OF SOUTH GATE AND
SOUTHERN CALIFORNIA REHABILITATION SERVICES, INC.**

This Community Development Block Grant Subrecipient Agreement ("Agreement") is made and entered into on August 25, 2020, and retroactively effective as of July 1, 2020, by and between the City of South Gate, a municipal corporation ("Grantee") and Southern California Rehabilitation Services, a California Non-profit corporation, doing business as Southern California Rehabilitation Services, Inc. ("Subrecipient"). The Grantee and Subrecipient are sometimes hereinafter individually referred to as a "Party" and collectively as "Parties."

RECITALS

WHEREAS, Grantee has applied for and received Community Development Block Grant ("CDBG") funds from the United States Government through its Department of Housing and Urban Development, hereinafter referred to as "HUD" under Title 1 of Housing and Community Development Act of 1974, as amended, hereinafter referred to as the "ACT";

WHEREAS, Grantee wishes to engage Subrecipient, which is qualified by reason of experience, preparation, organization, staffing, and facilities, to provide the program and/or services as described below in "Scope of Services"; and

WHEREAS, Grantee recognizes the public benefit in providing the program and/or services described below in the Scope of Services to low- and moderate-income ("LMI") persons and desires Subrecipient to carry out said program and/or services on Grantee's behalf.

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

1. SCOPE OF SERVICES

A. Activities

The Subrecipient will provide home modifications, durable medical equipment and technology devices to eligible South Gate residents with disabilities.

B. National Objectives

The Subrecipient certifies that the activities carried out with funds provided under this Contract will benefit low-and moderate-income persons, as defined under 24 CFR Part 570.208 (a) (2) of the CDBG Program National Objectives.

C. Levels of Accomplishment

Total number of City of South Gate residents to be served during Fiscal Year 2019-2020 and Fiscal Year 2020-2021: **17 individuals.**

2. TIME OF PERFORMANCE

The program and/or services to be provided by Subrecipient hereunder shall commence retroactively to **July 1, 2020, and shall be completed no later than June 30, 2021.** This Agreement does not reimburse any expenditure incurred by Subrecipient prior to the date of commencement and execution of this

Agreement by Grantee. This Agreement does not reimburse any expenditure made after the completion date without written authorization to extend the contract, but not more than 12 months, as set forth in Section 27, Time of Performance Modifications. Notwithstanding any provision contained herein to the contrary, this Agreement shall remain in effect during any period of time that Subrecipient has control over CDBG funds, including program income as provided in Section 11, Program Income below.

3. COMPENSATION AND METHOD OF PAYMENT

It is expressly agreed and understood that the total amount to be paid by Grantee under this Agreement shall not exceed the sum of **EIGHT THOUSAND DOLLARS (\$8,000.00)** of Fiscal Year 2020-2021 CDBG funds. Notwithstanding Section 7, Budget Modifications, below and Section 8, Changes in Grant Allocation, below, Grantee, in its sole discretion exercisable at any time hereunder, may increase the compensation payable hereunder to Subrecipient ("Additional Funding") by giving Subrecipient a written notice offering the Additional Funding ("Additional Funding Offering Notice") for the program and/or services provided under Section 1, Scope of Services above, together with such additional levels of accomplishment, if any, that Grantee may prescribe as a condition to accepting the Additional Funding. Subrecipient may accept the Additional Funding and agree to comply with the additional levels of accomplishment, if any, set forth in the Additional Funding Offering Notice by delivering to Grantee a written notice of acceptance ("Additional Funding Acceptance Notice") within five (5) business days after Subrecipient's receipt of the Additional Funding Offering Notice. If Subrecipient for any reason does not deliver to Grantee the Additional Funding Acceptance Notice within such 5-business day period, then the failure to deliver the Additional Funding Acceptance Notice shall be deemed Subrecipient's rejection of the Additional Funding. This payment shall constitute full and complete compensation for Subrecipient services under this Agreement. For the purpose of this Agreement, Grantee shall disburse the CDBG funds and monitor Subrecipient's performance in satisfying the Scope of Services under the terms of this Agreement. Notwithstanding the foregoing, Grantee shall not be obligated to disburse to Subrecipient any funds that Grantee does not directly or indirectly receive from HUD for the CDBG program for this Agreement.

Disbursement of payments to Subrecipient shall be made upon Grantee's receipt of the **Request for Reimbursement Form** together with true and correct copies of receipts, timesheets, invoices, and such other documentation as may be reasonably requested by Grantee.

Expenditures shall be documented with supportive evidence for each expenditure and proof of payment, in accordance with HUD regulations. Payments may also be contingent upon certification that Subrecipient's financial management system is in accordance with the standards specified in OMB Circular A-110. After timely receipt by Grantee of each properly documented expenditure submittal, Grantee will draw a warrant in favor of Subrecipient for the approved expenditure amount within thirty (30) days.

4. QUARTERLY PERFORMANCE REPORTS

Quarterly Performance Reports shall be submitted by Subrecipient corresponding to the quarters of the Agreement year: Quarter 1 = July - September, Quarter 2 = October - December, Quarter 3 = January - March and Quarter 4 = April - June. A complete Quarterly Performance Report must be received by the Grantee within 30 days after the end of Quarters 1, 2 and 3, and within 10 days of June 30th after the 4th Quarter.

5. BUDGET SECTION

No more than the amounts specified in the Program Budget may be spent for the separate cost categories specified in the Budget Summary without express prior written approval of Grantee. Subrecipient acknowledges that verbal authorizations shall not be deemed a substitute for written approval.

6. USE OF FUNDS

Funds allocated pursuant to this Agreement shall be used exclusively for costs included in Subrecipient program budget. Agreement funds shall not be used as security or to guarantee payments for any non-program obligations, nor as loans for non-program activities.

7. BUDGET MODIFICATIONS

Grantee, or its designee, may allow budget modifications to this Agreement when such modifications are approved in advance in writing and: a) do not exceed Eight Thousand Dollars (\$8,000) per budget cost category; b) are specifically requested by Subrecipient; c) do not alter the amount of compensation with this Agreement; d) will not change the eligibility of the project goals or Scope of Services under this Agreement; e) are in the best interests of Grantee and Subrecipient in performing the Scope of Services; and f) when related to salaries, are in accordance with applicable salary ordinances or laws. Requests for modification as described above are subject to review for compliance with the Consolidated Plan, budget summary and program description by the Housing Administrator.

8. CHANGES IN GRANT ALLOCATION

Grantee reserves the right to reduce the amount of CDBG funds to be paid hereunder when Grantee's fiscal monitoring indicates that Subrecipient rate of expenditure will result in unspent funds at the end of the program year. Changes in the grant allocation will be done after consultation with Subrecipient and written notification by Grantee.

9. REVENUE DISCLOSURE REQUIREMENT

By its execution of this Agreement, Subrecipient certifies that it has previously filed with Grantee a written statement listing all revenue received, or expected to be received, by Subrecipient from Federal, State, City or County of Los Angeles sources, or from other governmental or private agencies, and applied or expected to offset in whole or in part any of the costs incurred by Subrecipient in conducting current or prospective projects, programs, services, or business activities, including, but not necessarily limited to, the project, program, service or business activity which is the subject of this Agreement. Such statement shall reflect the name and a description of such project, program, service, or business activity, the dollar amount of funding provided, or to be provided, by each and every agency for each such project, program, service, or business activity, and the full name and address of each such agency. During the term of this Agreement, Subrecipient shall prepare and file a similar written statement each time it receives funding from any agency which is in addition to that revenue disclosed in Subrecipient's initial revenue disclosure statement hereunder. Such statement shall be filed by Subrecipient with Grantee within fifteen (15) calendar days following receipt of such additional funding. Subrecipient shall make available for inspection and audit by Grantee's employees, agents, contractors, or other representatives, upon request, at any time during the duration of this Agreement and during a period of three (3) years thereafter, all of its books and records relating to the operation by it of each project, program, service, or business activity which is funded in whole or in part with governmental monies, whether or not such monies are received through Grantee. All such books and records shall be maintained by Subrecipient. Failure of Subrecipient to comply with the requirements of this section of the Agreement shall constitute a material breach of contract upon which Grantee may cancel, terminate, or suspend this Agreement.

10. JOINT FUNDING

For programs in which there are sources of funds in addition to CDBG funds, Subrecipient shall provide proof of such funding. Grantee shall not pay for any projects, programs, services, or business activities provided by Subrecipient which are funded by other sources. All restrictions and/or requirements provided in this Agreement relative to accounting, budgeting, and reporting applies to the total program regardless of funding sources.

11. PROGRAM INCOME

Program income represents net income directly generated from the use of CDBG funds by Subrecipient as a result of the activity funded under the terms of this Agreement. When such income is generated by an activity only partially assisted with CDBG funds, the income shall be prorated to reflect the percentage of CDBG funds used. Subrecipient shall return program income to Grantee. Program income shall be returned to Grantee within thirty (30) days after the occurrence of any of the following: (A) disposition or sale of real or personal property occurs or; (B) cumulative program income reaches increments of One Thousand Dollars (\$1,000); or (C) the end of each fiscal year. Subrecipient shall include the reports required by Section 22, Program Reporting, all sources and amounts of program income on a monthly and year-to-date basis.

12. FISCAL LIMITATIONS

HUD may place programmatic or fiscal limitation(s) on CDBG funds not presently anticipated by the parties. Accordingly, Grantee reserves the right to revise, rescind, terminate for convenience or otherwise modify this Agreement because of or related to actions affecting HUD program funding. Where Grantee has reasonable grounds to question Subrecipient's fiscal accountability, financial soundness, or compliance with this Agreement, Grantee may act to suspend the operation of this Agreement for up to sixty (60) days upon three (3) days' notice to Subrecipient of Grantee's intention to so act, pending an audit or other resolution of such questions. Subrecipient expressly acknowledges that such changes shall not be the basis for a claim for monetary or other damages. In no event, however, shall any revision made by Grantee affect expenditures and legally binding commitments made by Subrecipient before Subrecipient received notice of such revision, provided that such amounts have been committed in good faith and are otherwise allowable and that such commitments are consistent with HUD cash withdrawal guidelines.

13. NONEXPENDABLE PROPERTY

Subrecipient shall maintain an accurate and independently verifiable record for each item of nonexpendable property acquired for this program with CDBG funds. This record shall be provided to Grantee upon request. "Nonexpendable property" shall include tangible personal property, including but not limited to computer equipment, office equipment, and real property and any interest in such real property, including any mortgage or other encumbrance of real property as well as any funds derived from the sale or disposal of nonexpendable property. Any utilization of funds derived from the sale or disposition of nonexpendable property must have prior approval of Grantee and otherwise comply with all applicable laws and regulations. Upon termination of this Agreement, Grantee reserves the right to determine the final disposition of said nonexpendable property acquired for this program with CDBG funds, including funds derived therefrom. Said disposition may include Grantee taking possession and title of said nonexpendable property. Nonexpendable personal property means tangible personal property having a useful life of more than one (1) year and an acquisition cost of Five Hundred Dollars (\$500) or more per unit.

14. EXPENDABLE PERSONAL PROPERTY

Expendable personal property refers to all tangible personal property other than nonexpendable personal property.

15. PURCHASE OR LEASE OF NONEXPENDABLE PROPERTY OR EQUIPMENT

Subrecipient shall obtain competitive bids prior to purchasing or leasing any nonexpendable personal property or equipment over Five Hundred Dollars (\$500) in unit value and having a life expectancy of more than one (1) year. Such property shall be properly tagged and inventoried. This inventory shall be provided to Grantee promptly upon request.

16. ACQUISITION OF SUPPLIES AND EQUIPMENT

Subrecipient may purchase from a related agency/organization only if: a) prior authorization is obtained in writing from Grantee; b) charges do not exceed the authorized amount and minimum written specifications are met; c) a community related benefit is derived from such Subrecipient -related acquisition; and d) no conflict of interest for private gain accrues to Subrecipient or its directors, employees, agents or officers or their respective relatives by blood or marriage. For purposes of this Agreement, "relatives" includes parents, child, spouse, brother, sister, in-laws and step relationships.

Grantee reserves the right to disallow any purchase from any vendor of supplies, equipment, nonexpendable property or expendable property which is purchased in whole or in part with funds provided by this Agreement. Subrecipient may seek prior approval of Grantee for any such expenditure, and prior approval which is granted shall be binding on Grantee unless such expenditure violates federal law or regulations or is disallowed by HUD.

17. PURCHASE

Purchase of equipment or property must be completed before the end of the 4th quarter in any calendar year and all equipment invoices must be submitted by the end of the last month of the term of this Agreement.

18. TRAVEL AND CONFERENCE RESTRICTIONS

Subrecipient certifies and agrees that travel and conference expenses for persons other than employees of Subrecipient, will not be paid by funds provided through this Agreement. No travel expenses for out-of-state travel shall be included in this Agreement unless specifically listed in the Budget Summary, attached hereto. Subrecipient further agrees that any travel expense incurred by Subrecipient which is not listed in the Program Budget shall not be paid by funds provided through this Agreement.

19. USE OF FUNDS FOR ENTERTAINMENT, GIFTS, OR FUND-RAISING ACTIVITIES

Subrecipient certifies and agrees that it will not use funds provided through this Agreement to pay for any entertainment, gifts, or fund-raising activities.

20. MONITORING

Grantee will conduct quarterly program monitoring to review beneficiary files and program records. Grantee and HUD shall have the right of access to all activities and facilities operated by Subrecipient under this Agreement. Facilities include all files, records and other documents related to the performance of this Agreement. Activities include attendance staff, board of directors, advisory committee and advisory board meetings and observation of on-going program functions. Subrecipient will permit on-site inspection by Grantee and HUD and ensure that its employees and board members furnish such information as, in the judgment of Grantee and HUD representatives, may be relevant to compliance with contractual conditions and HUD directives, or the effectiveness, legality and achievements of the program.

Substandard performance as determined by Grantee will constitute non-compliance with and a breach of this Agreement. If action to correct and cure such substandard performance is not taken and completed by Subrecipient within a reasonable period of time after being notified by Grantee, this Agreement may be suspended or terminated by Grantee in accordance with its suspension or termination procedures.

21. BENEFICIARY QUALIFICATION

Persons qualifying for program services on the basis of income, hereinafter referred to as beneficiaries, shall have an annual household gross income equal to or less than the low- and moderate-income limits defined by the U.S. Department of Housing and Urban Development (HUD) Income Limits. Subrecipient is responsible for obtaining from Grantee the current applicable HUD Income Guidelines for each year of the

Agreement term identified in Section 2, Time of Performance. Under CDBG regulations, the following clientele categories qualify as presumed to benefit persons, 51% of whom are low-and-moderate income: Abused Children; Battered Spouses; Elderly Persons (62 and older); Handicapped Persons; Homeless Persons; Illiterate Persons; Migrant Farm Workers. However, Subrecipient shall document the household income of all beneficiaries by obtaining from beneficiaries, completed "Beneficiary Qualification Statements."

22. PROGRAM REPORTING

Subrecipient agrees to prepare and submit financial, program progress, evaluations and other reports as required by HUD or Grantee directives. Subrecipient shall maintain such property, personnel, financial and other records and accounts as are considered necessary by HUD or Grantee to assure proper accounting for all Agreement funds. All Subrecipient records, with the exception of confidential client information, shall be made available to representatives of Grantee and the appropriate Federal agencies. Subrecipient is required to submit data necessary to complete the "Annual Grantee Performance Report" or "Consolidated Annual Performance and Evaluation Report (CAPER)", in accordance with HUD regulations in the format and at the time designated by Grantee.

23. FINANCIAL MANAGEMENT

A. Accounting

Subrecipient agrees to comply with OMB Circular A-110 and further agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

B. Cost Principles

Subrecipient shall administer its program in conformance with OMB Circulars A-122 "Cost Principles for Non-Profit Organizations" or A-21 "Cost Principles for Education Institutions," as applicable, for all costs incurred whether charged on a direct or indirect basis.

24. DOCUMENTATION AND RECORD KEEPING

A. Records to be Maintained

Subrecipient shall maintain all records required by the Federal regulations specified in 24 CFR Part 570.506 that are pertinent to the activities to be funded under this Agreement. Such records shall include but not be limited to:

- a. Records providing a full description of each activity undertaken;
- b. Records demonstrating that each activity undertaken meets one of the National objectives of the CDBG program;
- c. Records required for determining the eligibility of activities;
- d. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
- e. Records documenting compliance with the Fair Housing and Equal Opportunity components of the CDBG program;
- f. Financial records as required by 24 CFR part 570.502, and OMB Circular A 110; and
- g. Other records necessary to document compliance with Subpart K of 24 CFR 570.

B. Retention

Subrecipient shall retain all records pertinent to expenditures incurred under this Agreement for a period of four (4) years after the termination of this Agreement. Records for non-expendable property acquired with funds under this Agreement shall be retained for four (4) years after final disposition of such property. Records for any displaced person must be kept for four (4) years after he/she has received final payment. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the three-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the four-year period, whichever occurs later.

C. Client Data

Subrecipient shall maintain and submit client data demonstrating client eligibility for services provided by obtaining completed "Beneficiary Qualification Statements." Such data shall include, but not be limited to, client name, address, income or for determining eligibility and description of service provided. Such information shall be made available to Grantee monitors or their designees for review upon request during on-site monitoring.

D. Disclosure

Subrecipient understands that client information collected under this Agreement is private and the use, dissemination, transmission or other disclosure of such information, when not directly connected with the administration of the Grantee's or Subrecipient's responsibilities with respect to services provided under this Agreement, is strictly prohibited unless written consent is obtained from such person receiving service and, in the case of a minor, that of a responsible parent/guardian. Subrecipient shall take all commercially reasonable action and implement such necessary procedures to safeguard the privacy of all client information and shall provide Grantee promptly upon request a narrative description of such safeguards.

E. Property Records

Subrecipient shall maintain real property inventory records which clearly identify properties purchased, improved or sold. Properties retained shall continue to meet eligibility criteria and shall conform to the "changes in use" restrictions specified in 25 CFR Parts 570.503(b) (8), as applicable.

F. Close-Outs

Subrecipient's obligation to the Grantee under this Agreement shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of program assets, including the return of all unused material, equipment, unspent cash advances, program income balances, and accounts receivable to Grantee and determining the custodianship of records.

G. Audit and Inspections

Subrecipient shall arrange for an independent financial/compliance audit to be performed within the direction of Generally Accepted Auditing Standards and Government Auditing Standards and conducted for each fiscal year during the term of this Agreement. Such audit shall be completed not later than one hundred twenty (120) days following the end of such fiscal year. In the event Subrecipient receives Five Hundred Thousand Dollars (\$500,000) or more in the aggregate in federal funds from all federal funding sources within a fiscal year, Subrecipient shall be required to perform an audit in compliance with OMB Circular A-133.

Subrecipient shall submit a copy of the audit report to Grantee within thirty (30) days of completion. Within thirty (30) days of the submittal of said audit report, Subrecipient shall provide to Grantee a "Corrective Action Plan" which shall contain a written response to any concerns or findings identified in said audit report. The response must examine each concern or finding and explain a proposed resolution, including a schedule for correcting any deficiency. All actions to correct said conditions or findings shall be taken within six (6) months after receipt of the audit report. Any concern or finding will be referred to the HUD field office.

Grantee, or HUD, may make additional audits or reviews, as necessary, to carry out the responsibilities of Subrecipient under Federal, State or Local laws and regulations. Subrecipient agrees to cooperate fully with all persons conducting said additional audits or reviews. Grantee and its authorized representatives shall, at all times, have access for the purpose of audit or inspection, to any and all books, documents, papers, records, property and premises of Subrecipient.

If indications of misappropriation or misapplication of the funds of this Agreement cause Grantee to require an additional audit, the cost of the audit will be encumbered and deducted from this Agreement budget. Should Grantee subsequently determine that the additional audit was not warranted, the amount encumbered will be restored to the Agreement budget. Subrecipient shall reimburse all misappropriation or misapplication of funds to Grantee.

25. ASSIGNMENT

This Agreement is not assignable by Subrecipient without the express written consent of Grantee. Any attempt by Subrecipient to assign any performance of the terms of this Agreement shall be null and void and shall constitute a material breach of this Agreement.

26. TERMINATION AND TERMINATION COSTS

This Agreement may be terminated in whole or in part at any time by either party upon giving thirty (30) days' notice in writing to the other party. Grantee and Subrecipient shall set forth the reasons and conditions for termination in compliance with the provisions of federal regulations at 24 CFR Part 85.44, Termination for Convenience.

Grantee may immediately terminate this Agreement upon the termination, suspension, discontinuation or substantial reduction in CDBG funding for the Agreement activity, or if for any reason the timely completion of the work under this Agreement is rendered improbable, infeasible or impossible. If Subrecipient materially fails to comply with any term of this Agreement, Grantee may take one or more of the actions provided under federal regulation at 24 CFR Part 85.43, including, without limitation, temporarily withholding cash, disallowing non-compliant costs, wholly or partly terminating the award, withholding future awards, and other remedies that are legally available. In such event, Subrecipient shall be compensated for all services rendered and all necessarily incurred costs performed in good faith in accordance with the terms of this Agreement that have been previously reimbursed, to the date of said termination to the extent that CDBG funds are available from HUD.

27. REVERSION OF ASSETS

Upon termination of this Agreement Subrecipient shall transfer to Grantee all real property acquired or improved in whole or in part with CDBG funds in excess of Twenty Five Thousand (\$25,000) under this Agreement; or it must be disposed of in a manner resulting in a reimbursement to Grantee in the amount of the current fair market value of the property less any portion thereof attributable to expenditures of non-CDBG funds for the acquisition of, or improvement to, the property.

28. TIME OF PERFORMANCE MODIFICATIONS

Grantee may grant time of performance modifications to this Agreement when such modifications:

- a. In aggregate do not exceed twelve (12) calendar months;
- b. Are specifically requested by Subrecipient;
- c. Will not change the project goals or scope of services;
- d. Are in the best interests of Grantee and Subrecipient in performing the scope of services under this Agreement; and
- e. Do not alter the amount of compensation under this Agreement.

29. INDEPENDENT CONTRACTOR

At all times hereunder, each of Grantee and Subrecipient will be acting in an independent capacity and not as agents, employees, partners, joint venture, or associates of one another. The employees or agents of one party shall not be deemed or construed to be the agent or employees of the other party for any purpose whatsoever.

30. AFFIRMATIVE ACTION AND CONTRACT COMPLIANCE

Subrecipient shall make every commercially reasonable good faith effort to ensure that all projects funded wholly or in part by CDBG funds shall provide equal employment and career advancement opportunities for minorities and women, consistent with Federal and State laws. In addition, Subrecipient shall make every commercially reasonable good faith effort to employ residents of the area and shall keep a record of the positions that have been created directly or as a result of this program.

Subrecipient agrees to comply with the provisions of the Affirmative Action Compliance Program of Grantee and rules and regulations adopted pursuant thereto. Subrecipient shall comply with Executive Orders 11246, 11375, 11625, 12138, 12432, 12250, Title VII of the Civil Rights Act of 1964, the California Fair Housing and Employment Act, applicable California Public Contracts Code and other applicable Federal, State, and Grantee laws, regulations and policies relating to equal employment and contracting opportunities, including laws and regulations hereafter enacted.

31. PERSONNEL AND PARTICIPANT CONDITIONS

A. Civil Rights

1. Compliance

Subrecipient agrees to comply with Title I of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 104 (b) and Section 109 of Title 1 of the Housing and Community Development Act of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and with Executive Order 11246 as amended by Executive Orders 11365 and 12086.

2. Nondiscrimination

Subrecipient will not discriminate against any employee or applicant for employment because of race, creed, gender, gender identity (including gender expression), color, religion, ancestry, sexual orientation, national origin, disability, age, marital status, family/parental status, or veteran/military status, or status with regard to public assistance. Subrecipient will take affirmative action to ensure that all employment practices are free from such discrimination. Such employment practices include

but are not limited to the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Subrecipient agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting agency setting forth the provisions of this nondiscrimination clause.

3. Land Covenants

This Agreement is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and 24 CFR 570.601 and 602 in regards to the sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this Agreement, Subrecipient shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination as herein defined, in the sale, lease or rental, or in the use or occupancy of such land, or in any improvements erected or to be erected thereon, providing that the Grantee and the United States Government are beneficiaries of and entitled to enforce such covenants. Subrecipient, in undertaking its obligation to carry out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and will not itself so discriminate.

4. SECTION 504

Subrecipient agrees to comply with any Federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C 706), which prohibits discrimination against the handicapped in any Federally assisted program.

B. Affirmative Action

1. Access to Records

Subrecipient shall furnish and cause each of its own subrecipients or subcontractors to furnish all information and reports required hereunder and will permit access to its books, records and accounts by the Grantee, HUD or its agent, or other authorized Federal officials for purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein.

2. EEO/AA Statement

Subrecipient will, in all solicitations or advertisements for employees placed by or on behalf of the Subrecipient, state that it is an Equal Opportunity or Affirmative Action employer.

32. RELIGIOUS PROSELYTIZING OR POLITICAL ACTIVITIES

Subrecipient agrees that it will not perform or permit any religious proselytizing or political activities in connection with the performance of this Agreement. Funds under this Agreement will be used exclusively for performance of the work required under this Agreement and no funds made available under this Agreement shall be used to promote any religious or political activities.

33. CONFLICT OF INTEREST

Subrecipient, its directors, officers, agents and employees shall comply with all applicable Federal, State and Local laws and regulations governing conflict of interest. To this end, Subrecipient will make available to its directors, officers, agents and employee's copies of all applicable Federal, State, and Local laws and regulations governing conflict of interest. In particular, the following Federal regulation paraphrased from

24 CFR 570-611, Conflict of Interest: Except for salaries and related administrative or personnel costs, no employees, agents consultants, officers or elected officials or appointed officials, of subrecipients which receive CDBG funds, who exercise or have exercised any CDBG functions or who are in a position to participate in a decision making process or gain inside information, may obtain a personal or financial interest or benefit from a CDBG assisted activity or any CDBG funded contract, subcontract or agreement, during their tenure or for one year thereafter.

Subrecipient shall furnish to Grantee, prior to Grantee's execution of this Agreement, a written list of all current or proposed subgrantees/subcontractors, vendors or personal service providers, including subsidiaries of Subrecipient. This list should be limited to those subgrantees/subcontractors, vendors or personal service providers, including subsidiaries of Subrecipient, which will receive Ten Thousand Dollars (\$10,000) or more during the term of this Agreement. Such a list shall include the names, addresses, telephone numbers, and identification of principal party (ies), and a description of services to be provided. During the term of this Agreement, Subrecipient shall notify Grantee in writing of any change in the list of subgrantees/ subcontractors, vendors, personal service providers or subsidiaries of Subrecipient within fifteen (15) days of change.

34. REPRESENTATIONS AND WARRANTIES

Subrecipient represents and warrants: (A) that Subrecipient is a duly organized and validly existing nonprofit corporation in good standing under the laws of the state of its incorporation; (B) that the form, terms and provisions of this Agreement have been approved in all respects by Subrecipient's governing board at a meeting duly noticed and held; (C) that Subrecipient's executive director has been duly authorized to execute and deliver this Agreement on behalf of Subrecipient; (D) that Subrecipient's execution, delivery and performance of this Agreement are not in contravention of any provision of law, or of any agreement, by which Subrecipient is bound; (E) no action or proceeding is now pending or, to the best of Subrecipient's knowledge, is threatened, against Subrecipient, in equity or otherwise, before any court, board, commission, agency or instrumentality of the Federal Government or any state government or of any municipal government or any agency or subdivision thereof; or before any arbitrator or panel of arbitrators; (F) Subrecipient is not in default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any material contractual obligation of Subrecipient, and no condition exists which with the giving of notice or the lapse of time or both would constitute such a default; (G) all financial statements furnished to Grantee by Subrecipient are true, correct and complete in all material respects and all other information previously furnished by or on behalf of Subrecipient to Grantee in connection with this Agreement is true, complete and correct in all material respects and does not fail to state any material fact necessary to make the statements made not misleading; and (H) no material adverse change in the operations or financial condition of Subrecipient has occurred since the selection of Subrecipient and the allocated award of CDBG funds were approved by the City Council of the City of South Gate at the duly noticed public hearing held on April 28, 2020.

35. INDEMNIFICATION

Subrecipient shall indemnify, hold harmless and defend Grantee (with legal counsel selected by Grantee) and its authorized officers, employees, agents and volunteers from any and all claims, actions, losses, damages, and/or liability arising from Subrecipient acts, errors or omissions and for any costs or expenses incurred by Grantee on account of any claim therefore, except where such indemnification is prohibited by law. Subrecipient shall promptly notify Grantee in writing of the occurrence of any such claims, actions, losses, damages, and/or liability. Subrecipient shall indemnify and hold harmless Grantee against any liability, claims, losses, demands, and actions incurred by Grantee as a result of the determination by HUD or its successor that activities undertaken by Subrecipient under the program(s) fail to comply with any laws, regulations or policies applicable thereto or that any funds billed by and disbursed to Subrecipient

under this Agreement were improperly expended.

36. INSURANCE REQUIREMENTS

Without in any way affecting the indemnity herein provided and in addition thereto, Subrecipient shall secure and maintain throughout the Agreement the following types of insurance with limits as shown:

Workers' Compensation - A program of Worker's Compensation insurance or a State-approved Self Insurance Program in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employer's Liability with Two Hundred Fifty Thousand Dollars (\$250,000) limits, covering all persons providing services on behalf of Subrecipient and all risks to such persons under this Agreement.

Commercial General and Automobile Liability Insurance - This coverage to include contractual coverage and automobile liability coverage for owned, hired, and non-owned vehicles. The policy shall have combined single limits for bodily injury and property damage of not less than One Million Dollars (\$1,000,000).

Additional Named Insurance - All policies, shall contain additional endorsements naming Grantee and its officers, employees, agents, and volunteers as additional named insured with respect to liabilities arising out of the performance of services hereunder.

Policies Primary and Non-Contributory - All policies required above are to be primary and non-contributory with any insurance or self-insurance programs carried or administered by Grantee.

Proof of Coverage - Subrecipient shall immediately furnish certificates of insurance to Grantee evidencing the insurance coverage, including endorsements, above required prior to the commencement of performance of services hereunder, which shall provide that such insurance shall not be terminated or expire without thirty (30) days written notice to Grantee, and Subrecipient shall maintain such insurance from the time Subrecipient commences performance of services hereunder until the completion of such services. Within sixty (60) days of the commencement of this Agreement, Subrecipient shall furnish to Grantee certified copies of the policies and all endorsements. Subrecipient shall complete and submit, Insurance Inventory, along with the above required insurance documents.

Insurance Review - The above insurance requirements are subject to periodic review by Grantee. Grantee's Risk Manager is authorized, but not required, to reduce or waive any of the above insurance requirements whenever the Risk Manager determines that any of the above insurance is not available, is unreasonably priced, or is not needed to protect the interests of Grantee. In addition, if the Risk Manager determines that heretofore unreasonably priced or unavailable types of insurance coverage or coverage limits become reasonably priced or available, the Risk Manager is authorized, but not required, to change the above insurance requirements, to require additional types of insurance coverage or higher coverage limits, provided that any such change is reasonable in light of past claims against Grantee, inflation, or any other item reasonably related to the Grantee's risk.

Any such reduction or waiver for the entire term of the Agreement and any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Agreement. Subrecipient agrees to execute any such amendment within thirty (30) days of receipt.

37. ENVIRONMENTAL CONDITIONS

A. Air and Water

Subrecipient agrees to comply with the following requirements insofar as they apply to the performance of this Agreement:

- i. Clean Air Act, 42 U.S. C., 7401, et seq.
- ii. Federal Water Pollution Control Act, as amended, 33 U.S. C. 1251, et seq., as amended, 1318 relating to inspection, monitoring, entry, reports and information, as well as other requirements specified in said Section 115 and Section 308, and all regulations and guidelines issued thereunder.
- iii. Environmental Protection Agency (EPA) regulations pursuant to 40 C.F. R., Part 50, as amended.

B. Flood Disaster Protection

In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 USC 4001), Subrecipient shall assure that for activities located in an area identified by FEMA as having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

C. Lead-Based Paint

Subrecipient agrees that any construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations in 24 CFR 570.608 and 24 CFR Part 35. Such regulations pertain to all HUD-assisted housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-based paint is found on the property, abatement measures may be undertaken.

D. Historic Preservation

Subrecipient agrees to comply with the Historic Preservation requirement set forth in the National Historic Preservation Act of 1966, as amended (17 U.S.C. 470) and the procedures set forth in 36 CFR, Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this Agreement.

In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, State, or Local historic property list.

38. COMPLIANCE WITH LAWS

Subrecipient agrees to comply with all applicable Federal, State, and Local laws, ordinances, regulations, and directives as they pertain to the performance of this Agreement. This Agreement is subject to and incorporates the terms of the ACT; 24 Code of Federal Regulations, Part 570 and Part 85, Chapter V; and U.S. Office of Management and Budget Circulars A-110, A-122, and A-133.

39. LOBBYING

Subrecipient agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V,

United States Code.

Subrecipient certifies that:

- a. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement; and
- b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying." in accordance with its instructions; and
- c. It will require that the language of this certification be included in any award documents for all sub awards at all tiers (including subcontracts, sub grants, and contracts under grant, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.

40. AMENDMENTS

This Agreement with exhibits embodies the whole of agreements of the Parties hereto. There are no oral agreements not contained herein. No amendment of this Agreement shall be valid unless made in the form of a written amendment to this Agreement formally approved and executed by both Parties.

41. NOTICES

All notices shall be served in writing. The notices shall be sent to the following addresses:

CITY OF SOUTH GATE:
 Joe Perez, Community Development Director
 Community Development Department
 8650 California Avenue
 South Gate, CA 90280
 Phone: (323) 563-9585
 Fax: (323) 567-0725
 E-Mail: jperez@sogate.org

WITH COURTESY COPY TO:
 Carmen Avalos, City Clerk
 City of South Gate
 8650 California Avenue
 South Gate, CA 90280
 Phone: (323) 563-9511
 Fax: (323) 563-5411
 E-Mail: cavalos@sogate.org

SUBRECIPIENT:
 Zeb Jenkins, Finance Manager
 Southern California Rehabilitation Services, Inc.
 7830 Quill Drive, Suite D
 Downey, CA 90242
 Phone: (562) 862-6531
 E-Mail: zjenkins@scrc-ilc.org

42. COUNTERPART EXECUTION

This Agreement may be executed in one or more counterparts. When executed, each counterpart shall be deemed an original irrespective of date of execution. Said counterparts shall together constitute one and the

same Agreement.

The selection of Subrecipient and the allocated award of CDBG funds were previously approved at the duly noticed public hearing held on April 28, 2020, by the City Council of the City of South Gate. This Agreement is an acknowledgment of that selection and allocation of CDBG funds and subsequent responsibilities of the Subrecipient and Grantee.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed and attested by their respective officers thereunto duly authorized.

CITY OF SOUTH GATE:

By: _____
Maria Davila, Mayor

Dated: _____

ATTEST:

By: _____
Carmen Avalos, City Clerk
(SEAL)

APPROVED AS TO FORM:

By:  _____
Raul F. Salinas, City Attorney

**SOUTHERN CALIFORNIA
REHABILITATION SERVICES, INC.:**

By: _____
Zeb Jenkins, Finance Manager

Dated: _____

**COMMUNITY DEVELOPMENT BLOCK GRANT SUBRECIPIENT AGREEMENT
BETWEEN THE CITY OF SOUTH GATE AND
THE SALVATION ARMY**

This Community Development Block Grant Subrecipient Agreement ("Agreement") is made and entered into on August 25, 2020, and retroactively effective as of July 1, 2020, by and between the City of South Gate, a municipal corporation ("Grantee") and The Salvation Army, a Domestic Non-profit corporation, doing business as The Salvation Army Western Territory ("Subrecipient"). The Grantee and Subrecipient are sometimes hereinafter individually referred to as a "Party" and collectively as "Parties."

RECITALS

WHEREAS, Grantee has applied for and received Community Development Block Grant ("CDBG") funds from the United States Government through its Department of Housing and Urban Development, hereinafter referred to as "HUD" under Title 1 of Housing and Community Development Act of 1974, as amended, hereinafter referred to as the "ACT";

WHEREAS, Grantee wishes to engage Subrecipient, which is qualified by reason of experience, preparation, organization, staffing, and facilities, to provide the program and/or services as described below in "Scope of Services"; and

WHEREAS, Grantee recognizes the public benefit in providing the program and/or services described below in the Scope of Services to low- and moderate-income ("LMI") persons and desires Subrecipient to carry out said program and/or services on Grantee's behalf.

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

1. SCOPE OF SERVICES

A. Activities

The Subrecipient will provide at least three (3) beds for temporary shelter for South Gate residents who are experiencing homelessness.

B. National Objectives

The Subrecipient certifies that the activities carried out with funds provided under this Contract will benefit low- and moderate-income persons, as defined under 24 CFR Part 570.208 (a) (2) of the CDBG Program National Objectives.

C. Levels of Accomplishment

Total number of City of South Gate residents to be served during Fiscal Year 2019-2020 and Fiscal Year 2020-2021: **12 individuals.**

2. TIME OF PERFORMANCE

The program and/or services to be provided by Subrecipient hereunder shall commence retroactively to July 1, 2020, and shall be completed no later than June 30, 2021. This Agreement does not reimburse any expenditure incurred by Subrecipient prior to the date of commencement and execution of this Agreement by Grantee. This Agreement does not reimburse any expenditure made after the completion date

without written authorization to extend the contract, but not more than 12 months, as set forth in Section 27, Time of Performance Modifications. Notwithstanding any provision contained herein to the contrary, this Agreement shall remain in effect during any period of time that Subrecipient has control over CDBG funds, including program income as provided in Section 11, Program Income below.

3. COMPENSATION AND METHOD OF PAYMENT

It is expressly agreed and understood that the total amount to be paid by Grantee under this Agreement shall not exceed the sum of **TWENTY-TWO THOUSAND FIVE HUNDRED DOLLARS (\$22,500.00)** of Fiscal Year 2020-2021 CDBG funds. Notwithstanding Section 7, Budget Modifications, below and Section 8, Changes in Grant Allocation, below, Grantee, in its sole discretion exercisable at any time hereunder, may increase the compensation payable hereunder to Subrecipient ("Additional Funding") by giving Subrecipient a written notice offering the Additional Funding ("Additional Funding Offering Notice") for the program and/or services provided under Section 1, Scope of Services above, together with such additional levels of accomplishment, if any, that Grantee may prescribe as a condition to accepting the Additional Funding. Subrecipient may accept the Additional Funding and agree to comply with the additional levels of accomplishment, if any, set forth in the Additional Funding Offering Notice by delivering to Grantee a written notice of acceptance ("Additional Funding Acceptance Notice") within five (5) business days after Subrecipient's receipt of the Additional Funding Offering Notice. If Subrecipient for any reason does not deliver to Grantee the Additional Funding Acceptance Notice within such 5-business day period, then the failure to deliver the Additional Funding Acceptance Notice shall be deemed Subrecipient's rejection of the Additional Funding. This payment shall constitute full and complete compensation for Subrecipient services under this Agreement. For the purpose of this Agreement, Grantee shall disburse the CDBG funds and monitor Subrecipient's performance in satisfying the Scope of Services under the terms of this Agreement. Notwithstanding the foregoing, Grantee shall not be obligated to disburse to Subrecipient any funds that Grantee does not directly or indirectly receive from HUD for the CDBG program for this Agreement.

Disbursement of payments to Subrecipient shall be made upon Grantee's receipt of the **Request for Reimbursement Form** together with true and correct copies of receipts, timesheets, invoices, and such other documentation as may be reasonably requested by Grantee.

Expenditures shall be documented with supportive evidence for each expenditure and proof of payment, in accordance with HUD regulations. Payments may also be contingent upon certification that Subrecipient's financial management system is in accordance with the standards specified in OMB Circular A-110. After timely receipt by Grantee of each properly documented expenditure submittal, Grantee will draw a warrant in favor of Subrecipient for the approved expenditure amount within thirty (30) days.

4. QUARTERLY PERFORMANCE REPORTS

Quarterly Performance Reports shall be submitted by Subrecipient corresponding to the quarters of the Agreement year: Quarter 1 = July - September, Quarter 2 = October - December, Quarter 3 = January - March and Quarter 4 = April - June. A complete Quarterly Performance Report must be received by the Grantee within 30 days after the end of Quarters 1, 2 and 3, and within 10 days of June 30th after the 4th Quarter.

5. BUDGET SECTION

No more than the amounts specified in the Program Budget may be spent for the separate cost categories specified in the Budget Summary without express prior written approval of Grantee. Subrecipient acknowledges that verbal authorizations shall not be deemed a substitute for written approval.

6. USE OF FUNDS

Funds allocated pursuant to this Agreement shall be used exclusively for costs included in Subrecipient program budget. Agreement funds shall not be used as security or to guarantee payments for any non-program obligations, nor as loans for non-program activities.

7. BUDGET MODIFICATIONS

Grantee, or its designee, may allow budget modifications to this Agreement when such modifications are approved in advance in writing and: a) do not exceed Eight Thousand Dollars (\$8,000) per budget cost category; b) are specifically requested by Subrecipient; c) do not alter the amount of compensation with this Agreement; d) will not change the eligibility of the project goals or Scope of Services under this Agreement; e) are in the best interests of Grantee and Subrecipient in performing the Scope of Services; and f) when related to salaries, are in accordance with applicable salary ordinances or laws. Requests for modification as described above are subject to review for compliance with the Consolidated Plan, budget summary and program description by the Housing Administrator.

8. CHANGES IN GRANT ALLOCATION

Grantee reserves the right to reduce the amount of CDBG funds to be paid hereunder when Grantee's fiscal monitoring indicates that Subrecipient rate of expenditure will result in unspent funds at the end of the program year. Changes in the grant allocation will be done after consultation with Subrecipient and written notification by Grantee.

9. REVENUE DISCLOSURE REQUIREMENT

By its execution of this Agreement, Subrecipient certifies that it has previously filed with Grantee a written statement listing all revenue received, or expected to be received, by Subrecipient from Federal, State, City or County of Los Angeles sources, or from other governmental or private agencies, and applied or expected to offset in whole or in part any of the costs incurred by Subrecipient in conducting current or prospective projects, programs, services, or business activities, including, but not necessarily limited to, the project, program, service or business activity which is the subject of this Agreement. Such statement shall reflect the name and a description of such project, program, service, or business activity, the dollar amount of funding provided, or to be provided, by each and every agency for each such project, program, service, or business activity, and the full name and address of each such agency. During the term of this Agreement, Subrecipient shall prepare and file a similar written statement each time it receives funding from any agency which is in addition to that revenue disclosed in Subrecipient's initial revenue disclosure statement hereunder. Such statement shall be filed by Subrecipient with Grantee within fifteen (15) calendar days following receipt of such additional funding. Subrecipient shall make available for inspection and audit by Grantee's employees, agents, contractors, or other representatives, upon request, at any time during the duration of this Agreement and during a period of three (3) years thereafter, all of its books and records relating to the operation by it of each project, program, service, or business activity which is funded in whole or in part with governmental monies, whether or not such monies are received through Grantee. All such books and records shall be maintained by Subrecipient. Failure of Subrecipient to comply with the requirements of this section of the Agreement shall constitute a material breach of contract upon which Grantee may cancel, terminate, or suspend this Agreement.

10. JOINT FUNDING

For programs in which there are sources of funds in addition to CDBG funds, Subrecipient shall provide proof of such funding. Grantee shall not pay for any projects, programs, services, or business activities provided by Subrecipient which are funded by other sources. All restrictions and/or requirements provided in this Agreement relative to accounting, budgeting, and reporting applies to the total program regardless of funding sources.

11. PROGRAM INCOME

Program income represents net income directly generated from the use of CDBG funds by Subrecipient as a result of the activity funded under the terms of this Agreement. When such income is generated by an activity only partially assisted with CDBG funds, the income shall be prorated to reflect the percentage of CDBG funds used. Subrecipient shall return program income to Grantee. Program income shall be returned to Grantee within thirty (30) days after the occurrence of any of the following: (A) disposition or sale of real or personal property occurs or; (B) cumulative program income reaches increments of One Thousand Dollars (\$1,000); or (C) the end of each fiscal year. Subrecipient shall include the reports required by Section 22, Program Reporting, all sources and amounts of program income on a monthly and year-to-date basis.

12. FISCAL LIMITATIONS

HUD may place programmatic or fiscal limitation(s) on CDBG funds not presently anticipated by the parties. Accordingly, Grantee reserves the right to revise, rescind, terminate for convenience or otherwise modify this Agreement because of or related to actions affecting HUD program funding. Where Grantee has reasonable grounds to question Subrecipient's fiscal accountability, financial soundness, or compliance with this Agreement, Grantee may act to suspend the operation of this Agreement for up to sixty (60) days upon three (3) days' notice to Subrecipient of Grantee's intention to so act, pending an audit or other resolution of such questions. Subrecipient expressly acknowledges that such changes shall not be the basis for a claim for monetary or other damages. In no event, however, shall any revision made by Grantee affect expenditures and legally binding commitments made by Subrecipient before Subrecipient received notice of such revision, provided that such amounts have been committed in good faith and are otherwise allowable and that such commitments are consistent with HUD cash withdrawal guidelines.

13. NONEXPENDABLE PROPERTY

Subrecipient shall maintain an accurate and independently verifiable record for each item of nonexpendable property acquired for this program with CDBG funds. This record shall be provided to Grantee upon request. "Nonexpendable property" shall include tangible personal property, including but not limited to computer equipment, office equipment, and real property and any interest in such real property, including any mortgage or other encumbrance of real property as well as any funds derived from the sale or disposal of nonexpendable property. Any utilization of funds derived from the sale or disposition of nonexpendable property must have prior approval of Grantee and otherwise comply with all applicable laws and regulations. Upon termination of this Agreement, Grantee reserves the right to determine the final disposition of said nonexpendable property acquired for this program with CDBG funds, including funds derived therefrom. Said disposition may include Grantee taking possession and title of said nonexpendable property. Nonexpendable personal property means tangible personal property having a useful life of more than one (1) year and an acquisition cost of Five Hundred Dollars (\$500) or more per unit.

14. EXPENDABLE PERSONAL PROPERTY

Expendable personal property refers to all tangible personal property other than nonexpendable personal property.

15. PURCHASE OR LEASE OF NONEXPENDABLE PROPERTY OR EQUIPMENT

Subrecipient shall obtain competitive bids prior to purchasing or leasing any nonexpendable personal property or equipment over Five Hundred Dollars (\$500) in unit value and having a life expectancy of more than one (1) year. Such property shall be properly tagged and inventoried. This inventory shall be provided to Grantee promptly upon request.

16. ACQUISITION OF SUPPLIES AND EQUIPMENT

Subrecipient may purchase from a related agency/organization only if: a) prior authorization is obtained in writing from Grantee; b) charges do not exceed the authorized amount and minimum written specifications are met; c) a community related benefit is derived from such Subrecipient -related acquisition; and d) no conflict of interest for private gain accrues to Subrecipient or its directors, employees, agents or officers or their respective relatives by blood or marriage. For purposes of this Agreement, "relatives" includes parents, child, spouse, brother, sister, in-laws and step relationships.

Grantee reserves the right to disallow any purchase from any vendor of supplies, equipment, nonexpendable property or expendable property which is purchased in whole or in part with funds provided by this Agreement. Subrecipient may seek prior approval of Grantee for any such expenditure, and prior approval which is granted shall be binding on Grantee unless such expenditure violates federal law or regulations or is disallowed by HUD.

17. PURCHASE

Purchase of equipment or property must be completed before the end of the 4th quarter in any calendar year and all equipment invoices must be submitted by the end of the last month of the term of this Agreement.

18. TRAVEL AND CONFERENCE RESTRICTIONS

Subrecipient certifies and agrees that travel and conference expenses for persons other than employees of Subrecipient, will not be paid by funds provided through this Agreement. No travel expenses for out-of-state travel shall be included in this Agreement unless specifically listed in the Budget Summary, attached hereto. Subrecipient further agrees that any travel expense incurred by Subrecipient which is not listed in the Program Budget shall not be paid by funds provided through this Agreement.

19. USE OF FUNDS FOR ENTERTAINMENT, GIFTS, OR FUND-RAISING ACTIVITIES

Subrecipient certifies and agrees that it will not use funds provided through this Agreement to pay for any entertainment, gifts, or fund-raising activities.

20. MONITORING

Grantee will conduct quarterly program monitoring to review beneficiary files and program records. Grantee and HUD shall have the right of access to all activities and facilities operated by Subrecipient under this Agreement. Facilities include all files, records and other documents related to the performance of this Agreement. Activities include attendance staff, board of directors, advisory committee and advisory board meetings and observation of on-going program functions. Subrecipient will permit on-site inspection by Grantee and HUD and ensure that its employees and board members furnish such information as, in the judgment of Grantee and HUD representatives, may be relevant to compliance with contractual conditions and HUD directives, or the effectiveness, legality and achievements of the program.

Substandard performance as determined by Grantee will constitute non-compliance with and a breach of this Agreement. If action to correct and cure such substandard performance is not taken and completed by Subrecipient within a reasonable period of time after being notified by Grantee, this Agreement may be suspended or terminated by Grantee in accordance with its suspension or termination procedures.

21. BENEFICIARY QUALIFICATION

Persons qualifying for program services on the basis of income, hereinafter referred to as beneficiaries, shall have an annual household gross income equal to or less than the low- and moderate-income limits defined by the U.S. Department of Housing and Urban Development (HUD) Income Limits. Subrecipient is responsible for obtaining from Grantee the current applicable HUD Income Guidelines for each year of the

Agreement term identified in Section 2, Time of Performance. Under CDBG regulations, the following clientele categories qualify as presumed to benefit persons, 51% of whom are low-and-moderate income: Abused Children; Battered Spouses; Elderly Persons (62 and older); Handicapped Persons; Homeless Persons; Illiterate Persons; Migrant Farm Workers. However, Subrecipient shall document the household income of all beneficiaries by obtaining from beneficiaries, completed "Beneficiary Qualification Statements."

22. PROGRAM REPORTING

Subrecipient agrees to prepare and submit financial, program progress, evaluations and other reports as required by HUD or Grantee directives. Subrecipient shall maintain such property, personnel, financial and other records and accounts as are considered necessary by HUD or Grantee to assure proper accounting for all Agreement funds. All Subrecipient records, with the exception of confidential client information, shall be made available to representatives of Grantee and the appropriate Federal agencies. Subrecipient is required to submit data necessary to complete the "Annual Grantee Performance Report" or "Consolidated Annual Performance and Evaluation Report (CAPER)", in accordance with HUD regulations in the format and at the time designated by Grantee.

23. FINANCIAL MANAGEMENT

A. Accounting

Subrecipient agrees to comply with OMB Circular A-110 and further agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

B. Cost Principles

Subrecipient shall administer its program in conformance with OMB Circulars A-122 "Cost Principles for Non-Profit Organizations" or A-21 "Cost Principles for Education Institutions," as applicable, for all costs incurred whether charged on a direct or indirect basis.

24. DOCUMENTATION AND RECORD KEEPING

A. Records to be Maintained

Subrecipient shall maintain all records required by the Federal regulations specified in 24 CFR Part 570.506 that are pertinent to the activities to be funded under this Agreement. Such records shall include but not be limited to:

- a. Records providing a full description of each activity undertaken;
- b. Records demonstrating that each activity undertaken meets one of the National objectives of the CDBG program;
- c. Records required for determining the eligibility of activities;
- d. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
- e. Records documenting compliance with the Fair Housing and Equal Opportunity components of the CDBG program;
- f. Financial records as required by 24 CFR part 570.502, and OMB Circular A 110; and
- g. Other records necessary to document compliance with Subpart K of 24 CFR 570.

B. Retention

Subrecipient shall retain all records pertinent to expenditures incurred under this Agreement for a period of four (4) years after the termination of this Agreement. Records for non-expendable property acquired with funds under this Agreement shall be retained for four (4) years after final disposition of such property. Records for any displaced person must be kept for four (4) years after he/she has received final payment. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the three-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the four-year period, whichever occurs later.

C. Client Data

Subrecipient shall maintain and submit client data demonstrating client eligibility for services provided by obtaining completed "Beneficiary Qualification Statements." Such data shall include, but not be limited to, client name, address, income or for determining eligibility and description of service provided. Such information shall be made available to Grantee monitors or their designees for review upon request during on-site monitoring.

D. Disclosure

Subrecipient understands that client information collected under this Agreement is private and the use, dissemination, transmission or other disclosure of such information, when not directly connected with the administration of the Grantee's or Subrecipient's responsibilities with respect to services provided under this Agreement, is strictly prohibited unless written consent is obtained from such person receiving service and, in the case of a minor, that of a responsible parent/guardian. Subrecipient shall take all commercially reasonable action and implement such necessary procedures to safeguard the privacy of all client information and shall provide Grantee promptly upon request a narrative description of such safeguards.

E. Property Records

Subrecipient shall maintain real property inventory records which clearly identify properties purchased, improved or sold. Properties retained shall continue to meet eligibility criteria and shall conform to the "changes in use" restrictions specified in 25 CFR Parts 570.503(b) (8), as applicable.

F. Close-Outs

Subrecipient's obligation to the Grantee under this Agreement shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of program assets, including the return of all unused material, equipment, unspent cash advances, program income balances, and accounts receivable to Grantee and determining the custodianship of records.

G. Audit and Inspections

Subrecipient shall arrange for an independent financial/compliance audit to be performed within the direction of Generally Accepted Auditing Standards and Government Auditing Standards and conducted for each fiscal year during the term of this Agreement. Such audit shall be completed not later than one hundred twenty (120) days following the end of such fiscal year. In the event Subrecipient receives Five Hundred Thousand (\$500,000) or more in the aggregate in federal funds from all federal funding sources within a fiscal year, Subrecipient shall be required to perform an audit in compliance with OMB Circular A-133.

Subrecipient shall submit a copy of the audit report to Grantee within thirty (30) days of completion. Within thirty (30) days of the submittal of said audit report, Subrecipient shall provide to Grantee a "Corrective Action Plan" which shall contain a written response to any concerns or findings identified in said audit report. The response must examine each concern or finding and explain a proposed resolution, including a schedule for correcting any deficiency. All actions to correct said conditions or findings shall be taken within six (6) months after receipt of the audit report. Any concern or finding will be referred to the HUD field office.

Grantee, or HUD, may make additional audits or reviews, as necessary, to carry out the responsibilities of Subrecipient under Federal, State or Local laws and regulations. Subrecipient agrees to cooperate fully with all persons conducting said additional audits or reviews. Grantee and its authorized representatives shall, at all times, have access for the purpose of audit or inspection, to any and all books, documents, papers, records, property and premises of Subrecipient.

If indications of misappropriation or misapplication of the funds of this Agreement cause Grantee to require an additional audit, the cost of the audit will be encumbered and deducted from this Agreement budget. Should Grantee subsequently determine that the additional audit was not warranted, the amount encumbered will be restored to the Agreement budget. Subrecipient shall reimburse all misappropriation or misapplication of funds to Grantee.

25. ASSIGNMENT

This Agreement is not assignable by Subrecipient without the express written consent of Grantee. Any attempt by Subrecipient to assign any performance of the terms of this Agreement shall be null and void and shall constitute a material breach of this Agreement.

26. TERMINATION AND TERMINATION COSTS

This Agreement may be terminated in whole or in part at any time by either party upon giving thirty (30) days' notice in writing to the other party. Grantee and Subrecipient shall set forth the reasons and conditions for termination in compliance with the provisions of federal regulations at 24 CFR Part 85.44, Termination for Convenience.

Grantee may immediately terminate this Agreement upon the termination, suspension, discontinuation or substantial reduction in CDBG funding for the Agreement activity, or if for any reason the timely completion of the work under this Agreement is rendered improbable, infeasible or impossible. If Subrecipient materially fails to comply with any term of this Agreement, Grantee may take one or more of the actions provided under federal regulation at 24 CFR Part 85.43, including, without limitation, temporarily withholding cash, disallowing non-compliant costs, wholly or partly terminating the award, withholding future awards, and other remedies that are legally available. In such event, Subrecipient shall be compensated for all services rendered and all necessarily incurred costs performed in good faith in accordance with the terms of this Agreement that have been previously reimbursed, to the date of said termination to the extent that CDBG funds are available from HUD.

27. REVERSION OF ASSETS

Upon termination of this Agreement Subrecipient shall transfer to Grantee all real property acquired or improved in whole or in part with CDBG funds in excess of Twenty Five Thousand Dollars (\$25,000) under this Agreement; or it must be disposed of in a manner resulting in a reimbursement to Grantee in the amount of the current fair market value of the property less any portion thereof attributable to expenditures of non-CDBG funds for the acquisition of, or improvement to, the property.

28. TIME OF PERFORMANCE MODIFICATIONS

Grantee may grant time of performance modifications to this Agreement when such modifications:

- a. In aggregate do not exceed twelve (12) calendar months;
- b. Are specifically requested by Subrecipient;
- c. Will not change the project goals or scope of services;
- d. Are in the best interests of Grantee and Subrecipient in performing the scope of services under this Agreement; and
- e. Do not alter the amount of compensation under this Agreement.

29. INDEPENDENT CONTRACTOR

At all times hereunder, each of Grantee and Subrecipient will be acting in an independent capacity and not as agents, employees, partners, joint venture, or associates of one another. The employees or agents of one party shall not be deemed or construed to be the agent or employees of the other party for any purpose whatsoever.

30. AFFIRMATIVE ACTION AND CONTRACT COMPLIANCE

Subrecipient shall make every commercially reasonable good faith effort to ensure that all projects funded wholly or in part by CDBG funds shall provide equal employment and career advancement opportunities for minorities and women, consistent with Federal and State laws. In addition, Subrecipient shall make every commercially reasonable good faith effort to employ residents of the area and shall keep a record of the positions that have been created directly or as a result of this program.

Subrecipient agrees to comply with the provisions of the Affirmative Action Compliance Program of Grantee and rules and regulations adopted pursuant thereto. Subrecipient shall comply with Executive Orders 11246, 11375, 11625, 12138, 12432, 12250, Title VII of the Civil Rights Act of 1964, the California Fair Housing and Employment Act, applicable California Public Contracts Code and other applicable Federal, State, and Grantee laws, regulations and policies relating to equal employment and contracting opportunities, including laws and regulations hereafter enacted.

31. PERSONNEL AND PARTICIPANT CONDITIONS

A. Civil Rights

1. Compliance

Subrecipient agrees to comply with Title I of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 104 (b) and Section 109 of Title 1 of the Housing and Community Development Act of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and with Executive Order 11246 as amended by Executive Orders 11365 and 12086.

2. Nondiscrimination

Subrecipient will not discriminate against any employee or applicant for employment because of race, creed, gender, gender identity (including gender expression), color, religion, ancestry, sexual orientation, national origin, disability, age, marital status, family/parental status, or veteran/military status, or status with regard to public assistance. Subrecipient will take affirmative action to ensure that all employment practices are free from such discrimination. Such employment practices include

but are not limited to the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Subrecipient agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting agency setting forth the provisions of this nondiscrimination clause.

3. Land Covenants

This Agreement is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and 24 CFR 570.601 and 602 in regards to the sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this Agreement, Subrecipient shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination as herein defined, in the sale, lease or rental, or in the use or occupancy of such land, or in any improvements erected or to be erected thereon, providing that the Grantee and the United States Government are beneficiaries of and entitled to enforce such covenants. Subrecipient, in undertaking its obligation to carry out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and will not itself so discriminate.

4. SECTION 504

Subrecipient agrees to comply with any Federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C 706), which prohibits discrimination against the handicapped in any Federally assisted program.

B. Affirmative Action

1. Access to Records

Subrecipient shall furnish and cause each of its own subrecipients or subcontractors to furnish all information and reports required hereunder and will permit access to its books, records and accounts by the Grantee, HUD or its agent, or other authorized Federal officials for purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein.

2. EEO/AA Statement

Subrecipient will, in all solicitations or advertisements for employees placed by or on behalf of the Subrecipient, state that it is an Equal Opportunity or Affirmative Action employer.

32. RELIGIOUS PROSELYTIZING OR POLITICAL ACTIVITIES

Subrecipient agrees that it will not perform or permit any religious proselytizing or political activities in connection with the performance of this Agreement. Funds under this Agreement will be used exclusively for performance of the work required under this Agreement and no funds made available under this Agreement shall be used to promote any religious or political activities.

33. CONFLICT OF INTEREST

Subrecipient, its directors, officers, agents and employees shall comply with all applicable Federal, State and Local laws and regulations governing conflict of interest. To this end, Subrecipient will make available to its directors, officers, agents and employee's copies of all applicable Federal, State, and Local laws and regulations governing conflict of interest. In particular, the following Federal regulation paraphrased from

24 CFR 570-611, Conflict of Interest: Except for salaries and related administrative or personnel costs, no employees, agents consultants, officers or elected officials or appointed officials, of subrecipients which receive CDBG funds, who exercise or have exercised any CDBG functions or who are in a position to participate in a decision making process or gain inside information, may obtain a personal or financial interest or benefit from a CDBG assisted activity or any CDBG funded contract, subcontract or agreement, during their tenure or for one year thereafter.

Subrecipient shall furnish to Grantee, prior to Grantee's execution of this Agreement, a written list of all current or proposed subgrantees/subcontractors, vendors or personal service providers, including subsidiaries of Subrecipient. This list should be limited to those subgrantees/subcontractors, vendors or personal service providers, including subsidiaries of Subrecipient, which will receive Ten Thousand Dollars (\$10,000) or more during the term of this Agreement. Such a list shall include the names, addresses, telephone numbers, and identification of principal party(ies), and a description of services to be provided. During the term of this Agreement, Subrecipient shall notify Grantee in writing of any change in the list of subgrantees/ subcontractors, vendors, personal service providers or subsidiaries of Subrecipient within fifteen (15) days of change.

34. REPRESENTATIONS AND WARRANTIES

Subrecipient represents and warrants: (A) that Subrecipient is a duly organized and validly existing nonprofit corporation in good standing under the laws of the state of its incorporation; (B) that the form, terms and provisions of this Agreement have been approved in all respects by Subrecipient's governing board at a meeting duly noticed and held; (C) that Subrecipient's executive director has been duly authorized to execute and deliver this Agreement on behalf of Subrecipient; (D) that Subrecipient's execution, delivery and performance of this Agreement are not in contravention of any provision of law, or of any agreement, by which Subrecipient is bound; (E) no action or proceeding is now pending or, to the best of Subrecipient's knowledge, is threatened, against Subrecipient, in equity or otherwise, before any court, board, commission, agency or instrumentality of the Federal Government or any state government or of any municipal government or any agency or subdivision thereof; or before any arbitrator or panel of arbitrators; (F) Subrecipient is not in default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any material contractual obligation of Subrecipient, and no condition exists which with the giving of notice or the lapse of time or both would constitute such a default; (G) all financial statements furnished to Grantee by Subrecipient are true, correct and complete in all material respects and all other information previously furnished by or on behalf of Subrecipient to Grantee in connection with this Agreement is true, complete and correct in all material respects and does not fail to state any material fact necessary to make the statements made not misleading; and (H) no material adverse change in the operations or financial condition of Subrecipient has occurred since the selection of Subrecipient and the allocated award of CDBG funds were approved by the City Council of the City of South Gate at the duly noticed public hearing held on April 28, 2020.

35. INDEMNIFICATION

Subrecipient shall indemnify, hold harmless and defend Grantee (with legal counsel selected by Grantee) and its authorized officers, employees, agents and volunteers from any and all claims, actions, losses, damages, and/or liability arising from Subrecipient acts, errors or omissions and for any costs or expenses incurred by Grantee on account of any claim therefore, except where such indemnification is prohibited by law. Subrecipient shall promptly notify Grantee in writing of the occurrence of any such claims, actions, losses, damages, and/or liability. Subrecipient shall indemnify and hold harmless Grantee against any liability, claims, losses, demands, and actions incurred by Grantee as a result of the determination by HUD or its successor that activities undertaken by Subrecipient under the program(s) fail to comply with any laws, regulations or policies applicable thereto or that any funds billed by and disbursed to Subrecipient

under this Agreement were improperly expended.

36. INSURANCE REQUIREMENTS

Without in any way affecting the indemnity herein provided and in addition thereto, Subrecipient shall secure and maintain throughout the Agreement the following types of insurance with limits as shown:

Workers' Compensation - A program of Worker's Compensation insurance or a State-approved Self Insurance Program in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employer's Liability with Two Hundred Fifty Thousand Dollars (\$250,000) limits, covering all persons providing services on behalf of Subrecipient and all risks to such persons under this Agreement.

Commercial General and Automobile Liability Insurance - This coverage to include contractual coverage and automobile liability coverage for owned, hired, and non-owned vehicles. The policy shall have combined single limits for bodily injury and property damage of not less than One Million Dollars (\$1,000,000).

Additional Named Insurance - All policies, shall contain additional endorsements naming Grantee and its officers, employees, agents, and volunteers as additional named insured with respect to liabilities arising out of the performance of services hereunder.

Policies Primary and Non-Contributory - All policies required above are to be primary and non-contributory with any insurance or self-insurance programs carried or administered by Grantee.

Proof of Coverage - Subrecipient shall immediately furnish certificates of insurance to Grantee evidencing the insurance coverage, including endorsements, above required prior to the commencement of performance of services hereunder, which shall provide that such insurance shall not be terminated or expire without thirty (30) days written notice to Grantee, and Subrecipient shall maintain such insurance from the time Subrecipient commences performance of services hereunder until the completion of such services. Within sixty (60) days of the commencement of this Agreement, Subrecipient shall furnish to Grantee certified copies of the policies and all endorsements. Subrecipient shall complete and submit, Insurance Inventory, along with the above required insurance documents.

Insurance Review - The above insurance requirements are subject to periodic review by Grantee. Grantee's Risk Manager is authorized, but not required, to reduce or waive any of the above insurance requirements whenever the Risk Manager determines that any of the above insurance is not available, is unreasonably priced, or is not needed to protect the interests of Grantee. In addition, if the Risk Manager determines that heretofore unreasonably priced or unavailable types of insurance coverage or coverage limits become reasonably priced or available, the Risk Manager is authorized, but not required, to change the above insurance requirements, to require additional types of insurance coverage or higher coverage limits, provided that any such change is reasonable in light of past claims against Grantee, inflation, or any other item reasonably related to the Grantee's risk.

Any such reduction or waiver for the entire term of the Agreement and any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Agreement. Subrecipient agrees to execute any such amendment within thirty (30) days of receipt.

37. ENVIRONMENTAL CONDITIONS

A. Air and Water

Subrecipient agrees to comply with the following requirements insofar as they apply to the performance of this Agreement:

- i. Clean Air Act, 42 U.S. C., 7401, et seq.
- ii. Federal Water Pollution Control Act, as amended, 33 U.S. C. 1251, et seq., as amended, 1318 relating to inspection, monitoring, entry, reports and information, as well as other requirements specified in said Section 115 and Section 308, and all regulations and guidelines issued thereunder.
- iii. Environmental Protection Agency (EPA) regulations pursuant to 40 C.F. R., Part 50, as amended.

B. Flood Disaster Protection

In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 USC 4001), Subrecipient shall assure that for activities located in an area identified by FEMA as having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

C. Lead-Based Paint

Subrecipient agrees that any construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations in 24 CFR 570.608 and 24 CFR Part 35. Such regulations pertain to all HUD-assisted housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-based paint is found on the property, abatement measures may be undertaken.

D. Historic Preservation

Subrecipient agrees to comply with the Historic Preservation requirement set forth in the National Historic Preservation Act of 1966, as amended (17 U.S.C. 470) and the procedures set forth in 36 CFR, Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this Agreement.

In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, State, or Local historic property list.

38. COMPLIANCE WITH LAWS

Subrecipient agrees to comply with all applicable Federal, State, and Local laws, ordinances, regulations, and directives as they pertain to the performance of this Agreement. This Agreement is subject to and incorporates the terms of the ACT; 24 Code of Federal Regulations, Part 570 and Part 85, Chapter V; and U.S. Office of Management and Budget Circulars A-110, A-122, and A-133.

39. LOBBYING

Subrecipient agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V,

United States Code.

Subrecipient certifies that:

- a. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement; and
- b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying." in accordance with its instructions; and
- c. It will require that the language of this certification be included in any award documents for all sub awards at all tiers (including subcontracts, sub grants, and contracts under grant, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.

40. AMENDMENTS

This Agreement with exhibits embodies the whole of agreements of the Parties hereto. There are no oral agreements not contained herein. No amendment of this Agreement shall be valid unless made in the form of a written amendment to this Agreement formally approved and executed by both Parties.

41. NOTICES

All notices shall be served in writing. The notices shall be sent to the following addresses:

CITY OF SOUTH GATE:

Joe Perez, Community Development Director
Community Development Department
8650 California Avenue
South Gate, CA 90280
Phone: (323) 563-9585
Fax: (323) 567-0725
E-Mail: jperez@sogate.org

WITH COURTESY COPY TO:

Carmen Avalos, City Clerk
City of South Gate
8650 California Avenue
South Gate, CA 90280
Phone: (323) 563-9511
Fax: (323) 563-5411
E-Mail: cavalos@sogate.org

SUBRECIPIENT:

Richard P. Chalk, Divisional Finance Director
The Salvation Army, a Domestic Nonprofit Corporation
DBA The Salvation Army Western Territory
5600 Rickenbacker Road, #2A
Bell, CA 90201
Phone: (323) 263-1206
E-Mail: stevelytle.uswsalvationarmy.org

42. COUNTERPART EXECUTION

This Agreement may be executed in one or more counterparts. When executed, each counterpart shall be deemed an original irrespective of date of execution. Said counterparts shall together constitute one and the same Agreement.

The selection of Subrecipient and the allocated award of CDBG funds were previously approved at the duly noticed public hearing held on April 28, 2020, by the City Council of the City of South Gate. This Agreement is an acknowledgment of that selection and allocation of CDBG funds and subsequent responsibilities of the Subrecipient and Grantee.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed and attested by their respective officers thereunto duly authorized.

CITY OF SOUTH GATE:

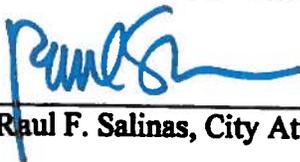
By: _____
Maria Davila, Mayor

Dated: _____

ATTEST:

By: _____
Carmen Avalos, City Clerk
(SEAL)

APPROVED AS TO FORM:

By:  _____
Raul F. Salinas, City Attorney

**THE SALVATION ARMY, DBA THE
SALVATION ARMY WESTERN
TERRITORY:**

By: _____
Richard P. Chalk, Divisional Finance Director

Dated: _____

**COMMUNITY DEVELOPMENT BLOCK GRANT SUBRECIPIENT AGREEMENT
BETWEEN THE CITY OF SOUTH GATE AND
HELPLINE YOUTH COUNSELING**

This Community Development Block Grant Subrecipient Agreement ("Agreement") is made and entered into on August 25, 2020, and retroactively effective as of July 1, 2020, by and between the City of South Gate, a municipal corporation ("Grantee") and Helpline Youth Counseling, a California Non-profit corporation, doing business as Helpline Youth Counseling ("Subrecipient"). The Grantee and Subrecipient are sometimes hereinafter individually referred to as a "Party" and collectively as "Parties."

RECITALS

WHEREAS, Grantee has applied for and received Community Development Block Grant ("CDBG") funds from the United States Government through its Department of Housing and Urban Development, hereinafter referred to as "HUD" under Title 1 of Housing and Community Development Act of 1974, as amended, hereinafter referred to as the "ACT";

WHEREAS, Grantee wishes to engage Subrecipient, which is qualified by reason of experience, preparation, organization, staffing, and facilities, to provide the program and/or services as described below in "Scope of Services"; and

WHEREAS, Grantee recognizes the public benefit in providing the program and/or services described below in the Scope of Services to low- and moderate-income ("LMI") persons and desires Subrecipient to carry out said program and/or services on Grantee's behalf.

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

1. SCOPE OF SERVICES

A. Activities

The Subrecipient will provide financial assistance to income eligible households who have recently become homeless, or are at eminent risk of, experiencing homelessness. Such assistance may include such things as payment of rental arrears, future rent, security deposits, utility deposits and case management.

B. National Objectives

The Subrecipient certifies that the activities carried out with funds provided under this Contract will benefit low- and moderate-income persons, as defined under 24 CFR Part 570.208 (a) (2) of the CDBG Program National Objectives.

C. Levels of Accomplishment

Total number of City of South Gate residents to be served during Fiscal Year 2019-2020 and Fiscal Year 2020-2021: 14.

2. TIME OF PERFORMANCE

The program and/or services to be provided by Subrecipient hereunder shall commence retroactively to July 1, 2020, and shall be completed no later than June 30, 2021. This Agreement does not reimburse

any expenditure incurred by Subrecipient prior to the date of commencement and execution of this Agreement by Grantee. This Agreement does not reimburse any expenditure made after the completion date without written authorization to extend the contract, but not more than 12 months, as set forth in Section 27, Time of Performance Modifications. Notwithstanding any provision contained herein to the contrary, this Agreement shall remain in effect during any period of time that Subrecipient has control over CDBG funds, including program income as provided in Section 11, Program Income below.

3. COMPENSATION AND METHOD OF PAYMENT

It is expressly agreed and understood that the total amount to be paid by Grantee under this Agreement shall not exceed the sum of **TWENTY-TWO THOUSAND FIVE HUNDRED DOLLARS (\$22,500.00)** of Fiscal Year 2020-2021 CDBG funds. Notwithstanding Section 7, Budget Modifications, below and Section 8, Changes in Grant Allocation, below, Grantee, in its sole discretion exercisable at any time hereunder, may increase the compensation payable hereunder to Subrecipient ("Additional Funding") by giving Subrecipient a written notice offering the Additional Funding ("Additional Funding Offering Notice") for the program and/or services provided under Section 1, Scope of Services above, together with such additional levels of accomplishment, if any, that Grantee may prescribe as a condition to accepting the Additional Funding. Subrecipient may accept the Additional Funding and agree to comply with the additional levels of accomplishment, if any, set forth in the Additional Funding Offering Notice by delivering to Grantee a written notice of acceptance ("Additional Funding Acceptance Notice") within five (5) business days after Subrecipient's receipt of the Additional Funding Offering Notice. If Subrecipient for any reason does not deliver to Grantee the Additional Funding Acceptance Notice within such 5-business day period, then the failure to deliver the Additional Funding Acceptance Notice shall be deemed Subrecipient's rejection of the Additional Funding. This payment shall constitute full and complete compensation for Subrecipient services under this Agreement. For the purpose of this Agreement, Grantee shall disburse the CDBG funds and monitor Subrecipient's performance in satisfying the Scope of Services under the terms of this Agreement. Notwithstanding the foregoing, Grantee shall not be obligated to disburse to Subrecipient any funds that Grantee does not directly or indirectly receive from HUD for the CDBG program for this Agreement.

Disbursement of payments to Subrecipient shall be made upon Grantee's receipt of the **Request for Reimbursement Form** together with true and correct copies of receipts, timesheets, invoices, and such other documentation as may be reasonably requested by Grantee.

Expenditures shall be documented with supportive evidence for each expenditure and proof of payment, in accordance with HUD regulations. Payments may also be contingent upon certification that Subrecipient's financial management system is in accordance with the standards specified in OMB Circular A-110. After timely receipt by Grantee of each properly documented expenditure submittal, Grantee will draw a warrant in favor of Subrecipient for the approved expenditure amount within thirty (30) days.

4. QUARTERLY PERFORMANCE REPORTS

Quarterly Performance Reports shall be submitted by Subrecipient corresponding to the quarters of the Agreement year: Quarter 1 = July - September, Quarter 2 = October - December, Quarter 3 = January - March and Quarter 4 = April - June. A complete Quarterly Performance Report must be received by the Grantee within 30 days after the end of Quarters 1, 2 and 3, and within 10 days of June 30th after the 4th Quarter.

5. BUDGET SECTION

No more than the amounts specified in the Program Budget may be spent for the separate cost categories specified in the Budget Summary without express prior written approval of Grantee. Subrecipient

acknowledges that verbal authorizations shall not be deemed a substitute for written approval.

6. USE OF FUNDS

Funds allocated pursuant to this Agreement shall be used exclusively for costs included in Subrecipient program budget. Agreement funds shall not be used as security or to guarantee payments for any non-program obligations, nor as loans for non-program activities.

7. BUDGET MODIFICATIONS

Grantee, or its designee, may allow budget modifications to this Agreement when such modifications are approved in advance in writing and: a) do not exceed Eight Thousand (\$8,000) per budget cost category; b) are specifically requested by Subrecipient; c) do not alter the amount of compensation with this Agreement; d) will not change the eligibility of the project goals or Scope of Services under this Agreement; e) are in the best interests of Grantee and Subrecipient in performing the Scope of Services; and f) when related to salaries, are in accordance with applicable salary ordinances or laws. Requests for modification as described above are subject to review for compliance with the Consolidated Plan, budget summary and program description by the Housing Administrator.

8. CHANGES IN GRANT ALLOCATION

Grantee reserves the right to reduce the amount of CDBG funds to be paid hereunder when Grantee's fiscal monitoring indicates that Subrecipient rate of expenditure will result in unspent funds at the end of the program year. Changes in the grant allocation will be done after consultation with Subrecipient and written notification by Grantee.

9. REVENUE DISCLOSURE REQUIREMENT

By its execution of this Agreement, Subrecipient certifies that it has previously filed with Grantee a written statement listing all revenue received, or expected to be received, by Subrecipient from Federal, State, City or County of Los Angeles sources, or from other governmental or private agencies, and applied or expected to offset in whole or in part any of the costs incurred by Subrecipient in conducting current or prospective projects, programs, services, or business activities, including, but not necessarily limited to, the project, program, service or business activity which is the subject of this Agreement. Such statement shall reflect the name and a description of such project, program, service, or business activity, the dollar amount of funding provided, or to be provided, by each and every agency for each such project, program, service, or business activity, and the full name and address of each such agency. During the term of this Agreement, Subrecipient shall prepare and file a similar written statement each time it receives funding from any agency which is in addition to that revenue disclosed in Subrecipient's initial revenue disclosure statement hereunder. Such statement shall be filed by Subrecipient with Grantee within fifteen (15) calendar days following receipt of such additional funding. Subrecipient shall make available for inspection and audit by Grantee's employees, agents, contractors, or other representatives, upon request, at any time during the duration of this Agreement and during a period of three (3) years thereafter, all of its books and records relating to the operation by it of each project, program, service, or business activity which is funded in whole or in part with governmental monies, whether or not such monies are received through Grantee. All such books and records shall be maintained by Subrecipient. Failure of Subrecipient to comply with the requirements of this section of the Agreement shall constitute a material breach of contract upon which Grantee may cancel, terminate, or suspend this Agreement.

10. JOINT FUNDING

For programs in which there are sources of funds in addition to CDBG funds, Subrecipient shall provide proof of such funding. Grantee shall not pay for any projects, programs, services, or business activities provided by Subrecipient which are funded by other sources. All restrictions and/or requirements provided

in this Agreement relative to accounting, budgeting, and reporting applies to the total program regardless of funding sources.

11. PROGRAM INCOME

Program income represents net income directly generated from the use of CDBG funds by Subrecipient as a result of the activity funded under the terms of this Agreement. When such income is generated by an activity only partially assisted with CDBG funds, the income shall be prorated to reflect the percentage of CDBG funds used. Subrecipient shall return program income to Grantee. Program income shall be returned to Grantee within thirty (30) days after the occurrence of any of the following: (A) disposition or sale of real or personal property occurs or; (B) cumulative program income reaches increments of One Thousand Dollars (\$1,000); or (C) the end of each fiscal year. Subrecipient shall include the reports required by Section 22, Program Reporting, all sources and amounts of program income on a monthly and year-to-date basis.

12. FISCAL LIMITATIONS

HUD may place programmatic or fiscal limitation(s) on CDBG funds not presently anticipated by the parties. Accordingly, Grantee reserves the right to revise, rescind, terminate for convenience or otherwise modify this Agreement because of or related to actions affecting HUD program funding. Where Grantee has reasonable grounds to question Subrecipient's fiscal accountability, financial soundness, or compliance with this Agreement, Grantee may act to suspend the operation of this Agreement for up to sixty (60) days upon three (3) days' notice to Subrecipient of Grantee's intention to so act, pending an audit or other resolution of such questions. Subrecipient expressly acknowledges that such changes shall not be the basis for a claim for monetary or other damages. In no event, however, shall any revision made by Grantee affect expenditures and legally binding commitments made by Subrecipient before Subrecipient received notice of such revision, provided that such amounts have been committed in good faith and are otherwise allowable and that such commitments are consistent with HUD cash withdrawal guidelines.

13. NONEXPENDABLE PROPERTY

Subrecipient shall maintain an accurate and independently verifiable record for each item of nonexpendable property acquired for this program with CDBG funds. This record shall be provided to Grantee upon request. "Nonexpendable property" shall include tangible personal property, including but not limited to computer equipment, office equipment, and real property and any interest in such real property, including any mortgage or other encumbrance of real property as well as any funds derived from the sale or disposal of nonexpendable property. Any utilization of funds derived from the sale or disposition of nonexpendable property must have prior approval of Grantee and otherwise comply with all applicable laws and regulations. Upon termination of this Agreement, Grantee reserves the right to determine the final disposition of said nonexpendable property acquired for this program with CDBG funds, including funds derived therefrom. Said disposition may include Grantee taking possession and title of said nonexpendable property. Nonexpendable personal property means tangible personal property having a useful life of more than one (1) year and an acquisition cost of Five Hundred Dollars (\$500) or more per unit.

14. EXPENDABLE PERSONAL PROPERTY

Expendable personal property refers to all tangible personal property other than nonexpendable personal property.

15. PURCHASE OR LEASE OF NONEXPENDABLE PROPERTY OR EQUIPMENT

Subrecipient shall obtain competitive bids prior to purchasing or leasing any nonexpendable personal property or equipment over Five Hundred Dollars (\$500) dollars in unit value and having a life expectancy of more than one (1) year. Such property shall be properly tagged and inventoried. This inventory shall be

provided to Grantee promptly upon request.

16. ACQUISITION OF SUPPLIES AND EQUIPMENT

Subrecipient may purchase from a related agency/organization only if: a) prior authorization is obtained in writing from Grantee; b) charges do not exceed the authorized amount and minimum written specifications are met; c) a community related benefit is derived from such Subrecipient -related acquisition; and d) no conflict of interest for private gain accrues to Subrecipient or its directors, employees, agents or officers or their respective relatives by blood or marriage. For purposes of this Agreement, "relatives" includes parents, child, spouse, brother, sister, in-laws and step relationships.

Grantee reserves the right to disallow any purchase from any vendor of supplies, equipment, nonexpendable property or expendable property which is purchased in whole or in part with funds provided by this Agreement. Subrecipient may seek prior approval of Grantee for any such expenditure, and prior approval which is granted shall be binding on Grantee unless such expenditure violates federal law or regulations or is disallowed by HUD.

17. PURCHASE

Purchase of equipment or property must be completed before the end of the 4th quarter in any calendar year and all equipment invoices must be submitted by the end of the last month of the term of this Agreement.

18. TRAVEL AND CONFERENCE RESTRICTIONS

Subrecipient certifies and agrees that travel and conference expenses for persons other than employees of Subrecipient, will not be paid by funds provided through this Agreement. No travel expenses for out-of-state travel shall be included in this Agreement unless specifically listed in the Budget Summary, attached hereto. Subrecipient further agrees that any travel expense incurred by Subrecipient which is not listed in the Program Budget shall not be paid by funds provided through this Agreement.

19. USE OF FUNDS FOR ENTERTAINMENT, GIFTS, OR FUND-RAISING ACTIVITIES

Subrecipient certifies and agrees that it will not use funds provided through this Agreement to pay for any entertainment, gifts, or fund-raising activities.

20. MONITORING

Grantee will conduct quarterly program monitoring to review beneficiary files and program records. Grantee and HUD shall have the right of access to all activities and facilities operated by Subrecipient under this Agreement. Facilities include all files, records and other documents related to the performance of this Agreement. Activities include attendance staff, board of directors, advisory committee and advisory board meetings and observation of on-going program functions. Subrecipient will permit on-site inspection by Grantee and HUD and ensure that its employees and board members furnish such information as, in the judgment of Grantee and HUD representatives, may be relevant to compliance with contractual conditions and HUD directives, or the effectiveness, legality and achievements of the program.

Substandard performance as determined by Grantee will constitute non-compliance with and a breach of this Agreement. If action to correct and cure such substandard performance is not taken and completed by Subrecipient within a reasonable period of time after being notified by Grantee, this Agreement may be suspended or terminated by Grantee in accordance with its suspension or termination procedures.

21. BENEFICIARY QUALIFICATION

Persons qualifying for program services on the basis of income, hereinafter referred to as beneficiaries , shall have an annual household gross income equal to or less than the low- and moderate-income limits

defined by the U.S. Department of Housing and Urban Development (HUD) Income Limits. Subrecipient is responsible for obtaining from Grantee the current applicable HUD Income Guidelines for each year of the Agreement term identified in Section 2, Time of Performance. Under CDBG regulations, the following clientele categories qualify as presumed to benefit persons, 51% of whom are low-and-moderate income: Abused Children; Battered Spouses; Elderly Persons (62 and older); Handicapped Persons; Homeless Persons; Illiterate Persons; Migrant Farm Workers. However, Subrecipient shall document the household income of all beneficiaries by obtaining from beneficiaries, completed "Beneficiary Qualification Statements."

22. PROGRAM REPORTING

Subrecipient agrees to prepare and submit financial, program progress, evaluations and other reports as required by HUD or Grantee directives. Subrecipient shall maintain such property, personnel, financial and other records and accounts as are considered necessary by HUD or Grantee to assure proper accounting for all Agreement funds. All Subrecipient records, with the exception of confidential client information, shall be made available to representatives of Grantee and the appropriate Federal agencies. Subrecipient is required to submit data necessary to complete the "Annual Grantee Performance Report" or "Consolidated Annual Performance and Evaluation Report (CAPER)", in accordance with HUD regulations in the format and at the time designated by Grantee.

23. FINANCIAL MANAGEMENT

A. Accounting

Subrecipient agrees to comply with OMB Circular A-110 and further agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

B. Cost Principles

Subrecipient shall administer its program in conformance with OMB Circulars A-122 "Cost Principles for Non-Profit Organizations" or A-21 "Cost Principles for Education Institutions," as applicable, for all costs incurred whether charged on a direct or indirect basis.

24. DOCUMENTATION AND RECORD KEEPING

A. Records to be Maintained

Subrecipient shall maintain all records required by the Federal regulations specified in 24 CFR Part 570.506 that are pertinent to the activities to be funded under this Agreement. Such records shall include but not be limited to:

- a. Records providing a full description of each activity undertaken;
- b. Records demonstrating that each activity undertaken meets one of the National objectives of the CDBG program;
- c. Records required for determining the eligibility of activities;
- d. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
- e. Records documenting compliance with the Fair Housing and Equal Opportunity components of the CDBG program;

- f. Financial records as required by 24 CFR part 570.502, and OMB Circular A 110; and
- g. Other records necessary to document compliance with Subpart K of 24 CFR 570.

B. Retention

Subrecipient shall retain all records pertinent to expenditures incurred under this Agreement for a period of four (4) years after the termination of this Agreement. Records for non-expendable property acquired with funds under this Agreement shall be retained for four (4) years after final disposition of such property. Records for any displaced person must be kept for four (4) years after he/she has received final payment. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the three-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the four-year period, whichever occurs later.

C. Client Data

Subrecipient shall maintain and submit client data demonstrating client eligibility for services provided by obtaining completed "Beneficiary Qualification Statements." Such data shall include, but not be limited to, client name, address, income or for determining eligibility and description of service provided. Such information shall be made available to Grantee monitors or their designees for review upon request during on-site monitoring.

D. Disclosure

Subrecipient understands that client information collected under this Agreement is private and the use, dissemination, transmission or other disclosure of such information, when not directly connected with the administration of the Grantee's or Subrecipient's responsibilities with respect to services provided under this Agreement, is strictly prohibited unless written consent is obtained from such person receiving service and, in the case of a minor, that of a responsible parent/guardian. Subrecipient shall take all commercially reasonable action and implement such necessary procedures to safeguard the privacy of all client information and shall provide Grantee promptly upon request a narrative description of such safeguards.

E. Property Records

Subrecipient shall maintain real property inventory records which clearly identify properties purchased, improved or sold. Properties retained shall continue to meet eligibility criteria and shall conform to the "changes in use" restrictions specified in 25 CFR Parts 570.503(b) (8), as applicable.

F. Close-Outs

Subrecipient's obligation to the Grantee under this Agreement shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of program assets, including the return of all unused material, equipment, unspent cash advances, program income balances, and accounts receivable to Grantee and determining the custodianship of records.

G. Audit and Inspections

Subrecipient shall arrange for an independent financial/compliance audit to be performed within the direction of Generally Accepted Auditing Standards and Government Auditing Standards and conducted for each fiscal year during the term of this Agreement. Such audit shall be completed not later than one hundred twenty (120) days following the end of such fiscal year. In the event Subrecipient receives Five Hundred Thousand Dollars (\$500,000) or more in the aggregate in federal funds from all federal funding sources within a fiscal year, Subrecipient shall be required to perform an audit in compliance with OMB

Circular A-133.

Subrecipient shall submit a copy of the audit report to Grantee within thirty (30) days of completion. Within thirty (30) days of the submittal of said audit report, Subrecipient shall provide to Grantee a "Corrective Action Plan" which shall contain a written response to any concerns or findings identified in said audit report. The response must examine each concern or finding and explain a proposed resolution, including a schedule for correcting any deficiency. All actions to correct said conditions or findings shall be taken within six (6) months after receipt of the audit report. Any concern or finding will be referred to the HUD field office.

Grantee, or HUD, may make additional audits or reviews, as necessary, to carry out the responsibilities of Subrecipient under Federal, State or Local laws and regulations. Subrecipient agrees to cooperate fully with all persons conducting said additional audits or reviews. Grantee and its authorized representatives shall, at all times, have access for the purpose of audit or inspection, to any and all books, documents, papers, records, property and premises of Subrecipient.

If indications of misappropriation or misapplication of the funds of this Agreement cause Grantee to require an additional audit, the cost of the audit will be encumbered and deducted from this Agreement budget. Should Grantee subsequently determine that the additional audit was not warranted, the amount encumbered will be restored to the Agreement budget. Subrecipient shall reimburse all misappropriation or misapplication of funds to Grantee.

25. ASSIGNMENT

This Agreement is not assignable by Subrecipient without the express written consent of Grantee. Any attempt by Subrecipient to assign any performance of the terms of this Agreement shall be null and void and shall constitute a material breach of this Agreement.

26. TERMINATION AND TERMINATION COSTS

This Agreement may be terminated in whole or in part at any time by either party upon giving thirty (30) days' notice in writing to the other party. Grantee and Subrecipient shall set forth the reasons and conditions for termination in compliance with the provisions of federal regulations at 24 CFR Part 85.44, Termination for Convenience.

Grantee may immediately terminate this Agreement upon the termination, suspension, discontinuation or substantial reduction in CDBG funding for the Agreement activity, or if for any reason the timely completion of the work under this Agreement is rendered improbable, infeasible or impossible. If Subrecipient materially fails to comply with any term of this Agreement, Grantee may take one or more of the actions provided under federal regulation at 24 CFR Part 85.43, including, without limitation, temporarily withholding cash, disallowing non-compliant costs, wholly or partly terminating the award, withholding future awards, and other remedies that are legally available. In such event, Subrecipient shall be compensated for all services rendered and all necessarily incurred costs performed in good faith in accordance with the terms of this Agreement that have been previously reimbursed, to the date of said termination to the extent that CDBG funds are available from HUD.

27. REVERSION OF ASSETS

Upon termination of this Agreement Subrecipient shall transfer to Grantee all real property acquired or improved in whole or in part with CDBG funds in excess of Twenty Five Thousand Dollars (\$25,000) under this Agreement; or it must be disposed of in a manner resulting in a reimbursement to Grantee in the amount of the current fair market value of the property less any portion thereof attributable to expenditures of non-

CDBG funds for the acquisition of, or improvement to, the property.

28. TIME OF PERFORMANCE MODIFICATIONS

Grantee may grant time of performance modifications to this Agreement when such modifications:

- a. In aggregate do not exceed twelve (12) calendar months;
- b. Are specifically requested by Subrecipient;
- c. Will not change the project goals or scope of services;
- d. Are in the best interests of Grantee and Subrecipient in performing the scope of services under this Agreement; and
- e. Do not alter the amount of compensation under this Agreement.

29. INDEPENDENT CONTRACTOR

At all times hereunder, each of Grantee and Subrecipient will be acting in an independent capacity and not as agents, employees, partners, joint venture, or associates of one another. The employees or agents of one party shall not be deemed or construed to be the agent or employees of the other party for any purpose whatsoever.

30. AFFIRMATIVE ACTION AND CONTRACT COMPLIANCE

Subrecipient shall make every commercially reasonable good faith effort to ensure that all projects funded wholly or in part by CDBG funds shall provide equal employment and career advancement opportunities for minorities and women, consistent with Federal and State laws. In addition, Subrecipient shall make every commercially reasonable good faith effort to employ residents of the area and shall keep a record of the positions that have been created directly or as a result of this program.

Subrecipient agrees to comply with the provisions of the Affirmative Action Compliance Program of Grantee and rules and regulations adopted pursuant thereto. Subrecipient shall comply with Executive Orders 11246, 11375, 11625, 12138, 12432, 12250, Title VII of the Civil Rights Act of 1964, the California Fair Housing and Employment Act, applicable California Public Contracts Code and other applicable Federal, State, and Grantee laws, regulations and policies relating to equal employment and contracting opportunities, including laws and regulations hereafter enacted.

31. PERSONNEL AND PARTICIPANT CONDITIONS

A. Civil Rights

1. Compliance

Subrecipient agrees to comply with Title I of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 104 (b) and Section 109 of Title 1 of the Housing and Community Development Act of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and with Executive Order 11246 as amended by Executive Orders 11365 and 12086.

2. Nondiscrimination

Subrecipient will not discriminate against any employee or applicant for employment because of race, creed, gender, gender identity (including gender expression), color, religion, ancestry, sexual orientation, national origin, disability, age, marital status, family/parental status, or veteran/military

status, or status with regard to public assistance. Subrecipient will take affirmative action to ensure that all employment practices are free from such discrimination. Such employment practices include but are not limited to the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Subrecipient agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting agency setting forth the provisions of this nondiscrimination clause.

3. Land Covenants

This Agreement is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and 24 CFR 570.601 and 602 in regards to the sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this Agreement, Subrecipient shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination as herein defined, in the sale, lease or rental, or in the use or occupancy of such land, or in any improvements erected or to be erected thereon, providing that the Grantee and the United States Government are beneficiaries of and entitled to enforce such covenants. Subrecipient, in undertaking its obligation to carry out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and will not itself so discriminate.

4. SECTION 504

Subrecipient agrees to comply with any Federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C 706), which prohibits discrimination against the handicapped in any Federally assisted program.

B. Affirmative Action

1. Access to Records

Subrecipient shall furnish and cause each of its own subrecipients or subcontractors to furnish all information and reports required hereunder and will permit access to its books, records and accounts by the Grantee, HUD or its agent, or other authorized Federal officials for purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein.

2. EEO/AA Statement

Subrecipient will, in all solicitations or advertisements for employees placed by or on behalf of the Subrecipient, state that it is an Equal Opportunity or Affirmative Action employer.

32. RELIGIOUS PROSELYTIZING OR POLITICAL ACTIVITIES

Subrecipient agrees that it will not perform or permit any religious proselytizing or political activities in connection with the performance of this Agreement. Funds under this Agreement will be used exclusively for performance of the work required under this Agreement and no funds made available under this Agreement shall be used to promote any religious or political activities.

33. CONFLICT OF INTEREST

Subrecipient, its directors, officers, agents and employees shall comply with all applicable Federal, State and Local laws and regulations governing conflict of interest. To this end, Subrecipient will make available

to its directors, officers, agents and employee's copies of all applicable Federal, State, and Local laws and regulations governing conflict of interest. In particular, the following Federal regulation paraphrased from 24 CFR 570-611, Conflict of Interest: Except for salaries and related administrative or personnel costs, no employees, agents consultants, officers or elected officials or appointed officials, of subrecipients which receive CDBG funds, who exercise or have exercised any CDBG functions or who are in a position to participate in a decision making process or gain inside information, may obtain a personal or financial interest or benefit from a CDBG assisted activity or any CDBG funded contract, subcontract or agreement, during their tenure or for one year thereafter.

Subrecipient shall furnish to Grantee, prior to Grantee's execution of this Agreement, a written list of all current or proposed subgrantees/subcontractors, vendors or personal service providers, including subsidiaries of Subrecipient. This list should be limited to those subgrantees/subcontractors, vendors or personal service providers, including subsidiaries of Subrecipient, which will receive Ten Thousand Dollars (\$10,000) or more during the term of this Agreement. Such a list shall include the names, addresses, telephone numbers, and identification of principal party(ies), and a description of services to be provided. During the term of this Agreement, Subrecipient shall notify Grantee in writing of any change in the list of subgrantees/ subcontractors, vendors, personal service providers or subsidiaries of Subrecipient within fifteen (15) days of change.

34. REPRESENTATIONS AND WARRANTIES

Subrecipient represents and warrants: (A) that Subrecipient is a duly organized and validly existing nonprofit corporation in good standing under the laws of the state of its incorporation; (B) that the form, terms and provisions of this Agreement have been approved in all respects by Subrecipient's governing board at a meeting duly noticed and held; (C) that Subrecipient's executive director has been duly authorized to execute and deliver this Agreement on behalf of Subrecipient; (D) that Subrecipient's execution, delivery and performance of this Agreement are not in contravention of any provision of law, or of any agreement, by which Subrecipient is bound; (E) no action or proceeding is now pending or, to the best of Subrecipient's knowledge, is threatened, against Subrecipient, in equity or otherwise, before any court, board, commission, agency or instrumentality of the Federal Government or any state government or of any municipal government or any agency or subdivision thereof; or before any arbitrator or panel of arbitrators; (F) Subrecipient is not in default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any material contractual obligation of Subrecipient, and no condition exists which with the giving of notice or the lapse of time or both would constitute such a default; (G) all financial statements furnished to Grantee by Subrecipient are true, correct and complete in all material respects and all other information previously furnished by or on behalf of Subrecipient to Grantee in connection with this Agreement is true, complete and correct in all material respects and does not fail to state any material fact necessary to make the statements made not misleading; and (H) no material adverse change in the operations or financial condition of Subrecipient has occurred since the selection of Subrecipient and the allocated award of CDBG funds were approved by the City Council of the City of South Gate at the duly noticed public hearing held on April 28, 2020.

35. INDEMNIFICATION

Subrecipient shall indemnify, hold harmless and defend Grantee (with legal counsel selected by Grantee) and its authorized officers, employees, agents and volunteers from any and all claims, actions, losses, damages, and/or liability arising from Subrecipient acts, errors or omissions and for any costs or expenses incurred by Grantee on account of any claim therefore, except where such indemnification is prohibited by law. Subrecipient shall promptly notify Grantee in writing of the occurrence of any such claims, actions, losses, damages, and/or liability. Subrecipient shall indemnify and hold harmless Grantee against any liability, claims, losses, demands, and actions incurred by Grantee as a result of the determination by HUD

or its successor that activities undertaken by Subrecipient under the program(s) fail to comply with any laws, regulations or policies applicable thereto or that any funds billed by and disbursed to Subrecipient under this Agreement were improperly expended.

36. INSURANCE REQUIREMENTS

Without in any way affecting the indemnity herein provided and in addition thereto, Subrecipient shall secure and maintain throughout the Agreement the following types of insurance with limits as shown:

Workers' Compensation - A program of Worker's Compensation insurance or a State-approved Self Insurance Program in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employer's Liability with Two Hundred Fifty Thousand Dollars (\$250,000) limits, covering all persons providing services on behalf of Subrecipient and all risks to such persons under this Agreement.

Commercial General and Automobile Liability Insurance - This coverage to include contractual coverage and automobile liability coverage for owned, hired, and non-owned vehicles. The policy shall have combined single limits for bodily injury and property damage of not less than One Million Dollars (\$1,000,000).

Additional Named Insurance - All policies, shall contain additional endorsements naming Grantee and its officers, employees, agents, and volunteers as additional named insured with respect to liabilities arising out of the performance of services hereunder.

Policies Primary and Non-Contributory - All policies required above are to be primary and non-contributory with any insurance or self-insurance programs carried or administered by Grantee.

Proof of Coverage - Subrecipient shall immediately furnish certificates of insurance to Grantee evidencing the insurance coverage, including endorsements, above required prior to the commencement of performance of services hereunder, which shall provide that such insurance shall not be terminated or expire without thirty (30) days written notice to Grantee, and Subrecipient shall maintain such insurance from the time Subrecipient commences performance of services hereunder until the completion of such services. Within sixty (60) days of the commencement of this Agreement, Subrecipient shall furnish to Grantee certified copies of the policies and all endorsements. Subrecipient shall complete and submit, Insurance Inventory, along with the above required insurance documents.

Insurance Review - The above insurance requirements are subject to periodic review by Grantee. Grantee's Risk Manager is authorized, but not required, to reduce or waive any of the above insurance requirements whenever the Risk Manager determines that any of the above insurance is not available, is unreasonably priced, or is not needed to protect the interests of Grantee. In addition, if the Risk Manager determines that heretofore unreasonably priced or unavailable types of insurance coverage or coverage limits become reasonably priced or available, the Risk Manager is authorized, but not required, to change the above insurance requirements, to require additional types of insurance coverage or higher coverage limits, provided that any such change is reasonable in light of past claims against Grantee, inflation, or any other item reasonably related to the Grantee's risk.

Any such reduction or waiver for the entire term of the Agreement and any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Agreement. Subrecipient agrees to execute any such amendment within thirty (30) days of receipt.

37. ENVIRONMENTAL CONDITIONS

A. Air and Water

Subrecipient agrees to comply with the following requirements insofar as they apply to the performance of this Agreement:

- i. Clean Air Act, 42 U.S. C., 7401, et seq.
- ii. Federal Water Pollution Control Act, as amended, 33 U.S. C. 1251, et seq., as amended, 1318 relating to inspection, monitoring, entry, reports and information, as well as other requirements specified in said Section 115 and Section 308, and all regulations and guidelines issued thereunder.
- iii. Environmental Protection Agency (EPA) regulations pursuant to 40 C.F. R., Part 50, as amended.

B. Flood Disaster Protection

In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 USC 4001), Subrecipient shall assure that for activities located in an area identified by FEMA as having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

C. Lead-Based Paint

Subrecipient agrees that any construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations in 24 CFR 570.608 and 24 CFR Part 35. Such regulations pertain to all HUD-assisted housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-based paint is found on the property, abatement measures may be undertaken.

D. Historic Preservation

Subrecipient agrees to comply with the Historic Preservation requirement set forth in the National Historic Preservation Act of 1966, as amended (17 U.S.C. 470) and the procedures set forth in 36 CFR, Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this Agreement.

In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, State, or Local historic property list.

38. COMPLIANCE WITH LAWS

Subrecipient agrees to comply with all applicable Federal, State, and Local laws, ordinances, regulations, and directives as they pertain to the performance of this Agreement. This Agreement is subject to and incorporates the terms of the ACT; 24 Code of Federal Regulations, Part 570 and Part 85, Chapter V; and U.S. Office of Management and Budget Circulars A-110, A-122, and A-133.

39. LOBBYING

Subrecipient agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V,

United States Code.

Subrecipient certifies that:

- a. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement; and
- b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying." in accordance with its instructions; and
- c. It will require that the language of this certification be included in any award documents for all sub awards at all tiers (including subcontracts, sub grants, and contracts under grant, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.

40. AMENDMENTS

This Agreement with exhibits embodies the whole of agreements of the Parties hereto. There are no oral agreements not contained herein. No amendment of this Agreement shall be valid unless made in the form of a written amendment to this Agreement formally approved and executed by both Parties.

41. NOTICES

All notices shall be served in writing. The notices shall be sent to the following addresses:

CITY OF SOUTH GATE:

Joe Perez, Community Development Director
Community Development Department
8650 California Avenue
South Gate, CA 90280
Phone: (323) 563-9585
Fax: (323) 567-0725
E-Mail: jperez@sogate.org

WITH COURTESY COPY TO:

Carmen Avalos, City Clerk
City of South Gate
8650 California Avenue
South Gate, CA 90280
Phone: (323) 563-9511
Fax: (323) 563-5411
E-Mail: cavalos@sogate.org

SUBRECIPIENT:

Jeff Farber, Executive Director
Helpline Youth Counseling, a California Nonprofit Corporation
14181 Telegraph Road
Whittier, CA 90604
Phone: (562) 273-0722
E-Mail: jfarber@hycinc.org

42. COUNTERPART EXECUTION

This Agreement may be executed in one or more counterparts. When executed, each counterpart shall be deemed an original irrespective of date of execution. Said counterparts shall together constitute one and the same Agreement.

The selection of Subrecipient and the allocated award of CDBG funds were previously approved at the duly noticed public hearing held on April 28, 2020, by the City Council of the City of South Gate. This Agreement is an acknowledgment of that selection and allocation of CDBG funds and subsequent responsibilities of the Subrecipient and Grantee.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed and attested by their respective officers thereunto duly authorized.

CITY OF SOUTH GATE:

By: _____
Maria Davila, Mayor

Dated: _____

ATTEST:

By: _____
Carmen Avalos, City Clerk
(SEAL)

APPROVED AS TO FORM:

By:  _____
Raul F. Salinas, City Attorney

HELPLINE YOUTH COUNSELING:

By: _____
Jeff Farber, Executive Director

Dated: _____

**COMMUNITY DEVELOPMENT BLOCK GRANT SUBRECIPIENT AGREEMENT
BETWEEN THE CITY OF SOUTH GATE AND
TWEEDY MILE ASSOCIATION**

This Community Development Block Grant Subrecipient Agreement ("Agreement") is made and entered into on August 25, 2020, and retroactively effective as of July 1, 2020, by and between the City of South Gate, a municipal corporation ("Grantee") and Tweedy Mile Association, a California Non-profit corporation, doing business as Tweedy Mile Association ("Subrecipient"). The Grantee and Subrecipient are sometimes hereinafter individually referred to as a "Party" and collectively as "Parties."

RECITALS

WHEREAS, Grantee has applied for and received Community Development Block Grant ("CDBG") funds from the United States Government through its Department of Housing and Urban Development, hereinafter referred to as "HUD" under Title 1 of Housing and Community Development Act of 1974, as amended, hereinafter referred to as the "ACT";

WHEREAS, Grantee wishes to engage Subrecipient, which is qualified by reason of experience, preparation, organization, staffing, and facilities, to provide the program and/or services as described below in "Scope of Services"; and

WHEREAS, Grantee recognizes the public benefit in providing the program and/or services described below in the Scope of Services to low- and moderate-income ("LMI") persons and desires Subrecipient to carry out said program and/or services on Grantee's behalf.

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

1. SCOPE OF SERVICES

A. Activities

The Subrecipient will provide financial assistance to local eligible South Gate small businesses to make exterior building improvements such as paint, new signage, stucco, and repair of doors and windows.

B. National Objectives

The Subrecipient certifies that the activities carried out with funds provided under this Contract will benefit low-and moderate-income persons, as defined under 24 CFR Part 570.208 (a) (2) of the CDBG Program National Objectives.

C. Levels of Accomplishment

Total number of City of South Gate residents to be served during Fiscal Year 2019-2020 and Fiscal Year 2020-2021: **10 businesses.**

2. TIME OF PERFORMANCE

The program and/or services to be provided by Subrecipient hereunder shall commence retroactively to July 1, 2020, and shall be completed no later than June 30, 2021. This Agreement does not reimburse any expenditure incurred by Subrecipient prior to the date of commencement and execution of this

Agreement by Grantee. This Agreement does not reimburse any expenditure made after the completion date without written authorization to extend the contract, but not more than 12 months, as set forth in Section 27, Time of Performance Modifications. Notwithstanding any provision contained herein to the contrary, this Agreement shall remain in effect during any period of time that Subrecipient has control over CDBG funds, including program income as provided in Section 11, Program Income below.

3. COMPENSATION AND METHOD OF PAYMENT

It is expressly agreed and understood that the total amount to be paid by Grantee under this Agreement shall not exceed the sum of **SIXTY THOUSAND DOLLARS (\$60,000.00)** of Fiscal Year 2020-2021 CDBG funds. Notwithstanding Section 7, Budget Modifications, below and Section 8, Changes in Grant Allocation, below, Grantee, in its sole discretion exercisable at any time hereunder, may increase the compensation payable hereunder to Subrecipient ("Additional Funding") by giving Subrecipient a written notice offering the Additional Funding ("Additional Funding Offering Notice") for the program and/or services provided under Section 1, Scope of Services above, together with such additional levels of accomplishment, if any, that Grantee may prescribe as a condition to accepting the Additional Funding. Subrecipient may accept the Additional Funding and agree to comply with the additional levels of accomplishment, if any, set forth in the Additional Funding Offering Notice by delivering to Grantee a written notice of acceptance ("Additional Funding Acceptance Notice") within five (5) business days after Subrecipient's receipt of the Additional Funding Offering Notice. If Subrecipient for any reason does not deliver to Grantee the Additional Funding Acceptance Notice within such 5-business day period, then the failure to deliver the Additional Funding Acceptance Notice shall be deemed Subrecipient's rejection of the Additional Funding. This payment shall constitute full and complete compensation for Subrecipient services under this Agreement. For the purpose of this Agreement, Grantee shall disburse the CDBG funds and monitor Subrecipient's performance in satisfying the Scope of Services under the terms of this Agreement. Notwithstanding the foregoing, Grantee shall not be obligated to disburse to Subrecipient any funds that Grantee does not directly or indirectly receive from HUD for the CDBG program for this Agreement.

Disbursement of payments to Subrecipient shall be made upon Grantee's receipt of the **Request for Reimbursement Form** together with true and correct copies of receipts, timesheets, invoices, and such other documentation as may be reasonably requested by Grantee.

Expenditures shall be documented with supportive evidence for each expenditure and proof of payment, in accordance with HUD regulations. Payments may also be contingent upon certification that Subrecipient's financial management system is in accordance with the standards specified in OMB Circular A-110. After timely receipt by Grantee of each properly documented expenditure submittal, Grantee will draw a warrant in favor of Subrecipient for the approved expenditure amount within thirty (30) days.

4. QUARTERLY PERFORMANCE REPORTS

Quarterly Performance Reports shall be submitted by Subrecipient corresponding to the quarters of the Agreement year: Quarter 1 = July - September, Quarter 2 = October - December, Quarter 3 = January - March and Quarter 4 = April - June. A complete Quarterly Performance Report must be received by the Grantee within 30 days after the end of Quarters 1, 2 and 3, and within 10 days of June 30th after the 4th Quarter.

5. BUDGET SECTION

No more than the amounts specified in the Program Budget may be spent for the separate cost categories specified in the Budget Summary without express prior written approval of Grantee. Subrecipient acknowledges that verbal authorizations shall not be deemed a substitute for written approval.

6. USE OF FUNDS

Funds allocated pursuant to this Agreement shall be used exclusively for costs included in Subrecipient program budget. Agreement funds shall not be used as security or to guarantee payments for any non-program obligations, nor as loans for non-program activities.

7. BUDGET MODIFICATIONS

Grantee, or its designee, may allow budget modifications to this Agreement when such modifications are approved in advance in writing and: a) do not exceed Eight Thousand Dollars (\$8,000) per budget cost category; b) are specifically requested by Subrecipient; c) do not alter the amount of compensation with this Agreement; d) will not change the eligibility of the project goals or Scope of Services under this Agreement; e) are in the best interests of Grantee and Subrecipient in performing the Scope of Services; and f) when related to salaries, are in accordance with applicable salary ordinances or laws. Requests for modification as described above are subject to review for compliance with the Consolidated Plan, budget summary and program description by the Housing Administrator.

8. CHANGES IN GRANT ALLOCATION

Grantee reserves the right to reduce the amount of CDBG funds to be paid hereunder when Grantee's fiscal monitoring indicates that Subrecipient rate of expenditure will result in unspent funds at the end of the program year. Changes in the grant allocation will be done after consultation with Subrecipient and written notification by Grantee.

9. REVENUE DISCLOSURE REQUIREMENT

By its execution of this Agreement, Subrecipient certifies that it has previously filed with Grantee a written statement listing all revenue received, or expected to be received, by Subrecipient from Federal, State, City or County of Los Angeles sources, or from other governmental or private agencies, and applied or expected to offset in whole or in part any of the costs incurred by Subrecipient in conducting current or prospective projects, programs, services, or business activities, including, but not necessarily limited to, the project, program, service or business activity which is the subject of this Agreement. Such statement shall reflect the name and a description of such project, program, service, or business activity, the dollar amount of funding provided, or to be provided, by each and every agency for each such project, program, service, or business activity, and the full name and address of each such agency. During the term of this Agreement, Subrecipient shall prepare and file a similar written statement each time it receives funding from any agency which is in addition to that revenue disclosed in Subrecipient's initial revenue disclosure statement hereunder. Such statement shall be filed by Subrecipient with Grantee within fifteen (15) calendar days following receipt of such additional funding. Subrecipient shall make available for inspection and audit by Grantee's employees, agents, contractors, or other representatives, upon request, at any time during the duration of this Agreement and during a period of three (3) years thereafter, all of its books and records relating to the operation by it of each project, program, service, or business activity which is funded in whole or in part with governmental monies, whether or not such monies are received through Grantee. All such books and records shall be maintained by Subrecipient. Failure of Subrecipient to comply with the requirements of this section of the Agreement shall constitute a material breach of contract upon which Grantee may cancel, terminate, or suspend this Agreement.

10. JOINT FUNDING

For programs in which there are sources of funds in addition to CDBG funds, Subrecipient shall provide proof of such funding. Grantee shall not pay for any projects, programs, services, or business activities provided by Subrecipient which are funded by other sources. All restrictions and/or requirements provided in this Agreement relative to accounting, budgeting, and reporting applies to the total program regardless of funding sources.

11. PROGRAM INCOME

Program income represents net income directly generated from the use of CDBG funds by Subrecipient as a result of the activity funded under the terms of this Agreement. When such income is generated by an activity only partially assisted with CDBG funds, the income shall be prorated to reflect the percentage of CDBG funds used. Subrecipient shall return program income to Grantee. Program income shall be returned to Grantee within thirty (30) days after the occurrence of any of the following: (A) disposition or sale of real or personal property occurs or; (B) cumulative program income reaches increments of One Thousand Dollars (\$1,000); or (C) the end of each fiscal year. Subrecipient shall include the reports required by Section 22, Program Reporting, all sources and amounts of program income on a monthly and year-to-date basis.

12. FISCAL LIMITATIONS

HUD may place programmatic or fiscal limitation(s) on CDBG funds not presently anticipated by the parties. Accordingly, Grantee reserves the right to revise, rescind, terminate for convenience or otherwise modify this Agreement because of or related to actions affecting HUD program funding. Where Grantee has reasonable grounds to question Subrecipient's fiscal accountability, financial soundness, or compliance with this Agreement, Grantee may act to suspend the operation of this Agreement for up to sixty (60) days upon three (3) days' notice to Subrecipient of Grantee's intention to so act, pending an audit or other resolution of such questions. Subrecipient expressly acknowledges that such changes shall not be the basis for a claim for monetary or other damages. In no event, however, shall any revision made by Grantee affect expenditures and legally binding commitments made by Subrecipient before Subrecipient received notice of such revision, provided that such amounts have been committed in good faith and are otherwise allowable and that such commitments are consistent with HUD cash withdrawal guidelines.

13. NONEXPENDABLE PROPERTY

Subrecipient shall maintain an accurate and independently verifiable record for each item of nonexpendable property acquired for this program with CDBG funds. This record shall be provided to Grantee upon request. "Nonexpendable property" shall include tangible personal property, including but not limited to computer equipment, office equipment, and real property and any interest in such real property, including any mortgage or other encumbrance of real property as well as any funds derived from the sale or disposal of nonexpendable property. Any utilization of funds derived from the sale or disposition of nonexpendable property must have prior approval of Grantee and otherwise comply with all applicable laws and regulations. Upon termination of this Agreement, Grantee reserves the right to determine the final disposition of said nonexpendable property acquired for this program with CDBG funds, including funds derived therefrom. Said disposition may include Grantee taking possession and title of said nonexpendable property. Nonexpendable personal property means tangible personal property having a useful life of more than one (1) year and an acquisition cost of Five Hundred Dollars (\$500) or more per unit.

14. EXPENDABLE PERSONAL PROPERTY

Expendable personal property refers to all tangible personal property other than nonexpendable personal property.

15. PURCHASE OR LEASE OF NONEXPENDABLE PROPERTY OR EQUIPMENT

Subrecipient shall obtain competitive bids prior to purchasing or leasing any nonexpendable personal property or equipment over Five Hundred Dollars (\$500) in unit value and having a life expectancy of more than one (1) year. Such property shall be properly tagged and inventoried. This inventory shall be provided to Grantee promptly upon request.

16. ACQUISITION OF SUPPLIES AND EQUIPMENT

Subrecipient may purchase from a related agency/organization only if: a) prior authorization is obtained in writing from Grantee; b) charges do not exceed the authorized amount and minimum written specifications are met; c) a community related benefit is derived from such Subrecipient -related acquisition; and d) no conflict of interest for private gain accrues to Subrecipient or its directors, employees, agents or officers or their respective relatives by blood or marriage. For purposes of this Agreement, "relatives" includes parents, child, spouse, brother, sister, in-laws and step relationships.

Grantee reserves the right to disallow any purchase from any vendor of supplies, equipment, nonexpendable property or expendable property which is purchased in whole or in part with funds provided by this Agreement. Subrecipient may seek prior approval of Grantee for any such expenditure, and prior approval which is granted shall be binding on Grantee unless such expenditure violates federal law or regulations or is disallowed by HUD.

17. PURCHASE

Purchase of equipment or property must be completed before the end of the 4th quarter in any calendar year and all equipment invoices must be submitted by the end of the last month of the term of this Agreement.

18. TRAVEL AND CONFERENCE RESTRICTIONS

Subrecipient certifies and agrees that travel and conference expenses for persons other than employees of Subrecipient, will not be paid by funds provided through this Agreement. No travel expenses for out-of-state travel shall be included in this Agreement unless specifically listed in the Budget Summary, attached hereto. Subrecipient further agrees that any travel expense incurred by Subrecipient which is not listed in the Program Budget shall not be paid by funds provided through this Agreement.

19. USE OF FUNDS FOR ENTERTAINMENT, GIFTS, OR FUND-RAISING ACTIVITIES

Subrecipient certifies and agrees that it will not use funds provided through this Agreement to pay for any entertainment, gifts, or fund-raising activities.

20. MONITORING

Grantee will conduct quarterly program monitoring to review beneficiary files and program records. Grantee and HUD shall have the right of access to all activities and facilities operated by Subrecipient under this Agreement. Facilities include all files, records and other documents related to the performance of this Agreement. Activities include attendance staff, board of directors, advisory committee and advisory board meetings and observation of on-going program functions. Subrecipient will permit on-site inspection by Grantee and HUD and ensure that its employees and board members furnish such information as, in the judgment of Grantee and HUD representatives, may be relevant to compliance with contractual conditions and HUD directives, or the effectiveness, legality and achievements of the program.

Substandard performance as determined by Grantee will constitute non-compliance with and a breach of this Agreement. If action to correct and cure such substandard performance is not taken and completed by Subrecipient within a reasonable period of time after being notified by Grantee, this Agreement may be suspended or terminated by Grantee in accordance with its suspension or termination procedures.

21. BENEFICIARY QUALIFICATION

Persons qualifying for program services on the basis of income, hereinafter referred to as beneficiaries, shall have an annual household gross income equal to or less than the low- and moderate-income limits defined by the U.S. Department of Housing and Urban Development (HUD) Income Limits. Subrecipient is responsible for obtaining from Grantee the current applicable HUD Income Guidelines for each year of the

Agreement term identified in Section 2, Time of Performance. Under CDBG regulations, the following clientele categories qualify as presumed to benefit persons, 51% of whom are low-and-moderate income: Abused Children; Battered Spouses; Elderly Persons (62 and older); Handicapped Persons; Homeless Persons; Illiterate Persons; Migrant Farm Workers. However, Subrecipient shall document the household income of all beneficiaries by obtaining from beneficiaries, completed "Beneficiary Qualification Statements."

22. PROGRAM REPORTING

Subrecipient agrees to prepare and submit financial, program progress, evaluations and other reports as required by HUD or Grantee directives. Subrecipient shall maintain such property, personnel, financial and other records and accounts as are considered necessary by HUD or Grantee to assure proper accounting for all Agreement funds. All Subrecipient records, with the exception of confidential client information, shall be made available to representatives of Grantee and the appropriate Federal agencies. Subrecipient is required to submit data necessary to complete the "Annual Grantee Performance Report" or "Consolidated Annual Performance and Evaluation Report (CAPER)", in accordance with HUD regulations in the format and at the time designated by Grantee.

23. FINANCIAL MANAGEMENT

A. Accounting

Subrecipient agrees to comply with OMB Circular A-110 and further agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

B. Cost Principles

Subrecipient shall administer its program in conformance with OMB Circulars A-122 "Cost Principles for Non-Profit Organizations" or A-21 "Cost Principles for Education Institutions," as applicable, for all costs incurred whether charged on a direct or indirect basis.

24. DOCUMENTATION AND RECORD KEEPING

A. Records to be Maintained

Subrecipient shall maintain all records required by the Federal regulations specified in 24 CFR Part 570.506 that are pertinent to the activities to be funded under this Agreement. Such records shall include but not be limited to:

- a. Records providing a full description of each activity undertaken;
- b. Records demonstrating that each activity undertaken meets one of the National objectives of the CDBG program;
- c. Records required for determining the eligibility of activities;
- d. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
- e. Records documenting compliance with the Fair Housing and Equal Opportunity components of the CDBG program;
- f. Financial records as required by 24 CFR part 570.502, and OMB Circular A 110; and
- g. Other records necessary to document compliance with Subpart K of 24 CFR 570.

B. Retention

Subrecipient shall retain all records pertinent to expenditures incurred under this Agreement for a period of four (4) years after the termination of this Agreement. Records for non-expendable property acquired with funds under this Agreement shall be retained for four (4) years after final disposition of such property. Records for any displaced person must be kept for four (4) years after he/she has received final payment. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the three-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the four-year period, whichever occurs later.

C. Client Data

Subrecipient shall maintain and submit client data demonstrating client eligibility for services provided by obtaining completed "Beneficiary Qualification Statements." Such data shall include, but not be limited to, client name, address, income or for determining eligibility and description of service provided. Such information shall be made available to Grantee monitors or their designees for review upon request during on-site monitoring.

D. Disclosure

Subrecipient understands that client information collected under this Agreement is private and the use, dissemination, transmission or other disclosure of such information, when not directly connected with the administration of the Grantee's or Subrecipient's responsibilities with respect to services provided under this Agreement, is strictly prohibited unless written consent is obtained from such person receiving service and, in the case of a minor, that of a responsible parent/guardian. Subrecipient shall take all commercially reasonable action and implement such necessary procedures to safeguard the privacy of all client information and shall provide Grantee promptly upon request a narrative description of such safeguards.

E. Property Records

Subrecipient shall maintain real property inventory records which clearly identify properties purchased, improved or sold. Properties retained shall continue to meet eligibility criteria and shall conform to the "changes in use" restrictions specified in 25 CFR Parts 570.503(b) (8), as applicable.

F. Close-Outs

Subrecipient's obligation to the Grantee under this Agreement shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of program assets, including the return of all unused material, equipment, unspent cash advances, program income balances, and accounts receivable to Grantee and determining the custodianship of records.

G. Audit and Inspections

Subrecipient shall arrange for an independent financial/compliance audit to be performed within the direction of Generally Accepted Auditing Standards and Government Auditing Standards and conducted for each fiscal year during the term of this Agreement. Such audit shall be completed not later than one hundred twenty (120) days following the end of such fiscal year. In the event Subrecipient receives Five Hundred Thousand Dollars (\$500,000) or more in the aggregate in federal funds from all federal funding sources within a fiscal year, Subrecipient shall be required to perform an audit in compliance with OMB Circular A-133.

Subrecipient shall submit a copy of the audit report to Grantee within thirty (30) days of completion. Within thirty (30) days of the submittal of said audit report, Subrecipient shall provide to Grantee a "Corrective Action Plan" which shall contain a written response to any concerns or findings identified in said audit report. The response must examine each concern or finding and explain a proposed resolution, including a schedule for correcting any deficiency. All actions to correct said conditions or findings shall be taken within six (6) months after receipt of the audit report. Any concern or finding will be referred to the HUD field office.

Grantee, or HUD, may make additional audits or reviews, as necessary, to carry out the responsibilities of Subrecipient under Federal, State or Local laws and regulations. Subrecipient agrees to cooperate fully with all persons conducting said additional audits or reviews. Grantee and its authorized representatives shall, at all times, have access for the purpose of audit or inspection, to any and all books, documents, papers, records, property and premises of Subrecipient.

If indications of misappropriation or misapplication of the funds of this Agreement cause Grantee to require an additional audit, the cost of the audit will be encumbered and deducted from this Agreement budget. Should Grantee subsequently determine that the additional audit was not warranted, the amount encumbered will be restored to the Agreement budget. Subrecipient shall reimburse all misappropriation or misapplication of funds to Grantee.

25. ASSIGNMENT

This Agreement is not assignable by Subrecipient without the express written consent of Grantee. Any attempt by Subrecipient to assign any performance of the terms of this Agreement shall be null and void and shall constitute a material breach of this Agreement.

26. TERMINATION AND TERMINATION COSTS

This Agreement may be terminated in whole or in part at any time by either party upon giving thirty (30) days' notice in writing to the other party. Grantee and Subrecipient shall set forth the reasons and conditions for termination in compliance with the provisions of federal regulations at 24 CFR Part 85.44, Termination for Convenience.

Grantee may immediately terminate this Agreement upon the termination, suspension, discontinuation or substantial reduction in CDBG funding for the Agreement activity, or if for any reason the timely completion of the work under this Agreement is rendered improbable, infeasible or impossible. If Subrecipient materially fails to comply with any term of this Agreement, Grantee may take one or more of the actions provided under federal regulation at 24 CFR Part 85.43, including, without limitation, temporarily withholding cash, disallowing non-compliant costs, wholly or partly terminating the award, withholding future awards, and other remedies that are legally available. In such event, Subrecipient shall be compensated for all services rendered and all necessarily incurred costs performed in good faith in accordance with the terms of this Agreement that have been previously reimbursed, to the date of said termination to the extent that CDBG funds are available from HUD.

27. REVERSION OF ASSETS

Upon termination of this Agreement Subrecipient shall transfer to Grantee all real property acquired or improved in whole or in part with CDBG funds in excess of Twenty Five Thousand Dollars (\$25,000) under this Agreement; or it must be disposed of in a manner resulting in a reimbursement to Grantee in the amount of the current fair market value of the property less any portion thereof attributable to expenditures of non-CDBG funds for the acquisition of, or improvement to, the property.

28. TIME OF PERFORMANCE MODIFICATIONS

Grantee may grant time of performance modifications to this Agreement when such modifications:

- a. In aggregate do not exceed twelve (12) calendar months;
- b. Are specifically requested by Subrecipient;
- c. Will not change the project goals or scope of services;
- d. Are in the best interests of Grantee and Subrecipient in performing the scope of services under this Agreement; and
- e. Do not alter the amount of compensation under this Agreement.

29. INDEPENDENT CONTRACTOR

At all times hereunder, each of Grantee and Subrecipient will be acting in an independent capacity and not as agents, employees, partners, joint venture, or associates of one another. The employees or agents of one party shall not be deemed or construed to be the agent or employees of the other party for any purpose whatsoever.

30. AFFIRMATIVE ACTION AND CONTRACT COMPLIANCE

Subrecipient shall make every commercially reasonable good faith effort to ensure that all projects funded wholly or in part by CDBG funds shall provide equal employment and career advancement opportunities for minorities and women, consistent with Federal and State laws. In addition, Subrecipient shall make every commercially reasonable good faith effort to employ residents of the area and shall keep a record of the positions that have been created directly or as a result of this program.

Subrecipient agrees to comply with the provisions of the Affirmative Action Compliance Program of Grantee and rules and regulations adopted pursuant thereto. Subrecipient shall comply with Executive Orders 11246, 11375, 11625, 12138, 12432, 12250, Title VII of the Civil Rights Act of 1964, the California Fair Housing and Employment Act, applicable California Public Contracts Code and other applicable Federal, State, and Grantee laws, regulations and policies relating to equal employment and contracting opportunities, including laws and regulations hereafter enacted.

31. PERSONNEL AND PARTICIPANT CONDITIONS

A. Civil Rights

1. Compliance

Subrecipient agrees to comply with Title I of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 104 (b) and Section 109 of Title 1 of the Housing and Community Development Act of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and with Executive Order 11246 as amended by Executive Orders 11365 and 12086.

2. Nondiscrimination

Subrecipient will not discriminate against any employee or applicant for employment because of race, creed, gender, gender identity (including gender expression), color, religion, ancestry, sexual orientation, national origin, disability, age, marital status, family/parental status, or veteran/military status, or status with regard to public assistance. Subrecipient will take affirmative action to ensure that all employment practices are free from such discrimination. Such employment practices include

but are not limited to the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Subrecipient agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting agency setting forth the provisions of this nondiscrimination clause.

3. Land Covenants

This Agreement is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and 24 CFR 570.601 and 602 in regards to the sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this Agreement, Subrecipient shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination as herein defined, in the sale, lease or rental, or in the use or occupancy of such land, or in any improvements erected or to be erected thereon, providing that the Grantee and the United States Government are beneficiaries of and entitled to enforce such covenants. Subrecipient, in undertaking its obligation to carry out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and will not itself so discriminate.

4. SECTION 504

Subrecipient agrees to comply with any Federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C 706), which prohibits discrimination against the handicapped in any Federally assisted program.

B. Affirmative Action

1. Access to Records

Subrecipient shall furnish and cause each of its own subrecipients or subcontractors to furnish all information and reports required hereunder and will permit access to its books, records and accounts by the Grantee, HUD or its agent, or other authorized Federal officials for purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein.

2. EEO/AA Statement

Subrecipient will, in all solicitations or advertisements for employees placed by or on behalf of the Subrecipient, state that it is an Equal Opportunity or Affirmative Action employer.

32. RELIGIOUS PROSELYTIZING OR POLITICAL ACTIVITIES

Subrecipient agrees that it will not perform or permit any religious proselytizing or political activities in connection with the performance of this Agreement. Funds under this Agreement will be used exclusively for performance of the work required under this Agreement and no funds made available under this Agreement shall be used to promote any religious or political activities.

33. CONFLICT OF INTEREST

Subrecipient, its directors, officers, agents and employees shall comply with all applicable Federal, State and Local laws and regulations governing conflict of interest. To this end, Subrecipient will make available to its directors, officers, agents and employee's copies of all applicable Federal, State, and Local laws and regulations governing conflict of interest. In particular, the following Federal regulation paraphrased from

24 CFR 570-611, Conflict of Interest: Except for salaries and related administrative or personnel costs, no employees, agents consultants, officers or elected officials or appointed officials, of subrecipients which receive CDBG funds, who exercise or have exercised any CDBG functions or who are in a position to participate in a decision making process or gain inside information, may obtain a personal or financial interest or benefit from a CDBG assisted activity or any CDBG funded contract, subcontract or agreement, during their tenure or for one year thereafter.

Subrecipient shall furnish to Grantee, prior to Grantee's execution of this Agreement, a written list of all current or proposed subgrantees/subcontractors, vendors or personal service providers, including subsidiaries of Subrecipient. This list should be limited to those subgrantees/subcontractors, vendors or personal service providers, including subsidiaries of Subrecipient, which will receive Ten Thousand Dollars (\$10,000) or more during the term of this Agreement. Such a list shall include the names, addresses, telephone numbers, and identification of principal party(ies), and a description of services to be provided. During the term of this Agreement, Subrecipient shall notify Grantee in writing of any change in the list of subgrantees/ subcontractors, vendors, personal service providers or subsidiaries of Subrecipient within fifteen (15) days of change.

34. REPRESENTATIONS AND WARRANTIES

Subrecipient represents and warrants: (A) that Subrecipient is a duly organized and validly existing nonprofit corporation in good standing under the laws of the state of its incorporation; (B) that the form, terms and provisions of this Agreement have been approved in all respects by Subrecipient's governing board at a meeting duly noticed and held; (C) that Subrecipient's executive director has been duly authorized to execute and deliver this Agreement on behalf of Subrecipient; (D) that Subrecipient's execution, delivery and performance of this Agreement are not in contravention of any provision of law, or of any agreement, by which Subrecipient is bound; (E) no action or proceeding is now pending or, to the best of Subrecipient's knowledge, is threatened, against Subrecipient, in equity or otherwise, before any court, board, commission, agency or instrumentality of the Federal Government or any state government or of any municipal government or any agency or subdivision thereof; or before any arbitrator or panel of arbitrators; (F) Subrecipient is not in default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any material contractual obligation of Subrecipient, and no condition exists which with the giving of notice or the lapse of time or both would constitute such a default; (G) all financial statements furnished to Grantee by Subrecipient are true, correct and complete in all material respects and all other information previously furnished by or on behalf of Subrecipient to Grantee in connection with this Agreement is true, complete and correct in all material respects and does not fail to state any material fact necessary to make the statements made not misleading; and (H) no material adverse change in the operations or financial condition of Subrecipient has occurred since the selection of Subrecipient and the allocated award of CDBG funds were approved by the City Council of the City of South Gate at the duly noticed public hearing held on April 28, 2020.

35. INDEMNIFICATION

Subrecipient shall indemnify, hold harmless and defend Grantee (with legal counsel selected by Grantee) and its authorized officers, employees, agents and volunteers from any and all claims, actions, losses, damages, and/or liability arising from Subrecipient acts, errors or omissions and for any costs or expenses incurred by Grantee on account of any claim therefore, except where such indemnification is prohibited by law. Subrecipient shall promptly notify Grantee in writing of the occurrence of any such claims, actions, losses, damages, and/or liability. Subrecipient shall indemnify and hold harmless Grantee against any liability, claims, losses, demands, and actions incurred by Grantee as a result of the determination by HUD or its successor that activities undertaken by Subrecipient under the program(s) fail to comply with any laws, regulations or policies applicable thereto or that any funds billed by and disbursed to Subrecipient

under this Agreement were improperly expended.

36. INSURANCE REQUIREMENTS

Without in any way affecting the indemnity herein provided and in addition thereto, Subrecipient shall secure and maintain throughout the Agreement the following types of insurance with limits as shown:

Workers' Compensation - A program of Worker's Compensation insurance or a State-approved Self Insurance Program in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employer's Liability with Two Hundred Fifty Thousand Dollars (\$250,000) limits, covering all persons providing services on behalf of Subrecipient and all risks to such persons under this Agreement.

Commercial General and Automobile Liability Insurance - This coverage to include contractual coverage and automobile liability coverage for owned, hired, and non-owned vehicles. The policy shall have combined single limits for bodily injury and property damage of not less than One Million Dollars (\$1,000,000).

Additional Named Insurance - All policies, shall contain additional endorsements naming Grantee and its officers, employees, agents, and volunteers as additional named insured with respect to liabilities arising out of the performance of services hereunder.

Policies Primary and Non-Contributory - All policies required above are to be primary and non-contributory with any insurance or self-insurance programs carried or administered by Grantee.

Proof of Coverage - Subrecipient shall immediately furnish certificates of insurance to Grantee evidencing the insurance coverage, including endorsements, above required prior to the commencement of performance of services hereunder, which shall provide that such insurance shall not be terminated or expire without thirty (30) days written notice to Grantee, and Subrecipient shall maintain such insurance from the time Subrecipient commences performance of services hereunder until the completion of such services. Within sixty (60) days of the commencement of this Agreement, Subrecipient shall furnish to Grantee certified copies of the policies and all endorsements. Subrecipient shall complete and submit, Insurance Inventory, along with the above required insurance documents.

Insurance Review - The above insurance requirements are subject to periodic review by Grantee. Grantee's Risk Manager is authorized, but not required, to reduce or waive any of the above insurance requirements whenever the Risk Manager determines that any of the above insurance is not available, is unreasonably priced, or is not needed to protect the interests of Grantee. In addition, if the Risk Manager determines that heretofore unreasonably priced or unavailable types of insurance coverage or coverage limits become reasonably priced or available, the Risk Manager is authorized, but not required, to change the above insurance requirements, to require additional types of insurance coverage or higher coverage limits, provided that any such change is reasonable in light of past claims against Grantee, inflation, or any other item reasonably related to the Grantee's risk.

Any such reduction or waiver for the entire term of the Agreement and any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Agreement. Subrecipient agrees to execute any such amendment within thirty (30) days of receipt.

37. ENVIRONMENTAL CONDITIONS

A. Air and Water

Subrecipient agrees to comply with the following requirements insofar as they apply to the performance of this Agreement:

- i. Clean Air Act, 42 U.S. C., 7401, et seq.
- ii. Federal Water Pollution Control Act, as amended, 33 U.S. C. 1251, et seq., as amended, 1318 relating to inspection, monitoring, entry, reports and information, as well as other requirements specified in said Section 115 and Section 308, and all regulations and guidelines issued thereunder.
- iii. Environmental Protection Agency (EPA) regulations pursuant to 40 C.F. R., Part 50, as amended.

B. Flood Disaster Protection

In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 USC 4001), Subrecipient shall assure that for activities located in an area identified by FEMA as having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

C. Lead-Based Paint

Subrecipient agrees that any construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations in 24 CFR 570.608 and 24 CFR Part 35. Such regulations pertain to all HUD-assisted housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-based paint is found on the property, abatement measures may be undertaken.

D. Historic Preservation

Subrecipient agrees to comply with the Historic Preservation requirement set forth in the National Historic Preservation Act of 1966, as amended (17 U.S.C. 470) and the procedures set forth in 36 CFR, Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this Agreement.

In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, State, or Local historic property list.

38. COMPLIANCE WITH LAWS

Subrecipient agrees to comply with all applicable Federal, State, and Local laws, ordinances, regulations, and directives as they pertain to the performance of this Agreement. This Agreement is subject to and incorporates the terms of the ACT; 24 Code of Federal Regulations, Part 570 and Part 85, Chapter V; and U.S. Office of Management and Budget Circulars A-110, A-122, and A-133.

39. LOBBYING

Subrecipient agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V,

United States Code.

Subrecipient certifies that:

- a. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement; and
- b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying." in accordance with its instructions; and
- c. It will require that the language of this certification be included in any award documents for all sub awards at all tiers (including subcontracts, sub grants, and contracts under grant, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.

40. AMENDMENTS

This Agreement with exhibits embodies the whole of agreements of the Parties hereto. There are no oral agreements not contained herein. No amendment of this Agreement shall be valid unless made in the form of a written amendment to this Agreement formally approved and executed by both Parties.

41. NOTICES

All notices shall be served in writing. The notices shall be sent to the following addresses:

CITY OF SOUTH GATE:

Joe Perez, Community Development Director
Community Development Department
8650 California Avenue
South Gate, CA 90280
Phone: (323) 563-9585
Fax: (323) 567-0725
E-Mail: jperez@sogate.org

WITH COURTESY COPY TO:

Carmen Avalos, City Clerk
City of South Gate
8650 California Avenue
South Gate, CA 90280
Phone: (323) 563-9511
Fax: (323) 563-5411
E-Mail: cavalos@sogate.org

SUBRECIPIENT:

Laverne Bates, Treasurer
Tweedy Mile Association, California Nonprofit Corporation
3470 Tweedy Blvd.
South Gate, CA 90280
Phone: (323) 564-8233
E-Mail: johngottes@gmail.com

42. COUNTERPART EXECUTION

This Agreement may be executed in one or more counterparts. When executed, each counterpart shall be deemed an original irrespective of date of execution. Said counterparts shall together constitute one and the same Agreement.

The selection of Subrecipient and the allocated award of CDBG funds were previously approved at the duly noticed public hearing held on April 28, 2020, by the City Council of the City of South Gate. This Agreement is an acknowledgment of that selection and allocation of CDBG funds and subsequent responsibilities of the Subrecipient and Grantee.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed and attested by their respective officers thereunto duly authorized.

CITY OF SOUTH GATE:

By: _____
Maria Davila, Mayor

Dated: _____

ATTEST:

By: _____
Carmen Avalos, City Clerk
(SEAL)

APPROVED AS TO FORM:

By:  _____
Raul F. Salinas, City Attorney

TWEEDY MILE ASSOCIATION:

By: _____
Laverne Bates, Treasurer

Dated: _____

RECEIVED

Item No. 6

AUG 19 2020

CITY OF SOUTH GATE
OFFICE OF THE CITY MANAGER

1:15pm

City of South Gate
CITY COUNCIL

AGENDA BILL

For the Regular Meeting of: August 25, 2020
Originating Department: Community Development

Department Director: *William Quiroz* City Manager: *Michael Flad*
Joe Perez *Michael Flad*

SUBJECT: LISTING AGREEMENT TO SELL WITH ASÍ REAL ESTATE INVESTMENTS, LLC TO COORDINATE A SALES TRANSACTION WITH 5821 FIRESTONE BOULEVARD, LLC

PURPOSE: To consider the proposed Listing Agreement to Sell with ASÍ Real Estate Investments, LLC, to coordinate a sales transaction with 5821 Firestone Boulevard, LLC (Buyer), acting by and through its Manager, GVD Commercial Properties, Inc., through a Disposition and Development Agreement (DDA). This Agreement allows for coordination of the sale and purchase transaction and development of the City-owned parking lot located at 5821 Firestone Boulevard. It also includes communication and negotiation support between the City and the Buyer through the completion of the DDA. This item was continued from the regularly scheduled City Council Meeting of August 11, 2020.

RECOMMENDED ACTIONS:

- a. Approve the Listing Agreement to Sell (Agreement) with ASÍ Real Estate Investments, LLC, to coordinate a sales and purchase transaction and development of the City-owned parking lot located at 5821 Firestone Boulevard with 5821 Firestone Boulevard, LLC, acting by and through its Manager, GVD Commercial Properties, Inc., through a Development and Disposition Agreement, in an amount not to exceed \$49,150;
- b. Appropriate \$49,150 from the unassigned General Fund balance to Account Number 100-603-41-6101 (General Fund – Planning – Professional Services) to fund the cost of this Agreement; and
- c. Authorize the Mayor to execute the Agreement in a form acceptable to the City Attorney.

99/184

FISCAL IMPACT: Funds for this agreement were not included in the adopted Fiscal Year 2020/21 Municipal Budget, therefore, if the City Council approves this Agreement, funds in the amount of \$49,150 will need to be appropriated from the unassigned General Fund balance. The current balance of the unassigned General Fund balance is \$9,277,682. The costs for these services will be offset by the proceeds the City receives from the sale of the property to 5821 Firestone Boulevard, LLC.

CITY COUNCIL GOALS: This item will support the City’s goals of encouraging economic development to develop a project on City-owned property that enhances the quality of life of residents, provides employment opportunities and increases property and sales tax revenue.

ANALYSIS: The proposed Agreement will allow Alexis Suárez, a California Broker License ID 02043566 of ASÍ Real Estate Investments, LLC, an Arizona limited liability company (Broker), to assist the City in coordinating a sales transaction with 5821 Firestone Boulevard, LLC, a California limited liability company, or assignee (Buyer), acting by and through its Manager, GVD Commercial Properties, Inc., through a Disposition and Development Agreement (DDA). The DDA is for the sale and development of the City-owned parcel at 5821 Firestone Boulevard (Property) currently improved as a parking lot at the El Paseo/South Gate Towne Center.

It is recommended that \$49,150 be appropriated for ASÍ Real Estate Investments' services for coordination of the sales and purchase transaction and development of the Property and for communication and negotiation support between City and buyer through a DDA until the DDA is completed, which is expected to be October 31, 2021. The total amount payable to ASÍ Real Estate Investments under this Agreement will not exceed \$49,150, consisting of an eight percent (8%) sales commission of \$32,000 plus up to \$17,150 for actual, reasonable and verifiable expenses incurred in connection with the Agreement.

Broker agrees to make good faith and diligent efforts, spend all necessary hours, and use her best efforts to help the City effectuate the closing of the sale of the Property as referenced in the DDA, including but not limited to, conducting and reviewing the extensive Preliminary Title Report for the Property together with the ALTA survey and the recorded covenants, conditions and restrictions affecting the Property, causing a Phase I environmental site assessment report to be provided to the Buyer, identifying utility surveys, Will-Serve Letters and utility companies that service the Property, and causing the creation of schematic utility site plans, architectural site plans and elevations for a Project Development Concept for the Property per the DDA.

Following the mutual execution of the DDA between the City and the Buyer for the purchase and sale of the Property, the City will reimburse Broker up to \$17,150 for her actual, reasonable and verifiable expenses incurred in connection with the Agreement upon either receipt of an invoice in form and content acceptable to the City or through escrow at the closing of the sale of the Property, or both. In addition, the City will pay Broker a commission of eight percent (8%) or \$32,000 upon satisfaction of the following conditions: (i) the mutual execution of the DDA between the City and the Buyer for the purchase and sale of the City-owned parking lot located at 5821 Firestone Boulevard; and (ii) the closing of the sale and purchase of the City-owned parking lot to the Buyer pursuant to the DDA. The proposed Agreement will be effective August 25, 2020 and may be terminated by either party upon ninety (90) days written notice to the other party.

BACKGROUND: After the dissolution of redevelopment agencies in 2012, the 5821 Firestone Boulevard parking lot parcel was included in the State-required Long Range Property Management Plan (LRPMP). The South Gate 2015 LRPMP, which listed the Site as being transferred to the City, was approved by the California Department of Finance. Since then, the site has been improved only as a parking lot serving the El Paseo/South Gate Towne Center.

On April 23, 2019, the City Council approved Contract No. 3519, a Disposition and Development Agreement (the former DDA) with ASÍ Real Estate Investments, LLC in conjunction with Arturo Sneider from Primestor Development, for the acquisition and development of City-owned property located at 5821 Firestone Boulevard. Soon thereafter, GVD Commercial Properties, Inc. (GVD), as successor in interest to Dicker Warmington Properties II (DWP), objected to the sale of the

City-owned parcel without GVD's consent based on an unrecorded 1994 Agreement by and among the former Redevelopment Agency of the City of South Gate (Agency), DWP, Gotham Grill, Inc. and Henry Attina that required the consent of DWP to sell the site. On May 14, 2019 the City Council voted to reconsider the DDA with ASÍ Real Estate Investments, LLC. Since then, Broker with ASÍ Real Estate has continued to work with both the City and GVD to coordinate the sales transaction of the property located at 5821 Firestone Boulevard. On April 24, 2020, GVD offered to acquire and develop the City-owned parcel under the same basic terms as the former DDA approved in April 23, 2019, except for a reduced purchase price.

ATTACHMENT: Proposed Listing Agreement to Sell

LISTING AGREEMENT TO SELL
BETWEEN THE CITY OF SOUTH GATE AND ASÍ REAL ESTATE INVESTMENTS, LLC

This Listing Agreement to Sell ("Agreement") is made and entered into on August 25, 2020 (the "Effective Date"), by and between Alexis Suárez, a California Broker License ID 02043566 of ASÍ Real Estate Investments, LLC an Arizona limited liability company ("**Broker**"), and the City of South Gate, a California municipal corporation ("**City**"), to coordinate a sales transaction with 5821 Firestone Boulevard, LLC, a California limited liability company, or assignee, acting by and through its manager, GVD Commercial Properties, Inc. ("**Buyer**") through a Development and Disposition Agreement ("**DDA**") for the Property (as defined below).

RECITALS

WHEREAS, City owns that certain real property consisting of approximately 0.46 acres of land improved as a parking lot, located at 5821 Firestone Boulevard, South Gate, California 90280, APN 6232-004-907 (the "**Property**"), which Property is legally described on Exhibit "A" and illustrated in Exhibit "B" each such exhibit being attached hereto and made a part of hereof; and

WHEREAS, City desires to sell the Property to Buyer in accordance with the DDA; and

WHEREAS, City desires to engage Broker to coordinate the sales transaction and the DDA between City and Buyer, and City acknowledges the added value Broker brings to this transaction with her particular knowledge and experience with respect to the Property and its contemplated development by Buyer in accordance with the DDA.

AGREEMENT

NOW, THEREFORE, in consideration of the terms and provisions of this Agreement and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, City hereby engages Broker, and Broker hereby accepts such engagement, on the following terms:

1. **Recitals.** The foregoing Recitals are all true and correct and incorporated herein by this reference.
2. **Purpose and Term of this Agreement.** As of the Effective Date above, City hereby appoints and employs Broker as its exclusive agent, and hereby grants to Broker the exclusive right to coordinate the sales transaction, provide communication and negotiation support between City and Buyer through a DDA on such terms as are acceptable to City as approved by the City Council of the City of South Gate ("**City Council**"). Such appointment shall continue through the date upon which the DDA is completed expected to be October 31, 2021 ("**Termination Date**"); provided, however, this appointment shall automatically extend with any extensions associated with the DDA. It is Broker's full intent and goal to see the completion and execution of the DDA and the development of the Property as it aligns with the City's and the City Council's interest.
3. **Tenancies or Other Possessory Rights.** The Property is not currently leased to or occupied by, in whole or in part, any parties.

4. **Sales Terms and Conditions.** The Property shall be sold to Buyer at fair market value currently determined to be Four Hundred Thousand Dollars (\$400,000.00) in current market conditions, through a DDA on such terms as are acceptable to City as approved by the City Council.

5. **Coordination of Efforts.** City and Broker shall cooperate with one another's respective activities so as to optimize the efficient and productive performance of work and achievement of City's overall goals and objectives. Broker shall be responsive to City's needs including being available for meetings or phone calls with the City or Buyer, or both.

6. **Broker Commission.** City agrees to pay Broker a commission ("Commission") in an amount equal to **EIGHT PERCENT (8%)** of the sales price of the Property or Thirty-Two Thousand Dollars (\$32,000) as provided herein. The Commission shall be payable through escrow upon satisfaction of the following conditions: (i) the mutual execution and delivery of the DDA between City and Buyer for the purchase and sale of the Property and (ii) the closing of the sale and purchase of the Property by City to Buyer pursuant to the DDA.

7. **City's Covenants, Representations and Warranties.**

(a) City hereby represents and warrants to Broker, that it is the City of record of the Property, it has the power and authority and is duly authorized to: (i) enter into a DDA with respect to the Property; (ii) enter into this Agreement; and (iii) pay the Commissions as provided herein.

(b) City hereby covenants and agrees to make available to Broker any and all documents currently or at any time in the future in City's possession evidencing title to the Property, to disclose (subject to the actual knowledge of the Director of Community Development, without duty of investigation or inquiry) all material facts it is aware of affecting the Property including, without limitation, any restrictive covenants, and to make available to Broker any and all non-confidential financial and operational information in City's possession that may be reasonably required in order to effectuate a transaction with respect to the Property.

(c) City hereby covenants and agrees that City shall promptly refer to Broker all inquiries and offers that City receives to purchase or lease the Property during the term of this Agreement regardless of the source of the inquiries or offers.

(d) City hereby covenants and agrees that City shall not execute any lease during the term of this Agreement unless the same provides for the payment of the applicable Commission to Broker.

(e) City hereby covenants and agrees to provide Broker with access to the Property at all reasonable times.

(f) Without limiting any of Broker's obligations under Paragraph 11 below, City hereby acknowledges, consents to and agrees that (i) Broker will be retained by Buyer as its leasing broker for the Property prior to the closing of the sale of the Property in accordance with the DDA and (ii) Broker may be paid a leasing commission by Buyer following the closing of Buyer's purchase of the Property in accordance with the DDA, in each of the foregoing items (i) and (ii) at no expense or liability of City.

8. Broker's Covenants, Warranties and Representations, and Services.

(a) Broker hereby covenants and agrees to make good faith and diligent efforts, spend all necessary hours, and use its best efforts to help City effectuate the closing of the sale of the Property as referenced in the DDA, including but not limited to the following:

(i) Broker hereby covenants and represents that given Broker's particular experience as it pertains to the Property and the DDA participation and negotiation, Broker is very familiar with the Property. Broker services will include but are not limited to conducting and reviewing the extensive Preliminary Title Report for the Property together with the ALTA survey and the recorded covenants, conditions and restrictions affecting the Property, causing a Phase I environmental site assessment report to be provided to the Buyer, identifying utility surveys, Will-Serve Letters and utility companies that service the Property, and causing the creation of schematic utility site plans, architectural site plans and elevations for a Project Development Concept per the DDA.

(ii) Subject to and following the mutual execution and delivery of the DDA between City and Buyer for the purchase and sale of the Property, City agrees to reimburse Broker for the actual, reasonable and verifiable expenses incurred by Broker in connection with this Agreement, not to exceed a total amount of Seventeen Thousand One Hundred Fifty and 00/100 Dollars (\$17,150.00), such reimbursement being payable by City either within a reasonable time following receipt of a detailed written invoice from Broker or through escrow at the closing of the sale of the Property to Buyer in accordance with the DDA, or both, in each case in form and content acceptable to City.

(b) Broker hereby covenants and agrees that, Broker has no right to assign this Agreement or delegate any of its obligation hereunder without the City's written consent.

(c) Broker shall not be responsible for the management, maintenance, condition, upkeep, or repair of the Property.

9. Broker's Post Termination Rights.

(a) This Agreement may be terminated by either party upon ninety (90) days written notice to the other Party. Upon the effective date of the termination of this Agreement, all legal obligations, rights, and duties arising out of this Agreement shall terminate except that: (i) City shall remain obligated to pay any balance due to Broker and compensation earned hereunder; and (ii) the confidentiality restrictions as defined herein shall continue to apply.

(b) In the event that a post-termination transaction is executed with between City and Buyer within twelve (12) months after the Termination Date ("**Post-Termination Period**"), then City shall pay Broker the Commission required in connection with such transaction. City agrees that the Post-Termination Period will be extended for so long as negotiations for a post-termination transaction with Buyer are continuing.

10. Confidentiality. Broker shall keep confidential all information furnished to or secured by it relating to the Property and/or City regards as confidential or proprietary for a period of one (1) year following the termination or expiration of this Agreement. Notwithstanding the foregoing, Broker's confidentiality obligations shall not apply to information which, (i) is already in Broker's possession prior to its being furnished to Broker by or on behalf of City, provided that such information has been lawfully received by Broker, (ii) is or becomes generally available to the public other than as a result of disclosure by Broker or its representatives, (iii) is independently developed by Broker or its representatives, or (iv)

becomes available to Broker on a non-confidential basis from a source other than City or its representatives provided that such source is not bound by a confidentiality agreement with or other contractual, legal, or fiduciary obligation of confidentiality to City or another Party.

11. Agency. Broker acknowledges and agrees to act at all times in performance of its duties hereunder in a manner that is consistent with its fiduciary duty of utmost care, integrity, honesty and loyalty to City created under this Agreement.

12. Indemnification.

(a) Broker hereby protects, indemnifies, defends (with counsel reasonably acceptable to City) and holds City, its elected officials, employees, officers and agents harmless from and against any and all losses, costs, expenses (including, but not limited to, attorneys' fees), damages, claims, demands or liabilities, of any kind or nature, as a result of, due to, or in the course of, Broker's performance of its duties and responsibilities under this Agreement, except those resulting from City's gross negligence or willful misconduct.

(b) City hereby protects, indemnifies, defends and holds Broker harmless from and against any and all losses, costs, expenses (including, but not limited to, attorneys' fees), damages, claims, demands or liabilities, of any kind or nature, as a result of, due to, or in the course of, City's breach of this Agreement, except those resulting from Broker's negligence or willful misconduct.

13. Miscellaneous.

(a) This Agreement shall be construed, interpreted, enforced, and governed by and in accordance with the laws of the State of California, without giving effect to principles of conflicts of law. This Agreement constitutes the entire agreement between the parties regarding the subject matter herein, and no amendments, changes, or modifications may be made to this agreement without the express written consent of each of the parties. If any term or provision of this agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the terms and provisions of the Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated. No failure or delay by a party in exercising any right hereunder or any partial exercise thereof shall operate as a waiver thereof or prohibit any other or further exercise of any right hereunder. This Agreement shall benefit and be binding upon the parties and their respective successors and assigns. This Agreement may be executed and delivered (including by facsimile, "pdf" or other electronic transmission) in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

(b) All notices permitted or required to be given under this Agreement shall be in writing via email or delivered personally or sent by overnight courier to the address of the party above-stated or such other address as the party may, by notice, direct. Notices sent by email or overnight courier shall be deemed to have been received on the first business day after the date of receipt.

(c) All understandings and agreements heretofore or simultaneously had between Broker and City, with respect to the Property and DDA, are merged into this Agreement and this Agreement fully and completely expresses the understanding between City and Broker with respect to the aforementioned. This Agreement (a) may not be changed orally, but only by an agreement in writing signed by both City and Broker; and (b) shall be binding on the parties hereto and their respective heirs, executors, administrators, and successors and assigns.

(d) Due Authorization. The individuals executing this Agreement herein below on behalf of the Broker and City represent and warrant that they each have the authorization of the respective parties to do so and the execution of this agreement by them has been ratified and approved pursuant to those procedures established by each of the parties.

(e) **ARBITRATION OF DISPUTES. IN THE EVENT OF ANY DISPUTE BETWEEN OWNER AND BROKER RELATING TO THIS AGREEMENT, THE PROPERTY OR OWNER OR BROKER'S PERFORMANCE HEREUNDER, OWNER AND BROKER AGREE THAT SUCH DISPUTE SHALL BE RESOLVED BY MEANS OF BINDING ARBITRATION IN ACCORDANCE WITH THE COMMERCIAL ARBITRATION RULES OF THE AMERICAN ARBITRATION ASSOCIATION, AND JUDGEMENT UPON THE AWARD RENDERED BY THE ARBITRATOR(S) MAY BE ENTERED IN ANY COURT OF COMPETENT JURISDICTION. DEPOSITIONS MAY BE TAKEN AND OTHER DISCOVERY OBTAINED DURING SUCH ARBITRATION PROCEEDINGS TO THE SAME EXTENT AS AUTHORIZED IN CIVIL JUDICIAL PROCEEDING IN THE STATE WHERE THE OFFICE OF BROKER EXECUTING THIS AGREEMENT IS LOCATED. THE ARBITRATOR(S) SHALL BE LIMITED TO AWARDING COMPENSATORY DAMAGES AND SHALL HAVE NO AUTHORITY TO AWARD PUNITIVE, EXEMPLARY OR SIMILAR TYPE DAMAGES. THE PREVAILING PARTY IN THE ARBITRATION PROCEEDING SHALL BE ENTITLED TO RECOVER ITS EXPENSES, INCLUDING THE COSTS OF THE ARBITRATION PROCEEDING, AND REASONABLE ATTORNEYS' FEES.**

NOTICE: BY SIGNING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY. WE HAVE READ AND UNDERSTOOD THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION TO NEUTRAL ARBITRATION.

[signatures of the parties on the following pages]

IN WITNESS WHEREOF, City, acting by and through its Mayor and attested to by its City Clerk, has executed this Listing Agreement to Sell as of the day and year first above stated.

CITY:

CITY OF SOUTH GATE,
a California municipal corporation

By: _____
Maria Davila, Mayor

Dated: _____

ATTEST:

Carmen Avalos, City Clerk
(SEAL)

APPROVED AS TO FORM:
DRAFT

Raul F. Salinas, City Attorney

Mailing Address:

8650 California Avenue
South Gate, CA 90280
Attn: Community Development Director

[signature of Broker on following page]

IN WITNESS WHEREOF, Broker has executed this Listing Agreement to Sell as of the day and year first above stated.

BROKER:

Alexis Suárez of ASÍ Real Estate Investments, LLC,
an Arizona limited liability company
California Broker License ID 02043566

By: _____
Alexis Suárez, Broker

Dated: _____

Mailing Address:

10000 Washington Boulevard
Suite 300
Culver City, CA 90232
Attn: Alexis Suárez

EXHIBIT "A"

LEGAL DESCRIPTION

THAT PORTION OF LOT A OF TRACT NO. 486, IN THE CITY OF SOUTH GATE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 15, PAGE(S) 30 AND 31 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTHERLY LINE OF THE SOUTHERLY 62.00 FEET OF LOT A, DISTANT THEREON NORTH 82° 36' 05" WEST 687.39 FEET FROM THE SOUTHEASTERLY LINE OF THE LAND DESCRIBED AS PARCEL NO. 450.1 AND 452.1 IN DEED FROM LOS ANGELES COUNTY FLOOD CONTROL DISTRICT RECORDED JANUARY 22, 1982 AS INSTRUMENT NO. 82-78253, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE CONTINUING ALONG SAID NORTHERLY LINE NORTH 82° 36' 05" WEST 115.00 FEET; THENCE NORTH 7° 23' 55" EAST 175.00 FEET; THENCE SOUTH 82° 36' 05" EAST 115.00 FEET; THENCE SOUTH 7° 23' 55" WEST 175.00 FEET TO THE POINT OF BEGINNING.

EXHIBIT "B"

5821 Firestone Blvd



RECEIVED

Item No. 7

AUG 19 2020

City of South Gate
CITY COUNCIL

CITY OF SOUTH GATE
OFFICE OF THE CITY MANAGER

1:45pm

AGENDA BILL

For the Regular Meeting of: August 25, 2020

Originating Department: Community Development

Department Director:

Wellman
Joe Perez

City Manager:

Michael Flad
Michael Flad

SUBJECT: CONTRACT WITH VERONICA TAM AND ASSOCIATES, INC., FOR HOUSING ELEMENT UPDATE SERVICES IN COMPLIANCE WITH STATE LAW

PURPOSE: To approve a contract with Veronica Tam and Associates to prepare an update to the Housing Element (6th Cycle) in compliance with State law. The State requires that the update be completed by October 15, 2021. Non-compliance would result in potential fines and loss of various grant funding.

RECOMMENDED ACTIONS:

- a. Approve Agreement with Veronica Tam and Associates, Inc. for Housing Element update services for the 2021-2029 Cycle, in compliance with State law, in an amount not to exceed \$89,450; and
- b. Authorize the Mayor to execute the Agreement in a form acceptable to the City Attorney.

GA/182

FISCAL IMPACT: Funds in the amount of \$80,000 were included in the Fiscal Year 2020/21 Budget for these services in Account Number 100-603-41-6101 (General Fund - Community Development Planning - Professional Services); however the entire cost of \$89,450 will be reimbursed through grant awards from the CA Department of Housing and Community Development. Specifically, \$78,400 will be reimbursed from the SB 2 Planning Grant and \$11,050 will be reimbursed from the Local Action Planning Grant (LEAP).

ANALYSIS: On June 15, 2020, a Request for Proposals (RFP) was released for professional services to prepare an update to the City's Housing Element for the 2021-2029 Cycle (6th Cycle) in compliance with State law. The RFP was posted on the City's website for 30 days. Proposals were due July 15, 2020. The City received a proposal from Veronica Tam and Associates, Inc. Many cities throughout California are using the same HCD grant funds to update their housing elements and many have the same deadline. This has created a situation in which many firms have reached their capacity. The City received an additional inquiry, but it did not result in a formal submittal.

The proposal was reviewed for completeness; relevant experience; qualifications and experience of key individuals and project team capacity; understanding the scope of services; and project schedule and cost of services. Veronica Tam and Associates, Inc. has extensive experience assisting cities with updates of their Housing Elements and performing their Annual Housing

Progress Reports, including South Gate for the 2013-2021 Cycle (5th Cycle) and 2019 Annual Housing Progress Report. They also have a deep understanding of housing policy at the State and regional level, as well as the latest trends, best planning practices and recent regulatory changes that affect General Plans, specifically Housing Elements. Additionally Veronica Tam and Associates, Inc., are cost effective while providing a comprehensive scope of work within a one year time frame that will meet the October 15, 2021 deadline. Provided below is the proposed scope of work and schedule.

SCOPE OF WORK		
TASK	DESCRIPTION	TIMELINE
Housing Element Assessment	Evaluate 2013-2021 Element; Perform Needs Analysis; Site Analysis; Identify Housing Constraints and Opportunities, Goals, Policies & Objectives; Develop Implementation Program; Create Maps and Figures	August 2020-January 2021
Community Engagement and Public Hearings	Planning Commission Study Sessions with the Public (2)	November 2020 & February 2021
Review and Approval of Housing Element Amendment	Draft Element, Public Draft Circulation, Submittal to HCD,	January- June, 2021
Environmental Document (IS/MND)	Noticing, Outreach, Filing, Project Approval	April – August, 2021
Public Hearings	Certification of MND and Adoption of Housing Element Amendment	September-October, 2021

BACKGROUND: The Housing Element of the South Gate General Plan 2035 is one of seven elements mandated by State law. The Housing Element is subject to detailed statutory requirements and requires review and certification by the State Department of Housing and Community Development (HCD). The current Housing Element for the 5th Cycle 2013-2021 was adopted on January 28, 2014. The Housing Element establishes housing objectives, policies and programs in response to community housing conditions and needs, in particular the allocation of housing units derived from the Regional Housing Needs Assessment.

The Southern California Association of Governments (SCAG) is the agency that determines the projected housing needs for its region, and then allocates those needs to each jurisdiction. This process is known as the “Regional Housing Needs Assessment (RHNA).” The formal distribution of RHNA allocations, appeal process, and all subsequent actions were postponed by at least 120 days at the May 7, 2020 Regional Council meeting. SCAG expects the Regional Council to approve proceeding with the RHNA process at the September 3, 2020 meeting, after which SCAG would immediately notify jurisdictions of the imminent release of allocations and release them within approximately one week, which would then trigger the 45-day appeal period, followed by the RHNA appeals hearings. SCAG expects the final allocations to be within 1 or 2

units of the estimates jurisdictions have previously received. It should be noted that the City of South Gate will be appealing the RHNA allocations.

The total number of new RHNA housing units expected to be allocated to the City of South Gate for the 6th Planning Period Cycle 2021-2029 is 8,263 units as follows:

Planning Period 2021-2029 (6th Cycle)	
Income Category	Number of Dwelling Units
Very Low Income	2,130
Low Income	991
Moderate Income	1,171
Above Moderate Income	3,971
Total	8,263

The number of units allocated to the City was significantly higher during the 6th Planning Period Cycle which is 8,263 Dwelling Units (DU) compared to the previous 5th Planning Period Cycle of 1,262 DU. Of the 1,262 units, 314 were intended for very-low income households, 185 for low-income households, 205 for moderate-income households, and 558 for above moderate-income households.

The housing crisis and changes to housing policy affected activities at the regional level that are predicated on five main objectives set by the Southern California Associations of Government (SCAG):

- Increasing the housing supply and mix of housing types, tenure and affordability in all cities and counties within the region in an equitable manner, which results in each jurisdiction receiving an allocation of units for low- and very low income households.
- Promoting infill development and social equity, the protection of environmental and agricultural resources, the encouragement of efficient development patterns, and the achievement of the greenhouse gas reductions targets provided by the State Air Resources Board.
- Promoting an improved intraregional relationship between jobs and the number of housing units affordable to low-wage worker in each jurisdiction.
- Allocating a lower proportion of housing need in income categories in jurisdiction that have disproportionately high share in comparison to the County distribution.
- Furthering fair housing.

HCD is responsible for administering State Housing Element Law, including review of housing elements for compliance. HCD can refer a city to the Attorney General’s Office for a violation related to housing element compliance. However, prior to making a referral to the Attorney General, HCD is required to offer the jurisdiction the opportunity for two meetings in person or via telephone to discuss the violations.

The Attorney General, upon a finding of the court that the housing element does not substantially comply, the court can issue an order or judgment directing the jurisdiction to bring its housing element into compliance. Further actions include fines of \$10,000- \$100,000 per month. It can also limit access to state funding where eligibility for funding is contingent on the jurisdiction

having a substantially compliant housing element. Some of the programs that consider Housing Element certification in their criteria includes SB 2 Planning grants, SB1 Sustainable Communities grants, Infill Incentive Grant (IIG) Program, Cal Recycle, Multifamily Housing Program and Water Resources Control Board.

Lastly, as a result of adoption of SB 375, the Housing Element planning period occurs on an 8-year cycle to allow for synchronization with the Regional Transportation Plan and Sustainable Communities Strategy. However in order to continue to be eligible for the 8-year planning cycle, the Housing Element for the 2021-2029 Cycle must be adopted within 120-days following the October 15, 2021 submittal deadline. If a jurisdiction fails to meet the deadline, the housing element update is required to be prepared in a 4-year cycle instead of an 8-year cycle. Therefore, it is in the City's best interest to approve the Housing Element prior to the October deadline.

ATTACHMENT: A. Proposed Agreement with Proposal

**AGREEMENT FOR PROFESSIONAL SERVICES
FOR HOUSING ELEMENT UPDATE SERVICES FOR THE
2021-2029 CYCLE BETWEEN THE CITY OF SOUTH GATE AND
VERONICA TAM AND ASSOCIATES, INC.**

This Agreement for Professional Services for Housing Element Update Services for the 2021-2029 Cycle ("Agreement"), is made and entered into on August 25, 2020, by and between the City of South Gate, a municipal corporation ("City"), and Veronica Tam and Associates, Inc., a California limited liability corporation ("Consultant"). The City and Consultant are sometimes hereinafter individually referred to as a "Party" and collectively as "Parties."

RECITALS

WHEREAS, City desires to retain professional services to update the South Gate Housing Element, 6th Planning Period Cycle 2021-2029; and

WHEREAS, Consultant warrants to City that it has the requisite skills, knowledge, qualifications, manpower and expertise to perform properly and timely the professional services under this Agreement; and

WHEREAS, based on such representation, City desires to contract with Consultant to perform professional services described in the Proposal attached hereto as Exhibit "A" and made a part to this Agreement.

NOW, THEREFORE, THE PARTIES HEREBY AGREE AS FOLLOWS:

1. **SCOPE OF WORK.** City hereby engages Consultant, and Consultant accepts such engagement, to perform the services set forth in the Scope of Work as described in Exhibit "A". The Scope of Services may be mutually amended from time to time by both Parties in writing.
2. **COMPENSATION.** The total amount of compensation for this Agreement shall not exceed the sum of **Eighty-Nine Thousand Four Hundred Fifty Dollars (\$89,450)** as described in Exhibit "A." City shall pay Consultant for its professional services rendered and reasonable costs incurred pursuant to this Agreement. No additional compensation shall be paid for any other expenses incurred unless first approved in writing by the Director of Community Development.
 - 2.1 Consultant shall be required to attend meetings at City Hall as necessary in the delivery of the projects. Travel time between the Consultant's office and City Hall shall not be billable; however, mileage is an allowable charge reimbursable at the federal rate. Consultant may request an exemption on a case by case basis.
 - 2.2 Consultant shall submit to City a monthly invoice for services rendered included in Exhibit "A." City shall pay the Consultant within forty-five (45) days of receipt of

the invoice.

- 2.3** No payment made hereunder by City to Consultant, other than the final payment, shall be construed as an acceptance by City of any work or materials, nor as evidence of satisfactory performance by Consultant of its obligations under this Agreement.
- 3. TERM OF AGREEMENT.** This Agreement is **effective as of August 25, 2020, and will remain in effect through and including October 15, 2021**, unless otherwise expressly extended and agreed to by both Parties in writing, or terminated by either Party as provided herein.
- 4. CITY AGENT.** The Director of Community Development, for the purposes of this Agreement, is the agent for the City. Whenever approval or authorization is required, Consultant understands that the Director of Community Development has the authority to provide that approval or authorization.
- 5. CONFLICT OF INTEREST.** Consultant represents that it presently has no interest and shall not acquire any interest, direct or indirect, in any real property located within City which may be affected by the services to be performed by Consultant under this Agreement. Consultant further represents that in performance of this Agreement, no person having such interest shall be employed by it. Within ten (10) days, Consultant agrees that it will immediately notify City of any other conflict of interest that may exist or develop during the term of this Agreement.
- 5.1** Consultant represents that no City employee or official has a material financial interest in the Consultant's business. During the term of this Agreement and/or as a result of being awarded this Agreement, Consultant shall not offer, encourage or accept any financial interest in the Consultant's business or in this Agreement by any City employee or official.
- 6. GENERAL TERMS AND CONDITIONS.**
- 6.1 Termination for Convenience.** The City may terminate this Agreement at any time without cause by giving fifteen (15) days written notice to Consultant of such termination and specifying the effective date thereof. In that event, all finished or unfinished documents and other materials shall, at the option of City, become its property. If this Agreement is terminated by City as provided herein, Consultant will be paid a total amount equal to its outstanding fees for services rendered as of the termination date. In no event shall the amount payable upon termination exceed the total maximum compensation provided for in this Agreement.
- 6.2 Termination for Cause.**
- 6.2.1** The City may, by written notice to Consultant, terminate the whole or any part of this Agreement in any of the following circumstances:

- a. If Consultant fails to perform the services required by this Agreement within the time specified herein or any authorized extension thereof; or
- b. If Consultant fails to perform the services called for by this Agreement or so fails to make progress as to endanger performance of this Agreement in accordance with its terms, and in either of these circumstances does not correct such failure within a period of ten (10) days (or such longer period as City may authorize in writing) after receipt of notice from City specifying such failure.

6.2.2 In the event City terminates this Agreement in whole or in part as provided above in Subsection 6.2.1, City may procure, upon such terms and in such manner as it may deem appropriate, services similar to those terminated.

6.2.3 If this Agreement is terminated as provided above in Subsection 6.2.1, City may require Consultant to provide all finished or unfinished documents, data, studies, drawings, maps, photographs, reports, films, charts, sketches, computation, surveys, models, or other similar documentation prepared by Consultant. Upon such termination, Consultant shall be paid an amount equal to the value of the work performed. In ascertaining the value of the work performed up to the date of termination, consideration shall be given to both completed work and work in progress, to complete and incomplete drawings, and to other documents whether delivered to City or in possession of Consultant, and to authorized reimbursement expenses.

6.2.4 If, after notice of termination of the Agreement under the provisions of Subsection 6.2.1 above, it is determined, for any reason, that Consultant was not in default, or that the default was excusable, then the rights and obligations of the Parties shall be the same as if the notice of termination had been issued pursuant to Subsection 6.1 above.

6.3 Non-Assignability. Consultant shall not assign or transfer any interest in this Agreement without the express prior written consent of City.

6.4 Non-Discrimination.

6.4.1 Consultant shall not discriminate against any employee, subcontractor, or applicant for employment because of race, creed, gender, gender identity (including gender expression), color, religion, ancestry, sexual orientation, national origin, disability, age, marital status, family/parental status, or veteran/military status, in the performance of its services and duties pursuant to this Agreement and will comply with all applicable laws, ordinances and codes of the Federal, State, and County and City governments. Consultant will take affirmative action to ensure that

subcontractors and applicants are employed, and that employees are treated during employment without regard to their race, color, religion, ancestry, sex, national origin, disabled or age. Consultant will take affirmative action to ensure that all employment practices, including those of any subcontractors retained by Consultant to perform services under this Agreement, are free from such discrimination. Such employment practices include but are not limited to hiring, upgrading, demotion, transfer, recruitment, recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

6.4.2 The provisions of Subsection 6.4.1 above shall be included in all solicitations or advertisements placed by or on behalf of Consultant for personnel to perform any services under this Agreement. City shall have access to all documents, data and records of Consultant and its subcontractors for purposes of determining compliance with the equal employment opportunity and non-discrimination provisions of this Section, and all applicable provisions of Executive Order No. 11246 which is incorporated herein by this reference. A copy of Executive Order No. 11246 (relating to federal restrictions against discriminatory practices) is available for review and on file with the City Clerk's Office.

6.5 Insurance. Consultant shall submit to City certificates indicating compliance with the following minimum insurance requirements no less than one (1) day prior to beginning of performance under this Agreement:

6.5.1 Workers' Compensation Insurance as required by law. Consultant shall require all subcontractors similarly to provide such compensation insurance for their respective employees.

6.5.2 Comprehensive general and automotive liability insurance protecting Consultant in amounts not less than \$1,000,000 for personal injury to any one person, \$1,000,000 for injuries arising out of one occurrence, and \$500,000 for property damages or a combined single limit of \$1,000,000, with an aggregate of \$2,000,000. Each such policy of insurance shall:

- a. Be issued by a financially responsible insurance company or companies admitted or authorized to do business in the State of California or which is approved in writing by City.
- b. Name and list as additional insured City, its officers and employees.
- c. Specify its acts as primary insurance.
- d. Contain a clause substantially in the following words: "It is hereby understood and agreed that this policy shall not be canceled except

upon thirty (30) days prior written notice to City of such cancellation or material change.”

- e. Cover the operations of Consultant pursuant to the terms of this Agreement.

- 6.6 Indemnification.** Consultant agrees to indemnify, defend and hold harmless City and/or any other City agency, including other employees, officers and representatives, for/from any and all claims or actions of any kind asserted against City and/or any other City agency arising out of Consultant's (including Consultant's employees, representatives, products and subcontractors) negligent performance under this Agreement, excepting only such claims or actions which may arise out of sole or active negligence of City and/or any other City agency, or any third parties not acting on behalf of, at the direction of, or under the control of Consultant.
- 6.7 Compliance With Applicable Law.** Consultant and City shall comply with all applicable laws, ordinances and codes of the federal, state, county and city governments, without regard to conflict of law principles.
- 6.8 Independent Contractor.** This Agreement is by and between City and Consultant and is not intended, nor shall it be construed, to create the relationship of agency, servant, employee, partnership, joint venture or association, as between City and Consultant.
 - 6.8.1.** Consultant shall be an independent contractor and shall have no power to incur any debt or obligation for or on behalf of City. Neither City nor any of its officers or employees shall have any control over the conduct of Consultant, or any of Consultant's employees, except as herein set forth, and Consultant expressly warrants not to, at any time or in any manner represent that it, or any of its agents, servants or employees are in any manner employees of City, it being distinctly understood that Consultant is and shall at all times remain to City a wholly independent contractor and Consultant's obligations to City are solely such as are prescribed by this Agreement.
 - 6.8.2.** Indemnification of CalPERS Determination. In the event that Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement claims or is determined by a court of competent jurisdiction or CalPERS to be eligible for enrollment in CalPERS as an employee of City, Consultant shall indemnify, defend, and hold harmless City for the payment of any employee and/or employer contributions for CalPERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any fees assessed and interest, which would otherwise be the responsibility of City.

6.9 Consultant's Personnel.

6.9.1 All services required under this Agreement will be performed by Consultant, or under Consultant's direct supervision, and all personnel shall possess the qualifications, permits and licenses required by State and local law to perform such services, including, without limitation, a City of South Gate business license as required by the South Gate Municipal Code.

6.9.2 Consultant shall be solely responsible for the satisfactory work performance of all personnel engaged in performing services required by this Agreement, and compliance with all reasonable performance standards established by City.

6.9.3 Consultant shall be responsible for payment of all employees' and subcontractor's wages and benefits, and shall comply with all requirements pertaining to employer's liability, workers' compensation, unemployment insurance, and Social Security.

6.9.4 Consultant shall indemnify and hold harmless the City and all other related entities, officers, employees, and representatives, from any liability, damages, claims, costs and expenses of any nature arising from alleged violations of personnel practices, or of any acts or omissions by Consultant in connection with the work performed arising from this Agreement.

6.10 Copyright. No reports, maps or other documents produced in whole or in part under this Agreement shall be the subject of an application for copyright by or on behalf of Consultant.

6.11 Legal Construction.

6.11.1 This Agreement is made and entered into in the State of California and shall in all respects be interpreted, enforced and governed under the laws of the State of California, without regard to conflict of law principles.

6.11.2 This Agreement shall be construed without regard to the identity of the persons who drafted its various provisions. Each and every provision of this Agreement shall be construed as though each of the parties participated equally in the drafting of the same, and any rule of construction that a document is to be construed against the drafting party shall not be applicable to this Agreement.

6.11.3 The article and section, captions and headings herein have been inserted for convenience only and shall not be considered or referred to in resolving questions of interpretation or construction.

- 6.11.4 Whenever in this Agreement the context may so require, the masculine gender shall be deemed to refer to and include the feminine and neuter, and the singular shall refer to and include the plural.
- 6.12 **Final Payment Acceptance Constitutes Release.** The acceptance by Consultant of the final payment made under this Agreement shall operate as and be a release of City from all claims and liabilities for compensation to Consultant for anything done, furnished or relating to Consultant's work or services. Acceptance of payment shall be any negotiation of City's check or the failure to make a written extra compensation claim within ten (10) calendar days of the receipt of that check. However, approval or payment by City shall not constitute, nor be deemed, a release of the responsibility and liability of Consultant, its employees, subcontractors and agents for the accuracy and competency of the information provided and/or work performed; nor shall such approval or payment be deemed to be an assumption of such responsibility or liability by City for any defect or error in the work prepared by Consultant, its employees, subcontractors and agents.
- 6.13 **Corrections.** In addition to the above indemnification obligations, Consultant shall correct, at its expense, all errors in the work which may be disclosed during City's review of Consultant's report or plans. Should Consultant fail to make such correction in a reasonably timely manner, such correction shall be made by City, and the cost thereof shall be charged to the Consultant.
- 6.14 **Files.** All files of Consultant pertaining to City shall be and remain the property of City. Consultant will control the physical location of such files during the term of this Agreement and shall be entitled to retain copies of such files upon termination of this Agreement.
- 6.15 **Waiver; Remedies Cumulative.** Failure by a Party to insist upon the performance of any of the provisions of this Agreement by the other Party, irrespective of the length of time for which such failure continues, shall not constitute a waiver of such Party's right to demand compliance by such other Party in the future. No waiver by a Party of a default or breach of the other Party shall be effective or binding upon such a Party unless made in writing by such Party, and no such waiver shall be implied from any omissions by a Party to take any action with respect to such default or breach. No express written waiver of a specified default or breach shall affect any other default or breach, or cover any other period of time, other than any default or breach and/or period of time specified. All of the remedies permitted or available to a Party under this Agreement, or at law or in equity, shall be cumulative and alternative, and invocation of any such right or remedy shall not constitute a waiver or election of remedies with respect to any other permitted or available right of remedy.
- 6.16 **Mitigation of Damages.** In all such situations arising out of this Agreement, the Parties shall attempt to avoid and minimize the damages resulting from the conduct of the other Party.

- 6.17 Severability.** If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.
- 6.18 Attorney's Fees.** The Parties hereto acknowledge and agree that each will bear his or its own costs, expenses and attorney's fees arising out of and/or connected with the negotiation, drafting and execution of the Agreement, and all matters arising out of or connected therewith except that, in the event any action is brought by any Party hereto to enforce this Agreement, the prevailing Party in such action shall be entitled to reasonable attorney's fees and costs in addition to all other relief to which that Party or those Parties may be entitled.
- 6.19 Entire Agreement and Amendments.** This Agreement constitutes the whole agreement between City and Consultant, and neither Party has made any representations to the other except as expressly contained herein. Neither Party, in executing or performing this Agreement, is relying upon any statement or information not contained in this Agreement. Any amendments, changes or modifications to this Agreement must be made in writing and appropriately executed by both City and Consultant.
- 6.20 Notices.** Any notice required to be given hereunder shall be deemed to have been given by email transmission with confirmation of delivery, and depositing said notice in the United States mail, postage prepaid, and addressed as follows:
- | | |
|--|---|
| <p>TO CITY:
 City of South Gate
 Joe Perez
 Director of Community Development
 8650 California Avenue
 South Gate, CA 90280
 E-mail: jperez@sogate.org</p> | <p>WITH COURTESY COPY TO:
 City of South Gate
 Carmen Avalos
 City Clerk
 8650 California Avenue
 South Gate, CA 90280
 E-mail: cavalos@sogate.org</p> |
|--|---|
- TO CONSULTANT:**
Veronica Tam and Associates, Inc.
Veronica Tam, AICP Principal
107 S. Fair Oaks Avenue, Suite 212
Pasadena, CA 91105
Email: veronica.tam@vtaplanning.com
- 6.21 Warranty of Authorized Signatories.** Each of the signatories hereto warrants and represents that he or she is competent and authorized to enter into this Agreement on behalf of the Party for whom he or she purports to sign.
- 6.22 Consultation With Attorney.** Consultant warrants and represents that it has consulted with an attorney or knowingly and voluntarily decided to forgo such a

consultation.

- 6.23 Interpretation Against Drafting Party.** City and Consultant agree that they have cooperated in the review and drafting of this Agreement. Accordingly, in the event of any ambiguity, neither Party may claim that the interpretation of this Agreement shall be construed against either Party solely because that Party drafted all or a portion of this Agreement, or the clause at issue.
- 6.24 Counterparts.** This Agreement may be executed in counterparts and as so executed shall constitute an agreement which shall be binding upon all Parties herein.

[Remainder of page left blank intentionally]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed and attested by their respective officers thereunto duly authorized.

CITY OF SOUTH GATE:

By: _____
Maria Davila, Mayor

Dated: _____

ATTEST:

By: _____
Carmen Avalos, City Clerk
(SEAL)

APPROVED AS TO FORM:

By:  _____
Raul F. Salinas, City Attorney

VERONICA TAM AND ASSOCIATES, INC.:

By: _____
Veronica Tam, AICP, Principal

Dated: _____

Exhibit "A"

City of South Gate
Housing Element Update Services

Veronica Tam and Associates, Inc.
107 S. Fair Oaks Avenue, Suite 212
Pasadena, CA 91105
(626) 304-0440



VERONICA TAM AND ASSOCIATES

July 15, 2020

Erika Ramirez, Senior Planner
City of South Gate
Planning Division
8650 California Avenue
South Gate, CA 90280

Subject: Proposal for the City of South Gate Housing Element Update Services

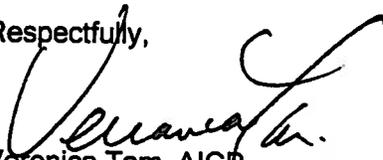
Dear Ms. Ramirez:

Veronica Tam and Associates, Inc. (VTA) is pleased to submit this proposal to assist the City of South Gate with the 6th cycle Housing Element Update. We have included EcoTierra Consulting to provide assistance with CEQA compliance.

VTA is a recognized consulting firm with a strong focus on housing planning and community development. We have substantial experience in assisting jurisdictions in preparing the Housing Element updates. For the 5th cycle Housing Element update cycle, we successfully completed close to 60 Housing Elements for jurisdictions throughout the State, including for the City of South Gate. Most recently in 2019, we completed three 5th cycle Housing Elements that were subject to the recent changes in State Housing Element law.

We believe we are well-qualified to assist the City of South Gate and look forward to discussing our proposal with you. Please contact me if you have questions or need additional information. I can be reached at veronica.tam@vtaplanning.com or (626) 304-0440x1.

Respectfully,



Veronica Tam, AICP
Principal



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I. Scope of Work and Approach

Task 1 - Project Administration

Task 1.1 - Kick-off Meeting

VTA will attend a kick-off meeting with City staff to discuss project expectations regarding coordination, progress reports, and deliverables.

Deliverable(s):

- Meeting summary with project goals, objectives, and action items

Task 1.2 - Project Schedule Development

Maintaining schedule is critical for the Housing Element update. We will work with City staff to develop a detailed schedule with tasks and milestones for achieving Housing Element certification on time (by October 15, 2021 or within the 120-day grace period).

The schedule for the Housing Element will drive the overall project schedule, including the public outreach, CEQA clearance, and HCD review.

Deliverable(s):

- Initial Project Schedule and Updated Schedules

Task 1.3 - Project Coordination

We will set up bi-weekly progress updates with City staff. These meetings may be conducted via audio/video conferencing or in person.

Deliverable(s):

- Meeting summaries

Task 1.4 - Regional Housing Needs Assessment (RHNA) Support (As Needed)

As need, VTA will provide technical assistance to City staff to navigate through the RHNA process.

Task 2 - Housing Element Assessment

Task 2.1 - Evaluation of the 2013-2021 Housing Element

As an initial task to the Housing Element update, we will review and evaluate the City's progress in implementing the 2013-2021 Housing Element, and recommend changes in programs and objectives needed. The City's 2019 Housing Element Annual Progress Report (APR) is a good starting point for this evaluation.

Task 2.2 - Needs Analysis

The Housing Needs Assessment will contain the following topics to satisfy Government Code Section 65583(a) requirements:

- Demographics, income, and employment trends;



- Household characteristics;
- Housing stock characteristics;
- At-risk housing analysis; analysis of special housing needs; and
- Affirmatively furthering fair housing analysis.

Most recently, HCD released a Technical Memo for AB 686 (Affirmatively Furthering Fair Housing). VTA will consult this memo and HCD staff to ensure this new requirement is adequately addressed in the Housing Element update.

Task 2.3 - Sites Analysis

The 6th Cycle RHNA is significant for the entire region. The City's allocation is estimated at 8,263 units, more than six times the City's 5th cycle RHNA. While the City's General Plan offers significant increase in capacity over the long term, this Housing Element update would require significant efforts to identify additional sites with near-term potential, taking into considerations the adequate sites requirements under new Housing Element laws (SB 166, AB 1397, etc.).

Task 2.4 - Housing Constraints and Opportunities

We will identify potential governmental and non-governmental constraints to housing production, including environmental and infrastructural constraints. This analysis must contain a review of factors that may potentially constrain the development, improvement, and preservation of housing in South Gate. Factors to be reviewed include market, governmental, environmental, and infrastructural constraints. New Housing Element laws require the assessment of non-governmental constraints, including NIMBYism, lending practices, shortage of labor, and other economic factors.

In addition to the sites inventory, we will also discuss other resources such as funding available and partnership opportunities, as well as opportunities for energy conservation.

Task 2.5 - Housing Goals, Policies, and Quantified Objectives

We will review the General Plan, specific plans, and other City documents for guiding principles. The goals and policies in the Housing Element will be updated to be consistent with other City documents. In addition, pursuant to AB 686, we will incorporate the fair housing goals and policies from the Analysis of Impediments to Fair Housing Choice.

Task 2.6 - Implementation Program

Based upon the analyses and research conducted in the previous tasks, we will update the Housing Element. For each program included in the Housing Element, we will establish the timeframe for implementation, specific objectives, funding sources, and responsible agencies. The programs will satisfy requirements of Government Code Sections 65583(b) and (c). Several new programs are mandated:

- Program to incentivize Accessory Dwelling Units
- Program to address impediments to fair housing



Task 2.7 - Maps and Figures

As part of the Housing Element update, we will update, as appropriate, figures and maps in the Housing Element. As the Housing Element is a stand-alone document and we do not anticipate land and zoning changes as part of the Housing Element, no other elements should be affected. This budget includes updating only the Housing Element graphics.

Task 3 - Community Engagement and Public Hearings

Task 3.1 - Community Outreach/Study Sessions

Housing Element law requires outreach to low and moderate income and special needs populations during the development of the Draft Element. In light of the current COVID-19 situation, in-person community meetings would be infeasible. Therefore, we propose the following for the South Gate Housing Element:

- Planning Commission Study Session #1 - We will introduce the Housing Element update before the Planning Commission to discuss housing needs in the community. We will invite agencies and organizations that serve the low and moderate income population and those with special housing needs, as well as housing developers active in Gateway subregion.
- Planning Commission Study Session #2 – We will present the Draft Housing Element prior to submitting the Element for HCD review. We will revise the Draft Housing Element to summary public comments received and Planning Commission direction to prepare an HCD Review Draft.

Task 3.2 - Outreach Assistance

We will prepare presentations, outreach materials, and outreach list for the study sessions. We will also assist staff with noticing requirements and staff reports.

Task 4 - Facilitation of Review and Approval of Housing Element Amendment

Task 4.1 - Staff Review of Draft Housing Element

With the analyses conducted in the previous tasks, we will comprehensively update the City's 2013 Housing Element for the 2021-2029 cycle. A Screendraft Housing Element will be prepared for staff review. Our budget includes two rounds of review.

Deliverable(s):

- Screendraft Housing Element (electronic copy)

Task 4.2 - Public Review Draft Housing Element

We will revise the Screendraft Housing Element, responding to staff comments to formulate the Public Review Draft. We recommend presenting this Draft Housing Element to the Planning Commission prior to submitting for HCD review (see Task 3.1). We will revise the Public Review Draft Housing Element to reflect any changes desired by the Planning Commission and respond to public comments.

Deliverable(s):

- Public Review Draft Housing Element (electronic copy)



Task 4.3 - HCD Submittal and Review

HCD review of the Draft Housing Element is mandatory. During the review, we would work to address all HCD comments. We would communicate with HCD and facilitate review of the revisions via revised pages. All revisions made to the Draft Housing Element would be shown as tracked changes. The goal is to secure a Finding of Substantial Compliance on the Draft Element before proceeding to adoption. This way, final certification would be contingent upon adopting the Housing Element as revised and reviewed by HCD, and the City would avoid adopting a Housing Element that does not completely meet HCD requirements and needing to repeat the review and adoption process again.

Deliverable(s):

- HCD Review Draft Housing Element (electronic copy and one hard copy)
- HCD Housing Element Completeness Checklist

Task 4.4 - Adoption Public Hearings (2)

Upon completion of HCD review, VTA will conduct two public hearings before the Planning Commission and City Council for the adoption of the Housing Element.

Deliverables:

- PowerPoint presentation (electronic copy)

Task 4.5 - Final Housing Element and State Certification

After the Planning Commission and City Council adoption hearings, we will package a Final Adopted Housing Element, along with the signed resolution, and send to HCD for its final 90-day review. We will follow through with assisting the City in achieving State certification of the Housing Element.

Deliverable(s):

- Final Housing Element (electronic copy and one hardcopy)

Task 5 - CEQA Compliance

EcoTierra Consulting will be responsible for providing CEQA compliance assistance.

Task 5.1 - Review Housing Element Update and Associated Materials

EcoTierra will review the Housing Element Update and City of South Gate General Plan and General Plan EIR and other additional recent environmental documents (e.g., Gateway District Specific Plan and IS/ND). We will review other associated materials as provided.

Task 5.2 - Initial Study/Environmental Determination

EcoTierra will prepare an Initial Study (IS) to determine the appropriate level of environmental review for the project. The IS will include a project description based on information contained in the Housing Element Update. The analysis will rely upon information contained in the 2009 South Gate General Plan and the Environmental Impact Report prepared with the General Plan. The IS will determine whether the proposed Housing Element update may cause significant effects on the environment that were not examined in the General Plan EIR. Assuming that an IS can be prepared, we will conduct the work outlined in Task 3. If we determine that impacts



would be outside the analysis prepared for the 2009 General Plan, we will notify the City that an Environmental Impact Report (EIR) is required and conduct the work outlined in Task 4.

Task 5.3 - Environmental Document (IS/ND, IS/MND Option)

Task 5.3a - Negative Declaration or Mitigated Negative Declaration. If an IS can be prepared, EcoTierra will determine if mitigation measures identified in the General Plan EIR are required as part of the project. Additionally, the IS will describe impacts that may be potentially significant and require new mitigation measures. If mitigation measures are required, we will prepare a Mitigated Negative Declaration. If mitigation measures are not required, we will prepare a Negative Declaration. This scope does not include updated modeling for air quality, greenhouse gases, energy, noise, or transportation and assumes that the Updated Housing Element will be consistent with the most recent General Plan and General Plan EIR determinations.

Following review by the City, we will revise the Administrative Draft IS/ND or IS/MND and prepare a screencheck IS/ND or IS/MND for review by the City. We will address any screencheck draft comments and prepare the IS/ND or IS/MND for publication. We will provide ten (10) hard copies, one (1) electronic copy in both PDF and Microsoft Word Format, and three (3) CD-ROM copy.

Task 5.3b - Noticing/Outreach. EcoTierra will prepare AB 52 and SB 18 consultation letters for the City's use in initiating consultation with Native American tribes that have requested consultation with the City. We will mail the letters via certified mail. The results of the consultation will be provided to EcoTierra by the City for documentation in the environmental document. EcoTierra will attend up to one (1) public hearing related to the IS/ND or IS/MND.

Task 5.3c - Noticing/Filing. EcoTierra will prepare the Notice of Intent (NOI) and Notice of Completion (NOC). EcoTierra will provide five (5) hardcopies of the Public Review Draft IS/ND or IS/MND and appendices (Technical Memoranda/Studies) to the City along with electronic copies (Word and PDF), and three (3) CD-Roms.

We will distribute the NOI to the Los Angeles County Clerk and 15 CDs of the IS/MND (and Appendices), 1 hardcopy of the NOC, and 15 hardcopies of the Electronic Summary Form to the State Clearinghouse. We assume that the City will distribute to the other interested agencies and parties.

Task 5.3d - Project Approval. We will prepare responses to comments received on the public review IS/ND or MND in a manner suitable for use in the City staff report. This scope assumes up to 6 hours to respond to comments.

Following adoption of the IS/ND or IS/MND EcoTierra will prepare the Notice of Determination (NOD) and send electronically to City staff for review. EcoTierra will attend up to one (1) public hearing related to adoption of the IS/MND.

Within 5 working days of adoption of the IS/MND, EcoTierra will distribute the NOD to the Los Angeles County Clerk. This scope assumes that CDFW fees will be paid by the City and are not included in our cost estimate.



Task 5.4 - Environmental Document (EIR Option)

Task 5.4a - Notice of Preparation If we find that an EIR is required, EcoTierra will prepare a Notice of Preparation (NOP). The IS will accompany the NOP for use in scoping out topics from detailed review in the EIR.

We will submit the draft NOP and IS for review by the City, revise the NOP as directed by City staff and prepare the NOP and IS for publication. We will distribute the NOP to the Los Angeles County Clerk and, 1 hardcopy of the NOP and NOC, and 15 CDs of the IS to the State Clearinghouse. We assume that the City will distribute to the other interested agencies and parties.

EcoTierra will send the NOP and IS to the State Clearinghouse, along with the required Notice of Completion (NOC) used by the State Clearinghouse to log all submittals.

Task 5.4b - Outreach. EcoTierra will prepare AB 52 and SB 18 consultation letters for the City's use in initiating consultation with Native American tribes that have requested consultation with the City. We will mail the letters via certified mail. The results of the consultation will be provided to EcoTierra by the City for documentation in the environmental document.

Task 5.4c - Scoping. EcoTierra will attend and present the project at one (1) public scoping meeting related to the EIR. We will provide the City a summary of scoping comments received on the project.

Task 5.4d - EIR. We will prepare an Administrative Draft EIR for review by City staff. Due to the programmatic nature of the Housing Element Update, we assume that a Programmatic EIR will be prepared. The Programmatic EIR will analyze the broad environmental effects of implementing the components in the Housing Element Update with the acknowledgement that additional and subsequent site-specific environmental review will be required for particular aspects or portions of the program when they are better defined and become ready for implementation. The Draft Programmatic EIR will scope out the appropriate topics from detailed environmental review and these topics will be qualitatively discussed in the Other CEQA Considerations.

Upon receiving the City's comments on the ADEIR, we will discuss the City's comments and resolve any outstanding issues with City staff. This scope assumes that the City will provide a single consolidated set of comments on the ADEIR. EcoTierra will revise the administrative DEIR in response to City administrative comments. We will submit a screencheck track changes version of the DEIR clearly showing all revisions. Upon approval by the City, we will prepare and submit an electronic print-ready EIR for City approval.

We will prepare a Notice of Availability (NOA) for the Draft EIR. We will prepare and deliver 15 CDs of the Draft EIR, along with 15 hard copies of the Electronic Document Summary Submittal form, to the State Clearinghouse with the NOC to begin the 45-day public review period. We will distribute the NOA to the Los Angeles County Clerk. We assume the City will distribute the NOA and Draft EIR to responsible or trustee agencies, neighboring jurisdictions, and interested parties.

We will provide the City with ten (10) hard copies, one (1) electronic copy in both PDF and Microsoft Word Format, and three (3) CD-ROM copy. We will provide Electronic Document Submittal Forms (15 hardcopies), NOC (1 hardcopy), CDs (15) containing the DEIR for distribution to the State Clearinghouse.



Task 5.4e - Response to Comments/Final EIR. At the conclusion of the public review period, we will scan each comment letter and number comments appropriately. EcoTierra staff will coordinate with City staff and EIR technical staff on the approach to crafting responses to comments. If many comments share similar concerns, we may recommend master responses for those groups of comments. This scope of work assumes a moderate number of comments of moderate complexity that will require up to 80 hours of EcoTierra staff time. Once comments are received, we will discuss the scope and budget with the City to confirm the adequacy of the budget. We will provide the City with a copy of each comment letter with a code assigned to each comment and responses to each comment.

We will incorporate the Response to Comments into the Final Programmatic EIR. The Final Programmatic EIR will include a summary table identifying persons, groups, and agencies that commented; a copy of each comment letter with a code assigned to each comment; a response to each comment; and an errata section containing any text revisions. We will provide an administrative draft Final EIR for City review, incorporate City comments, and prepare a screencheck draft of the Final EIR and submit it to the City for final review.

Additionally, the Final EIR will include the Mitigation Monitoring and Reporting Program (MMRP), pursuant to Public Resources Code Section 21971.6, as a separate chapter. The MMRP will identify all mitigation measures, and identify all responsible parties for mitigation implementation, monitoring, and reporting responsibilities.

Upon approval by the City, we will prepare a Final Programmatic EIR for distribution prior to project hearings. We will deliver 15 CDs containing the Final Programmatic EIR to the State Clearinghouse for distribution to state agencies. We assume the City will distribute the Final EIR to responsible or trustee agencies, neighboring jurisdictions, and interested parties that have commented on the Draft EIR.

Task 5.4f - Project Approval. Following certification of the EIR, EcoTierra will prepare the Notice of Determination (NOD) and send electronically to City staff for review. EcoTierra will attend up to one (1) public hearing related to adoption of the EIR. As a related task, we will prepare project Findings (and Statement of Overriding Consideration, if required) for use by the City in the certification process.

Within 5 working days of adoption of the EIR, EcoTierra will distribute the NOD to the Los Angeles County Clerk. This scope assumes that CDFW fees will be paid by the City and are not included in our cost estimate.



II. Schedule

Housing Elements in the SCAG region must be adopted by October 15, 2021 (with a 120-day grace period). With the uncertainties presented by the COVID-19 situation, we do not recommend commencing the public participation process until past the summer. Furthermore, SCAG is not expected to release the Draft RHNA until September 2020.

Milestone	Timeline
Project Initiation	August 2020
Planning Commission Study Session #1	November 2020
Screendraft Housing Element	January 2021
Draft Housing Element	February 2021
Planning Commission Study Session #2	February 2021
HCD Review	March - June 2021
CEQA (ND/MND)	April - June 2021
Adoption Hearings	July - August 2021



III. Firm Organization

1. Veronica Tam and Associates, Inc. (VTA)

VTA is a California corporation located in Pasadena, California. VTA was established in November 2005 and has since been providing housing and community development consulting to local jurisdictions throughout California. We provide assistance in the following areas:

- Housing Element updates
- Zoning revisions for housing-related issues
- Special housing studies
- Consolidated Plan and related reports
- Grants administration and technical assistance
- Analysis of Impediments to Fair Housing Choice
- Environmental clearance for housing-related plans and projects

The person authorized to negotiate contract conditions for the company is:

Veronica Tam, AICP, Principal
Veronica Tam and Associates, Inc.
107 S. Fair Oaks Avenue, Suite 212
Pasadena, CA 91105
P: (626) 304-0440
Veronica.Tam@vtaplanning.com

Housing and Community Development Planning Experience

Our clients have included rural towns/communities, suburban and urban cities, metropolitan areas, and counties.

Fifth Cycle Housing Elements

We are well known for our expertise in State Housing Element law. We have prepared Housing Elements for jurisdictions throughout the State and maintain an excellent track record of receiving State certification. For the fifth cycle, we prepared close to 60 Housing Element updates in the San Diego, SCAG, ABAG, AMBAG, and FCOG regions.

- | | | |
|--------------|------------------------|--------------------------|
| ▪ Alhambra | ▪ Glendora | ▪ Rancho Santa Margarita |
| ▪ Avalon | ▪ Gonzales | ▪ Redondo Beach |
| ▪ Buena Park | ▪ Hawthorne | ▪ Salinas |
| ▪ Burbank | ▪ Hercules | ▪ San Bernardino |
| ▪ Camarillo | ▪ Imperial Beach | ▪ San Clemente |
| ▪ Chino | ▪ Jurupa Valley | ▪ San Joaquin |
| ▪ Corona | ▪ Kingsburg | ▪ San Marcos |
| ▪ Coronado | ▪ La Canada Flintridge | ▪ San Marino |
| ▪ Costa Mesa | ▪ Lake Forest | ▪ Santa Clara |



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|-----------------|-------------------|------------------|
| ▪ Cupertino | ▪ La Mesa | ▪ Santee |
| ▪ Del Mar | ▪ Lawndale | ▪ Seaside |
| ▪ Dublin | ▪ Lomita | ▪ Selma |
| ▪ El Cajon | ▪ Long Beach | ▪ Simi Valley |
| ▪ El Centro | ▪ Marina | ▪ South Gate |
| ▪ El Segundo | ▪ Monterey County | ▪ Tracy |
| ▪ Escondido | ▪ Parlier | ▪ Vista |
| ▪ Fowler | ▪ Pinole | ▪ Walnut |
| ▪ Fresno County | ▪ Pomona | ▪ West Hollywood |

Analysis of Impediments (AI) to Fair Housing Choice/Assessment of Fair Housing (AFH)

We have prepared some of the most complex AI and AFH reports in the State.

- | | | |
|-------------------------|----------------------|-----------------------|
| ▪ Alhambra AI | ▪ Monterey County AI | ▪ Salinas AI |
| ▪ Glendale AI | ▪ Pasadena AI | ▪ San Bernardino AI |
| ▪ Los Angeles AI | ▪ Pomona AI and AFH | ▪ San Diego County AI |
| ▪ Long Beach AI and AFH | ▪ Monterey County AI | ▪ Ventura County AI |

Similar Projects

Seaside Housing Element (2015-2023)

The City of Seaside was updating the Housing Element along with the comprehensive General Plan update. The Draft Housing Element was able to secure a Finding of Substantial Compliance from HCD, and was waiting to be adopted along with the entire General Plan. Unfortunately, the General Plan growth forecast became the subject of litigation, significantly delaying the General Plan/Housing Element adoption process. To move forward with the Housing Element so the City would be eligible for SB 2 grants, VTA revised the Element to rely on the current General Plan (instead of the proposed General Plan) for the RHNA. The Element was also updated to reflect the changes in Housing Element requirements due to the 2017 and 2018 housing bills. The Seaside Housing Element received a Finding of Substantial Compliance in October and is currently in the adoption process.

Gloria Stearns, Director of Community Development
GStearns@ci.seaside.ca.us
(831) 899-6830

Marina Housing Element (2015-2023)

The City of Marina committed in its fourth cycle of Housing Element to redesignate 27 acres of land into high-density mixed use commercial uses. However, with the housing market implosion that occurred between 2006 and 2012, and the dissolution of redevelopment in 2012, the City never completed the required rezoning. Therefore, the City never commenced the fifth cycle update of the Housing Element until 2016 when the City was finally able to pursue the creation of the Downtown Vitalization Specific Plan. VTA worked closely with HCD to devise a two-part plan to help the City prepare the fifth cycle update within three months in order to qualify for CDBG funds, and then move on to achieve a certifiable Housing Element later.

Matt Mogensen, Assistant City Manager
mmogensen@cityofmarina.org



(831) 884-1240

Maywood Housing Element (2013-2021)

The City of Maywood adopted the 2013-2021 Housing Element on time but the adopted Element did not address HCD comments. The City was therefore identified by the State Attorney General's Office as a non-compliant city, potentially subject to litigation. The City retained VTA in July 2019 to revise the Housing Element and pursue certification. VTA worked in an expedited manner and was able to achieve compliance status for the City on November 14, 2019. As part of the Housing Element amendment, VTA also revised the Zoning Ordinance to address emergency shelters for homeless, density bonus, and create an affordable housing overlay.

David Mango, Director of Building and Planning
David.Mango@cityofmaywood.org
(323) 562-5721

Cupertino Housing Element (2014-2022)

The Cupertino Housing Element was updated with a concurrent update to the City's Land Use Element, seeking to redesignate a number of potential sites for higher intensity residential or mixed use development. The update process involved an extensive community outreach process that included more than 20 community meetings and public hearings. The need to rezone and upzone properties was met to vigorous community opposition. A carefully crafted process helped navigate the community through the discussions and ultimately led to an innovative strategy to accommodate the City's Regional Housing Needs Allocation (RHNA) and the certification of the Housing Element by HCD.

Piu Ghosh, Principal Planner
(760) 777-3308
PiuG@cupertino.org

Long Beach Housing Element (2013-2021)

As one of the largest and most diverse cities in California, Long Beach has extensive housing needs. The Housing Element update must address debates such as geographic distribution, intensity, affordability, new construction vs. preservation, and displacement, gentrification, and tenant protection. An extensive outreach program was conducted to obtain input from community groups, housing advocates, developers, and property owners. VTA worked closely with City staff and HCD to respond to comments from the community. The Final Housing Element contains detailed actions and specific timelines that answer to community demands.

Patrick Ure, Housing Operations Officer
(562) 570-6026
Patrick.Ure@longbeach.gov



2. EcoTierra Consulting

EcoTierra Consulting, Inc. (EcoTierra) specializes in providing CEQA/NEPA environmental consulting services to agencies throughout the state of California. We have extensive environmental analysis experience, from the initial project scoping process to responding to public comments and attending hearings. EcoTierra is an S-Corporation environmental consulting firm that specializes solely in environmental analysis and documentation for public and private sector clients. EcoTierra is comprised of ten experienced CEQA/NEPA professionals. The founding Principals, Curtis Zacuto and Craig Fajnor, established the firm nine years ago in July 2010, after previously serving as the Senior Vice Presidents for a noted Southern California CEQA firm. The Founding Principals of the firm have over 60 years of collective experience in CEQA compliance and document preparation. EcoTierra has four office locations in California: Los Angeles, Westlake Village, Riverside, and Walnut Creek. We are a nimble, efficient, and highly cost-effective environmental consulting firm that can handle projects of any size and complexity. Our success is based upon the success of projects and the partnerships that we build with each client. EcoTierra recently completed an Initial Study in support of an Mitigated Negative Declaration for the City of Oceanside for a 12 unit multi-family building (901 Pier View Way) that involved demolition of a historic property.



IV. Project Organization

Veronica Tam, AICP

Veronica Tam will oversee the preparation of Housing Element for the City of South Gate. She is a recognized expert in the area of housing policy planning. Throughout her career, she has prepared more than 100 Housing Element updates, including approximately 60 updates during the fifth cycle update (nine updates in San Diego County). She has also taken on some of the most challenging Housing Element updates, including:

- Cities that were facing litigations - San Clemente and Pomona
- Cities that have delayed process due to the need to coordinate with the General Plan update process - Escondido, Encinitas, Seaside, and South Gate
- Cities that have never received HCD certification due to stringent local development standards and procedures - Del Mar and San Marino

Holl Anderson

Ms. Anderson joined VTA in 2018 will assist in the preparation of the Housing Element. Since joining VTA, Ms. Anderson has participated in the preparation of Housing Elements for the cities of Marina, Palmdale, and Thousand Oaks. She assisted in the Gateway Cities Housing Needs Assessment, an effort coordinated by the Gateway Cities Council of Governments to assess the housing needs, programs, and policies in the 28-jurisdiction subregion of the Southern California Association of Governments (SCAG). She is currently assisting in the preparation of the San Diego Regional Analysis of Impediments to Fair Housing Choice (AI).

Alexis Bueno Correa

Ms. Bueno Correa holds a Master degree in Urban and Regional Planning from CalPoly Pomona. Her academic focus was on community change and gentrification. She is familiar with the use of Census and other data to assess demographic changes in a community over time. She is currently assisting in the preparation of the San Diego Regional Analysis of Impediments to Fair Housing Choice (AI). She is also assisting in the preparation of Housing Element for the cities of Culver City and Palmdale.



V. Cost Proposal

Billing Rates

For works outside of our scope, our billing rates are provided below. Typically, attendance at public meetings is estimated at four to six hours, including one-way travel time.

Name	Title	Hourly Rate
Veronica Tam and Associates		
Veronica Tam	Principal	\$160
Holli Anderson	Planner	\$100
Alexis Bueno	Planner	\$100
Patrick Ward	GIS	\$90

Proposed Budget

Task	Tam	Anderson/ Bueno	Tech	Other	VTA
	\$ 160	\$ 100	\$ 90		Total
Task 1: Project Administration					
Task 1.1: Kick-off Meeting	4	4			\$ 1,040
Task 1.2: Project Schedule Development	8				\$ 1,280
Task 1.3: Project Coordination	20				\$ 3,200
Task 1.4: RHNA Support (Allowance, as Needed)	40				\$ 6,400
Task 2: Housing Element Assessment					
Task 2.1: Evaluation of the 2013-2021 Housing Element	4	16			\$ 2,240
Task 2.2: Needs Analysis	16	40	40		\$ 10,160
Task 2.3: Sites Analysis	20	80	16	\$ 200	\$ 12,840
Task 2.4: Housing Constraints and Opportunities	16	40			\$ 6,560
Task 2.5: Housing Goals, Policies, and Quantified Objectives	2	8			\$ 1,120
Task 2.6: Implementation Program	8	12			\$ 2,480
Task 2.7: Maps and Figures		8	8		\$ 1,520
Task 3: Community Engagement and Public Hearings					
Task 3.1: Community Outreach/Study Sessions (2)	12	16		\$ 200	\$ 3,720
Task 3.2: Outreach Assistance	4	12			\$ 1,840
Task 4: Facilitation of Review and Approval of HE Amendment					
Task 4.1: Staff Review Draft Housing Element	20	40			\$ 7,200
Task 4.2: Public Review Draft Housing Element	8	16			\$ 2,880
Task 4.3: HCD Submittal and Review	40	20			\$ 8,400
Task 4.4: Adoption Public Hearings (2)	12	2			\$ 2,120
Task 4.5: Final Housing Element and State Certification		4		\$ 50	\$ 450
Total Housing Element	234	318	64	450	\$ 75,450
Task 5: CEQA Compliance (to be determined)					
ND/MND					\$ 14,000
EIR (dependent on technical studies required)					\$80,000 - \$120,000

**EDUCATION**

MA, Urban Planning, 1989, University of California, Los Angeles

BES, Urban and Regional Planning (Economics Minor), 1987, University of Waterloo, Canada

PROFESSIONAL AFFILIATIONS

American Institute of Certified Planners
American Planning Association

AWARDS

2016 APACA

Award of Excellence – Opportunity and Empowerment: 2014-2015 Salinas Housing Initiatives

2016 Northern Section, APACA

Award of Merit – Public Outreach: 2014-2015 Salinas Housing Initiatives

2016 APACA

Award of Merit – Best Practice: Fresno Multi-Jurisdictional Housing Element

2016 Central Valley Section, APACA

Award of Excellence – Best Practice: Fresno Multi-Jurisdictional Housing Element

2014 APACA

Award of Merit – Hard Won Victories: 2013-2021 El Cajon Housing Element

2014 San Diego Section, APACA

Comprehensive Planning, Small Jurisdiction: 2013-2021 El Cajon Housing Element

2009 APACA

Award of Merit - Comprehensive Planning, Large Jurisdiction: 2008-2014 Los Angeles County Housing Element

2009 Los Angeles Section, APACA

Comprehensive Planning, Large Jurisdiction: 2008-2014 Los Angeles County Housing Element

2002 Northern Section, APACA

Focused Issues: Contra Costa County Analysis of Impediments to Fair Housing

2001 Northern Section, APACA

Advocacy Planning: East Palo Alto Housing Element

2000 APACA

Outstanding Planning: El Cajon Integrated Housing Element and Consolidated Plan

**VERONICA TAM, AICP
PRINCIPAL**

Ms. Tam has expertise in the areas of housing policy development and community development planning. She has over 20 years of experience preparing a range of housing and community development plans and studies for jurisdictions throughout California.

RELATED PROJECT EXPERIENCE**6th Cycle Housing Elements**

Bell Gardens	Glendora	San Diego County
Camarillo	Imperial Beach	Santee
Culver City	La Mesa	Simi Valley
El Cajon	Los Angeles County	Thousand Oaks
El Segundo	Port Hueneme	Vista
Escondido	San Clemente	Walnut

Consolidated Plans

Alhambra	Glendora	Santee
Carlsbad	Lancaster	Santa Clarita
Costa Mesa	Long Beach	Simi Valley
El Cajon	Perris	Monterey County
Glendale	Salinas	Orange County

Fair Housing Studies

Chino	Pasadena	Santa Clarita
Glendale	Perris	Monterey County
Long Beach	Pomona	San Diego County
Palm Springs	Salinas	Ventura County

Special Studies

- County of San Diego Strategic Plan for 3 Element Updates (Housing, Safety, and Environmental Justice)
- Gateway Cities Council of Governments (GCCOG) Housing Assessment
- Regional Housing Needs Allocation Assistance for the cities of Redondo Beach and South Gate

Veronica Tam and Associates

107 S. Fair Oaks Avenue, Suite 212, Pasadena, CA 91105
P (626) 304-0440 F (626) 304-0005

**EDUCATION**

Bachelor in Urban Planning, 2018
California State University, Northridge

SKILLS

InDesign
ArcGIS
AutoCAD

**HOLLI ANDERSON
PLANNER**

Ms. Anderson holds a Bachelor degree in Urban Planning with an emphasis in Environmental Planning and Sustainability from California State University, Northridge.

VERONICA TAM AND ASSOCIATES

Ms. Anderson is well versed in using Census, HMDA, and CHAS datasets for housing and demographic analysis. As a planner, Ms. Anderson contributes to the preparation of a variety of housing studies and reports:

6th Cycle Housing Element

La Mesa	Palmdale	Rancho Cucamonga
Palmdale	Thousand Oaks	Ventura

Fair Housing Studies

Glendale	Palm Springs	Perris
Monterey County	Santa Clarita	San Diego County

Consolidated Plans and Annual Reports

Camarillo	El Cajon	Glendale
Perris	Glendora	Santa Clarita

Special Housing Studies

Gateway Council of Governments Housing Assessment

PRIOR EXPERIENCE

Prior to joining VTA, Ms. Anderson worked at Habitat for Humanity/Homes 4 Families, which develops affordable housing communities for veterans. Ms. Anderson worked directly with client families in assessing their needs and eligibility for services.

Veronica Tam and Associates

107 S. Fair Oaks Avenue, Suite 212, Pasadena, CA 91105
P (626) 304-0440 F (626) 304-0005

**EDUCATION**

Master in Urban Planning, 2019
California State Polytechnic University, Pomona

Bachelor in Biological Science, 2015
California State University, Fullerton

SKILLS

Spanish Fluency
Database Management
ArcGIS

**ALEXIS BUENO CORREA
PLANNER**

Ms. Bueno Correa holds a Master degree in Urban and Regional Planning with a specialization in community development.

Ms. Bueno Correa is familiar with both qualitative and quantitative methods of research. Her academic research was focused on assessing community change and gentrification due to demographic and housing trends.

VERONICA TAM AND ASSOCIATES

At VTA, Ms. Bueno Correa contributes to a variety of housing and community development studies as well as environmental clearance requirements for housing-related projects.

6th Cycle Housing Element

Culver City	Imperial Beach	Long Beach
Oceanside	Santee	Thousand Oaks

Fair Housing Studies

Glendale	Pasadena	San Diego County
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Consolidated Plans

Lancaster	Monterey County	Salinas
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Special Housing Studies

Gateway Council of Governments Housing Assessment

PRIOR EXPERIENCE

Prior to joining VTA, Ms. Bueno Correa worked for the Municipal Water District of Orange County.



CURTIS ZACUTO / PRINCIPAL

Experience Summary

Mr. Curtis Zacuto, Co-Founder and Principal of EcoTierra Consulting, has more than 28 years of experience in environmental planning and project management. Mr. Zacuto has served in a senior position at previous consulting firms and has worked for a public university as a principal campus environmental planner. Mr. Zacuto specializes in urban and rural projects and has managed large and complex and controversial projects in the Los Angeles area and throughout the Southern California region. Mr. Zacuto's background in private and public sector planning has resulted in a comprehensive understanding of the complex relationships between land use regulations, environmental impact and project implementation.

Education Background and Professional Affiliations

- M.U.R.P. in Planning – California State Polytechnic University, Pomona
- B.A. in Sociology – UCLA
- American Planning Association (APA)
- Association of Environmental Planners (AEP)

Project Experience

General Plan, Community Plan, Master Plan Program EIRs and Zoning Code ND

- Antelope Valley Enterprise Zone EIR
- California Lutheran University Master Plan EIR
- City of Lancaster MEA/General Plan Update EIR
- City of Los Angeles, Boyle Hts. Com. Plan EIR
- City of Los Angeles, Granada Hills Com. Plan EIR
- City of Los Angeles, West Adams Com. Plan EIR
- City of Los Angeles, Westlake Com. Plan EIR
- City of Los Angeles, Sylmar Com. Plan EIR
- City of Los Angeles, San Pedro Com. Plan EIR
- City of Sierra Madre MEA/Gen. Plan Update EIR
- City of South Pasadena General Plan Update EIR
- LAC+USC Medical Center Master Plan EIR
- UCLA, Long Range Development Plan EIR
- Santa Monica Studios Master Plan EIR
- NBC Master Plan EIR
- Warner Bros. Master Plan EIR
- City of San Bernardino Dev. Code Update ND

Notable Project EIRs

- Community Recycling & Resource Center EIR
- Crescent Hts. Condominium Project EIR
- Franklin Avenue Apartment Project EIR
- Hollywood & Gower Condominium Project EIR
- Intramural Field Parking Structure (UCLA) EIR
- Keystone Subdivision Project EIR
- Magnolia Avenue Condominium Project EIR
- Mountaingate Residential Project EIR
- Northwest Housing Infill Project (UCLA) EIR
- Oxford Avenue Apartment Project EIR
- Parker Ranch Residential Development EIR
- Paseo Plaza Mixed Use Development EIR
- Santa Monica Mini Dealership EIR
- Target/Kohls Retail Center EIR (Lancaster)
- The Plaza at Santa Monica EIR
- Walmart EIRs (Barstow, Lancaster, Tehachas)
- West Hollywood 8899 Beverly Blvd. EIR
- Yucca Street Condominium Project EIR



KATRINA HARDT-HOLOCH / SENIOR PROJECT MANAGER / REGIONAL MANAGER

Experience Summary

Katrina Hardt-Holoch is a Senior Project Manager at EcoTierra Consulting, Inc. with over 19 years of experience managing and preparing CEQA and NEPA environmental documents. She leads and directs multidisciplinary teams conducting environmental review and compliance activities for a variety of projects including commercial and residential development; educational and institutional facilities; park and recreational plans and facilities; master and specific plans; roadway, bicycle and rail facilities; restoration; and general plan updates.

Education Background and Professional Affiliations

- M.U.R.P. in Planning – Portland State University
- B.U.S. in Physical Geography – University of New Mexico
- American Planning Association (APA)
- American Institute of Certified Planners (AICP), #017806

Project Experience

- South Hayward Development Project IS/MND (City of Hayward)
- Titlow Hill General Plan Amendment, Zone Reclassification, and Subdivision Certifications EIR (Humboldt County)
- Rosati Annexation (City of Hollister)
- Hollister Park Facility Master Plan IS/MND (City of Hollister)
- 156 Business Parkway Addendum IS/MND (City of Hollister)
- Crystal Springs Uplands School EIR (City of Belmont)
- Tolay Lake Master Plan EIR (Sonoma County Regional Parks)
- Gelson's Market IS/MND (City of Manhattan Beach)
- Sacred Heart Schools Master Plan EIR (Town of Atherton)
- Britannia Cove at Oyster Point Specific Plan Subsequent EIR (City of South San Francisco)
- Gateway Business Park Master Plan EIR (City of South San Francisco)
- Rainier Cross-Town Connector Project EIR (City of Petaluma)
- Healdsburg General Plan EIR (City of Healdsburg)
- Campbell General Plan Update EIR (City of Campbell)
- Alameda Point General Plan Amendment EIR (City of Alameda)
- San Francisco Housing Element Update EIR (City and County of San Francisco)
- City of Los Angeles Community Plan EIRs (City of Los Angeles)

RECEIVED

AUG 20 2020

City of South Gate
CITY COUNCIL

CITY OF SOUTH GATE
OFFICE OF THE CITY MANAGER

10:00am

AGENDA BILL

For the Regular Meeting of: August 25, 2020

Originating Department: Administration

City Manager:



Michael Flad

City Manager:



Michael Flad

SUBJECT: RESOLUTION EXTENDING THE LOCAL EMERGENCY AS A RESULT OF THE ONGOING CORONAVIRUS DISEASE 2019 PANDEMIC

PURPOSE: To extend the Local Emergency due to the ongoing Coronavirus Disease 2019 (COVID-19) pandemic, retroactively effective July 11, 2020.

RECOMMENDED ACTION: Adopt Resolution extending the Local Emergency within the City as a result of the ongoing Coronavirus Disease 2019 pandemic, retroactively effective July 11, 2020.

FISCAL IMPACT: None.

ANALYSIS: On August 13, 2020, the City Manager, serving as the City’s Director of Emergency Services, issued a Proclamation extending the Local Emergency as a result of the COVID-19 pandemic infection rate increases to ensure authority to take measures necessary to protect and preserve public health and safety, including seeking aid from state and federal authorities as necessary. Pursuant to Government Code Section 8630(c), the governing body shall review the need for continuing the local emergency at least once every 60 days until the governing body terminates the local emergency. If adopted, the proposed Resolution will be retroactively effective to July 11, 2020, to include the Local Emergency’s 60 day review from May 12, 2020. In the interest of public health and safety, the City’s Director of Emergency Services recommends that the City Council extend the Local Emergency to slow the ongoing COVID-19 pandemic.

BACKGROUND: On April 10, 2020, due to the rapid spread of COVID-19, the County of Los Angeles Health Officer revised the Safer-at-Home Order to control the spread of COVID-19 by prohibiting all indoor and outdoor public and private gatherings and events, specifically requiring all businesses to cease in-person operations and remain closed to the public unless the business was defined as an essential business, known as Stage 1. As a result of the decline of COVID-19 cases in the downward trajectory for 14 days, on May 8, 2020, California moved into Stage 2, modifying the state’s Stay-at-Home Order to gradually re-open certain businesses such as restaurants, malls and personal care businesses to improve the economy. However, on July 13, 2020, the spike in new COVID-19 cases caused the closure of indoor dining, bars, movie theaters, family entertainment centers, gyms, churches, personal care businesses, malls and additional

indoor operations statewide. Only certain businesses were allowed to operate outdoors with physical distancing and infection control protocols.

Extending the Local Emergency is necessary as the City finds itself in a region that has seen COVID-19 infection rates to some of the highest in Los Angeles County and these trends have continued since July 11, 2020. As of August 20, 2020, there are 3,856 COVID-19 cases in the City with 56 deaths, and 213,784 cases in Los Angeles County with 5,086 deaths.

The COVID-19 pandemic has been a serious global health threat since its discovery and the City has been proactive to mitigate the impact to disrupt the spread. The City continues to be committed to stopping the spread within the community and continues to take a variety of precautionary steps to try to slow the spread of the COVID-19 at City facilities. As a precautionary measure to protect the community and City employees, City Hall is open between 10:00 a.m. and 2:00 p.m., Monday through Thursday, by appointment only. However, all City services are still provided by phone and email. City staff are reminded to frequently wash their hands with soap and water for at least 20 seconds, to keep social distancing of 10 feet and to wear cloth face coverings in public.

City staff continues to be in contact with the CDC and the Los Angeles County Department of Public Health for updates on the spread of the COVID-19. The City's website provides essential COVID-19 information and hyperlinks to the Los Angeles County Department of Public Health, CDC, and Governor Newsom's Executive Orders. City updates and information regarding the Drive-Thru COVID-19 Testing in South Gate, as well as many other resources, are readily accessible on the homepage of the City's website, titled "COVID-19 Information" under "Featured Links."

City staff will continue to monitor Governor Gavin Newsom's Executive Orders, and any related orders issued by the County of Los Angeles Department of Public Health, and will modify our policies and procedures accordingly.

ATTACHMENTS: A. Proposed Resolution
B. City's Director of Emergency Services' Proclamation extending the Local Emergency

RESOLUTION NO.

**CITY OF SOUTH GATE
LOS ANGELES COUNTY, CALIFORNIA**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH GATE,
CALIFORNIA, EXTENDING THE LOCAL EMERGENCY WITHIN THE CITY
AS A RESULT OF THE ONGOING CORONAVIRUS DISEASE 2019 PANDEMIC,
RETROACTIVELY EFFECTIVE JULY 11, 2020**

WHEREAS, since its discovery in November 2019, mainland Chinese authorities identified thousands of human infections, resulting in thousands of deaths associated with the novel Coronavirus Disease 2019 (“COVID-19”), a respiratory illness which began in Wuhan City, Hubei Province and spread outside of China, impacting more than 140 countries, including the United States;

WHEREAS, COVID-19 symptoms typically cause mild to moderate illness, such as the common cold/flu, infected people with COVID-19 also have fever, cough and have a difficulty breathing which may result with pneumonia;

WHEREAS, on January 23, 2020, the national Centers for Disease Control and Prevention (“CDC”) activated its Emergency Response System to provide ongoing support for the responses to the COVID-19 across the country;

WHEREAS, pursuant to the State Constitution and statutes, including the California Emergency Services Act, and in particular Government Code Section 8625, Governor Gavin Newsom declared a State of Emergency on March 4, 2020, pertaining to the threat posed by the COVID-19;

WHEREAS, on March 11, 2020, Governor Gavin Newsom announced that California public health officials had issued an updated policy on gatherings to protect public health and slow the spread of COVID-19 determining that gatherings should be postponed or canceled across the state until at least the end of March, and non-essential gatherings must be limited to no more than 250 people, while smaller events can proceed only if the organizers can implement social distancing of 6 feet per person;

WHEREAS, Governor Gavin Newsom on March 12, 2020 issued a new executive order further enhancing California’s ability to respond to the COVID-19 pandemic by waiving the one-week waiting period for people who are unemployed and/or disabled as a result of COVID-19; delaying the deadline for state tax filing by 60 days for individuals and businesses unable to file on time based on compliance with public health requirements related to COVID-19 filings; directing residents to follow public health directives and guidance, including to cancel large non-essential gatherings that do not meet state criteria; allowing local or state legislative bodies to hold meetings via teleconference and to make meetings accessible electronically; and allowing local and state emergency administrators to act quickly to protect public health;

WHEREAS, the Los Angeles Unified School District (“LAUSD”) had declared a state of emergency over the spread of the COVID-19, on March 13, 2020, LAUSD announced the closure of schools for at least two weeks beginning Monday, March 16, 2020, to prevent the spread of the COVID-19;

WHEREAS, on March 15, 2020, Governor Gavin Newsom issued sweeping new restrictions calling for home isolation of everyone 65 years and older and people with chronic disease, both high-risk populations; requested the closure of bars, wineries, night clubs and brew pubs; no visitations for hospitals and congregate living facilities (assisted living, nursing homes, etc.) except for end of life visitations; and called for restaurants to reduce their occupancy by half, calling this “deep social distancing” and a “pragmatic response to the moment”;

WHEREAS, on March 16, 2020, the Los Angeles County Department of Public Health, (“LACDPH”) issued an order prohibiting all indoor and outdoor, public and private events and gatherings within a confined space, where 50 or more members of the public were expected to attend at the same time, and requiring social distancing measures and temporary closure of certain businesses. The decision for this order was based on evidence of increasing community transmission requiring the immediate implementation of additional community mitigation efforts for organizations to help reduce the spread of COVID-19 within the county. This order was to remain in effect at least through March 31, 2020;

WHEREAS, President Donald Trump issued Coronavirus Guidelines which include following directions of state and local authorities; contacting your medical provider if you or your children feel sick and stay home; if someone in your household has tested positive, keep the entire household at home; if you are an older person, stay home and away from other people; and if you are a person with a serious underlying health condition that can put you at an increased risk, stay home and away from other people;

WHEREAS, on March 16, 2020, President Trump called for Americans to avoid social gatherings of more than 10 people and to limit discretionary travel;

WHEREAS, on March 17, 2020, Governor Gavin Newsom expanded his call for extraordinary restaurant measures to help prevent the further spread of the COVID-19 by the statewide closures of dine-in restaurants for the foreseeable future;

WHEREAS, Section 7.14.050 (Office of Director and Office of Deputy Director of Emergency Services, Office of Emergency Services Coordinator), of Chapter 7.14 (Emergency Organizations and Functions), of Title 7 (Public Safety and Morals), of the South Gate Municipal Code, empowers the Director of Emergency Services to proclaim the existence or threatened existence of a local emergency when the city is affected or likely to be affected by a public calamity and the City Council is not in session;

WHEREAS, Section 7.14.050 (Office of Director and Office of Deputy Director of Emergency Services, Office of Emergency Services Coordinator), of Chapter 7.14 (Emergency Organizations and Functions), of Title 7 (Public Safety and Morals), of the South Gate Municipal

Code, designates the City Manager of the City of South Gate as the City’s Director of Emergency Services;

WHEREAS, on March 18, 2020, the City’s Director of Emergency Services proclaimed the existence of a local emergency (“Local Emergency”) within the City as a result of the spread of the COVID-19 to ensure authority to take measures necessary to protect and preserve public health and safety, including seeking aid from state and federal authorities as necessary;

WHEREAS, pursuant to Government Code Section 8630(c), the governing body shall review the need for continuing the local emergency at least once every 60 days until the governing body terminates the local emergency;

WHEREAS, on March 19, 2020, as the State Public Officer and Director of the California Department of Public Health, Governor Gavin Newsom issued Executive Order N-33-20, a Stay-at-Home Order or at their place of residence order until further notice, to protect the health and well-being of all Californians and to establish consistency across the state in order to slow the spread of COVID-19;

WHEREAS, on March 24, 2020, the City Council adopted Resolution No. 2020-07-CC ratifying the declaration of the existence of a Local Emergency by the City’s Director of Emergency Services on March 18, 2020;

WHEREAS, on April 1, 2020, in an effort to protect everyone, more so for people who are high risk for serious illness, the County of Los Angeles Health Officer (“Health Officer”) issued the Public Health Emergency Quarantine Order requiring the self-quarantine of persons exposed to a person diagnosed with or likely to have COVID-19 until it is determined that they are not at risk for spreading the disease, and remaining in effect until rescinded, in writing, by the Health Officer;

WHEREAS, as a result of the rapid spread of COVID-19, on April 10, 2020, the Health Officer revised the Safer-at-Home Order for control of COVID-19 continuing the prohibition of all indoor and outdoor public and private gatherings and events, specifically requires all businesses to cease in-person operations and remain closed to the public unless the business is defined as an essential business (“Stage 1”), and included a requirement to provide all of their employees whose duties require contact with other employees and/or the public with a cloth face covering to wear while performing duties that involve contact with others, and remaining in effect through May 15, 2020;

WHEREAS, thereafter Governor Newsom announced a multiphase recovery plan modifying the Stay-at-Home Order, allowing the limited reopening of certain businesses beyond those in the category of essential critical infrastructure, known as the Resilience Roadmap Stages as follows:

Stage 1: Safety and Preparedness: Making essential workforce environment as safe as possible.

Stage 2: Lower Risk Workplace: Creating opportunities for lower risk sectors to

adapt and re-open. Modified school programs and childcare re-open.

Stage 3: Higher Risk Workplaces: Creating opportunities for higher risk sectors to adapt and re-open.

Stage 4: End of Stay-At-Home Order: Return to expanded workforce in highest risk workplaces. Requires Therapeutics.

WHEREAS, as a result of the decline of COVID-19 cases in the downward trajectory for 14 days, on May 8, 2020, California moved into Stage 2, modifying the state's Stay-at-Home Order to gradually re-open certain businesses such as restaurants, malls and personal care businesses to improve the economy;

WHEREAS, on May 12, 2020, the City Council adopted Resolution No. 2020-19-CC finding there is a need to continue the local emergency within the City as a result of the ongoing COVID-19 pandemic;

WHEREAS, on July 13, 2020, however, as a result of the spike in new COVID-19 cases, Governor Newsom ordered the closure of indoor dining, bars, movie theaters, family entertainment centers, gyms, churches, personal care businesses, malls and additional indoor operations statewide, and only allowed certain businesses to operate outdoors with physical distancing and infection control protocol as the impact of the spread of the virus outside is believed more favorable than mixing with individuals for an extended period of time, which cohorts for an extended period of time inside where you do not have the air circulation;

WHEREAS, in addition, on July 22, 2020, the LACDPH allowed personal care businesses to operate outdoors with physical distancing and infection control protocol;

WHEREAS, the City finds itself in a region that has seen COVID-19 infection rates to some of the highest in Los Angeles County and these trends have continued since July 11, 2020;

WHEREAS, on August 13, 2020, the City's Director of Emergency Services, issued a Proclamation extending the Local Emergency as a result of the COVID-19 pandemic infection rate increases to ensure authority to take measures necessary to protect and preserve public health and safety, including seeking aid from state and federal authorities as necessary, retroactively effective July 11, 2020;

WHEREAS, as of August 20, 2020, there are 3,856 COVID-19 cases in the City with 56 deaths, and 213,784 COVID-19 cases in Los Angeles County with 5,086 deaths; and

WHEREAS, in the interest of public health and safety, the City desires to extend the Local Emergency within the City as a result of the ongoing COVID-19 pandemic, retroactively effective July 11, 2020.

NOW, THEREFORE, THE CITY COUNCIL FOR THE CITY OF SOUTH GATE DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. After duly considering all the information presented by the Director of Emergency Services, the City Council hereby finds and resolves that there is a need to extend the Local Emergency within the City as a result of the ongoing COVID-19 pandemic, retroactively effective July 11, 2020.

SECTION 2. The City Council hereby declares and reaffirms:

1. A Local Emergency continues to exist throughout the City;
2. During the existence of said Local Emergency the powers, functions and duties of the emergency organization of the City shall be those prescribed by state law, by ordinances and resolutions of the City, as approved by the City Council;
3. During the existence of said Local Emergency, the City shall follow and impose all directives, mandates, Executive Orders and any other emergency related restrictions issued by the State of California and/or the County of Los Angeles, including any and all social distancing recommendation;
4. Should he deem it necessary, the Director of Emergency Services/City Manager is authorized to direct the immediate closure of City facilities (including City Hall) during normal business hours;
5. The Director of Emergency Services'/City Manager's purchasing authority is hereby increased to meet the needs of addressing this emergency;
6. The normal City goods and service procurement requests and purchase practices, including bidding requirements, are stayed during this period of emergency;
7. Purchases of items that are not budgeted are authorized to be purchased in order to respond during this period of emergency;
8. Authorizes all City officers and employees to take steps requested by the Director of Emergency Services/City Manager to qualify the City for reimbursement from the Federal Emergency Management Agency and for other state and federal relief as may be available to reimburse the City for the expenses it incurs in addressing this emergency;
9. Other actions deemed necessary by the Director of Emergency Services/City Manager to reasonably respond to the emergency and to effectively serve the community within the City;
10. The local emergency shall be deemed to continue to exist until its termination is proclaimed by the City Council of the City of South Gate;

[Remainder of page left blank intentionally.]

11. City staff will continue to monitor Governor Gavin Newsom's Executive Orders, and any related orders issued by the County of Los Angeles Department of Public Health, and will modify the City's policies and procedures accordingly; and
12. As required by law, the City Council shall review the need to continue the state of emergency every sixty (60) days until this Resolution is terminated.

SECTION 3. The City Clerk shall certify to the adoption of this Resolution which shall be effective upon its adoption.

PASSED, APPROVED and ADOPTED this 25th day of August 2020.

CITY OF SOUTH GATE:

By: _____
Maria Davila, Mayor

ATTEST:

By: _____
Carmen Avalos, City Clerk
(SEAL)

APPROVED AS TO FORM:

By:  _____
Raul F. Salinas, City Attorney

AUG 13 2020

FILED



**PROCLAMATION EXTENDING THE LOCAL EMERGENCY
AS A RESULT OF THE ONGOING CORONAVIRUS DISEASE 2019 PANDEMIC,
AS DECLARED BY THE DIRECTOR OF EMERGENCY SERVICES,
RETROACTIVELY EFFECTIVE JULY 11, 2020**

WHEREAS, Section 7.14.050 (Office of Director and Office of Deputy Director of Emergency Services, Office of Emergency Services Coordinator), of Chapter 7.14 (Emergency Organizations and Functions), of Title 7 (Public Safety and Morals), of the South Gate Municipal Code, empowers the Director of Emergency Services to proclaim the existence or threatened existence of a local emergency when the city is affected or likely to be affected by a public calamity and the City Council is not in session; and

WHEREAS, the City Manager, as Director of Emergency Services of the City of South Gate ("City"), does hereby find that:

1. Conditions of extreme peril to the safety of persons has risen within the City, caused by the Coronavirus Disease 2019 (COVID-19) pandemic which commenced in November of 2019, in Wuhan City, Hubei Province, and continues to spread worldwide;
2. On March 18, 2020, the City's Director of Emergency Services proclaimed the existence of a local emergency within the City as a result of the spread of the COVID-19;
3. On May 12, 2020, the City Council adopted Resolution No. 2020-19-CC finding there is a need to continue the local emergency as a result of the spread of the COVID-19 pandemic;
4. The City finds itself in a region that has seen COVID-19 infection rates jump to some of the highest in Los Angeles County and these trends have continued since July 11, 2020 to the present;
5. To ensure authority to take measures necessary to protect and preserve public health and safety, including seeking aid from state and federal authorities as necessary, to control and slow the spread of the COVID-19; and

6. The City Council of the City of South Gate is not in session and cannot immediately be called into session.

NOW, THEREFORE, IT IS HEREBY PROCLAIMED that during the existence of said local emergency, the powers, functions, and duties of the emergency organization of this City shall be those prescribed by state law, ordinances, and resolutions of this City, and by the City of South Gate Emergency Plan.

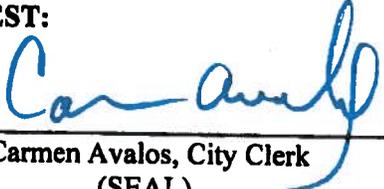
THE LOCAL EMERGENCY IS HEREBY EXTENDED, RETROACTIVELY EFFECTIVE JULY 11, 2020, AS DECLARED BY THE DIRECTOR OF EMERGENCY SERVICES ON THIS 13TH DAY OF AUGUST 2020.

CITY OF SOUTH GATE:

By: 

Michael Flad, City Manager/
Director of Emergency Services

ATTEST:

By: 

Carmen Avalos, City Clerk
(SEAL)

APPROVED AS TO FORM:

By: 

Raul F. Salinas, City Attorney

RECEIVED

City of South Gate

Item No. 9

CITY COUNCIL

AUG. 19, 2020

AGENDA BILL

CITY OF SOUTH GATE
OFFICE OF THE CITY MANAGER

4:05pm

For the Regular Meeting of: August 25, 2020

Originating Department: Administration

Assistant City Manager: _____

Arturo Cervantes

City Manager: _____

Michael Flad

SUBJECT: AMENDMENT NO. 3 TO CONTRACT NO. 3035 WITH ICON ENTERPRISES, INC., D/B/A CIVICPLUS, EXTENDING WEBSITE MAINTENANCE SERVICES

PURPOSE: The City's website is essential to City Hall operations and integral to civic engagement. The website requires maintenance support services which are currently provided under Contract No. 3035 through August 26, 2020. Proposed Amendment No. 3 is needed to extend website maintenance services through August 26, 2021.

RECOMMENDED ACTIONS:

- a. Approve Amendment No. 3 to Contract No. 3035 with Icon Enterprises, Inc., d/b/a CivicPlus, extending website maintenance support services through August 26, 2021, in an amount not-to-exceed \$9,994; and
- b. Authorize the Mayor to execute Amendment No. 3 in a form acceptable to the City Attorney.

FISCAL IMPACT: Funds are available in the Fiscal Year 2020/21 Municipal Budget for these services in Account Number 522-305-12-6730 (General Fund – Information Systems – Software Maintenance). Contract No. 3035 and its three amendments are summarized below:

Contract Activity	Term	Fees	Funding	Fiscal Year Funds
Contract No. 3035	3 Years Ending 8/26/17	\$78,000	Acct. No. 263-150-12-6101	2014/15 thru 2016/17
Amend. No. 1	4 th Year Ending 8/26/18	\$9,000	Acct. No. 263-150-12-6101	2017/18
	5 th Year Ending 8/26/19	\$9,420	Acct. No. 263-150-12-6101	2018/19
Amend. No. 2	6 th Year Ending 8/26/20	\$9,703	Acct. No. 100-150-44-6101	2019/20
Amend. No. 3	7 th Year Ending 8/26/21	\$9,994	Acct. No. 522-305-12-6730	2020/21
Revised Contract Amount		\$116,117		

ANALYSIS: The City's website was designed and implemented in 2014 under Contract No. 3035. Staff is recommending implementing a new website with new features at a future time. In the meantime, the City's website will continue to be fully operational. As such, continued website maintenance support services are required, and proposed to be provided under Amendment No. 3.

BACKGROUND: On August 26, 2014, the City Council approved Contract No. 3035 with Icon Enterprises, Inc., d/b/a CivicPlus, to develop the City's website. The contract provided other essential services inclusive of three years of website maintenance support. It also provided the option for term extensions at an initial cost of \$9,000 for the fourth year, and an increase of 3% for every subsequent

year. It is noted that the total cost increase applied for services in year five included a 3% increase plus \$150 for a Secure Sockets Layer (SSL) Certification. The SSL Certification is essential to the security of the City's network and website security and is not included under maintenance.

While the initial scope of work was completed, website maintenance support services continue to be needed as long as the website is in operation. Amendment No. 1 was approved on November 13, 2017, extending website maintenance services through August 26, 2019, and Amendment No. 2 was approved on August 27, 2019, extending maintenance services through August 26, 2020. Proposed Amendment No. 3 will provide website maintenance support services for an additional year ending August 26, 2021, for an amount not-to-exceed \$9,994.

A Request for Proposal (RFP) for a new and enhanced website was released in 2019. The City made the decision to reject all proposals and thus terminate the RFP process. Staff was prepared to release a new RFP in 2020 but had to divert resources due to the COVID-19 pandemic. Approving Amendment No. 3 will provide time to undergo a competitive consultant selection process while maintaining the City's website.

- ATTACHMENTS:**
- A. Proposed Amendment No. 3
 - B. Amendment No. 2
 - C. Amendment No. 1
 - D. Contract No. 3035

**AMENDMENT NO. 3 TO CONTRACT NO. 3035
FOR ADDITIONAL WEBSITE MAINTENECE SUPPORT SERVICES BETWEEN THE
CITY OF SOUTH GATE AND ICON ENTERPRISES, INC., D/B/A CIVICPLUS**

This Amendment No. 3 to Contract No. 3035 for Professional Services for website maintenance support services ("Amendment No. 3"), is made and entered into on August 25, 2020, by and between the City of South Gate, a municipal corporation ("City"), and Icon Enterprises, Inc., D/B/A CivicPlus, a Kansas corporation ("Consultant"). City and Consultant are sometimes hereinafter individually referred to as a "Party" and collectively as "Parties."

RECITALS:

WHEREAS, on August 26, 2014, the City Council approved Contract No. 3035 with Consultant ("Agreement") for Professional Services for a 3-year term through and including August 26, 2017, in an amount not to exceed Seventy Eight Thousand Dollars (\$78,000);

WHEREAS, on November 13, 2018, the City Council approved Amendment No. 1 to the Agreement extending the term of the Agreement for an additional 2-year term through and including August 26, 2019, in an amount not to exceed Eighteen Thousand Four Hundred Twenty Dollars (\$18,420), under the terms and conditions of the Agreement, bringing the aggregate total of the Agreement and Amendment No. 1 to a sum of Ninety Six Thousand Four Hundred Twenty Dollars (\$96,420);

WHEREAS, on August 27, 2019, the City Council approved Amendment No. 2 to the Agreement extending the term of the Agreement for an additional 1-year term through and including August 26, 2020, in an amount not to exceed Nine Thousand Seven Hundred Three Dollars (\$9,703), under the terms and conditions of the Agreement, bringing the aggregate total of the Agreement, Amendment No. 1 and Amendment No. 2 to a sum of One Hundred Six Thousand One Hundred Twenty Three Dollars (\$106,123); and

WHEREAS, the City Council and Consultant desire to execute Amendment No. 3 to the Agreement extending the term of the Agreement for an additional one-year term through and including August 26, 2021, in an amount not to exceed Nine Thousand Nine Hundred Ninety Four Dollars (\$9,994), for services as identified in the Statement of Work #1 attached hereto as Exhibit "A", under the terms and conditions of the Agreement, bringing the aggregate total of the Agreement, Amendment No. 1, Amendment No. 2 and Amendment No. 3 to a total sum of One Hundred Sixteen Thousand One Hundred Seventeen Dollars (\$116,117).

NOW, THEREFORE, THE PARTIES HEREBY AGREE AS FOLLOWS:

1. TERM OF AGREEMENT.

The term of the Agreement shall be extended by one (1) additional year **through and including August 26, 2021**, unless otherwise expressly extended and agreed to by both Parties in writing, or terminated by either Party as provided in the Agreement.

2. COMPENSATION.

The amount of compensation paid by City to Consultant for the work identified in Exhibit "A" shall not exceed **Nine Thousand Nine Hundred Ninety Four Dollars (\$9,994)**.

3. EFFECT OF AMENDMENTS.

Except as expressly amended herein, all other terms and conditions of Agreement shall remain in full force and effect. Without limiting the generality of the foregoing, Agreement shall remain unchanged during the term of Agreement as extended by Section 1 above. Furthermore, City reserves the right to augment or reduce the scope of work as City deems necessary.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment No. 3 to be executed and attested by their respective officers hereunto duly authorized.

CITY OF SOUTH GATE:

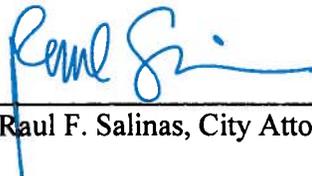
By: _____
Maria Davila, Mayor

Dated: _____

ATTEST:

By: _____
Carmen Avalos, City Clerk
(SEAL)

APPROVED AS TO FORM:

By:  _____
Raul F. Salinas, City Attorney

**ICON ENTERPRISES, INC., D/B/A
CIVICPLUS:**

By: _____
Jeff Logan, Vice President of Sales

Date: _____

**AMENDMENT NO. 2 TO CONTRACT NO. 3035
FOR PROFESSIONAL SERVICES FOR WEBSITE MAINTENANCE
SUPPORT SERVICES BETWEEN THE CITY OF SOUTH GATE AND
ICON ENTERPRISES, INC., D/B/A CIVICPLUS**

This Amendment No. 2 to Contract No. 3035 for Professional Services for website maintenance support services ("Amendment No. 2"), is made and entered into on August 27, 2019, by and between the City of South Gate, a municipal corporation ("City"), and Icon Enterprises, Inc., d/b/a CivicPlus, a Kansas corporation ("Consultant"). City and Consultant are sometimes hereinafter individually referred to as a "Party" and collectively referred to as "Parties."

RECITALS:

WHEREAS, on August 26, 2014, the City Council approved Contract No. 3035 for Professional Services with Icon Enterprises, Inc., d/b/a CivicPlus ("Agreement") to develop the City's website for a term of three years, through and including August 26, 2017, with an option for term extensions, in an amount not to exceed Seventy Eight Thousand Dollars (\$78,000); and

WHEREAS, on November 13, 2018, the City Council approved Amendment No. 1 to the Agreement expanding the scope of work for an additional two years, through and including August 26, 2019, in the amount of Eighteen Thousand Four Hundred Twenty Dollars (\$18,420), under the terms and conditions of the Agreement; and

WHEREAS, City and Consultant desire to expand the scope of work and extend website maintenance support services as described in Consultant's Statement of Work #1 attached hereto as Exhibit "A", for an additional one year term, through and including August 26, 2020, in the amount of Nine Thousand Seven Hundred Three Dollars (\$9,703), under the terms and conditions of the Agreement, bringing the aggregate total of the Agreement, Amendment No. 1 and Amendment No. 2 to a sum of One Hundred Thousand Six One Hundred Twenty-Three Dollars (\$106,123).

NOW, THEREFORE, THE PARTIES AGREE HERETO AS FOLLOWS:

- 1. MODIFICATION TO AGREEMENT.**
 - a. SCOPE OF SERVICES.** Consultant shall expand its services to City as identified in Exhibit "A". Said scope of work and fee proposal is made part of this Amendment No. 2.

- b. **COMPENSATION OF SERVICES.** The amount of compensation paid by City to Consultant for the modified work and services as identified in Exhibit "A" shall be Nine Thousand Seven Hundred Three Dollars (\$9,703).
- c. **TERM OF AGREEMENT.** The term of the Agreement shall be extended from date when the Agreement and Amendment No. 1 expire on August 26, 2019, through and including August 26, 2020.

2. EFFECT OF AMENDMENT.

Except as expressly amended herein, all other terms and conditions of the Agreement and its amendments, attachments, and exhibits thereto, shall remain in full force. All of the recitals to this Amendment No. 2 are incorporated into the Agreement as modified by this Amendment No. 2. City reserves the right to augment or reduce the scope of work as City deems necessary.

[Remainder of page left blank intentionally.]

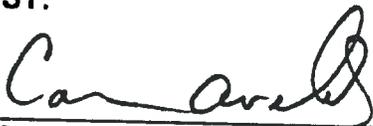
IN WITNESS WHEREOF, the Parties hereto have caused this Amendment No. 2 to be executed and attested by their respective officers hereunto duly authorized.

CITY OF SOUTH GATE:

By: 
Jorge Morales, Mayor

Dated: 09/10/2019

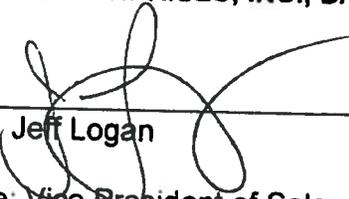
ATTEST:

By: 
Carmen Avalos, City Clerk
(SEAL)

APPROVED AS TO FORM:

By: 
Raul F. Salinas, City Attorney

ICON ENTERPRISES, INC., D/B/A CIVICPLUS:

By: 
Jeff Logan

Title: Vice President of Sales

Dated: 9/3/19



Master Services Agreement

THIS Master Services Agreement ("Agreement") is agreed to by and between CivicPlus, LLC d/b/a CivicPlus ("CivicPlus") and South Gate, California ("Client") (referred to individually as "Party" and jointly as "Parties") and shall be effective as of the later date of signing indicated at the end of this Agreement ("Effective Date").

RECITALS

- I. WHEREAS, CivicPlus is engaged in the business of developing, marketing and selling custom community engagement and government management platforms and services that include but are not limited to web sites, web interfaces and portals and proprietary software systems and associated modules; in addition to project development, design, implementation, support and hosting services for same;
II. WHEREAS, Client wishes to engage in a relationship with CivicPlus for such services and/or license for the development and use of proprietary software developed and owned by CivicPlus;
III. WHEREAS, Client and CivicPlus have agreed to certain terms as set forth in this Agreement by this written instrument duly executed by the Parties;

NOW, THEREFORE, Client and CivicPlus agree as follows:

Term & Termination

- 1. This Agreement shall commence on the date set forth below and shall remain in full force and effect during the term of any associated or attached Statement of Work ("SOW") between CivicPlus and Client. This Agreement and any associated or attached SOW will continue under the conditions set forth herein until terminated by either Party as specifically authorized herein.
2. Either Party may terminate this Agreement or any associated SOW at the end of the SOW term by providing the other Party with 60 days' written notice prior to the SOW renewal date.
3. Upon termination of this Agreement or any associated or attached SOW, the licenses granted for such relevant SOW by Section 15, below, will terminate; Client shall cease all use of the CivicPlus Property (as defined herein) associated with the terminated SOW.
4. Notwithstanding the above, in the event this Agreement or any SOW is terminated, for any reason, prior to payment in full being made by Client for work completed by CivicPlus, any outstanding invoices or future planned billing for the development of Client's chosen government management platform and/or services, as defined in the SOW ("Project Development"), shall immediately become due in full.

Statements of Work

- 5. CivicPlus agrees to perform services and/or produce deliverables in accordance with the SOW in consideration of the fees owed by Client in described in the same SOW. Multiple and successive SOW may be entered into and shall be attached hereto. Such SOWs are incorporated into this Agreement by reference and subject to the terms & conditions contained herein pursuant to Section 27.

Invoicing & Payment Terms

- 6. Invoices shall be sent electronically to the individual/entity designated in the SOW's contact sheet, to be filled out and submitted by Client. Client shall provide accurate, current and complete information of Client's legal business name, address, email address, and phone number, and maintain and promptly update this information if it should change. Upon request CivicPlus will mail invoices, and the Client will be charged a \$5.00 convenience fee.
7. Payment is due 30 days from date of invoice. Unless otherwise limited by law, a finance charge of 1.5 percent (%) per month or \$5.00, whichever is greater, will be added to past due accounts. Payments received will be applied first to finance charges, then to the oldest outstanding invoice(s).
8. If the Client's account exceeds 60 days past due, support will be discontinued until the Client's account is made current. If the Client's account exceeds 90 days past due, Annual Services will be discontinued, and the Client website, modules, interfaces or portals will no longer be active until the Client's account is made current. Client will be given 30 days' notice prior to discontinuation of services for non-payment.
9. If the Client requests a change in the timeline set forth and agreed upon at the beginning of the services, and such change causes CivicPlus to incur additional expenses (i.e. airline change fees, consultant fees), Client agrees to reimburse CivicPlus for those fees. Not to exceed \$1,000 per CivicPlus resource per trip. CivicPlus shall notify



Master Services Agreement for South Gate, CA

Client prior to incurring such expenses and shall only incur those expenses which are approved by Client.

Ownership & Content Responsibility

10. Upon full and complete payment of submitted invoices for any SOW Project Development Fees, Client will own the website graphic designs, webpage or software content, module content, importable/exportable data, and archived information as created by CivicPlus on behalf of Client pursuant to this Agreement ("Customer Content").
11. Upon completion of any SOW Project Development, Client will assume full responsibility for website, software or module content maintenance and administration. Client, not CivicPlus, shall have sole responsibility for the accuracy, quality, integrity, legality, reliability, appropriateness, and intellectual property ownership or right to use of all Customer Content.
12. Client agrees that CivicPlus shall not migrate, convert, or port content or information that could reasonably be construed to be time-sensitive, such as calendar or blog content, in any Project Development.
13. Client will make a reasonable attempt to work with CivicPlus, if requested, to create a news item to be released in conjunction with their project Go-Live date. Client will provide CivicPlus with contact information for local and regional media outlets. CivicPlus may use the press release in any marketing materials as desired throughout the term of this Agreement.

Intellectual Property & Ownership

14. Intellectual Property of any software or other original works created by CivicPlus prior to the execution of this Agreement ("CivicPlus Property") will remain the property of CivicPlus. Client shall not (i) license, sublicense, sell, resell, reproduce, transfer, assign, distribute or otherwise commercially exploit or make available to any third party any CivicPlus Property in any way; (ii) modify or make derivative works based upon any CivicPlus Property; (iii) create Internet "links" to the CivicPlus Property software or "frame" or "mirror" any CivicPlus Property administrative access on any other server or wireless or Internet-based device; or (iv) reverse engineer or access any CivicPlus Property in order to (a) build a competitive product or service, (b) build a product using similar ideas, features, functions or graphics of any CivicPlus Property, or (c) copy any ideas, features, functions or graphics of any CivicPlus Property. The CivicPlus name, the CivicPlus logo, and the product and module names associated with any CivicPlus Property are trademarks of CivicPlus, and no right or license is granted to use them.
15. Provided Client complies with the terms and conditions herein, the relevant SOW, and license restrictions set forth in Section 14, CivicPlus hereby grants Client a limited, nontransferable, nonexclusive, license to access and use the CivicPlus Property associated with any valid and effective SOW associated with this Agreement, for the term of the respective SOW.

Indemnification

16. To the extent permitted by the law of Client's state, Client and CivicPlus shall defend, indemnify and hold the other Party, its partners, employees, and agents harmless from and against any and all lawsuits, claims, demands, penalties, losses, fines, liabilities, damages, and expenses including attorney's fees of any kind, without limitation, arising out of the negligent actions and omissions, or intentionally malicious actions or omissions of the indemnifying Party or its partners, employees, and agents, directly associated with this Agreement and the operations and installation of software contemplated by this Agreement. This section shall not apply to the extent that any lawsuits, claims, demands, penalties, losses, fines, liabilities, damages, and expenses is caused by the negligence or willful misconduct on the part of the other Party.

Client Responsibilities

17. CivicPlus will not be liable for any act, omission of act, negligence or defect in the quality of service of any underlying carrier, licensor or other third-party service provider whose facilities or services are used in furnishing any portion of the service received by the Client.
18. CivicPlus will not be liable for any failure of performance that is caused by or the result of any act or omission by Client or any entity employed/contracted on the Client's behalf.
19. Client agrees that it is solely responsible for any solicitation, collection, storage, or other use of end-users' personal data on any website or online service provided by CivicPlus. Client further agrees that CivicPlus has no responsibility for the use or storage of end-users' personal data in connection with the website or the consequences of the solicitation, collection, storage, or other use by Client or by any third party of personal data.
20. To the extent it may apply to any service or deliverable of any SOW, user logins are for designated individuals chosen by Client ("Users") and cannot be shared or used by more than one User. Client will be responsible for the confidentiality and use of User's passwords and User names. Client will also be responsible for all electronic communications, including those containing business information, account registration, account holder information, financial information, Client data, and all other data of any kind contained within emails or otherwise entered electronically through any CivicPlus Property or under



Master Services Agreement for South Gate, CA

Client's account. CivicPlus will act as though Client will have sent any electronic communications it receives under Client's passwords, user name, and/or account number. Client shall use commercially reasonable efforts to prevent unauthorized access to or use of any CivicPlus Property and shall promptly notify CivicPlus of any unauthorized access or use of any CivicPlus Property and any loss or theft or unauthorized use of any User's password or name and/or user personal information.

21. Client shall comply with all applicable local, state, and federal laws, treaties, regulations, and conventions in connection with its use of any of the services or CivicPlus Property.

Limitation of Liability

22. CivicPlus' liability arising out of or related to this Agreement, or any associated SOW, will not exceed the Annual Services Fee paid by Client in the year prior to such claim of liability.
23. In no event will CivicPlus be liable to Client for any consequential, indirect, special, incidental, or punitive damages arising out of or related to this Agreement.
24. The liabilities limited by Section 22 and 23 apply: (a) to liability for negligence; (b) regardless of the form of action, whether in contract, tort, strict product liability, or otherwise; (c) even if Client is advised in advance of the possibility of the damages in question and even if such damages were foreseeable; and (d) even if Client's remedies fail of their essential purposes. If applicable law limits the application of the provisions of this Limitation of Liability section, CivicPlus' liability will be limited to the maximum extent permissible.

Force Majeure

25. No party shall have any liability to the other hereunder by reason of any delay or failure to perform any obligation or covenant if the delay or failure to perform is occasioned by force majeure, meaning any act of God, storm, fire, casualty, unanticipated work stoppage, strike, lockout, labor dispute, civic disturbance, riot, war, national emergency, act of public enemy, or other cause of similar or dissimilar nature beyond its control.

Taxes

26. It is CivicPlus' policy to pass through sales tax in those jurisdictions where such tax is required. If the Client is tax-exempt, the Client must provide CivicPlus proof of their tax-exempt status, within fifteen (15) days of contract signing, and the fees owed by Client under this Agreement will not be taxed. If the Client's state taxation laws change, the Client will begin to be charged sales tax in accordance with their jurisdiction's tax requirements and CivicPlus has the right to collect payment from the Client for past due taxes.

Other Documents

27. The following, if applicable, are to be attached to and made part of this Agreement:
 - a. Any Addendum and/or Amendment to this Agreement signed by both Parties;
 - b. Exhibit A - Statement(s) of Work;
 - c. Service Agreement Sales Forms;
 - d. Service Agreements previously executed between the Parties; and
 - e. Custom Development / Retainer Agreement
28. In the event of conflict with an attachment to this Agreement, any addendum and/or amendment made to the main body of this Agreement will govern. Notwithstanding the foregoing, no SOW or other attachment incorporated into this Agreement after execution of this main body of this Agreement will be construed to amend this main body unless it specifically states its intent to do so and cites the section or sections amended.
29. This Agreement and all attachments hereto sets forth the entire agreement of the Parties and supersedes all prior or contemporaneous writings, negotiations, and discussions with respect to its subject matter.

Interlocal Purchasing Consent

30. With the prior approval of CivicPlus, which may be withheld for any or no reason within CivicPlus' sole discretion, this Agreement and any attached SOWs may be extended to any public entity in Client's home-state to purchase at the SOW prices and specifications in accordance with the terms stated herein.

Miscellaneous Provisions

31. The invalidity, in whole or in part, of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.
32. No amendment, assignment or change to this Agreement or any included SOW shall be effective unless by a written instrument executed by each of the Parties.

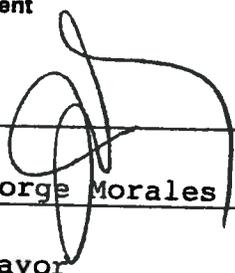
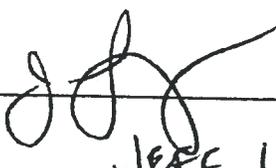


Master Services Agreement for **South Gate, CA**

- 33. This Agreement may be executed in one or more counterparts. Each counterpart will be an original, but all such counterparts will constitute a single instrument.
- 34. Each person signing this Agreement represents and warrants that he or she is duly authorized and has legal capacity to execute and deliver this Agreement. Each Party represents and warrants to the other that the execution and delivery of the Agreement and the performance of such Party's obligations hereunder have been duly authorized and that the Agreement is a valid and legal agreement binding on such Party and enforceable in accordance with its terms.

Acceptance

We, the undersigned, agreeing to the conditions specified in this document, understand and consent to the terms & conditions of this Agreement.

Client	CivicPlus
By: 	By: 
Name: <u>Jorge Morales</u>	Name: <u>JEFF LOGAN</u>
Title: <u>Mayor</u>	Title: <u>VP SALES</u>
Date: <u>September 10, 2019</u>	Date: <u>9/3/19</u>

Sign and E-mail the entire contract with exhibits to:
Contracts@CivicPlus.com

Signature pages sent without the entire contract attached will not be accepted. We will e-mail a counter-signed copy of the contract back to you once we begin your project.

CivicPlus does not require a physical copy of the contract, however, if you would like a physical copy of the contract, mail one (1) copy of the contract with original signature to:

CivicPlus Contract Manager
 302 S. 4th Street, Suite 500
 Manhattan, KS 66502

Upon receipt of signed original, we will counter-sign and return the copy for your files.



Exhibit A.1 - CivicPlus Statement of Work #1

Annual Services (Continuing GCMS® Enhancements, Maintenance, Support and Hosting)
Billed September 1, 2019 and every 12 months thereafter, subject to annual 3% increase

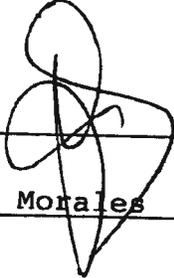
\$9,702.60

1. Performance and payment under this SOW shall be subject to the terms & conditions of the Agreement by and between Client and CivicPlus, to which this Statement of Work #1 (SOW #1) is hereby attached as Exhibit A.1.
2. This SOW #1 shall remain in effect for an initial term of one year (12 months) from September 1, 2019. In the event that neither party gives 60 days' notice to terminate prior to the end of the initial or any subsequent renewal term, this Agreement will automatically renew for an additional 1-year Renewal Term.
3. Annual Services shall be invoiced on September 1 of relevant calendar years, beginning September 1, 2019. Annual services, including but not limited to hosting, support and maintenance services, shall be subject to a 3% annual increase.
4. Client is entitled to a logo and branding package on or about September 2, 2019, details noted in Addendum 1.
5. Following 48 months of service under this SOW #1 and every 48 months thereafter, Client shall be entitled to a redesign of the website. Redesigns that include additional features not available on the original website may be subject to additional charges. Additional features include, but are not limited to, additional modules and integration of third-party software.
6. Client allows CivicPlus to display a "Government Websites by CivicPlus" insignia, and web link at the bottom of their web pages. Client understands that the pricing and any related discount structure provided under this SOW #1 assumes such perpetual permission.
7. The Client will be invoiced electronically through email. Upon request CivicPlus will mail invoices and the Client will be charged a \$5.00 convenience fee.

Acceptance

We, the undersigned, agreeing to the conditions specified in this document, understand and authorize the provision of services outlined in this Agreement.

Client

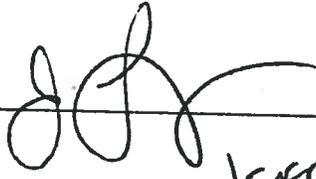
By: 

Name: Jorge Morales

Title: Mayor

Date: September 10, 2019

CivicPlus

By: 

Name: JEFF LOGAN

Title: VP SALES

Date: 9/3/19



South Gate CA Branding Update - Example Timeline for Sales

CivicPlus, LLC. | Project Timeline

CivicPlus not responsible for any failure to meet any due dates caused by Client.

Logo & Branding Materials	9/2/2019	9/20/2019
Design Creation	9/30/2019	10/11/2019
Design Concept Approval	10/14/2019	10/25/2019
Design Applied to Live Website	11/4/2019	11/8/2019

**AMENDMENT NO. 1
TO AGREEMENT FOR PROFESSIONAL SERVICES
WITH ICON ENTERPRISES, INC., D/B/A CIVICPLUS**

This Amendment No. 1 ("Amendment No. 1") to Agreement for Professional Services, Contract No. 3035 ("Agreement"), is made and entered this 13th day of November 2018 by and between the City of South Gate, a municipal corporation (hereinafter referred to as "City") and Icon Enterprises, Inc., d/b/a CivicPlus, a Kansas Corporation (hereinafter referred to as "Consultant").

RECITALS:

WHEREAS, City and Consultant have previously executed that certain *Agreement* dated August 26, 2014 relating to professional services in the City of South Gate in an amount not to exceed \$78,000; and

WHEREAS, City desires to expand the scope of work as shown on the Consultant proposal attached hereto as part of this Amendment No. 1 (Exhibit A); and

WHEREAS, City desires to extend the termination date for an additional 24 months from the original termination date from August 26, 2017 to August 26, 2019

WHEREAS, City and Consultant desire to execute Amendment No. 1 covering said additional Professional Services for an amount not to exceed \$18,420 under the terms and conditions of the Agreement and Amendment No. 1 to said Agreement;

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. MODIFICATION OF FEES FOR SCOPE OF WORK TO BE PERFORMED BY CONSULTANT.

- a. Consultant shall expand its fees and services to City as shown in its proposal (Exhibit A). Said scope of work and fee proposal is made part of this Amendment No. 1.

2. EFFECT OF AMENDMENT.

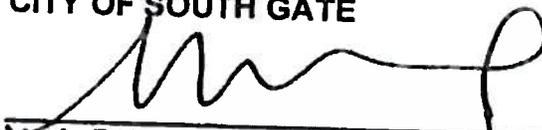
Except as expressly amended herein, all other terms and conditions of the Agreement and its amendments, attachments, and exhibits thereto, shall remain in full force. City reserves the right to augment or reduce the scope of work as City deems necessary.

3. EFFECTIVE DATE.

Unless otherwise specified herein, this Amendment No. 1 shall become effective as of the date set forth below on which the last of the parties, whether City or Consultant, executes this Amendment No. 1.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 1 to be executed and attested by their respective officers hereunto duly authorized.

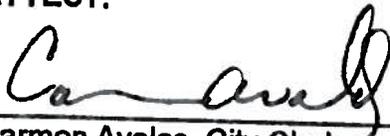
"CITY"
CITY OF SOUTH GATE



María Belén Bernal, Mayor

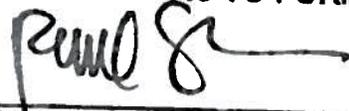
Dated: 11/13/2018

ATTEST:



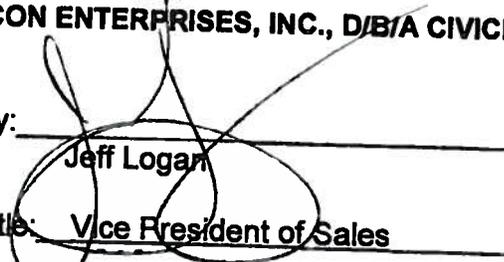
Carmen Avalos, City Clerk
(SEAL)

APPROVED AS TO FORM:



Raul F. Salinas, City Attorney

"CONSULTANT"
ICON ENTERPRISES, INC., D/B/A CIVICPLUS

By: 

Jeff Logan

Title: Vice President of Sales

Dated: 11/27/18



Exhibit A.1 for South Gate, FL

Exhibit A.1 - CivicPlus Statement of Work #1

Annual Services

Subject to annual 3% increase

Includes:

- *Continuing GCMS® Enhancements, Maintenance, Support and Hosting* \$9,420
- *Department Header*
- *CivicMedia with 10 GB additional storage*
- *1x SSL Certificate*

Total Annual Services	\$9,420
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1. Performance and payment under this SOW shall be subject to the terms & conditions of the Agreement by and between Client and CivicPlus, to which this Statement of Work #1 (SOW #1) is hereby attached as Exhibit A.1.
2. This SOW #1 shall remain in effect for an initial term of one year (12 months) from September 1, 2018. In the event that neither party gives 60 days' notice to terminate prior to the end of the initial or any subsequent renewal term, this Agreement will automatically renew for an additional 1-year Renewal Term.
3. Annual Services shall be invoiced on September 1 of relevant calendar years, beginning September 1, 2018. Annual services, including but not limited to hosting, support and maintenance services, shall be provisioned in accordance with Addendum 2 to this SOW #1 and shall be subject to a 3% annual increase.
4. After forty-eight (48) months of continuous service from September 1, 2018 and every 48 months thereafter, Client is entitled to a no-cost redesign, details noted in Addendum 2. Redesigns that include additional features not available on the original website may be subject to additional charges. Additional features include, but are not limited to, additional modules and integration of third-party software.
5. Client allows CivicPlus to display a "Government Websites by CivicPlus" insignia, and web link at the bottom of their web pages. Client understands that the pricing and any related discount structure provided under this SOW #1 assumes such perpetual permission.
6. The Client will be invoiced electronically through email. Upon request CivicPlus will mail invoices and the Client will be charged a \$5.00 convenience fee.

Acceptance

We, the undersigned, agreeing to the conditions specified in this document, understand and authorize the provision of services outlined in this Agreement.

Client

By: 

Name: María Belén Bernal

Title: Mayor

Date: 11/13/2018

CivicPlus

By: 

Name: Jeff Logan

Title: VP of Sales

Date: 11/27/18



Addendum 1 to Exhibit A.1 - Redesign Details

**CivicPlus Project Development Services & Scope of Services for
CP Redesign**

- **Design**
 - New design for website layout and theme.
 - Content styling is updated to match theme.
 - Redesign of graphic button icons.
- **Project Management**
- **Content**
 - Migration of all existing content
 - Spelling and broken links will be checked and updated by content team where possible. Additional report will be provided to client.
 - Content will not be rewritten, reformatted or broken up.
 - New pages will not be created.
- **Training**
 - One (1) four (4) hour block virtual training for 2 people with a preset agenda that will be scheduled during the project.

Addendum 2 to Exhibit A.1 – Hosting, Support and Service Level Agreement

Hosting Details

Data Center	<ul style="list-style-type: none"> • Highly Reliable Data Center • Managed Network Infrastructure • On-Site Power Backup & Generators • Multiple telecom/network providers • Fully redundant Network • Highly Secure Facility • 24/7/365 System Monitoring
Hosting	<ul style="list-style-type: none"> • Automated GCMS® Software Updates • Server Management & Monitoring • Multi-tiered Software Architecture • Server software updates & security patches • Database server updates & security patches • Antivirus management & updates • Server-class hardware from nationally recognized provider • Redundant firewall solutions • High performance SAN with N+2 reliability
Bandwidth	<ul style="list-style-type: none"> • Multiple network providers in place • Unlimited bandwidth usage for normal business operations (does not apply in the event of a cyber attack) • 22 Gb/s burst bandwidth
Disaster Recovery	<ul style="list-style-type: none"> • Emergency After-hours support, live agent (24/7) • On-line status monitor at data center • Event notification emails • Guaranteed recovery TIME objective (RTO) of 8 hours • Guaranteed recovery POINT objective (RPO) of 24 hours • Pre-emptive monitoring for disaster situations • Multiple data centers • Geographically diverse data centers
DDoS Mitigation	<ul style="list-style-type: none"> • Defined DDoS Attack Process <ul style="list-style-type: none"> • Identify attack source • Identify type of attack • Monitor attack for threshold engagement



Support and Maintenance

Support Services

CivicPlus' on-site support team is available from 7:00 am to 7:00 pm CT to assist clients with any questions, concerns or suggestions regarding the functionality and usage of CivicPlus' GCMS® and associated applications. The support team is available during these hours via CivicPlus' toll-free support number and e-mail. Support personnel will respond to calls as they arrive (under normal circumstances, if all lines are busy, messages will be returned within four hours; action will be taken on e-mails within four hours), and if Client's customer support liaison is unable to assist, the service escalation process will begin.

Emergency support is available 24-hours-a-day for designated, named Client points-of-contact, with members of both CivicPlus' project management and support teams available for urgent requests. Emergency support is provided free-of-charge for true emergencies (ie. website is down, applications are malfunctioning, etc.), though Client may incur support charges for non-emergency requests during off hours (ie: basic functionality / usage requests regarding system operation and management). The current discounted rate is \$175/hour.

CivicPlus maintains a customer support website that is accessible 24-hours-a-day with an approved client username and password.

Service Escalation Processes

In the event that CivicPlus' support team is unable to assist Client with a request, question or concern, the issue is reported to the appropriate CivicPlus department.

Client requests for additional provided services are forwarded to CivicPlus' Client Care personnel.

Client concerns/questions regarding GCMS® or associated application errors are reported to CivicPlus' technical team through CivicPlus' issue tracking and management system to be addressed in a priority order to be determined by CivicPlus' technical team.

All other requests that do not meet these criteria will be forwarded to appropriate personnel within CivicPlus' organization at the discretion of the customer support liaison.

Included Services:	
Support	Maintenance of CivicPlus GCMS®
7 a.m. – 7 p.m. (CST) Monday – Friday (excluding holidays)	Install Service Patches for OS
24/7 Emergency Support	System Enhancements
Dedicated Support Personnel	Fixes
Usability Improvements	Improvements
Integration of System Enhancements	Integration
Proactive Support for Updates & Fixes	Testing
Online Training Manuals	Development
Monthly Newsletters	Usage License
Routine Follow-up Check-ins	
CivicPlus Connection	

CivicPlus Service Level Agreement

CivicPlus will use commercially reasonable efforts to make the GCMS® available with a Monthly Uptime Percentage (defined below) of at least 99.9%, in each case during any monthly billing cycle (the "Service Commitment"). In the event CivicPlus does not meet the Service Commitment, you will be eligible to receive a Service Credit as described below.

Definitions

- "Monthly Uptime Percentage" is calculated by subtracting from 100% the percentage of minutes during the month in which the GCMS, was "Unavailable." Monthly Uptime Percentage measurements exclude downtime resulting directly or indirectly from any Exclusion (defined below).
- "Unavailable" and "Unavailability" mean:
 - The HTML of the home page of the site is not delivered in 10 seconds or less 3 times in a row when tested from inside our network and returns a status of 200.
 - The Main page of the site returns a status other than 200 or 302 3 times in a row.
- A "Service Credit" is a dollar credit, calculated as set forth below, that we may credit back to an eligible account.

Service Commitments and Service Credits

Service Credits are calculated as a percentage of the total charges paid by you (excluding one-time payments such as upfront payments) for the month, beginning with the first full month of service, in accordance with the schedule below.

Monthly Uptime Percentage	Service Credit Percentage
Less than 99.9%	1% of one month's fee

We will apply any Service Credits only against future payments otherwise due from you. Service Credits will not entitle you to any refund or other payment from CivicPlus. A Service Credit will be applicable and issued only if the credit amount for the applicable monthly billing cycle is greater than one dollar (\$1 USD). Service Credits may not be transferred or applied to any other account. Unless otherwise provided in the Client Agreement, your sole and exclusive remedy for any unavailability, non-performance, or other failure by us to provide the service is the receipt of a Service Credit (if eligible) in accordance with the terms of this SLA.

Credit Request and Payment Procedures

To receive a Service Credit, you must submit a claim by opening a case with Support. To be eligible, the credit request must be received by us by the end of the second billing cycle after which the incident occurred and must include:

1. the words "SLA Credit Request" in the subject line;
2. the dates and times of each Unavailability incident that you are claiming;
3. the affected Site domains; and
4. Any documentation that corroborate your claimed outage.

If the Monthly Uptime Percentage of such request is confirmed by us and is less than the Service Commitment, then we will issue the Service Credit to you within one billing cycle following the month in which your request is confirmed by us. Your failure to provide the request and other information as required above will disqualify you from receiving a Service Credit.

SLA Exclusions

The Service Commitment does not apply to any unavailability, suspension or termination of GCMS®, or any other GCMS® performance issues: (i) that result from a suspension; (ii) caused by factors outside of our reasonable control, including any force majeure event or internet access or related problems beyond the demarcation point of CivicPlus; (iii) that result from any actions or inactions of you or any third party; (iv) that result from your equipment, software or other technology and/or third party equipment, software or other technology (other than third party equipment within our direct control); (v) that result from any maintenance as provided for pursuant to the Client Agreement; or (vi) arising from our suspension and termination of your right to use the GCMS® in accordance with the Client Agreement (collectively, the "SLA Exclusions"). If availability is impacted by factors other than those used in our Monthly Uptime Percentage calculation, then we may issue a Service Credit considering such factors at our discretion.



Disaster Recovery Feature Service Commitment

CivicPlus will use commercially reasonable efforts to insure that in the event of a disaster that makes the Primary data center unavailable (defined below) Client site will be brought back online at a secondary data center (the "Service Commitment"). In the event CivicPlus does not meet the Service Commitment, you will be eligible to receive a Service Credit as described below.

Definitions

- "Datacenter availability" is determined by inability to provide or restore functions necessary to support the Service. Examples of necessary functions include but are not limited Cooling, Electrical, Sufficient Internet Access, Physical space, and Physical access.
- A "Service Credit" is a dollar credit, calculated as set forth below, that we may credit back to an eligible account.
- Recovery Time Objective (RTO) is the most anticipated time it will take to bring the service back online in the event of a data center event.
- Recovery Point Objective (RPO) the amount of data lost that is considered acceptable.

Service Commitments and Service Credits

Service Credits are calculated as a percentage of the total charges paid by you (excluding one-time payments such as upfront payments) for the month accordance with the schedule below.

Recovery Time Objective	Service Credit Percentage
8 Hours	10% of one month's fee
Recovery Point Objective	Service Credit Percentage
24 Hours	10% of one month's fee

AGREEMENT FOR PROFESSIONAL SERVICES

This Agreement for Professional Services ("Agreement") is made and entered into this 26 day of August, 2014 by and between the City of South Gate, a municipal corporation (hereinafter referred to as "City"), and Icon Enterprises, Inc., d/b/a CivicPlus, a Kansas corporation (hereinafter referred to as "Consultant").

The City and the Consultant agree as follows:

RECITALS

- A. The City does not have the personnel able and/or available to perform the services required under this Agreement.
- B. The City desires to contract out for consulting services to Icon Enterprises, Inc., d/b/a CivicPlus.
- C. The Consultant warrants to the City that it has the qualifications, experience and facilities to perform properly and timely the services under this Agreement.
- D. The City desires to contract with the Consultant to perform the services described in Exhibit A of this Agreement.

NOW, THEREFORE, the City and Consultant agree as follows:

1.0 SCOPE OF THE CONSULTANT'S SERVICES. The Consultant agrees to provide the services and perform the tasks set forth in the Consultant Scope of Services and the Proposal attached to as Exhibit A and Exhibit B, respectively, and made part of this Agreement. The Scope of Work may be amended from time to time by way of a written directive from the City. In the event of a conflict with the terms of this Agreement, and the Proposal, the terms of this Agreement shall prevail.

2.0 TERM OF AGREEMENT. This Agreement will become effective on August 26, 2014 and will remain in effect for a period of three (3) years from said date unless otherwise expressly extended and agreed to by both parties or terminated by either party as provided herein. Provided that this Agreement is extended at least one (1) additional year, after 48 consecutive months under the terms of this Agreement and associated pricing, the City will be fully eligible for a CP Basic Redesign at no additional cost, as defined in Exhibit B to Consultant's Proposal.

3.0 CITY AGENT. The City Manager, or his/her designee, for the purposes of this Agreement, is the agent for the City. Whenever approval or authorization is required, Consultant understands that the City Manager, or his/her designee, has the authority to provide that approval

or authorization.

4.0 COMPENSATION FOR SERVICES. The City shall pay the Consultant for its professional services rendered and costs incurred pursuant to this Agreement in accordance with the Consultant's fee and cost schedule included in the Scope of Services. The cost of services shall not exceed \$60,000 in year one, \$9,000 in year two, and \$9,000 in year three. No additional compensation shall be paid for any other expenses incurred unless first approved by the City Manager or his/her designee.

4.1 The Consultant shall submit to the City a bill for services according to the project schedule included in the Proposal. The City shall pay the Consultant upon thirty (30) days of receipt of the invoice.

4.2 No payment made hereunder by City to Consultant, other than the final payment, shall be construed as an acceptance by City of any work or materials, nor as evidence of satisfactory performance by Consultant of its obligations under this Agreement.

5.0 CONFLICT OF INTEREST. The Consultant represents that it presently has no interest and shall not acquire any interest, direct or indirect, in any real property located in the City which may be affected by the services to be performed by the Consultant under this Agreement. The Consultant further represents that in performance of this Agreement, no person having such interest shall be employed by it.

5.1 The Consultant represents that no City employee or official has a material financial interest in the Consultant's business. During the term of this Agreement and/or as a result of being rewarded this contract, Consultant shall not offer, encourage or accept any financial interest in the Consultant's business by any City employee or official.

6.0 GENERAL TERMS AND CONDITIONS.

6.1 Termination. Either the City or Consultant may terminate this Agreement, without cause, by giving the other party sixty (60) days written notice of such termination and the effective date thereof.

6.1.1 In the event of such termination, all finished or unfinished documents, reports, photographs, films, charts, data, studies, surveys, drawings, models, maps, or other documentation prepared by or in the possession of the Consultant under this Agreement shall be returned to the City. If the City terminates this Agreement without cause, the Consultant shall prepare and shall be entitled to receive compensation pursuant to a close-out bill for services rendered and fees incurred pursuant to this Agreement through the notice of termination. If the Consultant terminates this Agreement without cause, the Consultant shall be paid only for those services completed in a manner satisfactory to the City, which shall not be unreasonably determined.

6.1.2 If the Consultant or the City fail to fulfill in a timely and proper manner its obligations under this Agreement, or if the Consultant or the City violate any of the

covenants, agreements, or stipulations of this Agreement, the Consultant or the City shall have the right to terminate this Agreement by giving written notice to the other party of such termination and specifying the effective date of such termination. The Consultant shall be entitled to receive compensation in accordance with the terms of this Agreement for any work satisfactorily completed hereunder. Notwithstanding the foregoing, the Consultant shall not be relieved of liability for damage sustained by virtue of any breach of this Agreement and any payments due under this Agreement may be withheld to off-set anticipated damages.

6.1.3 In the event of early termination of this Agreement without cause by the City, City forfeits eligibility for the CP Basic Redesign and all funds applied to such eligibility and full payment of the remainder of the Agreement is due within 15 days of termination.

6.2 **Non-Assignability.** The Consultant shall not assign or transfer any interest in this Agreement without the express prior written consent of the City.

6.3 **Non-Discrimination.** The Consultant shall not discriminate as to race, creed, gender, color, national origin or sexual orientation in the performance of its services and duties pursuant to this Agreement and will comply with all applicable laws, ordinances and codes of the Federal, State, County and City governments.

6.4 **Insurance.** The Consultant shall submit to the City certificates indicating compliance with the following minimum insurance requirements no less than ten (10) days prior to beginning of performance under this Agreement. The Consultant agrees to provide written notice to the City thirty (30) days prior to its insurer's intention to cancel or materially change the following coverage:

(a) **Workers' Compensation Insurance** as required by law. The Consultant shall require all subcontractors similarly to provide such compensation insurance for their respective employees.

(b) **Comprehensive general and automotive liability insurance** protecting the Consultant in amounts not less than \$1,000,000 for personal injury to any one person, \$1,000,000 for injuries arising out of one occurrence, and \$500,000 for property damages or a combined single limit of \$1,000,000. Each such policy of insurance shall:

1) Be issued by a financially responsible insurance company or companies admitted or authorized to do business in the State of California or which is approved in writing by the City.

2) Name and list as additional insured the City, its officers and employees.

3) Specify its acts as primary insurance.

4) Cover the operations of the Consultant pursuant to the terms

of this Agreement.

6.5 Indemnification. Consultant agrees to indemnify, defend and hold harmless the City and/or any other City agency, for/from any and all claims or actions of any kind asserted against the City and/or any other City agency arising out of Consultant's (including Consultant's employees, representatives, products and subcontractors) negligent performance under this Agreement, excepting only such claims or actions which may arise out of sole or active negligence of the City and/or any other City agency, or any third parties not acting on behalf of, at the direction of, or under the control of the Consultant.

6.6 Compliance With Applicable Law. The Consultant and the City shall comply with all applicable laws, ordinances and codes of the Federal, State, County and City governments. Consultant acknowledges and agrees that California law shall govern this Agreement, without regard to conflict of law principles. Venue shall be in the County of Los Angeles in any state or federal court having jurisdiction.

6.7 Independent Contractor. This Agreement is by and between the City and the Consultant and is not intended, nor shall it be construed, to create the relationship of agency, servant, employee, partnership, joint venture or association, as between the City and the Consultant.

6.7.1. The Consultant shall be an independent contractor and shall have no power to incur any debt or obligation for or on behalf of the City. Neither the City nor any of its officers or employees shall have any control over the conduct of the Consultant, or any of the Consultant's employees, except as herein set forth, and the Consultant expressly warrants not to, at any time or in any manner represent that it, or any of its agents, servants or employees are in any manner employees of the City, it being distinctly understood that the Consultant is and shall at all times remain to the City a wholly independent contractor and the Consultant's obligations to the City are solely such as are prescribed by this Agreement.

6.8 Copyright. No reports, maps or other documents produced in whole or in part under this Agreement shall be the subject of an application for copyright by or on behalf of the Consultant.

6.9 Legal Construction.

a) This Agreement is made and entered into in the State of California and shall in all respects be interpreted, enforced and governed under the laws of the State of California.

b) This Agreement shall be construed without regard to the identity of the persons who drafted its various provisions. Each and every provision of this Agreement shall be construed as though each of the parties participated equally in the drafting of the same, and any rule of construction that a document is to be construed against the drafting party shall not be applicable to this Agreement.

c) The article and section, captions and headings herein have been inserted for convenience only and shall not be considered or referred to in resolving questions of interpretation or construction.

d) Whenever in this Agreement the context may so require, the masculine gender shall be deemed to refer to and include the feminine and neuter, and the singular shall refer to and include the plural.

6.10 Counterparts. This Agreement may be executed in counterparts and as so executed shall constitute an Agreement which shall be binding upon all parties herein.

6.11 Final Payment Acceptance Constitutes Release. The acceptance by the Consultant of the final payment made under this Agreement shall operate as and be a release of the City from all claims and liabilities for compensation to the Consultant for anything done, furnished or relating to the Consultant's work or services. Acceptance of payment shall be any negotiation of the City's check or the failure to make a written extra compensation claim within ten (10) calendar days of the receipt of that check. However, approval or payment by the City shall not constitute, nor be deemed, a release of the responsibility and liability of the Consultant, its employees, sub-consultants and agents for the accuracy and competency of the information provided and/or work performed; nor shall such approval or payment be deemed to be an assumption of such responsibility or liability by the City for any defect or error in the work prepared by the Consultant, its employees, sub-consultants and agents.

6.12 Corrections. In addition to the above indemnification obligations, the Consultant shall correct, at its expense, all errors in the work which may be disclosed during the City's review of the Consultant's report or plans. Should the Consultant fail to make such correction in a reasonably timely manner, such correction shall be made by the City, and the cost thereof shall be charged to the Consultant.

6.13 Files. All files of the Consultant pertaining to the City shall be and remain the property of the City. The Consultant will control the physical location of such files during the term of this Agreement and shall be entitled to retain copies of such files upon termination of this Agreement.

6.14 Waiver; Remedies Cumulative. Failure by a party to insist upon the performance of any of the provisions of this Agreement by the other party, irrespective of the length of time for which such failure continues, shall not constitute a waiver of such party's right to demand compliance by such other party in the future. No waiver by a party of a default or breach of the other party shall be effective or binding upon such a party unless made in writing by such party, and no such waiver shall be implied from any omissions by a party to take any action with respect to such default or breach. No express written waiver of a specified default or breach shall affect any other default or breach, or cover any other period of time, other than any default or breach and/or period of time specified. All of the remedies permitted or available to a party under this Agreement, or at law or in equity, shall be cumulative and alternative, and

invocation of any such right or remedy shall not constitute a waiver or election of remedies with respect to any other permitted or available right of remedy.

6.15 Mitigation of Damages. In all such situations arising out of this Agreement, the parties shall attempt to avoid and minimize the damages resulting from the conduct of the other party.

6.16 Partial Invalidity. If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

6.17 Attorney's Fees. The parties hereto acknowledge and agree that each will bear his or its own costs, expenses and attorney's fees arising out of and/or connected with the negotiation, drafting and execution of the Agreement, and all matters arising out of or connected therewith except that, in the event any action is brought by any party hereto to enforce this Agreement, the prevailing party in such action shall be entitled to reasonable attorney's fees and costs in addition to all other relief to which that party or those parties may be entitled.

6.18 Entire Agreement. This Agreement constitutes the whole agreement between the City and the Consultant, and neither party has made any representations to the other except as expressly contained herein. Neither party, in executing or performing this Agreement, is relying upon any statement or information not contained in this Agreement. Any changes or modifications to this Agreement must be made in writing appropriately executed by both the City and the Consultant.

6.19 Notices. Any notice required to be given hereunder shall be deemed to have been given by depositing said notice in the United States mail, postage prepaid, and addressed as follows:

TO CITY:

Michael Flad
City Manager
City of South Gate
8650 California Avenue
South Gate, CA 90280
(323) 563-9503

TO CONSULTANT:

Adam Block
Project Manager
CivicPlus
317 Houston St., Suite E
Manhattan, KS 66502
(888) 228-2233

6.20 Warranty of Authorized Signatories. Each of the signatories hereto warrants and represents that he or she is competent and authorized to enter into this Agreement on behalf of the party for whom he or she purports to sign.

6.21 Consultation With Attorney. CONSULTANT warrants and represents that it has consulted with an attorney or knowingly and voluntarily decided to forgo such a consultation.

6.22 Interpretation Against Drafting Party. CITY and CONSULTANT agree that they have cooperated in the review and drafting of this Agreement. Accordingly, in the event of any ambiguity, neither side may claim that the interpretation of the Agreement shall be construed against either party solely because that party drafted all or a portion of the Agreement, or the clause at issue.

6.23 Marketing. City will work with the CivicPlus Marketing Department to make a reasonable attempt to gather information and meet deadlines associated with website award contest entries throughout the term of this Agreement, and to create a case study related to their website. The City permits CivicPlus to include an example of the City's home page and a link to the City's website on the CivicPlus corporate website. The City will make a reasonable attempt to work with the CivicPlus Marketing Department to create a news item to be released in conjunction with their project Go-Live date. The City will provide CivicPlus with contact information for local and regional media outlets. CivicPlus may use the press release in any marketing materials as desired throughout the term of this Agreement. The City allows CivicPlus to display a "Government Websites by CivicPlus" insignia, and web link at the bottom of its web pages, in a form approved by the City. The City understands that the pricing and any related discount structure provided under this Agreement assumes such perpetual permission.

6.24 Intellectual Property, Ownership & Content Responsibility. Upon full and complete payment of submitted invoices for the Project Development and launch of the website, City will own the Customer Content. Upon completion of the development of the site, City will assume full responsibility for website content maintenance and content administration. City, not CivicPlus, shall have sole responsibility for the accuracy, quality, integrity, legality, reliability, appropriateness, and intellectual property ownership or right to use of all Customer Content. City shall not (i) license, sublicense, sell, resell, transfer, assign, distribute or otherwise commercially exploit the GCMS® software in any way; (ii) modify or make derivative works based upon the GCMS® software; (iii) create Internet "links" to the GCMS® software or "frame" or "mirror" any GCMS® administrative access on any other server or wireless or Internet-based device; or (iv) reverse engineer or access the GCMS® software in order to (a) build a competitive product or service, (b) build a product using similar ideas, features, functions or graphics of the GCMS® software, or (c) copy any ideas, features, functions or graphics of the GCMS® software. The CivicPlus name, the CivicPlus logo, and the product and module names associated with the GCMS® software are trademarks of CivicPlus, and no right or license is granted to use them.

This Agreement is executed this 2nd day of August, 2014, at South Gate, California, and effective as of 08-25-14.

CITY OF SOUTH GATE,
a municipal corporation:

Henry G. Gonzalez
Henry G. Gonzalez, Mayor

ATTEST:

Carmen Avalos
Carmen Avalos, City Clerk

CONSULTANT:
Iron Enterprises, Inc., d/b/a CivicPlus,
a Kansas corporation

By: B. Lopez
Title: COO

APPROVE AS TO FORM:

RS
Paul F. Salinas, City Attorney

Exhibit A – Consultant Scope of Services

Project Development and Deployment

Initial GCMS® upgrades, maintenance, support and hosting – no additional cost

\$60,000

Server Storage not to exceed 60 GB

Total Fees Year 1

\$60,000

Annual Services (Continuing GCMS® Enhancements, Maintenance, Support and Hosting)

Billed 12 months from contract signing; subject to annual 3% increase year 4 and beyond

\$9,000

<p>Kick-Off Meeting <u>Deliverable:</u> Project Timeline, training jump start and worksheets</p>	Included
<p>Phase 1: Consulting <u>Deliverable:</u> Needs assessment, best practices and worksheets</p>	Included
<p>Phase 2: Website Preview Presentation <u>Deliverable:</u> Website layout and mood board will be presented for your approval</p>	Included
<p>Phase 3: Website Reveal Presentation <u>Deliverable:</u> Completed website design and navigation structure will be presented. You will be able to propose changes at this time.</p>	Included
<p>Phase 4: Four Days of Customized On-Site Implementation Training for up to 12 employees <i>Quote includes travel expenses (\$80 per person per day for the 13th attendee and beyond)</i> <u>Deliverable:</u> Train System Administrator(s) on GCMS® Administration, permissions, setting up groups and users, module administration. Basic User training on pages, module entries, applying modules to pages. Applied use and usability consulting to result in effective communication through your website.</p>	Included

<p>Phase 5: Go Live</p> <p><u>Deliverable:</u> Content migrated from current primary site to new site based on best practice recommendations. Custom website. Registration of site with all major search engines.</p> <p><i>Note: Content from sites other than the primary site can be migrated to the new primary site for an additional fee.</i></p>	Included
Additional Functionality	
Google Translation Tool	Included
Five (5) Department Header Packages – includes up to 20 pages per header package of content migration.	Included
Media Center with Live Streaming Video (10GB of server storage included)	
Options Included in One-Time Fee	
<p>Phase 1: Content Consultation Three days on-site, up to six departments per day. <i>Quote includes travel expenses.</i></p> <p>A consultation package concentrating on evaluating current website content and making recommendations for improved content development, presentation and maintenance.</p> <p><u>Deliverable:</u> A comprehensive report on evaluation of current content (placement, length, style and effectiveness), recommendations for improvement or creation of new content, a follow-up report reviewing the results of implemented suggestions.</p>	Included
<p>Total Project Development and Deployment Fee</p> <p><i>Initial GCMS® system enhancements, maintenance, support and hosting included – no additional cost</i></p> <p><i>Server Storage not to exceed 60 GB</i></p>	\$60,000
Total Fees Year 1	
\$60,000	

Billing and Payment Terms

1. One-third of the total First Year Fee will be billed upon completion of Phase 1: Consulting; one-third of the total First Year Fee will be billed upon completion of Phase 3: Website Reveal Presentation. The remainder of the total First Year Fee and any additional Project Development services will be invoiced after Phase 4: Customized Website Training has been completed.
2. Each year this Agreement is in effect, a technology investment and benefit fee of 3 percent (%) of the total Annual Services costs will be applied.
3. The City shall sign a project completion and acceptance form prior to project go-live. The date may be extended if material system or operational failures are encountered.

Immediately after completing training the final bill for the project development services will be billable and payable. All Parties agree that the website will not go-live until the project is accepted in writing by the City.

4. Total First Year invoices are due by the first of the following month, but no later than 30 days from invoice date. Project Development will be discontinued if payment is not made within 30 days after the invoice due date.
5. Invoicing for Year 2 Annual Services begins one (1) year from contract signing.
6. Annual Services invoices may be prorated in order to correlate with the City's budget year, and are invoiced prior to the year of service.
7. After project go-live, if the City's account exceeds 60 days past due, Support will be discontinued until the City's account is made current. If the City's account exceeds 90 days past due, Annual Services will be discontinued until the City's account is made current. City will be given 30 days notice prior to discontinuation of services for non-payment.
8. The City will be invoiced electronically through email. Upon request CivicPlus will mail invoices and the City will be charged a \$5.00 convenience fee.
9. Unless otherwise limited by law, a finance charge of 2.9 percent (%) per month or \$5.00, whichever is greater, will be added to past due accounts. Payments received will be applied first to finance charges, then to the oldest outstanding invoice(s).
10. Provided the City's account is current, at any time the City may request an electronic copy of the website graphic designs, the page content, all module content, all importable/exportable data, and all archived information ("Customer Content"). City agrees to pay \$250 per completed request. Provided the City's account is current, upon termination of services City may request a complimentary electronic copy of website Customer Content.

Website Hosting and Content

eme

START

The City of South Gate, CA • August 2014



**Serving more than 1,600 clients in 49 states, Canada and Australia,
we partner with governments to create award-winning websites.**

Proposal for the City of South Gate, CA

Dear Selection Committee Members:

Thank you for considering CivicPlus as a partner for the City of South Gate's website redevelopment. I've carefully reviewed your RFP, and am excited to present a solution to your challenges in creating a navigationally friendly, easy-to-update and visually appealing website, with minimal work and time commitments from your staff.

Of the proposals you review, all should offer a good website design and navigation solution; however, the best solution should also include the latest innovations in government functionality that citizens will use.

CivicPlus is the unique provider of the Government Content Management System (GCMS®) – and one of the most innovative, knowledgeable sources for engaging eGovernment websites. CivicPlus' expertise lies in our ability to deliver a comprehensive solution that considers administrative ease and collaboration as well as end-user empowerment... all housed within a sophisticated design that resonates with your community and keeps citizen engagement in mind.

Now in our second decade, CivicPlus has created eGovernment solutions for more than 1,600 towns, cities and counties serving more than 50 million people in 49 states, Canada and Australia. These communities are using CivicPlus technology to connect in more engaging ways with their residents, visitors and businesses.

In addition to a solution-centric website, CivicPlus provides unrivaled service, support and system enhancements at no additional charge – guaranteed. Our relentless pursuit of government innovations ensures that our clients' websites continue to move upward today and tomorrow.

The following proposal details how the CivicPlus solution will reduce your staff's workload, respect budget constraints and, most importantly, provide your community with a powerful online resource that promotes open and transparent access to your municipal offices and becomes an engaging communication hub for your community.

I sincerely welcome the opportunity to elaborate further on our proposal and answer additional questions you may have about partnering with CivicPlus.

Respectfully,



Danny Elmore • Regional Sales Manager • Direct Line 785-323-1510 • Elmore@CivicPlus.com

Proposal for the City of South Gate, CA

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Executive Summary

The City of South Gate, an organization serving more than 95,000 residents, has initiated a Request for Proposal to transform its website with an innovative design that enables visitors to find the services and information they need. The website should be user-friendly and utilize the latest technology to provide a convenient source of information to better communicate with citizens.

The CivicPlus-Proven Development Approach

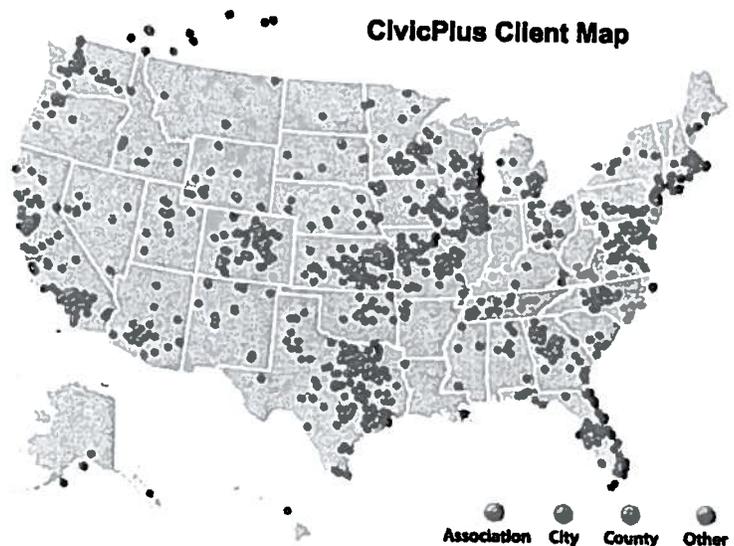
CivicPlus provides our eGovernment communication solution to more than 50 million citizens in more than 1,600 municipalities – cities and counties of every size across the United States, Canada and Australia. For more than a decade, CivicPlus has focused on government clients, giving our customers access to the latest in next-generation applications that meet and exceed their needs. Those needs include:

- A unique and customized website design with minimal work and time commitments from South Gate's staff
- Intuitive navigation and page layout with unlimited submenus and subpages
- Interactive functionality through our Government Content Management System (GCMS®)
- Continuously updated, cutting-edge solutions designed by eGovernment experts for governments
- A per-project, customized pricing model with comprehensive training and unlimited support included

Hundreds of Cities & Counties Are Upgrading to CivicPlus Each Year

It's simple: CivicPlus knows municipal government.

- No one else offers the CivicPlus Government Content Management System (GCMS®).
- No one can match our interactive suite of tools that enable governments to better engage and communicate with their citizens.
- No one can match the CivicPlus development process and the depth of our implementations designed by experts who know local government, its people and its processes.
- No one can match our track record – period.



CivicPlus for South Gate

Per your RFP, Website Hosting and Content Management System, the following proposal contents include:

- CivicPlus' capabilities, experience and commitment to our clients, as well as our approach and methodology to transforming your site
- Ongoing training and consultation
- Creativity and recommended functionality usage to engage and attract site visitors
- Price estimate

These recommendations for South Gate were developed to address your defined needs. All estimates are negotiable based on client requests. We encourage you to schedule a 45-minute demonstration of the latest site developments and the administrative interface that allows non-technical users the ability to update the website as needed.



Experience and Background

Since our inception, CivicPlus has been capturing the passion our customers have for their communities and their residents with high-quality, next-generation websites. We consider it a privilege to partner with municipalities to provide the individuals, families and organizations in your community a website that serves as a primary, interactive communication tool.

Icon Enterprises, Inc., does business as CivicPlus and Networks Plus and employs more than 100 people. Incorporated in Kansas in 1998, we began providing technical-related services in 1994.

CivicPlus was born out of four rural cities' desire for a progressive way to maintain their websites without the burden of employing a continual webmaster. They sought a system that would allow routine updates and changes to be implemented by city staff, regardless of technical skill. After close consultation with these four initial cities, an innovative tool that automated the process of updating website content was developed.

Today, under the leadership of founder Ward Morgan, CivicPlus has more than 165 staff members and continues to implement new technologies and services to maintain the highest standards of excellence and efficiency for our more than 1,600 clients. Our commitment to setting the standard in website design, management and government communication has been instrumental in making CivicPlus a leader in web design, communication programming and hosting.

Our technical and development staff holds a variety of certifications including: Microsoft-certified system engineer, Cisco-certified engineer, Microsoft-certified software developer, Microsoft Office user specialist and project management professional from the Project Management Institute.

Company & Contact Information

Contact Information	Danny Elmore Regional Sales Manager Elmore@CivicPlus.com Toll Free 888-228-2233, Ext. 310 Cell 503-893-0209	Primary Office	317 Houston St. Suite E Manhattan, KS 66502 Toll Free 888-228-2233 Fax 785-587-8951
Incorporated In	State of Kansas	Company Website	www.CivicPlus.com
Legal Name	Icon Enterprises, Inc., d/b/a CivicPlus	Company Founder	Ward Morgan, President/CEO
GSA Contract	# GS-35F-0124U	DIR Contract	# DIR SDD 1636
CMAS Contract	# 3-13-70-2966A	TIPS/TAPS Contract	# 2092613
Additional Locations	Charleston, SC Sherwood, OR	Chicago, IL Spring Hill, KS	Fort Collins, CO St. Louis, MO Hermitage, TN Topeka, KS

At CivicPlus, we have a passion for building websites. We'd like to partner with you to build a website your citizens will use.

Dedicated Project Team

CivicPlus maintains a staff of dozens of personnel who excel in the development and support of government websites. From project management, design and development to training and support, our highly qualified staff ensures the success of your website throughout all phases of construction and beyond. Our expert project leaders (listed below) will match you and your needs to a team of highly qualified specialists who will work directly with you throughout your entire project. *If selected, your project team, including project manager, will be assigned upon contract signing.*

Danny Elmore – Regional Sales Manager

Education	10+ Years of Experience	Role at CivicPlus
Freed-Hardeman University	Increase industry exposure and emphasize client functionality options	Determine the best solution for your website and budget
University of Alaska-Anchorage		
Black Hill State University	Experience in private and government sector	Overall account management
Resume	Negotiate contracts	Ensure customer satisfaction
Software Sales	Manage multiple software client accounts	Oversee product development and product marketing
Client Relationship Management	Resource optimization	
Marketing	Project and program management	
Government	Strategic planning and development	

Katrina Lewison – Manager of Project Administration

Education	9+ Years of Experience	Role at CivicPlus
MA Organizational Psychology and Leadership	Client needs analysis & account management	Direct tasks and staff members
BS International Relations	Deadline satisfaction goals	Timeline allocation
Master of Public Policy Administration	Personal coaching and goal setting career moves	Project consultation and quality assurance
Resume	Leadership and ethics trainer	
Talent Acquisition Consultant	Managed community development projects, including engineering/construction work	
Director of Development and Talent Acquisition		
Executive Officer U.S. Army		

Jessica Jones – Manager of Content Development

Education	4+ Years of Experience	Role at CivicPlus
BA English Arts	Customer Service	Oversee content quality management
Resume	Content Migration and Editing	
Project Management	Customer support	Test new products and services for CivicPlus
Customer Service	Education	
Contract Development and Administration		Ensure incoming projects remain on schedule and are completed in an excellent manner



Tony Ridder – Manager of Creative Services

Education

BA Fine Art

Resume

Digital Imaging Instructor

Creative Director

Senior Illustrator & Photographer

Thorough recognition of web design and video creation

20+ Years of Experience

Graphic design, web design and assembly, computer and traditional illustration, photography, and interactive media

Branding and logo expertise

Create and direct marketing media campaigns

Photography and graphic design teaching

Proficient in website layout, initial design, setup of initial pages and functionality of site

Role at CivicPlus

Head creative development and graphic representations

Direct design team and programming

Responsible for each website overview and uniqueness

Quinton Randel – Manager of Training and Consulting

Education

Information Assurance and Network Security

Resume

Trainer and Consultant

Operation Management

Technology Sales

Lending Analyst

10+ Years of Experience

Website usability expertise

Content development

Customer service

Expertise in MS Word, Website Management Systems, module functionality, admin functions and creativity

Account Management

Role at CivicPlus

Customize the training and consulting experience to your skill set

Provide creative application ideas for the CivicPlus GCMS®

Effective communication in plain language

Amy Vikander – Director of Client Care

Education

Graphic Design

Resume

Property Management

Client Service Team Leader

Client Implementation Coordinator

10+ Years of Experience

Customer Service

Project management

Team management and leadership

Managing customer relationships

Training

Role at CivicPlus

Conscientious care of the continuing relationship between CivicPlus and client

Prompt aid on support issues

Knowledgeable answers for "how to" questions from client's staff

The CivicPlus Effect – Award-Winning Websites & Exceptional Results

Since 2006, CivicPlus clients have won an amazing 377 awards for their websites, and recently, the Center for Digital Government awarded CivicPlus their "Best Fit Integrator" award for being among the best private-sector information technology integrators for delivering extraordinary digital solutions to public IT projects. This distinction puts CivicPlus alongside Accenture, IBM, Motorola and Northrup Grumman as the true leaders in municipal government technology.

Our customers are proof that by partnering with CivicPlus, your new website will be amazing. Below is just a sampling of some of the most prestigious awards in the industry earned by CivicPlus customers.

Some of our Award-Winning Clients...

Castle Rock, CO	crgov.com	Ontario County, NY	co.ontario.ny.us
Amherst, MA	amherstma.gov	Richland, WA	ci.richland.wa.us
Hinton, AB	hinton.ca	Farragut, TN	townoffarragut.org
Avondale, AZ	ci.avondale.az.us	Maui County, HI	co.maui.hi.us
Wauunakee, WI	vil.waunakee.wi.us	Athens-Clarke County, GA	athensclarkecounty.com
Broken Arrow, OK	brokenarrowok.gov	Dodge City CVB, KS	visitdodgecity.org
Richmond, CA	ci.richmond.ca.us	Montrose, CO	cityofmontrose.org
Missoula, MT	ci.missoula.mt.us	Port of Galveston, TX	portofgalveston.com
Tequesta, FL	tequesta.org	Cumberland County, PA	ccpa.net
Beaverton, OR	beavertonoregon.gov	Danville, VA	danville-va.gov
Caddo Parish, LA	caddo.org	Webster, TX	cityofwebster.com

Recognition



Proposed Content Management Software

Developed for organizations that have a need to update their site frequently, CivicPlus provides a powerful government content management structure and website menu management system. The system allows non-technical employees the ability to easily update any portion of your website Instantaneously. The CivicPlus Government Content Management System (GCMS®) utilizes Microsoft SQL Server, ASP, JavaScript and HTML for web development.

No HTML knowledge is needed to update your website. However, if desired, HTML code can be used throughout the website for advanced users.

With extensive web applications in place, continual enhancement and an easy-to-use interface, our clients are the proud owners of their websites and are excited to be part of the CivicPlus community.

Additional benefits of the CivicPlus GCMS® include webpage version controls, customizable levels of user-rights, searchable data, accessible customer support services, instantaneous functionality updates, comprehensive security and much more.

Each website begins with a unique design developed to meet your specific communication and marketing goals, while showcasing the individuality of your community. Features and capabilities are added and customized as necessary, and all content is organized in accordance with web usability standards. Please see Appendix B for a detailed list of the CivicPlus GCMS® Features and Functionality.

Integrated Content Management System Component and Tools

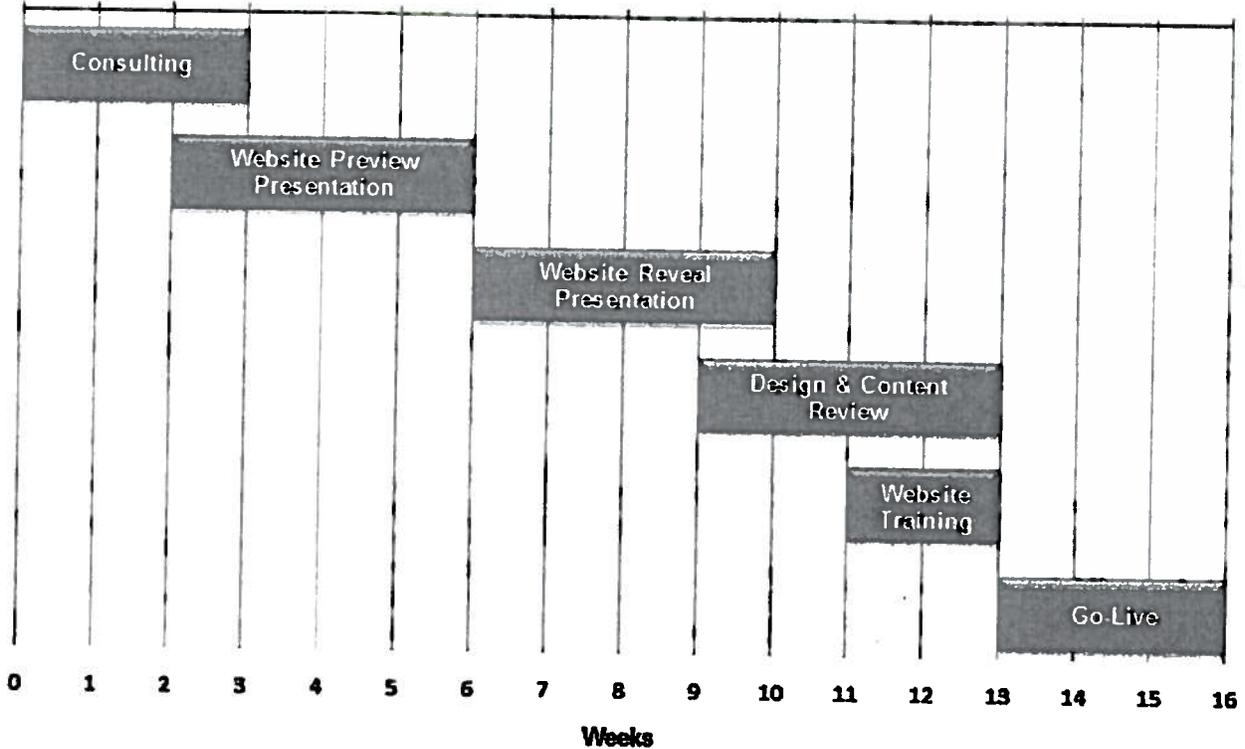
No. Component/ Module Name	Function	Vendor Comment
Agenda Creation, Management and Document Repository	Create, Manage, Search Capabilities for documents	The CivicPlus Agenda Center is an all-inclusive agenda creation module. Agenda Center allows for the creation and management of the entire agenda process, from submitting preliminary items at the departmental level, to a robust and easy-to-use workflow, to the publishing of the agenda live to the public – one smooth and seamless process.
Automatic Archiving	All content with retention schedule	Items that are set to expire automatically go to the archive center.
Business Directory	Dynamic Content	Think of the Business/Resource Directory as the yellow pages of your website, as it provides site visitors with information about and links to organizations and services within your community. Site visitors can search by business or organization name or category, and entries can be organized by business (yellow pages style) or by category (topical directory style).
Browser Based Administration	Update, Delete and Create Template – Based Web Pages, Full Permissions	With the CivicPlus system no installation of programs or software needed, meaning you and your staff can update the site from any Internet connection or platform (Mac or PC) at any time.
Calendar – Departmental as well as City Wide	Update/Publish Calendars by both Department and City wide, iCal	Our Calendar module allows administrators to set up calendar items to help keep the public informed about goings-on in your community. Events can be set on a one-time basis or as recurring events for multiple months in advance, with short descriptions and hyperlinks to display the event details. The calendar recognizes the current date as the starting date for the display of events and also provides for easy navigation to future events. Multiple

		calendars are available.
Departmental Home Pages	Dynamic Content	Placement of navigation and dynamic areas are options throughout the site.
Document Center	Upload, Convert to PDF	Our Document Center is a document storage center that allows for a variety of file types (e.g., PDF, spreadsheets, pictures, video files, sound clips, and more) to be downloaded or viewed by the end user, allowing for easy access for your site visitors.
Directories, Listings	Dynamic Content	Dynamic Page Components may be placed on any page and bolster dedicated areas.
E-Notification	Electronic Subscription, Email, SMS and RSS	With Notify Me®, visitors can sign up to be notified via email and/or SMS text message about community activities, meetings, and other updates to your website. Users can self-manage multiple subscriptions at once, and unsubscribing is easy.
Form Builder	Drag and Drop	Our recent upgrade to our Forms Development Tool has added in drag-and-drop build-out functionality, the ability to apply conditional fields, form statistics, and much more.
Frequently Asked Questions	Dynamic Content	Help your citizens reduce time-consuming phone calls or trips to government offices by answering commonly asked questions through your website. FAQs – which can be organized by departments and/or category – may be added to any page and can be set up to link to additional information or documentation for easy reference.
Intranet/ Extranet	User Restricted Pages	Intranet/Extranet setup for groups to share non-public resources can be achieved.
LDAP Integration		LDAP will provide our clients with a powerful and simple way to manage users and permissions within our system by syncing your website up with your existing Active Directory database, negating the need for multiple user upload and sign-on. Because LDAP authentication requires custom programming time, additional fees apply. (need to determine if rep has included this in project when putting answer in)
News Releases	Online Publishing	Document Center allows for a variety of file types and can accommodate news releases.
Online Forms	Forms/Publishing/ Tracking	Our Forms Development Tool makes it easy for you to receive useful information from your community and for your community to complete tasks online. These completely customizable forms can be used as a means for citizens to contact you with questions, requests and feedback, or to sign-up for various events and activities.
Online Payments	Secure Online Transaction –by dept.	Integrate eCommerce on your website with no third-party store to setup, and save your citizens time and effort by affording them the opportunity to pay for services right through your website. You have the ability to customize or make changes to any form that you create to take in online payments like permit fees, registration fees, pool passes, etc., and email notifications are sent out to both customer and client when a transaction is made. Financial reporting through our trusted PCI-compliant partner is also available with the click of a button.

Request Tracking	Web and Mobile Friendly	The Citizen Request Tracker™ (CRT) is a powerful tool that facilitates interoffice and government-to-citizen communication and workflow concerning requests reported by residents. Users create a profile and submit requests or complaints, view pending issues, reopen closed issues, request additional information, and more. Once a profile is set up, contact information is automatically filled in when a user submits a new request.
Rotating Photos/Banners Ads	Dynamic Image Display	Module options can adapt to accomplish both requests.
RSS Feeds Out	Registration by Dept.	Users sign up for RSS feeds and are notified of news items without a visit to the website.
Site Search	Internal Site Search Engine	<p>On the public side of the site, we supply all our clients with a robust Site Search with advanced search features. The CivicPlus Site Search will search through web pages on your site, PDF documents, any module entries, and document files. Video and sound files are searched by name. The site search organizes the results by the type of information (calendar item, web page, Microsoft files, PDF documents, etc.)</p> <p>With the Site Search Log, site administrators can review a history of searched-for words by frequency, date, time, and exact terms input by site visitors. This is a helpful tool for your site users and also a means of keeping your staff in-the-know of what items are being regularly searched on your site.</p>
Site Index		Site map items auto-update to your menu system.
Staff Directory		A time-saving resource for your residents, Staff Directory provides detailed contact information for your staff and various offices all in one place, decreasing the number of calls requesting contact information. You can include as much or as little employee and department information as you deem necessary; plus, Staff Directory entries can be linked to pages throughout your site, providing quick access to a specific department or employee's information.
SSL Certificate (s) Secure content accessibility	VeriSign SSL security interface	One SSL Certificate is included in our ePay module.
Full Documentation of CMS and web structure	Continually updated for future reference of support and maintenance of website	CivicPlus University (CPU) is an online reference available 24/7 for your staff. Once you've completed the initial training for your website, enroll in CPU to earn your Master of the GCMS®, online and on your own time. User manuals are also available online.

Proposed Project Work Plan

Consulting, design, usability guidance, programming, secure hosting and dedicated training – CivicPlus delivers all of this and more during the development of your new website. Please see Appendix A for a complete outline of our work plan.



Typical Project Timeline	Timeline
Phase 1 - Consulting (may vary with on-site meetings) Includes: Needs assessment, best practices, and takeaways assigned.	4-5 weeks
Phase 2 - Website Preview Presentation Includes: Layout presentation, mood board and main navigation review, design feedback meeting and approval and takeaways assigned.	3-5 weeks
Phase 3 - Website Reveal Presentation Includes: Presentation of a functional website based on goals, recommendations and combined vision; final approval and takeaways assigned.	3-4 weeks
Phase 4 - Customized Website Training (varies based upon amount of content) Includes: Customized to give your staff the skills they need to maintain your website.	3-4 week
Phase 5 - Go Live	3-4 weeks
Website Launch	16 -22 Weeks (On Average)

Because of the unpredictable timelines associated with bidding processes, we rarely supply a custom timeline in our proposal responses. Working together, we want to ensure a realistic timeline is available to meet your specific goals.

Through the outline of our proven development model provided in this proposal, development timelines can be estimated based on the date of the project's initiation.

Hosting & Security Features

CivicPlus' Network Operations Center – based in Kansas City, MO – is set up specifically for website hosting and administration. Redundant power sources and internet access ensure consistent and stable connections, and regular hardware upgrades make certain that CivicPlus-hosted sites are maintained on up-to-date, reliable equipment.

Hosting With CivicPlus Includes:	
<ul style="list-style-type: none"> • Shared Web/SQL Server • DNS Consulting and Maintenance • Monitor Bandwidth-Router Traffic • Redundant ISP • Redundant Cooling 	<ul style="list-style-type: none"> • Diesel Powered Generator • Nightly Tape Backup • Intrusion Detection and Prevention • Antivirus Protection • Hardware Upgrades

- Physical Security**
 - Biometric access
 - Proximity card key system prevents unauthorized access to servers
 - High-resolution, closed-circuit video with time lapse recording covering secured areas
 - All visitors require a full-time escort within hosting area
 - Redundant cooling systems
- Power**
 - All systems fed by uninterruptible power supplies (UPSs) with diesel-powered generator backup
- Bandwidth**
 - 1GB burstable internet capability with option to expand
 - Multiple carriers to provide redundancy for continuous connectivity – including MCI/Verizon, Hurricane Electric and Cogent
 - AT&T: 45Mbps fiber optic network
 - Cox: 100Mbps fiber optic network
 - BGP internet routing; continuously monitor and manually balance internet load between carriers for optimal speed
- Monitoring**
 - Round-the-clock (24/7/365) monitoring of all critical components, including: internet connectivity, servers, routers, switches and power systems
- Backup**
 - Tape backup performed daily
 - Off-site tape archive
- Antivirus**
 - Continuously scan system
 - Signature files auto-updated every 4 hours from national registry
- Data Security**
 - Server operating systems applied as necessary
 - Router level port blocking and reporting
 - Router level packet filtering and reporting
 - Server level port blocking and logging
 - Ongoing security analysis by Cisco security specialist
- Data Redundancy**
 - RAID Level 5 data storage array
 - RAID 1 + 0
- Intrusion Detection**
 - Redundant Palo Alto Advanced Services Firewalls
- Staff Certifications**
 - Full-time electrical engineers (EE)
 - Full-time Microsoft-certified systems engineers (MCSE)
 - Full-time Cisco-certified network associates (CCNA)
 - Full-time Cisco-certified network professionals (CCNP)

Training

We want your website to be an investment that holds its value over time rather than a big expense that you have to budget for every few years. We apply this same thinking to our approach toward training and support, too. After the launch of your website you should be able to keep current staff as well as new-hires trained and supported as they update and maintain your site. CivicPlus offers ongoing training and support, as well as the incredible resource of more than 1,600 other municipalities that use the CivicPlus Government Content Management System (GCMS®). Stay up to date and always informed with unlimited access to the CivicPlus Connection.

When you join the CivicPlus community, you're connecting with our entire staff as well as a network of more than 1,600 cities, counties and other government entities that use the CivicPlus solution. CivicPlus Connection – a social network for CivicPlus users – invites our customers to engage us and each other even more!



By logging onto CivicPlus Connection, you can:

- Earn different levels of CivicPlus certification, from contributor to webmaster, at our online testing center
- Access online training manuals and videos to learn the tips, tricks and processes to become the expert at creating the best website for your users in the CivicPlus University section
- Attend webinar series for refresher trainings or for sneak peeks at the newest features and functionality in development
- Try to stump the CivicPlus trainers with a question
- Share ideas and contribute to bettering our community through opinion polls, surveys and group discussions
- Stay up to date on the latest trends in web technology, design and government processes through blogs, webinars and informational updates tailored to local government professionals
- Access our always-available online support center for our clients
- Signup to be a part of the CivicPlus beta testers to get your hands on the newest features and functionality first

The CivicPlus Connection is another exciting benefit to the CivicPlus client experience and available only for clients who have been through initial training.

Resource Center

With CivicPlus, you will discover a team of people ready to help you at any time. We are not just with you for the development, design and launch – we will be here year after year to respond to new needs and new opportunities for you to build you site into the best site it can be.

Community Engagement Consultants

CivicPlus has a team of Community Engagement Consultants to help you implement the tools needed to successfully meet the level of Community Engagement that you desire. Upon website Go Live, you will have a dedicated member of this team to help you keep up on new CivicPlus products and optimize your site. This specialized team member can provide you with further information on how to engage your citizens, utilizing the tools that CivicPlus has put into place on your new website.

Around-the-Clock Technical Support

Our support personnel are ready to answer your staff members' questions and ensure their confidence in using our site. When you choose CivicPlus, our knowledgeable staff is available from 7 a.m. to 7 p.m. (CST) to field your calls and emails, and emergency services are available after regular hours with our on-call staff 24-hours a day.

In addition to fielding support requests, CivicPlus is proactive in identifying any potential system issues. Through regularly scheduled reviews of site logs, error messages, servers, router activity and the internet in general, our personnel often identify and correct issues before they even affect our clients' websites. Our expertise in website management provides assurance to our clients that their site is in good hands.

Maintenance & Support Includes:	
Support	Maintenance of CivicPlus Application & Modules
7 a.m. – 7 p.m. (CST) Mon. – Fri. (excluding holidays)	Install Service Patches for OS
24/7 Emergency Support	System Enhancements
Dedicated Support Personnel	Fixes
2-hour Response During Normal Hours	Improvements
Usability Improvements	Integration
Integration of System Enhancements	Testing
Proactive Support for Updates and Fixes	Development
Online Training Manuals	Usage License
Monthly Newsletters	
Phone Consulting	
CivicPlus Connection	

Mobile Website Detection & Browsing

Mobile browsing is automatically available with a CivicPlus-developed website, meaning your residents can easily access and refresh your site and its important content from any mobile platform, such as their iPhones, Androids, Blackberrys, etc.

Software Licensing

No programs or software are necessary to install, meaning you and your staff can update the site from any internet connection or platform (Mac or PC) at any time. South Gate will *not* pay money per seat to install software. You can have an unlimited number of users in the system. Citizens Request Tracker is limited to 5 users; additional user licenses may be purchased.

Financial Arrangements

All Quotes are in US Dollars and Valid for 30 Days from June 24, 2014.

Project Development and Deployment

Initial GCMS® upgrades, maintenance, support and hosting – no additional cost **\$60,000**

Server Storage not to exceed 60 GB

Total Fees Year 1 **\$60,000**

With CivicPlus' Annual Services, you'll enjoy redundant hosting services, daily backups, extensive disaster recovery plans, 24/7 support, software maintenance, system enhancements, recurring training, and access to the CivicPlus community. Protecting your investment is important, and our Annual Services allow you to receive maximum benefit at minimal cost. Over the course of a year, you'll receive system enhancements, maintenance and optimization. Additionally, your staff will have full access to our support staff, ensuring that they're always up to date on our latest features and functionality.

Annual Services (Continuing GCMS® Enhancements, Maintenance, Support and Hosting)

Billed 12 months from contract signing; subject to annual 3% increase year 3 and beyond **\$9,000**

Optional Multi-Year Payment Plan – CivicPlus Advantage

CivicPlus Advantage offers local governments an alternative payment plan that eases the impact of a new website on your budget and spreads the one-time project development costs over a longer period of time.

Through a minimum three-year contract, CivicPlus Advantage dramatically lowers the one-time project development and start-up costs of launching a new website, combining one-time and recurring fees and spreading them over the life of the contract.

CivicPlus Advantage	1st Year	2nd Year	3rd Year	4th Year
Annual Recurring Fees	\$26,000	\$26,000	\$26,000	\$9,270



The CivicPlus Recurring Redesign

At CivicPlus, we realize that over time, you might decide that you want to change your design by giving it a visual refresh, so to speak. On average, we have noticed that clients tend to request a redesign about every four or five years in the life of a typical government website.

But instead of starting completely over from scratch with a new website rebuild, CivicPlus has an option that can not only help save you time and effort, but *lots* of money too!

At the end of your fourth year of continuous service with us, you are eligible to receive a website redesign with no further out-of-pocket expense. The cost of the redesign is included in your annual fees each year, giving you the knowledge that your website design will never become stale and that you'll never have to build your site from the ground up again!

The CivicPlus Redesign Option Includes:

- New CivicPlus Basic Redesign
- Redevelop banner
- Up to three graphic buttons to promote special services
- Redevelop navigation method (may choose top drop-down or other options)
- Select color scheme to match new graphics
- Design setup – wireframe
- Print this page option
- Email this page option
- Breadcrumbs
- Sitemap
- Redevelop graphic elements of website (Newsflash, FAQs, Calendar, etc.)
- Project management
- Testing
- Review
- Content migration – Includes retouching of all existing pages on the redesigned website to ensure proper formatting, menu structure, and application of new site styles. Note: Content will be rewritten or pages broken up (shortened or resectioned) during this process to reflect best web usability practices.
- Site styles and page layouts will be touched so all pages match the new design and migrate cleanly

Project Development

<p>Kick-Off Meeting <u>Deliverable:</u> Project Timeline, training jump start and worksheets</p>	Included
<p>Phase 1: Consulting <u>Deliverable:</u> Needs assessment, best practices and worksheets</p>	Included
<p>Phase 2: Website Preview Presentation <u>Deliverable:</u> Website layout and mood board will be presented for your approval</p>	Included
<p>Phase 3: Website Reveal Presentation <u>Deliverable:</u> Completed website design and navigation structure will be presented. You will be able to propose changes at this time.</p>	Included
<p>Phase 4: Four Days of Customized On-Site Implementation Training for up to 12 employees <i>Quote includes travel expenses (\$80 per person per day for the 13th attendee and beyond)</i> <u>Deliverable:</u> Train System Administrator(s) on GCMS® Administration, permissions, setting up groups and users, module administration. Basic User training on pages, module entries, applying modules to pages. Applied use and usability consulting to result in effective communication through your website.</p>	Included
<p>Phase 5: Go Live <u>Deliverable:</u> Content migrated from current primary site to new site based on best practice recommendations. Custom website. Registration of site with all major search engines. <i>Note: Content from sites other than the primary site can be migrated to the new primary site for an additional fee.</i></p>	Included
Additional Functionality	
Google Translation Tool	Included
Five (5) Department Header Packages – includes up to 20 pages per header package of content migration.	Included
Media Center with Live Streaming Video (10GB of server storage included)	
Options Included In One-Time Fee	
<p>Phase 1: Content Consultation Three days on-site, up to six departments per day. <i>Quote includes travel expenses.</i> A consultation package concentrating on evaluating current website content and making recommendations for improved content development, presentation and maintenance. <u>Deliverable:</u> A comprehensive report on evaluation of current content (placement, length, style and effectiveness), recommendations for improvement or creation of new content, a follow-up report reviewing the results of implemented suggestions.</p>	Included
<p>Total Project Development and Deployment Fee <i>Initial GCMS® system enhancements, maintenance, support and hosting included – no additional cost</i> Server Storage not to exceed 60 GB</p>	\$60,000
Total Fees Year 1	
\$60,000	

Optional Project Enhancement

Options	One-Time Fee
<p>Pre-Implementation: On-Site Kick-Off Meeting Three days on-site. <i>Quote includes travel expenses.</i></p> <p>A consultation package concentrating on your website committee's design goals, audience goals and meet with departments to kick-off with a project overview.</p> <p><u>Deliverable:</u> A document summarizing the meetings, with analysis and recommendations. Design information gathered.</p>	<p>Optional \$10,000</p> <p>Add up to 6 departments per additional day for \$2,200</p>
<p>Phase 1: Process Roadmap Consultation Three days on-site. <i>Quote includes travel expenses</i></p> <p>A consultation package concentrating on evaluation of processes for customer and citizen services. Designed to fit specific client needs in management of the website design and creation process on the client side.</p> <p><u>Deliverable:</u> A comprehensive report of current citizen-facing practices and citizen/customer-facing processes, recommendations for improving quality and efficiency of government-to-citizen and government –to-customer relations and processes, a follow-up report reviewing the results of implemented suggestions.</p>	<p>Optional \$10,000</p>
<p>Phase 1: Citizen Engagement/Website Marketing Suite Three days on-site. <i>Quote includes travel expenses.</i></p> <p>This consultation will focus on creating a strategic marketing plan for the new website directed at your main public-facing stakeholders (citizens, visitors and businesses) in an effort to increase awareness of the site and increase interaction with the site's functionality. We will work with you to create a custom plan for advertising and driving traffic to your website geared toward capturing and building upon the momentum gained in the days and weeks that follow the new site's launch.</p> <p><u>Deliverable:</u></p> <ul style="list-style-type: none"> • Strategic Initiatives: A strategic marketing plan aimed to increase awareness of the site and increase interaction with the site's functionality using targeted marketing tactics, a recommended plan of action for implementing new site and tools, a follow-up report reviewing the results of implemented suggestions. • PR Services: Press release development, distribution and measurement, letter to local library development, letter to local library development, letter to request dedicated link development, how to guide – approach local paper, how to guide – invite local media. • Social Media Services: Consultation and recommended posts, Facebook update examples, how to guide – respond to social media. 	<p>Optional \$10,000</p>
<p>Phase 1: Public Engagement Evaluation Two days on-site. <i>Quote includes travel expenses.</i></p> <p>A consultation package concentrating on evaluation the satisfaction of citizens/customers regarding the current website and online services. A survey will be conduct to discover general levels of satisfaction, desired site functions, features and tools, current tools features or functions that are not considered valuable or need altered.</p> <p><u>Deliverable:</u> A follow-up report containing findings of current engagement level along with recommendations and roadmap for getting to the desired level of engagement.</p>	<p>Optional \$7,800</p>

<p>Phase 1: Website Design Consultation Two days off-site – conducted remotely. A consultation package concentrating on evaluating the form and function of the current website design and potential problems therein. <u>Deliverable:</u> A comprehensive report on all findings regarding the current site design, recommendations and roadmap for implementing the design to meet your overall goals, a follow-up report reviewing the results of implemented suggestions.</p>	<p>Optional \$3,600</p>
<p>Phase 1: Intranet Consultation Three days on-site. <i>Quote includes travel expenses.</i> A consultation package concentrating on evaluating and improving current functions of interdepartmental relations and recommendations for increasing effectiveness through the use of all available web tools. <u>Deliverable:</u> A comprehensive report on all findings regarding the current intranet system being used and success rate of current system functions, a detailed plan for making improvements and adapting the intranet system to your needs, a follow-up report reviewing the results of implemented suggestions.</p>	<p>Optional \$10,000</p>
<p>Phase 5: Consolidation of Identified External Site – Full Content, less than 100 pages An option that allows for pages of content to be migrated from sites other than the current primary site to the new primary site. Migration of top-level navigation is included.</p>	<p>Optional \$2,450</p>
<p>Phase 5: Consolidation of Identified External Site – Full Content, more than 100 pages, 50 page block An option that allows for pages of content to be migrated from sites other than the current primary site to the new primary site. Migration of top-level navigation is included.</p>	<p>Optional \$1,400 per block</p>
<p>Phase 4: 24 Hours Customized Interactive Webinar Training for up to 6 employees <i>Quote includes free use of up to 6 webcams and headsets</i></p>	<p>Optional \$3,640</p>
<p>Phase 4: Training/Consulting Two days on-site Review website with department administrators and provide additional time for basic learners. Review website procedures. Must be held concurrently with original on-site training session.</p>	<p>Optional \$7,800</p>
<p>Post-Training: Website Presentation Two days of on-site meetings to present website to stakeholders. <i>Quote includes travel expenses.</i></p>	<p>Optional \$7,800</p>
<p>Post-Training: Three-Month Checkup Held three months after go-live, includes two days on-site of additional consultation/training. <i>Quote includes travel expenses.</i></p>	<p>Optional \$7,800</p>
<p>Post-Training: Three Day Annual Refresher One day on-site consultation, two days on-site refresher/advanced training. <i>Quote includes travel expenses.</i></p>	<p>Optional \$10,000</p>
<p>Post Go-Live: 50 Pages of Additional Content</p>	<p>\$1,450</p>
<p>Virtual Webmaster: Five Hours of Content Updates per month.</p>	<p>Optional \$5,700 Annual Minimum</p>
<p>Annual Recurring Training: Training on new functionality and services <u>Deliverable:</u></p> <ul style="list-style-type: none"> • New User Training: A three-hour training for new users to learn basic features of the GCMS®. • Refresher Training/New Module Training: A three-hour session designed to refresh existing users as well as to train them on new modules. • New Feature Overview: A three-hour session designed to make users aware of recently released modules and features. • Website Review Consulting: An hour-long, in-depth review of the client website followed by a two-hour session with client users. 	<p>Optional \$2,000 Annually</p>



Functionality Options	One-Time	Annual
GoCitizen Pro Custom Mobile App (IOS & Android)	\$4,500	\$1,200
Human Resource Management System (HRMS) – Applicant Tracking Key features include: Assessment lists, social media integration, career portal, resume parsing, candidate source capture, job management, job requisitions, job sourcing metrics, application management, candidate management, reporting, profile metrics, e-mail tool, cost-per-hire metrics, candidate routing, background check integration. <i>(Annual subscription fee is subject to an annual 5% increase year 3 and beyond)</i>	n/a	\$13,995
HRMS – Applicant Tracking Lite Key features include: Assessment lists, social media integration, career portal, resume parsing, candidate source capture, one (1) free custom job application. <i>(Annual subscription fee is subject to an annual 5% increase year 3 and beyond)</i>	n/a	\$4,495
HRMS – Onboarding Employee onboarding module streamlines the process with our intuitive user interface, solid business logic, strong auditing and great customer support. <i>(Annual subscription fee is subject to an annual 5% increase year 3 and beyond)</i>	n/a	\$3,995
Language Translation (hand translation, priced per single language)	\$125/page or \$1,000/10 pages	n/a
LDAP Integration	\$1,200	\$300
New Logo Development	\$5,000	n/a
New Logo Development with Branding & Graphics Development	\$7,000	n/a
Subsite – Includes up to 20 pages of content migration <i>(No annual fee in the first year, annual fees starts in second year)</i>	\$8,000	\$1,575

Project Development and Deployment Includes the Following:		
Modules	Functionality	
<ul style="list-style-type: none"> • Agenda Center • Alerts Center & Emergency Alert Notification • Archive Center • Bid Postings • Blog • Business/Resource Directory • Calendar • Carbon Calculator • Citizen Request Tracker™ (5 users) • Community Connection • Community Voice™ • Document Center • ePayment Center • Facilities & Reservations with Activities • Frequently Asked Questions • Forms Center • Healthy City • Intranet • Job Postings • My Dashboard • News Flash • Notify Me® email and 500 SMS subscribers • Online Job Application with 1 Generic Application • Opinion Poll • Photo Gallery • Postcard • Quick Links • Real Estate Locator • Spotlight • Staff Directory 	<ul style="list-style-type: none"> • Action Items Queue • Audit Trail / History Log • Automated PDF Converter • Automatic Content Archiving • Content Library (Content Templates) • Dynamic Breadcrumbs • Dynamic Sitemap • Expiring Items Library • Graphic Link Administration • Links Redirect and Broken Links Finder • Menu Management • Mouse-over Menu Structure • MuniMobile™ (Mobile Website Browsing) • Online Editor for Editing and Page Creation (WYSIWYG) • Online Web Statistics • Printer Friendly/Email Page • Rotating Content • RSS • Search Engine Registration • Site Layout Options • Site Search & Entry Log • Sildeshow • Social Media Integration (Facebook, Share and Twitter) • User & Group Administration Rights • Web Page Upload Utility • Website Administrative Log 	
Support	Maintenance of CivicPlus Application & Modules	Hosting
7 a.m. – 7 p.m. (CST) Monday – Friday (excluding holidays) 24/7 Emergency Support Dedicated Support Personnel 2-hour Response During Normal Hours Usability Improvements Integration of System Enhancements Proactive Support for Updates & Fixes Online Training Manuals Monthly Newsletters Phone Consulting CivicPlus Connection	Install Service Patches for OS System Enhancements Fixes Improvements Integration Testing Development Usage License	Shared Web/SQL Server DNS Consulting & Maintenance Monitor Bandwidth-Router Traffic Redundant ISP Redundant Cooling Diesel Powered Generator Daily Tape Backup Intrusion Detection & Prevention Antivirus Protection Upgrade Hardware

Hold Harmless and Insurance Requirements

Certificate of Insurance

ACORD		CERTIFICATE OF LIABILITY INSURANCE		DATE (MM/DD/YYYY) 5/22/2013	
<p>THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.</p>					
<p>IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).</p>					
PRODUCER Charlson-Wilson Insurance 555 Poyntz Avenue, Suite 205 P.O. Box 1989 Manhattan KS 66505-1989		CONTACT Elizabeth Smoller PHONE (785) 537-1600 FAX (785) 537-1637 E-MAIL bsmoller@charlsonwilson.com ADDRESS:			
INSURED ICON ENTERPRISES INC D/B/A NETWORK PLUS AND CIVICPLUS 317 HOUSTON STREET MANHATTAN KS 66502		INSURER(S) AFFORDING COVERAGE		NAIC #	
		INSURER A: Sentinel Insurance Company, LTD		11000	
		INSURER B: Rated by Multiple Companies		00914	
		INSURER C: Hartford Insurance Group			
		INSURER D:			
		INSURER E:			
		INSURER F:			
COVERAGES CERTIFICATE NUMBER: 2013 Master REVISION NUMBER:					
<p>THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.</p>					
TYPE OF INSURANCE	ADDRESS	POLICY NUMBER	POLICY EFF. DATE	POLICY EXP. DATE	LIMITS
A GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GENL. AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO. <input type="checkbox"/> LOC		375BAAR6566	5/17/2013	5/17/2014	EACH OCCURRENCE \$ 2,000,000 DAMAGES TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 2,000,000 GENERAL AGGREGATE \$ 4,000,000 PRODUCTS - COMP/OP AGG \$ 4,000,000
A AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS		370BCTZ7974	5/17/2013	5/17/2014	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ PIP-Basic \$
UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED. <input type="checkbox"/> RETENTION \$					EACH OCCURRENCE \$ AGGREGATE \$
B WORKERS COMPENSATION AND EMPLOYER'S LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in PR) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input type="checkbox"/> N/A	37RBCPA9652	5/17/2013	5/17/2014	<input checked="" type="checkbox"/> WC/STATUTORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
C Technology E&O		00 TR 0277079-13	1/1/2013	1/1/2014	Each Glsh Limit 3,000,000 Aggregate Limit 3,000,000
DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)					
CERTIFICATE HOLDER			CANCELLATION		
FOR INFORMATIONAL PURPOSES ONLY PLEASE CONTACT AGENT TO BE LISTED AS CERTIFICATE HOLDER			SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.		
			AUTHORIZED REPRESENTATIVE Martha Pottberg/SFB <i>Martha Pottberg</i>		
ACORD 25 (2010/05) INS025 20100501		© 1988-2010 ACORD CORPORATION. All rights reserved. The ACORN name and logo are registered marks of ACORN			

INSURANCE & HOLD HARMLESS REQUIREMENTS --

Mechanics of the Bid Procedure. Agreement to these items shall not, by itself, constitute an agreement between parties. These items are intended to provide guidance to prospective bidders and will be binding upon the bidder should the bid be accepted and an agreement executed between parties.

Hold Harmless and Indemnification: The successful bidder shall agree to indemnify, defend and hold harmless the City and/or Redevelopment Agency, in proportionate part to the successful bidder's relative fault, (including its officers and employees) for/from any and all judgments, claims or actions of any kind presented, entered into, against the City and/or Redevelopment Agency arising out of the vendor's (including vendor's employees, representatives, products and subcontractors), negligent performance under this agreement, excepting only such claims or actions which may arise out of sole negligence of the City and/or Redevelopment Agency, or any third parties not acting on behalf of, at the direction of, or under the control of the successful bidder.

Insurance Provisions:

- *1. Comprehensive General Liability including coverage for premises, products and completed operations, independent contractors, personal injury and contractual obligations with combined single limits of coverage of at least \$1,000,000 per occurrence.
- *2. Auto Liability, including owned, non-owned and hired vehicles, with at least the following limits of liability:
 - (a) Primary Bodily Injury with limits of at least \$250,000 per person, \$500,000 per occurrence; and
 - (b) Primary Property Damage of at least \$200,000 per occurrence; or
 - (c) Combined single limit of \$1,000,000 per occurrence.
- *3. Workers' Compensation Insurance: as required by State Statutes.
4. City of South Gate and/or Redevelopment Agency to be named as an Additional Insured on the above-captioned insurance coverage as respects the City's and/or Redevelopment Agency interests under this agreement. This is to be complied with by presenting an appropriate insurance certificate (at no additional cost) to the City and/or Redevelopment Agency prior to award of contract and commencement of work under this contract; and by presenting to the City and/or Redevelopment Agency an endorsement to the policy, signed by an officer of the insurance company within thirty (30) days of the inception date of this agreement. Purchase Order/s will not be issued until completed paperwork is received and approved.
5. All policies of insurance shall provide for a minimum of thirty (30) days written notice of any change or cancellation of the policy.
6. Insurance policies to be in a form and written through companies acceptable to the City and/or Redevelopment Agency; and shall include those endorsements which are necessary to extend coverage which is appropriate to the nature of the agreement.

Submitted by:

Company name: ICON Enterprises, Inc d/b/a ^{Circle Plus} Signature: B. Rye
Address: 317 HOLSTON STREET, STE. E Title: COO
City/State/Zip: MANHATTAN, KS 66502 Date: 6/18/14
Ph: (886) 228-2233 Fax: (785) 587-8951

References

Commerce, CA www.ci.commerce.ca.us

(Pop. 13,400) Client since November 2010

Al Vela, IT Manager, 323-722-4805, itmanager@ci.commerce.ca.us

Hemet, CA www.cityofhemet.org

(Pop. 71,800) Client since July 2011

Scott Underwood, IT Operations and Network Systems Supervisor, 951-765-3750, sunderwood@cityofhemet.org

Dublin, CA www.ci.dublin.ca.us

(Pop. 44,500) Client since March 2010

Linda Smith, PIO, 925-833-6650, linda.smith@ci.dublin.ca.us

San Jose, CA www.sanjoseca.gov

(Pop. 964,700) Client since February 2012

Lenka Wright, Assistant Director of Communications, 408-535-8113, lenka.wright@sanjoseca.gov

Brea, CA www.ci.brea.ca.us

(Pop. 39,282) Client since December 2012

Liz Pharis, Management Analyst II, 714-990-7706, lizp@ci.brea.ca.us

South San Francisco, CA www.ssf.net

(Pop. 62,800) Client since April 2009

Debbie Crisafi, Administrative Assistant II, 650-829-8923, Debbie.crisafi@ssf.net

Conclusion

As your website committee narrows the search for a partner to create the website for South Gate, CivicPlus would like to be your partner of choice.

Our experienced and knowledgeable professionals are committed to creating the communication infrastructure that South Gate desires.

- **Your city will have access to the most experienced staff in the municipal website management market, and your project team will work with you to create a unique and engaging site that reflects your community.**
- **CivicPlus will remain a trusted advisor and support resource after the site launches; South Gate will always have access to government communication experts.**
- **Your site will grow and change with you as industry trends and technology change. CivicPlus will ensure that your website is on the cutting edge – *always*.**

We have the expertise to help your city work better, help citizens help themselves and build a website both you and your citizens will use.

Appendix

Appendix A – Proposed Full Implementation Plan

Kick-Off Meeting

During the initial kick-off meeting, you will meet your project manager, senior content developer and senior designer. You will work with your project manager to establish your project timeline, review the startup kit and discuss the takeaway items that need to be completed prior to consulting.

Whether you prefer a more relaxed schedule or a more aggressive timeline, your project manager will discuss the implications of deadlines and the expectations required to keep the project on track. Timelines may be modified upon discussion with your project manager.

Your Role

Tasks your staff will need to complete:

- **Assess Your Current Website**

For the best consulting experience possible the following takeaways need to be completed prior to your consulting:

The 6 Stages of Digital Community Engagement Survey – You will take a 3-5 minute online questionnaire to determine where your current website fits on the Community Engagement Scale, www.digitalcommunityengagement.com.

Department / Division Form - This form will be filled out by each department or division. Each department / division should have an understanding of what services they provide, to whom they provide those services, how they are currently communicating information, their future online communications goals and what they like/dislike about their current web presence.

Functionality and Design Form - This form will be filled out by your project web team. Prior to starting this form, research other websites that you like based on functionality and design elements. Provide URLs and specifics about what you like. This form also asks for details on your community's tagline, logo and branding.

Training Information Form for Departments - This form will be filled out by your project web team to help CivicPlus understand the pain points you encounter in your job. We will call out ways to address your pain points during your training sessions.

Web Team Form - This form will be filled out by your project web team. Prior to starting this form, please have an understanding of your project goals, focus and expectations. This allows your CivicPlus Project Team to develop a site specific to your needs and lays the foundation for developing a highly functional information architecture.

- **Clean House**

Update the content on your current primary live website. This step is critical to guaranteeing the information available is relevant, fresh and on-point. Your staff should delete any pages from your current website that you no longer want or need and ensure the remaining information is applicable and up-to-date.



Phase 1: Consulting

A CivicPlus consultant will work with you to determine the right direction for your new website. The items you complete prior to consulting play a critical role in establishing the best approach for your site. The items to be reviewed are:

- **Needs Assessment**

Review the 6 Stages of Digital Community Engagement Survey to determine at which stage your current website ranks and set a goal for your new website. Review the goals and expectations you submitted on the Web Team Form to make sure there is a clear understanding of what the new website needs. Together, we will establish what it will take to meet your website goals regarding design, content and engagement.

- **Functionality & Design**

Review the information submitted via the Functionality & Design Form to make sure there is a clear understanding of what the new website has to have.

- **Department Needs**

Meet with your departments to ensure a clear understanding of CivicPlus' Best Practices & Standards for content and gather information on the potential pain points for each department.

Your Role

Items your staff will need to provide:

- **Website Statistics**

Gather statistics from your current website from the past 12 months.

- **Photos and Template for PDFs**

Collect pictures to be used in the overall design of the website. Provide a MS Word document template that features your branding / logo. This will be used when converting content into a PDF.

- **List of Departments**

Compile a list of all divisions and/or departments within your organization.

- **Applications**

Submit a list of third-party and in-house developed applications presently being utilized on your website.

- **Site Map**

Pull a site map or outline of your current website's navigational structure. This gives a clear overview of the existing information on the website, including the number and location of pages.

- **Content**

Provide a list of any content on the current primary website that must remain as is (verbatim) because of legal requirements. Continue updating the current content on your primary website.

"I think that the modules that are offered give a lot of flexibility to not only the taxpayers but our employees. We can use this site as much as a tool as the taxpayers do."

-Michael Leiker, Ellis County, Kansas

Phase 2: Website Preview Presentation

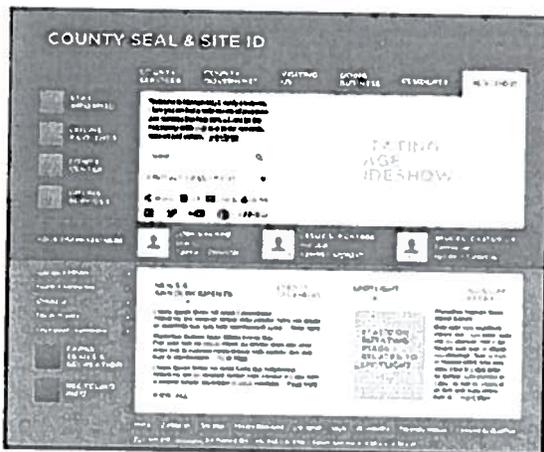
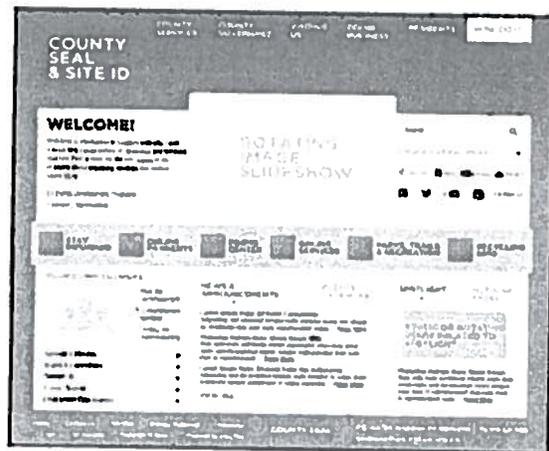
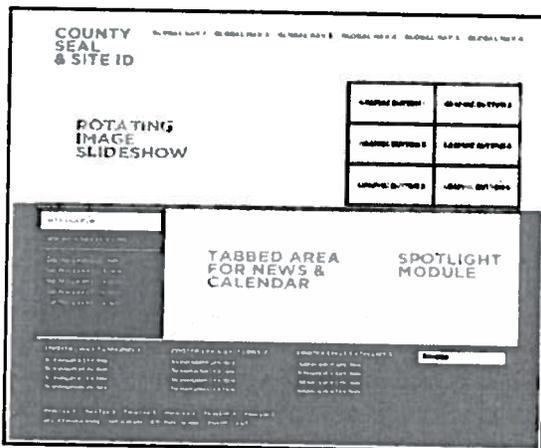
Based on your results and goals outlined during consulting, your Project Team will collaborate to present the most effective user interface for your website, ensuring a flexible design optimized to display in any format now and in the future. Deliverables include:

Layout

You will be presented with two *custom* layouts that showcase the placement of your navigation and key functionality. Very similar to the floor plan of a house, each layout will allow you to focus on where things are and if the function and proportion of the space is adequate.

Website Layout

The examples below are *not* template layouts. They were created based on specific clients' goals, during their consulting phase. Though layouts may contain the same elements, you must keep in mind that they can be arranged differently.



What will your website's floor plans look like?

Intuitive, Usable Main Navigation

Simple navigation and consistent page layouts ensure that your visitors can easily find the information they seek. We'll provide you with a complete recommended navigation for your new website based on your community engagement goals and our prior experience in working with government entities.

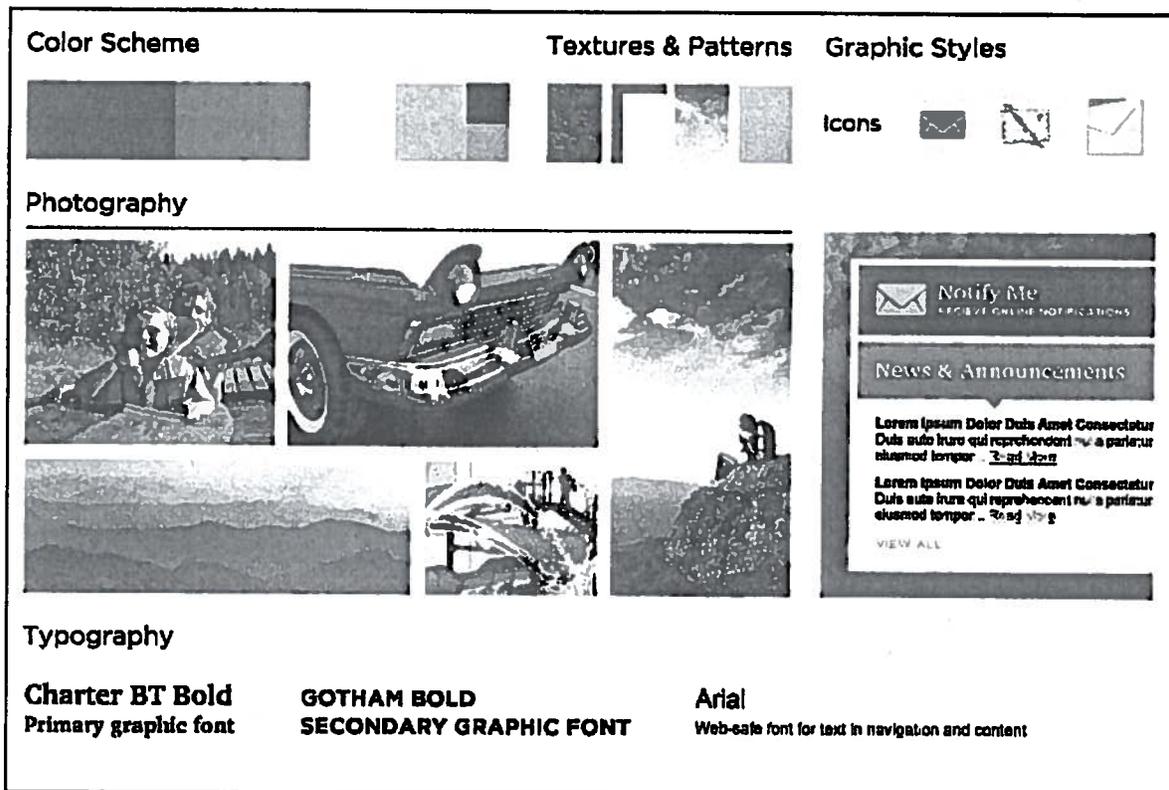
Mood Board

Your Project Team will also present a custom mood board reflecting the color and imagery that will set the tone for your design.

What is a "Mood Board"?

A mood board is a collection of colors, textures, images, graphics, text and descriptive words. These items will be applied to the floor plan you choose. Think of this as the paint that will be used on the canvas that you have chosen.

Example of a Mood Board



Your Role

- **Approval**
Once you approve your layout and mood board, your designer will begin development of your design.
- **Marketing Packet Meeting**
Review marketing packet materials and guidelines.
- **DNS Worksheet Due**
You will need to ensure that CivicPlus has all the necessary DNS items identified for your website launch to be successful.

"The design phase was great. Your design team was really great. They could take our little comments and make our design reflect our city. They were so good about making our changes and coming up with great ideas."

- Melissa Weiss, Creve Coeur, Missouri



Phase 3: Website Reveal Presentation

Your Project Team will present a fully functional website based on your goals, our recommendations and our combined vision. The team will explain how its expertise has shaped your design and transformed your navigational structure. Your website is now 85 percent complete and, with minimal time investment, your website will be ready to launch!

Content Migration

During the Kick-Off Meeting and Phase 1 your staff had the role of updating the content on your current primary site. While you were making design decisions, our content development team will optimize and reorganize your content based on CivicPlus best practices. Content from sites other than the primary site can be migrated to the new primary site for an additional fee.

The CivicPlus content usability experts research and establish their standards from the following resources: Jakob Nielsen, www.Usability.gov and www.HowTo.gov. We will format and reorganize your content so it is easy for visitors to quickly scan and retrieve desired information. We will also bring over your agendas and minutes. There is no limit to the pages you can create after you have gone through training.

Design/Wireframe Review

You will have the opportunity to evaluate and collaborate with the Project Team on proposed changes. You can revise your design composition as many times as you deem necessary, up to the deadline that you and your project manager agree upon during the timeline meeting (the average client requests a total of three). After that deadline, your project's Go Live date will be adjusted.

Following design approval and functionality development, we conduct a review to ensure your expectations are met and website best practices are upheld. Custom designs are rarely produced in anticipation of a project. Copyright authorization and/or photography production are required unless you already have quality, usable photographs. Additional fees for stock photographs or other images are not included in the estimate.

Accessibility Compliance

Our designers and programmers automatically implement all the accessibility features necessary to ensure your site is compliant with accessibility standards outlined within Section 508. We will make recommendations on best practices for keeping your content accessible and available for all users by ensuring that, among other things:

- All menu items are clickable
- Submenus display throughout the site
- Alt tags are used for images
- Site maps are dynamically generated
- Documents and links can be set to open in the same window

CivicPlus recognizes accessibility standards recommendations made by a variety of groups, including the World Wide Web Consortium (W3C) and the Web Accessibility Initiative (WAI) as written in the Web Content Accessibility Guidelines (WCAG). Through adherence to Section 508, CivicPlus is able to meet almost all Priority One, Two and Three guidelines set forth in the WCAG. Those left unmet do not need to be addressed in order to allow basic access to content; some of the more stringent requirements of the WCAG may limit design and content development options.

Your Role

- **Approval**
Evaluate presented design and revisions until you are satisfied.
- **Content Review**
You will review your new website's content and create a list of all the items you would like to see changed. Your CivicPlus trainer will go over your list with you during training, so your staff can gain hands-on experience.
- **Training Preparation Meeting**
We will help you identify the skills and tools your staff needs to quickly and easily update your website.

Phase 4: Customized Website Training

Our goal for training is to give your staff the skills and tools they need to quickly and easily keep your website current. Trainers will work with you to ensure your staff is correctly trained. Before your site is launched, CivicPlus provides in-person or online webinar training to equip your staff with the knowledge, tools and comfort level needed to maintain the site's integrity upon Go Live.

We want to make this an enjoyable experience, while encouraging your staff to participate in learning activities that give them a comprehensive understanding of your website. Regardless of technical ability, we will help your staff gain the confidence to effectively maintain your website.

Website Best-Practice & Usability Consultation

Based on your internal daily tasks and workflow, CivicPlus consultants share best practices with your staff for delivering automated services to your site's visitors. One-on-one or department-specific task analysis is included. Each hands-on session is designed to enhance your team's communication skills and highlight their individual specialties that emphasize your public value.

Features, Module & Page Creation Training for Administrators & Content Contributors

To better understand your site's navigation and page layout and how these affect target audiences, we will instruct your staff on creating area-rights and back-end features for site administration as well as review all the modules included with your site. Your staff will learn how to create links, format text and lay out pages for usability and scannability.

Typical CivicPlus Training Schedule

Admin Training	Modules (cont.)	Modules (cont.)	Pages & Wrap-Up
Introduction to Website	News Flash	Alert Center	Page Creation
Admin Dashboard	Document Ctr. / Archive Ctr.	Community Voice	Advanced Page Creation
Admin Tools	Opinion Polls	Facilities & Reservations	Assist departments and staff in page creation
Intranet	Staff Directory	Forms	Consult with departments and staff on further development and ways to enhance site
Urchin Statistics	Resource Directory	Request Tracker	Wrap-up session
Set Up Groups & Users	Notify Me®	Agenda Center	
Modules Training	Jobs, Bids & OJA	Featured Info	
Quick Links	Photo Gallery & Postcard	Real Estate Locator	
FAQs	Slideshow	Carb. Calc. & Healthy City	
Calendar	My Dashboard		

Training schedules vary depending on the number users to be trained and hours available but will cover the topics shown. Training manuals are available online and can be downloaded at no cost.

"CivicPlus is the company for municipal websites. I can't imagine working with anyone else."

-Krystal Britton, Hinesville, Georgia

Phase 5: Go Live

Your Project Team will provide you the information you need to prepare your site for Go Live. This is an exciting time; it is the last step before your new site launches!

Testing and Review

You typically have three weeks after training to become familiar with your site. This will allow you to add, create and make adjustments to content on your production site, as well as ensure overall satisfaction with your website. Content changes will display and function the same way before and after your Go Live date.

Upon completion of a collaborative final review of the website and a final spelling and links checkup by our Quality Control Team, your domain name is directed to the newly developed website.

We will confirm that your initial communication goals developed in Phase 1 have been met, and then your new website is launched to the public. You will continue to receive both technical and consultative support.

Search Engine Registration & Optimization

Before Go Live, your site will be registered with the top search engines. A brief description and a list of key words pertaining to your new website will provide search engines the necessary information to find the website when a user enters a search for your website.

Search engine optimization (SEO) is an important tool to improve search engine page rankings. CivicPlus uses several methods to improve the SEO of our websites. These include development of quality content, use of strong keywords and solid page descriptions. In the near future, changes are planned to further strengthen SEO for our clients. These changes include but are not limited to: user friendly URLs, optimized images and improvements to the site map and page descriptions. These changes will help drive your website to the top of search engine results.

Continued Communication

After your site launches, CivicPlus provides ongoing support. As your site grows, our support team will ensure that you receive the following resources:

- Press release creation
- Monthly e-newsletter
- CivicPlus online support
- Annual site reviews

"With CivicPlus, you're not just getting a website. It's social media, it's emergency alerts, it's my weekly blog, it's the mobile version of the site. Our website is tied to Facebook and Twitter, so updates are automatic. We're pushing information to where the people are. What good is all the good in your community if no one knows about it?"

-Thomas Russo, Newton Township, New Jersey

Appendix B – Features and Functionality

Developed for organizations that have a need to update their site frequently, CivicPlus provides a powerful government content management structure and website menu management system. The system allows non-technical employees the ability to easily update any portion of your website instantaneously. The CivicPlus Government Content Management System (GCMS®) utilizes Microsoft SQL Server, ASP, JavaScript and HTML for web development.

No HTML knowledge is needed to update your website. However, if desired, HTML code can be used throughout the website for advanced users.

With extensive web applications in place, continual enhancement and an easy-to-use interface, our clients are the proud owners of their websites and are excited to be part of the CivicPlus community.

Additional benefits of the CivicPlus GCMS® include webpage version controls, customizable levels of user-rights, searchable data, accessible customer support services, instantaneous functionality updates, comprehensive security and much more.

Each website begins with a unique design developed to meet your specific communication and marketing goals, while showcasing the individuality of your community. Features and capabilities are added and customized as necessary, and all content is organized in accordance with web usability standards.

Core GCMS® Modules

Agenda Center

The CivicPlus Agenda Center is an all-inclusive agenda creation module. No longer will you have to build your agendas in a word-processing program, print it out and pass it around the office for approval, export the final version to a PDF and then upload it to the website. Agenda Center allows for the creation and management of the entire agenda process, from submitting preliminary items at the departmental level, to a robust and easy-to-use workflow, to the publishing of the agenda live to the public – one smooth and seamless process.

The Agenda Center not only offers a one-stop-shop for agenda creation, but upon publish of the approved agenda, a template for the minutes of that meeting can also be generated.

Additionally the Agenda Center ties in with the Archive Center, so published agendas and minutes can be placed in an Archive Center category for immediate storage. You can also update your residents in a fast and timely manner by using the Notify Me® module to send email and text message updates of published agendas and minutes.

Archive Center

The Archive Center has been developed specifically for the storage and retrieval of agendas, minutes, newsletters and other date-driven documents. Archives can be searched by date, category or keyword, and the unique "View Most Recent" link functionality on your website pages automatically pulls the most recently uploaded item every time you add a new document within that category.

Business/Resource Directory

Think of the Business/Resource Directory as the Yellow Pages of your website, as it provides site visitors with links to and information about organizations and services within your community. Site visitors can search by business or organization name or category, and entries can be organized by business (Yellow Pages-style) or by category (topical directory-style).

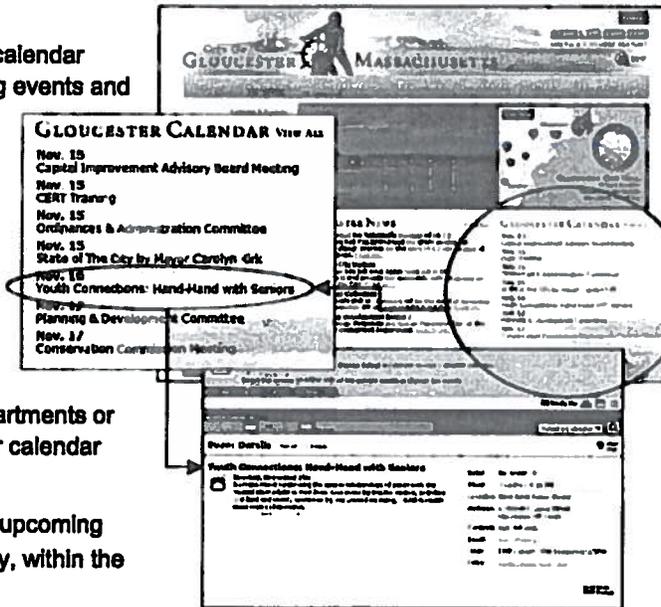
The module can display useful information such as a description of the business/organization, link to an interactive map, address, phone number, email and link to the business' website. Citizens can also download the included iPhone App at no cost, allowing them to search for businesses or services on the go.

Calendar

The Calendar Module allows administrators to set up calendar items to help keep the public informed about upcoming events and meetings in your community. Events can be set on a one-time basis or as recurring events for multiple months in advance, with short descriptions and hyperlinks to display the event details. The calendar recognizes the current date as the starting date for the display of events and provides easy navigation to future events. Multiple calendars are available.

Department Calendar: Any page on your site can display the most current calendar items in a special content area, great for departments or sections of the website that wish to have their calendar events appear on their page(s).

Featured Events: You can draw attention to upcoming events using the Featured Events functionality, within the Calendar module.



The Calendar supports multiple views, including a monthly view that displays all the events in a month.

Document Center

The Document Center is a document storage center that allows for a variety of file types (e.g., PDF, spreadsheets, pictures, video files, sound clips and more) to be downloaded or viewed by the end user, allowing for easy access for your site visitors. Instead of bogging down your employees with requests for documentation, site visitors can locate the forms and documents they need easily online. Your employees can easily add new documents and direct residents to the information they requested online, without sending out extra paperwork. Moreover, all files are organized by our structured filing system of folders and subfolders, keeping all of your information easily obtainable by your citizenry 24/7.

Frequently Asked Questions

Help your citizens reduce time-consuming phone calls or trips to government offices by answering commonly asked questions through your website. Frequently Asked Questions (FAQs) – which can be organized by departments and/or category – may be added to any page of your website and can be set up to link to additional information or documentation for easy reference. FAQs have their own search feature, so your site visitors can easily find answers to the questions they ask the most.

News Flash

The News Flash Module provides an area where important and timely news and announcements are posted. Any department may utilize this module for posting information that is specific to their department, like a change in meeting location, results from an election, rainout announcements for sports fields and more. News Flash is a dynamic page element that may be placed on any page, and each News Flash item has its own start and expiration date.

Opinion Poll

The Opinion Poll Module allows you to interact with your site visitors. Once a user submits their vote, poll results are displayed. This is a popular module and is an easy way to keep people coming back to see what's new on your site.

We recommend that the poll questions be non-controversial, as results are not scientific. The results may be used to provide website decision-makers with valuable information in order to make informed decisions. Also, using the Opinion Poll Module demonstrates even further the true interest your municipality has in its residents and stakeholders.

Photo Gallery

The Photo Gallery Module is designed to allow you to store and display photographs in a central location to showcase to your citizens and the world the best that your community has to offer. Photo Gallery helps your website become the place to put your community's best face out there and to attract new citizens to your area. Users will be able to:

- Explore your municipality through albums and favorites
- Browse your featured photos and events
- Share with friends or send as postcard
- Submit images
- View images as thumbnails or full-size
- Write descriptions with each photo
- Search the Photo Gallery
- View a slideshow of photos
- Give photo credits
- Give images "thumbs up"



You can use the Photo Gallery to store and organize photo files by department, division, and/or event. Like the Document Center, you can store as many pictures in as many albums as you like.

Quick Links

The Quick Links Module allows you to place links to related and often-requested information directly on the page of your choice. The entire collection of these links is contained within the actual module, and is unlimited in the amount of categories and links that you can provide to your users. The links can be to interior pages of your website, to documents and forms, or to outside websites. You can organize the links by category or item and can set them up to auto-publish and unpublish.

Spotlight

The Spotlight function creates additional space on a webpage that allows you to highlight important text or widgets in a compact, easy-to-update module. The information posted with this module can relate to one or more pages.

Staff Directory

If the Business/Resource Directory is your website's Yellow Pages, then the Staff Directory Module is the white pages. A time-saving resource for your residents, Staff Directory provides detailed contact information for your staff and various offices all in one place, decreasing the number of calls requesting contact information. You can include as much or as little employee and department information as you deem necessary; plus, Staff Directory entries can be linked to pages throughout your site, providing quick access to a specific department or employee's information.

Employee information can include title, biography, photo and contact links via email or form submittal (email addresses are blocked from email harvesting programs). Website users can search the directory for a specific employee by last name, first name or department.

Transaction Modules

Bid Postings

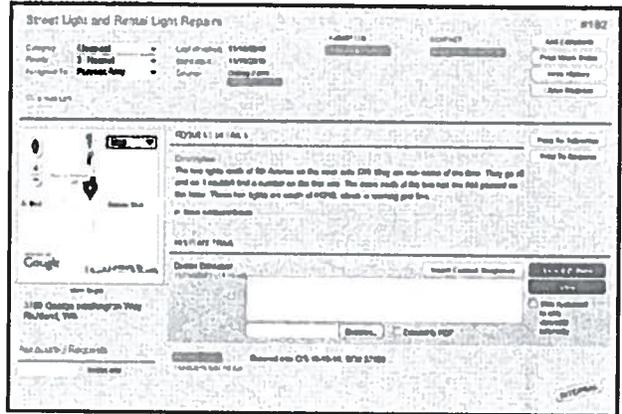
The Bid Postings Module provides a simple and easy-to-use method of posting and organizing bids, RFPs and RFQs online for vendors or local contractors that are interested in providing products and services to your community. Provide links to upload the full RFP package, links to related web pages or post other bid details like the scope of work. Bids can be searched by category, title or closing date and by open, closed, cancelled or awarded. This module is integrated with the Notify Me® Module, allowing site visitors to sign up to be notified when new bids are available or when bids are updated let interested parties know of amendments, cancellations and to whom the bid was awarded. Bids can also be set to automatically expire (become unpublished) from the site if you so choose.

Citizen Request Tracker™

The Citizen Request Tracker™ (CRT) is a powerful tool that facilitates interoffice and government-to-citizen communication and workflow concerning requests reported by residents. Site users create a profile and submit requests or complaints, view pending issues, reopen closed issues, request additional information and more. Once a profile is set up, contact information is automatically filled in when a site user submits a new request. Furthermore, problems reported over the phone can be manually entered into the system for increased efficiency. Marketing the CRT™ system as the primary tool for communication on problems and requests in your area will allow you to reduce staff time spent on addressing issues by hand and will allow your constituents to interact with your staff any time of the day.

The CRT™ System Makes It Easy To:

- Add comments and action items
- Assign the request to a staff member
- Review the history of the issue
- Send messages to the constituent
- Close the request
- Print and/or export statistics and reports
- Print work orders
- Generates efficiency statistics and reports
- Export data in CSV or tab-delimited format



ePayment Center

Integrate eCommerce on your website with no third-party store to setup, and save your citizen's time and effort by affording them the opportunity to pay for services directly through your website. You have the ability to customize or make changes to any form that you create to take in online payments such as registration fees, pool passes, etc. Email notifications are sent out to both customer and client when a transaction is made. Financial reporting through our trusted PCI-compliant partner is also available with the click of a button.

Facilities & Reservations with Activities

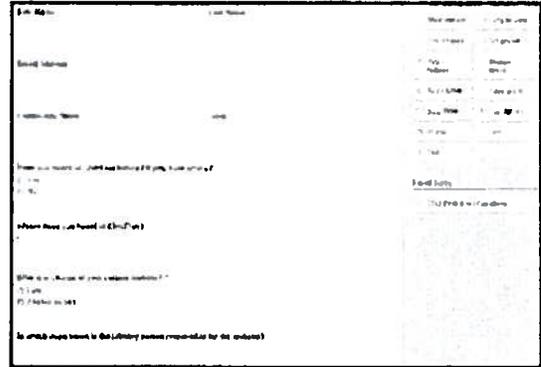
The Facilities & Reservations Module allows the site administrator to display local facilities and their amenities and to manage their availability to the public. A site visitor can search for facilities by type or amenities available, review the amenities for each facility, retrieve location information with mapping integration (ESRI, GIS, Google, etc.) and easily reserve the facility. Search results will offer additional options such as admission requirements, handicap accessibility and how to reserve or make payments.

A description with details of the facility (location, contact information, photographs, video, map, handicap accessibility, rental availability, etc.) display within each facility's listing, with your staff able to allow for online reservation requests and interactive calendar to view and manage online reservations.

Site visitors can also register for classes offered by South Gate. You will be able to create classes, display class schedules, limit the number of persons that can sign up per class, and email those who have registered for specific classes. This module is integrated with the Form Center and e-Payment module for streamlined reservation and class registration processes.

Form Center

Having online forms makes it easy for you to receive useful information from your community and for your community to complete tasks online. These completely customizable forms can be used as a means for citizens to contact you with questions, requests and feedback or to sign up for various events and activities. You can have as many online forms as you need with this module, creating forms easily from scratch or from our library of sample online forms. Various field options include long answer, radio button, drop-down lists and multiple choice (among others), with formatting options that include font colors, background colors, text alignment and more.



You can preview forms as you create and edit them instead of sending it to someone else for changes. The Form Center lets you develop every aspect of your online form with no programming knowledge necessary through a simple drag-and-drop interface.

In addition to being able to create your own form, you can track your forms through your website! No more lost emails and sorting for statistical data through multiple emails. Any form submitted on your website can be received via email to as many people as you wish and/or be kept in a backend database with basic analytical reporting available. This data can then be exported to Microsoft Access, Excel or other database software.

Job Postings

Display available jobs within your organization on your website in an easy-to-search-and-retrieve format for your site visitors. The Job Posting Module allows you to provide as many details as you like and link to a number of files supporting the available position(s), with the ability to allow the visitor to download a job application and email their resume to the person/department of your choice. Website visitors can sort jobs by date or job type, and can sign up to be notified of new jobs through the Notify Me® Module. You can also choose to allow for online applications using the Online Job Application Module.

The Job Postings Module can also be set up to allow employers within your community to be able to post their own available job openings in a controlled environment on your website, helping to boost your community's economic standing and further make your website the hub of information within your community.

The Job Postings module can be seamlessly integrated with the CivicPlus Human Resource Management System (HRMS) a comprehensive suite of tools for applicant tracking, assessment, onboarding, and performance management, *for an additional fee*. Additional information about the CivicPlus HRMS is available upon request.

Online Job Application

Save yourself and your residents' time, save paper and give your website users instant access to apply for available positions with the Online Job Application Module.

Allow applicants to apply completely online by filling in the application, attaching supplemental paperwork and submitting to your HR department, with applications time- and date-stamped. Applicants can also create an online profile, which allows them to update their application and apply for other jobs without filling out multiple applications.

Your staff can be notified by email when a new application has been received, which then allows you to view, sort and download submitted applications. And fear not about lost applications – they're kept in a database on the website for easy retrieval.

The CivicPlus HRMS can be integrated to provide additional online job application customization and a workflow solution for managing the hiring process, *for an additional fee*. Additional information about the CivicPlus HRMS is available upon request.

Real Estate Locator

The Real Estate Locator helps attract incoming businesses and residents by providing a one-stop shop for available real estate listings in your community. Properties – commercial or residential – can be organized by and searched for by neighborhood, street or zone, and price range.

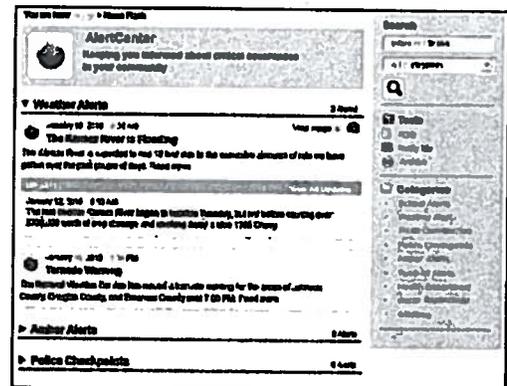
Additionally, the Real Estate Locator can be set up to allow realtors and brokers the ability to post their own available properties in a controlled environment on your website, further helping boost economic development.

Interactions & Communications Modules

Alert Center

The Alert Center provides an efficient and noticeable way to get important news out to your community, whether it be local inconveniences like street closures and road conditions or critical, up-to-the-minute emergencies like flood warnings and Amber Alerts. With one click, graphics and information can be activated on your website from a variety of layouts that best fit the alert's importance, with public notifications sent out through email, text message and social media.

When a user clicks on an alert that is displayed on the site, they will be taken to the module information that details the alert, as well as provides photos, links to other resources and a history of updates.



Blog

The Blog Module helps open up the lines of communications between administrators and citizens, increasing government transparency and citizen interaction. The Blog features the option to allow citizen comments for feedback (comments can be moderated before being published to the website).

Community Voice™

Community Voice™ is an interactive module that uses citizen sourcing to create dialog on your site while allowing you to showcase things you are implementing in your community. The module encourages citizen idea submission, engaging discussions, voting, user recognition and more. Your site administrator creates general topics that citizens can provide input on. Citizens can create a user account through My Dashboard to submit their ideas, leave comments and vote other ideas up or down within each topic.

Showcasing Community Voice on your website increases communication and citizen satisfaction within your community, showcases projects and initiatives within your community, and helps consistently drive traffic to your site.

Carbon Calculator

Help your website keep up with green initiatives by allowing your citizens to track their carbon footprint.

Healthy City

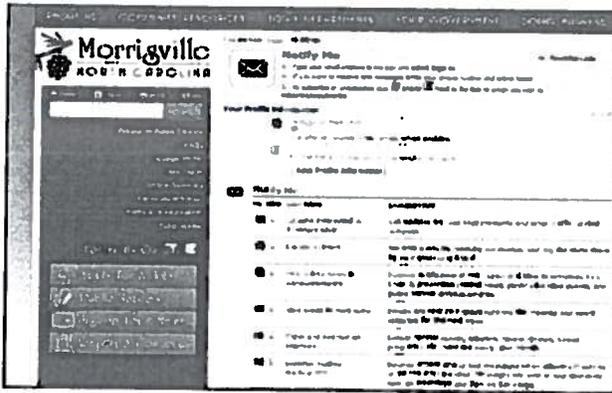
Help keep your citizens more health-conscious by giving them a way to track their daily and weekly exercise routine.

My Dashboard

With My Dashboard, residents and users can set up a profile on your website that allows them to pick and choose the information that automatically becomes fed to their dashboard upon site login. In one simple and streamlined view, your users can immediately see important news, available job openings, keyword searches, favorite pages, calendar feeds and much more.

Your users will be able to login to My Dashboard using the Facebook Connect feature, negating the need for multiple usernames and passwords.

Notify Me®



With Notify Me®, visitors can sign up to be notified via email and/or SMS text message about community activities, meetings and other updates to your website. Users can self-manage multiple subscriptions at once, and unsubscribing is easy. You can send out unlimited emails and have 500 SMS subscribers.

This module automatically integrates with our Alerts Center, News Flash, Calendar, Job Postings, Bid Postings and Blog modules. Also, administrators can create as many Notify Me® lists as they want.

Notify Me® supports HTML and plain text versions of email messages, and newsletter templates can be

created for added presentation quality.

You can set up notifications as drafts and set them to send to subscribers at a specified date and time. Additionally, most current subscriber notification lists can be imported to our system, while the email lists created by your CivicPlus system can be exported for other files and/or purposes.

All of these features make Notify Me® an excellent and valuable communication tool for your website, allowing you to continuously stay in contact with your residents by sending them important information updates that they are interested in receiving.

Postcard

Highlight your community by giving visitors the opportunity to email virtual picture postcards with personalized messages.

Social Networking & Gov 2.0

CivicPlus understands the importance of Gov 2.0 and how social networking sites like Facebook and Twitter help governments connect with their residents in unique and innovative ways. From community-centric pages on Facebook to real-time Twitter feeds that can deliver emergency alerts, we are dedicated to helping our clients integrate their web content into the most dynamic social media sites and make their marks in the world of Gov 2.0. Other social networking sites (such as LinkedIn, YouTube, Pinterest, etc.) can be featured on your website as links to your organization's profile on those particular websites.

Facebook and Twitter

Many governments are finding Facebook to be an essential part of their online presence, as it provides another avenue to share news, announcements, events, pictures and videos with a wide range of regular site visitors. CivicPlus can create your Facebook page and sync your website to your Facebook profile to automatically publish news and calendar events on Facebook with a link to your website for more information.

Twitter's short, 140-character "tweets" offer a way for municipalities to distribute information quickly and effectively. CivicPlus can link your website to your Twitter account for automatic publishing of news and announcements such as road closings, meeting schedules and emergency notifications.



Administrative Features

Feature	Description	Benefit
Instantaneous Updates	Updates are posted to the live site in real-time once the administrator publishes the page.	Timesaver – Ensures your site is communicating the most up-to-date information.
Browser Based	No installation of programs or software needed, meaning you and your staff can update the site from any Internet connection or platform (Mac or PC) at any time.	Convenience – Updates can be made anywhere at any time.
Mobile Updates	Immediately update your site from any location with urgent announcements using your tablet.	Money Saver – Does not charge a per seat rate to install software.
Action Items	Direct access to a queue of items waiting to be published or reviewed by the administrator provided immediately upon login.	Crisis Communication – Warn audiences of crisis situations from anywhere at any time.
Site Search and Site Search Log	Powerful site search automatically indexes all content making it easy for all visitors to find information. This feature also keeps a log of all words that are searched by your visitors.	Convenience – Helps the administrator stay organized and timely with the site.
Automatic Alt Tags	Built-in features ensure your site is Section 508 compliant.	Knowledge – The search log serves as a tool in making decisions about updates and upgrades as well as placement of key items on the homepage.
		Convenience – Editors do not need to know Section 508 requirements as the system will automatically format to accommodate for Section 508 compliance.

Application Programming Interfaces (APIs)

We have nearly a dozen application programming interfaces (APIs) scattered throughout the system and continue to build more to make integrations with the GCMS® and disparate applications as straightforward as possible. It's this "open architecture" approach that allows your IT staff and programmers to spend time creating applications and systems that are specific to your community's needs and tie them into the site, using the site itself as a sturdy platform on which to build. Maintaining the site's base code will fall on CivicPlus' shoulders, saving you time, effort and, most importantly, money.

Bad Links Identifier

You may not be aware of any broken links on your website, but your guests are. This module creates a list of the broken links on your site when they are accessed. It also allows a site visitor the ability to enter comments concerning how they accessed the page. On the administrative side of the system an asterisk alerts you that a comment concerning a bad link has been posted.

Content Creation

Recognizing that not all site administrators possess high levels of technical expertise, the CivicPlus GCMS® makes it easy to add new content, edit old content, and keep page layout consistent through use of our WYSIWYG editor.

The page content creation functionality is separate from the overall design of the site; the content will reflect font sizes and styles associated with the various heading levels and content types. Content changes will not affect the design, though the site breadcrumbs, page structure and sitemap will dynamically update upon publish of any content changes.

This front-end edit feature makes updating website content even quicker and easier, as users have point-click-edit access to information, right from the front-end of the website. To edit content, all you have to do is follow the steps below.

Step 1: Find the page creation icon, and click on the area of the website that you wish to edit.

Step 2: Make changes to the website, then click 'Save'. Changes are immediately reflected on the site.

A great tool for users to update the website from the public view, CivicPlus' Live Edit allows you to see where your information will be posted before you make any changes. If you would like to move a page under a different department or move the entire department section of your website to a different location, just follow the steps below.

Step 1: Find the page creation icon, and click on the section of the navigation you wish to move.

Step 2: Drag-and-drop the page or section in its new location. Changes are immediately reflected on the site.

Unlimited pages can be created with the CivicPlus GCMS® and there is no limit to the depth of pages that can be created. You are responsible for the depth of navigation. With mega menus and dropdown and pop-out menu functionality, you can essentially get to any page on your website within a single click if you desire.

Content Library

The Content Library features galleries full of templates and pages all at your fingertips. It is a way for you to create and share page templates and layouts between coworkers, departments or with the entire CivicPlus community. The Fire Department is not sure what pages to include under their section? Find examples in the Content Library. Want to share a great page that you made on your website? Share it with the entire CivicPlus community.

Templates and pages are categorized by type or department and available in all site sizes. CivicPlus includes its own personal picks and best practices for each type and department. Pages and templates can be voted on and rated by your peers, with the ability to view top downloads and top contributors from the entire CP community. The highest rated and downloaded templates will have their creator placed in a CivicPlus Hall of Fame.

Content Scheduling

When creating an entry, simply select the date and time desired for the material to publish and/or unpublish. Material can be set to auto-unpublish or it can be manually retired.

Every aspect of the system has the ability to have expiration dates. These dates are logged in an Expiring Items Report and can have an automatic email sent to you 72 hours before it is set to expire. When items expire they are unpublished from public view but will remain in the system until someone manually removes them from the archive. This allows you to bring the page back at any time with updated content.

Content Versioning

The GCMS® includes version control, a history log for reviewing changes made within the system, file locking through our permission system and an archive of all published content so that previous versions can be accessed or used, if necessary.

Archived content can be viewable by the public if desired, but is typically not shown on the public-facing side of the site and just housed within the Archives. Administrators and staff with module access may access those archives; others will not see them.

Dynamic Layout

The layout for your website is determined by you and the designer. The placement of navigation and dynamic areas are important in guiding site visitors to key information quickly and easily. Our consultants make recommendations based upon website-user studies and research on best practices.

Dynamic Page Components

Events Calendar, FAQs, Opinion Poll, News Flash and other new features may be included as dynamic page components. Dynamic Page Components may be placed on any page and will help dedicated areas of the site appear as its own website. For example, the entry page for your Parks and Recreation Department can be customized with specific lists of events, FAQs and news announcements pertaining to that department.

Dynamic Breadcrumbs & Site Map

When a user visits your site, Dynamic Breadcrumbs are used to show their location within the website. Breadcrumbs are automatically generated by the CivicPlus system. This feature assists a site visitor in understanding the site structure and navigation. A dynamically generated site map automatically updates itself to your menu system. So if a menu item is renamed, added or deleted in your navigation, the site map will reflect those changes.

eCommerce Integration

While CivicPlus does offer our ePayment Center, we also work with numerous trusted third-party payment processors to handle payment and account information, allowing your citizens to easily log on and pay bills ranging from property taxes to utilities. The payment processor used for transactions is dependent upon the municipality's wants and needs, with every effort made to ensure a clean, seamless on-site presentation of the payment portal.

Of the vendors that we've worked with, many allow for one-time credit card or debit card payments, payment through the Automated Clearing House (ACH) network and even Interactive Voice Response (IVR) payment options via telephone. Many give users the option for automatic bill payment, with payment being automatically withdrawn from the specified account on a certain day each month. These payment processors feature payment and usage reporting, and all of our eCommerce partners meet the Payment Card Industry's Data Security Standard (PCI DSS). Integration of third-party vendors is subject to scope and additional fees.

History Log

Easily track changes made to your website by all of your users with the History Log. Track changes made to items in your Page Menu, Archive Center, Document Center and more. History Log information is searchable, sortable and exportable.

Integration/Interfacing

CivicPlus has performed a variety of integration services for our clients, all of which work cohesively with most third-party software applications. The CivicPlus GCMS® is different from other standard design programs, in that we have the ability to link with most software or databases you are currently utilizing. Systems such as purchasing, taxes, assessment and utilities have been developed for many of our clients.

Integration can take place on varying levels, from simply linking to a third-party-hosted site to dynamically drawing in content from other existing sites to actual custom programming to integrate services into our GCMS®. Our typical method of integration involves dynamically scraping content from an existing web application, allowing continuously updating content or form fields to access an application to be drawn directly into the CivicPlus-created site.

If a web interface currently exists for an application on a client's web server, we recommend moving it to a third-level domain so that it can remain active when the CivicPlus site is launched; CivicPlus can then draw in that content from the third-level domain directly into the primary site at a lower cost than actual integration into the GCMS®.

If true integration rather than interfacing is required, the project will need to be more fully scoped and additional charges may be incurred.

Intranet

We can set up an Intranet for your site to be used by employees or other groups that need to share non-public resources. An intranet is a secure location on your website that allows employees to login and access information specific to them, and you have the ability to set up multiple Intranet groups with varying view rights.

Most modules available to the public on your site are also available for use on the Intranet. For example, you can use the Calendar Module to notify employees of work events; FAQs to answer questions about wages; Notify Me® to send notification of flexible benefits deadlines; and News Flash module to let employees know of births, marriages and other personal events.

Levels of Rights

Most information is constantly changing and needs to be updated frequently. With CivicPlus, each department is capable of updating their own content. Even though each department can update their own information and web pages, the menu structure, top of page, banner and navigation throughout the site remains the consistent.

A central administrator is given the ability to establish groups with specific rights and capabilities to update the website. Users are then assigned to those groups based upon the role they will have in updating the website. Users of the administrative system may be defined as publishers or authors of the content, or as administrators of modules. A central publisher for each department can then approve the pages.

LDAP Authentication

LDAP authentication provides our clients with a powerful and simple way to manage users and permissions within our system by syncing your website up with your existing active directory database, negating the need for multiple user upload and sign-on. Features of this functionality include:

- Log on with existing network account credentials
- Automatic user creation
- Automatic permissions setup
- Integrate with other non-LDAP authentication systems
- Easy-to-use "remember me" sign-in
- Security features like "next required login"

Because LDAP authentication requires custom programming time, *additional fees apply*.

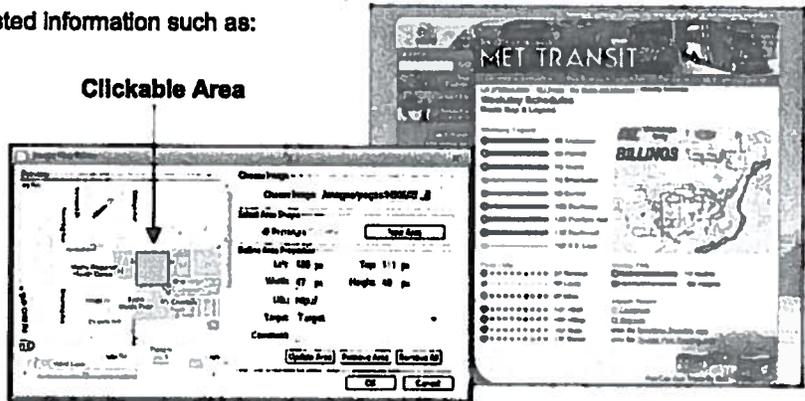
Link Redirects

This is helpful in marketing an area of your website by creating a web address that is easy to remember. Instead of sending your users to <http://civicplus.com/248/Awards-and-Recognition>, you can send them to <http://civicplus.com/awards>. A more obvious link is great for print materials and much easier to tell people how to find a particular page on the website.

Maps – Clickable, JavaScript or Flash

Help website users find commonly requested information such as:

- Bus schedules
- Parks
- Walking tours
- Bike paths
- Trash pick-up schedules
- Location of highways
- Tourist attractions
- Education information
- Major employers
- Demographics



Maps can be customized as simple, clickable maps through the use of our Image Map Editor, or more sophisticated JavaScript or Flash (additional fees required for Javascript or Flash development). Either one provides a great way to present your community to web visitors.

Media Center with Live Streaming Video

The Media Center Module provides an affordable way to upload video files and stream live video right through your website without the need to purchase costly third-party solutions.

Media Center is optimized for the storage of video files, but it takes you a step further by providing an avenue to stream meetings, demonstrations and events right through your website. All you need to get started is a camera connected to a computer with internet access.

Portal Page Development

Portal pages are often developed to bring numerous site resources together into one central entry location. Creating a graphic overview, the portal provides direction to a diverse group of site visitors while reinforcing your website's key message. Portal pages may be simple links or may be developed using animation such as JavaScript or Flash programming. Because there is additional design and programming time involved with portals, additional fees apply.

Printer Friendly

Our printer friendly functionality does more than simply call the browser's print command – it separates the critical content from the template so as to give a clean presentation of the information that needs to be printed without the menu structure and banner information.

RSS Feeds

RSS stands for Real Simple Syndication, and in short, it's a way of bringing your site to the people rather than waiting for them to come to your site to find out new information. When a user signs up for RSS feeds, they receive email notifications of the latest news updates without having to visit your website. RSS begins by downloading a free reader and then subscribing to the feed. Then, as often as the website is updated, the subscriber receives notifications of these updates at their earliest convenience.

Site Search

On the public side of the site, we supply all our clients with a robust site search with advanced search features. The CivicPlus Site Search will search through web pages on your site, PDF documents, any module entries and document files. Video and sound files are searched by name. The Site Search organizes the results by the type of information (calendar item, web page, Microsoft files, PDF documents, etc.)

With the Site Search Log, site administrators can review a history of searched-for words by frequency, date, time and exact terms input by site visitors. This is a helpful tool for your site users and also a means of keeping your staff in-the-know of what items are being regularly searched on your site.

Supported Browsers

Websites built by CivicPlus are viewable in all common browsers; however, they are optimized for administrative use with Windows 2000+ and supported in the two most recent versions of any major browser including: *Internet Explorer, Firefox, Safari and Chrome.*

Website Statistics

In order to review how your site visitors are using the site, administrators will be trained on the use and analysis of the web statistics, which are provided through Piwik Analytics. Important information can be pulled from this data in order to make decisions about the use of the website.

Clarifications & Exceptions

Reference	Your Language	CivicPlus Proposes
RFP Page 7, Section 4	iCal links for users to add events to desktop calendar programs such as Outlook.	To exempt in its entirety. We do not offer iCal as part of our solution.
RFP Page 7, Section 7	Search engine that can be directed to index both internally and externally hosted website resources.	To exempt in its entirety. Our search engine can be utilized internally.
RFP Page 8, Compatibility & Technical Requirements	System must be compatible with Microsoft 2013 to include all of Microsoft Office 2013 and SharePoint 2013.	To exempt in its entirety.



Sample Contract - Standard Terms & Conditions

CivicPlus looks forward to negotiating a mutually beneficial contract with South Gate.

Client Deliverable

1. Icon Enterprises, Inc., d/b/a CivicPlus ("CivicPlus") will create a unique website for the City of South Gate ("Client") that includes all functionality as defined in Exhibit A – CivicPlus Project Deliverables, attached hereto.
2. After 48 consecutive months under these terms and associated pricing, Client becomes fully eligible for a CP Basic Redesign at no additional cost. See Exhibit B for complete details.

Additional Services

3. Client may contract with CivicPlus for additional Consulting, Website Design, Setup, Programming, site modification, Training services (Project Development and Deployment Services), Additional Page and/or Graphic Design that exceed those defined in Exhibit A. CivicPlus will invoice Client for the additional services immediately prior to project Go-Live. Services that involve billable time beyond the contracted amount will be documented and invoiced. Written approval by the Client is necessary before billable time is incurred.
4. Client may contract with CivicPlus for additional Annual Services that exceed those defined in Exhibit A. CivicPlus will invoice Client for Annual Services immediately prior to project Go-Live. Modules that incur additional usage fees may be purchased and activated at any time.
5. Acceptance of this Agreement signifies Client's approval of any billable time specifically related to training services as detailed in Exhibit A, wherein a stated number of attendees is specified. Coverage for additional attendees not covered under this agreement is billed at a per diem rate specified in Exhibit A.

Billing & Payment Terms

6. One-third of the total First Year Fee will be billed upon completion of Phase 1: Consulting; one-third of the total First Year Fee will be billed upon completion of Phase 3: Website Reveal Presentation. The remainder of the total First Year Fee and any additional Project Development and Deployment services will be invoiced after Phase 4: Customized Website Training has been completed.
7. The Client shall sign a project completion and acceptance form prior to project go-live. The date may be extended if material system or operational failures are encountered. Immediately after completing training the final bill for the project development and deployment services will be billable and payable. All Parties agree that the website will not go-live until the project is accepted in writing by the Client.
8. Total First Year Invoices are due by the first of the following month, but no later than 30 days from invoice date. Project Development will be discontinued if payment is not made within 30 days after the invoice due date.
9. Invoicing for Annual Services begins one (1) year from contract signing.
10. Annual Services invoices may be prorated in order to correlate with the Client's budget year, and are invoiced prior to the year of service.
11. After project go-live, if the Client's account exceeds 60 days past due, Support will be discontinued until the Client's account is made current. If the Client's account exceeds 90 days past due, Annual Services will be discontinued until the Client's account is made current. Client will be given 30 days notice prior to discontinuation of services for non-payment.
12. The Client will be invoiced electronically through email. Upon request CivicPlus will mail invoices and the Client will be charged a \$5.00 convenience fee.
13. Unless otherwise limited by law, a finance charge of 2.9 percent (%) per month or \$5.00, whichever is greater, will be added to past due accounts. Payments received will be applied first to finance charges, then to the oldest outstanding invoice(s).
14. Provided the Client's account is current, at any time the Client may request an electronic copy of the website graphic designs, the page content, all module content, all importable/exportable data, and all archived



information ("Customer Content"). Client agrees to pay \$250 per completed request. Provided the Client's account is current, upon termination of services Client may request a complimentary electronic copy of website Customer Content.

Agreement Renewal

15. This contract shall remain in effect for a period of one year (12 months) from signing. In the event that neither party gives 60 days' notice prior to the end of the initial or any subsequent term, this Agreement will automatically renew for an additional contract term. After 48 consecutive months under the terms of this contract and associated pricing, Client will be fully eligible for a CP Basic Redesign at no additional cost.
16. Either party may terminate the agreement at the end of the contract term by providing the other party with 60 days written notice prior to the contract renewal date.
17. In the event of early termination of this Agreement by the Client, Client forfeits eligibility for the CP Basic Redesign and all funds applied to such eligibility and full payment of the remainder of the contract is due within 15 days of termination.
18. Each year this Agreement is in effect, a technology investment and benefit fee of 5 percent (%) of the total Annual Services costs will be applied.

Support

19. CivicPlus will provide unlimited telephone support Monday through Friday, 7 a.m. to 7 p.m. (Central Time) excluding holidays, for all trained Client staff. Emergency Support is provided on a 24/7/365 basis for emergency contacts named by the Client. Client is responsible for providing CivicPlus with contact updates.
20. Support includes providing technical support of the GCMS® software, application support (pages and modules), and technical maintenance of Client's website. Following initial setup, additional page design, graphic design, user training, site modification, and custom programming may be contracted separately for an additional fee.
21. During the period of this agreement and subsequent annual renewals, CivicPlus warrants that it will, without additional charge to the Client, take action to correct any problems or defects discovered in the GCMS® software and reported to CivicPlus by the Client, such warranty to include ongoing maintenance and technical error correction.
22. CivicPlus provides online website statistics software at no extra charge. If Client desires to use other website statistic software, CivicPlus will provide the necessary log file access.

Marketing

23. Client will work with the CivicPlus Marketing Department to make a reasonable attempt to gather information and meet deadlines associated with website award contest entries throughout the term of this agreement, and to create a case study related to their website.
24. Client permits CivicPlus to include an example of the Client's home page and a link to the Client's website on the CivicPlus corporate website.
25. Client will make a reasonable attempt to work with the CivicPlus Marketing Department to create a news item to be released in conjunction with their project Go-Live date. Client will provide CivicPlus with contact information for local and regional media outlets. CivicPlus may use the press release in any marketing materials as desired throughout the term of this Agreement.
26. Client allows CivicPlus to display a "Government Websites by CivicPlus" insignia, and web link at the bottom of their web pages. Client understands that the pricing and any related discount structure provided under this agreement assumes such perpetual permission.

Intellectual Property, Ownership & Content Responsibility

27. Upon full and complete payment of submitted invoices for the Project Development and Deployment and launch of the website, Client will own the Customer Content.
28. Upon completion of the development of the site, Client will assume full responsibility for website content maintenance and content administration. Client, not CivicPlus, shall have sole responsibility for the

accuracy, quality, integrity, legality, reliability, appropriateness, and intellectual property ownership or right to use of all Customer Content.

29. Client shall not (i) license, sublicense, sell, resell, transfer, assign, distribute or otherwise commercially exploit or make available to any third party the GCMS® software in any way; (ii) modify or make derivative works based upon the GCMS® software; (iii) create Internet "links" to the GCMS® software or "frame" or "mirror" any GCMS® administrative access on any other server or wireless or Internet-based device; or (iv) reverse engineer or access the GCMS® software in order to (a) build a competitive product or service, (b) build a product using similar ideas, features, functions or graphics of the GCMS® software, or (c) copy any ideas, features, functions or graphics of the GCMS® software.
30. The CivicPlus name, the CivicPlus logo, and the product and module names associated with the GCMS® software are trademarks of CivicPlus, and no right or license is granted to use them.

Indemnification

31. Client and CivicPlus shall defend, indemnify and hold the other Party harmless, its partners, employees, and agents from and against any and all lawsuits, claims, demands, penalties, losses, fines, liabilities, damages, and expenses including attorney's fees of any kind, without limitation, in connection with the operations of and installation of software contemplated by this Agreement, or otherwise arising out of or in any way connected with the CivicPlus provision of service and performance under this Agreement. This section shall not apply to the extent that any loss or damage is caused by the gross negligence or willful misconduct on the part of either party.

Liabilities

32. CivicPlus will not be liable for any act, omission of act, negligence or defect in the quality of service of any underlying carrier or other service provider whose facilities or services are used in furnishing any portion of the service received by the Client. CivicPlus will not be liable for any failure of performance that is caused by or the result of any act or omission by Client or any entity other than CivicPlus that furnishes services, facilities or equipment used in connection with CivicPlus services or facilities.
33. Except as expressly provided in this Agreement, CivicPlus makes no expressed or implied representations or warranties, including any warranties regarding merchantability or fitness for a particular cause.

Force Majeure

34. No party shall have any liability to the other hereunder by reason of any delay or failure to perform any obligation or covenant if the delay or failure to perform is occasioned by force majeure, meaning any act of God, storm, fire, casualty, unanticipated work stoppage, strike, lockout, labor dispute, civic disturbance, riot, war, national emergency, act of Government, act of public enemy, or other cause of similar or dissimilar nature beyond its control.

Taxes

35. It is CivicPlus' policy to pass through sales tax in those jurisdictions where such tax is required. If the Client is tax-exempt, the Client must provide CivicPlus proof of their tax-exempt status, within fifteen (15) days of contract signing, and this agreement will not be taxed. If the Client's state taxation laws change, the Client will begin to be charged sales tax in accordance with their jurisdiction's tax requirements and CivicPlus has the right to collect payment from the Client for past due taxes.

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Bank Letter of Reference

**1010 WESTLOOP PLACE
MANHATTAN, KS 66502**

May 6, 2013

Icon Enterprises, Inc.
D/B/A CivicPlus
317 Houston Street, Suite E
Manhattan, KS 66502

Re: CivicPlus

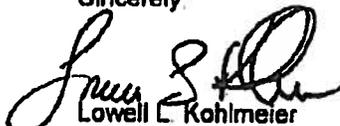
To Whom It May Concern:

Kansas State Bank of Manhattan is pleased to provide a Bank letter of Recommendation for our valued customers, Icon Enterprises, Inc. d/b/a CivicPlus. In addition to deposit accounts, we currently extend credit facilities to Icon Enterprises, Inc. d/b/a CivicPlus, aggregating in the mid-six figure proportions. All deposit and credit facilities have been handled in a very satisfactory manner.

The company's reported financial position is sound and supportive of current and "future" credit extensions. We enjoy a strong working relationship with Icon Enterprises, Inc. and are pleased to call them a valued customer.

If you have any questions or require additional information. (with Icon Enterprises, Inc. approval), please do not hesitate to contact us.

Sincerely,


Lowell L. Kohlmeier
Executive Vice President

LLK/aej

RECEIVED

City of South Gate
CITY COUNCIL

Item No. 10

AUG 19, 2020

CITY OF SOUTH GATE
OFFICE OF THE CITY MANAGER

AGENDA BILL

11:45am

For the Regular Meeting of: August 25, 2020

Originating Department: Public Works

Department Director:

Arturo Cervantes

City Manager:

Michael Flad

SUBJECT: SECOND AMENDMENT TO THE MEMORANDUM OF UNDERSTANDING BETWEEN THE LOS ANGELES GATEWAY REGION INTEGRATED REGIONAL WATER MANAGEMENT JOINT POWERS AUTHORITY AND PARTICIPATING CITIES FOR THE IMPLEMENTATION OF THE WATERSHED MANAGEMENT PROGRAM AND THE COORDINATED INTEGRATED MONITORING PLAN

PURPOSE: The Memorandum of Understanding (Contract No. 2940) between the Los Angeles Gateway Region Integrated Regional Water Management Joint Powers Authority and participating agencies (GWMA MOU) provides for administration and cost sharing to implement the Watershed Management Program (WMP) and the Coordinated Integrated Monitoring Plan (CIMP). The Proposed Second Amendment (Amendment No. 2 to Contract No. 2940) extends the term of the MOU for an additional five-years, from October 1, 2020 through September 30, 2025 or the expiration of the forthcoming Municipal Separate Storm Sewer System (MS4) permit whichever occurs first. It serves to meet the requirements of the City's MS4 Permit.

RECOMMENDED ACTIONS:

- a. Approve the Second Amendment to the Memorandum of Understanding (Contract No. 2940) between the Los Angeles Gateway Region Integrated Regional Water Management Joint Powers Authority and participating agencies for administration and cost sharing for the implementation of the Lower Los Angeles River Watershed Management Program and the Coordinated Integrated Monitoring Program from October 1, 2020 to September 30, 2025 or the expiration of the forthcoming Municipal Separate Storm Sewer System (MS4) permit, whichever occurs first, in an amount not-to-exceed \$610,378; and
- b. Authorize the City Manager to execute the Second Amendment to Contract No. 2940 in a form acceptable to the City Attorney.

FISCAL IMPACT: There is no fiscal impact to the General Fund. Amendment No. 2 to Contract No. 2940 is in the amount of \$610,374. Of this amount, \$161,478 will be paid for in Fiscal Year 2020/21 for which \$177,000 was budgeted, and a total of \$112,225 will be budgeted annually in Fiscal Years 2021/22, 2022/23, 2023/24 and 2024/25. Amendment No. 2 will be funded annually with Measure W Funds in Account No. 217-727-57-6101 (Measure W - Professional Services). The following is a summary of Contract NO. 2940 and its amendments.

	Water Funds	Measure W	Totals
Contract No. 2940	\$95,503		\$95,503
Amendment No. 1	\$565,000		*\$565,000
Amendment No. 2		\$610,378	\$610,378
Total	\$660,503	\$610,378	\$1,270,881

* The total expended under Amendment No. 1 was \$508,340; therefore, there is a balance of \$56,660 that will revert to the Water Fund account.

9/1/20

ANALYSIS: Proposed Amendment No. 2 to Contract No. 2940, primarily serves to: (a) extend the MOU's term; (b) clarify that funding collected through the MOU may be used for regional BMP projects agreed to by the LLAR Watershed Permittees; (c) incorporate GWMA's administrative cost recovery program into the MOU; and (d) provide a revised consolidated cost-share formula for implementation of the WMP and CIMP, and any other approved expenditures, subject to annual budget approval. The following are the highlights of the GWMA MOU.

- Serves to continue the implementation of the WMP and the CIMP collaboratively with the LLAR Watershed Permittees, required under the 2012 MS4 Permit.
- Extends the term of the MOU five years, from October 1, 2020 through September 30, 2025 or the expiration of the forthcoming MS4 permit, whichever occurs first.
- Authorizes GWMA to serve as the fiduciary agency responsible for the following: (a) award a professional services contract to a prime consultant to prepare and implement the WMP and CIMP, (b) award professional services contracts for special studies, and (c) award construction contracts for regional projects as agreed upon by the LLAR watershed.
- Prescribes the cost-share formula for the implementation of the WMP and CIMP. The revised cost-share formula assesses 90% of the costs based on area for each City within the watershed, and 10% of the costs equally amongst the Cities.
- LA County Flood Control cost share remains at 5% (LA County Flood Control is a member of all watersheds in the County).
- Allows LLAR Watershed Permittees to withdraw from the MOU with a 30-day notice; however, making the permittees responsible for their proportional costs which the GWMA becomes bound to, or incurs, through the effective date of withdrawal.

The total budget to be funded by the City over the five-year term is \$610,378 as summarized in the table below. The first year costs are higher due to the MS4 Permit requirements to revise the WMP, to conduct a storm water run-off model of the region that includes existing and proposed projects, and to update the CIMP.

Fiscal Year	Estimated LLAR Annual Budget	Estimated Amount of City's share
FY 20/21	\$1,068,795	\$161,478
FY 21/22	\$686,890*	\$112,225**
FY 22/23	\$686,890*	\$112,225**
FY 23/24	\$686,890*	\$112,225**
FY 24/25	\$686,890*	\$112,225**
Total	\$3,816,355	\$610,378

* This is the annual cost estimated to be needed to meet annual requirements.
 ** This is the annual estimated City share including GWMA MOU administrative fee

BACKGROUND: The City's storm drain system is regulated by the National Pollutant Discharge Elimination System (NPDES) MS4 Permit. The State Water Resources Control Board (State Water Board) adopted the MS4 Permit in 2012, and issued it to municipalities within Los Angeles County, pursuant to Order No. R4-2012-0175. As such, all municipal discharges of storm and non-storm water are subject to the water discharge requirements of the MS4 Permit. The MS4 permit mandates that municipalities prepare and implement a WMP and a CIMP which have a goal of mitigating storm water quality issues in the region. Financing the implementation of the WMP and CIMP is the greatest challenge confronting the Watershed. The cost to comply as an individual municipality with the requirements of the MS4 Permit remains cost-prohibitive. As such, permittees agreed to work together to develop and implement the WMP and CIMP under the GWMA MOU. The GWMA MOU

represents a collaborative effort amongst permittees in the Lower LA River Watershed to develop and implement the WMP and CIMP, efficiently and cost-effectively.

The GWMA MOU, Contract No. 2940, was approved by the City Council on September 10, 2013. The LLAR Watershed Permittees are those agencies that participated in the GWMA MOU which are the cities of Downey, Lakewood, Long Beach, Lynwood, Paramount, Pico Rivera, Signal Hill, South Gate and the Los Angeles County Flood Control County Flood Control District.

On August 11, 2015, the City Council approved the First Amendment to the MOU to (a) add implementation of the WMP and CIMP to the scope and purpose of the MOU; and (b) provide a separate cost-sharing formula for the implementation of the WMP and CIMP, subject to the annual budget approval, in accordance with each member agency cost-share allocation. Under the amendment, the cost-share formula assesses 80% of the costs based on area of each LLAR Watershed Permittee within the watershed, and 20% of the costs equally amongst the LLAR Watershed Permittees.

The WMP sets forth a path to achieve pollutant reductions in the waterbodies of the Lower Los Angeles River and its tributaries. Included in the WMP is the Reasonable Assurance Analysis (RAA). The RAA assesses storm water run-off in the watershed. The analysis is used to formulate an optimal combination of structural treatment systems and construction timelines to achieve the goals of the MS4 Permit. The RAA distributes the responsibility for implementation of future treatment systems amongst the LLAR Watershed Permittees.

It is noted that the WMP and CIMP were required in the MS4 Permit issued in 2012. The WMP and CIMP were prepared under the GWMA MOU. The RAA modeled that South Gate was required to treat 168 acres-feet with an estimate cost of \$61 million by 2028. It is also noted that the 2012 MS4 Permit has a 5-year term; however, it is still in effect until the new MS4 Permit is issued. The new permit is scheduled to be issued in September or October of 2020. It will require that the WMP be revised, that a new, regional storm water run-off model be prepared, and to update CIMP. As such, costs in the first year of the GWMA MOU are higher as compared to years two through five, as shown above.

- ATTACHMENTS:**
- A. Proposed Second Amendment
 - B. First Amendment
 - C. Memorandum of Understanding (Contract No. 2940)
 - D. Location Map

GD:lc

**SECOND AMENDMENT TO THE MEMORANDUM OF UNDERSTANDING
BETWEEN THE LOS ANGELES GATEWAY REGION INTEGRATED REGIONAL
WATER MANAGEMENT JOINT POWERS AUTHORITY AND THE CITIES OF DOWNEY,
LAKEWOOD, LONG BEACH, LYNWOOD, PARAMOUNT, PICO RIVERA, SIGNAL HILL, SOUTH
GATE, AND THE LOS ANGELES COUNTY FLOOD CONTROL DISTRICT
FOR
ADMINISTRATION AND COST SHARING TO PREPARE AND IMPLEMENT A WATERSHED
MANAGEMENT PROGRAM (“WMP”) and COORDINATED INTEGRATED MONITORING
PROGRAM (“CIMP”) AS REQUIRED BY THE REGIONAL WATER QUALITY CONTROL BOARD,
LOS ANGELES REGION, NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
MUNICIPAL SEPARATE STORM SEWER SYSTEM PERMIT ORDER NO. R4-2012-0175
MUNICIPAL SEPARATE STORM SEWER SYSTEM (“MS4 PERMIT”) AND SUBSEQUENT
MUNICIPAL SEPARATE STORM SEWER SYSTEM (“MS4 PERMIT”)**

This **SECOND AMENDMENT** to the memorandum of understanding (“MOU”) is made and entered into as of the date of the last signature set forth below, by and between the Los Angeles Gateway Region Integrated Regional Water Management Joint Powers Authority (“GWMA”), a California Joint Powers Authority, the Cities of Downey, Lakewood, Long Beach, Lynwood, Paramount, Pico Rivera, Signal Hill, South Gate (“Cities”), and the Los Angeles County Flood Control District (“LACFCD”):

1. Recitals. This **SECOND AMENDMENT** is made with the respect to the following facts and purposes:

A. For the purposes of this Second Amendment, the term “Watershed Permittees” shall mean the Cities of Downey, Lakewood, Long Beach, Lynwood, Paramount, Pico Rivera, Signal Hill, South Gate, and the Los Angeles County Flood Control District; and

B. The Watershed Permittees and GWMA are collectively referred to as the “Parties”; and

C. On August 1, 2013, the Parties entered into a Memorandum of Understanding between the Los Angeles Gateway Region Integrated Regional Water Management Joint Powers Authority and the Cities of Downey, Lakewood, Long Beach, Lynwood, Paramount, Pico Rivera, Signal Hill, South Gate, and the Los Angeles County Flood Control District for Administration and Cost Sharing to Prepare a Watershed Management Program (“WMP”) and a Coordinated Integrated Monitoring Program (“CIMP”), collectively the “Plans” as required by the Regional Water Quality Control Board, Los Angeles Region, National Pollutant Discharge Elimination System Municipal Separate Storm Sewer System Permit, Order No. R4-2012-0175 Municipal Separate Storm Sewer System (“MOU”); and

D. The Watershed Permittees prepared and submitted the Plans to the Regional Board in compliance with certain elements of the MS4 Permit; and

E. The Watershed Permittees are now implementing the Plans in accordance with the MS4 Permit; and

F. The Parties have determined that authorizing GWMA to continue its retention of a consultant to implement the Plans will be beneficial to the Parties; and

G. The Parties entered into the First Amendment to the MOU in order to: (1) add implementation of the Plans to the scope and purpose of the MOU; and (2) provide a separate cost-share formula for the implementation of the Plans, subject to annual budget approval, in accordance with each Party's cost share allocations; and

H. The Parties now desire to amend the MOU to: (1) extend the MOU's term through September 30, 2025; (2) clarify that funding collected through this MOU may be used for regional BMP projects agreed to by the Watershed Permittees; (3) incorporate GWMA's administrative cost recovery program into the MOU; and (4) provide a consolidated cost-share formula for implementation of the Plans and any other approved expenditures, subject to annual budget approval, as set forth in Exhibit "B" ("Cost Sharing Formula).

NOW, THEREFORE, the Parties agree that the following provisions of the MOU shall be amended as follows:

2. Section 1 of the MOU entitled "Recitals" is hereby amended by adding thereto Recitals A-H of Section 1 of this Second Amendment, which are set forth above and incorporated herein as though set forth in full.

3. Section 2 of the MOU entitled "Purpose" is hereby amended to read as follows:

"Section 2. Purpose. The purpose of this MOU is to cooperatively support and undertake preparation of the Plans and any additional services, including but not limited to implementation of the WMP and the CIMP, including the construction of regional BMP projects as agreed to by the Watershed Permittees working cooperatively as the Lower Los Angeles River ("LLAR") Watershed Committee and as approved by the GWMA. For the purposes of this MOU, the term "regional BMP projects" does not include individual cities' low impact development ("LID") projects, including LID or Green Streets projects."

4. Section 6 of the MOU entitled "Term" is hereby amended to read as follows:

"Section 6. Term. This MOU shall remain and continue in effect until September 30, 2025 or expiration of the forthcoming MS4 Permit (Order No R4-XXXX-XXXX), whichever occurs sooner, unless sooner terminated as provided herein."

5. Section 9 of the MOU entitled "Financial Terms" is hereby amended to read as follows:

"Section 9. Financial Terms.

- a) Each Watershed Permittee shall pay its Proportional Costs as provided in **Exhibit "B"** ("Cost Sharing Formula") for Consultants and any other related expenses to which the Parties may agree in writing.
- b) Each Watershed Permittee shall also pay its proportional share of GWMA's staff time for retaining Consultants and invoicing the Watershed Permittees, audit expenses and other overhead costs, including reasonable legal fees ("MOU Costs") incurred by GWMA in the performance of its duties under this MOU. The MOU costs added by GWMA to each invoice submitted to each Watershed Permittee shall be a percentage based on the following formulas:
 - i. **GWMA Members:** If the Watershed Permittee is a GWMA Member, then the MOU Costs do not include the GWMA's estimated indirect, overhead costs, which GWMA Members absorb as part of their annual membership dues. The rate charged to GWMA Members in order to recover the MOU Costs will range between zero percent (0%) and five percent (5%) of the Watershed Permittee's Proportional Costs. On an annual basis the GWMA will evaluate the percentage rate charged to GWMA Members to ensure it adequately recovers the GWMA's cost of performing its duties under this MOU. Based on this review, the GWMA Board will establish the rate charged to recover the Administrative Costs for the next fiscal year. The GWMA will provide the Representative of the LLAR Watershed Committee fifteen (15) days' written notice prior to July 1st of the fiscal year in which a new rate will take effect.
 - ii. **Non-GWMA Members.** If the Watershed Permittee is not a GWMA Member, then the MOU Costs will also include the GWMA's estimated indirect, overhead costs. The rate charged to Non-GWMA Members, including LACFCD, in order to recover direct MOU Costs will range between five percent (5%) and ten percent (10%) of the Permittee's Monitoring Costs and the rate charged to recover indirect MOU Costs will range between two percent (2%) and five percent (5%) of the Watershed Permittee's Proportional Costs. On an annual basis the GWMA will evaluate the percentage rates charged to Non-GWMA Members to ensure they adequately recovers the GWMA's cost of performing its duties under this MOU. Based on this review, the GWMA Board may increase or decrease the rates charged to recover the MOU Costs, including both direct and indirect costs, for the next fiscal year. The GWMA will provide the Representative of the LLAR Watershed Committee fifteen (15) days' written notice prior to July 1st of the fiscal year in which a new rate will take effect.
- c) GWMA shall submit an invoice to each Watershed Permittee reflecting each Watershed Permittee's estimated Proportional Costs of the Consultants'

services through the following June 30th. Prior to releasing payment to Consultants, GWMA shall submit a copy of the Consultants' invoices to the LLAR Watershed Committee for approval. The decision regarding whether to pay the invoice shall be communicated to the GWMA by the Representative.

- d) Upon receiving an invoice from GWMA, each Watershed Permittee shall pay its Proportional Costs set forth in that invoice to the GWMA within forty-five days (45) days of receipt.
- e) By March 15th of each year, the LLAR Watershed Committee shall submit to GWMA a recommended budget for the following fiscal year. GWMA shall consider the recommendation and adopt a budget by June 30th inclusive of the LLAR Watershed Committee's recommendation. GWMA will send each Watershed Permittee no later than June 30th of each year an invoice representing the Watershed Permittee's Proportional Costs of the adopted budget. GWMA shall not expend funds in excess of each annual budgeted amount without prior notification to and approval by the LLAR Watershed Committee.
- f) Each Watershed Permittee shall review their recommended Proportional Costs for the upcoming fiscal year in a timely manner for inclusion in its next budget cycle or exercise the withdrawal and termination clause as specified in Section 12.a of the MOU.
- g) A Watershed Permittee will be delinquent if the invoiced payment is within the budgeted amounts or the amounts authorized by the LLAR Watershed Committee and such invoiced payment is not received by the GWMA within forty-five (45) days after the GWMA first sent the invoice. The GWMA will follow the procedure listed below, or such other procedure that the LLAR Watershed Committee directs to effectuate payment: 1) verbally contact the official of the Watershed Permittee with copies to each other Watershed Permittee to the person and at the address to which notices should be addressed pursuant to Section 13 of the MOU, and 2) submit a formal letter from the GWMA Executive Officer to the Watershed Permittee. If payment is not received within sixty (60) days following the due date, the GWMA may terminate the MOU unless the City Managers/Administrators of the Watershed Permittees in good standing inform the GWMA in writing that their respective Watershed Permittees agree to adjust their Proportional Cost allocations in accordance with the Cost Share Formula in **Exhibit "B"** ("Cost Sharing Formula"). The terminated Watershed Permittee shall remain obligated to GWMA for its delinquent payments and any other obligations incurred prior to the date of termination.
- h) GWMA shall suspend all work being performed by any Consultants retained by GWMA if any Watershed Permittee has not paid its invoice within forty five (45) days after the GWMA first sent the invoice unless the City

Managers/ Administrators of the other Watershed Permittees inform the GWMA in writing that their respective Watershed Permittees will pay the delinquent Watershed Permittee's costs once the MOU with the delinquent Watershed Permittee has been terminated.

- i) Any delinquent payments by a Watershed Permittee shall accrue compound interest at the then-current rate of interest in the Local Agency Investment Fund, calculated from the first date of delinquency until the payment is made.
- j) Funds remaining in the possession of the GWMA at the end of the term of this MOU, or at the termination of this MOU, whichever occurs earlier, shall be promptly returned to the then remaining Watershed Permittees in accordance with the Cost Share Formula in **Exhibit "B"** ("Cost Sharing Formula") or rolled over into the subsequent MOU if requested by the Permittee."

6. Paragraph a) of Section 12 of the MOU entitled "Termination" is hereby amended to read as follows:

"a) A Watershed Permittee may withdraw from this MOU for any reason, or no reason, by giving the other Watershed Permittees thirty (30) days written notice thereof. The effective withdrawal date shall be the thirtieth (30th) day after GWMA receives the withdrawing Watershed Permittee's notice to withdraw from the MOU. The withdrawing Watershed Permittee shall be responsible for its Proportional Costs and proportional MOU Costs, which the GWMA incurred or to which it became bound through the effective date of withdrawal. Such MOU Costs shall include the remaining fees of any Consultant retained by the GWMA through the effective date of withdrawal. Should any Watershed Permittee withdraw from the MOU, the remaining Watershed Permittees' Proportional Cost allocation shall be adjusted in accordance with the Cost Share Formula in **Exhibit "B"** ("Cost Sharing Formula"). A withdrawing Watershed Permittee shall remain liable for any loss, debt, liability otherwise incurred while participating in this MOU.

7. **Exhibit "B"** ("Cost Sharing Formula") attached hereto and incorporated herein as though set forth shall replace "Exhibit "B1 ("Cost Sharing Formula for Preparation of the Plans") and Exhibit "B2" ("Cost Sharing Formula for Implementation of the Plans") previously adopted under the First Amendment.

8. Except for the changes specifically set forth herein, all other terms and conditions of the MOU and the First Amendment shall remain in full force and effect.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the Parties hereto have caused this **SECOND AMENDMENT** to be executed on their behalf, respectively, as follows:

DATE: _____

LOS ANGELES GATEWAY REGION INTEGRATED
REGIONAL WATER MANAGEMENT JOINT
POWERS AUTHORITY

Lisa Ann Rapp
GWMA Chair

Nicholas R. Ghirelli
General Counsel

IN WITNESS WHEREOF, the Parties hereto have caused this **SECOND AMENDMENT** to be executed on their behalf, respectively, as follows:

DATE: _____

CITY OF DOWNEY
City Manager
11111 Brookshire Avenue
Downey, CA 90241

City Manager

ATTEST:

APPROVED AS TO FORM:

City Clerk

City Attorney

IN WITNESS WHEREOF, the Parties hereto have caused this **SECOND AMENDMENT** to be executed on their behalf, respectively, as follows:

DATE: _____

CITY OF LAKEWOOD
City Manager
5050 Clark Avenue
Lakewood, CA 90712

City Manager

ATTEST:

APPROVED AS TO FORM:

City Clerk

City Attorney

IN WITNESS WHEREOF, the Parties hereto have caused this **SECOND AMENDMENT** to be executed on their behalf, respectively, as follows:

DATE: _____

CITY OF LONG BEACH
City Manager
411 West Ocean Boulevard
Long Beach, CA 90802

City Manager

ATTEST:

APPROVED AS TO FORM:

City Clerk

City Attorney

By: _____
Deputy City Attorney

IN WITNESS WHEREOF, the Parties hereto have caused this **SECOND AMENDMENT** to be executed on their behalf, respectively, as follows:

DATE: _____

CITY OF LYNWOOD
City Manager
11330 Bullis Road
Lynwood, CA 90262

City Manager

ATTEST:

APPROVED AS TO FORM:

City Clerk

City Attorney

IN WITNESS WHEREOF, the Parties hereto have caused this **SECOND AMENDMENT** to be executed on their behalf, respectively, as follows:

DATE: _____

CITY OF PICO RIVERA
City Manager
6615 Passons Boulevard
Pico Rivera, CA 90660

City Manager

ATTEST:

APPROVED AS TO FORM:

City Clerk

City Attorney

IN WITNESS WHEREOF, the Parties hereto have caused this **SECOND AMENDMENT** to be executed on their behalf, respectively, as follows:

DATE: _____

CITY OF PARAMOUNT
City Manager
16400 Paramount Blvd
Paramount, CA 90723

City Manager

ATTEST:

APPROVED AS TO FORM:

City Clerk

City Attorney

IN WITNESS WHEREOF, the Parties hereto have caused this **SECOND AMENDMENT** to be executed on their behalf, respectively, as follows:

DATE: _____

CITY OF SOUTH GATE
8650 California Avenue
South Gate, CA 90280

Maria Davila, Mayor

APPROVED AS TO FORM:

ATTEST:



Carmen Avalos, City Clerk

Raul F. Salinas, City
Attorney

IN WITNESS WHEREOF, the Parties hereto have caused this **SECOND AMENDMENT** to be executed on their behalf, respectively, as follows:

DATE: _____

CITY OF SIGNAL HILL
City Manager
2175 Cherry Avenue
Signal Hill, CA 90602

City Manager

ATTEST:

APPROVED AS TO FORM:

City Clerk-Treasurer

City Attorney

IN WITNESS WHEREOF, the Parties hereto have caused this **SECOND AMENDMENT** to be executed on their behalf, respectively, as follows:

DATE: _____

LOS ANGELES COUNTY FLOOD
CONTROL DISTRICT
County of Los Angeles
Department of Public Works
Watershed Management Division, 11th Fl.
900 South Fremont Avenue
Alhambra, CA 91803-1331

By:

Chief Engineer

APPROVED AS TO FORM:

County Counsel

Deputy

Exhibit B
Annual Average Cost Sharing Formula beginning FY July 1, 2021

Agency	Area (sq. mile)	Cost Share Percentage	90% of Average Cost (after Deducting LACFCD's Cost) Proportioned Based on Area	10% of Average Cost (after Deducting LACFCD's Cost) Proportioned Equally	Total Average Annual Cost*
Downey	5.54	12.67%	\$74,409.76	\$8,156.82	\$82,566.58
Lakewood	0.08	0.18%	\$1,057.12	\$8,156.82	\$9,213.94
Long Beach	19.22	43.96%	\$258,173.10	\$8,156.82	\$266,329.92
Lynwood	4.84	11.07%	\$65,013.11	\$8,156.82	\$73,169.93
Paramount	3.12	7.14%	\$41,932.57	\$8,156.82	\$50,089.39
Pico Rivera	2.36	5.40%	\$31,713.71	\$8,156.82	\$39,870.53
Signal Hill	1.21	2.77%	\$16,267.96	\$8,156.82	\$24,424.78
South Gate	7.35	16.81%	\$98,723.61	\$8,156.82	\$106,880.43
LACFCD (5% of total)		--	--	--	\$34,344.50
Total	43.72	100.00%	\$587,290.95	\$65,254.55	\$686,890.00

* Does not include GWMA Administrative Fee and Indirect Administrative Fee (approved by GWMA Board annually).

Notes:

- The LLAR Watershed Group will determine and approve a budget each year for the following fiscal year necessary to comply with the MS4 permit(s).
- The average Watershed budget for the next four years is anticipated to range between \$618,201 and \$755,579, (Average = \$686,890.00) depending on requirements in the new Regional MS4 permit, plus GWMA administrative fees. The final year may be higher if reassessments of the Watershed Management Program (WMP), the Coordinated Integrated Monitoring Program (CIMP), and the Reasonable Assurance Analysis (RAA) are required.
- Other agencies may participate upon approval of cost sharing agreements by the LLAR Watershed Committee and GWMA. Future participants shall be assessed a late entry cost as if they had been a participant from the beginning of the Metals TMDL MOU, as of March 1, 2012, unless otherwise determined by the LLAR Watershed Committee.
- Watershed Permittees and the cost share are subject to modifications due to, but not limited to, changes in the number of participating agencies, refinements in mapping, and changes in boundaries.
- LACFCD's annual contribution shall not exceed \$100,000 unless otherwise amended.

**FIRST AMENDMENT TO THE MEMORANDUM OF UNDERSTANDING
BETWEEN THE LOS ANGELES GATEWAY REGION INTEGRATED REGIONAL
WATER MANAGEMENT JOINT POWERS AUTHORITY AND THE CITIES OF DOWNEY,
LAKEWOOD, LYNWOOD, PARAMOUNT, PICO RIVERA, SIGNAL HILL, SOUTH GATE, LONG
BEACH, AND THE LOS ANGELES COUNTY FLOOD CONTROL DISTRICT
FOR
ADMINISTRATION AND COST SHARING TO PREPARE AND IMPLEMENT A WATERSHED
MANAGEMENT PROGRAM ("WMP") and COORDINATED INTEGRATED MONITORING
PROGRAM ("CIMP") AS REQUIRED BY THE REGIONAL WATER QUALITY CONTROL BOARD,
LOS ANGELES REGION, NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
MUNICIPAL SEPARATE STORM SEWER SYSTEM PERMIT ORDER NO. R4-2012-0175
MUNICIPAL SEPARATE STORM SEWER SYSTEM ("MS4 PERMIT")**

This **FIRST AMENDMENT** to the memorandum of understanding ("MOU") is made and entered into as of the date of the last signature set forth below, by and between the Los Angeles Gateway Region Integrated Regional Water Management Joint Powers Authority ("GWMA"), a California Joint Powers Authority, and the Cities of Downey, Lakewood, Lynwood, Paramount, Pico Rivera, Signal Hill, South Gate, Long Beach ("Cities"), and the Los Angeles County Flood Control District ("LACFCD"):

1. Recitals. This **FIRST AMENDMENT** is made with the respect to the following facts and purposes:

A. For the purposes of this First Amendment, the term "Watershed Permittees" shall mean the Cities of Downey, Lakewood, Lynwood, Paramount, Pico Rivera, Signal Hill, South Gate, Long Beach, and the Los Angeles County Flood Control District; and

B. The Watershed Permittees and GWMA are collectively referred to as the "PARTIES"; and

C. On August 1, 2013, the PARTIES entered into a Memorandum of Understanding between the Los Angeles Gateway Region Integrated Regional Water Management Joint Powers Authority and the Cities of Downey, Lakewood, Lynwood, Paramount, Pico Rivera, Signal Hill, South Gate, Long Beach, and the Los Angeles County Flood Control District for Administration and Cost Sharing to Prepare a Watershed Management Program ("WMP") and a Coordinated Integrated Monitoring Program ("CIMP"), collectively the "Plans" as required by the Regional Water Quality Control Board, Los Angeles Region, National Pollutant Discharge Elimination System Municipal Separate Storm Sewer System Permit, Order No. R4-2012-0175 Municipal Separate Storm Sewer System ("MOU"); and

D. The Watershed Permittees prepared and submitted the Plans to the Regional Board in compliance with certain elements of the MS4 Permit; and

E. The PARTIES now desire to amend the MOU to: (1) add implementation of the Plans to the scope and purpose of the MOU; and (2) provide a separate cost-share formula for the implementation of the Plans, subject to annual budget approval, in accordance with each PARTY'S cost share allocations set forth in **Exhibit "B1"** ("Cost Share Formula for Preparation of the Plans") and **Exhibit "B2"** ("Cost Share Formula for Implementation of the Plans") which is attached hereto and made a part hereof; and

F. The Parties have determined that authorizing GWMA to hire a consultant to implement the Plans will be beneficial to the Parties; and

G. The Parties desire to collaboratively prepare a Scope of Work and Request for Proposals to obtain a consultant to assist the Parties with implementation required by the Plans.

The PARTIES agree that the following provisions of the MOU shall be amended as follows:

2. Section 1 of the MOU entitled "Recitals" is hereby amended by adding thereto Recitals A-G of Section 1 of this First Amendment, which is set forth in Section 1 of this First Amendment and incorporated herein as though set forth in full.

3. Section 2 of the MOU entitled "Purpose" is hereby amended to read as follows:

"Section 2. Purpose. The purpose of this MOU is to cooperatively support and undertake preparation of the Plans and any additional services, including but not limited to implementation of the WMP and the CIMP, except for construction of regional BMP projects as agreed to by the Watershed Permittees working cooperatively as the Lower Los Angeles River ("LLAR") Watershed Committee and as approved by the GWMA. For the purposes of this MOU, the term "regional BMP projects" does not include individual cities' low impact development ("LID") projects, including LID or Green Streets projects."

4. Section 3 of the MOU entitled "Cooperation" is hereby amended to read as follows:

"Section 3. Cooperation. The Parties shall fully cooperate with one another to achieve the purposes of this MOU. The Watershed Permittees shall prepare a final Scope of Work and Request for Proposals/Qualifications to seek and hire a consultant to assist the Parties with implementation of the Plans, and GWMA shall assist with soliciting proposals from consultants to implement the Plans and shall administer said consultants' contracts."

5. Section 6 of the MOU entitled "Term" is hereby amended to read as follows:

"Section 6. Term. This MOU shall remain and continue in effect until September 30, 2020, unless sooner terminated as provided herein."

6. Section 8 of the MOU entitled "Role of the GWMA" is hereby amended in its entirety to read as follows:

"Section 8. Responsibilities of the Parties.

- a) **Responsibilities of the GWMA.** The GWMA agrees to: (i) solicit proposals for preparation and implementation of the Plans; (ii) administer the selected consultants' ("Consultants") contracts in accordance with the Scopes of Work prepared by the Watershed Permittees; and (iii) serve as a conduit for paying the Consultants, as approved and funded by the Watershed Permittees.

- b) **Responsibilities of the LLAR Watershed Committee.** The LLAR Watershed Committee agrees to:
 - i. **LACFCD Facilities/Mass Emissions Stations.** Obtain any necessary permits from LACFCD for access to and construction within LACFCD storm drains, channels, catch basins, and similar properties ("Facilities"), and provide written notice 72 hours in advance of entry to LACFCD's Facilities. If approved by the GWMA, the GWMA may obtain this permit as identified above.

 - ii. **Supervise Consultants.** Supervise the Consultants' preparation and implementation of the Plans.

 - iii. **Reports.** Submit reports to the Regional Board as described in the Plans and distribute copies of the reports to the Watershed Permittees prior to submittal to the Regional Board for review and comment. The LLAR Watershed Committee will provide the Watershed Permittees with an electronic copy of the draft CIMP Annual Report and completed CIMP Annual Report within seven (7) business days after receipt from the Consultants. In addition, the LLAR Watershed Committee will make available to the Watershed Permittees the data used to prepare the reports. This data will be available electronically in a Microsoft Excel or equivalent format that contains the table structure and syntax agreed upon by the LLAR Watershed Committee.

- c) **Responsibilities of the Los Angeles County Flood Control District ("LACFCD").** LACFCD agrees to:
 - i. **LACFCD Mass Emissions Station (MES) Monitoring.** Provide available monitoring data from the existing Los Angeles River MES, owned and operated by the LACFCD. Data shall be limited to water column chemistry and aquatic toxicity.

 - ii. **Access to LACFCD Facilities/Mass Emissions Stations.** To grant access to the LLAR Watershed Committee and/or the GWMA, and its Consultants to LACFCD Facilities, including LACFCD's Los Angeles River MES, to achieve the purposes of this MOU, provided the LLAR Watershed Committee and its CONSULTANT obtain a permit and provide written notice 72 hours in

advance of entry to LACFCD's Facilities. Access permits will be issued by the LACFCD at no cost to the Parties and their Consultants. Permits for construction or installation of structures in LACFCD right of way will incur fees to cover the cost of review, inspection, etc. by LACFCD.

- d) Responsibilities of the Watershed Permittees. The Watershed Permittees agree to:
- i. Documentation. To make a full-faith effort to cooperate with one another to achieve the purposes of this MOU by providing all requested information and documentation in their possession and available for release to the Consultants that is deemed necessary by the Parties to implement the Plans.
 - ii. Access. Each Watershed Permittee will allow reasonable access and entry to the Parties and their Consultants, on an as needed basis during the term of this MOU, to each Watershed Permittee's Facilities to achieve the purposes of this MOU, provided, however, that prior to entering any of the Watershed Permittee's Facilities, the Consultants shall obtain a permit and provide written notice 72 hours in advance of entry from the applicable Watershed Permittee.
 - iii. Permit. The Watershed Permittees will make a full-faith effort to work with the Consultants to obtain all necessary permits for installation of permanent infrastructure or modifications to stormwater monitoring sites within each Watershed Permittee's jurisdiction.

7. Section 9 of the MOU entitled "Financial Terms" is hereby amended to read as follows:

"Section 9. Financial Terms.

- a) Each Watershed Permittee shall pay its Proportional Costs as provided in **Exhibit "B1"** ("Cost Share Formula for Preparation of the Plans") and **Exhibit "B2"** ("Cost Share Formula for Implementation of the Plans") for Consultants and any other related expenses to which the Parties may agree in writing.
- b) Each Watershed Permittee shall also pay its proportional share of GWMA's staff time for retaining Consultants and invoicing the Watershed Permittees, audit expenses and other overhead costs, including reasonable legal fees ("MOU Costs") incurred by GWMA in the performance of its duties under this MOU. GWMA shall add a percentage not to exceed three percent (3%) to each invoice submitted to each Watershed Permittee to cover each Watershed Permittee's share of the MOU Costs. The MOU Costs percentage shall be set each fiscal year by a vote of the GWMA Board.

- c) GWMA shall submit an invoice to each Watershed Permittee upon selection of Consultants reflecting each Watershed Permittee's estimated Proportional Costs of the Consultants' services through the following June 30th. Prior to releasing payment to Consultants, GWMA shall submit a copy of the Consultants' invoices to the LLAR Watershed Committee for approval. The decision regarding whether to pay the invoice shall be communicated to the GWMA by the Representative.
- d) Upon receiving the first and each subsequent invoice, each Watershed Permittee shall pay its Proportional Costs set forth in that invoice to the GWMA within forty-five days (45) days of receipt.
- e) By March 15th of each year, commencing March 15, 2015, the LLAR Watershed Committee shall submit to GWMA a recommended budget for the following fiscal year. GWMA shall consider the recommendation and adopt a budget by June 30th inclusive of the LLAR Watershed Committee's recommendation. GWMA will send each Watershed Permittee no later than June 30th of each year an invoice representing the Watershed Permittee's Proportional Costs of the adopted budget. GWMA shall not expend funds in excess of each annual budgeted amount without prior notification to and approval by the LLAR Watershed Committee.
- f) Each Watershed Permittee shall review their recommended Proportional Costs for the upcoming fiscal year in a timely manner for inclusion in its next budget cycle or exercise the withdrawal and termination clause as specified in Section 12.a) of the MOU.
- g) A Watershed Permittee will be delinquent if the invoiced payment is within the budgeted amounts or the amounts authorized by the LLAR Watershed Committee and such invoiced payment is not received by the GWMA within forty-five (45) days after the GWMA first sent the invoice. The GWMA will follow the procedure listed below, or such other procedure that the LLAR Watershed Committee directs to effectuate payment: 1) verbally contact the official of the Watershed Permittee with copies to each other Watershed Permittee to the person and at the address to which notices should be addressed pursuant to Section 13 of the MOU, and 2) submit a formal letter from the GWMA Executive Officer to the Watershed Permittee. If payment is not received within sixty (60) days following the due date, the GWMA may terminate the MOU unless the City Managers/Administrators of the Watershed Permittees in good standing inform the GWMA in writing that their respective Watershed Permittees agree to adjust their Proportional Cost allocations in accordance with the Cost Share Formulas in **Exhibit "B1"** ("Cost Share Formula for Preparation of the Plans") and **Exhibit "B2"** ("Cost Share Formula for Implementation of the Plans"). The terminated Watershed Permittee shall remain obligated to GWMA for its delinquent payments and any other obligations incurred prior to the date of termination.

- h) GWMA shall suspend all work being performed by any Consultants retained by GWMA if any Watershed Permittee has not paid its invoice within forty five (45) days after the GWMA first sent the invoice unless the City Managers/ Administrators of the other Watershed Permittees inform the GWMA in writing that their respective Watershed Permittees will pay the delinquent Watershed Permittee's costs once the MOU with the delinquent Watershed Permittee has been terminated.
- i) Any delinquent payments by a Watershed Permittee shall accrue compound interest at the then-current rate of interest in the Local Agency Investment Fund, calculated from the first date of delinquency until the payment is made.
- j) Funds remaining in the possession of the GWMA at the end of the term of this MOU, or at the termination of this MOU, whichever occurs earlier, shall be promptly returned to the then remaining Watershed Permittees in accordance with the Cost Share Formulas in **Exhibit "B1"** ("Cost Share Formula for Preparation of the Plans") and **Exhibit "B2"** ("Cost Share Formula for Implementation of the Plans").

8. Paragraph a) of Section 12 of the MOU entitled "Termination" is hereby amended to read as follows:

"a) A Watershed Permittee may withdraw from this MOU for any reason, or no reason, by giving the other Watershed Permittees thirty (30) days written notice thereof. The effective withdrawal date shall be the thirtieth (30th) day after GWMA receives the withdrawing Watershed Permittee's notice to withdraw from the MOU. The withdrawing Watershed Permittee shall be responsible for its Proportional Costs and proportional MOU Costs, which the GWMA incurred or to which it became bound through the effective date of withdrawal. Such MOU Costs shall include the remaining fees of any Consultant retained by the GWMA through the effective date of withdrawal. Should any Watershed Permittee withdraw from the MOU, the remaining Watershed Permittees' Proportional Cost allocation shall be adjusted in accordance with the Cost Share Formulas in **Exhibit "B1"** ("Cost Share Formula for Preparation of the Plans") and **Exhibit "B2"** ("Cost Share Formula for Implementation of the Plans"). A withdrawing Watershed Permittee shall remain liable for any loss, debt, liability otherwise incurred while participating in this MOU.

9. **Exhibit "B"** ("Cost Sharing") of the MOU shall be renamed "**Exhibit 'B1'**" ("Cost Sharing Formula for Preparation of the Plans").

10. A new **Exhibit "B2"** ("Cost Sharing Formula for Implementation of the Plans") is hereby added to the MOU to read as set forth in **Exhibit "B2"** to this First Amendment, which is attached hereto and incorporated herein as though set forth in full.

10. Except for the changes specifically set forth herein, all other terms and conditions of the MOU shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have caused this **FIRST AMENDMENT** to be executed on their behalf, respectively, as follows:

DATE: 6/11/15

LOS ANGELES GATEWAY REGION INTEGRATED
REGIONAL WATER MANAGEMENT JOINT
POWERS AUTHORITY

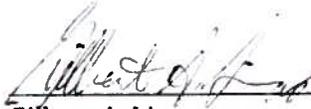


Chris Cash
GWMA Chair

IN WITNESS WHEREOF, the Parties hereto have caused this **FIRST AMENDMENT** to be executed on their behalf, respectively, as follows:

DATE: 7-15-15

CITY OF DOWNEY
Mr. Gilbert A. Livas
City Manager
11111 Brookshire Avenue
Downey, CA 90241



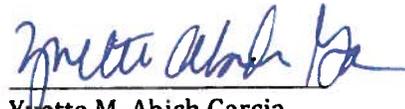
Gilbert A. Livas
City Manager

ATTEST:

APPROVED AS TO FORM:



Adria M. Jimenez, CMC
City Clerk



Yvette M. Abich Garcia
City Attorney

IN WITNESS WHEREOF, the Parties hereto have caused this FIRST AMENDMENT to be executed on their behalf, respectively, as follows:

DATE: June 23, 2015

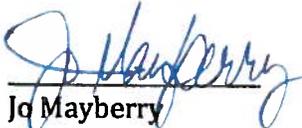
CITY OF LAKEWOOD
Mr. Jeff Wood
Mayor
5050 Clark Avenue
Lakewood, CA 90712



Jeff Wood
Mayor

ATTEST:

APPROVED AS TO FORM:



Jo Mayberry
City Clerk



Steve Skolnik
City Attorney

IN WITNESS WHEREOF, the Parties hereto have caused this **FIRST AMENDMENT** to be executed on their behalf, respectively, as follows:

DATE: 4/25/16

CITY OF LONG BEACH
Mr. Patrick H. West
City Manager
333 West Ocean Boulevard, 13th Floor
Long Beach, CA 90802



Patrick H. West
City Manager

Assistant City Manager
EXECUTED PURSUANT
TO SECTION 301 OF
THE CITY CHARTER.

ATTEST:

APPROVED AS TO FORM:

Maria del Luz Garcia
~~Poonam Davis~~ Maria del Luz Garcia
City Clerk

Charles Parkin
City Attorney

By:



Deputy City Attorney

4-14-16

IN WITNESS WHEREOF, the Parties hereto have caused this **FIRST AMENDMENT** to be executed on their behalf, respectively, as follows:

DATE: _____

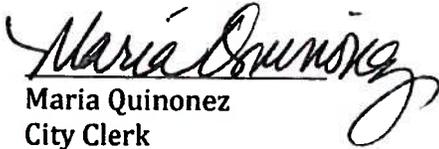
CITY OF LYNWOOD
Mr. J. Arnoldo Beltran
11330 Bullis Road
Lynwood, CA 90262



J. Arnoldo Beltran
City Manager

ATTEST:

APPROVED AS TO FORM:



Maria Quinonez
City Clerk

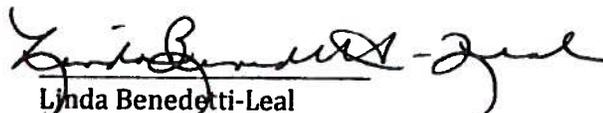


David A. Garcia
Legal Counsel

IN WITNESS WHEREOF, the Parties hereto have caused this **FIRST AMENDMENT** to be executed on their behalf, respectively, as follows:

DATE: JULY 8, 2015

CITY OF PARAMOUNT
Linda Benedetti-Leal
City Manager
16400 Paramount Blvd
Paramount, CA 90723


Linda Benedetti-Leal
City Manager

ATTEST:

APPROVED AS TO FORM:


Lana Chikami
City Clerk


John E. Cavanaugh
City Attorney

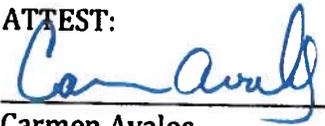
IN WITNESS WHEREOF, the Parties hereto have caused this **FIRST AMENDMENT** to be executed on their behalf, respectively, as follows:

DATE: 9/1/15

CITY OF SOUTH GATE
Michael S. Flad
City Manager
8650 California Avenue
South Gate, CA 90280



Michael S. Flad
City Manager

ATTEST:


Carmen Avalos
City Clerk

APPROVED AS TO FORM:


Raul F. Salinas
City Attorney

IN WITNESS WHEREOF, the Parties hereto have caused this **FIRST AMENDMENT** to be executed on their behalf, respectively, as follows:

DATE: 6.8.2015

CITY OF SIGNAL HILL
Mr. Ken Farfsing
City Manager
2175 Cherry Avenue
Signal Hill, CA 90602



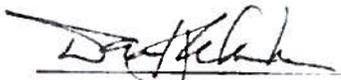
Ken Farfsing
City Manager

ATTEST:

APPROVED AS TO FORM:



Robert Copeland
City Clerk-Treasurer



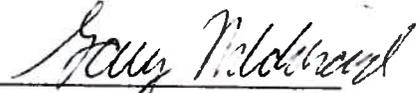
David J. Aleshire
City Attorney

IN WITNESS WHEREOF, the Parties hereto have caused this **FIRST AMENDMENT** to be executed on their behalf, respectively, as follows:

DATE: _____

LOS ANGELES COUNTY FLOOD
CONTROL DISTRICT
County of Los Angeles
Department of Public Works
Watershed Management Division, 11th Fl.
900 South Fremont Avenue
Alhambra, CA 91803-1331

By:



Chief Engineer

APPROVED AS TO FORM:

Mark J. Saladino
County Counsel



Deputy

EXHIBIT "B2"

Cost Share Formula for Implementation of the Plans

The Watershed Permittees and the LACFCD agree to pay for the cost of implementation of the WMP and CIMP, following this cost sharing allocation.

**Cost Sharing Formula
beginning July 1, 2015 through September 30, 2020.**

Agency	Area (sq mi)	80% of cost proportioned based on area	20% of cost proportioned equally	Agency cost per \$100,000	Agency cost per \$500,000	Agency cost per \$900,000
Downey	5.54	\$9,630	\$2,375	\$12,005	\$60,027	\$108,048
Lakewood	0.08	\$139	\$2,375	\$2,514	\$12,570	\$22,627
Long Beach	19.22	\$33,411	\$2,375	\$35,786	\$178,929	\$322,072
Lynwood	4.84	\$8,414	\$2,375	\$10,789	\$53,943	\$97,097
Paramount	3.12	\$5,424	\$2,375	\$7,799	\$38,993	\$70,187
Pico Rivera	2.36	\$4,102	\$2,375	\$6,477	\$32,387	\$58,297
Signal Hill	1.21	\$2,103	\$2,375	\$4,478	\$22,392	\$40,305
South Gate	7.35	\$12,777	\$2,375	\$15,152	\$75,759	\$136,366
Sub-Total	43.72	\$76,000	\$19,000	\$95,000	\$475,000	\$855,000
LACFCD*	Contribute 5% of total			\$5,000	\$25,000	\$45,000
NOTES:						
<ul style="list-style-type: none"> • Other agencies may participate upon approval of cost sharing agreements by the LLAR Watershed Committee and GWMA. Future participants shall be assessed a late entry cost as if they had been a participant from the beginning of the Metals TMDL MOU, as of March 1, 2012, unless otherwise determined by the LLAR Watershed Committee. • Watershed Permittees and the cost share are subject to modifications due to, but not limited to, changes in the number of participating agencies, refinements in mapping, and changes in boundaries. 						
<i>*LACFCD's annual contribution shall not exceed \$100,000 unless otherwise amended.</i>						

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE LOS ANGELES GATEWAY REGION INTEGRATED REGIONAL
WATER MANAGEMENT JOINT POWERS AUTHORITY
AND
THE CITIES OF DOWNEY, LAKEWOOD LONG BEACH, LYNWOOD, PARAMOUNT,
PICO RIVERA, SIGNAL HILL, SOUTH GATE AND THE LOS ANGELES COUNTY FLOOD
CONTROL DISTRICT**

**FOR ADMINISTRATION AND COST SHARING TO PREPARE AND IMPLEMENT A
WATERSHED MANAGEMENT PROGRAM "WMP" and COORDINATED INTEGRATED
MONITORING PROGRAM "CIMP" AS REQUIRED BY THE REGIONAL WATER
QUALITY CONTROL BOARD, LOS ANGELES REGION (REGIONAL WATER BOARD),
NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM MUNICIPAL
SEPARATE STORM SEWER SYSTEM PERMIT ORDER NO. R4-2012-0175 ("MS4
PERMIT")**

This memorandum of understanding ("MOU") is made and entered into as of August 1, 2013 by and between the Los Angeles Gateway Region Integrated Regional Water Management Joint Powers Authority ("GWMA"), a California Joint Powers Authority, and the Cities of Downey, Lakewood, Long Beach, Lynwood, Paramount, Pico Rivera, Signal Hill, South Gate, and the Los Angeles County Flood Control District ("District"), (hereafter jointly referred to as the "Watershed Permittees"):

RECITALS

WHEREAS, the mission of the GWMA includes the equitable protection and management of water resources within its area; and

WHEREAS, the Watershed Permittees manage, drain and convey stormwater wholly or partially into Reach 1, Reach 2, and the estuary of the Los Angeles River, the Rio Hondo and Compton Creek hereafter referred to as the Lower Los Angeles River Watershed ("Lower LAR") as shown on Exhibit A; and

WHEREAS, several of the Watershed Permittees are in multiple watersheds and this MOU shall only pertain to those areas that are within the jurisdiction of the Watershed Permittees and also tributary to Reach 1 and 2 of the Los Angeles River, Compton Creek, the Rio Hondo and the estuary of the Los Angeles River; and

WHEREAS, in 2009, the Watershed Permittees, excepting the District, created Technical Committees ("TMDL Committees") consisting of voluntary representatives from the Watershed Permittees, except the District, for the preparation of Implementation Plans for the Los Angeles River Metals TMDL ("Metals TMDL"); and

WHEREAS, the final deadline for achieving compliance with the Metals TMDL is January 11, 2028; and,

WHEREAS, in 2009, the Watershed Permittees, excepting the District, entered into MOUs with the Gateway Cities Council of Governments and the San Gabriel Valley Council of Governments to act as the fiduciary agents for the development of the Metals TMDL Implementation Plans for Reach 1 including Compton Creek and Reach 2 including Rio Hondo respectively; and

WHEREAS, the MS4 Permit was adopted by the Regional Water Board on November 8, 2012 and became effective on December 28, 2012 and allows permittees to prepare a Watershed Management Program ("WMP") or an Enhanced Watershed Management Program ("EWMP") and a Coordinated Integrated Monitoring Program ("CIMP"), collectively "the Plans," to address certain elements of the MS4 Permit; and

WHEREAS, the Watershed Permittees and the GWMA wish to maintain continuity of the Metals TMDL Committees in coordinating the preparation and submission of the plans to the Regional Water Board; and

WHEREAS, the California Department of Transportation ("Caltrans") and Long Beach are regulated under separate MS4 permits; and

WHEREAS, if Caltrans enters into the MOU, the payment formula in Table 1 will be modified as agreed to by the Parties and Caltrans will be a Watershed Permittee for purposes of this MOU; and

WHEREAS, on May 20, 2013 the Watershed Permittees excepting the District, voted to change the name of the TMDL Committees to the Lower Los Angeles River Watershed Committee ("Lower LAR Watershed Committee") to reflect the expanded duties; and

WHEREAS, the TMDL Committees and representatives of Pico Rivera, Downey, Paramount and the District decided at a meeting held on April 22, 2013 to prepare a Watershed Management Program ("WMP") with the option of converting the WMP to an Enhanced Watershed Management Program upon approval by the Lower LAR Watershed Committee prior to December 28, 2013; and

WHEREAS, the Watershed Permittees and the GWMA are collectively referred to as the "Parties"; and

WHEREAS, preparation of the Plans requires administrative coordination for the Watershed Permittees that the GWMA can provide; and

WHEREAS, there are remaining funds on deposit with the Gateway Cities Council of Governments for use in implementation measures for the Metals TMDL and the Lower LAR Watershed Committee approved spending the remaining funds for the development of the Plans; and

WHEREAS, the Lower LAR Watershed Committee has approved a Scope of Work ("Exhibit C"); and

WHEREAS, the Watershed Permittees have determined to pay their respective share of the costs of preparing the Plans and other related costs ("Respective Costs") to be incurred by the GWMA in accordance with the Cost Sharing Allocation Formula reflected in Exhibit B.

NOW, THEREFORE, in consideration of the mutual covenants and conditions set forth herein, the Parties do hereby agree as follows:

Section 1. **Recitals.** The recitals set forth above are fully incorporated as part of this MOU.

Section 2. **Purpose.** The purpose of this MOU is to cooperatively support and undertake preparation of the Plans, and any additional services agreed to by the Watershed Permittees working through the Lower LAR Watershed Committee and as approved by the GWMA.

Section 3. **Cooperation.** The Parties shall fully cooperate with one another to achieve the purposes of this MOU.

Section 4. **Voluntary Nature.** The Parties voluntarily enter into this MOU.

Section 5. **Binding Effect.** This MOU shall become binding on GWMA and the Watershed Permittees that execute this MOU.

Section 6. **Term.** The term of this MOU shall be from August 1, 2013 to June 30, 2014, and, unless terminated by the Parties, shall automatically renew annually through January 11, 2028 for monitoring, implementation coordination and compliance reporting as deemed necessary by the Lower LAR Watershed Committee. The term of the MOU for the District shall expire upon approval or acceptance of the Plans by the Regional Water Board unless the Parties agree to an amendment to this MOU providing for continuing participation by the District.

Section 7. **Lower LAR Watershed Committee Representative.**

- a) Each Watershed Permittee shall appoint a representative ("Representative") to the Lower LAR Watershed Committee. Each member shall have one vote on the Lower LAR Watershed Committee.

- b) The Lower LAR Watershed Committee shall appoint a Representative ("Representative") and may appoint an Alternate Representative ("Alternate Representative"), each of whom shall have the authority to speak on behalf of the Lower LAR Watershed Committee to the GWMA on decisions to be made by the Lower LAR Watershed Committee. The Lower LAR Watershed Committee shall inform the GWMA of the names of the Representative and Alternate Representative in writing. The GWMA may rely on written directions from either the Representative or the Alternate Representative. In the event of conflicting directions from the Representative and the Alternate Representative, the GWMA shall rely on the Representative's direction.

Section 8. Role of the GWMA. The GWMA will contract with and serve as a conduit for paying the Consultants as approved by the Watershed Permittees. The consultant or consultants ("Consultant") shall prepare the Plans and any other plans and/or projects that the Lower LAR Watershed Committee have determined are necessary and the costs of which the Watershed Permittees have agreed to pay. The Representative and the Alternative Representative shall be the means of communication between the Lower LAR Watershed Committee and the GWMA on the approval of the Consultant and any other work the Lower LAR Watershed Committee requests and which will be paid by the Watershed Permittees.

Section 9. Financial Terms.

- a) Each Watershed Permittee shall pay its Respective Costs as provided in Exhibit B for Consultant and any other related costs to which the Representative or the Alternate Representative informs the GWMA informs the GWMA in writing that the Lower LAR Watershed Committee has approved. The District's total costs shall not exceed \$74,483.00 without the District's written agreement. In the event the Lower LAR Watershed Committee approves an increase in the budget pursuant to Section 9-d, the GWMA shall terminate this MOU with the District if the District does not inform the GWMA in writing within thirty (30) days that it will pay its increased Respective Costs, unless the Group informs the GWMA within that time that the other Watershed Permittees agrees to absorb the District's additional Respective Costs.
- b) Each Permittee shall also pay a share of GWMA's staff time for retaining a Consultant and invoicing the Watershed Permittees, audit expenses and other overhead costs, including legal fees, ("MOU Costs") incurred by GWMA in the performance of its duties under this MOU. GWMA shall add a percentage not to exceed three percent (3%) to each invoice submitted to each Permittee to cover each Permittee's

share of the MOU Costs. The MOU Costs percentage shall be set each fiscal year through a majority vote by the GWMA Policy Board.

- c) GWMA shall submit an invoice to each Permittee reflecting each Permittee's estimated Respective Costs and MOU costs through the following June 30th or December 31st, whichever date is earlier. Prior to releasing payment to the Consultant the GWMA shall submit a copy of the Consultant's invoice to the Lower LAR Watershed Committee for approval. The GWMA shall not make any payment to a Consultant without the approval of the Lower LAR Watershed Committee as expressed in writing by the Representative or Alternate Representative.
- d) GWMA shall not be required to incur obligations for its 2013-14 fiscal year in excess of the budget reflected in Table 1 or subsequent years in excess of any budget approved by the GWMA and the Lower LAR Watershed Committee unless the Lower LAR Watershed Committee authorizes the GWMA to expend the additional funds. GWMA may suspend the work of the Consultants if the Lower LAR Watershed Committee does not provide authorization to incur these additional obligations.
- e) Upon receiving the first and each subsequent invoice, each Permittee shall pay their Respective Costs and MOU costs to the GWMA within forty-five days (45) days of receipt.
- f) The budget for the 2013-14 fiscal year shall be as provided in Table 1 of Exhibit B. Each successive year, commencing May 15, 2014, the Lower LAR Watershed Committee shall recommend to GWMA a budget for the following fiscal year. Within 30 days of submission of the budget the GWMA shall consider the recommendation and adopt a budget inclusive of the Lower LAR Watershed Committee recommendation by June 30th. GWMA will send each Watershed Permittee an invoice during the first month of each fiscal year representing the Watershed Permittee's Respective Costs of the adopted budget as provided in Table 2. GWMA shall not expend funds nor incur obligations in excess of the budgeted amount without prior notification to and approval by the Group. Each successive year commencing with the 2014-15 fiscal year, any budget in excess of \$250,000 as adjusted by the local April to March annual CPI, will require an amendment to this MOU.
- g) A Permittee will be delinquent if the invoiced payment is not received by the GWMA within forty-five (45) days after first being invoiced by the GWMA. The GWMA will follow the procedure listed below, or such other procedure that the Lower LAR Watershed Committee directs to

effectuate payment: 1) verbally contact the representative of the Permittee and at phone number listed in Section 14 of the MOU, and 2) submit a formal letter from the GWMA Executive Officer to the Permittee at the address listed in Section 14 of the MOU. If payment is not received within sixty (60) days of the due date, the GWMA may terminate the MOU unless the City Managers/Administrators for those Watershed Permittees in good standing inform the GWMA in writing that they agree to adjust their Proportional Cost allocations in accordance with the Cost Share Formula in Table 2 or such other formula to which the Watershed Permittees shall direct to account for the delinquent Watershed Permittees costs. However, no such termination may be ordered unless the GWMA first provides the Watershed Permittees with ninety (90) days written notice of its intent to terminate the MOU. If the GWMA receives such confirmation from the City Managers/Administrators, the delinquent Permittee's participation in this MOU will be terminated and the Cost Share Formula in Exhibit B will be adjusted. A terminated Permittee shall remain obligated to GWMA for its delinquent payments and any other obligations incurred prior to the date of termination.

- h) GWMA may suspend or modify the scope of the work being performed by any Consultant retained by GWMA if any Watershed Permittee has not paid its invoice within forty five (45) of receipt unless the City Managers/Administrators/Representatives of those Watershed Permittees in good standing inform the GWMA that they will pay the delinquent Permittee's costs once the MOU with the delinquent Permittee has been terminated.
- i) Any delinquent payments by a Watershed Permittee shall accrue compound interest at the average rate of interest paid by the Local Agency Investment Fund, during the time that the payment is delinquent.
- j) Funds remaining in the possession of the GWMA at the end of the term of this MOU, or at the termination of this Agreement, whichever occurs earlier, shall be promptly returned to the then remaining Watershed Permittees in good standing and in accordance with the Cost Share Formula in Exhibit B.
- k) The Watershed Permittees with the exception of the District and Caltrans previously funded Los Angeles River Metals TMDL Implementation Plans through separate MOUs. The MOU with the GCCOG has funds remaining and are to be used to fund the development of Plans prior to the use of any funds from this MOU. These funds shall not be used to defray costs under this MOU on behalf of the District or Caltrans.

- l) **Other agencies may enter into this MOU upon written approval of the Parties. Any future participants shall be assessed a late entry cost as if they had been a participant from the beginning of the Metals TMDL MOU, as of July 1, 2010, unless otherwise agreed to by the Parties.**

Section 10. Independent Contractor.

- a) **The GWMA is, and shall at all times remain, a wholly independent contractor for performance of the obligations described in this MOU. The GWMA's officers, officials, employees and agents shall at all times during the Term of this MOU be under the exclusive control of the GWMA. The Watershed Permittees cannot control the conduct of the GWMA or any of its officers, officials, employees or agents. The GWMA and its officers, officials, employees, and agents shall not be deemed to be employees of the Watershed Permittees.**
- b) **The GWMA is solely responsible for the payment of salaries, wages, other compensation, employment taxes, workers' compensation, or similar taxes for its employees and consultants performing services hereunder.**

Section 11. Indemnification and Insurance.

- a) **The GWMA shall include in the agreements with the Consultants an indemnification clause requiring the Consultants to defend, indemnify and hold harmless each of the Watershed Permittees and the GWMA, their officers, employees, and agents, from and against any and all liabilities, actions, suits, proceedings, claims, demands, losses, costs, and expenses, including legal costs and attorney's fees, for injury to or death of person(s), for damage to property (including property owned by the GWMA or any Permittee) resulting from negligent or intentional acts, errors and omissions committed by Consultants, their officers, employees, and other representatives and agents, arising out of or related to Consultants' performance under its agreement with the GWMA.**
- b) **Each Watershed Permittee shall defend, indemnify and hold harmless each other Party as well as each Party's officers, employees, and other representatives and agents from and against any and all liabilities, actions, suits proceedings, claims, demands, losses, costs, and expenses, including legal costs and attorney's fees, for injury to or death of person(s), for damage to property (including property owned by the GWMA and any Permittee) for negligent or intentional acts, errors and omissions committed by that Watershed Permittee, its officers, employees, and agents, arising out of or related to that Party's performance under this MOU, except for such loss as may be caused**

by GWMA's or any other Party's gross negligence or intentional acts or those of any of its officers, employees, or other representatives and agents other than the Consultants.

- c) **The GWMA shall defend, indemnify and hold harmless the Watershed Permittees, their officers, employees, and other representatives and agents of the Watershed Permittees, from and against any and all liabilities, actions, suits proceedings, claims, demands, losses, costs, and expenses, including legal costs and attorney's fees, for injury to or death of person(s), for damage to property (including property owned by the Watershed Permittees) and for negligent or intentional acts, errors and omissions committed by GWMA, its officers, employees, and agents, arising out of or related to GWMA's performance under this MOU.**

- d) **Consultant's Insurance. The GWMA shall require the Consultants to obtain and maintain through the term of their contracts with the GWMA the following policies of insurance with minimum limits as indicated below and issued by insurers with A.M. Best ratings of no less than A:**
 - i. **Comprehensive Commercial General Liability Insurance with minimum limits of One Million Dollars (\$1,000,000) per incident or accident for bodily injury, death and property damage;**
 - ii. **Automobile Liability Insurance for any owned, non-owned or hired vehicle used in connection with the performance of the Services under this MOU with minimum combined single limits coverage of One Million Dollars (\$1,000,000);**
 - iii. **Professional Liability (Errors and Omissions) Insurance, which in aggregate with the Comprehensive General Liability Insurance, provides a minimum limit of Two Million Dollars (\$2,000,000) per incident; and**
 - iv. **Workers' Compensation insurance as required by the State of California.**

- e) **GWMA makes no guarantee or warranty that the reports prepared by GWMA and its Consultant shall be approved by the relevant governmental authorities. GWMA shall have no liability to the Watershed Permittees for the negligent or intentional acts or omissions of GWMA's Consultants. The Watershed Permittees' sole recourse for any negligent or intentional act or omission of the GWMA's Consultant shall be against the Consultant and its insurance.**

Section 12. Termination.

- a) A Watershed Permittee may withdraw from this MOU for any reason, or no reason, by giving the other Watershed Permittees thirty (30) days written notice thereof. The effective withdrawal date shall be the thirtieth (30th) day after GWMA receives the withdrawing Watershed Permittee's notice to withdraw from the MOU. The withdrawing Watershed Permittee shall be responsible for its Respective Costs and MOU Costs, which the GWMA incurred or to which it became bound through the effective date of withdrawal. Such MOU Costs shall include the remaining fees of any Consultant retained by the GWMA through the effective date of withdrawal. Should any Watershed Permittee withdraw from the MOU, the remaining Watershed Permittees' Respective Cost allocation shall be adjusted in accordance with the Cost Share Formula in Exhibit B. A withdrawing Watershed Permittee shall remain liable for any loss, debt, or liability otherwise incurred while participating in this MOU. If, after paying any such loss, debt, or liability, its Respective Costs and its MOU Costs incurred through the effective date of withdrawal, the GWMA has any unspent funds remaining from the withdrawing Watershed Permittee's deposits, GWMA shall promptly return such unspent deposit to the withdrawing Watershed Permittee.
- b) The GWMA may, with a two-thirds(2/3) vote of the GWMA's full Policy Board, terminate this MOU upon not less than thirty (30) days notice, effective on May 1 or December 1 of each year. Any remaining funds not due and payable or otherwise legally committed to Consultant shall be returned to the remaining Watershed Permittees in accordance with the Cost Allocation Formula set forth in Exhibit B.

Section 13. Miscellaneous.

- a) Notices. All Notices which the Parties require or desire to give hereunder shall be in writing and shall be deemed given when delivered personally or three (3) days after mailing by registered or certified mail (return receipt requested) to the following address or as such other addresses as the Parties may from time to time designate by written notice in the aforesaid manner:

To GWMA:

Ms. Grace Kast
GWMA Executive Officer

16401 Paramount Boulevard
Paramount, CA 90723

To the Watershed Permittees:

Mr. John Oskoui
Assistant City Manager/Director of Public Works
City of Downey
11111 Brookshire Avenue
Downey, CA 90241

Ms. Lisa A. Rapp
Director of Public works
City of Lakewood
5050 Clark Avenue
Lakewood, CA 90712

Mr. Anthony Arevalo
Storm Water/Environmental Compliance
Storm Water Management, a Division
City of Long Beach
333 West Ocean Boulevard, 9th Floor
Long Beach, CA 90802

Mr. Roger L. Haley
City Manager
City of Lynwood
11330 Bullis Road
Lynwood, CA 90262

Mr. Christopher S. Cash
Public Works Director
City of Paramount
16400 Colorado Avenue
Paramount, CA 90723

Mr. Arturo Cervantes, PE
Director of Public Works/City Engineer
City of Pico Rivera
6615 Passon Boulevard
Pico Rivera, CA 90660

Mr. Steve Myrter
Public Works Director
City of Signal Hill
2175 Cherry Avenue
Signal Hill, CA 90775

Mr. Mohammad Mostahkami
Director of Public Works/City Engineer
City of South Gate
8650 California Avenue
South Gate, CA 99280

Mr. Gary Hildebrand
Los Angeles County Flood Control District
County of Los Angeles Department of Public Works
Watershed Management Division, 11th Floor
900 South Fremont Avenue
Alhambra, CA 91803-1331

- b) **Separate Accounting and Auditing.** The GWMA will establish a separate account to track revenues and expenses incurred by the GWMA on behalf of the Watershed Permittees. Any Permittee may upon five (5) days written notice inspect the books and records of the GWMA to verify the cost of the services provided and billed by GWMA. GWMA shall prepare and provide to the Watershed Permittees annual financial statements and audits, after review and approval by the Lower LAR Watershed Committee.
- c) **Amendment.** The terms and provisions of this MOU may not be amended, modified or waived, except by a written instrument signed by all Parties and approved by all Parties as substantially similar to this MOU.
- d) **Waiver.** Waiver by either the GWMA or a Permittee of any term, condition, or covenant of this MOU shall not constitute a waiver of any other term, condition, or covenant. Waiver, by the GWMA or a Permittee, to any breach of the provisions of this MOU shall not constitute a waiver of any other provision or a waiver of any subsequent breach of any provision of this MOU.

- e) **Law to Govern: Venue.** This MOU shall be interpreted, construed, and governed according to the laws of the State of California. In the event of litigation between the Parties, venue shall lie exclusively in the County of Los Angeles.
- f) **No Presumption in Drafting.** The Parties to this MOU agree that the general rule that an MOU is to be interpreted against the Parties drafting it, or causing it to be prepared, shall not apply.
- g) **Severability.** If any term, provision, condition or covenant of this MOU is declared or determined by any court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions of this MOU shall not be affected thereby and this MOU shall be read and construed without the invalid, void, or unenforceable provisions(s).
- h) **Entire Agreement.** This MOU constitutes the entire agreement of the Parties with respect to the subject matter hereof and supersedes all prior or contemporaneous agreements, whether written or oral, with respect thereto.
- i) **Counterparts.** This MOU may be executed in any number of counterparts, each of which shall be an original, but all of which taken together shall constitute but one and the same instrument, provided, however, that such counterparts shall have been delivered to all Parties to this MOU.
- j) **Legal Representation.** All Parties have been represented by counsel in the preparation and negotiation of this MOU. Accordingly, this MOU shall be construed according to its fair language.
- k) **Agency Authorization.** Each of the persons signing below on behalf of the Parties represents and warrants that he or she is authorized to sign this MOU on their respective behalf.

IN WITNESS WHEREOF, the Parties hereto have caused this MOU to be executed on their behalf, respectively, as follows:

DATE: 9/12/13

LOS ANGELES GATEWAY REGION
INTEGRATED REGIONAL WATER
MANAGEMENT JOINT POWERS
AUTHORITY

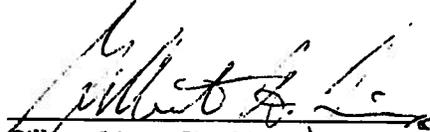


Christopher S. Cash
GWMA Chair

IN WITNESS WHEREOF, the Parties hereto have caused this MOU to be executed on their behalf, respectively, as follows:

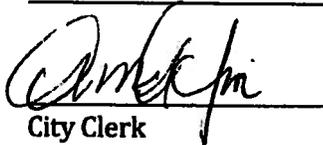
DATE: 10/9/13

CITY OF DOWNEY
Mr. Gilbert Livas
City Manager
11111 Brookshire Avenue
Downey, CA 90241


Gilbert Livas, City Manager

ATTEST:

APPROVED AS TO FORM:


City Clerk


City Attorney

IN WITNESS WHEREOF, the Parties hereto have caused this MOU to be executed on their behalf, respectively, as follows:

DATE: September 10, 2013

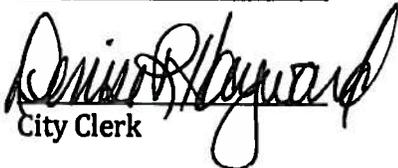
CITY OF LAKEWOOD
Mr. Steve Croft
Mayor
5050 Clark Avenue
Lakewood, CA 90712

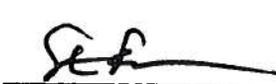


Steve Croft, Mayor

ATTEST:

APPROVED AS TO FORM:


City Clerk



City Attorney

IN WITNESS WHEREOF, the Parties hereto have caused this MOU to be executed on their behalf, respectively, as follows:

DATE: ✓ _____

CITY OF LONG BEACH
Mr. Patrick H. West
City Manager
333 West Ocean Boulevard, 13th Floor
Long Beach, CA 90802

SM Assistant City Manager
Patrick H. West, City Manager

EXECUTED PURSUANT
TO SECTION 301 OF
THE CITY CHARTER.

ATTEST:

APPROVED AS TO FORM:

Lg Hen

4-30-2014
City Clerk

City Attorney

APPROVED AS TO FORM
3-26, 2014
CHARLES PARKIN, City Attorney
By [Signature]
AMY R. WEBBER
DEPUTY CITY ATTORNEY

IN WITNESS WHEREOF, the Parties hereto have caused this MOU to be executed on their behalf, respectively, as follows:

DATE: _____

CITY OF LYNWOOD
Mr. Richard N. Warne
Interim City Manager
11330 Bullis Road
Lynwood, CA 90262



Richard N. Warne, Interim City Manager

ATTEST:

APPROVED AS TO FORM:



MARIA QUINONES
City Clerk

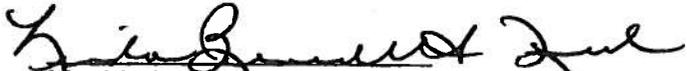


Fred Galante
City Attorney

IN WITNESS WHEREOF, the Parties hereto have caused this MOU to be executed on their behalf, respectively, as follows:

DATE: 09/04/2013

CITY OF PARAMOUNT
Ms. Linda Benedetti-Leal
City Manager
16400 Colorado Ave.
Paramount, CA 90723


Ms. Linda Benedetti-Leal, City Manager

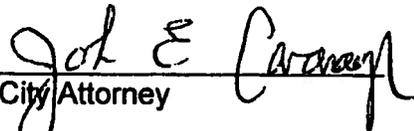
ATTEST:

APPROVED AS TO FORM:

LANA CHIKAMI

JOHN E. CAVANAUGH


City Clerk


City Attorney

IN WITNESS WHEREOF, the Parties hereto have caused this MOU to be executed on their behalf, respectively, as follows:

DATE: _____

CITY OF PICO RIVERA

~~Mr. Ronald Bates, Ph.D.~~
City Manager

Gustavo V. Camacho
Mayor

6615 Passons Boulevard
Pico Rivera, CA 90660



Gustavo V. Camacho
Mayor

ATTEST:

APPROVED AS TO FORM:



Anna M. Jerome
Assistant City Clerk



Arnold M. Alvarez-Glasman
City Attorney

IN WITNESS WHEREOF, the Parties hereto have caused this MOU to be executed on their behalf, respectively, as follows:

DATE: 9/3/13

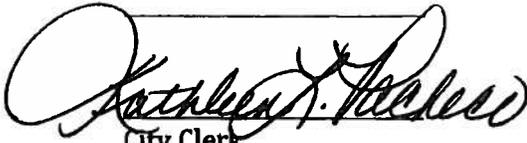
CITY OF SIGNAL HILL
Mr. Ken Farfsing
City Manager
2175 Cherry Avenue
Signal Hill, CA 90775



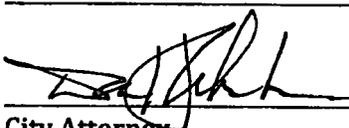
Ken Farfsing, City Manager

ATTEST:

APPROVED AS TO FORM:



Kathleen J. Alvarez
City Clerk

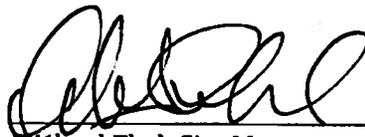


City Attorney

IN WITNESS WHEREOF, the Parties hereto have caused this MOU to be executed on their behalf, respectively, as follows:

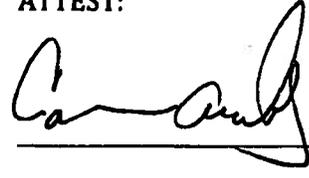
DATE: 10/01/13

CITY OF SOUTH GATE
Mr. Michael Flad
City Manager
8650 California Avenue
South Gate, CA 90280



Michael Flad, City Manager

ATTEST:



Carmen Avalos
City Clerk

APPROVED AS TO FORM:



Raul F. Salinas
City Attorney

IN WITNESS WHEREOF, the Parties hereto have caused this MOU to be executed on their behalf, respectively, as follows:

DATE: 8/29/13

LOS ANGELES COUNTY FLOOD CONTROL DISTRICT
County of Los Angeles Department of Public Works
Watershed Management Division, 11th Floor
900 South Fremont Avenue
Alhambra, CA 91803-1331

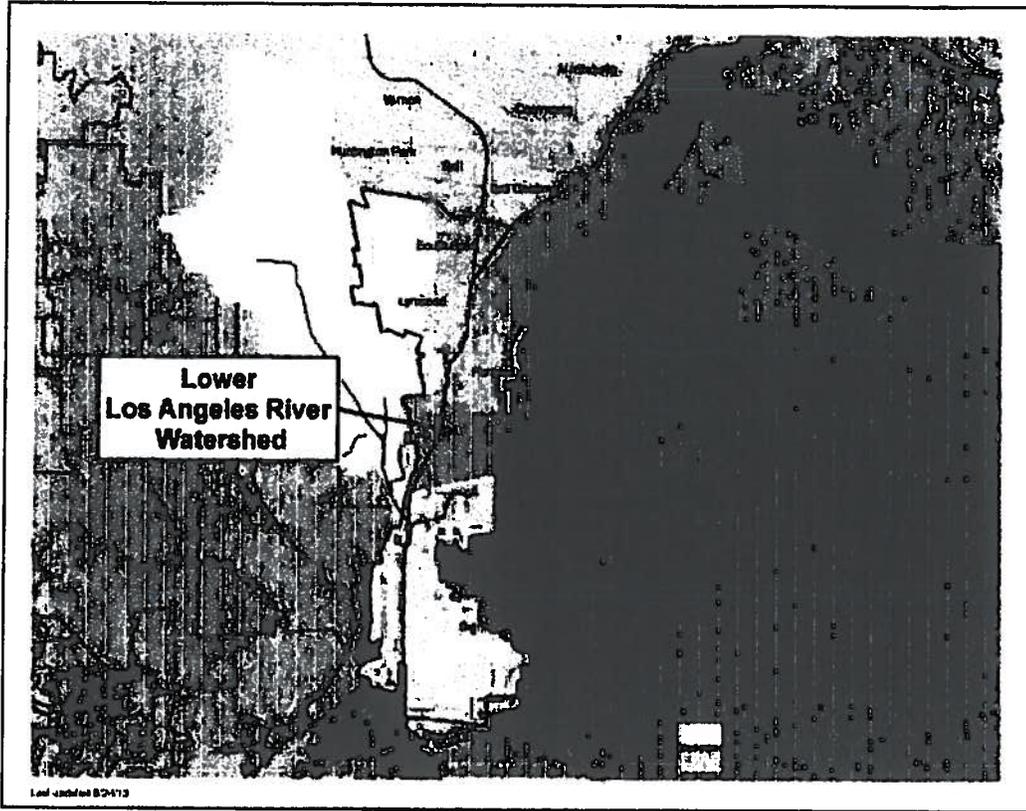
By 
for Chief Engineer

APPROVED AS TO FORM:

John F. Krattli
County Counsel


Associate

EXHIBIT A



**EXHIBIT B
Cost Sharing**

The Watershed Permittees agree to pay for the cost of preparation and implementation of the WMP (or EWMP if subsequently designated by the parties) and the CIMP. The District will pay 10 percent (10%) of the cost of developing the WMP (or EWMP) and CIMP. Each remaining Watershed Permittee will pay according to Table 1. All Watershed Permittees shall pay the 3 percent (3%) GWMA administrative costs.

**TABLE 1
Cost Sharing Table through submittal of WMP on or before June 28, 2014**

WMP/CIMP		\$657,400	TOTAL		\$677,122
GWMA Administration (3%)		\$19,722			
LACFCD Allocation (10%)			\$67,712		
Distributed Cost			\$609,410		
Agency	Area (sq mi)	% of Total Area	20 percent of Distributed Cost proportioned equally	80 percent of Distributed Cost proportioned based on area	TOTAL Per Agency
Downey	5.54	12.7%	\$13,542	\$61,777	\$75,320
Lakewood	0.08	0.2%	\$13,542	\$892	\$14,435
Long Beach	19.22	44.0%	\$13,542	\$214,325	\$227,867
Lynwood	4.84	11.1%	\$13,542	\$53,972	\$67,514
Paramount	3.12	7.1%	\$13,542	\$34,792	\$48,334
Pico Rivera	2.36	5.4%	\$13,542	\$26,317	\$39,859
Signal Hill	1.21	2.8%	\$13,542	\$13,493	\$27,035
South Gate	7.35	16.8%	\$13,542	\$81,961	\$95,503
Caltrans ¹	TBD	TBD	\$13,542	TBD	\$13,542
TOTAL	43.72	100%	\$108,340	\$487,528	\$609,410
NOTES:					
<ul style="list-style-type: none"> • ¹ Caltrans cost sharing will be determined if Caltrans enters into the MOU. Each agency's total will be adjusted accordingly. • Unincorporated areas of Los Angeles County are not participants in this MOU. • Watershed Permittees and the cost share are subject to modifications due to, but not limited to, changes in the number of participating agencies, refinements in mapping, and changes in boundaries. • 					

Table 2

Estimated Cost Sharing Formula per \$100,000 beginning June 29, 2014 through January 11, 2028.

Agency	TOTAL COST TO BE DISTRIBUTED				\$ 100,000
	Area (sq mi)	% of Total Area	20 percent of cost proportioned equally	80 percent of cost proportioned based on area	TOTAL
Downey	5.54	12.7%	\$2,222	\$10,137	\$12,359
Lakewood	0.08	0.2%	\$2,222	\$146	\$2,369
Long Beach	19.22	44.0%	\$2,222	\$35,169	\$37,391
Lynwood	4.84	11.1%	\$2,222	\$8,856	\$11,079
Paramount	3.12	7.1%	\$2,222	\$5,709	\$7,931
Pico Rivera	2.36	5.4%	\$2,222	\$4,318	\$6,541
Signal Hill	1.21	2.8%	\$2,222	\$2,214	\$4,436
South Gate	7.35	16.8%	\$2,222	\$13,449	\$15,671
Caltrans ¹	TBD	TBD	\$2,222	TBD	\$2,222
TOTAL	43.72	100%	\$17,778	\$80,000	\$100,000

- ¹ Caltrans cost sharing will be determined if Caltrans enters into the MOU. Each agency's total will be adjusted accordingly.

Exhibit C
Scope of Work

a. BACKGROUND/HISTORICAL DATA/HYDROLOGICAL SETTING

This task will build upon the readily available data developed as part of the Reach 1 and 2 Metals TMDL Implementation Plans and include:

Deliverables:

- Source Assessment based on waterbody/pollutant combinations
- Review of applicable IRWMPs
- Baseline map
- Historical Water Quality Data
- Identification of water quality priorities
- Evaluation of existing water quality conditions
- Prioritization of the water quality issues
- Assemble available water quality reports
- Survey Permittee and Compile of existing control measures (Permittee surveys and annual reports)

b. MONITORING

Several agencies have recently and/or are currently collecting samples within the Lower LAR receiving waters including: Los Angeles County Flood Control at the mass emission stations, Los Angeles City under contract to the Gateway COG for Metals and Bacteria TMDL as well as the Special Studies through the CPR group. While this offers the opportunity to realize a considerable cost savings, monitoring will require a high degree of coordination amongst the various agencies. This task will include:

Deliverables:

- Summary of outfall/receiving water /special study requirements
- Summary of existing Monitoring Programs
- Review past GIP site monitoring
- Receiving Water Monitoring – for this Scope of Work, it is assumed County Flood Control will continue monitoring at Mass Emission Station.
- Prepare Coordinated Integrated Monitoring Program (CIMP), including:
 - o Wet-weather outfall based monitoring program
 - o Non-stormwater Outfall based monitoring and screening plan
- Inspection of outfalls
- An approach to integrating MS4, TMDL and Special Study monitoring
- Set up shared database for new development/redevelopment Effectiveness Tracking
- Regional Studies (participate in Southern California Monitoring Coalition)
- Attend regular meetings of the Los Angeles River TMDL Monitoring Technical Committees
- Ongoing review of monitoring data as it becomes available

c. REASONABLE ASSURANCE ANALYSIS (RAA)

Contact the Regional Water Board to investigate if the previous modeling (Reach 2 metals TMDL) satisfies their interpretation of an adequate RAA.

Contact a minimum of four modeling consultants to provide cost estimates and scopes of work to conduct a RAA using a peer-reviewed, public domain, quantitative modeling system. The Technical Committee will select the consultant and modeling system. A budgetary allowance for the RAA has been included.

Deliverables:

- Draft Technical Memorandum
- Final Technical Memorandum

d. REVIEW AND EVALUATE MINIMUM CONTROL MEASURES

The MS4 permit requires an evaluation and customization of the Minimum Control Measures (MCMs, formerly referred to as BMPs). Watershed Permittees not implementing a WMP or EWMP are required to implement all MCMs.

Deliverables:

- Develop list of potential EWMP project sites,
- Summarize scientific data supporting potential EWMP sites,
- Source control,
- Operational Controls,
- Identify potential opportunities for customization of the MS4's Minimum Control Measures (Part VI.D.8.D). Describe the modification, potential justifications for those modifications and provide materials for compilation.

e. WATERSHED MANAGEMENT PROGRAM PLAN

This task represents the analysis of the information developed and compilation into a first draft for review by the Technical Committee, then preparation of a final draft for submittal to the Regional Water Board.

Deliverables:

- Communication with Regional Water Board and preparation of documents (December 28, 2013, for potential conversion to EWMP.
- First Draft Watershed Implementation Plan submitted to Technical Committee:
 - o Target Date April 1, 2014
- Final Draft Watershed Implementation Plan for submittal to Regional Water Board:
 - o Target date June 1, 2014

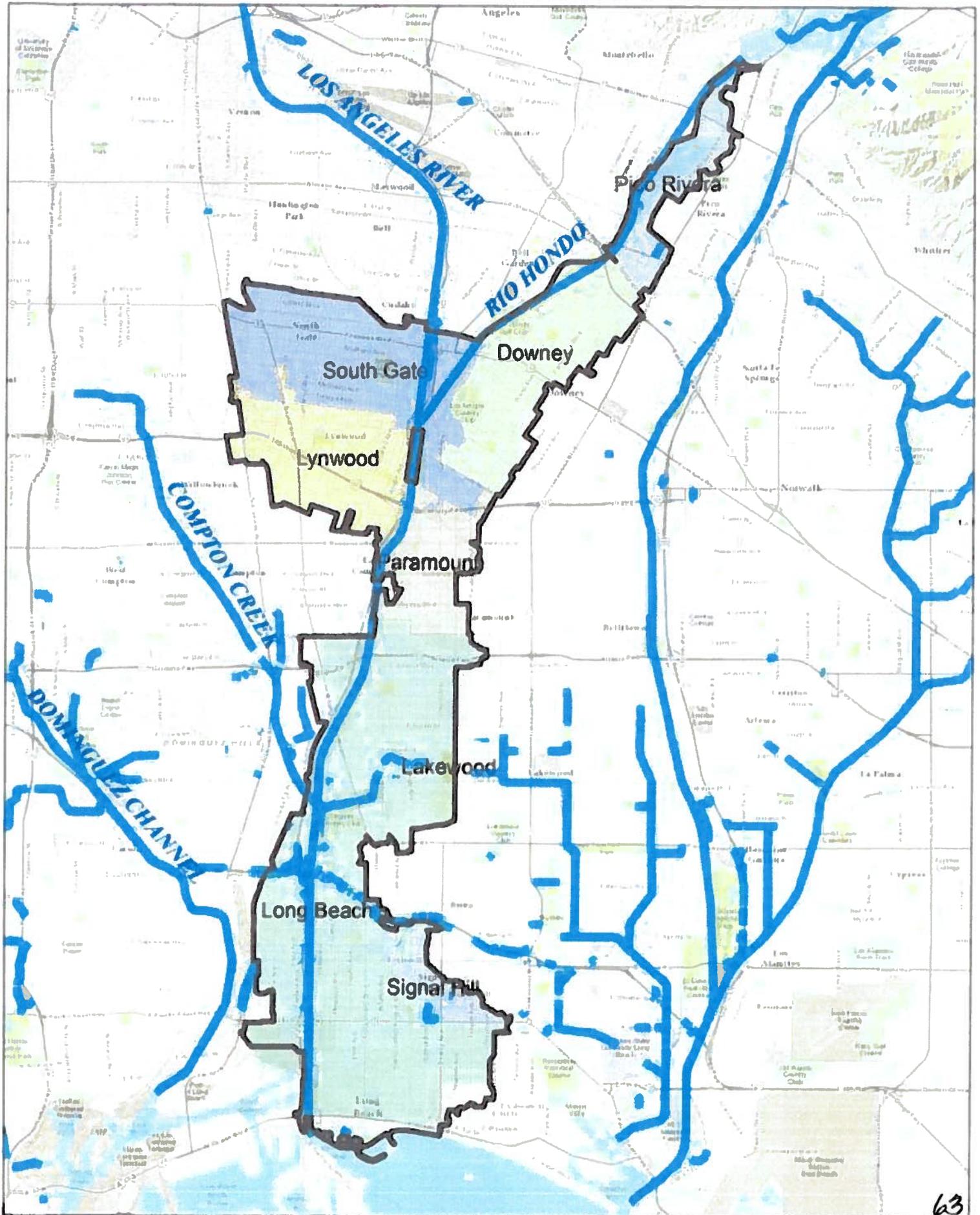
f. COORDINATION WITH TECHNICAL COMMITTEE

Regular meetings and communications with the Watershed Permittees will be critical during the preparation of the WMP. This will include:

Deliverables:

- Schedule and prepare agenda and summary notes for monthly meetings
- Attend and participate in the Technical Advisory Committee
- Attend and participate in Regional Water Board meetings

LOWER LOS ANGELES RIVER WATERSHED



RECEIVED

City of South Gate

Item No. 11

AUG 19 2020

CITY COUNCIL

CITY OF SOUTH GATE
OFFICE OF THE CITY MANAGER

2:50pm

AGENDA BILL

For the Regular Meeting of: August 25, 2020

Originating Department: Public Works

Department Director:


Arturo Cervantes

City Manager:

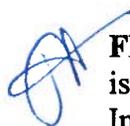

Michael Flad

SUBJECT: AMENDMENT NO. 1 TO MEASURE R FUNDING AGREEMENT (CONTRACT NO. 3378) WITH METRO FOR THE FIRESTONE BOULEVARD REGIONAL CORRIDOR CAPACITY ENHANCEMENT PROJECT, CITY PROJECT NO. 476-TRF (THE BOULEVARD PROJECT)

PURPOSE: To approve Amendment No. 1 to Measure R Funding Agreement (Contract No. 3378) to extend the funding lapsing date of the Measure R Funding Agreement by one year. This will provide the time necessary to finalize the implementation of the Firestone Boulevard Regional Corridor Capacity Enhancement Project (The Boulevard Project).

RECOMMENDED ACTIONS:

- a. Approve Amendment No. 1 to Measure R Funding Agreement (Contract No. 3378) with the Los Angeles County Metropolitan Transportation Authority (METRO) retroactively extending the lapsing date from June 30, 2020 to June 30, 2021, for the Firestone Boulevard Regional Corridor Capacity Enhancement Project, City Project No. 476-TRF, METRO Project ID No. MR306.33; and
- b. Authorize the Mayor to execute Amendment No. 1 in a form acceptable to the City Attorney.

 **FISCAL IMPACT:** There is no fiscal impact to the General Fund. The Measure R Funding Agreement is in the amount of \$6 Million which was allocated to Account No. 311-790-31-9447 (Capital Improvement Projects – Firestone Boulevard Median Island-Alameda/LA). To date, approximately \$4,977,404 has been utilized on The Boulevard Project and a balance of \$1,022,596 remains.

ANALYSIS: The Firestone Boulevard Regional Corridor Capacity Enhancement Project (The Boulevard Project) is partially funded with \$6,000,000 in Measure R funds. These funds are regulated by the Measure R Funding Agreement between the City and METRO, which has a lapsing date of June 30, 2020, in which the grant funds would lapse if they were not utilized. Construction of The Boulevard Project is complete; however, additional staff time is needed to close out administrative aspects of the The Boulevard Project. METRO authorized extending the lapsing date of the agreement by one additional year. As such, proposed Amendment No. 1 is necessary to extend the lapsing date from June 30, 2020 to June 30, 2021.

BACKGROUND: The Boulevard Project was awarded \$6 Million in Measure R grant funds. The funds were to fully fund a segment of The Boulevard Project on Firestone Boulevard from California Avenue to Annetta Avenue. The grant funds were solely to fund the construction phase of The Boulevard Project.

On October 10, 2017, the City Council approved Contract No. 3378 with METRO, which is the Measure R Funding Agreement under which the City accepted \$6,000,000 for The Boulevard Project. The Measure R Funding Agreement provided 34 months to utilize the funds and complete the project. The effective period was September 1, 2017 through June 30, 2020.

On August 10, 2020, METRO approved Amendment No. 1 to the Measure R Funding Agreement thereby extending the lapsing date from June 30, 2020 to June 30, 2021. It is now necessary for the City Council to approve Amendment No. 1 to the Measure R Funding Agreement to effectuate the change.

The Boulevard Project was implemented to increase safety, reduce congestion and beautify Firestone Boulevard. Project improvements included, but were not limited to, adding a third lane in each direction, pavement rehabilitation, raised landscaped roadway medians, roadway capacity enhancements, traffic signal and street light modifications, traffic signal synchronization, traffic signing and striping, concrete repairs and ADA ramp improvements, storm water quality mitigation measures, pedestrian lights, bus shelter and furniture enhancements, and a signature gateway design at five major intersections along Firestone Boulevard. Gateway design includes pedestrian lighting, street furniture, and landscaping. The Boulevard Project was accepted as complete by the City Council and the Notice of Completion was approved on May 12, 2020. The Boulevard Project was funded by various funding sources and had a total project budget of \$20,557,681.

ATTACHMENTS: A. Proposed Amendment No. 1
B. Contract No. 3378

KT:lc

**AMENDMENT No.1 TO MEASURE R FUNDING AGREEMENT
BETWEEN CITY OF SOUTH GATE AND THE LOS ANGELES COUNTY
METROPOLITAN TRANSPORTATION AUTHORITY**

This Amendment No. 1 to the Funding Agreement (this "Amendment"), is dated as of June 8, 2020 by and between the City of South Gate ("Grantee") and the Los Angeles County Metropolitan Transportation Authority ("LACMTA").

RECITALS:

A. WHEREAS, Grantee and LACMTA entered into that certain Funding Agreement No. 920000000MR30633, dated September 1, 2017, (the "Existing FA"), which Existing FA provides for the Firestone Boulevard Regional Corridor Capacity Enhancement Project (the "Project"); and

B. WHEREAS, the LACMTA Board on October 25, 2018, delegated administrative authority to staff to extend funding lapse dates to meet PA&ED, PS&E, ROW, and Construction time frames; and

C. WHEREAS, the Grantee and LACMTA desire to extend the lapsing date of FY 2015-16 funds to June 30, 2021; and

D. WHEREAS, Grantee and LACMTA desire to amend the Existing FA as provided herein.

AGREEMENT:

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereby agree as follows:

1. Part II, Section 9.1 (v) of the Existing FA is hereby amended by deleting it in its entirety and replacing it with the following: "All Funds programmed for FY 2015-16 are subject to lapse by June 30, 2021."
2. Attachment B-1- of the Existing FA is hereby replaced by Attachment B-1-1 attached.
4. Except as expressly amended hereby, the Existing FA remains in full force and effect as originally executed. All rights and obligations of the parties under the Existing FA that are not expressly amended by this Amendment shall remain unchanged.

IN WITNESS WHEREOF, the parties have caused this Amendment No.1 to the FA to be executed by their duly authorized representatives as of the dates indicated below:

LACMTA:

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

By: _____ Date: _____
Phillip A. Washington
Chief Executive Officer

APPROVED AS TO FORM:

MARY C. WICKHAM
County Counsel

By:  _____ Date: 8/10/20
Deputy

GRANTEE:

CITY OF SOUTH GATE:

By: _____ Date: _____
Maria Davila
Mayor

APPROVED AS TO FORM:

By:  _____ Date: _____
Raul F. Salinas
City Attorney

ATTEST:

By: _____ Date: _____
Carmen Avalos
City Clerk

ATTACHMENT B-1-1 - EXPENDITURE PLAN COST & CASH FLOW BUDGET

Measure R Program - Funding Agreement Projects - FA# 92000000MR306.33 A-1
 Project Title: The Firestone Boulevard Regional Corridor Capacity Enhancement Project, Project#: MR306.33

PROGRAMMED SOURCES OF FUNDS

SOURCES OF FUNDS	Prior Expenditures	FY 2020-21 Qtr 1	FY 2020-21 Qtr 2	FY 2020-21 Qtr 3	FY 2020-21 Qtr 4	FY 2021-22 Qtr 1	FY 2021-22 Qtr 2	FY 2021-22 Qtr 3	FY 2021-22 Qtr 4	TOTAL BUDGET
LACMTA PROGRAMMED FUNDS:										
MEASURE R FUNDS:										
Const. Support	\$417,177									\$417,177
Staff Time	\$34,784									\$34,784
Construction	\$4,183,355	\$341,176	\$341,176	\$341,176	\$341,176					\$5,548,059
Total MEASURE R	\$4,635,296	\$341,176	\$341,176	\$341,176	\$341,176	\$0	\$0	\$0	\$0	\$6,000,000
SUM PROG LACMTA FUNDS:	\$4,635,296	\$341,176	\$341,176	\$341,176	\$341,176	\$0	\$0	\$0	\$0	\$6,000,000
SUMMARY OF ALL FUNDS										
PAED	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PS&E	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
RW Support	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Const. Support	\$417,177	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$417,177
RW	\$34,784	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$34,784
Construction	\$4,183,355	\$341,176	\$341,176	\$341,176	\$341,176	\$0	\$0	\$0	\$0	\$5,548,059
TOTAL MILESTONES	\$4,635,296	\$341,176	\$341,176	\$341,176	\$341,176	\$0	\$0	\$0	\$0	\$6,000,000
SUM PROG LACMTA FUNDS	\$4,635,296	\$341,176	\$341,176	\$341,176	\$341,176	\$0	\$0	\$0	\$0	\$6,000,000
SUM NON-LACMTA FUNDS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL PROJECT FUNDING	\$4,635,296	\$341,176	\$341,176	\$341,176	\$341,176	\$0	\$0	\$0	\$0	\$6,000,000

**MEASURE R FUNDING AGREEMENT
HIGHWAY PROGRAM**

Interstate 710 South Early Action Projects

This Funding Agreement ("FA") is made and entered into effective as of September 1, 2017 ("Effective Date"), and is by and between the Los Angeles County Metropolitan Transportation Authority ("LACMTA") and City of South Gate ("Grantee") for the Firestone Boulevard Regional Corridor Capacity Enhancement Project, LACMTA Project ID# MR306.33 (the "Project"). This Project is eligible for funding under Line 33 Interstate 710 South Early Action Project of the Measure R Expenditure Plan.

WHEREAS, LACMTA adopted Ordinance #08-01, the Traffic Relief and Rail Expansion Ordinance, on July 24, 2008 (the "Ordinance"), which Ordinance was approved by the voters of Los Angeles County on November 4, 2008 as "Measure R" and became effective on January 2, 2009.

WHEREAS, the funding set forth herein is intended to fund **only Construction phase** of the Project.

WHEREAS, the LACMTA Board, at its October 15, 2014 meeting, programmed \$6,000,000, in Measure R Funds to GRANTEE for Construction phase, subject to the terms and conditions contained in this FA; and

WHEREAS, the funds are currently programmed as follows: \$6,000,000 in Measure R Funds in Fiscal Year (FY) 2015-2016. The total designated for Construction phase of the Project is \$6,000,000.

NOW, THEREFORE, the parties hereby agree as follows:

The terms and conditions of this FA consist of the following and each is incorporated by reference herein as if fully set forth herein:

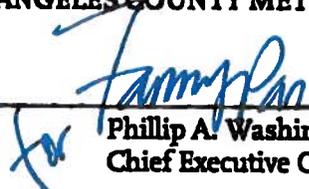
1. Part I – Specific Terms of the FA
2. Part II – General Terms of the FA
3. Attachment A – Project Funding
4. Attachment B – Measure R Expenditure Plan Guidelines
5. Attachment B-1 – Expenditure Plan- Cost & Cash Flow Budget
6. Attachment C – Scope of Work
7. Attachment D – Project Reporting and Administrative Guidelines
8. Attachment D-1 – Monthly Progress Report
9. Attachment D-2 – Quarterly Expenditure Report
10. Attachment E – Federal Transportation Improvement Program (FTIP) Sheet –N/A
11. Attachment F – Bond Requirements

In the event of a conflict, the Special Grant Conditions, if any, shall prevail over the Specific Terms of the FA and any attachments and the Specific Terms of the FA shall prevail over the General Terms of the FA.

IN WITNESS WHEREOF, the parties have caused this FA to be executed by their duly authorized representatives as of the dates indicated below:

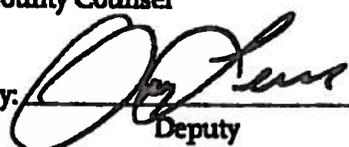
LACMTA:

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

By:  Date: 7/11/2018
Phillip A. Washington
Chief Executive Officer

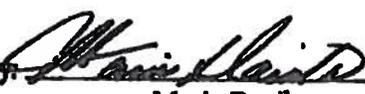
APPROVED AS TO FORM:

MARY C. WICKHAM
County Counsel

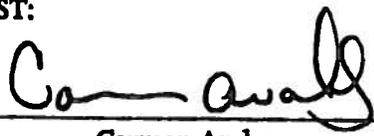
By:  Date: 12/7/17
Deputy

GRANTEE:

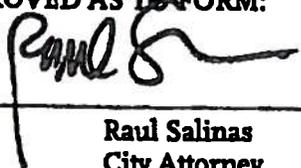
CITY OF SOUTH GATE

By:  Date: 1/9/18
Maria Davila
Mayor

ATTEST:

By:  Date: 1/11/18
Carmen Avalos
City Clerk

APPROVED AS TO FORM:

By:  Date: 1/9/18
Raul Salinas
City Attorney

PART I
SPECIFIC TERMS OF THE FA

1. Title of the Project (the "Project"): Firestone Boulevard Regional Corridor Capacity Enhancement Project. LACMTA Project ID# MR306.33

2. Grant Funds:
 - 2.1 Programmed Funds for this Project consist of the following: Measure R Funds.

 - 2.2 To the extent the Measure R Funds are available; LACMTA shall make to GRANTEE a grant of the Measure R funds in the amount of \$6,000,000 (the "Fund") for the Project. LACMTA Board of Directors' action of October 15, 2014 granted the Measure R Funds for the Project. The Funds are programmed over one year- for Fiscal Year FY2015-16 for \$6,000,000.

3. This grant shall be paid on a reimbursement basis. GRANTEE must provide the appropriate supporting documentation with the Monthly Progress Report and/or the Quarterly Expenditure Report. GRANTEE Funding Commitment, if applicable, must be spent in the appropriate proportion to the Funds with each quarter's expenditures. LACMTA will withhold five percent (5%) of eligible expenditures per invoice as retention pending an audit of expenditures and completion of scope of work.

4. Attachment A the "Project Funding" documents all sources of funds programmed for the Project as approved by LACMTA and is attached as Attachment A. The Project Funding includes the total programmed funds for the Project, including the Funds programmed by LACMTA and, if any, the GRANTEE Funding Commitment of other sources of funding. The Project Funding also includes the fiscal years in which all the funds for the Project are programmed. The Funds are subject to adjustment by subsequent LACMTA Board Action.

5. Attachment B-1 is the Expenditure Plan- Cost & Cash Flow Budget (the "Expenditure Plan"). It is the entire proposed cash flow, the Budget and financial plan for the Project, which includes the total sources of all funds programmed to the Project, including GRANTEE and other entity funding commitments, if any, for this Project as well as the fiscal year and quarters the Project funds are anticipated to be expended. GRANTEE shall update the Expenditure Plan annually, no later than December 31, and such update shall be submitted to LACMTA's Managing Executive Officer of Construction & Engineering in writing. If the LACMTA's Managing Executive Officer of Construction & Engineering concurs with such updated Expenditure Plan in writing, Attachment B-1 shall be replaced with the new Attachment B-1 setting forth the latest approved Expenditure Plan. Payments under this FA shall be consistent with Attachment B-1 as revised from time to time. In no event can the final milestone date be changed or amended by written concurrence by the LACMTA Managing Executive Officer of Construction & Engineering. Any change to the final milestone date must be made by a fully executed amendment to this FA.

6. **Attachment C** is the Scope of Work ("the Scope of Work"). The GRANTEE shall complete the Project as described in the Scope of Work. This Scope of Work shall include a detailed description of the Project and the work to be completed, including anticipated Project milestones and a schedule consistent with the lapsing policy in Part II, Section 9, and a description of the Project limits. No later than December 31 of each year, GRANTEE shall notify LACMTA if there are any changes to the final milestone dates set forth in the schedule or any changes to the Scope of Work. If LACMTA agrees to such changes, the parties shall memorialize such changes in an amendment to this FA. Work shall be delivered in accordance with this schedule and scope unless otherwise agreed to by the parties in writing. If GRANTEE is consistently behind schedule in meeting milestones or in delivering the Project, LACMTA will have the option to suspend or terminate the FA for default as described in Part II, Sections 2, 9, 10 and 11 herein below. To the extent interim milestone dates are not met but GRANTEE believes it can make up the time so as to not impact the final milestone date, GRANTEE shall notify LACMTA of such changes in its Monthly Progress Reports and such interim milestone dates will automatically be amended to the latest interim milestone dates provided in the Monthly Progress Reports Attachment D-1. In no event can the final milestone date be amended by a Monthly Progress Report.
7. No changes to this FA, including but not limited to the Funds, and any other source of funds from LACMTA in the Project Funding, Expenditure Plan or the Scope of Work shall be allowed without an amendment to the original FA, approved and signed by both parties.
8. **Attachment D** is the Project Reporting & Expenditure Guidelines. GRANTEE shall complete the "Monthly Progress Report" and/or the "Quarterly Expenditure Report". The Monthly Progress and Quarterly Expenditure Reports are attached to this FA as Attachments D-1 and D-2 in accordance with Attachment D – Project Reporting and Expenditure Guidelines.
9. **Attachment E**, the "FTIP PROJECT SHEET (PDF)", is attached as Attachment E and is required to ensure that the Project is programmed correctly in the most up-to-date FTIP document. The FTIP PROJECT SHEET (PDF) can be found in ProgramMetro FTIP database under the reports section at <http://program.metro.net>. All projects that receive funding through Measure R must be programmed into the FTIP, which includes locally funded regionally significant projects for information and air quality modeling purposes. GRANTEE shall review the Project in ProgramMetro each year and update or correct the Project information as necessary during a scheduled FTIP amendment or adoption. GRANTEE will be notified of amendments and adoptions to the FTIP via e-mail. Changes to the FTIP through ProgramMetro should be made as soon as possible after GRANTEE is aware of any changes to the Project, but no later than October 1 of the year the change or update is effective. Should GRANTEE fail to meet this date, it may affect GRANTEE's ability to access funding, delay the Project and may ultimately result in the Funds being lapsed.
10. GRANTEE shall comply with the "Special Grant Conditions" attached as **Attachment G**, if any.

11. No changes to the (i) Grant amount, (ii) Project Funding, (iii) the Scope of Work (except as provided herein), (iv) Final milestone date or (v) Special Grant Conditions, shall be allowed without a written amendment to this FA, approved and signed by the LACMTA Chief Executive Officer or his/her designee and GRANTEE. Modifications that do not materially affect the terms of this FA, such as redistributing Funds among existing budget line items or non-material schedule changes must be formally requested by GRANTEE and approved by LACMTA in writing. Non-material changes are those changes which do not affect the grant amount or its schedule, Project Funding, Financial Plan, or the Scope of Work, including the Work schedule.

12. LACMTA's Address:

Los Angeles County Metropolitan Transportation Authority
One Gateway Plaza
Los Angeles, CA 90012
Attention: Lucy Olmos-Delgadillo
LACMTA PROJECT MANAGER
MAIL STOP: 99-22-9
PHONE (213) 922-7099
E-MAIL OlmosL@metro.net

13. GRANTEE's Address:

City of South Gate
8650 California Avenue
South Gate, CA 90280
Attn: Kenneth Tang, Public Works
PHONE: (323)563-9574
E-MAIL: ktang@sogate.org

14. LACMTA anticipates it may need to avail itself of lower cost bonds or other debt, the interest on which is tax exempt for federal tax purposes and/or Build America Bonds as defined in the American Reinvestment and Recovery Act of 2009 or similar types of bonds (collectively, the "Bonds") to provide at least a portion of its funding commitments under this Agreement to GRANTEE. GRANTEE shall ensure that the expenditure of the Funds disbursed to GRANTEE does not jeopardize the tax-exemption of the interest, the Federal subsidy payment or the tax credit, as applicable, as specified in the Bond Requirements attached as **Attachment F** to this Agreement. GRANTEE agrees to provide LACMTA with progress reports, expenditure documentation, and any other documentation as reasonably requested by LACMTA and necessary for LACMTA to fulfill its responsibilities as the grantee or administrator or bond issuer of the Funds. With regard to LACMTA debt financing to provide any portion of the Funds, GRANTEE shall take all reasonable actions as may be requested of it by LACMTA's Project Manager for the Project, to assist LACMTA in demonstrating and maintaining over time, compliance with the relevant sections of the Federal Tax Code to maintain such bonds tax status.

PART II
GENERAL TERMS OF THE FA

1. **TERM**

The term of this FA shall commence on the Effective Date of this FA, and shall terminate upon the occurrence of all of the following, unless terminated earlier as provided herein: (i) the agreed upon Scope of Work has been completed; (ii) all LACMTA audit and reporting requirements have been satisfied; and (iii) the final disbursement of the Funds has been made to GRANTEE. All eligible Project expenses as defined in the Reporting and Expenditure Guidelines (**Attachment D**), incurred after the FA Effective Date shall be reimbursed in accordance with the terms and conditions of this FA unless otherwise agreed to by the parties in writing.

2. **SUSPENSION OR TERMINATION**

Should LACMTA determine there are insufficient Measure R Funds available for the Project, LACMTA may suspend or terminate this FA by giving written notice to GRANTEE at least thirty (30) days in advance of the effective date of such suspension or termination. If a Project is suspended or terminated pursuant to this section, LACMTA will not reimburse GRANTEE any costs incurred after that suspension or termination date, except those costs necessary (i) to return any facilities modified by the Project construction to a safe and operable state; and (ii) to suspend or terminate the construction contractor's control over the Project. LACMTA's share of these costs will be consistent with the established funding percentages outlined in this FA.

3. **INVOICE BY GRANTEE**

Unless otherwise stated in this FA, the Monthly Progress Report or the Quarterly Expenditure Report, with supporting documentation of expenses, Project progress and other documents as required, which has been pre-approved by LACMTA, all as described in Part II, Section 6.1 of this FA, shall satisfy LACMTA invoicing requirements. Grantee shall only submit for payment the LACMTA pre-approved Monthly Progress Report or Quarterly Expenditure Report Packets to the LACMTA Project Manager at the email address shown in Part I and to LACMTA Account Payable Department as shown below.

Submit invoice with supporting documentation to:
ACCOUNTSPAYABLE@METRO.NET (preferable)

or

mail to:

Los Angeles County Metropolitan Transportation Authority
Accounts Payable
P. O. Box 512296
Los Angeles, CA 90051-0296

All invoice material must contain the following information:

Re: LACMTA Project ID# MR306.33 Agreement #:920000000MR30633
Lucy Olmos; Mail Stop 99-22-9

4. USE OF FUNDS

4.1 GRANTEE shall utilize the Funds to complete the Project as described in the Scope of Work and in accordance with the Reporting and Expenditure Guidelines and the specifications for use for the transportation purposes described in the Ordinance.

4.2 Attachment C shall constitute the agreed upon Scope of Work between LACMTA and GRANTEE for the Project. The Funds, as granted under this FA, can only be used towards the completion of the Scope of Work detailed in Attachment C.

4.3 GRANTEE shall not use the Funds to substitute for any other funds or projects not specified in this FA. Further, GRANTEE shall not use the Funds for any expenses or activities above and beyond the approved Scope of Work (Attachment C) without an amendment to the FA approved and signed by the LACMTA Chief Executive Officer or his Designee. To the extent LACMTA provides GRANTEE with bond or commercial paper proceeds, such Funds may not be used to reimburse for any costs that jeopardize the tax exempt nature of such financings as reasonably determined by LACMTA and its bond counsel.

4.4 GRANTEE must use the Funds in the most cost-effective manner. If GRANTEE intends to use a consultant or contractor to implement all or part of the Project, LACMTA requires that such activities be procured in accordance with GRANTEE's contracting procedures and consistent with State law as appropriate. GRANTEE will also use the Funds in the most cost-effective manner when the Funds are used to pay "in-house" staff time. GRANTEE staff or consultant with project oversight roles cannot award work to companies in which they have a financial or personal interest. This effective use of funds provision will be verified by LACMTA through on-going Project monitoring and through any LACMTA interim and final audits.

4.5 If a facility, equipment (such as computer hardware or software), vehicle or property, purchased or leased using the Funds, ceases to be used for the proper use as originally stated in the Scope of Work, or the Project is discontinued, any Funds expended for that purpose must be returned to LACMTA as follows: GRANTEE shall be required to repay the Funds in proportion to the useful life remaining and in an equal proportion of the grant to GRANTEE Funding Commitment ratio.

5. REIMBURSEMENT OF FUNDS

Funds will be released on a reimbursement basis in accordance with invoices submitted in support of the Monthly Progress and Quarterly Expenditure Reports. LACMTA will make all disbursements electronically unless an exception is requested in writing. Reimbursements via Automated Clearing House (ACH) will be made at no cost to GRANTEE. GRANTEE must complete the ACH form and submit such form to LACMTA before grant payments can be made. ACH Request Forms can be found at www.metro.net/projects_studies/call_projects/ref_docs.htm. GRANTEE must provide detailed supporting documentation with its Monthly Progress and Quarterly Expenditure Reports. GRANTEE Funding Commitment, if any, must be spent in direct proportion to the Funds with each quarter's payment.

6. REPORTING AND AUDIT REQUIREMENTS/PAYMENT ADJUSTMENTS

6.1 GRANTEE shall submit the draft of Monthly Progress Report (Attachment D-1) within seven (7) days from the last day of each month, if required, and submit the draft of Quarterly Expenditure Report (Attachment D-2) within sixty (60) days after the close of each quarter on the last day of the months November, February, May and August to the LACMTA Project Manager for review and pre-approval of the applicable report. LACMTA shall review and respond in writing to the draft Monthly Progress and Quarterly Expenditure Reports within five (5) business days from receipt. Grantee shall submit the LACMTA pre-approved Monthly Progress Report and Quarterly Expenditure Report no later than five (5) days after receipt of LACMTA's written approval. Should GRANTEE fail to submit either the draft or pre-approved reports within five (5) days of the due date and/or submit incomplete reports, LACMTA will not reimburse GRANTEE until the completed required reports are received, reviewed, and approved. The Monthly Progress and the Quarterly Expenditure Reports shall include all appropriate documentation (such as contractor invoices, timesheets, receipts, etc.), and any changes to interim milestone dates that do not impact the final milestone date. All supporting documents must include a clear justification and explanation of their relevance to the Project. If no activity has occurred during a particular quarter, GRANTEE will still be required to submit the Monthly Progress and Quarterly Expenditure Reports indicating no dollars were expended that quarter. If a request for reimbursement exceeds \$500,000 in a single month, then GRANTEE can submit such an invoice once per month with supporting documentation.

6.2 LACMTA, and/or its designee, shall have the right to conduct audits of the Project as deemed appropriate, such as financial and compliance audits, interim audits, pre-award audits, performance audits and final audits. LACMTA will commence a final audit within six months of receipt of acceptable final invoice, provided the Project is ready for final audit (meaning all costs and charges have been paid by GRANTEE and invoiced to LACMTA, and such costs, charges and invoices are properly documented and summarized in the accounting records to enable an audit without further explanation or summarization including actual indirect rates for the period covered by the FA period under review). GRANTEE agrees to establish and maintain proper accounting procedures and cash management records and documents in accordance with Generally Accepted Accounting Principles (GAAP). GRANTEE shall reimburse LACMTA for any expenditure not in compliance with the Scope of Work and/or not in compliance with other terms and conditions of this FA. The allowability of costs for GRANTEE's own expenditures submitted to LACMTA for this Project shall be in compliance with Office of Management and Budget (OMB) Circular A-87. The allowability of costs for GRANTEE's contractors, consultants and suppliers expenditures submitted to LACMTA through GRANTEE's Monthly Progress Reports and Quarterly Expenditures shall be in compliance with OMB Circular A-87 or Federal Acquisition Regulation (FAR) Subpart 31 and 2 CFR Subtitle A, Chapter II, Part 225 (whichever is applicable). Findings of the LACMTA audit are final. When LACMTA audit findings require GRANTEE to return monies to LACMTA, GRANTEE agrees to return the monies within thirty (30) days after the final audit is sent to GRANTEE.

6.3 GRANTEE's records shall include, without limitation, accounting records, written policies and procedures, contract files, original estimates, correspondence, change order files (including documentation covering negotiated settlements), invoices, and any other supporting evidence deemed necessary by LACMTA to substantiate charges related to the Project (all collectively referred to as "records"). Such records shall be open to inspection and subject to audit and reproduction by LACMTA auditors or authorized representatives to the extent deemed necessary by LACMTA to adequately permit evaluation of expended costs. Such records subject to audit shall also include, without limitation, those records deemed necessary by LACMTA to evaluate and verify, direct and indirect costs, (including overhead allocations) as they may apply to costs associated with the Project. These records must be retained by GRANTEE for three years following final payment under this Agreement. Payment of retention amounts shall not occur until after the LACMTA's final audit is completed.

6.4 GRANTEE shall cause all contractors to comply with the requirements of Part II, Section 5, paragraphs 6.2 and 6.3 above. GRANTEE shall cause all contractors to cooperate fully in furnishing or in making available to LACMTA all records deemed necessary by LACMTA auditors or authorized representatives related to the Project.

6.5 LACMTA or any of its duly authorized representatives, upon reasonable written notice, shall be afforded access to all of the records of GRANTEE and its contractors related to the Project, and shall be allowed to interview any employee of GRANTEE and its contractors through final payment to the extent reasonably practicable.

6.6 LACMTA or any of its duly authorized representatives, upon reasonable written notice, shall have access to the offices of GRANTEE and its contractors, shall have access to all necessary records, including reproduction, at no charge to LACMTA, and shall be provided adequate and appropriate work space in order to conduct audits in compliance with the terms and conditions of this FA.

6.7 When business travel associated with the Project requires use of a vehicle, the mileage incurred shall be reimbursed at the mileage rates set by the Internal Revenue Service, as indicated in the United States General Services Administration Federal Travel Regulation, Privately Owned Vehicle Reimbursement Rates.

6.8 GRANTEE shall be responsible for ensuring all contractors/subcontractors for the Project comply with the terms of the Ordinance. GRANTEE shall cooperate with LACMTA Audit Department such that LACMTA can meet its obligations under the Ordinance.

6.9 GRANTEE shall certify each invoice by reviewing all subcontractor costs and maintaining internal control to ensure that all expenditures are allocable, allowable and reasonable and in accordance with OMB A-87 or FAR subpart 31 and 2 CFR Subtitle A, Chapter II, part 225, (whichever is applicable) and the terms and conditions of this FA.

6.10 GRANTEE shall also certify final costs of the Project to ensure all costs are in compliance with OMB A-87 or FAR subpart 31 and 2 CFR Subtitle A, Chapter II, part 225, (whichever is applicable) and the terms and conditions of this FA.

**MEASURE R FUNDING AGREEMENT
HIGHWAY PROGRAM**

Interstate 710 South Early Action Projects

This Funding Agreement ("FA") is made and entered into effective as of September 1, 2017 ("Effective Date"), and is by and between the Los Angeles County Metropolitan Transportation Authority ("LACMTA") and City of South Gate ("Grantee") for the Firestone Boulevard Regional Corridor Capacity Enhancement Project, LACMTA Project ID# MR306.33 (the "Project"). This Project is eligible for funding under Line 33 Interstate 710 South Early Action Project of the Measure R Expenditure Plan.

WHEREAS, LACMTA adopted Ordinance #08-01, the Traffic Relief and Rail Expansion Ordinance, on July 24, 2008 (the "Ordinance"), which Ordinance was approved by the voters of Los Angeles County on November 4, 2008 as "Measure R" and became effective on January 2, 2009.

WHEREAS, the funding set forth herein is intended to fund **only Construction phase** of the Project.

WHEREAS, the LACMTA Board, at its October 15, 2014 meeting, programmed \$6,000,000, in Measure R Funds to GRANTEE for Construction phase, subject to the terms and conditions contained in this FA; and

WHEREAS, the funds are currently programmed as follows: \$6,000,000 in Measure R Funds in Fiscal Year (FY) 2015-2016. The total designated for Construction phase of the Project is \$6,000,000.

NOW, THEREFORE, the parties hereby agree as follows:

The terms and conditions of this FA consist of the following and each is incorporated by reference herein as if fully set forth herein:

1. Part I – Specific Terms of the FA
2. Part II – General Terms of the FA
3. Attachment A – Project Funding
4. Attachment B – Measure R Expenditure Plan Guidelines
5. Attachment B-1 – Expenditure Plan- Cost & Cash Flow Budget
6. Attachment C – Scope of Work
7. Attachment D – Project Reporting and Administrative Guidelines
8. Attachment D-1 – Monthly Progress Report
9. Attachment D-2 – Quarterly Expenditure Report
10. Attachment E – Federal Transportation Improvement Program (FTIP) Sheet –N/A
11. Attachment F – Bond Requirements

In the event of a conflict, the Special Grant Conditions, if any, shall prevail over the Specific Terms of the FA and any attachments and the Specific Terms of the FA shall prevail over the General Terms of the FA.

IN WITNESS WHEREOF, the parties have caused this FA to be executed by their duly authorized representatives as of the dates indicated below:

LACMTA:

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

By:  Date: 7/11/2018
Phillip A. Washington
Chief Executive Officer

APPROVED AS TO FORM:

MARY C. WICKHAM
County Counsel

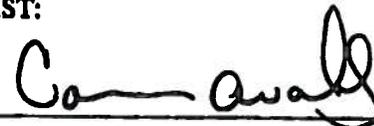
By:  Date: 12/7/17
Deputy

GRANTEE:

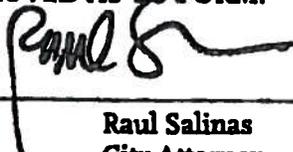
CITY OF SOUTH GATE

By:  Date: 1/9/18
Maria Davila
Mayor

ATTEST:

By:  Date: 1/11/18
Carmen Avalos
City Clerk

APPROVED AS TO FORM:

By:  Date: 1/9/18
Raul Salinas
City Attorney

PART I
SPECIFIC TERMS OF THE FA

1. Title of the Project (the "Project"): Firestone Boulevard Regional Corridor Capacity Enhancement Project. LACMTA Project ID# MR306.33
2. Grant Funds:
 - 2.1 Programmed Funds for this Project consist of the following: Measure R Funds.
 - 2.2 To the extent the Measure R Funds are available; LACMTA shall make to GRANTEE a grant of the Measure R funds in the amount of \$6,000,000 (the "Fund") for the Project. LACMTA Board of Directors' action of October 15, 2014 granted the Measure R Funds for the Project. The Funds are programmed over one year- for Fiscal Year FY2015-16 for \$6,000,000.
3. This grant shall be paid on a reimbursement basis. GRANTEE must provide the appropriate supporting documentation with the Monthly Progress Report and/or the Quarterly Expenditure Report. GRANTEE Funding Commitment, if applicable, must be spent in the appropriate proportion to the Funds with each quarter's expenditures. LACMTA will withhold five percent (5%) of eligible expenditures per invoice as retention pending an audit of expenditures and completion of scope of work.
4. **Attachment A** the "Project Funding" documents all sources of funds programmed for the Project as approved by LACMTA and is attached as **Attachment A**. The Project Funding includes the total programmed funds for the Project, including the Funds programmed by LACMTA and, if any, the GRANTEE Funding Commitment of other sources of funding. The Project Funding also includes the fiscal years in which all the funds for the Project are programmed. The Funds are subject to adjustment by subsequent LACMTA Board Action.
5. **Attachment B-1** is the Expenditure Plan- Cost & Cash Flow Budget (the "Expenditure Plan"). It is the entire proposed cash flow, the Budget and financial plan for the Project, which includes the total sources of all funds programmed to the Project, including GRANTEE and other entity funding commitments, if any, for this Project as well as the fiscal year and quarters the Project funds are anticipated to be expended. GRANTEE shall update the Expenditure Plan annually, no later than December 31, and such update shall be submitted to LACMTA's Managing Executive Officer of Construction & Engineering in writing. If the LACMTA's Managing Executive Officer of Construction & Engineering concurs with such updated Expenditure Plan in writing, **Attachment B-1** shall be replaced with the new **Attachment B-1** setting forth the latest approved Expenditure Plan. Payments under this FA shall be consistent with **Attachment B-1** as revised from time to time. In no event can the final milestone date be changed or amended by written concurrence by the LACMTA Managing Executive Officer of Construction & Engineering. Any change to the final milestone date must be made by a fully executed amendment to this FA.

6. **Attachment C** is the Scope of Work ("the Scope of Work"). The GRANTEE shall complete the Project as described in the Scope of Work. This Scope of Work shall include a detailed description of the Project and the work to be completed, including anticipated Project milestones and a schedule consistent with the lapsing policy in Part II, Section 9, and a description of the Project limits. No later than December 31 of each year, GRANTEE shall notify LACMTA if there are any changes to the final milestone dates set forth in the schedule or any changes to the Scope of Work. If LACMTA agrees to such changes, the parties shall memorialize such changes in an amendment to this FA. Work shall be delivered in accordance with this schedule and scope unless otherwise agreed to by the parties in writing. If GRANTEE is consistently behind schedule in meeting milestones or in delivering the Project, LACMTA will have the option to suspend or terminate the FA for default as described in Part II, Sections 2, 9, 10 and 11 herein below. To the extent interim milestone dates are not met but GRANTEE believes it can make up the time so as to not impact the final milestone date, GRANTEE shall notify LACMTA of such changes in its Monthly Progress Reports and such interim milestone dates will automatically be amended to the latest interim milestone dates provided in the Monthly Progress Reports Attachment D-1. In no event can the final milestone date be amended by a Monthly Progress Report.
7. No changes to this FA, including but not limited to the Funds, and any other source of funds from LACMTA in the Project Funding, Expenditure Plan or the Scope of Work shall be allowed without an amendment to the original FA, approved and signed by both parties.
8. **Attachment D** is the Project Reporting & Expenditure Guidelines. GRANTEE shall complete the "Monthly Progress Report" and/or the "Quarterly Expenditure Report". The Monthly Progress and Quarterly Expenditure Reports are attached to this FA as Attachments D-1 and D-2 in accordance with Attachment D – Project Reporting and Expenditure Guidelines.
9. **Attachment E**, the "FTIP PROJECT SHEET (PDF)", is attached as Attachment E and is required to ensure that the Project is programmed correctly in the most up-to-date FTIP document. The FTIP PROJECT SHEET (PDF) can be found in ProgramMetro FTIP database under the reports section at <http://program.metro.net>. All projects that receive funding through Measure R must be programmed into the FTIP, which includes locally funded regionally significant projects for information and air quality modeling purposes. GRANTEE shall review the Project in ProgramMetro each year and update or correct the Project information as necessary during a scheduled FTIP amendment or adoption. GRANTEE will be notified of amendments and adoptions to the FTIP via e-mail. Changes to the FTIP through ProgramMetro should be made as soon as possible after GRANTEE is aware of any changes to the Project, but no later than October 1 of the year the change or update is effective. Should GRANTEE fail to meet this date, it may affect GRANTEE's ability to access funding, delay the Project and may ultimately result in the Funds being lapsed.
10. GRANTEE shall comply with the "Special Grant Conditions" attached as **Attachment G**, if any.

11. No changes to the (i) Grant amount, (ii) Project Funding, (iii) the Scope of Work (except as provided herein), (iv) Final milestone date or (v) Special Grant Conditions, shall be allowed without a written amendment to this FA, approved and signed by the LACMTA Chief Executive Officer or his/her designee and GRANTEE. Modifications that do not materially affect the terms of this FA, such as redistributing Funds among existing budget line items or non-material schedule changes must be formally requested by GRANTEE and approved by LACMTA in writing. Non-material changes are those changes which do not affect the grant amount or its schedule, Project Funding, Financial Plan, or the Scope of Work, including the Work schedule.

12. LACMTA's Address:

Los Angeles County Metropolitan Transportation Authority
One Gateway Plaza
Los Angeles, CA 90012
Attention: Lucy Olmos-Delgadillo
LACMTA PROJECT MANAGER
MAIL STOP: 99-22-9
PHONE (213) 922-7099
E-MAIL OlmosL@metro.net

13. GRANTEE's Address:

City of South Gate
8650 California Avenue
South Gate, CA 90280
Attn: Kenneth Tang, Public Works
PHONE: (323)563-9574
E-MAIL: ktang@sogate.org

14. LACMTA anticipates it may need to avail itself of lower cost bonds or other debt, the interest on which is tax exempt for federal tax purposes and/or Build America Bonds as defined in the American Reinvestment and Recovery Act of 2009 or similar types of bonds (collectively, the "Bonds") to provide at least a portion of its funding commitments under this Agreement to GRANTEE. GRANTEE shall ensure that the expenditure of the Funds disbursed to GRANTEE does not jeopardize the tax-exemption of the interest, the Federal subsidy payment or the tax credit, as applicable, as specified in the Bond Requirements attached as **Attachment F** to this Agreement. GRANTEE agrees to provide LACMTA with progress reports, expenditure documentation, and any other documentation as reasonably requested by LACMTA and necessary for LACMTA to fulfill its responsibilities as the grantee or administrator or bond issuer of the Funds. With regard to LACMTA debt financing to provide any portion of the Funds, GRANTEE shall take all reasonable actions as may be requested of it by LACMTA's Project Manager for the Project, to assist LACMTA in demonstrating and maintaining over time, compliance with the relevant sections of the Federal Tax Code to maintain such bonds tax status.

PART II
GENERAL TERMS OF THE FA

1. **TERM**

The term of this FA shall commence on the Effective Date of this FA, and shall terminate upon the occurrence of all of the following, unless terminated earlier as provided herein: (i) the agreed upon Scope of Work has been completed; (ii) all LACMTA audit and reporting requirements have been satisfied; and (iii) the final disbursement of the Funds has been made to GRANTEE. All eligible Project expenses as defined in the Reporting and Expenditure Guidelines (Attachment D), incurred after the FA Effective Date shall be reimbursed in accordance with the terms and conditions of this FA unless otherwise agreed to by the parties in writing.

2. **SUSPENSION OR TERMINATION**

Should LACMTA determine there are insufficient Measure R Funds available for the Project, LACMTA may suspend or terminate this FA by giving written notice to GRANTEE at least thirty (30) days in advance of the effective date of such suspension or termination. If a Project is suspended or terminated pursuant to this section, LACMTA will not reimburse GRANTEE any costs incurred after that suspension or termination date, except those costs necessary (i) to return any facilities modified by the Project construction to a safe and operable state; and (ii) to suspend or terminate the construction contractor's control over the Project. LACMTA's share of these costs will be consistent with the established funding percentages outlined in this FA.

3. **INVOICE BY GRANTEE**

Unless otherwise stated in this FA, the Monthly Progress Report or the Quarterly Expenditure Report, with supporting documentation of expenses, Project progress and other documents as required, which has been pre-approved by LACMTA, all as described in Part II, Section 6.1 of this FA, shall satisfy LACMTA invoicing requirements. Grantee shall only submit for payment the LACMTA pre-approved Monthly Progress Report or Quarterly Expenditure Report Packets to the LACMTA Project Manager at the email address shown in Part I and to LACMTA Account Payable Department as shown below.

Submit invoice with supporting documentation to:
ACCOUNTSPAYABLE@METRO.NET (preferable)

or

mail to:

**Los Angeles County Metropolitan Transportation Authority
Accounts Payable
P. O. Box 512296
Los Angeles, CA 90051-0296**

All invoice material must contain the following information:

Re: LACMTA Project ID# MR306.33 Agreement #:92000000MR30633
Lucy Olmos; Mail Stop 99-22-9

4. USE OF FUNDS

4.1 GRANTEE shall utilize the Funds to complete the Project as described in the Scope of Work and in accordance with the Reporting and Expenditure Guidelines and the specifications for use for the transportation purposes described in the Ordinance.

4.2 Attachment C shall constitute the agreed upon Scope of Work between LACMTA and GRANTEE for the Project. The Funds, as granted under this FA, can only be used towards the completion of the Scope of Work detailed in Attachment C.

4.3 GRANTEE shall not use the Funds to substitute for any other funds or projects not specified in this FA. Further, GRANTEE shall not use the Funds for any expenses or activities above and beyond the approved Scope of Work (Attachment C) without an amendment to the FA approved and signed by the LACMTA Chief Executive Officer or his Designee. To the extent LACMTA provides GRANTEE with bond or commercial paper proceeds, such Funds may not be used to reimburse for any costs that jeopardize the tax exempt nature of such financings as reasonably determined by LACMTA and its bond counsel.

4.4 GRANTEE must use the Funds in the most cost-effective manner. If GRANTEE intends to use a consultant or contractor to implement all or part of the Project, LACMTA requires that such activities be procured in accordance with GRANTEE's contracting procedures and consistent with State law as appropriate. GRANTEE will also use the Funds in the most cost-effective manner when the Funds are used to pay "in-house" staff time. GRANTEE staff or consultant with project oversight roles cannot award work to companies in which they have a financial or personal interest. This effective use of funds provision will be verified by LACMTA through on-going Project monitoring and through any LACMTA interim and final audits.

4.5 If a facility, equipment (such as computer hardware or software), vehicle or property, purchased or leased using the Funds, ceases to be used for the proper use as originally stated in the Scope of Work, or the Project is discontinued, any Funds expended for that purpose must be returned to LACMTA as follows: GRANTEE shall be required to repay the Funds in proportion to the useful life remaining and in an equal proportion of the grant to GRANTEE Funding Commitment ratio.

5. REIMBURSEMENT OF FUNDS

Funds will be released on a reimbursement basis in accordance with invoices submitted in support of the Monthly Progress and Quarterly Expenditure Reports. LACMTA will make all disbursements electronically unless an exception is requested in writing. Reimbursements via Automated Clearing House (ACH) will be made at no cost to GRANTEE. GRANTEE must complete the ACH form and submit such form to LACMTA before grant payments can be made. ACH Request Forms can be found at www.metro.net/projects_studies/call_projects/ref_docs.htm. GRANTEE must provide detailed supporting documentation with its Monthly Progress and Quarterly Expenditure Reports. GRANTEE Funding Commitment, if any, must be spent in direct proportion to the Funds with each quarter's payment.

6. REPORTING AND AUDIT REQUIREMENTS/PAYMENT ADJUSTMENTS

6.1 GRANTEE shall submit the draft of Monthly Progress Report (Attachment D-1) within seven (7) days from the last day of each month, if required, and submit the draft of Quarterly Expenditure Report (Attachment D-2) within sixty (60) days after the close of each quarter on the last day of the months November, February, May and August to the LACMTA Project Manager for review and pre-approval of the applicable report. LACMTA shall review and respond in writing to the draft Monthly Progress and Quarterly Expenditure Reports within five (5) business days from receipt. Grantee shall submit the LACMTA pre-approved Monthly Progress Report and Quarterly Expenditure Report no later than five (5) days after receipt of LACMTA's written approval. Should GRANTEE fail to submit either the draft or pre-approved reports within five (5) days of the due date and/or submit incomplete reports, LACMTA will not reimburse GRANTEE until the completed required reports are received, reviewed, and approved. The Monthly Progress and the Quarterly Expenditure Reports shall include all appropriate documentation (such as contractor invoices, timesheets, receipts, etc.), and any changes to interim milestone dates that do not impact the final milestone date. All supporting documents must include a clear justification and explanation of their relevance to the Project. If no activity has occurred during a particular quarter, GRANTEE will still be required to submit the Monthly Progress and Quarterly Expenditure Reports indicating no dollars were expended that quarter. If a request for reimbursement exceeds \$500,000 in a single month, then GRANTEE can submit such an invoice once per month with supporting documentation.

6.2 LACMTA, and/or its designee, shall have the right to conduct audits of the Project as deemed appropriate, such as financial and compliance audits, interim audits, pre-award audits, performance audits and final audits. LACMTA will commence a final audit within six months of receipt of acceptable final invoice, provided the Project is ready for final audit (meaning all costs and charges have been paid by GRANTEE and invoiced to LACMTA, and such costs, charges and invoices are properly documented and summarized in the accounting records to enable an audit without further explanation or summarization including actual indirect rates for the period covered by the FA period under review). GRANTEE agrees to establish and maintain proper accounting procedures and cash management records and documents in accordance with Generally Accepted Accounting Principles (GAAP). GRANTEE shall reimburse LACMTA for any expenditure not in compliance with the Scope of Work and/or not in compliance with other terms and conditions of this FA. The allowability of costs for GRANTEE's own expenditures submitted to LACMTA for this Project shall be in compliance with Office of Management and Budget (OMB) Circular A-87. The allowability of costs for GRANTEE's contractors, consultants and suppliers expenditures submitted to LACMTA through GRANTEE's Monthly Progress Reports and Quarterly Expenditures shall be in compliance with OMB Circular A-87 or Federal Acquisition Regulation (FAR) Subpart 31 and 2 CFR Subtitle A, Chapter II, Part 225 (whichever is applicable). Findings of the LACMTA audit are final. When LACMTA audit findings require GRANTEE to return monies to LACMTA, GRANTEE agrees to return the monies within thirty (30) days after the final audit is sent to GRANTEE.

6.3 GRANTEE's records shall include, without limitation, accounting records, written policies and procedures, contract files, original estimates, correspondence, change order files (including documentation covering negotiated settlements), invoices, and any other supporting evidence deemed necessary by LACMTA to substantiate charges related to the Project (all collectively referred to as "records"). Such records shall be open to inspection and subject to audit and reproduction by LACMTA auditors or authorized representatives to the extent deemed necessary by LACMTA to adequately permit evaluation of expended costs. Such records subject to audit shall also include, without limitation, those records deemed necessary by LACMTA to evaluate and verify, direct and indirect costs, (including overhead allocations) as they may apply to costs associated with the Project. These records must be retained by GRANTEE for three years following final payment under this Agreement. Payment of retention amounts shall not occur until after the LACMTA's final audit is completed.

6.4 GRANTEE shall cause all contractors to comply with the requirements of Part II, Section 5, paragraphs 6.2 and 6.3 above. GRANTEE shall cause all contractors to cooperate fully in furnishing or in making available to LACMTA all records deemed necessary by LACMTA auditors or authorized representatives related to the Project.

6.5 LACMTA or any of its duly authorized representatives, upon reasonable written notice, shall be afforded access to all of the records of GRANTEE and its contractors related to the Project, and shall be allowed to interview any employee of GRANTEE and its contractors through final payment to the extent reasonably practicable.

6.6 LACMTA or any of its duly authorized representatives, upon reasonable written notice, shall have access to the offices of GRANTEE and its contractors, shall have access to all necessary records, including reproduction, at no charge to LACMTA, and shall be provided adequate and appropriate work space in order to conduct audits in compliance with the terms and conditions of this FA.

6.7 When business travel associated with the Project requires use of a vehicle, the mileage incurred shall be reimbursed at the mileage rates set by the Internal Revenue Service, as indicated in the United States General Services Administration Federal Travel Regulation, Privately Owned Vehicle Reimbursement Rates.

6.8 GRANTEE shall be responsible for ensuring all contractors/ subcontractors for the Project comply with the terms of the Ordinance. GRANTEE shall cooperate with LACMTA Audit Department such that LACMTA can meet its obligations under the Ordinance.

6.9 GRANTEE shall certify each invoice by reviewing all subcontractor costs and maintaining internal control to ensure that all expenditures are allocable, allowable and reasonable and in accordance with OMB A-87 or FAR subpart 31 and 2 CFR Subtitle A, Chapter II, part 225, (whichever is applicable) and the terms and conditions of this FA.

6.10 GRANTEE shall also certify final costs of the Project to ensure all costs are in compliance with OMB A-87 or FAR subpart 31 and 2 CFR Subtitle A, Chapter II, part 225, (whichever is applicable) and the terms and conditions of this FA.

6.11 In addition to LACMTA's other remedies as provided in this FA, LACMTA may withhold the Funds if the LACMTA audit has determined that GRANTEE failed to comply with the Scope of Work (such as misusing Funds or failure to return Funds owed to LACMTA in accordance with LACMTA audit findings) and /or is severely out of compliance with other terms and conditions as defined by this FA, including the access to records provisions of Part II, Section 6.

7. GRANT

This is a one time only grant of the Measure R Funds subject to the terms and conditions agreed to herein. This grant does not imply nor obligate any future funding commitment on the part of LACMTA.

8. SOURCES AND DISPOSITION OF FUNDS

8.1 The obligation for LACMTA to grant the Funds for the Project is subject to sufficient Funds being made available for the Project by the LACMTA Board of Directors. If such Funds are not made available as anticipated from Measure R Program revenues, LACMTA will have the right to adjust the cash flow accordingly until such funds become available. LACMTA shall have no obligation to provide any other funds for the Project, unless otherwise agreed to in writing by LACMTA.

8.2 GRANTEE shall fully fund and contribute the Grantee Funding Commitment, if any is identified in the Project Funding (Attachment A), towards the cost of the Project. If the Funds identified in Attachment A are insufficient to complete the Project, GRANTEE may request additional Measure R funds from its sub-region earmark pending support of the sub-region's Governing Board. A particular sub-region's Measure R funds are limited to the amount specified in the Ordinance and is still subject to approval of the LACMTA Board. Nothing in this FA shall obligate, or be construed to obligate the LACMTA Board to approve such request for additional funds. If the Funds are still insufficient to complete the Project, GRANTEE agrees to secure and provide such additional non-LACMTA programmed funds necessary to complete the Project.

8.3 GRANTEE shall be responsible for any and all cost overruns for the Project pursuant to Section 8.2.

8.4 GRANTEE shall be eligible for the Funds up to the grant amount specified in Part I, Section 2 of this FA subject to the terms and conditions contained herein. Any Funds expended by GRANTEE prior to the Effective Date of this FA shall not be reimbursed nor shall they be credited toward the GRANTEE Funding Commitment requirement, without the prior written consent of LACMTA. GRANTEE Funding Commitment dollars expended prior to the year the Funds are awarded shall be spent at GRANTEE's own risk.

8.5 If GRANTEE receives outside funding for the Project in addition to the Funds identified in the Project Funding and the Expenditure Plan at the time this grant was awarded, this FA shall be amended to reflect such additional funding. If, at the time of final invoice or voucher, funding for the Project (including the Funds, GRANTEE Funding

Commitment, and any additional funding) exceeds the actual Project costs, then the cost savings shall be applied in the same proportion as the sources of funds from each party to this FA as specified in the Project Funding and both the Funds and GRANTEE Funding Commitment required for the Project shall be reduced accordingly. LACMTA shall have the right to use any cost savings associated with the Funds at its sole discretion, including, without limitation, programming the unused Funds to another project or to another grantee. If, at the time of final voucher, it is determined that GRANTEE has received Funds in excess of what GRANTEE should have received for the Project, GRANTEE shall return such overage to LACMTA within 30 days from final voucher.

9. TIMELY USE OF FUNDS / REPROGRAMMING OF FUNDS

9.1 GRANTEE must demonstrate timely use of the Funds by:

- (i) Executing this FA within ninety (90) days of receiving formal transmittal of the FA from LACMTA, or by December 31 of the first Fiscal Year in which the Funds are programmed, whichever date is later; and
- (ii) Beginning Project Design, Preliminary Engineering-(PE) within six (6) months from completion of environmental clearance, if appropriate.
- (iii) Delivering Work in accordance with schedule; changes to the schedule will require an Amendment to Attachment C to reflect updated milestone dates. Meeting the Project milestone due dates as agreed upon by the LACMTA and GRANTEE in Attachment C (Scope of Work) of this FA; and
- (iv) Submitting the Monthly Progress and Quarterly Expenditure Reports as described in Part II, Section 6.1 of this FA; and
- (v) Expending the Funds granted under this FA for allowable costs within five years or 60 months from July 1 of the Fiscal Year in which the Funds are programmed, unless otherwise stated in this FA. All Funds programmed for FY2015-16 are subject to lapse by June 30, 2020.

9.2 In the event that the timely use of the Funds is not demonstrated as described in Part II, Section 9.1 of this FA, the Project will be reevaluated by LACMTA as part of its annual Recertification/Deobligation process and the Funds may be reprogrammed to another project by the LACMTA Board of Directors in accordance with the Ordinance. In the event that all the Funds are reprogrammed, this FA shall automatically terminate.

10. DEFAULT

A Default under this FA is defined as any one or more of the following: (i) GRANTEE fails to comply with the terms and conditions contained herein; or (ii) GRANTEE fails to perform satisfactorily or makes a material change, as determined by LACMTA at its sole discretion, to the Expenditure Plan, the Scope of Work, or the Project Funding without LACMTA's prior written consent or approval as provided herein.

11. REMEDIES

11.1 In the event of a Default by GRANTEE, LACMTA shall provide written notice of such Default to GRANTEE with a 30-day period to cure the Default. In the event GRANTEE fails to cure the Default, or commit to cure the Default and commence the same within such 30-day period to the satisfaction of LACMTA, LACMTA shall have the following remedies: (i) LACMTA may terminate this FA; (ii) LACMTA may make no further disbursements of Funds to GRANTEE; and/or (iii) LACMTA may recover from GRANTEE any Funds disbursed to GRANTEE as allowed by law or in equity.

11.2 Effective upon receipt of written notice of termination from LACMTA, GRANTEE shall not undertake any new work or obligation with respect to this FA unless so directed by LACMTA in writing. Any Funds expended after termination shall be the sole responsibility of GRANTEE.

11.3 The remedies described herein are non-exclusive. LACMTA shall have the right to enforce any and all rights and remedies herein or which may be now or hereafter available at law or in equity.

12. COMMUNICATIONS

12.1 GRANTEE shall ensure that all Communication Materials contain recognition of LACMTA's contribution to the Project as more particularly set forth in "Funding Agreement Communications Materials Guidelines" available on line or from the LACMTA Project Manager. Please check with the LACMTA Project Manager for the web address. The Funding Agreement Communications Materials Guidelines may be changed from time to time during the course of this Agreement. GRANTEE shall be responsible for complying with the latest Funding Agreement Communications Materials Guidelines during the term of this Agreement, unless otherwise specifically authorized in writing by the LACMTA Chief Communications Officer.

12.2 For purposes of this Agreement, "Communications Materials" include, but are not limited to, press events, public and external newsletters, printed materials, advertising, websites radio and public service announcements, electronic media, and construction site signage. A more detailed definition of "Communications Materials" is found in the Funding Agreement Communications Materials Guidelines.

12.3 The Metro logo is a trademarked item that shall be reproduced and displayed in accordance with specific graphic guidelines. These guidelines and logo files including scalable vector files will be available through the LACMTA Project Manager.

12.4 GRANTEE shall ensure that any subcontractor, including, but not limited to, public relations, public affairs, and/or marketing firms hired to produce Project Communications Materials for public and external purposes will comply with the requirements contained in this Section.

12.5 The LACMTA Project Manager shall be responsible for monitoring GRANTEE compliance with the terms and conditions of this Section. GRANTEE'S failure to comply with the terms of this Section shall be deemed a default hereunder and LACMTA shall have all rights and remedies set forth herein.

13. OTHER TERMS AND CONDITIONS

13.1 This FA, along with its Attachments, constitutes the entire understanding between the parties, with respect to the subject matter herein. The FA shall not be amended, nor any provisions or breach hereof waived, except in writing signed by the parties who agreed to the original FA or the same level of authority. Adoption of revisions or supplements to the Guidelines shall cause such revisions or supplements to become incorporated automatically into this Agreement as though fully set forth herein.

13.2 GRANTEE is obligated to continue using the Project dedicated to the public transportation purposes for which the Project was initially approved. The Project right-of-way, the Project facilities constructed or reconstructed on the Project site, and/or Project property purchased, excluding construction easements and excess property (whose proportionate proceeds shall be distributed in an equal proportion of the grant to GRANTEE Funding Commitment ratio), shall remain dedicated to public transportation use in the same proportion and scope and to the same extent as described in this FA. Equipment acquired as part of the Project, including office equipment, vehicles, shall be dedicated to that use for their full economic life cycle, including any extensions of that life cycle achieved by reconstruction, rehabilitation, or enhancements.

13.3 In the event that there is any legal court (e.g., Superior Court of the State of California, County of Los Angeles, or the U.S. District Court for the Central District of California) proceeding between the parties to enforce or interpret this FA, to protect or establish any rights or remedies hereunder, the prevailing party shall be entitled to its costs and expenses, including reasonable attorney's fees.

13.4 Neither LACMTA nor any officer or employee thereof shall be responsible for any damage or liability occurring by reason of anything done or committed to be done by GRANTEE under or in connection with any work performed by and or service provided by GRANTEE, its officers, agents, employees, contractors and subcontractors under this FA. GRANTEE shall fully indemnify, defend and hold LACMTA and its subsidiaries, and its officers, agents and employees harmless from and against any liability and expenses, including without limitation, defense costs, any costs or liability on account of bodily injury, death or personal injury of any person or for damage to or loss of risk of property, any environmental obligation, any legal fees and any claims for damages of any nature whatsoever arising out of the Project, including without limitation: (i) use of the Funds by GRANTEE, or its officers, agents, employees, contractors or subcontractors; (ii) breach of GRANTEE's obligations under this FA; or (iii) any act or omission of GRANTEE, or its officers, agents, employees, contractors or subcontractors in the performance of the work or the provision of the services, in connection with the Project including, without limitation, the Scope of Work, described in this FA.

13.5 Neither party hereto shall be considered in default in the performance of its obligation hereunder to the extent that the performance of any such obligation is prevented or delayed by unforeseen causes including acts of God, acts of a public enemy, and government acts beyond the control and without fault or negligence of the affected party. Each party hereto shall give notice promptly to the other of the nature and extent of any such circumstances claimed to delay, hinder, or prevent performance of any obligations under this FA.

13.6 GRANTEE shall comply with and insure that work performed under this FA is done in compliance with Generally Accepted Accounting Principles (GAAP), all applicable provisions of federal, state, and local laws, statutes, ordinances, rules, regulations, and procedural requirements including Federal Acquisition Regulations (FAR), and the applicable requirements and regulations of LACMTA. GRANTEE acknowledges responsibility for obtaining copies of and complying with the terms of the most recent federal, state, or local laws and regulations, and LACMTA requirements including any amendments thereto.

13.7 GRANTEE agrees that the applicable requirements of this FA shall be included in every contract entered into by GRANTEE or its contractors relating to work performed under this FA and LACMTA shall have the right to review and audit such contracts.

13.8 GRANTEE shall not assign this FA, or any part thereof, without prior approval of the LACMTA Chief Executive Officer or his designee, and any assignment without said consent shall be void and unenforceable.

13.9 This FA shall be governed by California law. If any provision of this FA is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

13.10 The covenants and agreements of this FA shall inure to the benefit of, and shall be binding upon, each of the parties and their respective successors and assigns.

13.11 Implementation of any ITS project shall be consistent with the Regional ITS Architecture. ITS projects must comply with the LACMTA Countywide ITS Policy and Procedures adopted by the LACMTA Board of Directors including the submittal of a completed, signed self-certification form. For the ITS policy and form, see www.metro.net/projects_studies/call_projects/other_resources.htm.

13.12 If any parking facilities are designed and/or constructed using the Funds, GRANTEE shall coordinate with LACMTA parking program staff (see www.metro.net for staff listing) in the planning, design and management of the facility and shall ensure that its implementation is consistent with the LACMTA adopted parking policy. For the parking policy, see www.metro.net/projects_studies/call_projects/other_resources.htm.

13.13 GRANTEE will advise LACMTA prior to any key Project staffing changes.

13.14 Notice will be given to the parties at the address specified in Part I, unless otherwise notified in writing of change of address.

13.15 GRANTEE, in the performance of the work described in this FA, is not a contractor nor an agent or employee of LACMTA. GRANTEE attests to no organizational or personal conflicts of interest and agrees to notify LACMTA immediately in the event that a conflict, or the appearance thereof, arises. GRANTEE shall not represent itself as an agent or employee of LACMTA and shall have no powers to bind LACMTA in contract or otherwise.

ATTACHMENT A -PROJECT FUNDING

Measure R Program - Funding Agreement Projects - FA.920000000MR306.33

Project Title: **Firestone Boulevard Regional Corridor Capacity Enhancement Project** Project#: **MR306.33**

PROGRAMMED BUDGET - SOURCES OF FUNDS

SOURCES OF FUNDS	Prior Years	FY2014-15	FY2015-16	FY2016-17	FY 2017-18	FY2018-19	Total Budget	% of Budget
LACMTA PROGRAMMED FUNDING								
MEASURE R FUNDS			\$6,000,000				\$ 6,000,000	
LACMTA PROGRAMMED FUNDS BY YEAR SUBTOTAL	\$ -	\$ -	\$ 6,000,000				\$ 6,000,000	100%
TOTAL PROJECT FUNDS	\$ -	\$ -	\$ 6,000,000	\$ -	\$ -	\$ -	\$ 6,000,000	100%

**ATTACHMENT B
MEASURE R EXPENDITURE PLAN GUIDELINES
PROJECT DEVELOPMENT AND RIGHT OF WAY**

State Law Requires All Measure R Project and Program Sponsors to Submit an Expenditure Plan

To be eligible to receive Measure R revenues, an agency sponsoring a capital project or program must by state law (AB 2321) submit an expenditure plan that is acceptable to the Los Angeles County Metropolitan Transportation Authority (LACMTA). Pursuant to this law, LACMTA cannot release Measure R funds to capital project or program sponsors until an expenditure plan containing the following elements is submitted, reviewed and deemed satisfactory by LACMTA. LACMTA staff will request that an expenditure plan be submitted before making a recommendation to the LACMTA Board to program funds to that project:

- The estimated total cost for each project and program and/or each project or program activity;
- Funds other than Measure R that the project or program sponsor anticipates will be expended on the projects and programs and/or each project or program activity;
- The schedule during which the project sponsor anticipates funds will be available for each project and program and/or each project or program activity; and,
- The expected completion dates for each project and program and/or project or program activity.

Each of the above elements must be provided in enough detail to determine consistency with Measure R, the Long Range Transportation Plan for Los Angeles County, and the Los Angeles County Transportation Improvement Program (also a statutorily mandated function), as follows:

- Project or program scope of work, including sufficient information to determine funding eligibility, including, but not limited to, the anticipated proportional use of current rail rights-of-way, state highways, and below-ground subways versus any other rights-of-way or above-ground work;
- A current-year cost estimate breakdown of the major sub-elements of the project such as overhead, environmental and permit work, design and engineering, right-of-way, construction/installation (including maintenance facilities, rail yard, equipment and other major components), construction/installation support, interest costs, rolling stock, and other supporting components;
- Any extraordinary project cost escalation issues, such as extraordinary commodity, right-of-way, surety, energy costs, etc.;
- A specific and accurate description of the source, commitment, and anticipated annual availability of any federal, state, local, or private funding identified for the project if applicable including a 3% local funding contribution to rail projects if indicated in Measure R and necessary to meet project expenses, and if the source funds are in current or year-of-expenditure dollars;
- An annual schedule, in current dollars, of anticipated costs by the cost estimate categories described above; and;
- The expected completion by month and year of project or program completion.

Below is an excerpt of AB 2321 (2008, Feuer), the state legislation that requires the expenditure plan.

What AB 2321 (2008, Feuer) Says About the Expenditure Plan:

Section b (3) B

(f) Prior to submitting the ordinance to the voters, the MTA shall adopt an expenditure plan for the net revenues derived from the tax. The expenditure plan shall include, in addition to other projects and programs identified by the MTA, the specified projects and programs listed in paragraph (3) of subdivision (b), the estimated total cost for each project and program, funds other than the tax revenues that the MTA anticipates will be expended on the projects and programs, and the schedule during which the MTA anticipates funds will be available for each project and program. The MTA shall also identify in its expenditure plan the expected completion dates for each project described in subparagraph (A) of paragraph (3) of subdivision (b). To be eligible to receive revenues derived from the tax, an agency sponsoring a capital project or capital program shall submit to the MTA an expenditure plan for its project or program containing the same elements as the expenditure plan that MTA is required by this subdivision to prepare.

(k) No later than 365 days prior to the adoption of an amendment described in paragraph (1) to an expenditure plan adopted pursuant to subdivision (f), including, but not limited to, the expenditure plan adopted by the MTA board as "Attachment A" in Ordinance #08-01 adopted by the board on July 24, 2008, and in addition to any other notice requirements in the proposing ordinance, the board shall notify the Members of the Legislature representing the County of Los Angeles of all of the following:

(1) A description of the proposed amendments to the adopted expenditure plan that would do any of the following:

(A) Affect the amount of net revenues derived from the tax imposed pursuant to this act that is proposed to be expended on a capital project or projects identified in the adopted expenditure plan.

(B) Affect the schedule for the availability of funds proposed to be expended on a capital project or projects identified in the adopted expenditure plan.

(C) Affect the schedule for the estimated or expected completion date of a capital project or projects identified in the adopted expenditure plan.

(2) The reason for the proposed amendment.

(3) The estimated impact the proposed amendment will have on the schedule, cost, scope, or timely availability of funding for the capital project or projects contained in the adopted expenditure plan.

PROGRAMMED SOURCES OF FUNDS

SOURCES OF FUNDS	FY 2017-18		FY 2017-18		FY 2017-18		FY 2018-19		FY 2018-19		FY 2018-19		TOTAL BUDGET
	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4					
LACMTA PROGRAMMED FUNDS:													
MEASURE R FUNDS:													
Const. Support	\$15,000	\$20,000	\$99,000	\$100,000	\$100,000	\$100,000	\$50,000	\$30,000	\$514,000				
Staff Time	\$1,000	\$2,000	\$2,000	\$3,000	\$3,000	\$3,000	\$3,000	\$2,000	\$19,000				
Construction	\$167,000	\$200,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$900,000	\$200,000	\$5,467,000				
Total MEASURE R	\$183,000	\$222,000	\$1,101,000	\$1,103,000	\$1,103,000	\$1,103,000	\$953,000	\$232,000	\$6,000,000				
SUM NON-LACMTA FUNDS :	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
PROJECT FUNDING FY18-19 and FY18-19	\$183,000	\$222,000	\$1,101,000	\$1,103,000	\$1,103,000	\$1,103,000	\$953,000	\$232,000	\$6,000,000				
SUMMARY OF ALL FUNDS													
Const. Support	\$15,000	\$20,000	\$99,000	\$100,000	\$100,000	\$100,000	\$50,000	\$30,000	\$514,000				
Staff Time	\$1,000	\$2,000	\$2,000	\$3,000	\$3,000	\$3,000	\$3,000	\$2,000	\$19,000				
Construction	\$167,000	\$200,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$900,000	\$200,000	\$5,467,000				
TOTAL MILESTONES	\$183,000	\$222,000	\$1,101,000	\$1,103,000	\$1,103,000	\$1,103,000	\$953,000	\$232,000	\$6,000,000				
SUM PROG LACMTA FUNDS	\$183,000	\$222,000	\$1,101,000	\$1,103,000	\$1,103,000	\$1,103,000	\$953,000	\$232,000	\$6,000,000				
SUM NON-LACMTA FUNDS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
TOTAL PROJECT FUNDING	\$183,000	\$222,000	\$1,101,000	\$1,103,000	\$1,103,000	\$1,103,000	\$953,000	\$232,000	\$6,000,000				

**ATTACHMENT C
SCOPE OF WORK**

PROJECT TITLE:

The Firestone Boulevard Regional Corridor Capacity Enhancement Project, City Project No. 476-TRF, Metro Projects ID NO. MR306.33

PROGRAMMED FUNDS: \$6,000,000

SCOPE:

The proposed project improvements include, but are not limited to, the following: adding a third lane in each direction, pavement rehabilitation, raised landscaped roadway medians, street trees, irrigation system, traffic signal modifications, traffic signal synchronization, traffic signing and striping, concrete repairs, ADA improvements, bike racks, storm water quality mitigation measures, pedestrian lighting, bus shelter and parkway furniture enhancements, public art, and a signature gateway design at three major intersections along Firestone Boulevard between California and Annetta. Gateway design includes public art pieces, pedestrian lighting, street furniture, and landscaping. .

CONSTRUCTION:

Tasks to be performed by the City include, but are not limited to the following:

- A. Provide Project Management and Funding Administration
- B. Advertise, Bid and Award construction contract.
- C. Administer construction contract and provide construction oversight.
- D. Procure the services of a Construction Management/Inspection team along with other related professional services as needed for the project.
- E. Coordinate work with utility agencies.
- F. Conduct project meeting as deemed necessary.

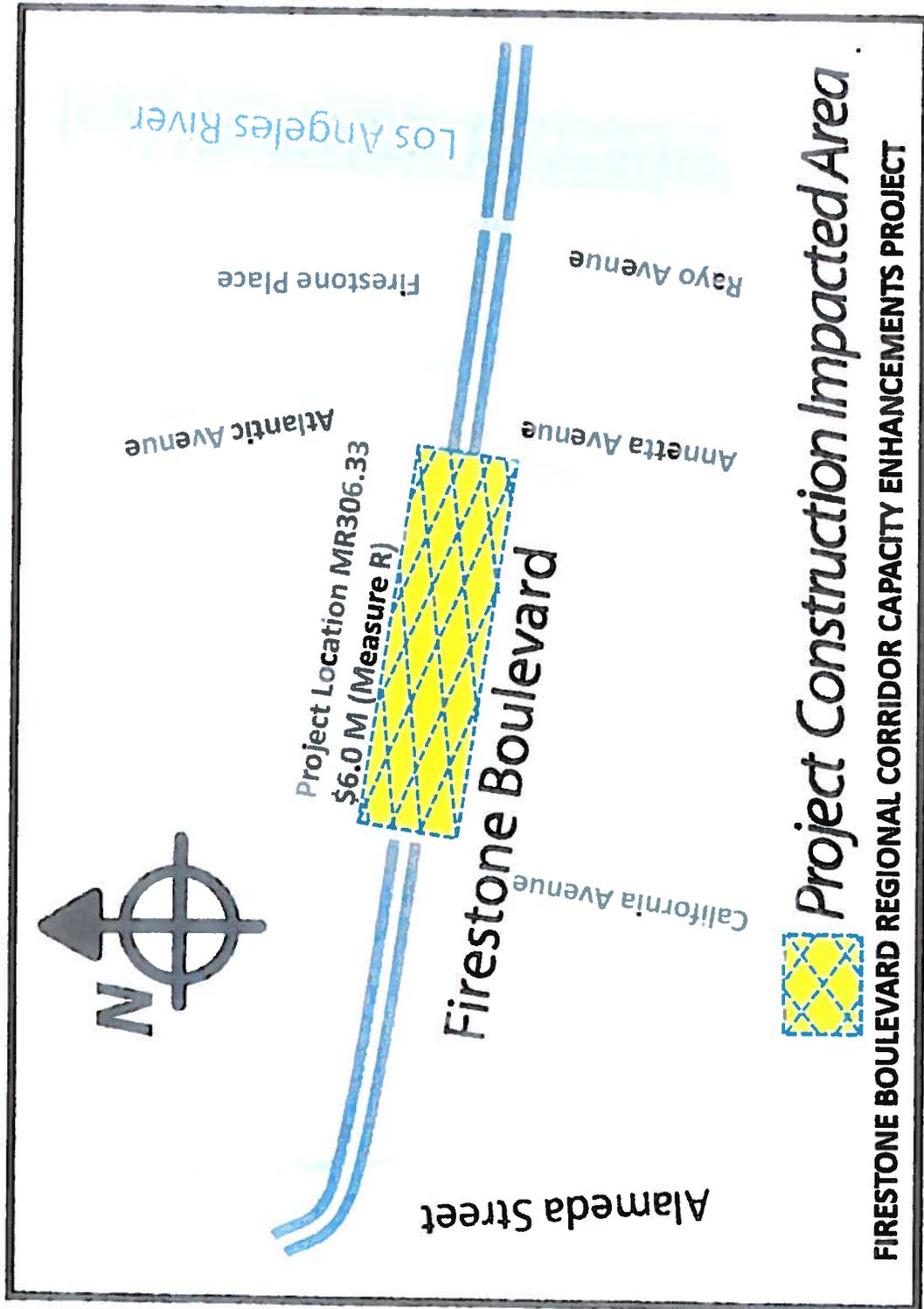
PROJECT BUDGET:

	Component	Amount
1	Construction of Project Improvements	\$4,926,600
2	Construction Contingency	\$453,400
3	Construction Management & Inspection (CM&I)	\$550,000
4	Contingency (CM&I)	\$50,000
5	Staff Time	\$20,000
	TOTAL BUDGET	\$6,000,000

Project Schedule:

	START DATE	COMPLETION DATE
Solicitation (Bids)		
Procurement Process for CM/Inspection Services	Summer 2017	Fall 2017
Bid and Contract Award	Fall 2017	Fall 2017
Construction	Fall 2017	Spring 2019

Map:



**LACMTA FA MEASURE R ATTACHMENT D-2
 QUARTERLY PROGRESS / EXPENSE REPORT**

Grantee To Complete	
Invoice #	
Invoice Date	
FA#	920000000MR
Quarterly Report #	

**GRANTEES ARE REQUESTED TO EMAIL THIS REPORT TO
ACCOUNTSPAYABLE@METRO.NET**

or submit by mail to:

Los Angeles County Metropolitan Transportation Authority
 Accounts Payable
 P. O. Box 512296

Los Angeles, California 90051-0296

after the close of each quarter, but no later than November 30, February 28,

May 31 and August 31. Please note that letters or other forms

of documentation may not be substituted for this form. Refer to the

Reporting and Expenditure Guidelines (Attachment C) for further information

SECTION 4 QUARTERLY EXPENSE REPORT

Please itemize grant-related charges for this Quarter on Page 5 of this report and include totals in this Section.

	LACMTA Measure R Grant \$
Project On-Order Expenditure:	
This Quarter Expenditure	
Retention Amount	
Net Invoice Amount (Less Retention)	
Project-to-Date Expenditure	
Funds Expended to Date (Include this Quarter)	
Total Project Budget	
% of Project Budget Expended to Date	
Balance Remaining	

SECTION 2 GENERAL INFORMATION

PROJECT TITLE: _____

FA #: _____

QUARTERLY REPORT SUBMITTED FOR:

- Fiscal Year:**
- | | | |
|------------------------------------|------------------------------------|------------------------------------|
| <input type="checkbox"/> 2014-2015 | <input type="checkbox"/> 2015-2018 | <input type="checkbox"/> 2016-2017 |
| <input type="checkbox"/> 2017-2018 | <input type="checkbox"/> 2018-2019 | <input type="checkbox"/> 2019-2020 |
- Quarter:**
- | | |
|--|--|
| <input type="checkbox"/> Q1: Jul - Sep | <input type="checkbox"/> Q2: Oct - Dec |
| <input type="checkbox"/> Q3: Jan - Mar | <input type="checkbox"/> Q4: Apr - Jun |

DATE SUBMITTED: _____

LACMTA MODAL CATEGORY:

- | | | |
|----------------------------------|-------------------------------------|---|
| <input type="checkbox"/> RSTI | <input type="checkbox"/> Pedestrian | <input type="checkbox"/> Signal Synchronization |
| <input type="checkbox"/> TDM | <input type="checkbox"/> Bicycle | <input type="checkbox"/> Goods Movement |
| <input type="checkbox"/> Transit | | |

LACMTA Project Manager	Name:	_____
	Phone Number:	_____
	E-mail:	_____

Project Sponsor Contact / Project Manager	Contact Name:	_____
	Job Title:	_____
	Department:	_____
	City / Agency:	_____
	Mailing Address:	_____
	Phone Number:	_____
	E-mail:	_____

SECTION 2: QUARTERLY PROGRESS REPORT

1. DELIVERABLES & MILESTONES

List all deliverables and milestones as stated in the FA, with start and end dates. Calculate the total project duration. DO NOT CHANGE THE ORIGINAL FA MILESTONE START AND END DATES SHOWN IN THE 2ND AND 3RD COLUMNS BELOW.

Grantees must make every effort to accurately portray milestone dates in the original FA Scope of Work, since this will provide the basis for calculating any project delay. If milestone start and/or end dates change from those stated in the Original FA Scope of Work indicate the new dates under Actual Schedule below and re-calculate the project duration. However this does not change the original milestones in your FA PER YOUR FA AGREEMENT ANY CHANGES TO THE PROJECT SCHEDULE MUST BE FORMALLY SUBMITTED UNDER SEPARATE COVER TO LACMTA FOR WRITTEN CONCURRENCE

FA Milestones	Original FA Schedule in Scope of Work		Actual Schedule	
	Start Date	End Date	Start Date	End Date
Environmental Clearance				
Design Bid & Award				
Design				
Right-of-Way Acquisition				
Construction Bid & Award				
Ground Breaking Event				
Construction				
Ribbon Cutting Event				
Total Project Duration (Months)				

2. PROJECT COMPLETION

A. Based on the comparison of the original and actual project milestone schedules above, project is (select only one) :

- On schedule per original FA schedule
- Less than 12 months behind original schedule
- Between 12-24 months behind original schedule
- More than 24 months behind original schedule

B. Was the project design started within 6 months of the date originally stated in the FA?

- Yes
- No
- Not Applicable

C. Was a construction contract or capital purchase executed within 9 months after completion of design / specifications?

- Yes
- No
- Not Applicable

3. TASKS / MILESTONES ACCOMPLISHED

List tasks or milestones accomplished and progress made this quarter.

4. PROJECT DELAY

If project is delayed, describe reasons for delay (this quarter). Pay particular attention to schedule delays. If delay is for the same reason as mentioned in previous quarters, please indicate by writing "Same as Previous Quarter".

6. ACTION ITEMS TO RESOLVE DELAY

If the project is delayed (as described in #4), include action items that have been, or will be, undertaken to resolve the delay.

SECTION 4 ITEMIZED LISTING OF EXPENSES AND CHARGES THIS QUARTER

All expenses and charges must be itemized and listed below. Each item listed must be verifiable by an invoice and/or other proper documentation. The total amounts shown here must be equal to this quarter's expenditures listed on page 1 of this report. All expenses and charges must be reflective of the approved budget and rates as shown in the FA Attachment B, Scope of Work. Use additional pages if needed.

ITEM	INVOICE #	TOTAL EXPENSES CHARGED TO LACMTA MEASURE R GRANT
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
TOTAL		

Note:

All receipts, invoices, and time sheets, attached and included with this Expense Report must be listed and shown under the invoice Number column of the Itemized Listing (above)

Invoice Payment information:

- LACMTA will make all disbursements electronically unless an exception is requested in writing.
- ACH Payments require that you complete an ACH Request Form and fax it to Accounts Payable at 213-922-6107.
- ACH Request Forms can be found at www.metro.net/callforprojects
- Written exception requests for Check Payments should be completed and faxed to Accounts Payable at 213-922-6107.

I certify that I am the responsible Project Manager or fiscal officer and representative of _____ and that to the best of my knowledge and belief the information stated in this report is true and correct.

Signature

Date

Name

Title

ATTACHMENT F BOND REQUIREMENTS

The provisions of this Attachment F apply only if and to the extent some or all of the Funds are derived from LACMTA issued Bonds or other debt, the interest on which is tax exempt for federal tax purposes and/or Build America Bonds as defined in the American Reinvestment and Recovery Act of 2009 or similar types of bonds (collectively, the "Bonds").

GRANTEE acknowledges that some or all of the Funds may be derived from Bonds, the interest on which is tax-exempt for federal tax purposes or with respect to which LACMTA receives a Federal subsidy for a portion of the interest cost or the investor receives a tax credit. GRANTEE further acknowledges its understanding that the proceeds of the Bonds are subject to certain ongoing limitations relating to the use of the assets financed or provided with such proceeds ("Project Costs" or "Project Components") in the trade or business of any person or entity other than a governmental organization (any such use by a person or entity other than a governmental organization is referred to as "Private Use"). Private Use will include any sale, lease or other arrangement pursuant to which a nongovernmental person or entity receives a legal entitlement of a Project Component and also includes certain agreements pursuant to which a nongovernmental person will operate or manage a Project Component. Each quarterly invoice submitted by GRANTEE to reimburse prior expenditures (or to be received as an advance) shall provide information regarding the specific Project Costs or Project Components to which the Funds which pay that invoice will be allocated and whether there is or might be any Private Use associated with such Project Costs or Project Components. GRANTEE will, for the entire time over which LACMTA's Bonds or other debt remains outstanding, (1) notify and receive LACMTA's approval prior to entering into any arrangement which will or might result in Private Use and (2) maintain records, including obtaining records from contractors and subcontractors as necessary, of all allocations of Funds to Project Costs or Project Components and any Private Use of such Project Costs or Project Components in sufficient detail to comply and establish compliance with Section 141 of the Internal Revenue Code of 1986, as amended (the "Code"), or similar code provision then in effect and applicable, as determined by the LACMTA in consultation with its bond counsel.

GRANTEE will designate one or more persons that will be responsible for compliance with the obligations described in this Attachment F and notify LACMTA of such designations.

RECEIVED

City of South Gate
CITY COUNCIL

Item No. 13

AUG 19 2020

CITY OF SOUTH GATE
OFFICE OF THE CITY MANAGER

8:10am

AGENDA BILL

For the Regular Meeting of: August 25, 2020
Originating Department: Administrative Services

Department Director:


Jackie Acosta

City Manager:


Michael Flad

SUBJECT: AMENDMENT NO. 3 TO CONTRACT NO. 2232 WITH ADMINSURE INC., FOR THE ADMINISTRATION OF THE CITY'S SELF-INSURED WORKERS' COMPENSATION PROGRAM

PURPOSE: To approve a 2% increase for this fiscal year and each of the next two fiscal years to AdminSure's monthly service fee for administering the City's Self-Insured Workers' Compensation Program.

RECOMMENDED ACTIONS:

- a. Approve Amendment No. 3 to Contract No. 2232 with AdminSure Inc., for the administration of the City's Self-Insured Workers' Compensation Program with a 2% rate increase for Fiscal Years 2020/21, 2021/22 and 2022/23; and
- b. Authorize the Mayor to execute Amendment No. 3 in a form acceptable to the City Attorney.

FISCAL IMPACT: Funds, in the amount of \$112,353, were included in the adopted Fiscal Year 2020/21 Municipal Budget for this contract in Account Number 511-220-12-6101 (Risk Management Fund - Professional Services). The total increased cost for Fiscal Year 2020/21 will be \$1,665, the total increased cost for Fiscal Year 2021/22 will be \$2,256 and the total increased cost for Fiscal Year 2022/23 will be \$2,304.

ANALYSIS: None.

BACKGROUND: AdminSure Inc., has administered the City of South Gate's Self-Insured Workers' Compensation Program since 2005, which includes the ongoing management and oversight of workers' compensation claims. AdminSure continues to deliver excellent service. Amendment No. 3 represents a 2% increase to AdminSure's monthly claims administration service fee for this fiscal year, effective October 1, 2020, and the following two fiscal years. This adjustment will help offset AdminSure's increase in business costs. The last time there was an increase in AdminSure's monthly service fee was in July 2018. The current monthly fee for AdminSure's services is \$9,224.00. The new monthly fee for Fiscal Year 2020/21 will be \$9,409.00, which is an increase of \$185.00 per month. The monthly fee for Fiscal Year 2021/22 will be \$9,597.00, an increase of \$188.00 per month. The monthly fee for Fiscal Year 2022/23 will be \$9,789.00, an increase of \$192.00 per month.

- ATTACHMENTS:**
- A) Proposed Amendment No. 3
 - B) Amendment No. 2
 - C) Amendment No. 1
 - D) Contract No. 2232

**AMENDMENT NO. 3 TO CONTRACT NO. 2232
FOR THE ADMINISTRATION OF THE CITY'S SELF-INSURED
WORKERS' COMPENSATION PROGRAM BETWEEN
THE CITY OF SOUTH GATE AND ADMINSURE INC.**

This Amendment No. 3 to Contract No. 2232 for the administration of the City's Self-Insured Workers' Compensation Program ("Amendment No. 3"), is made and entered into on August 25, 2020, and effective October 1, 2020, by and between the City of South Gate, a municipal corporation ("City"), and AdminSure Inc., a California corporation ("Consultant"). City and Consultant are sometimes hereinafter individually referred to as a "Party" and collectively as "Parties."

RECITALS

WHEREAS, on June 28, 2005, the City Council approved Contract No. 2232 with Consultant ("Agreement") effective July 1, 2005, for the administration of the City's Self-Insured Workers' Compensation Program, in the amount of Five Thousand Nine Hundred Fifty Dollars (\$5,950) per month;

WHEREAS, Amendment No. 1 to the Agreement, effective April 1, 2008, increased the monthly service fee to Eight Thousand One Hundred Ninety Dollars (\$8,190);

WHEREAS, effective July 1, 2014, the monthly service fee increased to Eight Thousand Four Hundred Forty Dollars (\$8,440);

WHEREAS, effective July 1, 2015, the monthly service fee increased to Eight Thousand Six Hundred Ninety-Five Dollars (\$8,695);

WHEREAS, effective July 1, 2016, the monthly service fee increased to Eight Thousand Nine Hundred Fifty-Five Dollars (\$8,955);

WHEREAS, on July 24, 2018, the City Council approved Amendment No. 2 to the Agreement, retroactively effective July 1, 2018, which increased the monthly service fee to Nine Thousand Two Hundred Twenty-Four Dollars (\$9,224); and

WHEREAS, the City and Consultant desire to increase the rate by 2% per year for Fiscal Year 2020/21 through and including Fiscal Year 2022/23 to cover the increasing costs of administering the City's Self-Insured Workers' Compensation Program, under the terms and conditions of the Agreement.

NOW, THEREFORE, THE PARTIES HEREBY AGREE AS FOLLOWS:

1. Paragraph 12 of the Agreement, entitled "Consideration," is hereby deleted in its entirety and replaced with the following language:

12. CONSIDERATION.

The City shall pay Consultant a monthly service fee for the administration of the City's Self-Insured Workers' Compensation Program of:

- a. Nine Thousand Four Hundred Nine Dollars (\$9,409) per month, effective October 1, 2020, through and including June 30, 2021.
- b. Nine Thousand Five Hundred Ninety-Seven Dollars (\$9,597) per month, effective July 1, 2021, through and including June 30, 2022.
- c. Nine Thousand Seven Hundred Eighty-Nine Dollars (\$9,789) per month, effective July 1, 2022, through and including June 30, 2023.

2. **ENTIRE CONTRACT.**

Except as expressly amended herein, all other terms and conditions of the Agreement shall remain in full force and effect. Without limiting the generality of the foregoing, the Agreement shall remain unchanged during the term of the Agreement. Furthermore, City reserves the right to augment or reduce the scope of work as City deems necessary.

[Remainder of page left blank intentionally]

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment No. 3 to be executed by their respective officers thereunto duly authorized.

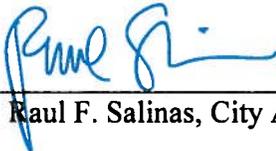
CITY OF SOUTH GATE:

By: _____
Maria Davila, Mayor

ATTEST:

By: _____
Carmen Avalos, City Clerk
(SEAL)

APPROVED AS TO FORM:

By:  _____
Raul F. Salinas, City Attorney

ADMINSURE INC.

By:  _____
Alithia Vargas-Flores, President

**AMENDMENT NO. 2 TO
WORKERS' COMPENSATION SELF-INSURANCE
SERVICE AGREEMENT**

This Amendment No. 2 ("Amendment") to that certain Workers' Compensation Self-Insurance Service Agreement dated July 1, 2005 (Contract No. 2232) ("Agreement"), between the City of South Gate ("City") and AdminSure Inc., a California Corporation ("AdminSure"), is hereby amended.

RECITALS

WHEREAS, except as to the amendment to Paragraph 12 noted below, the remaining portions of the Agreement shall otherwise stay unchanged and in effect according to its terms; and

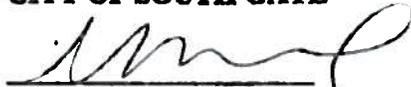
WHEREAS, the parties hereto represent and warrant that the signators below are duly authorized to execute this Amendment.

AMENDMENT

NOW, THEREFORE, the parties hereby agree as follows:

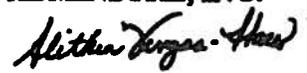
1. Paragraph 12 entitled "Consideration" is hereby deleted in its entirety and replaced with the following language:
2. "12. CONSIDERATION. The City shall pay AdminSure \$9,224 per month for Claims Administration Services. AdminSure may increase or decrease the monthly claims administration service fee by giving written notice of the proposed change to the City at least ninety (90) days prior to the effective date of the change."
3. The effective date of this Amendment is July 1, 2018.

CITY OF SOUTH GATE



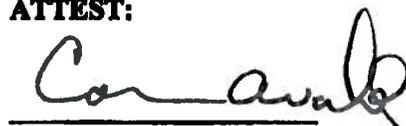
María Belén Bernal, Mayor

ADMINSURE, INC.



Alithia Vargas-Flores, President

ATTEST:



Carmen Avalos, City Clerk

APPROVED AS TO FORM:



Raul F. Salinas, City Attorney

**AMENDMENT NO. 1 TO
WORKERS' COMPENSATION SELF-INSURANCE
SERVICE AGREEMENT**

This Amendment No. 1 ("Amendment") to that certain Workers' Compensation Self-Insurance Service Agreement dated July 1, 2005 ("Agreement"), between the City of South Gate ("City") and AdminSure Inc., a California Corporation ("AdminSure"), is hereby amended.

RECITALS

WHEREAS, the City and AdminSure have met and discussed the City's Workers' Compensation Program and desire to restructure the fees charged by AdminSure to allow for cost savings achieved by the City and AdminSure;

WHEREAS, MedReview Inc. is a wholly owned subsidiary of AdminSure and will continue to serve as the medical bill reviewer and utilization reviewer;

WHEREAS, except as to the amendment to Paragraph 12 noted below, the remaining portion of the Agreement shall otherwise stay unchanged and in effect according to its terms; and

WHEREAS, the parties hereto represent and warrant that the signators below are duly authorized to execute this Amendment.

AMENDMENT

NOW, THEREFORE, the parties hereby agree as follows:

1. Paragraph 12 entitled "Consideration" is hereby deleted in its entirety and replaced with the following language:

"12. CONSIDERATION. The City shall pay AdminSure in accordance with the fee schedule set forth in Attachment "A", attached hereto and incorporated by reference. AdminSure may increase or decrease the service fee by giving written notice of the change to the City at least ninety (90) days prior to the change."

2. The effective date of this Amendment is April 1, 2008.

CITY OF SOUTH GATE



W.H. (Bill) De Witt, Mayor

ADMINSURE INC.



Alithia Vargas-Flores, Vice President

ATTEST:



Carmen Avalos, City Clerk

APPROVED AS TO FORM:



Raul F. Salinas, City Attorney

Attachment A

Fee Schedule

<u>Services</u>	<u>Fee Structure</u>
Claims Administration	\$8,190 per month (Average 91 claims per month X \$90 per claim)
Bill Review	\$10 Flat Fee Per Bill
PPO Fee (<i>Pass Through Fee ~ At Cost</i>)	18.5% of Savings (Average)
Utilization Review	4% of billed charges with a \$750 Cap; \$200 per hour physician fee (<i>Pass Through Fee ~ At Cost</i>)

**WORKERS' COMPENSATION SELF-INSURANCE
SERVICE AGREEMENT**

THIS AGREEMENT is entered into this 1st day of July 2005 between the City of South Gate, hereinafter referred to as the "CITY" and ADMINSURE, INC., a California Corporation, doing business as COLLEN & LEE, INC., hereinafter referred to as the "Administrator."

WHEREAS, the City has undertaken to self-insure its Workers' Compensation obligation; and

WHEREAS, the Administrator is engaged in the business of administering Workers' Compensation self-insurance programs; and

WHEREAS, the City's desires to retain the services of the Administrator to administer a Workers' Compensation self-insurance program, hereinafter referred to as the "Program," for the City;

NOW, THEREFORE, the City hereby retains the services of the Administrator and the Administrator agrees to perform service for the City under the terms and conditions of this Agreement.

1. **TERM:** This Agreement shall become effective as of July 1, 2005 and shall continue in effect until terminated by the cancellation provision set forth herein.
2. **PERIODIC MEETINGS:** The Administrator shall meet with City staff periodically to:
 - A. Assist the City in developing internal procedures.
 - B. Provide orientation and training on behalf of City personnel involved in the administration of the Program.
 - C. Discuss specific claims and general trends in the Program.
3. **ADVISORY SERVICES:** The Administrator shall provide written advisory bulletins to inform the City of the adoption, amendment or repeal of all statutes, rules and regulation, which directly affect the Program.

4. REQUIRED FORMS: The Administrator shall provide the City with all forms required by the State in connection with the Program.

5. COMPLIANCE WITH LAW: The Administrator shall administer the Program in full compliance with all laws, rules and regulations governing Workers' Compensation and self-insurance.

6. CLAIMS ADMINISTRATION: The Administrator shall have the authority and responsibility to provide claims administration services, which include:

- A. Entering claim information on a log and establishing a claim file upon receipt of an injury report.
- B. Setting and updating reserves.
- C. Arranging for investigation.
- D. Determining compensability.
- E. Preparing and issuing benefit notices and pamphlets.
- F. Arranging for medical treatment from specialists, as necessary.
- G. Initiating and maintaining contact with employees or their attorneys.
- H. Monitoring disability status by reviewing medical reports and calling doctors for updates.
- I. Sending all medical bills to MedReview, Inc., for review, thereafter, timely paying medical bills and MedReview, Inc. invoices. Sending all requests for Utilization Review to MedReview, Inc. and paying invoices for Utilization Review.
- J. Paying mileage reimbursement to employees.
- K. Paying temporary disability compensation when appropriate to do so or advising the City of the need to adjust payroll records when salary continuation is applicable.
- L. Arranging medical exams in conformance with State law to determine whether an employee's medical condition is

permanent and stationary and what, if any, permanent disability exists.

- M. Paying permanent disability compensation in accordance with the law.
- N. Arranging for attorney representation whenever the need arises, selecting attorneys from a list approved by the City and notifying the City's Risk Manager when such representation occurs. Instructing outside counsel to copy the City Attorney and Risk Manager on all correspondence and material pleadings in any litigation matter; and instructing the outside counsel to provide the City Attorney and Risk Manager budgets on a regular basis.
- O. Monitoring attorneys and assisting them in preparing cases.
- P. Auditing and paying legal expenses.
- Q. Arranging for vocational rehabilitation services when appropriate.
- R. Monitoring vocational rehabilitation consultants and assisting them as necessary.
- S. Auditing and paying vocational rehabilitation expenses.
- T. Attending all hearings that are required by law.
- U. Preparing and issuing vocational rehabilitation notices.
- V. Preparing and issuing permanent disability compensation notices.
- W. Pursuing subrogation when there is a viable third party.
- X. Notifying the City's excess insurers of all claims, which exceed or may exceed the self-insurance retention, maintaining a liaison between the City and its excess insurers on matters affecting the handling of such claims and arranging for reimbursement to the City of losses in excess of its self-insurance retention.
- Y. Obtaining settlement authority and negotiating settlement on appropriate claims.
- Z. Closing claim files when appropriate to do so.

7. OBLIGATIONS OF THE EMPLOYER: The City shall:

- A. Submit all reports of work injury to the Administrator within one business day of the City's knowledge of the injury.**
- B. Respond to Administrator requests for information and authority within five days of such requests.**
- C. Provide information that is accurate and is in a form specified by the Administrator.**
- D. Grant settlement authority to the Administrator in advance of vocational rehabilitation and legal hearings or be available by phone or in person during those hearings.**

8. CHECKING ACCOUNT: The City and the Administrator agree that:

- A. The City shall establish a checking account from which all Workers' Compensation benefits and expenses are to be paid.**
- B. The Administrator shall prepare checks and issue those checks directly to payees without delay.**
- C. The Administrator shall sign checks manually or with a facsimile signature.**
- D. The Administrator shall secure checks in a locked room accessible to a limited number of personnel.**
- E. The City shall maintain an adequate balance in the checking account to meet all Workers' Compensation obligations without delay.**
- F. The checking account may be used to pay civil penalties in which case the Administrator shall reimburse the City within fifteen days for any amount of the penalty, which the Administrator caused.**

9. ELECTRONIC DATA PROCESSING: The Administrator shall provide the City with electronic data processing services that will allow for the production of loss experience and transaction reports within ten days following the close of

each calendar month. The Administrator shall either print these reports or shall provide the City with electronic media containing the data needed to print such reports.

10. **REGULATORY REPORTING:** The Administrator shall prepare all reports required by State regulatory agencies in connection with the Program, including the Self-Insurer's Annual Report required by the Department of Self-Insurance Plans.

11. **RECORDS:** The Administrator shall establish and maintain claim files, claim logs, transaction documents and all other records associated with the Program. These records shall be the property of the City and shall be available, on five (5) days notice, for review or transfer to another custodian. Unless this Agreement is canceled, closed files shall be stored by the Administrator for five (5) years and shall thereafter become the responsibility of the City. Upon cancellation of this Agreement, the City shall be responsible for maintaining and storing all records. The Administrator shall not dispose of or destroy these records without the prior, written authorization of the City.

12. **CONSIDERATION:** The City shall pay the Administrator \$5,950.00 per month for claims administration services rendered. After the initial six (6) months of claims administration the Administrator may increase the service fee if the number of claims is higher than anticipated. The initial monthly fee quotation was based on administering 85 open claims at the rate of \$70.00 per claim, per month.

After the first year of this Agreement, the Administrator may increase or decrease the service fee by giving written notice of the change to the City at least ninety (90) days prior to the change.

There is a one-time data conversion fee which would be charged at cost at \$125.00 per hour and is due and payable upon completion of data conversion.

13. ALLOCATED/OTHER EXPENSES: The City shall pay for field investigation, defense attorneys, legal costs, remote photocopy, engineering experts, accident reconstruction experts, medical bill review, utilization review services, process servers, messenger service, court reporters, vocational rehabilitation consultants, structured settlement consultants and translators.

14. PENALTIES: The Administrator shall be responsible for paying or appealing penalties that are caused by the Administrator. The Administrator shall not be responsible for penalties that are caused by the City or any third parties.

15. INDEMNIFICATION: The Administrator shall indemnify, hold harmless, and defend the City from all claims, legal actions, losses, expenses, injuries or damages arising out of the Administrator's negligence or intentional wrongdoing incident to the performance of this Agreement.

16. INSURANCE: The Administrator shall:

- A. Maintain in force at all times General Liability Insurance in the amount of One Million (\$1,000,000) Dollars per occurrence combined single limit.
- B. Maintain in force at all times Professional Liability Insurance in the amount of One Million (\$1,000,000) Dollars per occurrence combined single limit.
- C. Maintain in force at all times a Fidelity Bond in the amount of One Million (\$1,000,000) Dollars.
- D. Maintain in force at all times Workers' Compensation Insurance for employees of the Administrator, as required by law.
- E. Notify the City, in writing, thirty (30) days prior to any cancellation or reduction in the above coverage's.

F. Maintain evidence of the above coverage's on file with the City throughout the term of this Agreement.

17. NOTICES: All notices, demands, requests, or approvals which are required under this Agreement, or which either the City or the Administrator may desire to serve upon the other, shall be in writing and shall be conclusively deemed served when delivered personally, or forty-eight (48) hours after the deposit thereof in the United States Mail with postage pre-paid.

18. CANCELLATION: This Agreement may be cancelled by either party giving to the other, in writing, notice of its intention to cancel this Agreement at least sixty (60) days prior to the date of termination. Upon the date of termination of this Agreement, or the date on which records are transferred to another custodian, whichever occurs first, the Administrator shall no longer have the authority or responsibility to administer the City's claims.

19. PARTIAL INVALIDITY: If any provision of this Agreement is held by a competent court to be invalid, void or unenforceable, the remaining provisions shall nevertheless continue in full force and effect.

20. GOVERNING LAW: The validity of this Agreement and of any of its terms and provisions shall be interpreted pursuant to the Laws of the State of California.

21. INTERPRETATION: The terms and conditions of this Agreement shall be construed pursuant to their plain, ordinary meaning and shall not be interpreted against the maker.

22. ASSIGNMENT: The Administrator shall not assign, sublet or transfer by operation of law or otherwise any or all of its rights, burdens, duties or obligations of this Agreement without the prior, written consent of the City.

23. CONFLICT OF INTEREST: The Administrator agrees not to enter into any activity or business arrangement, which is likely to result in a conflict between the interests of the City and the interests of any third parties.

24. ENTIRE CONTRACT: This instrument contains the entire Agreement between the parties relating to the rights herein granted and obligations herein assumed. Any oral representations or modifications concerning this instrument shall be of no force or effect. Subsequent modifications shall be made in writing with the agreement of both parties.

Approved on June 28, 2005

CITY OF SOUTH GATE



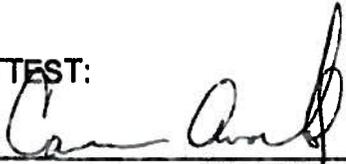
Gregory Martinez, Mayor

COLEN AND LEE, INC.



Bernard Colen, President

ATTEST:



Carmen Avalos, City Clerk

APPROVED AS TO FORM:



Raul F. Salinas, City Attorney

RECEIVED

City of South Gate
CITY COUNCIL

AUG 18 2020

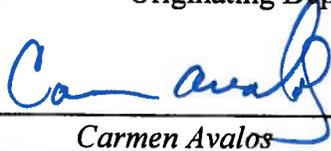
CITY OF SOUTH GATE
OFFICE OF THE CITY MANAGER

1:55pm

AGENDA BILL

For the Regular Meeting of: August 25, 2020
Originating Department: Office of the City Clerk

City Clerk:


Carmen Avalos

City Manager:


Michael Flad

SUBJECT: APPROVAL OF CITY COUNCIL MEETING MINUTES.

PURPOSE: To historically preserve the events of the City Council Meetings.

RECOMMENDED ACTION:

- A. Approve the Regular and Special City Council Meeting minutes of July 28, 2020.
- B. Approve the Regular and Special City Council Meeting minutes of August 11, 2020

FISCAL IMPACT: None.

ANALYSIS: The minutes are provided to the City Council on the Wednesday prior to their regular business meeting. Amendments should be provided to the City Clerk's Office within 24 hours of a City Council Meeting so that verification of the record and corrections are made accordingly. A revised document will be provided to the City Council prior to the Meeting.

BACKGROUND: The minutes typically describe the events of the meeting and may include a list of attendees, a statement of the issues considered by the participants, and related responses or decisions for the issues.

ATTACHMENTS: City Council Minutes

**CITY OF SOUTH GATE
SPECIAL CITY COUNCIL MEETING
MINUTES
TUESDAY, JULY 28, 2020**

- CALL TO ORDER** Maria Davila, Mayor called a Special City Council meeting to order at 5:35 p.m.
- ROLL CALL** Carmen Avalos, City Clerk
- PRESENT** Mayor Maria Davila, Vice Mayor Al Rios, Council Member Maria del Pilar Avalos, and Council Member Gil Hurtado; City Manager Mike Flad, City Attorney Raul F. Salinas
- ABSENT** Council Member Denise Diaz and City Treasurer Gregory Martinez
- CLOSED SESSION** City Attorney Salinas stated that item 2 will not be discussed in Closed Session.

The Council Members recessed into Closed Session at 5:39 p.m. and reconvened at 6:24 p.m. with four (4) Members of Council present. City Attorney Salinas reported the following:

1. CONFERENCE WITH LEGAL COUNSEL - PENDING LITIGATION
Pursuant to Government Code Section 54956.9(a), 54954.9(b)(3)(c)
 - a. Layton Kling v. City of South Gate
 - b. Juan Herberth Herrera and Maria E. Herrera v. City of South Gate
 - c. Evelia Mundo Sanchez v. City of South Gate
 - d. Alejandro Galindo Rojas/Graciela Rojas, Sydney Galindo, and Jayden Galindo v. City of South Gate

On item 1(a), the City Council received a report by the City Attorney and by the Public Works Director. Following that report and discussion and on a motion made by Mayor Davila and seconded by Council Member Hurtado and on a vote of 4-0, the City Council denied the complaint and authorized the defense of the lawsuit by the City Attorney.

Item 1(b) is a traffic accident claim filed against the City of South Gate. A report was provided by the City Attorney and City staff in connection with this incident.

SPECIAL CITY COUNCIL MEETING MINUTES OF JULY 28, 2020

Following that report, a motion was made by Councilwoman Avalos and seconded by Mayor Davila and on a vote of 4-0, City Council denied that claim.

Item 1(c) is a claim by someone who alleges that she fell on a City sidewalk. There was a report given by City staff and City Attorney with respect to this claim and following that report there was a motion made by Council Member Hurtado and seconded by Councilwoman Avalos and on a vote of 4-0, City Council denied that claim.

Item 1(d) involves a multi-party accident. There was a report given by City staff and City Attorney in connection with that claim and upon conclusion of that report there was a motion made by Councilwoman Avalos and seconded by Mayor Davila and on a vote of 4-0, City Council denied that claim.

2. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

Pursuant to Government Code Section 54956.9(c)

One (1) - Potential Case

Prior going into closed session it was announced that this item was being taken off the agenda. There was no discussion with respect to this item.

ADJOURNMENT

Mayor Davila adjourned the meeting at 6:27 p.m. and seconded by Council Member Hurtado.

PASSED and APPROVED this 25th day of August 2020.

ATTEST:

Maria Davila, Mayor

Carmen Avalos, City Clerk

**CITY OF SOUTH GATE
REGULAR CITY COUNCIL MEETING
MINUTES
TUESDAY, JULY 28, 2020**

CALL TO ORDER Maria Davila, Mayor called a Regular City Council meeting to order at 6:30 p.m.

INVOCATION Chief Randy Davis, South Gate Police Department

PLEDGE OF ALLEGIANCE Michael Flad, City Manager

ROLL CALL Carmen Avalos, City Clerk

PRESENT Mayor Maria Davila, Vice Mayor Al Rios, Council Member Maria del Pilar Avalos, and Council Member Gil Hurtado; City Treasurer Gregory Martinez, City Manager Mike Flad, City Attorney Raul F. Salinas

ABSENT Council Member Denise Diaz

1
REAL PROPERTY The City Council opened the Public Hearing and continued consideration of a Resolution approving the proposed Disposition and Development Agreement for the sale and development of the property located at 5821 Firestone Boulevard, to the August 11, 2020 City Council meeting.

Mayor Davila opened the public hearing and asked if anyone in the audience wishes to speak on this item. Seeing no one come forward, Mayor Davila closed the public hearing.

This item was continued to the City Council Meeting of August 11, 2020.

COMMENTS FROM THE AUDIENCE Virginia Johnson apologized to the City Clerk and never meant to suggest that the City Clerk was any less than professional in her handling of all the letters and speakers. She also spoke on the fact that Council Member Avalos is allowed to vote on the budget including the City Clerk's Department. Which she thinks should be a conflict of interest. She doesn't appreciate being threatened by Maria Estrada who sent her a letter threatening a law suit.

Claudia thanked the Mayor and the City for helping the residents during the time of COVID-19.

REGULAR CITY COUNCIL MEETING MINUTES OF JULY 28, 2020

COMMENTS FROM THE AUDIENCE CONT'D

OS Ryan spoke in support of the Mayor, the City Council, and the Police Department for their leadership.

Amanda Tapia spoke about the lack of change to the budget during the Special City Council Meeting of July 21st. She wants to know when the City will be holding the Budget Subcommittee meetings since the City failed in providing the information last time and believes it was not provided within the proper posting time frame according to the Brown Act. She also stated that she researched the guidelines for FEMA reimbursement and could not find food listed as a reimbursable expense. She is happy to see the testing center open but wants to see the demands of defunding the Police be met.

Albert, 4149 Tweedy Boulevard spoke in support of defunding the Police Department and reevaluate the budget.

Thomas Buckley, said that the City needs to raise the services for our digital meetings.

Carmen Avalos, responded that the City has updated the infrastructure for Zoom and we can accept as many as 500 participants.

Joe Strummer, spoke in support of the Police Department.

Santanio Hernandez, spoke in support of the Police Department.

Art Alvarez, Aldrich Road, spoke in support of the Police Department.

Cynthia Esquivel, 4718 Tweedy, spoke on matters regarding the JAA that were brought up at the Special City Council Meeting and payments from partner organizations for facility rentals.

Candice Esquivel, spoke on allocations made by Mr. Montalvo against Mr. Hurtado.

Albert spoke in support of defunding the Police Department and would like to see the money be used in ways to help the residents including a mask distribution for residents.

Andrea Paulino spoke against defunding the Police Department and warns the City Council against listening to Amanda Tapia.

Edgar spoke in support of defunding the Police Department.

Natalie spoke in support of defunding the Police Department and allocate the funds to programs that benefit the community.

REGULAR CITY COUNCIL MEETING MINUTES OF JULY 28, 2020

COMMENTS FROM

THE AUDIENCE CONT'D

Alberto spoke in support of defunding the Police Department and feels that the City Council should not allow speakers to personalize their comments towards other individuals during these meetings.

Susan Janer, spoke on the development of an apartment building near Legacy High School and is in support of the Police Department.

Veronica is against the money that was spent by the Police Department on food to feed officers. Even if the money is reimbursable by FEMA she believes it is not a justified purchase when we need more food drives.

Jovanna Laborin, 3372 Seminole received a copy of a public document that was sent to the Governor dated in June and signed by Denise Diaz as Vice Mayor. Ms. Laborin asked if this is acceptable considering that Mr. Rios is Vice Mayor. She also spoke about attacks on social media and Council Members being blamed for her actions.

Yesenia Martinez spoke in support of defunding the Police Department and the charges made by the Police Department for food. She would like to know what type of controls and procedures are in place to make sure no fraud is committed in regards to the use of the credit cards, what steps are being taken to negotiate operating costs and what fiscal responsibility does the Mayor and Council have to the people?

Brigette Ramirez agrees that the City Council should not allow speakers to personalize their comments towards other individuals during these meetings. Commissioners are representatives of the City Council and they should be held accountable for their behavior.

Alice Cueto spoke in support of the Police Department.

Natasha Dominguez asked why in the middle of a pandemic is the Police Department receiving 50% of the City's funds. These funds need to be used to help businesses and residents.

Karla Franco spoke about comments being made about the Mayor and on social media.

Bobbie Thompson spoke in support of the Mayor and the Police Department. She also spoke about the lack of parking in her area.

Adolfo Varas spoke about the process of getting a public record from the City. Over a month ago he requested city emails and he understands that some records are excluded but when it comes to an elected official that has an assigned city email this is open to request.

REGULAR CITY COUNCIL MEETING MINUTES OF JULY 28, 2020

COMMENTS FROM THE AUDIENCE CONT'D

Currently, Mr. Varas has not received any emails and he blames Council Member Diaz for the lack of response on his request.

Rose spoke about comments being made about public officials.

Aaron Ruiz spoke in support of defunding the Police Department and reapplying these funds to other City programs.

Mr. Fraire spoke on the homeless issues within the City.

John Montalvo, 9815 Virginia Avenue, spoke about the political harassment of City Councilmembers, City Commissioners and residents.

Maria Estrada spoke about the homeless problem within the City. She is against the food charges by staff and believes that this money should have been used for food banks. She also spoke about the political conduct of the City Council Members.

Christian is in support of defunding the Police Department.

Carmen Avalos, City Clerk read into the record the comments received from Joshua Barron with regards to the SGJAA.

Carmen Avalos, City Clerk read into the record the comments received from Lourdes Avalos acknowledging the exceptional work the City Clerk and her staff are doing.

Carmen Avalos, City Clerk read into the record the comments received from Andrea Paulino regarding the City Attorney's definition of immediate family as defined by the FPPC and rules of the decorum for the City Council Meetings.

Carmen Avalos, City Clerk read into the record the comments received from the South Gate Municipal Employee's Association and the South Gate Professional Mid-Management Association in support of South Gate Employees.

Carmen Avalos, City Clerk read into the record the comments received from Sofia Ryan in support of the South Gate Police Department and the current state of affairs within LAUSD schools.

Carmen Avalos, City Clerk read into the record the comments received from Suzanne Darias and Elizabeth Rodriguez in support of the South Gate Police Department.

REGULAR CITY COUNCIL MEETING MINUTES OF JULY 28, 2020

REPORTS AND COMMENTS

FROM CITY OFFICIALS Mike Flad, City Manager briefly responded to a few of the Public Comments made during the meeting.

Steve Costley, Acting Parks and Recreation Director reported that the COVID-19 testing site has opened at South Gate Park on Monday. The hours are from 9:00 a.m. to 3:00 p.m. The current contract is for 90 days but could be extended if needed.

Joe Perez, Community Development Director stated that there will be a free COVID-19 legal webinar for small businesses on Friday, July 31st. The City is continuing to promote the Census and get the word out to the community. This week is LA County Census week and the City is participating by putting up a mobile kiosk at various City locations. Also, there is a 12-city caravan and the City is participating with the caravan. One of the stops will be at the azalea shopping center.

Raul F. Salinas, City Attorney briefly responded to a few of the Public Comments made during the meeting.

Carmen Avalos, City Clerk stated that Los Angeles County Register Recorders Office has sent out postcards updating voter information. If there are no changes you do not need to return the card. The next election will be all vote by mail with the availability of vote centers.

Greg Martinez, City Treasurer spoke on the homeless situation in the City of South Gate and the surrounding area. We need to advocate with our State Representatives for more assistance.

Council Member Avalos announced that there is a food bank at the American Legion coming on Friday, July 25th. She encouraged everyone to wear their masks, wash or sanitize your hands because COVID is still out there. We all need to support one another to get through this and stop these attacks.

Council Member Avalos asked the City Manager if he had the current numbers for South Gate.

Mr. Flad responded that there are 3,131 confirmed positive number of cases and deaths are 46. The testing positive numbers continue to climb at an alarming rate. If there is anything positive is that our death numbers stay relatively constant but it is an unacceptable rate of growth in term of the positive testing. Los Angeles County wide is now at 178,000 positive and 4,400 deaths. Los Angeles county is very much the epicenter of the state.

REGULAR CITY COUNCIL MEETING MINUTES OF JULY 28, 2020

REPORTS AND COMMENTS

FROM CITY OFFICIALS Council Member Hurtado warned people against large gatherings and some people who don't think these issues are real. He has lost two family members to COVID-19. He knows that people have a difference of opinions but we need to respect each other and stop attacking each other.

Council Member Hurtado shared that the post office is considering directing employees to work only eight hours in an effort to cut overtime. If they don't finish their routes, they bring the mail in and start deliveries where they left off the next day. He doesn't know how serious the new post office general is with this practice but it is a message that was passed along to the various offices.

Vice Mayor Rios thanked staff for their hard work and the programs we are able to provide. Through HUB Cities 81 South Gate residents have received at least \$2,000 for rental assistance, food and security. A total of \$162,000 was allocated to immigrant residents in the South East area. We have challenges moving ahead but he believes that we have a team between City Council and Staff that can do some good things.

Mayor Davila thanked everyone for calling in and she takes everyone's comments seriously. We are living in very challenging times and we need to work together to get through this together. She encouraged everyone to get tested. She congratulated Ed, who was promoted to Sergeant and was honored to be invited to his promotion. Mayor Davila stated that the last thing she would do is defund the Police. She is willing to look and work to lower the budget but not at the cost of safety for the City. We need to work together and keep everyone safe.

CONSENT CALENDAR Agenda Items 5, 6, 7, and 8 were approved by motion of Mayor Davila and seconded by Council Member Hurtado. Items 2, 3 and 4 were pulled for separate discussion.

ROLL CALL: Mayor Davila, yes; Vice Mayor Rios, yes, Council Member Hurtado, yes; Council Member Avalos, yes; Council Member Diaz, Absent.

² COMMUNITY PROMOTION

The City Council approved A and B by motion of Mayor Davila and seconded by Vice Mayor Rios.

- a. Approved Amendment No. 2 to Contract No. 3562 with Tripepi Smith and Associates, Inc., for additional Marketing and Economic Development Design Support Services on an as-needed basis, in the amount of \$10,000;

REGULAR CITY COUNCIL MEETING MINUTES OF JULY 28, 2020

**2
COMMUNITY
PROMOTION CONT'D**

- b. Authorized the Mayor to execute the Agreement in a form acceptable to the City Attorney.

ROLL CALL: Mayor Davila, yes; Vice Mayor Rios, yes, Council Member Hurtado, yes; Council Member Avalos, no; Council Member Diaz, Absent.

**3
BUILDING PLAN
CHECK SERVICES**

The City Council approved A and B by motion of Council Member Avalos and seconded by Vice Mayor Rios.

- a. Approved Amendment No. 1 to Contract No. 3360 Interwest Consulting Group to continue providing plan check and building inspection services for an additional two-year term, in an amount not to exceed \$500,000, or \$250,000 annually; and
- b. Authorized the Mayor to execute Amendment No. 1 in a form acceptable to the City Attorney.

ROLL CALL: Mayor Davila, yes; Vice Mayor Rios, yes, Council Member Hurtado, yes; Council Member Avalos, yes; Council Member Diaz, Absent.

**4
PARKING & TRAFFIC**

The City Council approved A and B as amended by motion of Mayor Davila and seconded by Vice Mayor Rios.

Amendment: Approve contract for a one-year term and bring a report back to City Council on the cost of hiring an in-house engineer.

- a. Approved an Agreement (Contract No. 2020-65-CC) with Kimley-Horn and Associates, Inc., to provide traffic engineering and staff augmentation services for a one-year term with an option for a one-year extension, for an annual amount not to exceed \$105,000; and
- b. Authorized the Mayor to execute the Agreement in a form acceptable to the City Attorney.

ROLL CALL: Mayor Davila, yes; Vice Mayor Rios, yes, Council Member Hurtado, yes; Council Member Avalos, no; Council Member Diaz, Absent.

REGULAR CITY COUNCIL MEETING MINUTES OF JULY 28, 2020

5

WATER ISSUES

The City Council approved A and B during Consent Calendar

- a. Approved an Agreement (Contract No. 2020-66-CC) with AARC Consultants, LLC, to perform a Risk and Resilience Assessment of the City's municipal water system and update the Emergency Response Plan to comply with America's Water Infrastructure Act of 2018, for an amount not to exceed \$121,085; and
- b. Authorized the Mayor to execute the Agreement in a form acceptable to the City Attorney.

6

REAL PROPERTY

The City Council approved A, B and C during Consent Calendar.

- a. Approved Amendment No. 1 to Contract No. 2020-49-AC with KOA Corporation for additional construction inspection services through the completion of construction of the 10920 Garfield Avenue Street and Water Utilities Improvement Project, in an amount not-to-exceed \$30,000;
- b. Appropriated \$60,000 from the unassigned General Fund balance to Account No. 100-701-31-6106 (General Fund - Public Works Engineering - New Development Services) to fund the cost of this contract; and
- c. Authorized the Mayor to execute Amendment No. 1 in a form acceptable to the City Attorney.

7

COMPUTER SERVICES

The City Council approved A and B during Consent Calendar.

- a. Approved Microsoft Enterprise License Agreement with SHI for Microsoft Office 365, a cloud-based electronic mail system, for a three-year term, in the amount of \$218,442, or \$72,814 annually; and
- b. Authorized the issuance of a Purchase Order to SHI for the purchase of this 3-year Microsoft Enterprise License Agreement.

8

MINUTES

The City Council approved the Regular and Special Meeting minutes of July 14th, 2020 during Consent Calendar.

REGULAR CITY COUNCIL MEETING MINUTES OF JULY 28, 2020

9

CITY MEMBERSHIP

The City Council approved an annual membership with the Government Alliance on Race and Equity organization to advance racial justice and equity in the community, in the amount of \$1,000 by motion of Mayor Davila and seconded by Council Member Avalos.

ROLL CALL: Mayor Davila, yes; Vice Mayor Rios, yes, Council Member Hurtado, yes; Council Member Avalos, yes; Council Member Diaz, Absent.

10

POLICE

The City Council received and filed a status report on the body-worn camera program for South Gate Police Officers were approved by motion of Mayor Davila and seconded by Vice Mayor Rios.

ROLL CALL: Mayor Davila, yes; Vice Mayor Rios, yes, Council Member Hurtado, yes; Council Member Avalos, abstain; Council Member Diaz, Absent.

**DEVIATE FROM
THE AGENDA**

At this time, there being no objections, Mayor Davila allowed the City Attorney to introduce Victor Lopez Martinez who will be helping the City Attorney's Office with an Ordinance Projects. He is a second year law student who was introduced to the City Attorney by Council Member Diaz.

**DEVIATE FROM
THE AGENDA**

At this time, there being no objections, Mayor Davila allowed Item 4 to be brought back at this time to hear Public Comments for Item 4.

11

HOUSING

The City Council considered:

- a. Receiving and filing status report of the recommended Inclusionary Housing Ordinance policy; and
- b. Providing direction to staff.

This item was continued to the City Council Meeting of August 11, 2020 by motion of Mayor Davila and seconded by Vice Mayor Rios.

ROLL CALL: Mayor Davila, yes; Vice Mayor Rios, yes, Council Member Hurtado, yes; Council Member Avalos, yes; Council Member Diaz, Absent.

REGULAR CITY COUNCIL MEETING MINUTES OF JULY 28, 2020

WARRANTS

WARRANTS

The City Council approved A, B, and C with the exception of Warrants 89420, 89415, 89450, and 89428 by motion of City Auditor Avalos and seconded by Mayor Davila.

- a. Ratified the warrant register from July 14, 2020 for Fiscal Year 2020/21;
- b. Approved Check Nos. 89157, 89186 and 89299 from July 14, 2020; and
- c. Approved the Warrant register for July 28, 2020.

Total of Checks:	\$2,730,364.18
Voids:	\$ 0.00
Total Payroll Deductions (FY 2019/20):	\$ 3,820.14
Total Payroll Deductions (FY 2020/21)	<u>\$ 339,580.92</u>
Grand Total:	\$2,386,963.12

ROLL CALL: Mayor Davila, yes; Vice Mayor Rios, yes, Council Member Hurtado, yes; Council Member Avalos, yes; Council Member Diaz, Absent.

DEVIATE FROM THE AGENDA

At this time, there being no objections, Mayor Davila allowed Council Member Avalos to give an educational recognition to Leslie Medina, Code Enforcement and Kasandra Mackey, Administrative Services.

ADJOURNMENT

Mayor Davila adjourned the meeting in Memory of Gabriela Garcia O'Donell, Mother of Mayor Robert Garcia, Gregorio Cruz, Family Member of Council Member Hurtado, Jose Gutierrez and Petra Abalea Adane, Family Members of Council Member Avalos at 11:15 p.m. and seconded by Council Member Avalos.

PASSED and APPROVED this 25th day of August 2020.

ATTEST:

Maria Davila, Mayor

Carmen Avalos, City Clerk

**CITY OF SOUTH GATE
SPECIAL CITY COUNCIL MEETING
MINUTES
TUESDAY, AUGUST 11, 2020**

CALL TO ORDER: Maria Davila, Mayor called a Special City Council meeting to order at 5:35 p.m.

ROLL CALL Carmen Avalos, City Clerk

PRESENT Mayor Maria Davila, Vice Mayor Al Rios, Council Member Maria del Pilar Avalos, Council Member Denise Diaz and Council Member Gil Hurtado; City Manager Mike Flad, City Attorney Raul F. Salinas

ABSENT City Treasurer Gregory Martinez

CLOSED SESSION The Council Members recessed into Closed Session at 5:36 p.m. and reconvened at 6:32 p.m. with five (5) Members of Council present. City Attorney Salinas reported the following:

1. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

Pursuant to Government Code Section 54956.9(c)

One (1) - Potential Case

Item 1 was pulled by the City Attorney and was not discussed during Closed Session.

2. CONSIDER THE EVALUATION OF PERFORMANCE OF A PUBLIC EMPLOYEE

Pursuant to Government Code Section 54957 and 54957.6

a. City Manager

On item 2 there was a discussion on the topic and upon conclusion of the discussion there was no reportable action.

ADJOURNMENT Mayor Davila adjourned the meeting at 6:33 p.m. and seconded by Council Member Hurtado.

PASSED and APPROVED this 25th day of August 2020.

ATTEST:

Maria Davila, Mayor

Carmen Avalos, City Clerk

**CITY OF SOUTH GATE
REGULAR CITY COUNCIL MEETING
MINUTES
TUESDAY, AUGUST 11, 2020**

CALL TO ORDER Maria Davila. Mayor called a Regular City Council meeting to order at 6:34 p.m.

INVOCATION Church Pastor Elias Gabriel. First Baptist Church

PLEDGE OF ALLEGIANCE Daisy Banuelos, South Gate Resident

ROLL CALL Carmen Avalos, City Clerk

PRESENT Mayor Maria Davila, Vice Mayor Al Rios, Council Member Maria del Pilar Avalos, Council Member Denise Diaz and Council Member Gil Hurtado; City Manager Mike Flad, City Attorney Raul F. Salinas

LATE City Treasurer Gregory Martinez joined the meeting at 6:55 p.m.

I.

APPOINTMENTS The City Council made appointments to the City Commissions, Committees and Boards; the appointments were ratified by a majority vote of the City Council.

Council Member Diaz appointed Bridgette Garza to the Citizens Advisory Commission and seconded by Mayor Davila.

Council Member Diaz appointed Christina Montalvo to the Citizens Advisory Commission and seconded by Mayor Davila.

Roll CALL: Mayor Davila, yes; Vice Mayor Rios, yes; Council Member Diaz, abstained; Council Member Hurtado, yes; Council Member Avalos, yes

2.

APPOINTMENTS The City Council unanimously ratified, by a majority vote, the appointment of Daisy Banuelos to the Commission for South Gate Youth by motion of Mayor Davila and seconded by Council Member Avalos.

Roll Call: Mayor Davila, yes; Vice Mayor Rios, yes; Council Member Diaz, yes; Council Member Hurtado, yes; Council Member Avalos, yes

REGULAR CITY COUNCIL MEETING MINUTES OF AUGUST 11, 2020

3.

REAL PROPERTY

The City Council opened the Public Hearing and unanimously continued consideration of adopting a resolution approving the proposed Disposition and Development Agreement for the sale and development of the property located at 5821 Firestone Boulevard, to the August 25, 2020 City Council meeting by motion of Vice Mayor Rios and seconded by Council Member Hurtado.

Roll Call: Mayor Davila, yes; Vice Mayor Rios, yes; Council Member Diaz, yes; Council Member Hurtado, yes; Council Member Avalos, yes

Mayor Davila opened the public hearing and asked if anyone in the audience wishes to speak on this item.

Seeing no one come forward, Mayor Davila closed the public hearing.

After the Public Hearing the Mayor allowed Mr. John Montalvo to speak as he was inadvertently missed during the Public Hearing.

John Montalvo asked if there are development plans for the property.

The Mayor responded that there are currently no plans for the property.

4.

WASTE MANAGEMENT

The City Council conducted a Public Hearing to consider adopting a Resolution amending Resolution No. 7872 (Schedule of Fees) to apply a 3.36% rate increase to the residential refuse collection and recycling services for Fiscal Year 2020/21, retroactively effective July 1, 2020.

This item was unanimously continued to the next City Council meeting by motion of Mayor Davila and seconded by Council Member Hurtado.

Roll Call: Mayor Davila, yes; Vice Mayor Rios, yes; Council Member Diaz, yes; Council Member Hurtado, yes; Council Member Avalos, yes

Mike Flad, City Manager gave a brief presentation on this item. The City Manager explained that at the request of City Council, staff went back to Waste Management to see if they would consider not receiving a rate increase due to current events. Waste Management is willing to consider the request but would like some more time to review the proposal. City Staff is recommending to continue this item until the next meeting.

Mayor Davila opened the public hearing and asked if anyone in the audience wishes to speak on this item.

REGULAR CITY COUNCIL MEETING MINUTES OF AUGUST 11, 2020

**4.
WASTE MANAGEMENT
CONT'D**

Virginia Johnson personally does not have a problem with the rate increase. She has heard that when a trash receptacle is being replaced, it is replaced with a smaller unit. She stated that the public hearing notice was published in the WAVE but with both City Hall and the Library being closed no one gets the paper.

John Montalvo spoke on the increase in rates for not only trash but for most of the utilities. He also stated that the WAVE will be going digital so we can have access to the public notices online.

Sharon Shapiro-Fox from Waste Management did state that they are willing to have a conversation with the City about the increase.

**5.
CONSOLIDATED PLAN**

The City Council opened the Public Hearing and unanimously continued consideration of adopting a Resolution approving the 2020-2025 Consolidated Plan; the Annual Action Plan for Fiscal Year 2020/21; the 2020 Analysis of Impediments to Fair Housing Choice; and the Citizen Participation Plan to the regularly scheduled City Council meeting of August 25, 2020 by motion of Mayor Davila and seconded by Council Member Hurtado.

Roll Call: Mayor Davila, yes; Vice Mayor Rios, yes; Council Member Diaz, yes; Council Member Hurtado, yes; Council Member Avalos, yes

Mayor Davila opened the Public Hearing and asked if anyone in the audience wishes to speak on this item.

Seeing no one come forward, Mayor Davila closed the public hearing.

**DEVIATE FROM
THE AGENDA**

At this time, there being no objections, Mayor Davila stated that item 16 would be considered out of its regular agenda order.

**16.
HOUSING**

The City Council unanimously approved A and B by motion of Mayor Davila and seconded by Vice Mayor Rios.

Roll Call: Mayor Davila, yes; Vice Mayor Rios, yes; Council Member Diaz, yes; Council Member Hurtado, yes; Council Member Avalos, yes

- a. Received and filed a report of the recommended inclusionary housing ordinance policy; and
- b. Provided direction to staff.

REGULAR CITY COUNCIL MEETING MINUTES OF AUGUST 11, 2020

PUBLIC COMMENT

Virginia Johnson, thanked the Community Development Department for keeping the residents informed on the homeless housing project on Garfield Avenue.

Adolfo Varas thanked everyone that helped him to deliver food to people in need. He spoke on the records request process and the lack of response from the City Clerk's Office regarding his request for email records.

Chris spoke on reallocating general funds to other budgets and defund the Police Department.

Veronica is in support of reallocating general funds to other budgets and defund the Police Department.

Thomas Buckley stated that the dial in options for the meeting have changed and is hoping for clearer directions for future meetings. He commented on the behavior of South Gate Commissioners and lack of City Council oversight for contempt and mayhem.

John Montalvo read a statement that was written by Council Member Hurtado regarding COVID-19 and the closing of all City Parks. Mr. Montalvo questioned if the park is closed why are some Council Members having press conferences there and some participants were not following the safety guidelines. He commented on JAA and the refund process because of COVID-19 and that he sent an email to the City Council regarding funding and allocating \$500,000 to community needs.

Mr. Fraire spoke in support of defunding the Police Department.

Candice Esquivel commented on the behavior of South Gate Commissioners and lack of City Council oversight.

Alberto spoke in support of defunding the Police Department.

Cindy Esquivel, spoke about the need for a dog park near South Gate Park.

Mayra Mendez is tired of the arguing between Council Members. She commented on the behavior of Council Member Diaz and the accusations she has made. If her statements were accurate why would Univision pull the story? She has also made a request regarding the emails of Council Member Diaz.

Brigette Ramirez commented on the behavior of the Council Members and Commissioners. She stated that too much time is being wasted during Council meetings just so people can come online and attack each other.

REGULAR CITY COUNCIL MEETING MINUTES OF AUGUST 11, 2020

PUBLIC COMMENT CONT'D

Alice spoke in support of the South Gate Police Department.

Aaron suggested have a virtual town hall meeting to discuss funding for the Police Department.

Edgar spoke in support of defunding the Police Department and his disappointment in the City Council and the lack of support for the community.

Jovanna Laborin thanked members of the community for their support for the community food drives. She also commented on the behavior of the Council Members, Commissioners, and residents on Social Media.

Luz lack of response from the Mayor during the COVID-19 outbreak.

Joe spoke in support of the South Gate Police Department and the City Council.

Claudia Hugar spoke in support of Mayor Davila and how she is being attacked by Council Member Diaz.

Carmen Avalos, City Clerk read into the record the comments of John Montalvo regarding funding programs that would assist residents suffering from the effects of COVID-19.

City Clerk Avalos read into the record the comments of Susie Daria about the needs of the community during the COVID-19 outbreak.

City Clerk Avalos read into the record the comments of April regarding the actions of Mr. Montalvo and Council Member Diaz.

REPORTS AND COMMENTS FROM CITY OFFICIALS

Steve Costly, Acting Parks and Recreation Director reported on the COVID-19 testing center at South Gate Park.

Joe Perez, Community Development Director reported that Los Angeles County have offered a rent relief program for residents of the City of South Gate and other LA County residents. The application period begins August 17, 2020, and ends August 31, 2020, and there is a link on the Cities website.

Mike Flad, City Manager reported that 1,140 people in LA County tested positive for COVID within the last 24 hours and another 63 people passed away. South Gates cumulative total is 3,688 positive and 55 residents have passed away. He thanked all the essential workers in the City.

REGULAR CITY COUNCIL MEETING MINUTES OF AUGUST 11, 2020

REPORTS AND COMMENTS FROM CITY OFFICIALS

CONT'D

Raul Salinas, City Attorney commented on a few issues that were brought up during public comments. First being why do we not cut off attacks on individuals and Council Members.

The City has limited rights in restricting the opinions made during public comments. Our policy is to limit comments to five minutes and have the speaker address their comments specifically to the City Council. There was also a comment about emails and the production of the emails. This is a very recent event and that a few years ago case law said that emails that are sent to and from a City Council Member are public records under the Brown Act but there are limitations. This limitation is that the email must pertain to the business of the City. We do have employees that make sure we are responsive to the Public Records Act requests.

Carmen Avalos updated everyone on the upcoming elections. The County of Los Angeles will be sending out a ballot to every single registered voter in the City of South Gate. We will have a 24-hour drop-off box that will be located at Long Beach Boulevard and Southern Avenue. Residents can mail it back, however, the County is looking at possibly having a vote center in the City of South Gate.

Council Member Avalos agrees that we need to have a meeting among Council Members so we are able to provide quality leadership. She announced that there will be a food giveaway hosted by the South Gate Chamber of Commerce on August 21st and the first 200 students will be receiving backpacks. She requested that Mr. Costley see if there is any way to open the Auditorium or Girls Clubhouse in the fall to assist college students that are beginning their online classes. She wants to see if we can designate this space for our youth to come, set up a computer and take their classes.

Council Member Diaz spoke about a new idea called a Pandemic Pod or Academic Learning Center. Local cities are opening up their large Auditoriums and/or Senior Centers with the required safety regulations. These locations provide free Wi-Fi and space where students can do their homework. She would like staff to look at the opportunity to bring this to our community. Council Member Diaz asked Mr. Costley if he could respond to her request of ways to provide public transportation to residents without access to vehicles for testing and food drives.

Mr. Costly responded that we are hoping to have a program up and running at the end of the week. Staff would be working with our local Fiesta Taxi Group to provide transportation to anyone that has an appointment to the testing facility.

REGULAR CITY COUNCIL MEETING MINUTES OF AUGUST 11, 2020

REPORTS AND COMMENTS FROM CITY OFFICIALS

CONT'D

Lastly, Council Member Diaz spoke on being a young Latina woman in politics and the challenges she faces. She hopes that the Council Members can get over their differences to work together.

Council Member Hurtado apologized to staff for all the political differences that are currently going on within the City. A Council that cannot function cannot bring resources to the City. He spoke about the recent conflict between councilmembers and that he hopes that the meeting scheduled for next week can happen. Council Member Hurtado spoke on the effects of COVID-19 for South Gate and he asked all his supporters to stop the attacks. We cannot control what the other side does but we can take ownership of our own actions.

Council Member Hurtado received a request from one of the City's Senior Citizens asking about the pool and that this is the only way that they can exercise. He asked staff if there is any way to bring some type of program to the seniors that would safely provide exercise.

Vice Mayor Rios is in support of looking into the possibility of learning pods and is willing to meet with members of the public regarding the budget concerns of the community. He spoke about the voting process at the upcoming election and that the Census will be shortened by a month ending in September. Metro will be rerouting some of the bus routes for the County and the fee structure is also being reviewed. Both the Council and public need to come together because we need to keep moving the City forward.

Mayor Davila stated that she attended several meetings. She met with LAUSD and their Directors. LAUSD informed her that all students have been provided with Chromebooks and Wi-Fi connections. For the Gateway Cities Meeting they sent a letter of support to see if they can extend the due date for the census. She thanked the Community Development Department for their work on the census. She also thanked Carmen Avalos, City Clerk for looking out for our City for the upcoming election. She thanked everyone for their hard work providing food for the residents.

Mayor Davila spoke on the rights of the public and City Council to comment at the City Council Meetings. She wants to focus on the issues that are important to the City not the comments on social media. We need to move forward and work together to make sure our residents come first.

REGULAR CITY COUNCIL MEETING MINUTES OF AUGUST 11, 2020

CONSENT CALENDAR Agenda Items 9, 10, 11, 13, 14 and 15 were approved by motion of Mayor Davila and seconded by Vice Mayor Rios. Items 6 and 12 were pulled for separate discussion.

Roll Call: Mayor Davila, yes; Vice Mayor Rios, yes; Council Member Diaz, yes; Council Member Hurtado, yes; Council Member Avalos, yes

6.
CDBG

The City Council considered:

- a. Approving the Community Development Block Grant (CDBG) Program Subrecipient Agreements for Fiscal Year 2020/21, retroactively effective July 1, 2020, with:
 1. The Fair Housing Foundation in the amount of \$24,000;
 2. Southern California Rehabilitation Services in the amount of \$8,000;
 3. The Salvation Army, DBA The Salvation Army Western Territory in the amount of \$22,500;
 4. Helpline Youth Counseling in the amount of \$22,500;
 5. The Tweedy Mile Association for a total amount of \$60,000; each of the ten participating businesses will receive a \$6,000 grant for exterior improvements; and
- b. Authorizing the Mayor to execute the Agreements in a form acceptable to the City Attorney.

This item was continued to the next City Council Meeting by motion of Mayor Davila and seconded by Council Member Avalos.

Roll Call: Mayor Davila, yes; Vice Mayor Rios, yes; Council Member Diaz, yes; Council Member Hurtado, yes; Council Member Avalos, yes

7. This item was removed from the agenda.

8. This item was removed from the Agenda.

9.
NPDES

The City Council unanimously approved A and B during Consent Calendar.

- a. Approved Amendment No. 1 to Contract No. 3341 with John L. Hunter and Associates, Inc., extending management services of the National Pollutant Discharge Elimination System Program for an additional two-year term, retroactively effective July 1, 2020, in an additional amount not to exceed \$116,335; and

REGULAR CITY COUNCIL MEETING MINUTES OF AUGUST 11, 2020

9.

NPDES CONT'D

- b. Authorized the Mayor to execute Amendment No. 1 in a form acceptable to the City Attorney.

10.

TREE TRIMMING

The City Council unanimously approved A and B during Consent Calendar.

- a. Approved Amendment No. 2 to Contract No. 3243 with West Coast Arborist, Inc., extending Citywide Tree Maintenance Services, for an additional one-year term, through July 31, 2021, for an amount not-to-exceed \$522,468; and
- b. Authorized the Mayor to execute Amendment No. 2 in a form acceptable to the City Attorney.

11.

MEDIANS

The City Council unanimously approved A, B, and C during Consent Calendar.

- a. Approved Amendment No. 1 to Contract No. 3410 with Parkwood Landscape Maintenance, Inc., extending landscaping maintenance services through June 30, 2021, and adding additional landscaping maintenance services for the new landscape and irrigation systems installed on the Firestone Boulevard medians, for an amount not-to-exceed \$172,885;
- b. Appropriated \$69,000 in Measure R Funds to Account No. 224-780-31-6101 (Measure R - Professional Services) to cover the cost for the additional landscaping maintenance services; and
- c. Authorized the Mayor to execute Amendment No. 1 in a form acceptable to the City Attorney.

12.

QUARTERLY REPORT

The City Council unanimously received and filed the Quarterly Investment Report for the quarter ended December 31, 2019 by motion of Vice Mayor Rios and seconded by Mayor Davila.

Roll Call: Mayor Davila, yes; Vice Mayor Rios, yes; Council Member Diaz, yes; Council Member Hurtado, yes; Council Member Avalos, yes

13.

QUARTERLY REPORT

The City Council unanimously received and filed the Quarterly Investment Report for the quarter ended March 31, 2020 during Consent Calendar.

REGULAR CITY COUNCIL MEETING MINUTES OF AUGUST 11, 2020

14.
EQUIPMENT The City Council unanimously authorized the issuance of a Purchase Order with Turf Star Western for the purchase of a Toro Grounds Master model 5910, large area rotary mower for the Parks & Recreation Department in the total amount of \$128,882.47 during Consent Calendar.

15.
MINUTES The City Council unanimously approved the Special City Council Meeting minutes of July 21, 2020 during Consent Calendar.

17.
WARRANTS The City Council unanimously approved A and B with the exception of Warrant # 89600 by motion of Council Auditor and seconded by Mayor Davila.

- a. Approved Check Nos. 89415, 89420, 89428 and 89450 from July 28, 2020; and
- b. Approved the Warrant register for August 11, 2020.

Total of Checks:	\$11,498,214.24
Voids:	(\$ 420,662.14)
Total Payroll Deductions (FY 2020/21)	<u>(\$ 355,059.20)</u>
Grand Total:	\$10,722,492.90

Cancellations: 88922, 89390

Roll Call: Mayor Davila, yes; Vice Mayor Rios, yes; Council Member Diaz, yes; Council Member Hurtado, yes; Council Member Avalos, yes

Council Member Avalos recognized Johanna Monterroza, South Gate Police Department for working towards a higher education

ADJOURNMENT Mayor Davila unanimously adjourned the meeting at 10:06 p.m. and seconded by Council Member Avalos.

PASSED and APPROVED this 25th day of August 2020.

ATTEST:

Maria Davila, Mayor

Carmen Avalos, City Clerk

PARTIAL WARRANT REGISTER FOR COUNCIL MEETING 8/25/2020 (FY 2019/20)
(CHECK NOT APPROVED ON 8/11/2020)

PART I

RECEIVED

10:55am
 AUG 20 2020

Final Check List
 CITY OF SOUTH GATE

Page: 1

apChkLst
 08/18/2020 7:33:11PM

Bank : botw BANK OF THE WEST

**CITY OF SOUTH GATE
 OFFICE OF THE CITY MANAGER**

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
89600	8/11/2020	0012020	TRIEPEI, SMITH AND ASSOCIATES 4891	3/15/2020	3/15/20-4/14/20: MONTHLY RETAIN	3,500.00	
	Voucher:	89600	5223	6/30/2020	JUN 2020: PROGRAM FOR CABLE	2,746.25	6,246.25

Sub total for BANK OF THE WEST: 6,246.25

1 check in this report.

Grand Total All Checks: 6,246.25

Item No. 15a

Page: 1

**PARTIAL WARRANT REGISTER SUMMARY
CITY COUNCIL MEETING 8/25/2020
(CHECK NOT APPROVED ON 8/11/2020)**

TOTAL PART I - ACCOUNTS PAYABLE CHECKS (FY 2019/20)	6,246.25
GRAND TOTAL	6,246.25

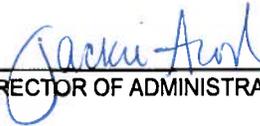
SOUTH GATE CITY COUNCIL WARRANT APPROVAL

Warrant Number 89600, totaling \$6,246.25, as listed on the accompanying Accounts Payable Partial Warrant Register from August 11, 2020 is approved as presented.

<i>Check</i>	<i>Vendor</i>	<i>Check Date</i>	<i>Amount</i>	<i>Reason for Void</i>
	GRAND TOTAL OF VOIDED & REPLACEMENT CHECKS		0.00	

CITY AUDITOR

CITY MANAGER



DIRECTOR OF ADMINISTRATIVE SERVICES

Pursuant to action of the City Council on August 25, 2020 at a regular or adjourned meeting, the City Treasurer was ordered to pay the above warrant, as approved.

WARRANT REGISTER FOR COUNCIL MEETING 8/25/2020 (FY 2020/21)

PART I

RECEIVED

10:55am

AUG 20 2020

apChkLst

08/05/2020 12:44:44PM

Final Check List

CITY OF SOUTH GATE

Page: 1

Bank : botw BANK OF THE WEST

CITY OF SOUTH GATE
OFFICE OF THE CITY MANAGER

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
89640	8/6/2020	00000437 AFLAC	Ben274128	8/6/2020	AMERICAN FAMILY LIFE INS.: PA	635.82	635.82
		Voucher:					
89641	8/6/2020	00002417 AMERICAN FIDELITY ASSURANC	Ben274122	8/6/2020	AMERICAN FIDELITY (ABT): PAYI	300.16	300.16
		Voucher:					
89642	8/6/2020	0011469 CALIFORNIA DENTAL NETWORK,	Ben274118	8/6/2020	CALIFORNIA DENTAL NETWORK	3,022.04	3,022.04
		Voucher:					
89643	8/6/2020	0012107 CALIFORNIA STATE DISBURSEM	Ben274132	8/6/2020	CA STATE DISB. UNIT: PAYMENT	578.76	578.76
		Voucher:					
89644	8/6/2020	0011535 CDTFA	Ben274130	8/6/2020	CA DEPT OF TAX & FEE ADMIN: F	386.68	386.68
		Voucher:					
89645	8/6/2020	00000438 COLONIAL INSURANCE CO.	Ben274116	8/6/2020	COLONIAL INSURANCE CO: PAYI	3,069.19	3,069.19
		Voucher:					
89646	8/6/2020	0009920 OCSE CLEARINGHOUSE SDU	Ben274134	8/6/2020	GARNISHMENT - AR CHILD SUPP	324.00	324.00
		Voucher:					
89647	8/6/2020	00002421 POLICE MANAGEMENT ASSOCIA	Ben274126	8/6/2020	POLICE MANAGEMENT ASSOC. I	2,250.00	2,250.00
		Voucher:					
89648	8/6/2020	00000335 POLICE OFFICERS ASSOCIATION	Ben274124	8/6/2020	POLICE ASSOCIATION DUES: PA	5,000.00	5,000.00
		Voucher:					
89649	8/6/2020	0011466 PRINCIPAL LIFE INSURANCE CO.	Ben274110	8/6/2020	PRINCIPAL DENTAL PPO (MISC):	30,677.63	30,677.63
		Voucher:					
89650	8/6/2020	0011467 RELIANCE STANDARD	Ben274112	8/6/2020	LONG TERM DISABILITY: PAYME	3,881.09	3,881.09
		Voucher:					
89651	8/6/2020	0011468 SUPERIOR VISION SERVICES, IN	Ben274114	8/6/2020	SUPERIOR VISION MISC.: PAYME	3,970.80	3,970.80
		Voucher:					
89652	8/6/2020	00000334 UNITED WAY OF GREATER LOS	Ben274120	8/6/2020	UNITED WAY: PAYMENT	34.33	34.33
		Voucher:					

Sub total for BANK OF THE WEST: 54,130.50

13 checks in this report.

Grand Total All Checks: 54,130.50

Item No.

Page: 1

15b

WARRANT REGISTER FOR COUNCIL MEETING 8/25/2020 (FY 2020/21)

PART Ila

apChkLst

08/18/2020 2:54:24PM

Final Check List
CITY OF SOUTH GATE

Page: 6

(Continued)

Bank : botw BANK OF THE WEST

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
142	8/12/2020	00004266			U.S. BANK CORPORATE PAYMEI		
		0011933	01-001662-02-065	6/26/2020	MEALS FOR STAFF DURING FIRI	82.37	
		0011933	01-001662-02-065	6/26/2020	MEALS FOR STAFF DURING FIRI	14.25	
		00000355	475200	6/30/2020	DIAMETER TAPE MEASURERS F	191.00	
		0007802	AIS SPECIALTY PRODUCTS, INC	6/12/2020	BALANCE OF SANITIZERS FOR C	723.06	
		0005617	BARON BAG AND SUPPLY	6/30/2020	SANDBAGS USED AT FIRESTONI	628.43	
		0005347	AMAZON.COM	7/6/2020	MAGNIFYING GLASS DOMES FO	87.69	
		00000268	HOME DEPOT CREDIT SERVICES	7/16/2020	ACCESSORIES FOR STREET DIV	114.36	
		00000416	RAPID-O-PRINT	7/15/2020	DIGITAL PRINTS FOR FIRESTON	899.64	
		0010004	PEACEKEEPER PRODUCTS	6/22/2020	EQUIPMENT - PEACEKEEPER E	462.50	
		0005371	MARRIOTT HOTELS	6/22/2020	LODGING FOR OFFICERS AMID I	796.95	
		0005295	WALMART	6/30/2020	TEMS PURCHASED FOR FOR C	30.10	
		0010470	PANERA BREAD	6/30/2020	LIGHT REFRESHMENTS FOR PO	18.95	
		0008452	CXTEC	7/22/2020	CISCO 3750G SWITCH FOR CIS I	638.37	
		0008222	JCL TRAFFIC SERVICES	6/25/2020	TYPE 1-A FRAME BARRICADES	1,481.68	
		0008773	STOTZ EQUIPMENT	6/30/2020	REPLACEMENT PART-JOHN DEE	518.02	
		00000268	HOME DEPOT CREDIT SERVICES	7/7/2020	REPLACEMENT TOOLS	525.80	
		0012261	GOT TOWELS UNIFORMS	7/15/2020	HOURLY UNIFORMS	1,157.00	
		0012261	GOT TOWELS UNIFORMS	7/15/2020	HOURLY UNIFORMS	1,058.00	
		0005677	DEPARTMENT OF PESTICIDE	7/20/2020	WEBINARS DAVID HAGE-DANIEL	240.00	
		00001414	OFFICE DEPOT	6/17/2020	OFFICE SUPPLIES FOR SENIOR	116.55	
		00004854	SMART & FINAL	7/20/2020	GOLF COURSE SUPPLIES	91.67	
		00000322	SAM'S CLUB	6/25/2020	SPECIAL EVENT CANOPIES	440.96	
		0007802	AIS SPECIALTY PRODUCTS, INC	7/2/2020	RESTOCK SUPPLIES	1,120.93	
		0007802	AIS SPECIALTY PRODUCTS, INC	6/30/2020	DISINFECTING EQUIPMENT	764.48	
		0012715	KRUGER TOW INC.	7/7/2020	THEFT RECOVERY UNIT #479	190.00	
		0009420	SPARKLETT'S	6/25/2020	DS SERVICES STANDARD COFF	29.17	
		0010278	FROMYOUFLOWERS	7/9/2020	VANESSA BARRERA STEP DAD F	75.76	
		0012593	WESTAMERICA COMMUNICATION	6/23/2020	CENSUS ILLEGAL FIREWORKS F	4,030.49	
		0011982	EATGUD CAFE	6/25/2020	COVID 19 - FOOD / SENIOR DIRE	20.00	
		00001414	OFFICE DEPOT	7/2/2020	LEGAL SIZE PAPER FOR NO FIRI	53.75	
		0012698	CENTRIC INTERNATIONAL, INC.	7/20/2020	6 BERR NON- CONTACT IR THEF	407.06	
		0005347	AMAZON.COM	7/20/2020	APC UPS BATTERY REPLACEMENT	40.64	
		0008456	NSCA	6/17/2020	STAFF PROFESSIONAL MEMBEF	328.50	
		0005293	MICHAELS	8/16/2020	SPORTS CENTER MARQUEE BO	122.92	

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
0005347		AMAZON.COM	111-5604266-0076	7/6/2020	USB A TO USB ADAPTOR	11.01	
0005347		AMAZON.COM	111-5866128-5753	7/6/2020	UBIQUITI UNIFI AP-AC	106.82	
0005347		AMAZON.COM	111-7399156-8870	7/7/2020	SLEEVE CASE BAG FOR SURFAI	19.83	
0005347		AMAZON.COM	111-4847824-3029	7/7/2020	CAT 6 ETHERNET CABLE	21.99	
0005347		AMAZON.COM	111-7889015-6811	7/13/2020	DELL P2419H 24" MONITOR	309.22	
0005347		AMAZON.COM	114-0751664-4617	6/29/2020	MATRESS PROTECTOR FOR POI	11.94	
0005347		AMAZON.COM	113-6770965-1008	7/6/2020	PHYSICAL AGILITY TEST PROTE	33.51	
0009935		SUPER FUN FACTORY/AVG	11799	7/6/2020	SWIM BASH SUPPLIES	200.00	
00004276		CPRS DISTRICT 10	PH02165242	7/16/2020	STAFF CPR/FIRST AID/AED/CERT	1,492.44	
0007802		AIS SPECIALTY PRODUCTS, INC	PSI342642	5/13/2020	SANITIZERS FOR CITWIDE USE I	1,518.83	
0011931		SAFETY IN DESIGN, LLC	00011	6/26/2020	CONFINES SPACE EQUIPMENT F	2,157.87	
0006635		NEWEGG.COM	180891600	7/10/2020	REPLACEMENT BATTERY FOR D	24.70	
0006635		NEWEGG.COM	181111716	7/14/2020	BLACKWIRE SINGLE-EAR HEADS	76.43	
0012596		ZOOM.US	INV319200444	7/20/2020	ZOOM STANDARD PRO MONTHL	89.94	
00001414		OFFICE DEPOT	104652655-001	7/7/2020	COPIES FOR 1ST AID/CPR CLAS	86.96	
0009935		SUPER FUN FACTORY/AVG	11802	7/9/2020	COVID 19 - FACE MASKS FOR ST	148.50	
00002871		ICC-INTERNATIONAL CODE COUJ	100915275	7/21/2020	INTERNATIONAL CODE COUNCIL	205.00	
0008155		DROPTBOX.COM	N3THTZ93LG8	7/14/2020	RENEWAL-DISCOVERY REQUES	450.00	
0005454		RALPHS	039669	7/15/2020	FAMILY VIOLENCE PREVENTION	255.39	
0005347		AMAZON.COM	114-9848286-6517	7/13/2020	REPLENISH FOLDER PROTECTC	24.24	
0006635		NEWEGG.COM	180884746	7/10/2020	LOGITECH USB WEBCAM FOR C	56.38	
0006635		NEWEGG.COM	289235529	7/1/2020	DOCKING STATION FOR LAPTOP	191.50	
0006635		NEWEGG.COM	492874113	7/10/2020	MINI DISPLAY PORT ADAPTER C	12.14	
00000476		RAMCAST ORNAMENTAL SUPPL	072289	7/6/2020	24" X 48" 750 PLATE A-36 FOR RI	675.35	
00000381		BNI BUILDING NEWS,	1810	7/2/2020	2018 GREENBOOK STANDARD S	236.29	
0006932		HARBOR FREIGHT TOOLS	668577	6/23/2020	COVID-19 MATERIALS FOR THAI	129.25	
0009649		AT&T	7/2020	7/20/2020	INTERNET SERVICES AT AZALEA	124.08	
0005347		AMAZON.COM	112-2310053-5895	6/25/2020	C-LINE VISTOR BADGE WITH RE	61.96	
0006635		NEWEGG.COM	180959393	7/10/2020	STERO HEADSET WITH MIC, CO	19.14	
0005347		AMAZON.COM	111-7327476-3109	6/30/2020	UBIQUIT UNIFI AP-PRO / NETGE/	357.75	
0005347		AMAZON.COM	111-4862136-0369	7/2/2020	DELL LATITUDE 3490 LAPTOP E	56.10	
0005347		AMAZON.COM	111-7808028-7682	6/30/2020	SWIM BASH SUPPLIES	71.61	
0005347		AMAZON.COM	111-1865264-9129	6/30/2020	SWIM BASH	488.98	
00004804		RIO HONDO COMMUNITY COLLE	063374	7/9/2020	TRAINING - SUPERVISORY COUI	228.00	
0005347		AMAZON.COM	113-6770965-1008	7/7/2020	PHYSICAL AGILITY TEST PROTE	29.76	

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
0008451		COSTCO.COM	7/13/2020	7/13/2020	LIGHT REFRESHMENTS FOR A F	70.02	
0005347		AMAZON.COM	1-2823	7/22/2020	ONE COFFEE CARAFE DISPENS	28.08	
0005347		AMAZON.COM	112-2335471-6281	7/14/2020	AUXILARY AUDIO CABLE 15 FT F	11.01	
0005347		AMAZON.COM	113-5278650-0753	7/14/2020	ONE COFFEE CARAFE DISPENS	28.08	
0005347		AMAZON.COM	111-0044610-0842	7/14/2020	PHYSICAL AGILITY TEST PROTE	14.03	
00004804		RIO HONDO COMMUNITY COLLEGE	X20-14-ZSGT	7/8/2020	TRAINING - LAWS OF ARREST PI	355.65	
0006108		STARBUCKS COFFEE	656460	7/16/2020	COFFEE TRAVELERS FOR THREE	53.85	
0005347		AMAZON.COM	113-8692691-5466	7/9/2020	PHYSICAL AGILITY TEST PROTE	14.32	
0008153		TIME WARNER CABLE-	0426628060120	6/22/2020	05/30/20 - 06/29/20 FOR FITNESS	126.90	
0008153		TIME WARNER CABLE-	0586017061820	6/22/2020	6/18/20-7/17/20 FOR FIBER LINE,	590.06	
0008153		TIME WARNER CABLE-	0500034062720	6/27/2020	6/27/220 - 7/26/20 AUDITORIUM A	461.14	
0008153		TIME WARNER CABLE-	0435603061420	6/14/2020	6/14/20-7/13/20: ACCT# 8448 30 0	130.49	
0008153		TIME WARNER CABLE-	0426271061420	6/14/2020	6/14/20-7/13/20: ACCT# 8448 30 1	15.76	
0008153		TIME WARNER CABLE-	0586090062620	6/26/2020	6/26/20-7/25/20 FOR CITY HALL /	239.00	
0008153		TIME WARNER CABLE-	0490491062720	6/27/2020	6/27/20-7/26/20 FOR CIVIC CENTI	461.14	
0008153		TIME WARNER CABLE-	0490491052720	5/27/2020	5/27/20-6/26/20: ACCT#8448 30 0'	129.99	
0008153		TIME WARNER CABLE-	0426602062520	6/25/2020	6/25/20-7/24/20:TEEN CENTER AC	230.57	
0008153		TIME WARNER CABLE-	06/27/2020	6/27/2020	6/27/20 - 07/26/20 PUBLIC WORK	272.45	
0005347		AMAZON.COM	114-8070734-4325	7/19/2020	PURCHASE ERROR- POOL KIT C	40.74	
00001917		ENTENMANN - ROVIN CO.	0149266-IN	1/24/2020	35 YRS OF SERVICE	89.30	30,846.54
00004266	142 8/12/2020	U.S. BANK CORPORATE PAYMEI					
0005296		BEST BUY	094365	6/22/2020	100-FOOT TELEPHONE LINE COI	25.27	
0008452		CXTEC	704300	7/2/2020	CISCO 3845 ROUTER FAN ASSM	247.54	
0008153		TIME WARNER CABLE-	0426263061420	6/22/2020	6/14/20 - 7/13/20 FOR THE GOLF	5.25	
0008153		TIME WARNER CABLE-	0600966062220	6/22/2020	6/22/20-7/21/20 SG PARK AUUDJ'	119.99	
0012729		SWIVELSTANDS.COM	BC3011776	7/6/2020	SECURITY BRACKET CONVERSI	54.71	
0011437		YOBITECH LLC	125887	7/6/2020	REPLACEMENT HARD DRIVE FO	197.91	
0012717		VELOCITY ORTHOPEDICS	0819065-IN	7/7/2020	HONEYWELL N95 FACE MASK	2,997.00	3,647.67

Sub total for BANK OF THE WEST:

34,494.21

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Check #	Date	Vendor		Invoice	Inv Date	Description	Amount Paid	Check Total
89653	8/5/2020	00003356	MISC - LIABILITY CLAIMS	20-39-30 BARROS	8/3/2020	CLAIM #20-39-30 VEHICLE DAMA	500.00	500.00
	Voucher:							
89665	8/18/2020	00004865	SO CALIF EDISON	7/21/2020	8/13/2020	BILLING PRD: JULY 2020	2,666.79	2,666.79
	Voucher:							
89729	8/25/2020	00003971	ADMINSURE INC.	13541	7/15/2020	AUG 2020 - WORK COMP CLAIM	9,224.00	9,224.00
	Voucher:							
89730	8/25/2020	0012730	AGENT COOPER, LLC	Ref000273849	7/29/2020	UB REFUND CST #00062304 101	71.18	71.18
	Voucher:							
89731	8/25/2020	00004372	AIRGAS USA, LLC	9102724481	7/1/2020	INVENTORY PO/ NITRILE GLOVE	337.65	
	Voucher:							
89732	8/25/2020	0011059	ALESHIRE & WYNDER, LLP, SUIT158002	9102766657	7/2/2020	INVENTORY PO/ NITRILE GLOVE	562.75	900.40
	Voucher:							
89733	8/25/2020	0011577	ALL PHASE ELECTRIC SUPPLY C 0946-487107		7/31/2020	THRU 07/31/20 - PERSONNEL-LA	472.50	472.50
	Voucher:							
					7/21/2020	STREET LIGHT REPAIR MATERIA	4,381.34	4,381.34

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
89734	8/25/2020	00003399 ALVARADOSMITH Voucher:	347749	7/31/2020	THRU 7/31/20 RE:COG ADV CAF	200.00	
			347750	7/31/2020	THRU:7/31/20 RE:COG ADV ANC	475.00	
			347751	7/31/2020	THRU:7/31/20 RE:COG ADV LUJ	100.00	
			347752	7/31/2020	THRU:7/31/20 COSG ADV EDWAF	125.00	
			947754	7/31/2020	THRU 7/31/20 RE: COSG ADV JAI	16,167.50	
			347755	7/31/2020	THRU:7/31/20 RE:COG ADV ARE	125.00	
			347756	7/31/2020	THRU:7/31/20 RE:COG ADV LUZ	550.00	
			347757	7/31/2020	THRU 07/31/20 RE:COG - LUCIL	808.62	
			347758	7/31/2020	THRU 07/31/20 - COSG ADV ALBE	100.00	
			347759	7/31/2020	THRU 07/31/20 - MARY JANE NAI	9,780.00	
			347764	7/31/2020	THRU 7/31/20 RE:COG ADV SIL	1,300.00	
			347765	7/31/2020	THRU 7/31/2020 RE: COSG, ET AI	7,669.65	
			347773	7/31/2020	THRU 7/31/2020 RE: COSG ADV I	550.00	
			347767	7/31/2020	THRU 7/31/2020 RE: COSG ADV I	4,875.00	
			347768	7/31/2020	THRU 7/31/2020 RE: COSG RE IN	1,677.50	
			347769	7/31/2020	THUR 7/31/20 COMMUNITY DEVE	13,805.00	
			347770	7/31/2020	THUR 7/31/2020 RE:COG REGA	3,300.00	
			347771	7/31/2020	THUR 7/31/20 RE:COG ADV ROI	200.00	95,375.77
			347772	7/31/2020	THRU 07/31/20 - EMPLOYMENT N	110.00	
			347763	7/31/2020	THRU 7/31/2020 RE:COG ADV S	900.00	
			347745	7/31/2020	THRU 07/31/20 - ATTEND SPECIA	5,220.00	
			347746	7/31/2020	THRU 07/31/20 - TUESDAYS, AGE	19,650.00	
			347760	7/31/2020	THRU 7/31/20 RE:COG ADV JOI	250.00	
			347761	7/31/2020	THRU 7/31/2020 RE: COSG ADV I	7,437.50	
			347774	7/31/2020	THRU:7/31/20 RE:COG ADV ERI	2,437.50	5,666.20
			347744	7/31/2020	THRU 07/31/20 - GENERAL PROJ	3,228.70	72.65
			Ref000273643	7/23/2020	UB REFUND CST #00056632-105	72.65	
89735	8/25/2020	00003399 ALVARADOSMITH Voucher:	Ref000273583	7/16/2020	UB REFUND CST #00057756-955:	46.18	46.18
89736	8/25/2020	0012724 ARREOLA, ANABEL Voucher:	6295	7/11/2020	JUL 2020: 2ND YEAR OF CONTRV	15,192.50	15,192.50
89737	8/25/2020	0011679 ARTEAGA, VIOLETA Voucher:	558-3-080320	8/3/2020	THRU 07/31/20 RE: ATTORNEY-C	392.50	392.50
89738	8/25/2020	0011336 AVANT-GARDE INC. Voucher:					
89739	8/25/2020	00004645 BARBOZA & ASSOCIATES Voucher:					

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
89740	8/25/2020	0010722	C.I. TECHNOLOGIES, INC.	2308	6/17/2020	RENEWAL JULY 2020-JUNE 2021	1,428.00
	Voucher:						
89741	8/25/2020	0011469	CALIFORNIA DENTAL NETWORK, JULY 2020		6/20/2020	JULY 2020 ADJ FOR MISC & SWK	321.06
	Voucher:						
89742	8/25/2020	0011153	CANYON TIRE SALES, INC.	50006236	7/20/2020	AUG 2020 PAYMENT FOR ACTIVE	282.92
	Voucher:						
89743	8/25/2020	0012721	CHAIDEZ, NOEMI	Ref000273587	7/8/2020	TIRES FOR UNIT 288	5,155.29
	Voucher:						
89744	8/25/2020	0012722	CHAIDEZ, NOEMI	Ref000273588	7/16/2020	UB REFUND CST #00062836 274;	149.90
	Voucher:						
89745	8/25/2020	00002408	CITY CLERKS ASSOC. OF CALIF	7470	7/16/2020	UB REFUND CST #00062835 274;	186.67
	Voucher:						
89746	8/25/2020	00005073	CITY OF DOWNEY	7468	6/16/2020	MEMBERSHIP RENEWAL FEE: C,	210.00
	Voucher:						
89747	8/25/2020	0011922	CONCENTRA MEDICAL CENTERS	68449238	6/16/2020	MEMBERSHIP RENEWAL FEE: S	85.00
	Voucher:						
89748	8/25/2020	00005061	COUNTY OF LOS ANGELES FIRE	IN0322802	7/22/2020	FY 20/21: SEAACA - 1ST INSTALL	313,769.00
	Voucher:						
89749	8/25/2020	0012662	CWE	20197	7/10/2020	7/10/2020-BLOOD DRAW	52.00
	Voucher:						
89750	8/25/2020	00001423	DAILY JOURNAL CORPORATION	B3384255	7/8/2020	7/6/20-7/7/20: FULL TIME EXAMS	1,909.50
	Voucher:						
89751	8/25/2020	00000314	DAPEER ROSENBLIT & LITVAK	LL17633	7/15/2020	7/8/20-7/13/20: FULL TIME EXAMS	1,499.50
	Voucher:						
89752	8/25/2020	0012249	DFS FLOORING	801401-1	7/29/2020	HAZ. MAT. DIS. PROGRAM- CUPF	630.00
	Voucher:						
89753	8/25/2020	0012613	DIRECT FLEET WASH,LLC	SGAS-101	7/29/2020	HAZ. MAT. DIS. PROGRAM- CUPF	4,059.00
	Voucher:						
89754	8/25/2020	0011691	EMP: GODINEZ, CESAR	FY 20-21 EDUCAT	7/29/2020	HAZ. MAT. DIS. PROGRAM- CUPF	3,046.00
	Voucher:						
					7/29/2020	HAZ. MAT. DIS. PROGRAM- CUPF	2,176.00
					7/29/2020	HAZ. MAT. DIS. PROGRAM- CUPF	503.00
					7/29/2020	PREPARATION OF LID REPORT	5,000.00
					7/30/2020	NOTICE INVITING BIDS: SGPD P/	348.60
					7/30/2020	NOTICE OF HEARING: AMEND FI	100.80
					7/31/2020	JULY 2020 - (ANIMAL CONTROL/I	335.80
					7/29/2020	FLOORING FOR SPORTS CENTE	14,534.67
					7/15/2020	INVENTORY PO/ NITRILE GLOVE	3,998.77
					7/29/2020	REIMB: EDU FY20/21, MATH 215	1,364.00

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
89755	8/25/2020	0012294 EMP: MONTOYA, TITO Voucher:	7/15/20D LICENSE	7/15/2020	REIMB: COMMERCIAL DRIVER'S	49.11	49.11
89756	8/25/2020	0012208 EMP: VASELISA, TUA Voucher:	7/29/20 UNIFORM	7/29/2020	REIMB: EMPLOYE UNIFORM	158.40	158.40
89757	8/25/2020	0006279 ESCOBEDO, DELFINA Voucher:	Ref000273850	7/29/2020	UB REFUND CST #00048589 103:	120.00	120.00
89758	8/25/2020	00000619 FALCON FUELS, INC. Voucher:	24826	7/24/2020	REGULAR UNLEADED FUEL & TF	3,335.35	
89759	8/25/2020	00002026 FEDERAL EXPRESS CORPORATI Voucher:	24827	7/24/2020	REGULAR UNLEADED FUEL & TF	7,804.72	11,140.07
89760	8/25/2020	0010237 FRONTIER COMMUNICATIONS Voucher:	562-622-5327-7/2	8/12/2020	FEDEX FIRST OVERNIGHT	55.22	55.22
89761	8/25/2020	00004934 GAS COMPANY Voucher:			BILLING- 07/19/20-08/18/20	9.30	
					BILLING - 07/25/20-08/24/20	73.79	
					BILLING - 08/01/20-08/31/20	54.13	137.22
					BILLING PRD- 07/09/20 -08/07/20	69.65	
					BILLING PRD- 07/09/20 -08/07/20	43.68	
					BILLING PRD- 07/10/20 -08/10/20	660.93	
					BILLING PRD- 07/10/20 -08/10/20	20.94	
					BILLING PRD- 07/10/20 -8/10/20	18.68	
					BILLING PRD- 07/13/20 -08/11/20	22.20	
					BILLING PRD- 07/10/20 -08/10/20	2,138.95	
					BILLING PRD- 07/09/20 -08/07/20	30.11	
					BILLING PRD- 07/09/20 -08/07/20	358.68	
					BILLING PRD- 07/14/20 -08/12/20	546.19	
					BILLING PRD- 07/09/20 -08/07/20	61.74	
					BILLING PRD- 07/01/20 -08/01/20	4,299.04	8,270.79
89762	8/25/2020	00002304 GENERAL PUMP COMPANY Voucher:	113-798-0362 7-0E	7/6/2020	7/2/20-7/15/20: AS-NEEDED SERV	19,510.00	19,510.00
89763	8/25/2020	00004869 GOLDEN STATE WATER COMPAN Voucher:	28036	7/21/2020	BILLING PRD- 07/07/20 - 08/05/20	24.38	
					BILLING PRD- 07/02/20 - 08/04/20	260.63	
					BILLING PRD- 07/08/20 - 08/04/20	204.92	
					BILLING PRD- 07/02/20 - 08/04/20	1,812.62	
					BILLING PRD- 07/02/20 - 08/04/20	135.46	
89764	8/25/2020	00002568 HAAKER EQUIPMENT COMPANY Voucher:	32809400008-08/2	8/5/2020	BILLING PRD- 07/02/20 - 08/04/20	44.50	2,482.51
					APEX W/LESS HEADSET & COMI	8,370.80	8,370.80

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
89765	8/25/2020	0009879 HDL COREN & CONE	SIN002674	8/12/2020	JUL-SEP 2020 - CONTRACT SER	3,375.00	3,375.00
		Voucher:					
89766	8/25/2020	0005586 JOE A. GONSALVES & SONS	158386	7/15/2020	AUG 2020: LEGISLATIVE ADVOC	2,500.00	2,500.00
		Voucher:					
89767	8/25/2020	0012719 JUAREZ, MIGUEL	Ref000273585	7/16/2020	UB REFUND CST #00062603-322	128.92	128.92
		Voucher:					
89768	8/25/2020	0012510 KILEY & ASSOCIATES, LLC	SG200801	8/1/2020	JUL 2020: FEDERAL LEGISLATI	3,333.33	3,333.33
		Voucher:					
89769	8/25/2020	00002870 LAW OFFICES OF JONES & MAYE98723		7/31/2020	THRU 02/29/20- PITCHESS MOTI	800.00	800.00
		Voucher:					
89770	8/25/2020	0012720 MAGDALENO, JUAN	Ref000273586	7/16/2020	UB REFUND CST #00062378-9721	147.71	147.71
		Voucher:					
89771	8/25/2020	00000609 MCCAIN TRAFFIC SUPPLY	INV0251058	7/23/2020	TRAFFIC SIGNAL EQUIPMENT	6,876.30	6,876.30
		Voucher:					
89772	8/25/2020	00000170 MISC - PKS & REC REFUND	231731-CORNEJC	7/8/2020	231731-REFUND OF DEPOSIT AN	2,000.00	2,000.00
		Voucher:					
89773	8/25/2020	00000170 MISC - PKS & REC REFUND	230410-LIFE BUIL	7/8/2020	230410-REFUND OF FACILITY FE	435.00	435.00
		Voucher:					
89774	8/25/2020	00000170 MISC - PKS & REC REFUND	231242-CASTILLC	7/30/2020	231242-REFUND OF TOT TIME/TI	174.00	174.00
		Voucher:					
89775	8/25/2020	00000170 MISC - PKS & REC REFUND	231259-AMARAL,	7/30/2020	231259-REFUND OF TOT TIME/TI	174.00	174.00
		Voucher:					
89776	8/25/2020	00000170 MISC - PKS & REC REFUND	232647-CASTILLC	7/9/2020	232647-REFUND OF TRIP DUE TI	170.00	170.00
		Voucher:					
89777	8/25/2020	00000170 MISC - PKS & REC REFUND	232372-DUENAS,	7/9/2020	232372-REFUND OF TRIP DUE TI	170.00	170.00
		Voucher:					
89778	8/25/2020	00000170 MISC - PKS & REC REFUND	232623-PEREZ, M	7/30/2020	232623-REFUND OF SENIOR TRI	150.00	150.00
		Voucher:					
89779	8/25/2020	00000170 MISC - PKS & REC REFUND	232360-MEJIA,AM	7/9/2020	232360-REFUND OF TRIP DUE TI	140.00	140.00
		Voucher:					
89780	8/25/2020	00000170 MISC - PKS & REC REFUND	225135/31762-GO	7/30/2020	225135/31762-REFUND OF CLAS	139.00	139.00
		Voucher:					
89781	8/25/2020	00000170 MISC - PKS & REC REFUND	232359/220969-C,	7/9/2020	232359/220969- REFUND OF TRI	115.00	115.00
		Voucher:					

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(Continued)

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
89782	8/25/2020	00000170	231216-PAZ, J.	7/30/2020	231216-REFUND OF EASTER FE:	97.00	97.00
					Voucher:		
89783	8/25/2020	00000170	231356-GARCIA, J	7/30/2020	231356-REFUND OF TOT TIME CI	92.00	92.00
					Voucher:		
89784	8/25/2020	00000170	231295-ESCOBAF	7/30/2020	231295-REFUND OF TOT TIME C	92.00	92.00
					Voucher:		
89785	8/25/2020	00000170	231384-RAMOS, E	7/30/2020	231384-REFUND OF TOT TIME CI	92.00	92.00
					Voucher:		
89786	8/25/2020	00000170	231503-PULIDO, C	7/30/2020	231503-REFUND OF TOT TIME CI	92.00	92.00
					Voucher:		
89787	8/25/2020	00000170	231483-SILVA, E.	7/30/2020	231483-REFUND OF TOT TIME CI	92.00	92.00
					Voucher:		
89788	8/25/2020	00000170	231228-GUTIERR	7/30/2020	231228-REFUND OF TOT TIME CI	92.00	92.00
					Voucher:		
89789	8/25/2020	00000170	231261-PONCE, L	7/30/2020	231261-REFUND OF TOT TIME CI	92.00	92.00
					Voucher:		
89790	8/25/2020	00000170	231484-GARCIA, I	7/30/2020	231484-REFUND OF TOT TIME C	92.00	92.00
					Voucher:		
89791	8/25/2020	00000170	231801-PRECIAD	7/30/2020	231801-REFUND OF TOT TIME CI	92.00	92.00
					Voucher:		
89792	8/25/2020	00000170	231347-PADILLA,	7/30/2020	231347-REFUND OF TOT TIME CI	92.00	92.00
					Voucher:		
89793	8/25/2020	00000170	231257(B)-DE HAI	7/30/2020	231257(B)-REFUND OF TOT TIME	92.00	92.00
					Voucher:		
89794	8/25/2020	00000170	231302-FLORES,	7/30/2020	231302-REFUND OF TOT TIME CI	92.00	92.00
					Voucher:		
89795	8/25/2020	00000170	231301-VIZCARR,	7/30/2020	231301-REFUND OF TOT TIME CI	92.00	92.00
					Voucher:		
89796	8/25/2020	00000170	231343-HERNANI	7/30/2020	231343-REFUND OF TOT TIME CI	92.00	92.00
					Voucher:		
89797	8/25/2020	00000170	231203/4-PRESIA	7/30/2020	231203/4-REFUND OF EASTER F	87.00	87.00
					Voucher:		
89798	8/25/2020	00000170	231230-AGREDAI	7/30/2020	231230-REFUND OF EASTER FE:	87.00	87.00
					Voucher:		

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
89799	8/25/2020	00000170	231505-CHAVEZ,	7/30/2020	231505-REFUND OF TINY TWO C	82.00	82.00
	Voucher:						
89800	8/25/2020	00000170	231192-CARMON,	7/30/2020	231192-REFUND OF TINY TWO C	82.00	82.00
	Voucher:						
89801	8/25/2020	00000170	231298-CORONA,	7/30/2020	231298-REFUND OF TINY TWO C	82.00	82.00
	Voucher:						
89802	8/25/2020	00000170	231188-HERNANI,	7/30/2020	231188-REFUND OF TINY TWO C	82.00	82.00
	Voucher:						
89803	8/25/2020	00000170	231182-PRIETO, J	7/30/2020	231182-REFUND OF TINY TWO C	82.00	82.00
	Voucher:						
89804	8/25/2020	00000170	231267-MARTINE,	7/30/2020	231267-REFUND OF TINY TWO C	82.00	82.00
	Voucher:						
89805	8/25/2020	00000170	231273-LOPEZ, N	7/30/2020	231273-REFUND OF TINY TWO C	82.00	82.00
	Voucher:						
89806	8/25/2020	00000170	231201(B)-MONTA	7/30/2020	231201(B)-REFUND OF TINY TWK	82.00	82.00
	Voucher:						
89807	8/25/2020	00000170	231306-PEREZ, S	7/30/2020	231306-REFUND OF TINY TWO C	82.00	82.00
	Voucher:						
89808	8/25/2020	00000170	231380-GARCIA, :	7/30/2020	231380-REFUND OF TINY TWO C	82.00	82.00
	Voucher:						
89809	8/25/2020	00000170	231243(B)-ORTIZ,	7/30/2020	231243(B)-REFUND OF TINY TWK	82.00	82.00
	Voucher:						
89810	8/25/2020	00000170	230538-SALAZAR	7/20/2020	230538-REFUND OF FACILITY FE	76.00	76.00
	Voucher:						
89811	8/25/2020	00000170	220999-REYES,C,	7/9/2020	220999-REFUND OF TRIP DUE TR	60.00	60.00
	Voucher:						
89812	8/25/2020	00000170	234181-ORTIZ, M.	7/30/2020	234181-REFUND OF HIP HOP CL	55.00	55.00
	Voucher:						
89813	8/25/2020	00000170	233845-OCHOA,A	7/9/2020	233845-REFUND OF TUMBLING C	55.00	55.00
	Voucher:						
89814	8/25/2020	00000170	234134-SANCHEZ	7/9/2020	234137-REFUND OF TRIP DUE TR	55.00	55.00
	Voucher:						
89815	8/25/2020	00000170	233791-BYON,BE	7/9/2020	233791-REFUND OF TRIP DUE TR	50.00	50.00
	Voucher:						

Bank : botw BANK OF THE WEST (Continued)

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
89816	8/25/2020	00000170 MISC - PKS & REC REFUND Voucher:	237296-MENDEZ	7/8/2020	237296-REFUND OF YOUTH SPC	47.00	47.00
89817	8/25/2020	00000170 MISC - PKS & REC REFUND Voucher:	232369-VENDOUF	7/9/2020	232369-REFUND OF TRIP DUE T(35.00	35.00
89818	8/25/2020	00000170 MISC - PKS & REC REFUND Voucher:	223049-LOPEZ,D(7/9/2020	223049-REFUND OF TRIP DUE T(30.00	30.00
89819	8/25/2020	00003458 MISC - PUBLIC WORKS Voucher:	1235	7/16/2020	REFUND: PLAN CHECK FEE: 840	1,486.00	1,486.00
89820	8/25/2020	0008506 MUNITEMPS Voucher:	129798	7/24/2020	WK ENDING 7/16/20: PW PROJEC	4,000.00	4,000.00
89821	8/25/2020	00004620 MUTUAL LIQUID GAS & EQUIPME Voucher:	473796	7/1/2020	PROPANE GAS AND COMPLIANC	201.29	201.29
89822	8/25/2020	0009426 MV CHENG & ASSOCIATES, INC. Voucher:	7/31/2020	8/4/2020	JUL 2020: ACCOUNTING SERVIC	6,265.00	6,265.00
89823	8/25/2020	0012202 NUMA NETWORKS Voucher:	27020	8/3/2020	AUG 2020: 24TB BACKUP/ DISAS	2,000.00	2,000.00
89824	8/25/2020	0012703 OCEAN BLUE ENVIRONMENTAL, Voucher:	33930	7/22/2020	7/6/20-7/7/20: HOMELESS ENCAN	14,316.00	14,316.00

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
89826	8/25/2020	00001414 OFFICE DEPOT	108335850001		CREDIT	-10.83	
		Voucher:	109960929001		CREDIT	-23.15	
			104689663001	7/14/2020	OFFICE SUPPLIES	60.34	
			104787462001	7/14/2020	OFFICE SUPPLIES	19.67	
			106114934001	7/14/2020	OFFICE SUPPLIES	173.89	
			106116457001	7/14/2020	OFFICE SUPPLIES	84.33	
			106872666001	7/14/2020	OFFICE SUPPLIES	276.41	
			107576139001	7/16/2020	OFFICE SUPPLIES	58.08	
			107543919001	7/19/2020	OFFICE SUPPLIES	412.16	
			103662443001	7/2/2020	OFFICE SUPPLIES	14.05	
			103683501001	7/2/2020	OFFICE SUPPLIES	56.22	
			106827731001	7/20/2020	OFFICE SUPPLIES	890.46	
			106829362001	7/20/2020	OFFICE SUPPLIES	231.53	
			108691988001	7/20/2020	OFFICE SUPPLIES	69.88	
			108724273001	7/20/2020	OFFICE SUPPLIES	382.30	
			108913413001	7/20/2020	OFFICE SUPPLIES	311.43	
			108995715001	7/21/2020	OFFICE SUPPLIES	65.04	
			108801901001	7/22/2020	OFFICE SUPPLIES	117.22	
			109239861001	7/22/2020	OFFICE SUPPLIES	70.76	
			109240875001	7/22/2020	OFFICE SUPPLIES	16.39	
			109250880001	7/22/2020	OFFICE SUPPLIES	13.22	
			109444266001	7/22/2020	OFFICE SUPPLIES	84.55	
			109445805001	7/22/2020	OFFICE SUPPLIES	46.27	
			110732034001	7/27/2020	OFFICE SUPPLIES	72.67	
			110991110001	7/27/2020	OFFICE SUPPLIES	565.19	
			110993549001	7/27/2020	OFFICE SUPPLIES	96.96	
			111793530001	7/28/2020	OFFICE SUPPLIES	107.57	
			102577189001	7/29/2020	OFFICE SUPPLIES	37.47	
			110370399001	7/29/2020	OFFICE SUPPLIES	288.48	
			110370399002	7/29/2020	OFFICE SUPPLIES	101.42	
			110447326001	7/29/2020	OFFICE SUPPLIES	78.16	
			104186047001	7/3/2020	OFFICE SUPPLIES	4.83	
			104666568001	7/6/2020	OFFICE SUPPLIES	51.37	
			103754018001	7/8/2020	OFFICE SUPPLIES	114.33	
			104797608001	7/8/2020	OFFICE SUPPLIES	330.74	

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
			104797609001	7/8/2020	OFFICE SUPPLIES	63.92	
			104966211001	7/8/2020	OFFICE SUPPLIES	201.11	
			105574233001	7/8/2020	OFFICE SUPPLIES	1,401.20	
			104637753001	7/9/2020	OFFICE SUPPLIES	1,075.07	
			104638961001	7/9/2020	OFFICE SUPPLIES	295.90	
			104872477001	7/9/2020	OFFICE SUPPLIES	374.84	
			105279363001	7/9/2020	OFFICE SUPPLIES	55.63	
			105279363002	7/9/2020	OFFICE SUPPLIES	14.42	
			105283886001	7/9/2020	OFFICE SUPPLIES	288.84	
			105283893001	7/9/2020	OFFICE SUPPLIES	84.33	
			105912885001	7/9/2020	PRINTING OVERTIME SLIPS	242.00	
			105932212001	7/9/2020	OFFICE SUPPLIES	425.04	
			102395680001	6/28/2020	OFFICE SUPPLIES	97.12	
			102472918001	6/29/2020	OFFICE SUPPLIES	60.26	
			102520191001	6/29/2020	OFFICE SUPPLIES	119.38	
			102576547001	6/29/2020	OFFICE SUPPLIES	400.59	
			102577183001	6/29/2020	OFFICE SUPPLIES	94.33	
			104664991001	6/29/2020	OFFICE SUPPLIES	72.75	
			102468799001	6/30/2020	OFFICE SUPPLIES	667.06	
			102473688001	6/30/2020	OFFICE SUPPLIES	44.06	
			102523026001	7/1/2020	OFFICE SUPPLIES	981.71	
			102914844001	7/1/2020	OFFICE SUPPLIES, COVID-19	115.16	
			105686431001	7/13/2020	OFFICE SUPPLIES	112.64	
			105689179001	7/13/2020	OFFICE SUPPLIES	11.22	12,567.99
89827	8/25/2020	00001414 OFFICE DEPOT	105168264	7/13/2020	SAFETY BARRIERS - OFFICE A	3,265.84	3,265.84
		Voucher:					
89828	8/25/2020	0009654 OPENGOV, INC.	INV-004512	6/1/2020	CITIZEN ENGAGEMENT TRANSP	9,500.00	
		Voucher:	INV-004741	7/2/2020	FINANCIAL INTEGRATION & INTE	7,500.00	17,000.00
89829	8/25/2020	0012718 PARENTI, JOHN	Ref000273584	7/16/2020	UB REFUND CST #00053237-300:	69.79	69.79
		Voucher:					
89830	8/25/2020	0012708 PARK ABRAMS	Ref000272774	7/8/2020	UB REFUND CST #00045276-415:	40.00	40.00
		Voucher:					
89831	8/25/2020	00001346 PD: CSULB RESEARCH FOUNDA	8/13/2020	7/30/2020	TRAINING-MENTAL HEALTH DEC	146.00	146.00
		Voucher:					

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
89832	8/25/2020	0010664 PD: GOLD COAST K9	SGPD-04	6/25/2020	JUNE 2020 - JUNE 2021 TRAINING	6,930.00	6,930.00
		Voucher:					
89833	8/25/2020	0008949 PD: PR MANGEMENT GROUP	8701	7/1/2020	TRNG: SEMINAR UCR - CRIME S	1,250.00	1,250.00
		Voucher:					
89834	8/25/2020	00004717 PETTY CASH- GENERAL FUND -	4/24/2020-6/22/20: 8/11/2020	4/24/2020-6/22/2020	PETTY CAS	325.00	325.00
		Voucher:					
89835	8/25/2020	0012732 PIEDRAZANTA, JULIO	Ref000273852	7/29/2020	UB REFUND CST #00061679 300:	127.47	127.47
		Voucher:					
89836	8/25/2020	00002335 PITNEY BOWES	1015942280	7/1/2020	ANNUAL MAINTENANCE FOR IN:	217.68	217.68
		Voucher:					
89837	8/25/2020	0011466 PRINCIPAL LIFE INSURANCE CO.	AUG 2020	7/28/2020	AUG 2020 - ADJ FOR MISC & SW	6,684.81	
		Voucher:	JULY 2020	6/28/2020	JULY 2020 - ADJ FOR MISC & SW	2,946.75	9,631.56
89838	8/25/2020	0005368 PRINTCO DIRECT	82891	7/3/2020	BUSINESS CARDS: PR - COMMIS	88.20	88.20
		Voucher:					
89839	8/25/2020	0012655 QLESS, INC	9017	7/2/2020	7/1/20-6/30/21: DIGITAL QUEJUE M	12,050.00	12,050.00
		Voucher:					
89840	8/25/2020	00000168 QUETEL CORP.	15306	6/15/2020	RENEWAL- 10/1/2020-9/30/2021: (6,634.00	6,634.00
		Voucher:					
89841	8/25/2020	0011545 RELX, INC.	1431080-2020073	7/31/2020	JUL 2020: MONTHLY SUBSCRIPT	732.45	732.45
		Voucher:					
89842	8/25/2020	00004773 RET: ALMANZA, JOSEPH A	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	250.00	250.00
		Voucher:					
89843	8/25/2020	0009815 RET: AMEY, ISAAC D	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	150.00	150.00
		Voucher:					
89844	8/25/2020	0008275 RET: AROCHA, FRANCIS X.	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	1,148.20	1,148.20
		Voucher:					
89845	8/25/2020	00001840 RET: BLASKA, WILLIAM MIKE	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	250.00	250.00
		Voucher:					
89846	8/25/2020	00004776 RET: CARTER, LLOYD B	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	250.00	250.00
		Voucher:					
89847	8/25/2020	00000495 RET: CHAVEZ, ANTHONY A	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	150.00	150.00
		Voucher:					
89848	8/25/2020	0006505 RET: CORBET, RONALD	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	1,148.20	1,148.20
		Voucher:					

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
89849	8/25/2020	00004777	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	250.00	250.00
	Voucher: RET: DAY, ROBERT A						
89850	8/25/2020	0008746	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	150.00	150.00
	Voucher: RET: DELEON, RUBEN						
89851	8/25/2020	0006507	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	150.00	150.00
	Voucher: RET: FIGUEROA, GLORIA A.						
89852	8/25/2020	00000605	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	250.00	250.00
	Voucher: RET: FORRESTER, BOB L						
89853	8/25/2020	0011326	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	150.00	150.00
	Voucher: RET: GALVAN, RAY A.						
89854	8/25/2020	0006508	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	150.00	150.00
	Voucher: RET: GOMEZ, JOSEPH C.						
89855	8/25/2020	0006509	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	150.00	150.00
	Voucher: RET: HAMMOND, DONNA						
89856	8/25/2020	0009521	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	1,148.20	1,148.20
	Voucher: RET: HUPP, KEITH						
89857	8/25/2020	0008058	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	1,148.20	1,148.20
	Voucher: RET: INMAN, RONALD						
89858	8/25/2020	0010881	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	150.00	150.00
	Voucher: RET: KOOPMANS, WILLIAM O.						
89859	8/25/2020	0010410	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	150.00	150.00
	Voucher: RET: LEO, FRANK						
89860	8/25/2020	0012707	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	150.00	150.00
	Voucher: RET: LLOYD, BRUCE W.						
89861	8/25/2020	0005633	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	590.37	590.37
	Voucher: RET: LOPEZ, ALFONSO						
89862	8/25/2020	0006511	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	150.00	150.00
	Voucher: RET: LOPEZ, RAMON A.						
89863	8/25/2020	00003833	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	518.00	518.00
	Voucher: RET: MOOMEY, STEVEN						
89864	8/25/2020	0012467	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	1,148.20	1,148.20
	Voucher: RET: PATINO, IGNACIO M.						
89865	8/25/2020	00005237	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	150.00	150.00
	Voucher: RET: PEREZ, SUSAN						

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
89866	8/25/2020	00003798	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	150.00	150.00
	Voucher: RET: RANGEL, ARMANDO						
89867	8/25/2020	0006327	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	150.00	150.00
	Voucher: RET: RASCO, ANGELA						
89868	8/25/2020	00003630	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	150.00	150.00
	Voucher: RET: REGALADO, MARY						
89869	8/25/2020	00000458	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	150.00	150.00
	Voucher: RET: SEWELL, ELAINE						
89870	8/25/2020	00000459	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	150.00	150.00
	Voucher: RET: SEWELL, KENNETH R						
89871	8/25/2020	0005357	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	1,148.20	1,148.20
	Voucher: RET: TODD, ROBERT M.						
89872	8/25/2020	00003959	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	245.78	245.78
	Voucher: RET: WADE, RICHARD						
89873	8/25/2020	0012726	Ref000273645	7/23/2020	UB REFUND CST #00060227-962	289.13	289.13
	Voucher: RICHIE, KAREN						
89874	8/25/2020	0012727	Ref000273646	7/23/2020	UB REFUND CST #00060226-962	1,101.68	1,101.68
	Voucher: RICHIE, KAREN						
89875	8/25/2020	00004804	RIO HONDO COMMUNITY COLLEGE X20-26-ZSGT	7/27/2020	TRAINING-SUPERVISORY COUR	228.00	228.00
	Voucher: RIO HONDO COMMUNITY COLLEGE X20-26-ZSGT						
89876	8/25/2020	0012709	2013-01-0620	7/21/2020	SOUTH GATE REVIEW SERVICE:	4,050.00	4,050.00
	Voucher: RRM DESIGN GROUP						
89877	8/25/2020	00004821	S & J SUPPLY COMPANY, INC. S100153829.001	7/8/2020	INVENTORY PO/ WATER PARTS	7,599.23	7,599.23
	Voucher: S & J SUPPLY COMPANY, INC.						
89878	8/25/2020	00004823	SAN BERNARDINO COUNTY HR GT-142-20	5/26/2020	7/1/20-6/30/21: WRIB TESTING SE	2,512.13	2,512.13
	Voucher: SAN BERNARDINO COUNTY HR						
89879	8/25/2020	0012731	Ref000273851	7/29/2020	UB REFUND CST #00059149 432	125.17	125.17
	Voucher: SANCHEZ, EVELIA						
89880	8/25/2020	0010623	20070420	7/13/2020	JUL 2020: ARMORED TRUCK SEF	280.24	280.24
	Voucher: SECTRAN SECURITY INC.						
89881	8/25/2020	0012725	Ref000273644	7/23/2020	UB REFUND CST #00060316-104	189.97	189.97
	Voucher: SEPULVEDA, BRAULIO						
89882	8/25/2020	0012098	SO CAL COMPTON PIPE SUPPLY 1674	7/23/2020	INVENTORY PO/ COPPER	2,480.63	2,480.63
	Voucher: SO CAL COMPTON PIPE SUPPLY						

(Continued)

Bank : botw BANK OF THE WEST

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
89883	8/25/2020	00004352 SOUTH BAY LAW FIRM Voucher:	997	8/4/2020	THUR JULY 31, 2020 RE: RURDUJ	880.00	880.00
89884	8/25/2020	00005096 SOUTH COAST A.Q.M.D. Voucher:	3683301	7/16/2020	FLAT FEE FOR LAST FISCAL YEA	136.40	557.42
89885	8/25/2020	0012733 SRPS LP Voucher:	3680502	7/16/2020	ICE (50-500 HP) EM ELEC GEN-D	421.02	163.77
89886	8/25/2020	0011468 SUPERIOR VISION SERVICES, IN Voucher:	Ref000273853	7/29/2020	UB REFUND CST #00063605 103;	163.77	109.83
89887	8/25/2020	0009039 TETRA TECH Voucher:	51618795	8/3/2020	AUGUST 2020 - ADJ FOR ACTIVE	109.83	51,217.69
89888	8/25/2020	00003851 THOMSON REUTERS Voucher:	842765959	8/17/2020	P/E 7/24/20: TARGET/LAZAR GAS	51,217.69	417.99
89889	8/25/2020	0008153 TIME WARNER CABLE- Voucher:	0044267072720	7/27/2020	JULY 2020 - WEST INFORMATION	417.99	278.19
89890	8/25/2020	0005750 UNITED INDUSTRIES Voucher:	0439993072020	7/20/2020	7/01/20-07/31/20 PD CONTROL A	278.19	134.99
89891	8/25/2020	0011926 URM TECHNOLOGIES, INC. Voucher:	0879974062920	6/29/2020	7/20/20-8/19/20 ACCT# 844830 01	134.99	170.98
89892	8/25/2020	00000379 VERIZON BUSINESS Voucher:	0507757071520	7/15/2020	6/29/20-7/28/20 POLICE STATION	170.98	25.23
89893	8/25/2020	00001848 VERIZON WIRELESS Voucher:	0507757071520	7/15/2020	7/15/20-8/14/20 FOR CITY YARD #	25.23	1,750.05
89894	8/25/2020	00002593 WAXIE'S SANITARY SUPPLY Voucher:	207181	7/16/2020	INVENTORY PO/ NITRILE GLOVE	1,750.05	539.86
			207591	7/30/2020	INVENTORY PO/ SIMPLE GREEN	539.86	36.48
			0059482	7/31/2020	JULY 2020: C001982PERS DOCL	36.48	27.36
			0059476	7/31/2020	JULY 2020: C001982 DOCUMENT	27.36	22.80
			0059477	7/31/2020	JULY 2020: C001982ACCNT DO	22.80	37.86
			0059478	7/31/2020	JULY 2020: C001982AP DOCUME	37.86	8.88
			0059479	7/31/2020	JULY 2020: C001982AR DOCUM	8.88	59.54
			0059480	7/31/2020	JULY 2020: C001982A... DOCUMEI	59.54	13.68
			0059481	7/31/2020	JULY 2020 C001982PAYROLL DC	13.68	82.52
			68050601	8/10/2020	BILLING -07/01/2020 - 07/31/2020	82.52	228.06
			9859405905	7/23/2020	BILLING PRD- 06/24/20-07/23/20-	228.06	3,426.62
			9859209389	7/21/2020	BILLING PRD- 6/22/20-7/21/2020-I	3,426.62	2,711.55
			79316709	7/15/2020	INVENTORY PO/ JANOTORIAL SI	2,711.55	4,705.82
			79305772	7/10/2020	POWER WASHER	4,705.82	7,417.37

Bank : botw BANK OF THE WEST (Continued)

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
89895	8/25/2020	00000032 WEST COAST MAILERS	10432	7/30/2020	CSG LATE NOTICES 1 & 2 JOB# :	2,120.85	
		Voucher:	10433	7/30/2020	CSG LATE NOTICES CYCLES 1 :	355.89	
			10434	7/30/2020	CSG BILLS CYCLES 7 & 8 AND L :	1,851.77	
			10435	7/30/2020	CSG LATE NOTICES CYCLES 10 :	166.50	
			10436	7/30/2020	CSG LATE NOTICES CYCLES 7 :	345.00	
			10437	7/30/2020	CSG BILLS CYCLES 1 & 2 JOB# €	2,116.38	
			10438	7/30/2020	CSG BILLS CYCLES 1 & 2 JOB# €	346.62	
			10439	7/30/2020	CSG BILLS CYCLES 3 & 4 JOB# €	1,698.94	
			10440	7/30/2020	CSG BILLS CYCLES 3 & 4 JOB# €	299.81	
			10441	7/30/2020	CSG BILLS CYCLES 5 & 6 JOB# €	1,802.31	
			10442	7/30/2020	CSG BILLS CYCLES 5 & 6 JOB# €	324.10	
			10443	7/30/2020	CSG LATE NOTICES CYCLES 10 :	157.62	
			10444	7/30/2020	CSG BILLS CYCLES 7 & 8 JOB# €	1,579.25	
			10445	7/30/2020	CSG BILLS CYCLES 7 & 8 JOB# 7	295.40	13,460.44
89896	8/25/2020	0012723 ZAMARRIPA, GUILLERMO	Ref000273642	7/23/2020	UB REFUND CST #00050661-962:	12.19	12.19
		Voucher:					

Sub total for BANK OF THE WEST: 781,477.47

169 checks and 1 wire transfer in this report.

Grand Total All Checks and Wire Transfers: 815,971.68

Void Checks

Bank code: botw Bank code: efbotw
 Check # 89825 Date 8/25/2020
 (none)

WARRANT REGISTER FOR COUNCIL MEETING 8/25/2020 (FY 2019/20)

PART IIb

apChkLst
08/18/2020 1:15:06PM

Final Check List
CITY OF SOUTH GATE

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
89654	8/6/2020	00000898 CENTRAL BASIN MUNI WATER	SG-JUN20	7/16/2020	JUN 2020: RECYCLED WATER &	24,301.04	24,301.04
		Voucher:					
89666	8/25/2020	00000688 AARDVARK	PIN10648	7/20/2020	PROJECT 7 ENTRY VESTS	8,951.37	8,951.37
		Voucher:					
89667	8/25/2020	00003502 ABC BATTERY INC.	3828	6/29/2020	BATTERY - GROUNDS MAINT. EG	156.75	156.75
		Voucher:					
89668	8/25/2020	00003766 ABEL GLASS & SCREEN	03206	6/30/2020	DOOR GLASS REPLACEMENT - I	1,998.98	
		Voucher:	03203	6/30/2020	GRAFFITI FILM FOR EXTERNAL/	876.49	
			03204	6/30/2020	WINDOW TINT MATERIAL	700.09	
			31031	6/18/2020	WINDOW REPAIRS - POOL STAD	574.14	
			03193	6/16/2020	GLASS REPLACEMENT - POOL	448.55	
			31387	6/23/2020	PLEXIGLASS - OFFICE A SOCIAL	297.68	
			03205	6/30/2020	POLICE DEPART - DOOR GLASS	192.81	
			31300	6/19/2020	WINDOW REPAIR - AUDITORIUM	133.59	5,222.33
89669	8/25/2020	0012681 ACCELERATED APPRAISALS	5209 DUNC	6/24/2020	5209 DUNCAN WAY: APPRAISAL	775.00	
		Voucher:	9301MCNE	7/29/2020	9301 MCNERNEY AVE: APPRAIS/	550.00	
			9718SANJ	8/3/2020	9718 SAN JUAN AVE: APPRAISAL	550.00	
			9336SANG	8/3/2020	9336 SAN GABRIEL AVE: APPRAI	550.00	2,425.00
89670	8/25/2020	00001467 ADMINISTRATIVE SERV. CO-OP	200630E	6/30/2020	JUN 2020: SERVICES FOR DIAL-/	150.00	150.00
		Voucher:					
89671	8/25/2020	00004372 AIRGAS USA, LLC	9101890821	6/4/2020	POOL CHEMICALS: CO2	104.90	
		Voucher:	9102556303	6/25/2020	POOL CHEMICALS	103.47	
			9102110812	6/11/2020	POOL CHEMICALS: CO2	93.89	302.26
89672	8/25/2020	00003098 AMERINAT	20-00504	7/1/2020	JUN 2020: LOANS BOARDED-AS	114.80	114.80
		Voucher:					
89673	8/25/2020	0007290 APW KNOX-SEEMAN	15426241	6/27/2020	CATALYTIC CONVERTER FOR UJ	605.89	605.89
		Voucher:					

Gray highlights indicate prepaid checks

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Bank : botw BANK OF THE WEST (Continued)

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
89674	8/25/2020	00005075 AT&T Voucher:	14898393	6/13/2020	BAN: 9391034762- BP-05/13/20-0k	2,846.69	
			14898390	6/13/2020	BAN: 9391034764- BP-05/13/20-0k	2,431.37	
			14898391	6/13/2020	BAN: 9391034763- BP-05/13/20-0k	2,218.71	
			14898392	6/13/2020	BAN: 9391034765 - BP - 05/13/20-	1,851.68	
			14898395	6/13/2020	BAN: 9391034766- BP-05/13/20-0k	106.30	
			14898397	8/11/2020	BAN: 9391034761- BP-05/13/20-0k	81.91	
			14839089	6/1/2020	BAN: 9391034759- BP- 05/01/20-0	40.13	
89675	8/25/2020	00003692 AT&T MOBILITY Voucher:	14898394	6/13/2020	BAN: 9391034760- BP- 05/13/20-0	36.22	9,613.01
			875963643X0716	7/8/2020	BILLING PRD- 6/9/20-7/8/20 (PD)	482.57	482.57
89676	8/25/2020	00000201 ATLANTIC LOCK & KEY Voucher:	00009	6/25/2020	REPLACE & REKEY RESTROOM	197.14	197.14
89677	8/25/2020	0005456 BADGE FRAME, INC. Voucher:	35736	4/30/2020	SOUTH GATE POLICE DEPT. BAL	2,305.85	2,305.85
89678	8/25/2020	00000296 BD WHITE TOP SOIL CO INC Voucher:	83368	5/4/2020	GROUNDS MAINT. SUPPLIES	1,381.23	1,381.23
89679	8/25/2020	0010615 BEARCOM Voucher:	5021158	5/1/2020	MAY 2020: BEARCOM-ANNUAL S	318.81	
89680	8/25/2020	00000759 CALIFORNIA FRAME & AXLE Voucher:	5033517	6/1/2020	BEARCOM-ANNUAL SERVICES F	318.81	637.62
			59661	6/26/2020	ALIGNMENT- UNIT 149	45.00	45.00
89681	8/25/2020	0006239 CENTRAL FORD Voucher:	356485	6/29/2020	BRAKE PADS FOR UJT 142	333.59	
			356351	6/25/2020	CONTROL UNIT FOR UNIT 196	95.88	
89682	8/25/2020	00001364 CLEAN FUELS INC. Voucher:	356221	6/24/2020	PARKING LIGHT FOR UNIT 210	28.82	458.29
			19-0755	7/9/2020	CLEAN TANKS	9,644.76	9,644.76
89683	8/25/2020	0011159 CONSERVATION CORPS OF Voucher:	7301	6/30/2020	YOUTH EMPLOYMENT INTERNS	12,927.20	
			7216	2/29/2020	FEB 2020: YOUTH EMPLOYMENT	8,428.00	
			7235	3/31/2020	MAR 2020: YOUTH EMPLOYMENT	8,428.00	
89684	8/25/2020	00001565 DEPT OF JUSTICE-(DOJ) CENTR/457997 Voucher:	7197	1/31/2020	JAN 2020: YOUTH EMPLOYMENT	4,508.00	34,291.20
				6/30/2020	JUNE 2020 - FINGERPRINT APPS	68.00	68.00
89685	8/25/2020	0006890 GARVEY EQUIPMENT COMPANY 129934 Voucher:		6/24/2020	REPLACEMENT STUMP/ROOT G	19,071.04	19,071.04
89686	8/25/2020	0008789 GONZALEZ, VIOLETA ORQUIDIA 471 Voucher:		7/6/2020	REIMBURSEMENT FOR Q4 VIOLI	2,034.85	2,034.85

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
89687	8/25/2020	00002890 GRAINGER Voucher:	9570519448	6/24/2020	PLAYGROUND INSPECTION AND	923.90	923.90
89688	8/25/2020	00000534 GRANDE VISTA STEEL Voucher:	165172	5/27/2020	FIRESTONE BRIDGE - PEDESTR	119.07	119.07
89689	8/25/2020	00000989 HARRIS & ASSOCIATES Voucher:	45142	6/11/2020	4/26/20-5/23/20: GARFIELD/IMPEI	5,015.50	5,015.50
89690	8/25/2020	00000647 HONEYWELL INTERNATIONAL IN Voucher:	5251044544 5251361363	3/1/2020 4/1/2020	APR 2020: HONEYWELL INTERN, MAY 2020: HONEYWELL INTERN,	8,540.00 8,540.00	25,620.00
89691	8/25/2020	00003106 INDUSTRIAL CONTAINER SVC, LL Voucher:	5251608256 LL51061199	5/1/2020 3/6/2020	JUN 2020: HONEYWELL INTERN/ TRASH DRUMS	8,540.00 3,997.70	3,997.70
89692	8/25/2020	00004578 INTERWEST CONSULTING GROU Voucher:	61144	7/9/2020	JUNE 2020: PLAN CHECK SERVI	3,881.11	3,881.11
89693	8/25/2020	0009928 INVESTIGATIVE POLYGRAPH, SE Voucher:	361 362	7/12/2020 7/12/2020	PRE-EMPLOYMENT PARTIAL BA PRE-EMPLOYMENT PARTIAL BA	140.00 140.00	280.00
89694	8/25/2020	0008222 JCL TRAFFIC SERVICES Voucher:	103764 104757	2/20/2020 6/26/2020	POST FOR SIGNS FOR ST DIV BARRICADES, TRAFFIC PRODUC CREDIT	2,003.50 358.61 -560.00	2,362.11
89695	8/25/2020	0011585 JOHNSON CONTROLS FIRE Voucher:	92053377 21742561	7/10/2020 7/14/2020	JOHNSON CONTROLS-ANNUAL : JOHNSON CONTROLS-ANNUAL : CREDIT	628.50 152.50 -389.40	221.00
89696	8/25/2020	00003387 KNORR SYSTEMS, INC. Voucher:	SCR16149 S1220930	3/27/2020 6/24/2020	KNORR SYTEMS- CHEMICAL TE BRAKE BOOSTER FOR UNIT 200	1,105.20 205.33	715.80
89697	8/25/2020	0012590 LA TRUCK & AUTO INC, NAPA AU Voucher:	5016-157221 5156156241 5156-156302 5156-157502	6/17/2020 6/17/2020 6/26/2020 6/30/2020	AC COMPRESSOR FOR 198 VALVE FOR AIR BRAKE- UNIT 29: MARKER LIGHTS- UNIT 667 JUN 2020: MONTHLY BILLING - H	198.57 105.99 70.26 1,190.00	580.15 1,190.00
89698	8/25/2020	00003815 MICHELSON LABORATORIES, INC Voucher:	INC0582416	2/13/2020	POLO UNIFORM SHIRTS FOR EM	104.72	104.72

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
89700	8/25/2020	0007984 O'REILLY AUTO PARTS Voucher:	3063-351898 3063-352805 3063-354524 3063-353849 3063-353696 3063-354300 3063-353551	6/13/2020 6/18/2020 6/27/2020 6/24/2020 6/23/2020 6/26/2020 6/22/2020	FAN ASSEMBLIES FOR UNIT 114 STARTER TRAILER COUPLER FOR UNIT S/ BRAKE ROTORS FOR UNIT 295 BELTS FOR UNIT 138 AIR FILTERS FOR UNIT 410 PIPE ADAPTER FOR UNIT 299	538.32 213.98 197.48 151.55 36.61 35.01 15.13	
89701	8/25/2020	00004582 PARKHOUSE TIRE INC Voucher:	1010744036	6/24/2020	4- TIRES FOR UNIT 304	607.33	1,188.08
89702	8/25/2020	0011294 PARKWOOD LANDSCAPE Voucher:	1010743132 100377	6/17/2020 6/30/2020	2- TIRES FOR UNIT 243 JUN 2020: ANNUAL LANDSCAPE	315.13 20,777.00	922.46 20,777.00
89703	8/25/2020	00004713 PETTY CASH- PARKS & REC.DEP Voucher:	6/25/2020-7/8/2020	7/14/2020	6/25/2020-7/8/2020: PETTY CASH	272.78	272.78
89704	8/25/2020	0005368 PRINTCO DIRECT Voucher:	82831 82821 82847 82848 82823 82767 82766 82769 19794	5/27/2020 6/5/2020 6/11/2020 6/12/2020 6/5/2020 4/30/2020 5/1/2020 5/5/2020 3/5/2020	PHOTO POSTER PRINTS - LONC BUSINESS CARDS: CC - MAY 202 LETTERHEAD: POLICE DPT. LET BUSINESS CARDS: CC (MARIA A' BUSINESS CARDS: PD DETECTI' BUSINESS CARDS: PD - DETEC BUSINESS CARDS: PARKS - LC BUSINESS CARDS: CD - ERAMIR SIDEWALK ADA COPIES	1,481.76 907.00 771.75 185.40 111.23 66.15 45.08 33.08 1,208.59	3,601.45
89705	8/25/2020	00000416 RAPID-O-PRINT Voucher:	20779 19604 20784 20362 18785 20081 001520	6/18/2020 2/13/2020 6/18/2020 4/7/2020 10/17/2020 3/31/2020 1/29/2020	ENVELOPES FOR PLANNING AN HOUSING ENVELOPES W/WINDC DESIGN SET UP AND LAYOUT FC PRINTING OF PD BLUE TABS CARDSTOCK SIGNS FOR ST DIV 500 - #10 ENVELOPES W/NEW C PROMOTION CEREMONY CAKE	972.41 571.10 551.25 540.23 242.00 141.12 18.98	4,226.70 18.98
89707	8/25/2020	0010623 SECTRAN SECURITY INC. Voucher:	20050424 20060426	5/11/2020 6/1/2020	MAY 2020: ARMORED TRUCK SE JUN 2020: ARMORED TRUCK SEI	280.24 280.24	560.48
89708	8/25/2020	00005096 SOUTH COAST A.Q.M.D. Voucher:	3594933	7/16/2020	5% LATE PAYMENT PENTALTY (T	6.82	6.82

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
89709	8/25/2020	0012750	SOUTHERN CALIFORNIA NEWS (0000484897	6/30/2020	JUN 2020: PUBLIC NOTICES - CL	2,832.44	2,832.44
			Voucher:				
89710	8/25/2020	0009420	SPARKLETTTS	6/26/2020	JUN 2020 - DRINKING WATER SY	462.43	462.43
			Voucher:				
89711	8/25/2020	0009017	STATEWIDE TRAFFIC SAFETY&SIO2022032	6/18/2020	ARROW BOARD FOR ELECTRICI	4,654.99	
			Voucher:				
89712	8/25/2020	00004908	STATUS ONE MEDICAL INC	6/26/2020	STREET DIVISION EQUIPMENT	792.54	5,447.53
			Voucher:		FIRST AID SUPPLIES	100.16	100.16
89713	8/25/2020	0005394	STEVE SWAIN INVESTIGATOR	7/12/2020	EXPEDITED BACKGROUND INVE	1,577.55	
			Voucher:		EXPEDITED BACKGROUND INVE	1,283.90	
89714	8/25/2020	0011468	SUPERIOR VISION SERVICES, IN411746	7/13/2020	EXPEDITED BACKGROUND INVE	1,241.95	
			Voucher:		EXPEDITED BACKGROUND INVE	560.00	4,663.40
89715	8/25/2020	0012517	T.Y. LIN INTERNATIONAL	7/10/2020	BACKGROUND INVESTIGATION I	72.77	
			Voucher:		JUL 2020 - ADJ FOR ACTIVE SW	-4.72	
89716	8/25/2020	0009039	TETRA TECH	6/23/2020	JUNE 2020- ADJ FOR ACTIVE MIS	-26.03	42.02
			Voucher:		MARCH 2020 - ADJ FOR ACTIVE	65,126.48	65,126.48
89717	8/25/2020	00003851	THOMSON REUTERS	7/23/2020	MAY 2020: CONSTRUCTION MAN		
			Voucher:				
89718	8/25/2020	0008153	TIME WARNER CABLE-	4/6/2020	P/E 3/27/20: TARGET/LAZAR GAS	96,440.75	
			Voucher:		P/E 6/30/20: TARGET/LAZAR GAS	35,588.44	132,029.19
89719	8/25/2020	00004964	UNDERGROUND SERVICE ALERTS20193305	7/13/2020	JUNE 2020 - WEST INFORMATIO	417.99	417.99
			Voucher:				
89720	8/25/2020	00004975	US ARMOR	6/27/2020	6/01/20-6/30/20 ACCT#8448 20 89	278.19	278.19
			Voucher:		DIGALERT REGULATORY COSTS	154.27	154.27
89721	8/25/2020	00000379	VERIZON BUSINESS	7/11/2020	WEST- ENFORCER CONCEALABI	630.29	
			Voucher:		WEST- ENFORCER CONCEALABI	545.88	1,176.17
89722	8/25/2020	00004423	WALTERS WHOLESALE ELECTRI515738801.002	7/22/2020	BILLING -04/15/2020 - 05/14/2020	40.00	40.00
			Voucher:		ELECTRICAL SUPPLIES	188.06	
					ELECTRICAL SUPPLIES	43.83	231.89

Bank : botw BANK OF THE WEST (Continued)

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
89723	8/25/2020	0010476 WECK LABORATORIES INC	WOF1977-COSOU	6/30/2020	6/24/20: WATER QUALITY SAMPL	170.00	
		Voucher:	WOF1195-COSOU	6/17/2020	WATER QUALITY SAMPLING	135.00	
			WOG0015-COSOL	7/1/2020	WATER QUALITY SAMPLING	105.00	
			WOF1959-COSOU	6/30/2020	6/22/20: WATER QUALITY SAMPL	65.00	
			WOG0245-COSOL	7/6/2020	WATER QUALITY SAMPLING	30.00	505.00
89724	8/25/2020	0012593 WESTAMERICA COMMUNICATIONS	336600	6/29/2020	CENSUS/ILLEGAL FIREWORKS F	2,760.91	2,760.91
		Voucher:					
89725	8/25/2020	00000561 WESTERN EXTERMINATOR COM	8168820	5/29/2020	WESTERN EXTERMINATOR-ANN	375.00	
		Voucher:	8085748	4/30/2020	WESTERN EXTERMINATOR-ANN	375.00	
			8259040	6/30/2020	WESTERN EXTERMINATOR-ANN	375.00	
			8212354	6/30/2020	JUN 2020: WESTERN EXTERMIN	275.00	
			8168819	5/31/2020	MAY 2020: WESTERN EXTERMIN	244.00	
			8236664	6/30/2020	JUN 2020: WESTERN EXTERMIN	211.00	
			8126592	5/31/2020	MAY 2020: WESTERN EXTERMIN	206.50	
			8208402	6/30/2020	JUN 2020: WESTERN EXTERMIN	206.50	
			8132690	5/31/2020	MAY 2020: WESTERN EXTERMIN	206.00	
			8236665	6/30/2020	JUN 2020: WESTERN EXTERMIN	206.00	
			8208408	6/30/2020	JUN 2020: WESTERN EXTERMIN	82.50	
			8126594	5/31/2020	MAY 2020: WESTERN EXTERMIN	82.50	
			8208403	6/30/2020	JUN 2020: WESTERN EXTERMIN	69.50	
			8164689	5/31/2020	MAY 2020: WESTERN EXTERMIN	65.50	
			8208404	6/30/2020	WESTERN EXTERMINATOR-ANN	55.50	
			8236663	6/30/2020	JUN 2020: WESTERN EXTERMIN	42.50	3,078.00
89726	8/25/2020	00001280 WILLDAN	00619229	5/19/2020	AS NEEDED PROFESSIONAL SE	1,000.00	1,000.00
		Voucher:					
89727	8/25/2020	0006745 XTREME AUTOBODY	2106	12/16/2019	REPAIRS TO UNIT 186	4,420.06	4,420.06
		Voucher:					
89728	8/25/2020	00000062 ZIEGLER'S HARDWARE& SUPPLY	09672	9/27/2020	BLDG MAINT - SPORTS CENTER	130.59	
		Voucher:	09653	6/16/2020	SPARE KEYS	82.52	
			09657	6/25/2020	WELDING - FIRESTONE BRIDGE	66.13	
			09403	5/8/2020	READY MIX BAGS	39.62	
			09669	9/27/2020	BLDG MAINT - POOL STADIUM PI	25.32	
			09665	6/27/2020	BLDG MAINT - POOL STADIUM R	19.24	
			09685	6/30/2020	BUSHING, ELBOW	16.52	
			09611	6/16/2020	ELECTRICAL SUPPLIES	11.00	390.94

Sub total for BANK OF THE WEST: 424,202.88

64 checks in this report.

Grand Total All Checks: 424,202.88

WARRANT REGISTER FOR COUNCIL MEETING 8/25/2020 (FY 2020/21)

PART III

apChkLst
08/06/2020 1:40:03PM

Final Check List
CITY OF SOUTH GATE

Page: 1

Bank : botw BANK OF THE WEST

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
89655	8/6/2020	0008914 AMERICAN EXPRESS					
		00004000 WASTE MANAGEMENT	1226559-2684-0	7/1/2020	JULY 2020: 263-1669: SG RESDTI	312,518.00	
		00004000 WASTE MANAGEMENT	1225937-2684-9	6/1/2020	MAY 2020- 263-9 COSG (TRASH):	167.76	
		00004000 WASTE MANAGEMENT	1226009-2684-6	6/16/2020	6/1/20-6/15/20: HOMELESS ENCA	121.28	
		00004000 WASTE MANAGEMENT	1228020-2684-1	7/1/2020	6/16/20-6/30/20: HOMELESS ENC	119.85	312,926.89

Sub total for BANK OF THE WEST:

312,926.89

1 check in this report.

Grand Total All Checks:

312,926.89

WARRANT REGISTER FOR COUNCIL MEETING 8/25/2020 (FY 2020/21)

PART IV

apChkLst
08/12/2020 12:56:48PM

Final Check List
CITY OF SOUTH GATE

Page: 1

Bank : botw BANK OF THE WEST

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
89656	8/12/2020	0012740	A & R AUTO COLLISION	8/6/2020	SMALL BUSINESS JOB RETENTI	10,000.00	10,000.00
	Voucher:						
89657	8/12/2020	0012744	AUTO CORRECT	8/6/2020	SMALL BUSINESS JOB RETENTI	10,000.00	10,000.00
	Voucher:						
89658	8/12/2020	0012735	CAKE & COFFEE HOUSE	8/6/2020	SMALL BUSINESS JOB RETENTI	10,000.00	10,000.00
	Voucher:						
89659	8/12/2020	0012743	DELITE NAILS & SPA	8/6/2020	SMALL BUSINESS JOB RETENTI	10,000.00	10,000.00
	Voucher:						
89660	8/12/2020	0012684	LA TAQUIZA DE DON CHUY	8/6/2020	SMALL BUSINESS JOB RETENTI	10,000.00	10,000.00
	Voucher:						
89661	8/12/2020	0012737	LOS HARO BARBER SHOP	8/12/2020	SMALL BUSINESS JOB RETENTI	10,000.00	10,000.00
	Voucher:						
89662	8/12/2020	0012741	RESTAURANT PALOS	8/6/2020	SMALL BUSINESS JOB RETENTI	10,000.00	10,000.00
	Voucher:						
89663	8/12/2020	0012742	V NAILS & SPA	8/6/2020	SMALL BUSINESS JOB RETENTI	10,000.00	10,000.00
	Voucher:						
89664	8/12/2020	0012736	VILLIANS BARBERSHOP	8/6/2020	SMALL BUSINESS JOB RETENTI	10,000.00	10,000.00
	Voucher:						

Sub total for BANK OF THE WEST: 90,000.00

9 checks in this report.

Grand Total All Checks: 90,000.00

Gray highlights indicate prepaid checks

Page: 1

WARRANT REGISTER FOR COUNCIL MEETING 8/25/2020 (FY 2020/21)

PART V

apChkLst
08/18/2020 10:00:43AM

Final Check List
CITY OF SOUTH GATE

Page: 1

Bank : botw BANK OF THE WEST

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
1914	7/9/2020	00004708	PERS HEALTH PLAN Ben272685	7/9/2020	MEDICAL HMO ANTHEM SELECT	384,061.57	384,061.57
	Voucher:						
1926	8/6/2020	00000343	PUBLIC EMPLOYEES RETIREMENT Ben274136	8/6/2020	PERS RETIREMENT: PAYMENT	241,114.36	241,114.36
	Voucher:						
1927	8/6/2020	00001186	EMPLOYMENT DEVELOPMENT D Ben274138	8/6/2020	SDI: PAYMENT	47,533.21	47,533.21
	Voucher:						
1928	8/6/2020	00002370	INTERNAL REVENUE SERVICE Ben274140	8/6/2020	MEDICARE: PAYMENT	145,176.47	145,176.47
	Voucher:						
1929	8/6/2020	00000004	NATIONWIDE RETIREMENT SOLL Ben274142	8/6/2020	DEF COMP NATIONWIDE: PAYME	65,700.90	65,700.90
	Voucher:						
1930	8/6/2020	00004836	SEIU LOCAL 721 CTW CLC-23900 Ben274144	8/6/2020	SEIU DUES: PAYMENT	3,239.77	3,239.77
	Voucher:						
1932	8/6/2020	00004996	SEIU-COPE LOCAL 721, LA/OC C Ben274148	8/6/2020	SEIU- COPE LOCAL 721 DEDUCT	39.00	39.00
	Voucher:						
1933	8/6/2020	00004988	CHILD SUPPORT ON-LINE, STATE Ben274150	8/6/2020	CHILD SUPPORT-ONLINE: PAYMI	2,195.54	2,195.54
	Voucher:						

Sub total for BANK OF THE WEST: 889,060.82

8 wire transfers in this report.

Grand Total All Wire Transfers: 889,060.82

WARRANT REGISTER FOR COUNCIL MEETING 8/25/2020 (FY 2020/21)

PART VI

apChkLst
08/18/2020 2:54:24PM

Final Check List
CITY OF SOUTH GATE

Page: 1

Bank : efbotw BANK OF THE WEST EFT

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
98	8/25/2020	0012466 RET: ADAMS, PAUL L. Voucher:	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	1,281.58	1,281.58
99	8/25/2020	0005570 RET: ALONZO, ANTHONY Voucher:	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	1,127.81	1,127.81
100	8/25/2020	0005813 RET: AVILA, VINCENT Voucher:	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	1,148.20	1,148.20
101	8/25/2020	00001265 RET: BRASSFIELD, CHARLES R Voucher:	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	250.00	250.00
102	8/25/2020	0006324 RET: BURBACH, MAUREEN Voucher:	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	150.00	150.00
103	8/25/2020	00000817 RET: CHRIST, DOUGLAS F Voucher:	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	250.00	250.00
104	8/25/2020	00003408 RET: DAMRON, ROGER V Voucher:	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	250.00	250.00
105	8/25/2020	00001776 RET: EADE, JOANN Voucher:	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	200.00	200.00
106	8/25/2020	00003973 RET: EADS, KENNETH P. Voucher:	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	948.67	948.67
107	8/25/2020	00003853 RET: FANNIN, ZONA Voucher:	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	150.00	150.00
108	8/25/2020	0008820 RET: FERNANDEZ, CARLOS Voucher:	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	1,148.20	1,148.20
109	8/25/2020	00004403 RET: FIELD, GARY Voucher:	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	150.00	150.00
110	8/25/2020	0005355 RET: GALBREATH, RUSSELL Voucher:	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	1,148.20	1,148.20
111	8/25/2020	0011186 RET: GAMBOA, OSCAR Voucher:	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	150.00	150.00
112	8/25/2020	00000496 RET: GEORGE, RONALD P Voucher:	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	250.00	250.00
113	8/25/2020	00003940 RET: GONZALEZ, HIRAM Voucher:	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	150.00	150.00
114	8/25/2020	0006328 RET: GUTIERREZ, MANUEL Voucher:	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	1,148.20	1,148.20

Page: 1

Bank : efbotw BANK OF THE WEST EFT (Continued)

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
115	8/25/2020	0006510 Voucher: RET: HERNANDEZ, MARIA	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	150.00	150.00
116	8/25/2020	0008059 Voucher: RET: HILL, GARY	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	150.00	150.00
117	8/25/2020	0006329 Voucher: RET: HOMSHER, HUGH	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	1,148.20	1,148.20
118	8/25/2020	00004784 Voucher: RET: HUNTRONDS, RICHARD F	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	239.00	239.00
119	8/25/2020	00004785 Voucher: RET: IRISH, TERRY F	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	250.00	250.00
120	8/25/2020	0011110 Voucher: RET: JOHNSON, GERALD	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	150.00	150.00
121	8/25/2020	00004787 Voucher: RET: KENNEDY, GARY E	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	250.00	250.00
122	8/25/2020	0005356 Voucher: RET: KEY, ANDREW	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	1,148.20	1,148.20
123	8/25/2020	0011111 Voucher: RET: KOOMEN, SHERI L.	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	150.00	150.00
124	8/25/2020	00004788 Voucher: RET: LANE JR, EDWARD W	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	250.00	250.00
125	8/25/2020	0009946 Voucher: RET: LEFEVER, STEVEN A.	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	200.00	200.00
126	8/25/2020	00004789 Voucher: RET: LILLEY, RAYMOND E	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	250.00	250.00
127	8/25/2020	0009453 Voucher: RET: LOPEZ, VERONICA	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	150.00	150.00
128	8/25/2020	0007656 Voucher: RET: MATSUKIYO, DAVID	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	1,100.86	1,100.86
129	8/25/2020	00003328 Voucher: RET: MOSBY, DOROTHEA S	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	200.00	200.00
130	8/25/2020	0011895 Voucher: RET: MUNOZ, ALFREDO	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	1,148.20	1,148.20
131	8/25/2020	00003239 Voucher: RET: NASSAR, SAMI R	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	200.00	200.00

Bank : efbotw BANK OF THE WEST EFT (Continued)

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
132	8/25/2020	0012468 Voucher: RET: ORTIZ, JULIAN	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	525.39	525.39
133	8/25/2020	0011522 Voucher: RET: PELLERIN, ROBERT	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	1,148.20	1,148.20
134	8/25/2020	0010733 Voucher: RET: PIXLER, DAVID	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	1,148.20	1,148.20
135	8/25/2020	00004794 Voucher: RET: POWELL, ROBERT K.	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	250.00	250.00
136	8/25/2020	0011967 Voucher: RET: RIVERA, FRANK J.	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	506.24	506.24
137	8/25/2020	0011978 Voucher: RET: RIVERA, HANNAH TELLEZ-CAUGUST	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	506.24	506.24
138	8/25/2020	0012682 Voucher: RET: RUIZ, NELLIE	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	150.00	150.00
139	8/25/2020	0011112 Voucher: RET: SALDIVAR, MARIO M.	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	1,148.20	1,148.20
140	8/25/2020	00001867 Voucher: RET: SCHMID, BEATRICE J	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	150.00	150.00
141	8/25/2020	0009865 Voucher: RET: SCHRADER, GEORGE R.	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	1,148.20	1,148.20
Sub total for BANK OF THE WEST EFTs:						23,715.99	

Bank : efbotw BANK OF THE WEST EFT

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
142	8/25/2020	0011521 RET: SCOTT, DAVID Voucher:	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	1,148.20	1,148.20
143	8/25/2020	0006513 RET: SHETTER, RANDOLPH M. Voucher:	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	150.00	150.00
144	8/25/2020	00000869 RET: SMITH, CHARLES R Voucher:	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	250.00	250.00
145	8/25/2020	00004796 RET: SPEELMAN, PATRICIA L Voucher:	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	250.00	250.00
146	8/25/2020	00002147 RET: SPROWLS, KENNETH C Voucher:	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	250.00	250.00
147	8/25/2020	0008313 RET: SULLIVAN, DARREN Voucher:	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	1,148.20	1,148.20
148	8/25/2020	0006512 RET: TATTI, WILLIAM P. Voucher:	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	150.00	150.00
149	8/25/2020	00003573 RET: VAN LIEROP, MARTIN G Voucher:	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	212.39	212.39
150	8/25/2020	0007655 RET: WELLS, GREGORY Voucher:	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	506.24	506.24
151	8/25/2020	00004379 RET: WHALEN, HARVEY Voucher:	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	150.00	150.00
152	8/25/2020	00000498 RET: WILLIAMS, GALE M Voucher:	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	250.00	250.00
153	8/25/2020	0008821 RET: WILLIAMS, TIMOTHY Voucher:	AUGUST 2020	8/7/2020	AUGUST 2020- RETIREE MEDICA	1,148.20	1,148.20

Sub total for BANK OF THE WEST EFT's

5,613.23

56 EFT's in this report.

Grand Total All EFT's:

29,329.22

**WARRANT REGISTER SUMMARY
CITY COUNCIL MEETING 8/25/2020**

TOTAL PART I - PAYROLL-RELATED CHECKS (FY 2020/21)	54,130.50
TOTAL PART IIa - ACCOUNTS PAYABLE CHECKS (FY 2020/21)	815,971.68
TOTAL PART IIb - ACCOUNTS PAYABLE CHECKS (FY 2019/20)	424,202.88
TOTAL PART III - PREPAID CHECK (8/6/2020, FY 2020/21)	312,926.89
TOTAL PART IV - PREPAID CHECKS (8/12/2020, FY 2020/21)	90,000.00
TOTAL PART V - PAYROLL-RELATED WIRE TRANSFERS (FY 2020/21)	889,060.82
TOTAL PART VI - ACCOUNTS PAYABLE EFTs (FY 2020/21)	29,329.22
	<hr/>
SUB - TOTAL	2,615,621.99
LESS: VOIDS	0.00
LESS: EMPLOYEE PAYROLL DEDUCTIONS (FY 2020/21)	(340,173.90)
	<hr/>
GRAND TOTAL	2,275,448.09

