CITY OF MONTEBELLO CITY COUNCIL/SUCCESSOR AGENCY
REGULAR MEETING AGENDA

WEDNESDAY, MARCH 24, 2021 AT 5:30 P.M.

CITY HALL COUNCIL CHAMBERS
1600 WEST BEVERLY BOULEVARD
MONTEBELLO, CALIFORNIA

CITY COUNCIL

Kimberly A. Cobos-Cawthorne, Mayor
David Torres, Mayor Pro Tem
Salvador Melendez, Councilmember
Angie M. Jimenez, Councilmember
Scarlet Peralta, Councilmember

CITY MANAGER
René Bobadilla, City Manager

CITY TREASURER
Rafael Gutierrez

CITY ATTORNEY
Arnold M. Alvarez-Glasman

CITY CLERK
Christopher Jimenez

DEPARMENT HEADS

Assistant City Manager	**Arlene Salazar**
Fire Chief	**Fernando Pelaez**
Police Chief	**Brad Keller**
Director of Finance	**Michael Solorza**
Director of Human Resources	**Nicholas Razo**
Director of Planning/Community Development	**Joseph Palombi**
Director of Public Works	**James Enriquez**
Director of Recreation and Community Services	**David Sosnowski**
Director of Transportation	**Young-Gi Kim Harabedian**

NOTICES

COVID-19 NOTICE: Pursuant to the Executive Order N-29-20, Council Members may attend City Council meetings via teleconferencing and make public meetings accessible telephonically or electronically to all members of the public seeking to observe and address the City Council. To ensure the health and safety of the public during the local, state, and federally declared COVID-19 Emergency, City Hall Council Chambers will not be open for this meeting, and all public participation must ccur telephonically. Consistent with the Executive Order, the City Council meeting will continue to be live streamed and can be watched on the City's website at: www.cityofmontebello.com under the "City Council AGENDAS" tab and clicking the "Live Stream" tab.

AMERICANS WITH DISABILITIES ACT: In compliance with the Americans with Disabilities Act (ADA) any person with a disability who requires special accommodations in order to participate in a meeting should contact the Building Official at (323) 887-1497 Monday-Thursday from 7:30 a.m.-5:30 p.m. Please call 48 hours prior to the meeting to ensure that reasonable arrangements can be made to provide accessibility to this meeting (28 CFR, Part 35.102 - 35.104, ADA Title II 1203). If you require translation services, please contact the City Clerk's office 24 hours before this meeting. *Si necesita servicios de traducción, comuníquese con la Oficina del Secretario Municipal 24 horas antes de esta reunión.*

STATEMENT OF PUBLIC COMMENTS AND PARTICIPATION: Members of the public may address the City Council on any items listed on the Agenda. Anyone wishing to address the City Council on an item not listed on the Agenda (Non-Agenda Items) may do so during the "Public Comments" period. State Law prohibits the City Council from taking action or entertaining extended discussion on a topic not listed on the agenda. In order to conduct a timely meeting, the maximum time allotted for members of the public to speak shall not exceed three (3) minutes per person. "Public Comments" may be limited to 30-minutes, those not accommodated during that time will have an opportunity to speak under "Oral Communications – Continued" after all scheduled matters have been considered. Please show courtesy to others and direct all of your comments to the Mayor.

For those interested in making public comments, you may call up until the day of the meeting, **Wednesday, March 24, 2021 between 7:30 a.m. – 3:30 p.m. at (323) 887-1359**. Staff will complete public comment cards and the public will be called during the City Council meeting – Closed Session begins at 5:30 p.m. and Regular Session begins at 6:30 p.m. The exact call back time is not predictable due to the nature of the City Council agenda. As a result, you must be available until the end of the meeting to receive a live call from staff during the meeting. The City has also created an email address, ccpubliccomment@cityofmontebello.com, where the public can submit public comments up until the day of the meeting, **Wednesday, March 24, 2021 between 7:30 a.m. – 3:30 p.m.** These comments will be read out loud and submitted for the record. Any requests to provide public comment which is submitted after the deadlines indicated above will not be addressed at the council meeting, with the exception of non-agenda item comments which will be held over to the next regularly scheduled meeting.

AGENDA MATERIALS: The agenda and agenda packet related to items on this agenda are available for public inspection at City's website at: www.cityofmontebello.com under the "City Council AGENDAS" tab and clicking the "Council Agenda" tab. Copies of the agenda cover sheets will be available for pickup at the front and west entrance of City Hall, as well as the north side of the building on Masser Place. Please note that only 10 copies will be distributed between the three locations and will be available for pick up on a first come, first served basis. The agenda cover sheets may also be emailed upon request.

IN CONSIDERATION OF OTHERS, PLEASE TURN OFF, OR MUTE, ALL CELL PHONES AND PAGERS. THANK YOU FOR YOUR COOPERATION.

OPENING CEREMONIES

CALL TO ORDER

ROLL CALL

PUBLIC COMMENTS FOR CLOSED SESSION ITEMS

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

CLOSED SESSION – 5:30 P.M.

The City Attorney shall provide a briefing on the item listed for Closed Session as follows:

1. THREAT TO PUBLIC SERVICES OR FACILITIES
Government Code Section 54957
Consultation with City Manager, Police Chief, City Attorney and other related City officials.

2. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Government Code Section 54956.9(d)(1)
Application of San Gabriel Valley Water Company (U337W) for an Order Authorizing the Purchase of the City of Montebello's Water System Assets and related Approvals. PUC Application 20-10-004

3. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Government Code Section 54956.8

a. Property: 901 Via San Clemente, Montebello CA
Agency's Negotiator: René Bobadilla, City Manager
Negotiating Party: Topgolf
Under negotiating: Price and Terms

b. Property: 1345 N. Montebello Blvd.
Agency's Negotiator: René Bobadilla, City Manager
Negotiating Party: M&M Realty
Under Negotiating: Price and Terms

4. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Government Code Section 54956.9(d)(2): Four matters involving potential litigation which will be announced as set forth in Government Code Section 54956.9(e)(2)

REGULAR SESSION – 6:30 P.M.

INVOCATION

FLAG SALUTE
CORRECTIONS TO THE AGENDA – CITY MANAGER

PUBLIC COMMENTS ON NON-AGENDA ITEMS (30 MINUTES)
At this time, the general public may address the City Council on non-agenda items. Please be aware that the maximum time allotted for members of the public to speak shall not exceed three (3) minutes per speaker. State Law prohibits the City Council from taking action or entertaining extended discussion on a topic not listed on the agenda. Please show courtesy to others and direct all of your comments to the Mayor.

PRESENTATIONS

5. PRESENTATION: RECOGNITION OF SANDRA OLIVAS FROM MCAP FOR SOCIAL WORKER DAY – MARCH 16TH

6. PRESENTATION: RESOLUTION DENOUNCING XENOPHOBIA, RACISM, AND ANY ACTS OF VIOLENCE TOWARDS THE ASIAN AMERICAN AND PACIFIC ISLANDER COMMUNITY IN THE CITY OF MONTEBELO

7. RECOGNITION OF PERSONNEL AND MUTUAL AID AGENCIES THAT RESPONDED TO THE GREENWOOD FIRE

8. PRESENTATION: MCAP OVERVIEW PRESENTATION

9. PRESENTATION: PAVING THE WAY

STAFF COMMUNICATIONS ON ITEMS OF COMMUNITY INTEREST

PUBLIC HEARING - NONE

REGULAR BUSINESS

10. APPROVE A SUBLESSEE DEVELOPMENT AND PARTICIPATION AGREEMENT BY AND BETWEEN THE CITY OF MONTEBELLO AND TOPGOLF USA MB, LLC (FINAL AGREEMENT TO BE DISTRIBUTED PRIOR TO THE CITY COUNCIL MEETING AS A HANDOUT)

1) Approve a Sublessee Development and Participation Agreement by and Between the City of Montebello and TopGolf USA MB, LLC in a substantially final form; and

2) Authorize the City Manager to continue negotiations and discussion with all pertinent parties to finalize the Sublessee Development and Participation Agreement; and

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

11. APPROVE A RESOLUTION AUTHORIZING THE EXECUTION OF A LETTER OF CREDIT AND FILING OF AN ADVICE LETTER TO THE CALIFORNIA PUBLIC UTILITIES COMMISSION; FILING OF AN INITIAL RENEWABLE PORTFOLIO STANDARDS PROCUREMENT PLAN AND YEAR-AHEAD RESOURCE ADEQUACY FORECAST; AND EXECUTION OF AGREEMENT WITH CALIFORNIA CHOICE ENERGY AUTHORITY FOR CCA IMPLEMENTATION SERVICES

RECOMMENDATION: It is recommended that the City Council:

1) Approve a Resolution to authorize execution of a letter of credit in the amount of $147,000 and filing of an Advice Letter to the California Public Utilities Commission (CPUC) in Compliance of the Financial Security Requirement; and

2) Approve Filing of Initial Renewable Portfolio Standards Procurement Plan; and

3) Approve Filing of Year-Ahead Resource Adequacy Forecast; and

4) Authorize the City Manager to execute an Agreement with California Choice Energy Authority for CCA Implementation Services for an amount not to exceed $160,000; and

5) Amend the Fiscal Year 2020-21 budget by increasing appropriations by $123,200 in Account No. 100-40-400-6040.95 (General Fund, Finance, Other Professional Services) and $43,200 in Account No. 600-90-900-6040.95 (Transit, Administration, Other Professional Services; and

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

12. ADOPTION OF RESOLUTION RELATING TO THE FINDINGS AND DECISION ON THE APPEAL OF A PLANNING COMMISSION DECISION OF DENIAL OF CONDITIONAL USE PERMIT ("CUP") MODIFICATION CUP 02-94-M1 REQUESTING THE OPERATION OF A SOLID WASTE TRANSFER STATION AT 1701 GAGE ROAD

RECOMMENDATION: It is recommended that the City Council:

1) Adopt the Resolution attached with this report which will uphold the decision of the Montebello Planning Commission and finalize the findings and decision of the City Council denying the Applicant's, NASA Services Inc., request to modify CUP 02-94.

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

CONSENT CALENDAR

All matters listed under the Consent Calendar are considered to be routine. Any items a Councilmember wishes to discuss should be designated at this time. All other items may be

approved in a single motion and any item upon which a member of the public or City Council has requested to speak upon. Such approval will also waive the reading of any ordinance.

13. APPROVE AMENDMENT NO. 2 TO AGREEMENT NO. 3356 WITH SEBASTIAN WATERWORKS (MR. ROOTER PLUMBING) FOR EMERGENCY SEWER REPAIRS AT VARIOUS LOCATIONS AND AUTHORIZE ISSUANCE OF A REQUEST FOR PROPOSALS

RECOMMENDATION: It is recommended that the City Council:

1) Approve Amendment No. 2 to Agreement No. 3356 with Sebastian Waterworks (doing business as Mr. Rooter Plumbing) increasing the Fiscal Year 2020-21 agreement and purchase order amount by $132,000; and

2) Authorize City Staff to issue a Request for Proposals (RFP) for on-call sewer maintenance and repair services.

14. AMEND THE FISCAL YEAR 2020-21 BUDGET BY INCREASING APPROPRIATIONS IN THE AMOUNT OF $250,000 FOR AGREEMENT NO. 3066 WITH INFRASTRUCTURE ENGINEERS AND AUTHORIZE THE ISSUANCE OF A REQUEST FOR PROPOSALS FOR ENGINEERING SERVICES

RECOMMENDATION: It is recommended that the City Council:

1) Amend the Fiscal Year 2020-21 budget by increasing appropriations in the amount of $250,000 for Agreement No. 3066 with Infrastructure Engineers (Account No. 100-30-330-6040.80, Engineering Services); and

2) Authorize issuance of a Request for Proposals for Engineering Services in compliance with Montebello Municipal Code 3.21.060.

15. AUTHORIZE AWARD OF PROFESSIONAL SERVICES AGREEMENT FOR CITYWIDE WEBSITE CONTENT MANAGEMENT SYSTEM (CMS) UPGRADES

RECOMMENDATION: It is recommended that the City Council authorize the City Manager to execute a Professional Services Agreement with Granicus for website design, development, and maintenance support services.

16. ADOPT RESOLUTION APPROVING THE PURCHASE AND SALE AGREEMENT FOR THE PURCHASE OF REAL PROPERTY LOCATED AT 612 W. WHITTIER BOULEVARD AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE PURCHASE AND SALE AGREEMENT ON BEHALF OF THE CITY AND ADOPT RESOLUTION APPROVING AN INTERFUND LOAN TO PROVIDE FUNDING FOR THE PURCHASE

RECOMMENDATION: It is recommended that the City Council:

1) Approving the City's purchase of the real property located at 612 W. Whittier Boulevard in City of Montebello, California (the "Property") for $575,000; and

2) Approving the Purchase and Sale Agreement and authorize staff to continue negotiating the final form as long as no change to purchase price or description of property being purchased, which final agreement shall be approved as to form by the City Attorney's office; and

3) Authorize the City Manager to execute the Purchase and Sale Agreement between the City of Montebello and Mario Mojarro, and any related documents necessary to reasonably complete the purchase in accordance with the final Agreement; and

4) Approve an interfund loan in the amount of $575,000 from the Housing Successor Agency Fund to the General Fund; and

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

17. ADOPT RESOLUTION APPROVING THE PURCHASE AND SALE AGREEMENT FOR THE PURCHASE OF REAL PROPERTY LOCATED AT 715 W. WHITTIER BOULEVARD AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE PURCHASE AND SALE AGREEMENT ON BEHALF OF THE CITY AND ADOPT RESOLUTION APPROVING AN INTERFUND LOAN TO PROVIDE FUNDING FOR THE PURCHASE

RECOMMENDATION: It is recommended that the City Council:

1) Approving the City's purchase of the real property located at 715 W. Whittier Boulevard in City of Montebello, California (the "Property") for $1,200,000; and

2) Approving the Purchase and Sale Agreement and authorize staff to continue negotiating the final form as long as no change to purchase price or description of property being purchased, which final agreement shall be approved as to form by the City Attorney's office; and

3) Authorize the City Manager to execute the Purchase and Sale Agreement between the City of Montebello and Phillip J. Pace and Phyllis M. Pace, and any related documents necessary to reasonably complete the purchase in accordance with the final Agreement; and

4) Approve an interfund loan in the amount of $900,000 from the Housing Successor Agency Fund (Fund 810) to the General Fund to assist with funding a portion of the total acquisition costs of the Property; and

5) Amend the Fiscal Year 2020-21 budget by increasing appropriations in the amount of $300,000 (Account No. 100-99-7060 (Acquisition) to provide remaining funds necessary for acquisition of the Property; and

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

18. APPROVAL OF AMENDMENT NO. 1 TO AGREEMENT NO. 3751 – PARK FACILITY MASTER PLAN AND FACILITY NEEDS ASSESSMENT SERVICES

RECOMMENDATION: It is recommended that the City Council:

1) Approve Amendment No. 1 to Agreement No. 3751 to provide Park Facility Master Plan (PFMP) and Facility Needs Assessment (FNA) Services with KTUA; and,

2) Authorize the City Manager to execute Amendment No. 1 on behalf of the City.

19. ADOPT A RESOLUTION APPROVING THE SAN GABRIEL VALLEY COUNCIL OF GOVERNMENTS' (SGVCOG) WHITEPAPER ON LOS ANGELES HOUSING SERVICES AUTHORITY (LAHSA) REFORM

RECOMMENDATION: It is recommended that the City Council:

1) Adopt a Resolution approving the San Gabriel Valley Council of Governments' (SGVCOG) Whitepaper on Los Angeles Housing Services Authority (LAHSA) Reform for the purpose of addressing homelessness.; and

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

20. AMENDMENT NO. 2 TO PROFESSIONAL SERVICES AGREEMENT WITH VASQUEZ & COMPANY TO PERFORM AUDIT AND RELATED WORK

RECOMMENDATION: It is recommended that the City Council:

1) Authorize the City Manager to approve Amendment No. 2 (Attachment A) to the professional services agreement with Vasquez & Company to provide audit and related work for Fiscal Year 2020-21, as allowed per Agreement No. 3289 (Attachment B) between the City of Montebello and Vasquez & Company; and

2) Authorize issuing a Request for Proposals (RFP) in Fiscal Year 2021-22 for audit services for subsequent years.

21. APPROVE RESOLUTION MEMORIALIZING CITY COUNCIL MOTION TO SET BUSINESS LICENSE FEES TO FISCAL YEAR 2009-10 LEVELS

RECOMMENDATION: It is recommended that the City Council approve a Resolution memorializing a motion to set business license fees to Fiscal Year 2009-10 levels until the City finalizes a study of business license fees.

22. APPROVE THE COVID-19 EMERGENCY HOUSING ASSISTANCE PROGRAM GUIDELINES TO IMPLEMENT AND COMPLY WITH THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDING REQUIREMENTS

RECOMMENDATION: It is recommended that the City Council:

1) Approve the COVID-19 Emergency Housing Assistance Program Guidelines to implement and comply with the United States Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) Federal Regulations; and

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

23. PAYMENT OF BILLS: RESOLUTION APPROVING THE CITY WARRANT REGISTER OF DEMANDS DATED MARCH 24, 2021

RECOMMENDATION: Adopt the proposed Resolution approving the Warrant Register dated March 24, 2021.

24. APPROVAL OF CITY COUNCIL MINUTES – FEBRUARY 10, 2021; FEBRUARY 24, 2021; AND MARCH 3, 2021

RECOMMENDATION: Approve said minutes as written.

ORAL COMMUNICATIONS - CONTINUED IF NECESSARY

COUNCIL ORALS

Council member announcements; requests for future agenda items; conference/meetings reports.

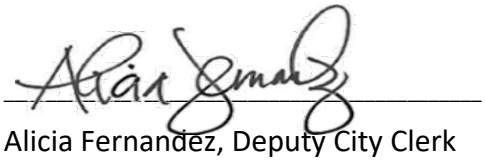
1. **Mayor Pro Tem Torres**
   a. Appointments:
      1) Fiscal Accountability - Elias Rangel
      2) Personnel Advisory Commission - David Matanga
      3) Youth and Education Commission - David Perez
   b. Resolution recognizing the independence of the Republic of Artsakh
   c. The power and autonomy of women in politics and beyond
   d. Decorum in relation to public comments

2. **Mayor Cobos-Cawthorne**
   a. Catalytic Converter theft concerns
   b. COVID rent relief

ADJOURNMENT

The City of Montebello will adjourn to the next Regular Meeting on April 14, 2021 at 5:30 p.m. which can be live streamed at www.cityofmontebello.com (Click on Live Stream).

I, Alicia Fernandez, Deputy City Clerk for the City of Montebello hereby certify that a copy of this agenda has been posted on or before 5:30 p.m. on Sunday, March 21, 2021.



Alicia Fernandez, Deputy City Clerk

ITEM # 10

CITY OF MONTEBELLO

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and Members of the City Council

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

BY: Michael Solorza, Director of Finance

SUBJECT: **Approve a Sublessee Development and Participation Agreement by and Between the City of Montebello and TopGolf USA MB, LLC**

DATE: March 24, 2021

RECOMMENDATIONS:

It is recommended that the City Council:

1) Approve a Sublessee Development and Participation Agreement by and Between the City of Montebello and TopGolf USA MB, LLC in a substantially final form; and

2) Authorize the City Manager to continue negotiations and discussion with all pertinent parties to finalize the Sublessee Development and Participation Agreement; and

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

BACKGROUND

The City has owned and operated a municipal golf course for almost its entire one hundred year history of incorporation. The eighteen hole golf course – located at 988 Via San Clemente – covers 118 acres. The course was last remodeled in 1999, having closed for repairs in 1998 and reopened in May, 1999. The City issued bonds at that time to provide financing for the remodel. While the course is enjoyed by residents and non-residents alike, and is a crown jewel of the northern part of the City, it is in need of significant capital upgrades and repairs. In addition, the nature of the game of golf has changed over the years, and its appeal to current players has changed.

The Montebello Golf Course operates as an enterprise fund. The fees charged for playing rounds of golf, using the driving range and renting golf carts are utilized to fund golf course operations. However, the City's Golf Course has operated at a deficit for a number of years, requiring the General Fund to subsidize operations on an annual basis.

The Golf Fund ended Fiscal Year 2019-20 with a $946,000 deficit. This deficit has grown over the years as operating revenue (i.e., green fees, etc.) has failed to keep pace with operating expenses. The June 30, 2020 CAFR indicates a receivable of $1.991 million due to the General Fund from the Golf Course. This is the accumulated subsidy provided by the General Fund from the course operating at an annual deficit.

The recent changes to Golf Course management (February, 2020) have improved revenue collection substantially. There is the possibility the Golf Course will close FY 2020-21 with the smallest deficit in more than five years. Staff have also improved operations by contracting out for professional landscape services and switching to the use of recycled water to reduce irrigation costs. However, while the Golf Course may eventually break even from an operating standpoint, no capital reserve exists to provide funding for the necessary improvements to the course twenty-two years after the last major remodel.

This deficit operation of the Golf Course was one of the many findings from the 2018 State Auditor report. That Report served as the catalyst for reducing expenditures (i.e., contracting out for landscape maintenance, reducing irrigation costs, etc.) and for seeking a professional golf course management company. While the City positively answered the recommendations of the State Auditor, without a significant investment in infrastructure upgrades, the course will continue to deteriorate and require more expensive ongoing, preventative maintenance. This would degrade all of the recent improvements made to right-sizing operations and would lead to the continuance of deficit operations.

The Golf Course inhabits a prime location in Montebello: freeway adjacent, minutes away from Downtown Los Angeles, and is a key component of the City's two hotels and conference center "campus." In an effort to update the 118 acre property in a manner that would be a revenue surplus operation and not require General Fund subsidies, as well as modernize the existing Golf Course, Staff began researching a path to upgrading the course. An initial study and mitigated negative declaration was produced in 2019 that provided a new vision for this property.

The following paragraphs outline the proposal that would transform the Golf Course and allow Montebello to make full, positive economic use of the 118 acre property. In addition, the proposed use would complement the existing City-owned hotels and conference center, further strengthening their revenue position. The initial step in moving forward with this project is the review and approval of a Sublessee Development and Participation Agreement (Agreement, Attachment A). The Agreement outlines the duties and responsibilities of both parties – the City and the Developer (TopGolf) – in eventually constructing and operating a driving range and entertainment facility.

Subsequent actions by the City Council will be required should the Agreement be approved. This project would need bond financing and as such, staff would return with

required bond financing documents. As envisioned, the project would require an estimated $50 million in bond financing. Additional details about the financing of the project – and payment of debt service – are found below in the Analysis section.

ANALYSIS

The Initial Study and Mitigated Negative Declaration (MND) was completed in December, 2019. The MND outlined the proposal to upgrade and modernize the City-owned Montebello Golf Course with the relocation and construction of a new driving range complex. The proposed project would replace and modernize the existing golf driving range. The proposed improvements would involve the construction of a multifaceted, enhanced driving range complex within the existing and larger 118-acre Golf Course located at 988 Via San Clemente.

The City lacks the specialized knowledge and experience required to successfully design and operate the project described in the MND. As such, after reviewing proposals from developers and operators with demonstrated success in the market, the City entered into an Exclusive Negotiating Agreement (ENA) with TopGolf USA MB, LLC (Developer) on December 21, 2020. The City and Developer have explored the feasibility and potential terms and conditions associated with developing and operating a project on the Golf Course substantially similar to that described in the MND.

This exploration of the feasibility of the project has led to the creation of the Sublessee Development and Participation Agreement (Attachment A) between the City and TopGolf USA MB, LLC. The Agreement seeks to define the basic terms by which the City and TopGolf would agree to construct and operate a facility at the Golf Course. Furthermore, the Agreement outlines the responsibilities of both parties for seeking financing and paying debt service throughout the life of the project. Finally, the Agreement sets forth a schedule of “base rent” payments (i.e., lease payments) that TopGolf would pay to the City for use of the golf course property. This “base rent” amount is separate and in addition to the “periodic principal and interest payments” TopGolf would be obligated to pay in connection with issuance of bonds needed to construct the property.

The proposed improvements would be located in the northern portion of the Golf Course within an 18-acre area. The project would involve the construction of a new three level indoor driving range building with approximately 102 hitting bays consisting of approximately 68,000 square feet of floor area. The proposed driving range complex building would include, among other things, various eating and drinking establishments. The improvements would also involve the installation of new netting and poles, two high definition digital screens that would be oriented towards the driving range suites, the construction of a new surface parking area with 450 to 500 parking spaces, the construction of a new miniature golf operation and the construction of new outdoor seating, patio, and dining areas. Access to the site would be provided by the

northwestern corner of the intersection located along Garfield Avenue and San Clemente.

The proposed project would allow the City to enhance the existing Golf Course to accommodate the changing need of the golfing community, and is anticipated to increase revenues that would immediately benefit the City of Montebello. In addition to the "base rent" TopGolf would pay as a "ground lease," the project would increase sales tax receipts. There are also the wider, positive economic impacts from the synergy the project would create with the City's existing two hotels and conference center. The entire campus would be transformed and serve as an improved economic engine for the City.

As part of the project, and detailed in the Agreement, the City would seek construction financing. Given the negative impacts of the coronavirus pandemic, the Developer has asked for the City's assistance in securing financing. Staff has worked with its financial advisors and associated legal team to research the feasibility of the City issuing bonds on behalf of TopGolf for this purpose.

There is a direct public benefit of this project, and as such the City can issue taxable lease revenue bonds. Initial discussions are financing to not exceed $50 million over a twenty (20) year term, with more accurate amounts being determined once plans are approved and construction bids are awarded. The City has made it clear that TopGolf is to be solely responsible for payment of the entire amount of annual debt service, for the life of the bonds.

The Agreement (specifically Section 4, Conditions Precedent to the Financing Approval) describes in detail the responsibility of TopGolf to pay debt service, in addition to the annual base rent amounts. This Sublessee Development and Participation Agreement is not a financing document and no approvals of financing are being requested at this time.

Issuance of bonds to fund construction of the project is precedent on a number of actions having to first occur. For example, detailed engineering and design plans and specifications must be developed and approved. A construction contractor must be chosen and bids awarded in order to determine construction costs. Section 4 of the Agreement presents the various conditions that must be satisfied prior to financing approval.

Should the Agreement be approved by the City Council, and all conditions satisfied per the Agreement, Staff will work with its financing team and TopGolf to determine the appropriate size of any bond issuance. Subsequent City Council action will be necessary to approve bond documents and related financing items prior to any issuance of debt.

The Agreement includes Section 6 which discusses "Termination of Agreement Prior to Financing Approvals." This Section provides an off-ramp for both parties should certain conditions not be met prior to the issuance of any bonds. The City is not committed to issuing bonds until a number of conditions are met (Section 4).

Approval of the Sublessee Development and Participation Agreement would allow the City and TopGolf to continue negotiations and discussions in a more concrete manner. The Agreement sets duties and requirements of both parties necessary to issue bonds and ultimately construct the project as envisioned on the 18 acre northern portion of the Montebello Golf Course. Even after bond issuance – should that occur – subsequent agreements related to the operation of the facility will be drafted and present to City Council for review.

FISCAL IMPACT

The Golf Course currently – and historically – operates at a deficit. In addition, because of this deficit operation, there is no capital reserve available to provide funding for necessary infrastructure upgrades. Furthermore, the General Fund has historically subsidized the Golf Fund, covering its year-end deficits with funds from reserves. To that end, the Golf Fund owes the General Fund $1.991 million.

The TopGolf project would improve the economic standing of the golf course in a number of ways. First, the Agreement (Attachment A) provides for annual "base rent" payments to the City. Section 4 of the Agreement lays out the following "base rent" (i.e., ground lease) annual payment schedule:

- Year 2 of Operation: $375,000
- Year 3: $750,000
- Year 4: $1,125,000
- Years 5-10: $1,500,000
- Years 11-20: $1,650,000

These base rent payments are in addition to the required debt service on the issued bonds. TopGolf would be solely responsible for paying all debt service for the life of the bonds (currently estimated at 20 years).

In addition to the annual base rent payments, sales tax would be generated from the site. Currently, sales tax is non-existent at the Golf Course, as green fees and related charges are not taxed. However, the TopGolf operation would generate sales tax through food, beverage and merchandise sales.

Also of importance is the larger economic benefit the project would present. In proximity of the City's two hotels and conference center, improved synergy amongst all parts of the "campus" would undoubtedly improve revenue generation. The positive

economic impacts would possibly lead to job creation and revitalization of this particular area of the City.

Approval of the Agreement and eventual construction of a TopGolf facility would allow the Golf Course to eliminate the General Fund subsidy it currently needs. The additional revenue would accrue to the General Fund, providing additional, ongoing operating revenue that could be used for increasing services to residents and the larger community.

SUMMARY

It is recommended that the City Council approve a Sublessee Development and Participation Agreement by and Between the City of Montebello and TopGolf USA MB, LLC as it currently exists (Attachment A) in substantially final form and authorize the City Manager to continue negotiations and discussion with all pertinent parties to finalize the Sublessee Development and Participation Agreement.

ATTACHMENT

A. Attachment A – Sublessee Development and Participation Agreement

ATTACHMENT A - TO BE DISTRIBUTED PRIOR TO THE CITY COUNCIL MEETING AS A HANDOUT TO ITEM 10

ITEM # 11

CITY OF MONTEBELLO

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: René Bobadilla, City Manager

BY: Michael Solorza, Director of Finance

SUBJECT: **Approve a Resolution Authorizing the Execution of a Letter of Credit and filing of an Advice Letter to the California Public Utilities Commission; Filing of an Initial Renewable Portfolio Standards Procurement Plan and Year-Ahead Resource Adequacy Forecast; and Execution of Agreement with California Choice Energy Authority for CCA Implementation Services**

DATE: March 24, 2021

RECOMMENDATIONS:

It is recommended that the City Council:

1) Approve a Resolution to authorize execution of a letter of credit in the amount of $147,000 and filing of an Advice Letter to the California Public Utilities Commission (CPUC) in Compliance of the Financial Security Requirement; and

2) Approve Filing of Initial Renewable Portfolio Standards Procurement Plan; and

3) Approve Filing of Year-Ahead Resource Adequacy Forecast; and

4) Authorize the City Manager to execute an Agreement with California Choice Energy Authority for CCA Implementation Services for an amount not to exceed $160,000; and

5) Amend the Fiscal Year 2020-21 budget by increasing appropriations by $123,200 in Account No. 100-40-400-6040.95 (General Fund, Finance, Other Professional Services) and $43,200 in Account No. 600-90-900-6040.95 (Transit, Administration, Other Professional Services; and

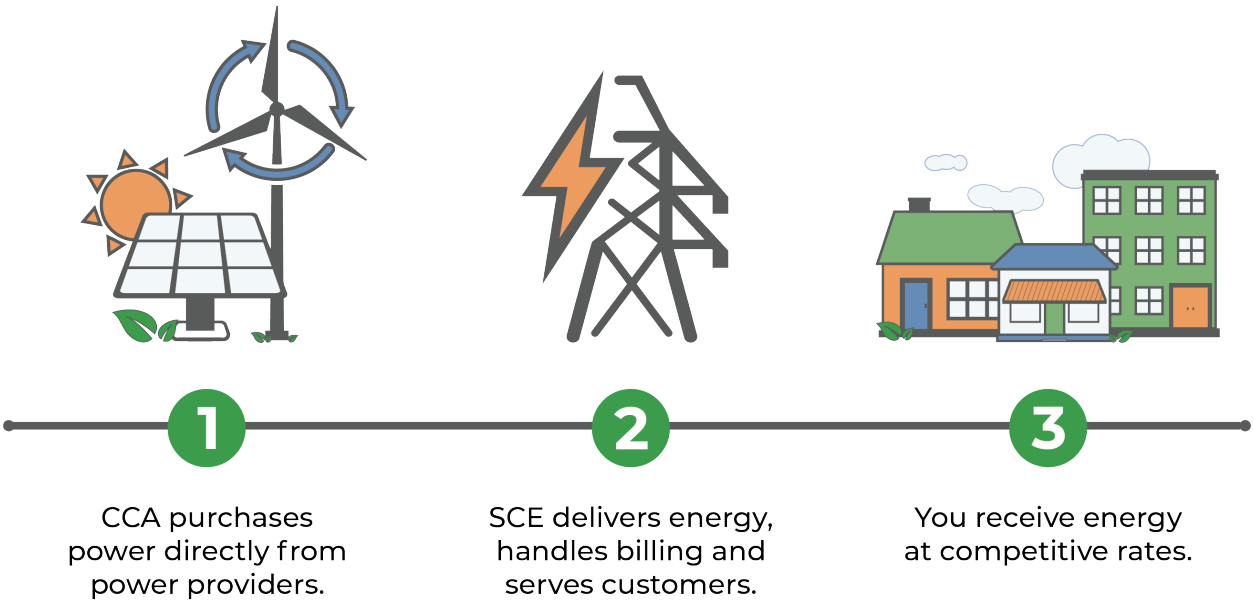
6) Take such additional, related, action that may be desirable.

BACKGROUND

Assembly Bill 117 provides the authorization for a city or county to pool its electricity load and supply that power to its community.

Under a Community Choice Aggregation ("CCA") program, the utility, in our case Southern California Edison ("SCE"), continues to be responsible for electricity delivery and transmission, owning and maintaining the power and transmission infrastructure, reading the meters, and billing and collecting from customers. The only change is that the power being consumed by the customer is provided by the CCA program, either through purchase or development, with the revenues collected staying in the City to benefit the residents and businesses of Montebello.

The graphic below demonstrates the provision of electricity for customers in a CCA.



Benefits to the community include:

- Local Control
  - Rate Setting
  - Policies regarding renewable energy options
  - Develop energy programs
    - Energy Efficiency
    - Demand Response
- Economic Development Opportunities
- Job Creation
- Environmental benefits
- Additional Revenue Stream

Implementation Plan and Statement of Intent

One of the required steps for establishing a CCA program is to approve an Implementation Plan and Statement of Intent and file with the California Public Utilities Commission (CPUC) for certification. At its regular meeting on December 16, 2020, the City Council adopted Ordinance 2430 establishing a Community Choice Aggregation program and approving the Montebello CCA Implementation Plan and Statement of Intent. The Plan was filed with the California Public Utilities Commission (CPUC) for review and certification. The CPUC has 90 days to complete its review and either certify the Plan or return to Montebello with questions/clarification.

Next Steps

As part of the CCA registration process, Montebello is required to:

- Fulfill a Financial Security Requirement by posting a letter of credit for the benefit of Southern California Edison in the amount of $147,000

- Prepare and file with the CPUC an Initial Renewable Portfolio Standards Procurement Plan demonstrating how it will plan its procurements to meet California's renewable energy goals

- Prepare and file a Year-Ahead Resource Adequacy Forecast upon which Montebello will receive allocations of procurement requirements which it will be required to have executed contracts in October 2021

Financial Security Requirement

In 2018, the CPUC issued Decision 18-05-022 (Decision) which established reentry fees and financial security requirements (FSR) for CCAs. The purpose of the FSR instrument is to cover reentry fees borne by Southern California Edison (SCE) in the event of a mass involuntary return of CCA customers by Montebello to SCE, such as the decertification of the CCA or a CCA failure. SCE may only withhold funds from the financial security instrument for unpaid administrative or procurement costs associated with the return of CCA customers to SCE service. Any withholding of those funds must first be approved by the CPUC. The initial amount of the FSR is $147,000.

In order to meet this requirement, a form of Letter of Credit is to be executed and an Advice Letter filed with the CPUC demonstrating proof of compliance for registration of Montebello CCA. The City has established a Letter of Credit (LOC) with its long-time banking partner, Bank of the West. The LOC does not require an immediate outlay of funds. Therefore, there is no impact to expenditures. Only under the circumstances described above, where access to the LOC would be necessary, would expenses accrue to the City's budget.

Initial Renewable Portfolio Standards Procurement Plan

In addition to fulfilling the FSR, Montebello must also file an initial Renewable Portfolio Standards (RPS) Procurement plan as part of the CCA registration process. The RPS Plan lays out how Montebello will plan to procure to meet the state's RPS requirements. The RPS Plans will be updated and filed with the CPUC on an annual basis to reflect progress being made in meeting the RPS requirements.

Year-Ahead Resource Adequacy Forecast

The Year-Ahead Resource Adequacy Forecast is also required to be filed with the CPUC as part of planning to serve customers in 2022. The forecast is a tool used by the CPUC and California Energy Commission in determining upcoming annual electricity needs and developing plans to ensure sufficient energy supply to meet those needs.

The Resource Adequacy (RA) program is critical to the state's grid reliability program. Entities that serve customers, such as the Montebello CCA, are required to procure capacity from energy suppliers, that ensure generating facilities are available should they be needed in electricity demand events. The forecast is due in April 2021, and once CPUC and CEC have evaluated the forecasts from all entities, Montebello will be allocated its fair share of RA, that it will be required to procure by October 2021. With the heat events of the past two summers, there is more attention and scrutiny being paid to the RA program and process.

By approving these actions, the Montebello City Council is committing to implementing its CCA program in October 2022.

CalChoice Phase 2 Agreement – Implementation Services

The City of Montebello engaged California Choice Energy Authority (CalChoice) to prepare the initial technical study, Implementation Plan and services related to CCA registration. With the actions described above, Montebello will be moving from the feasibility phase to the implementation phase of its CCA program.

The City will require the assistance of an experienced team of experts to lead it through all of the regulatory, programmatic and procurement efforts of the CCA launch. The CalChoice team has led the successful launch of seven city-operated CCAs, most recently Baldwin Park, Pomona and Santa Barbara (in progress). CalChoice brings the necessary experience to ensure a smooth implementation, with all regulatory required steps being met.

Staff recommends Montebello execute an agreement with CalChoice to support the next phase of Montebello's CCA, for an amount not to exceed $160,000. This action will require amendment of the Fiscal Year 2020-21 budget, increasing appropriations by

$123,200 in Account No. 100-40-400-6040.95 (General Fund, Finance, Other Professional Services) and $43,200 in Account No. 600-90-900-6040.95 (Transit, Administration, Other Professional Services). The allocation of the $160,000 cost of the implementation agreement is based on the City's 2018 cost allocation plan.

FISCAL IMPACT

The Letter of Credit of $147,000 is not an expense. Only under very specific circumstances would the LOC need to be accessed, and only then would there be a budgetary impact. The LOC with Bank of the West acts as insurance should there be a need for the Montebello CCA to reimburse SCE for various expenses.

The implementation agreement with CalChoice is $160,000 and costs will be split between the General Fund and Transit Fund. The recommended action is to amend the FY 2020-21 budget by increasing appropriations by $123,200 in Account No. 100-40-400-6040.95 (General Fund, Finance, Other Professional Services) and $43,200 in Account No. 600-90-900-6040.95 (Transit, Administration, Other Professional Services).

SUMMARY

It is recommended that the City Council adopt a Resolution authorizing the Execution of a Letter of Credit in the Amount of $147,000 and filing of an Advice Letter to the California Public Utilities Commission; Filing of Initial Renewable Portfolio Standards Procurement Plan and Year-Ahead Resource Adequacy Forecast; Execution of Agreement with California Choice Energy Authority for CCA Implementation Services and amendment of the FY 2020-21 budget by increasing appropriations by $160,000 (Account No. 100-40-400-6040.95 [General Fund, Finance, Other Professional Services] and $43,200 in Account No. 600-90-900-6040.95 [Transit, Administration, Other Professional Services].

ATTACHMENTS:

A. Attachment A – Resolution to authorize execution of a letter of credit
B. Attachment B – Agreement with California Choice Energy Authority for CCA Implementation Services
C. Attachment C – Authorization to Execute SCE Service Agreement

ATTACHMENT A

RESOLUTION NO. 21-____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MONTEBELLO, APPROVING EXECUTION OF A LETTER OF CREDIT AND FILING OF ADVICE LETTER TO SATISFY THE FINANCIAL SECURITY REQUIREMENT; FILING OF THE INITIAL RENEWABLE PORTFOLIO STANDARDS PROCUREMENT PLAN; AND FILING OF YEAR-AHEAD RESOURCE ADEQUACY FORECAST

WHEREAS, on December 16, 2020, the City Council of the City of Montebello adopted Ordinance No. 2430, establishing a community choice aggregation program and approving the Montebello Community Choice Aggregation Program Implementation Plan and Statement of Intent pursuant to public utilities code section 366.2(c)3; and

WHEREAS, in compliance with California Public Utilities Commission (CPUC) Resolution E-4907, Montebello must take certain actions as part of the CCA registration process, within ninety (90) days of filing the Implementation Plan and Statement of Intent; and,

WHEREAS, these actions include satisfying the Financial Security Requirement and filing an Initial Renewable Portfolio Standards Procurement Plan; and,

WHEREAS, the City must also participate in the Year-Ahead Resource Adequacy Forecast process in April 2021, in anticipation of serving customers in 2022; and,

WHEREAS, the City so desires to meet the requirements as established by the CPUC for its Montebello Community Choice Aggregation program to begin serving customers in October 2022.

NOW THEREFORE, BE IT RESOLVED, THE CITY COUNCIL OF THE CITY OF MONTEBELLO DOES HEREBY FIND, DETERMINE, RESOLVE AND ORDER AS FOLLOWS:

SECTION 1. The City authorizes execution of a letter of credit in the amount of $147,000 and filing of an Advice Letter with the CPUC in satisfaction of the Financial Security Requirement.

SECTION 2. The City authorizes the preparation and filing of an Initial Renewable Portfolio Standards Procurement Plan.

SECTION 3. The City authorizes the preparation and filing of the Year-Ahead Resource Adequacy Forecast.

SECTION 4. By taking these actions the City is confirming its commitment to launching its Montebello CCA program and serving customers in 2022.

SECTION 5. The City Clerk shall certify to the adoption of this resolution.

APPROVED AND ADOPTED this 24th day of March, 2021.

_____
Kimberly A. Cobos-Cawthorne, Mayor

ATTEST: **APPROVED AS TO FORM:**

_____ _____
Christopher Jimenez, City Clerk Arnold M. Alvarez-Glasman, City Attorney

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS:
CITY OF MONTEBELLO)

I, Christopher Jimenez, City Clerk of the City of Montebello, County of Los Angeles, State of California, hereby certify that the foregoing Resolution No. 21-__ was passed and adopted by the City Council of the City of Montebello, signed by the Mayor and attested by the City Clerk at a regular meeting of said Council held on the 24th day of March 2021 and that said Resolution was adopted by the following vote, to-wit:

AYES:
NOES:
ABSTAIN:
ABSENT:

The undersigned, City Clerk of the City of Montebello, does hereby attest and certify that the foregoing Resolution is a true, full and correct copy of a resolution duly adopted at a meeting of said City which was duly convened and held on the date stated thereon, and that said document has not been amended, modified, repealed or rescinded since its date of adoption and is in full force and effect as of the date hereof.

DATE: _____

_____
Christopher Jimenez, City Clerk

ATTACHMENT B

CITY OF MONTEBELLO

PROFESSIONAL SERVICES AGREEMENT NO. _____ WITH THE CALIFORNIA CHOICE ENERGY AUTHORITY

THIS AGREEMENT FOR PROFESSIONAL SERVICES ("Agreement") is made and entered into as of April 1, 2021, by and between the City of Montebello, a California municipal corporation ("City"), and the California Choice Energy Authority, a public entity created pursuant to the Joint Exercise of Powers Act (Cal. Gov't. Code § 6500 *et seq.*) ("CalChoice") (City and CalChoice are individually referred to as "Party" and collectively "Parties").

RECITALS

WHEREAS, City desires to be a Community Choice Aggregator ("CCA"), as defined in Section 331.1 of the California Public Utilities Code, to provide energy to its residents and businesses; and

WHEREAS, City desires that CalChoice undertake certain implementation support services; and

WHEREAS, CalChoice desires to facilitate access to the professional, technical and other knowledge and expertise of certain CalChoice members, their employees, contractors and/or consultants in connection with the formation of the City's CCA.

NOW, THEREFORE, the Parties agree as follows:

1. **Recitals**. The recitals set forth above are true and correct and are hereby incorporated into this Agreement by reference, as though set forth in full herein.

2. **Description of Work**. CalChoice shall perform or facilitate performance of the services ("Services") set forth in the "Scope of Services and Payment Schedule" attached hereto as Exhibit "A" and incorporated herein by this reference ("Scope of Services").

3. **Obligations of City**. City shall pay to CalChoice an amount not to exceed $ 160,000 for and in consideration of CalChoice's performance of the Services during the initial Term plus any costs associated with an Extended Term, as described in the Scope of Services. City shall pay CalChoice within thirty (30) days of CalChoice submitting an invoice to City.

4. **Obligations of CalChoice**. CalChoice shall perform or facilitate performance of the Services. CalChoice's Board of Directors, or its designee, shall determine which CalChoice employee(s), contractors and/or consultants shall perform the Services.

5. **Effective Date.** This Agreement shall become effective and binding upon the Parties at such time as all of the signatories hereto have signed the original or a counterpart original of this Agreement ("Effective Date").

6. **Term; Termination**. The term of this Agreement shall commence as of the Effective Date and expire upon completion of and final payment for the Services, or upon the earlier termination of this Agreement as set forth herein. Either Party may terminate this Agreement at any time without cause by giving thirty (30) days written notice to the other Party of such termination and specifying the effective date thereof. In the event of termination of this Agreement, CalChoice shall be paid on a prorated basis for Services completed.

7. Indemnification.

a. City agrees to indemnify, defend and hold harmless CalChoice, its board of directors, officers, employees, members, consultants and members' employees, contractors and/or consultants from and against any and all claims, demands, actions, losses, damage, injuries, and liability, direct or indirect (including any and all costs of investigation and defense, settlement and awards, and attorney's fees, in connection therewith), based or asserted upon any alleged negligent or willful misconduct of City, its officers, employees, agents or representatives, arising out of or in any way relating to this Agreement.

b. CalChoice agrees to indemnify, defend and hold harmless City from and against any and all claims, demands, actions, losses, damage, injuries, and liability, direct or indirect (including any and all costs of investigation and defense, settlement and awards, and attorney's fees, in connection therewith), based or asserted upon any alleged negligent or willful misconduct of CalChoice arising out of or in any way relating to this Agreement or performance of the Services.

8. Force Majeure. Notwithstanding the provisions of this section, CalChoice shall not be responsible for damages or be in default or deemed to be in default by reason of delay caused by strikes, lockouts, accidents, or acts of God, or the failure of City to furnish timely information or to approve or disapprove CalChoice's work promptly, or by reason of delay or faulty performance by City, its contractors, governmental agencies, or Southern California Edison, or by reason of any other delays beyond CalChoice's control, or for which CalChoice is without fault.

9. Ownership of Documents. All reports, studies and other documents that are prepared by CalChoice, its employees, contractors and/or consultants in the course of performing the Services required by this Agreement, and are specific to City's CCA, shall be the property of City upon City satisfying all payment obligations imposed but this Agreement.

10. Data Provided to CalChoice. City shall provide to CalChoice all data, including reports, records and other information, in City's possession, custody or control, which is reasonably requested by CalChoice and which is required to facilitate the timely performance of the Services.

11. Insurance Requirements.

a. Prior to CalChoice's commencement of any Services, CalChoice, at CalChoice's own cost and expense, shall procure and maintain, for the duration of this Agreement, the following insurance policies:

i. *General Liability Coverage.* CalChoice shall maintain commercial general liability insurance in an amount not less than one million dollars ($1,000,000) per occurrence, and two million dollars ($2,000,000) in the aggregate, for bodily injury, personal injury and property damage. CalChoice shall provide insurance on an occurrence, not claims-made basis.

ii. *Automobile Liability Coverage.* CalChoice shall maintain commercial automobile liability insurance covering bodily injury, personal injury and property damage for all activities of the CalChoice arising out or of in connection with the Services, including coverage for owned, hired and non-owned vehicles, in an amount of not less than one million dollars ($1,000,000) combined single limit for each occurrence, and one million dollars (1,000,000) in the aggregate.

b. As of the execution of this Agreement, City has reviewed the coverages secured by CalChoice from Special District Risk Management Authority and has determined such coverages to be

satisfactory to City. CalChoice agrees to ensure that the most current certification of coverage is on file with the City at all times during the term of this Agreement.

12. Independent Contractor's Status of CalChoice. CalChoice shall at all times during the term of this Agreement remain, as to City, a wholly independent contractor and shall perform the services described in this Agreement as an independent contractor and further, hereby waives any claims for any compensation or benefits afforded to City employees and not to independent contractors. Neither City nor any of its agents shall have control over the conduct of CalChoice or any of CalChoice's employees or agents, except as herein set forth. Nothing contained in this Agreement shall be deemed, construed or represented by City or CalChoice or by any third person to create the relationship of principal and agent and CalChoice shall not, at any time, or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of City. CalChoice shall have no authority, expressed or implied, to act on behalf of City in any capacity whatsoever as an agent, nor shall CalChoice have any authority, expressed or implied, to bind City to any obligation whatsoever.

13. Professional Ability of CalChoice; Warranty; Familiarity with Work; Permits and Licenses.

a. CalChoice warrants that all Services will be performed in a competent, professional and satisfactory manner in accordance with the standards prevalent in the industry for such services.

b. By executing this Agreement, CalChoice warrants that it has thoroughly investigated and considered the work to be performed, investigated the issues regarding the Scope of Services and carefully considered how the work should be performed.

c. CalChoice represents that it has obtained and will maintain at all times during the term of this Agreement all professional and/or business licenses, certifications and/or permits necessary for performing the services described in this Agreement. The Parties agree that CalChoice shall not be required to obtain a City business license.

14. Notices. Any notice or communication required or permitted under this Agreement shall be sufficiently given if delivered in person or by certified mail, return receipt requested, and addressed as listed below. All notices required by this Agreement are effective on the day of receipt, unless otherwise indicated herein.

CalChoice: Jason Caudle, Executive Director
California Choice Energy Authority
c/o City of Lancaster
44933 North Fern Avenue
Lancaster, California 93534

City: Michael Solorza, Director Finance
City of Montebello
1600 West Beverly Boulevard
Montebello, California 90640
Email: Msolorza@cityofmontebello.com

15. Resolution of Disputes. Disputes regarding the interpretation or application of any provision of this Agreement shall, to the extent reasonably feasible, be resolved through good faith negotiations between the Parties.

16. Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, photographs, descriptions, computer program data, input record data, written information, and other documents and data either created by or provided to CalChoice in connection with the performance of this Agreement shall be held confidential by CalChoice to the maximum extent permitted by law. Except to the extent that such information constitutes a public record pursuant to the California Public Records Act, such materials shall not, without prior written consent of City, be used by CalChoice for any purposes other than the performance of the Services under this Agreement, nor shall such materials be disclosed to any person or entity not connected with the performance of the Services. Nothing furnished to CalChoice which is otherwise known to CalChoice or is generally known, or has become known, to the related industry shall be deemed confidential. CalChoice shall not use City's insignia or photographs relating to the project for which CalChoice's Services are rendered without City's prior written consent.

17. CalChoice's Books and Records. CalChoice shall maintain all documents and records which demonstrate performance under this Agreement for a minimum of three years, or for any longer period required by law, from the date of termination or completion of this Agreement. Any records or documents required to be maintained pursuant to this Agreement shall be made available for inspection or audit, at reasonable times during regular business hours, upon written request by City's City Manager, City Attorney, City Auditor or a designated representative of these officers. Copies of such documents shall be provided to City for inspection at City's address indicated for receipt of notices in this Agreement when it is practical to do so. Otherwise, unless an alternative is mutually agreed upon, the records shall be available at CalChoice's address indicated for receipt of notices in this Agreement.

18. Severability. If any provision of this Agreement is held to be invalid or unenforceable for any reason, the remaining provisions will continue to be valid and enforceable. If a court finds that any provision of this Agreement is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision will be deemed to be written, construed, and enforced as so limited.

19. Amendment. Any amendment, modification, or variation from the terms of this Agreement shall be in writing and shall be effective only upon mutual written approval by the Parties.

20. Waiver. No waiver of any provision of this Agreement shall be binding, unless executed in writing by the party making the waiver. No waiver of any provision of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any such waiver constitute a continuing or subsequent waiver of the same provision. Failure of either party to enforce any provision of this Agreement shall not constitute a waiver of the right to compel enforcement of the remaining provisions of this Agreement.

21. Governing Law and Venue. This Agreement shall be construed in accordance with the laws of the State of California. All proceedings involving disputes over the terms, provisions, covenants or conditions contained in this Agreement and all proceedings involving any enforcement action related to this Agreement shall be initiated and conducted in the applicable court or forum in Los Angeles County, California.

22. Litigation Expenses and Attorney's Fees. In the event any action, suit or proceeding is brought for the enforcement of, or the declaration of any right or obligation pursuant to this Agreement or as a result of any alleged breach of any provision of this Agreement, the prevailing party in such suit or proceeding

shall be entitled to recover its costs and expenses, including reasonable attorney's fees, from the losing party, and any judgment or decree rendered in such a proceeding shall include an award thereof.

23. Entire Agreement. This Agreement supersedes any and all other agreements, either oral or written, between the Parties with respect to the subject matter of this Agreement. This Agreement contains all of the covenants and agreements between the Parties with respect to the subject matter of this Agreement, and each Party to this Agreement acknowledges that no representations, inducements, promises, or agreements have been made by or on behalf of any Party except those covenants and agreements embodied in this Agreement. No agreement, statement, or promise not contained in this Agreement shall be valid or binding.

24. Non-Liability of Officers and Employees. No officer or employee of CalChoice or City shall be personally liable in the event of any default or breach of the terms of this Agreement.

25. Captions and Headings. The captions and headings contained in this Agreement are provided for identification purposes only and shall not be interpreted to limit or define the content of the provisions described under the respective caption or heading.

26. Counterparts. This Agreement may be executed in counterparts by each of the Parties. Each such counterpart shall constitute an original and all such counterparts so executed shall constitute one Agreement, binding upon the Parties, notwithstanding that all of the Parties are or may not be a signatory to the original or the same counterpart. Each counterpart shall have the same force and effect as if all such signatures were contained in one instrument. A facsimile copy shall be considered an original for the purposes of this Agreement. Facsimile or e-mail transmissions shall be deemed effective as originals.

27. No Third Party Beneficiaries. The Parties do not intend the benefits of this Agreement to inure to any third party, nor shall any provision of this Agreement be so construed.

28. Assignment and Subcontracting.

a. The experience, knowledge, capability and reputation of CalChoice, its principals and employees were a substantial inducement for City to enter into this Agreement. Assignments of any or all rights, duties or obligations of CalChoice under this Agreement will be permitted only with the written consent of City.

b. CalChoice shall not subcontract any portion of the work to be performed under this Agreement without the written consent of City. If City consents to such subcontract, CalChoice shall be fully responsible to City for all acts or omissions of the subcontractor. Nothing in this Agreement shall create any contractual relationship between City and subcontractor nor shall it create any obligation on the part of City to pay or to see to the payment of any monies due to any such subcontractor other than as required by law. City expressly acknowledges that (i) CalChoice is staffed by employees of the City of Lancaster, (ii) CalChoice contracts with Pacific Energy Advisors for compiling data, load forecasting and preparation of pro formas and (iii) CalChoice contracts with Bayshore Consulting Group Inc. for administration and the preparation of implementation plans. City hereby expressly consents to performance of the Services pursuant to this Agreement by the persons and/or entities identified in the immediately preceding sentence.

29. Principal Representatives.

a. Barbara Boswell is designated as CalChoice's principal representative ("CalChoice Principal Representative") and is the person responsible for undertaking, managing and supervising performance of the Services. CalChoice Principal Representative's experience, knowledge, capability and

reputation are a substantial inducement for City to enter into this Agreement, and as such, for the purposes of performing the Services, the duties of CalChoice Principal Representative shall not be reassigned, without express written consent of both Parties.

b. Michael Solorza, Director of Finance shall be City's principal representative ("City Principal Representative") for purposes of communicating with CalChoice on any matter associated with the performance of the Services set forth in this Agreement.

30. Representations of Parties and Persons Executing Agreement. Each Party hereby represents that all necessary and appropriate actions of its governing body have been taken to make this Agreement a binding obligation. Each person executing this Agreement warrants that he or she is duly authorized to execute this Agreement on behalf of and bind the Party he or she purports to represent.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed and attested by their respective officers thereunto duly authorized.

CITY:

Dated: _____

City of Montebello

By: _____
René Bobadilla, City Manager

ATTEST:

_____
Christopher Jimenez, City Clerk

APPROVED AS TO FORM:

_____
Arnold M. Alvarez-Glasman, City Attorney

CalChoice:

Dated: _____

CALIFORNIA CHOICE ENERGY AUTHORITY, a California joint powers authority

By: _____
Jason Caudle, Executive Director
By: Barbara Boswell, Treasurer

ATTEST:

_____
Andrea Alexander, Secretary

APPROVED AS TO FORM:

_____
Allison Burns, General Counsel

Attachment: Exhibit A – Scope of services and Payment Schedule

EXHIBIT "A"

SCOPE OF SERVICES AND PAYMENT SCHEDULE

1) General CCA Implementation Support

a. Represent CCA in implementation efforts
   - i. Coordination with SCE and data manager through testing and launch
   - ii. Coordination with data manager and call center operator in development of scripts, terms & conditions
   - iii. Coordinate with [City] staff on development of marketing and notification materials

b. Preparation of all Southern California Edison Forms and Agreements in support of CCA implementation

c. Prepare for and participate in City Council meetings, providing technical support during key discussions and decision making

d. Coordination with pertinent jurisdictional regulatory agencies: to the extent that jurisdictional regulatory agencies have questions regarding applicable reports/submittals and/or general questions regarding CCA operations.

e. Participate in discussions/meetings with key customer accounts, providing technical expertise related to rates, resource planning, power supply and anticipated environmental impacts; and

f. General as-needed advisory services

2) Power Supply and Services Contracting - Supplier Selection and Contracting

- **a.** Develop a detailed load forecast utilizing recent SCE customer information for all eligible customers
- **b.** Determine desired energy and capacity quantities, which would supply aggregate customer requirements, including anticipated participation in default and voluntary retail service options
- **c.** Prepare draft solicitation materials, including a Request for Proposals/Offers document and related bid workbooks (which will provide an organized, uniform framework for bidder responses), to support the procurement of necessary energy and capacity products as well as scheduling coordinator services
- **d.** Prepare draft solicitation materials, including a Request for Proposals/Offers document and related bid workbooks to support the procurement of necessary data management services
- **e.** Assist the City in developing and finalizing form transaction documents for desired products and services
- **f.** Evaluate offers received in response to the aforementioned solicitation processes and assist the City in selecting the preferred supplier(s) of such products and services
- **g.** In conjunction with the City's selected legal counsel, support contract negotiation for desired products and services;
- **h.** Perform necessary coordinative activities with select suppliers during start-up;
- **i.** Support "go/no-go" decision to launch the CCA program based on final power supply prices and then-current SCE retail electric rates.

3) CCA Program Development

- **a.** Prepare a draft NEM tariff, including applicable tariff language and sample customer impact analyses
- **b.** Prepare a draft FIT, including applicable project eligibility criteria, pricing schedules and an appropriate power purchase agreement (which will be developed in conjunction with the City's designated power contracting counsel)
- **c.** Coordinate with the City's selected data management services provider to ensure the effective implementation of NEM rates and related bill calculations
- **d.** Coordinate with the City's selected Qualified Reporting Entity to ensure that energy production from FIT projects is appropriately communicated to and tracked within the Western Renewable Energy Generation Information System ("WREGIS")

4) Regulatory Registrations and Compliance Systems

- **a.** Prepare a regulatory compliance calendar and reporting matrix to ensure that management has a thorough understanding of currently applicable technical reporting requirements and related submittal deadlines
- **b.** Prepare load forecast and related filings to ensure compliance with California's resource adequacy program
- **c.** Assist in completing requisite registration materials to become a WREGIS account holder — a WREGIS account will be necessary to track and report on renewable energy purchases for purposes of complying with California's Renewables Portfolio Standard program and substantiating procurement of renewable energy, generally speaking
- **d.** Assist in becoming a candidate Congestion Revenue Rights ("CRR") holder with the California Independent System Operator ("CAISO") — CRRs may help mitigate certain financial risks and reduce costs associated with energy delivery within the CAISO market
- **e.** Assist in preparing requisite customer cost comparisons, which indicate the cost comparative cost impact of taking service with the CCA program relative to SCE, and prospective power source disclosures

5) Rate Setting

- **a.** Develop preliminary and final revenue requirements for the first year of program operation
- **b.** Prepare preliminary and final rate schedules for the first year of program operation
- **c.** Prepare CCA/SCE cost comparisons to ensure an understanding of anticipated customer cost impacts

Total Costs for Implementation Support Work $160,000.00

To be billed at $10,000 per month for sixteen (16) months beginning May 2021 with the first of such invoices to be distributed on June 1st and continuing through September 2022.

If the City date of CCA service commencement occurs after October 2022, and this Agreement is extended (Extended Term), all continued services in support of City's CCA and its implementation

occurring after October 2022 and prior to the month of service commencement shall be charged at a rate of $ 10,000 per month.

If the City elects not to commence CCA service, all continued services in support of City's CCA deregistration process and disposition of its contract commitments shall be charged at a rate of $ 10,000 per month until completion of those services.

Consultant will be reimbursed for actual travel expenses incurred in the performance of the work for all travel explicitly requested by the City and in an amount not-to-exceed $5,000. Any travel beyond the not-to-exceed estimate shall only be with prior written approval of the City.

COMMUNITY CHOICE AGGREGATOR (CCA)
SERVICE AGREEMENT

Form 14-768

Southern California Edison Company

COMMUNITY CHOICE AGGREGATOR (CCA) SERVICE AGREEMENT

This Community Choice Aggregator (CCA) Service Agreement (this "Agreement") is made and entered into as of this ____ day of _____, _____, by and between "_____ _____" ("CCA"), a _____ _____ organized and existing under the laws of the state of _____, and Southern California Edison Company (SCE), a corporation organized and existing under the laws of the state of California. From time to time, CCA and SCE shall be individually referred to herein as a "Party" and collectively as the "Parties."

Section 1: General Description of Agreement

1.1 This Agreement is a legally binding contract. The Parties named in this Agreement are bound by the terms set forth herein and otherwise incorporated herein by reference. This Agreement shall govern the business relationship between the Parties hereto by which CCA shall offer electrical energy services. Each Party, by agreeing to undertake specific activities and responsibilities for or on behalf of customers, acknowledges that each Party shall relieve and discharge the other Party of the responsibility for said activities and responsibilities with respect to those customers. Except where explicitly defined herein (including Attachment A hereto) the definitions controlling this Agreement are contained in SCE's applicable rules or in the relevant community choice aggregation tariff.

1.2 The form of this Agreement has been developed as part of the CPUC regulatory process to implement Assembly Bill 117, was intended to conform to CPUC directions, was filed and approved by the CPUC for use between SCE and CCAs and may not be waived, altered, amended or modified, except as provided herein or in the applicable community choice aggregation tariff, or as may otherwise be authorized by the CPUC.

1.3 This Agreement incorporates by reference the applicable community choice aggregation tariff as authorized and modified from time to time by the CPUC.

Section 2: Representations

2.1 Each Party represents that it is and shall remain in compliance with all applicable laws and tariffs, including applicable CPUC requirements.

2.2 Each person executing this Agreement for the respective Parties expressly represents and warrants that he or she has authority to bind the entity on whose behalf this Agreement is executed.

2.3 Each Party represents that (a) it has the full power and authority to execute and deliver this Agreement and to perform its terms and conditions; (b) the execution, delivery and performance of this Agreement have been duly authorized by all necessary corporate or other action by such Party; and (c) this agreement constitutes such Party's legal, valid and binding obligation, enforceable against such Party in accordance with its terms.

2.4 Each Party shall (a) exercise all reasonable care, diligence and good faith in the performance of its duties pursuant to this Agreement; and (b) carry out its duties in accordance with applicable recognized professional standards in accordance with the requirements of this Agreement.

Section 3: Term of Service

The term of this Agreement shall commence on the date of execution by both Parties hereto (the "Effective Date") and shall terminate on the earlier of (a) the date CCA informs SCE that it is no longer operating as a CCA in SCE's service territory; (b) the earlier termination pursuant to Section 4 hereof; or (c) the effective date of a new CCA Service Agreement between the Parties hereto. Notwithstanding the Effective Date of this Agreement, the CCA acknowledges that it may only offer Community Choice Aggregation Services to customers effective on or after the CPUC-approved date for commencement of such services by CCAs, and only after it has complied with all provisions of this Agreement and SCE's applicable tariffs.

Section 4: Events of Default and Remedy for Default

4.1 An Event of Default under this Agreement shall include either Party's material breach of any provision of this Agreement, including those incorporated by reference herein, and failure to cure such breach within thirty (30) calendar days after receipt of written notice thereof from the non-defaulting Party; or such other period as may be provided by this Agreement or SCE's applicable community choice aggregation tariff.

4.2 In the event of such an Event of Default, the non-defaulting Party shall be entitled to exercise any and all remedies (a) available under SCE's applicable community choice aggregation tariff; and/or (b) provided for by law or in equity to the extent not inconsistent with SCE's community choice aggregation tariff. In addition, in the event of an Event of Default this Agreement may be effectively terminated upon Commission authorization.

4.3 Breach by any Party hereto of any provision of SCE's community choice aggregation tariff, including a breach occurring during Exigent Circumstances as defined in Section T.3 of such tariff, which circumstances also shall include bankruptcy of CCA, shall be governed by applicable provisions contained therein and each Party will retain all rights granted thereunder. A breach of said tariff for which no remedy is specified therein shall be governed by this Agreement as an Event of Default.

Section 5: Billing and Payment

SCE will bill and the CCA agrees to pay SCE for all services and products provided by SCE in accordance with the terms and conditions set forth in SCE's community choice aggregation tariff, as stated in SCE's Electric Rule 23 and SCE's rate schedules. Any services provided by the CCA to SCE shall be by separate agreement between the Parties and are not a subject of this Agreement.

Section 6: Limitation of Liability

Each Party's liability to the other Party for any loss, cost, claim, injury, liability, or expense, including reasonable attorneys' fees, relating to or arising from any act or omission in its performance of this Agreement, shall be limited to the amount of direct damage actually incurred, except as provided for in this Section. In no event shall either Party be liable to the other Party for any indirect, special, consequential, or punitive damages of any kind whatsoever, whether in contract, tort or strict liability, except in the event of an action covered by the Indemnification provisions of Section 7 of this Agreement or by the indemnification provisions in any Nondisclosure Agreement relating to the disclosure of confidential information to the CCA, in which event this Section 6 shall not be applicable.

Section 7: Indemnification

7.1 To the fullest extent permitted by law, and subject to the limitations set forth in Section 6 of this Agreement, each Party (the "Indemnifying Party") shall indemnify and hold harmless the other Party, and its current and future direct and indirect parent companies, affiliates and their shareholders, officers, directors, employees, agents, servants and assigns (collectively, the "Indemnified Party"), and at the Indemnified Party's option, the Indemnifying Party shall defend the Indemnified Party, from and against any and all claims and/or liabilities for losses, expenses, damage to property, injury to or death of any person, including, but not limited to, the Indemnified Party's employees and its affiliates' employees, subcontractors and subcontractors' employees, or any other liability incurred by the Indemnified Party, including reasonable expenses, legal and otherwise, which shall include

reasonable attorneys' fees, caused wholly or in part by any negligent, grossly negligent or willful act or omission by the Indemnifying Party, its officers, directors, employees, agents or assigns arising out of this Agreement, except to the extent caused wholly or in part by any negligent, grossly negligent or willful act or omission of the Indemnified Party.

7.2 If any claim covered by Section 7.1 is brought against the Indemnified Party, then the Indemnifying Party shall be entitled to participate in, and unless in the opinion of counsel for the Indemnified Party a conflict of interest between the Parties may exist with respect to such claim, assume the defense of such claim, with counsel reasonably acceptable to the Indemnified Party. If the Indemnifying Party does not assume the defense of the Indemnified Party, or if a conflict precludes the Indemnifying Party from assuming the defense, then the Indemnifying Party shall reimburse the Indemnified Party on a monthly basis for the Indemnified Party's defense through separate counsel of the Indemnified Party's choice. Even if the Indemnifying Party assumes the defense of the Indemnified Party with acceptable counsel, the Indemnified Party, at its sole option, may participate in the defense, at its own expense, with counsel of its own choice without relieving the Indemnifying Party of any of its obligations hereunder. In no event shall either Party be liable to the other Party for any indirect, special, consequential, or punitive damages of any kind whatsoever, whether in contract, tort or strict liability.

7.3 The Indemnifying Party's obligation to indemnify under this Section 7 shall survive termination of this Agreement, and shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the Indemnifying Party under any statutory scheme, including, without limitation, under any Worker's Compensation Acts, Disability Benefit Acts or other Employee Benefit Acts.

Section 8: Assignment and Delegation

8.1 Neither Party to this Agreement shall assign any of its rights or obligations under this Agreement, except with the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed. No assignment of this Agreement shall relieve the assigning Party of any of its obligations under this Agreement until such obligations have been assumed by the assignee. When duly assigned in accordance with the foregoing, this Agreement shall be binding upon and shall inure to the benefit of the assignee and the assignor shall be relieved of its rights and obligations. Any assignment in violation of this Section 8 shall be void.

8.2 Notwithstanding the provisions of this Section 8, either Party may subcontract its duties under this Agreement to a subcontractor, provided that the subcontracting Party shall remain fully responsible as a principal and not as a guarantor for performance of any subcontracted duties, shall serve as the point of contact between its subcontractor and the other Party, and shall

provide the other Party with thirty (30) calendar days' prior written notice of any such subcontracting, which notice shall include such information about the subcontractor as the other Party shall reasonably require. If either Party subcontracts any of its duties hereunder, it shall cause its subcontractors to perform in a manner which is in conformity with that Party's obligations under this Agreement.

Section 9: Independent Contractors

Each Party shall perform its obligations under this Agreement (including any obligations performed by a Party's designees as permitted under Section 8 of this Agreement) as an independent contractor.

Section 10: Entire Agreement

This Agreement consists of, in its entirety, this Community Choice Aggregator Service Agreement and all attachments hereto, all Community Choice Aggregation Service Requests submitted pursuant to this Agreement and SCE's community choice aggregation tariffs. This Agreement supersedes all other agreements or understandings, written or oral, between the Parties related to the subject matter hereof, with the express exception of any Nondisclosure Agreement relating to the disclosure of confidential information to the CCA. This Agreement may be modified from time to time only by an instrument in writing, signed by both Parties.

Section 11: Nondisclosure

11.1 Notwithstanding anything provided below, prior to receiving any SCE confidential customer information, CCA agrees to enter into the CCA Non-Disclosure Agreement and be bound by its terms with respect to Confidential Information as defined therein.

Neither Party may disclose any Confidential Information obtained pursuant to this Agreement to any third party, including affiliates of such Party, without the express prior written consent of the other Party. As used herein, the term "Confidential Information" shall include, but not be limited to, all business, financial, and commercial information pertaining to the Parties, customers of either or both Parties, suppliers for either Party, personnel of either Party, any trade secrets, and other information of a similar nature, whether written or in intangible form that is marked proprietary or confidential with the appropriate owner's name. Confidential Information shall not include information known to either Party prior to obtaining the same from the other Party, information in the public domain, or information obtained by a Party from a third party who did not, directly or indirectly, receive the same from the other Party to this Agreement or from a party who was under an obligation of confidentiality to the other Party to this Agreement or information developed by either Party independent of any

Confidential Information. The receiving Party shall use the higher of the standard of care that the receiving Party uses to preserve its own confidential information or a reasonable standard of care to prevent unauthorized use or disclosure of such Confidential Information. Each receiving Party shall, upon termination of this Agreement or at any time upon the request of the disclosing Party, promptly return or destroy all Confidential Information of the disclosing Party then in its possession.

11.2 Notwithstanding the preceding, Confidential Information may be disclosed to any governmental, judicial or regulatory authority requiring such Confidential Information pursuant to any applicable law, regulation, ruling, or order, provided that: (a) such Confidential Information is submitted under any applicable provision, if any, for confidential treatment by such governmental, judicial or regulatory authority; and (b) prior to such disclosure, the other Party is given prompt notice of the disclosure requirement so that it may take whatever action it deems appropriate, including intervention in any proceeding and the seeking of any injunction to prohibit such disclosure.

Section 12: Enforceability

If any provision of this Agreement or the application thereof, is to any extent held invalid or unenforceable, the remainder of this Agreement and the application thereof, other than those provisions which have been held invalid or unenforceable, shall not be affected and shall continue in full force and effect and shall be enforceable to the fullest extent permitted by law or in equity.

Section 13: Notices

13.1 Except as otherwise provided in this Agreement, any notices under this Agreement shall be in writing and shall be effective upon delivery if delivered by (a) hand; (b) U.S. Mail, first class postage pre-paid, or (c) facsimile, with confirmation of receipt to the Parties as follows:

If the notice is to CCA:

Name of Entity: _____

Contact Name: _____

Business Address:_____

_____

Facsimile:_____

If the notice is to SCE:

Contact Name: _____

Business Address: _____

Facsimile: _____

13.2 Each Party shall be entitled to specify as its proper address any other address in the United States upon written notice to the other Party.

13.3 Each Party shall designate on Attachment A the person(s) to be contacted with respect to specific operational matters relating to Community Choice Aggregation Service. Each Party shall be entitled to specify any change to such person(s) upon written notice to the other Party.

Section 14: Time of Essence

The Parties expressly agree that time is of the essence for all portions of this Agreement.

Section 15: Dispute Resolution

15.1 The form of this Agreement has been filed with and approved by the CPUC as part of SCE's applicable tariffs. Except as provided in Section 15.2 and 15.3, any dispute arising between the Parties relating to interpretation of the provisions of this Agreement or to the performance of SCE's obligations hereunder shall be reduced to writing and referred to the Parties' representatives identified on Attachment A for resolution, with the responding Party filing its written response within thirty (30) business days after receiving the written position of the complaining party. Thereafter, the Parties shall be required to meet and confer within ten (10) business days in a good faith effort to resolve their dispute. Pending such resolution, the Parties shall continue to proceed diligently with the performance of their respective obligations under this Agreement, unless this Agreement has been terminated under Section 4.2. If the Parties fail to reach an agreement within ten (10) additional business days of the last session to meet and confer, the matter shall, upon demand of either Party, be submitted to resolution before the CPUC in accordance with the CPUC's rules, regulations and procedures applicable to resolution of such disputes.

15.2 Except as provided in Rule 23 Section T.3, any dispute arising between the Parties relating to interpretation of the provisions of this Agreement or to the performance of the CCA's obligations hereunder shall be reduced to writing and referred to the Parties' representatives identified on Attachment A for resolution,

with the responding Party filing its written response within thirty (30) business days after receiving the written position of the complaining party. Thereafter, the Parties shall be required to meet and confer within ten (10) business days in a good faith effort to resolve their dispute. Pending resolution, the Parties shall continue to proceed diligently with the performance of their respective obligations under this Agreement, unless this Agreement has been terminated under Section 4.2. If the Parties fail to reach an agreement within ten (10) additional business days of the last session to meet and confer, the matter shall, upon demand of either Party, be submitted to resolution before the CPUC in accordance with the CPUC's rules, regulations and procedures applicable to resolution of such disputes, as allowed by law or in equity, or the parties may mutually agree to pursue mediation or binding arbitration to resolve such issues.

15.3 Notwithstanding the provisions of Paragraph 15.1 and 15.2 above: (a) all disputes between the Parties relating to the payment by the CCA of any SCE fees or charges shall be subject to the provisions of SCE's applicable tariffs governing disputes over customer bills; (b) all disputes between the Parties regarding non-bypassable charges (including Competition Transition Charges, Cost Responsibility Surcharges, and any other nonbypassable charges adopted by the Commission) payable by community choice aggregation customers or the CCA on behalf of such customers shall be subject to the provisions of SCE's applicable tariffs; and (c) SCE may pursue available remedies in law or equity for unauthorized electrical use by the CCA in a court of competent jurisdiction.

15.4 If the dispute involves a request for damages, parties understand that the Commission has no authority to award damages. To resolve such issues, the parties may mutually agree to pursue mediation or binding arbitration to resolve such issues, or if no such agreement is reached, to pursue other legal or equitable remedies that are available to the parties.

Section 16: Applicable Law and Venue

This Agreement shall be interpreted, governed by and construed in accordance with the laws of the State of California, and shall exclude any choice of law rules that direct the application of the laws of another jurisdiction, irrespective of the place of execution or of the order in which the signatures of the parties are affixed or of the place or places of performance. Except for matters and disputes with respect to which the CPUC is the initial proper venue for dispute resolution pursuant to applicable law or this Agreement, the federal and state courts located in Los Angeles, California shall constitute the sole proper venue for resolution of any matter or dispute hereunder, and the Parties submit to the exclusive jurisdiction of such courts with respect to such matters and disputes.

Section 17: Force Majeure

Neither Party shall be liable for any delay or failure in the performance of any part of this Agreement (other than obligations to pay money) due to any event of force majeure or other cause beyond its reasonable control, including but not limited to, unusually severe weather, flood, fire, lightning, epidemic, quarantine restriction, war, sabotage, act of a public enemy, earthquake, insurrection, riot, civil disturbance, strike, work stoppage caused by jurisdictional and similar disputes, restraint by court order or public authority, or action or non-action by or inability to obtain authorization or approval from any governmental authority, or any combination of these causes, which by the exercise of due diligence and foresight such Party could not reasonably have been expected to avoid and which by the exercise of due diligence is unable to overcome. It is agreed that upon the Party so affected giving written notice and reasonably full particulars of such force majeure to the other Party within a reasonable time after the cause relied on, then the obligations of the Party, so far as they are affected by the event of force majeure, shall be suspended during the continuation of such inability and circumstance and shall, so far as possible, be remedied with all reasonable dispatch. In the event of force majeure, as described herein, both Parties shall take all reasonable steps to comply with this Agreement and SCE's applicable tariffs despite occurrence of a force majeure event.

Section 18: Unauthorized Use of Energy (Energy Theft)

18.1 The CCA represents and warrants that for each of its Customers, and at all times during which it provides community choice aggregation services as an Community Choice Aggregator, the CCA shall completely, accurately, and in a timely manner account for each of its Customer's loads. Load data not accounted for in this manner may provide grounds for termination of this Agreement. For verification purposes only, SCE shall have complete access to the load data provided to the CAISO by the CCA. Such information is to remain confidential, and shall not be disclosed to any unauthorized person other than the CPUC, the California Independent System Operator or other law enforcement or regulatory authority. (T)

18.2 SCE shall notify the CCA immediately and the CCA shall notify SCE immediately of any suspected unauthorized energy use. The Parties agree to preserve any evidence of unauthorized energy use. Once unauthorized energy use is suspected, SCE, in its sole discretion, may take any or all of the actions permitted under SCE's applicable tariffs.

Section 19: Not a Joint Venture

Unless specifically stated in this Agreement to be otherwise, the duties, obligations, and liabilities of the Parties are intended to be several and not joint or collective. Nothing contained in this Agreement shall ever be construed to create an association, trust, partnership or joint venture or to impose a trust or partnership duty, obligation, or liability on or with regard to either Party. Each Party shall be liable individually and severally for its own obligations under this Agreement.

Section 20: Conflicts Between this Agreement and SCE's Community Choice Aggregation Tariff

Should a conflict exist or develop between the provisions of this Agreement and SCE's community choice aggregation tariff, as approved by the CPUC, the provisions of SCE's community choice aggregation tariff shall prevail.

Section 21: Amendments or Modifications

21.1 Except as provided in Section 21.2, no amendment or modification shall be made to this Agreement, in whole or in part, except by an instrument in writing executed by authorized representatives of the Parties, and no amendment or modification shall be made by course of performance, course of dealing or usage of trade.

21.2 This Agreement may be subject to such changes or modifications as the CPUC may from time to time direct or necessitate in the exercise of its jurisdiction, and the Parties may amend the Agreement to conform to changes directed or necessitated by the CPUC. In the event the Parties are unable to agree on the required changes or modifications to this Agreement, their dispute shall be resolved in accordance with the provisions of Section 15 hereof or, in the alternative, CCA may elect to terminate this Agreement upon written notice to SCE, which shall be effective upon the receipt thereof. SCE retains the right to unilaterally file with the CPUC, pursuant to the CPUC's rules and regulations, an application for a change in SCE's rates, charges, classification, service or rules, or any agreement relating thereto.

Section 22: Audits

22.1 SCE shall retain such specific records as may be required to support the accuracy of meter data provided in SCE's consolidated billings. When the CCA reasonably believes that errors related to metering or billing activity may have occurred, the CCA may request the production of such documents as may be required to verify the accuracy of such metering and consolidated billing. Such documents shall be provided within ten (10) business days of such request. In the event the CCA, upon review of such documents, continues to believe that the SCE's duty to accurately meter and provide consolidated billing for usage has been breached, the CCA may direct that an audit be conducted. The CCA shall designate their own employee representative or their contracted representative to audit SCE's records.

22.2 Any such audit shall be undertaken by the CCA, or their contracted representative at reasonable times without interference with SCE's business operations, and in compliance with the SCE's security procedures. SCE and the CCA agree to cooperate fully with any such audit.

22.3 Specific records to support the accuracy of meter data provided in the consolidated billings may require examination of billing and metering support documentation maintained by subcontractors. SCE shall include a similar clause in its agreements with subcontractors reserving the right to designate their own employee representative, or their contracted representative to audit records related to consolidated billing to Community Choice Aggregation Customers.

22.4 The CCA will notify SCE in writing of any exception taken as a result of an audit. SCE shall refund the amount of any undisputed exception to the CCA within ten (10) days. If SCE fails to make such payment, SCE agrees to pay interest, accruing monthly, at a rate equal to the prime rate plus two percent (2%) of Bank of America NT&SA, San Francisco, or any successor institution, in effect from time to time, but not to exceed the maximum contract rate permitted by the applicable usury laws of the State of California. Interest will be computed from the date of written notification of exceptions to the date SCE reimburses the CCA for any exception. The cost of such audit shall be paid by the auditing Party; provided, however, that in the event an audit verifies overcharges of five percent (5%) or more, then SCE shall reimburse the CCA for the cost of the audit.

22.5 This right to audit shall extend for a period of three (3) years following the date of final payment under this Agreement. Each party and each subcontractor shall retain all necessary records and documentation for the entire length of this audit period.

Section 23: Miscellaneous

23.1 Unless otherwise stated in this Agreement: (a) any reference in this Agreement to a section, subsection, attachment or similar term refers to the provisions of this Agreement; (b) a reference to a section includes that section and all its subsections; and (c) the words "include," "includes," and "including" when used in this Agreement shall be deemed in each case to be followed by the words "without limitation." The Parties agree that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting Party shall not be employed in the interpretation of this Agreement

23.2 The provisions of this Agreement are for the benefit of the Parties and not for any other person or third party beneficiary. The provisions of this Agreement shall not impart rights enforceable by any person, firm or organization other than a Party or a successor or assignee of a Party to this Agreement.

23.3 The descriptive headings of the various sections of this Agreement have been inserted for convenience of reference only and shall in no way define, modify or restrict any of the terms and provisions thereof.

23.4 Any waiver at any time by either Party of its rights with respect to a default under this Agreement, or with respect to any other matter arising in connection with this Agreement, shall not be deemed a waiver with respect to any other or subsequent default or matter and no waiver shall be considered effective unless in writing.

23.5 Each Party shall be responsible for paying its own attorneys' fees and other costs associated with this Agreement, except as provided in Sections 6 and 7 hereof. If a dispute exists hereunder, the prevailing Party, as determined by the CPUC, or as may otherwise be determined by the dispute resolution procedure contained in Section 15 hereof, if used, or by a court of law, shall be entitled to reasonable attorneys' fees and costs.

23.6 To the extent that the CPUC has a right under then-current law to audit either Party's compliance with this Agreement or other legal or regulatory requirements pertaining to Community Choice Aggregation transactions that Party shall cooperate with such audits. Nothing in this Section shall be construed as an admission by either Party with respect to the right of the CPUC to conduct such audits or the scope thereof.

23.7 Except as otherwise provided in this Agreement, all rights of termination, cancellation or other remedies in this Agreement are cumulative. Use of any remedy shall not preclude any other remedy in this Agreement.

The Parties have executed this Agreement on the dates indicated below, to be effective upon the later date.

On Behalf of CCA	**On Behalf of SCE**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

ATTACHMENT A

A. Definitions:

Billing Services - The consolidated billing services described in SCE's community choice aggregation tariff which are provided by SCE.

Community Choice Aggregation Customer - An end-use customer located within SCE's service territory who purchases Community Choice Aggregation Services through the CCA.

Community Choice Aggregator (CCA) – An entity that provides electric supply services to Community Choice Aggregation customers within SCE's service territory. A CCA may also provide certain energy efficiency and conservation programs to its Community Choice Aggregation customers as provided for under SCE's tariffs.

CCA Charges - Charges for Community Choice Aggregation Services provided by the CCA.

SCE Charges - Charges (a) for services provided by SCE; or (b) which are energy-related and which are approved by the CPUC or the Federal Energy Regulatory Commission (including any nonbypassable charges such as Competition Transition Charges, Cost Responsibility Surcharges, and any other nonbypassable charges adopted by a regulatory body) or Fixed Transition Amount Charges owing to SCE or its affiliates, as those terms are defined under the California Public Utilities Code). Fixed Transition Amount Charges are also referred to as Trust Transfer Amount (TTA) Charges.

B. Contact Persons (Section 13.3):

Billing Services

SCE Contact: _____

CCA Contact: _____

C. Parties' Representatives (Section 15.1):

SCE Representative:

Contact Name _____

Business Address _____

_____

CCA Representative:

Contact Name _____

Business Address _____

_____

CITY OF MONTEBELLO

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and Members of the City Council

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

BY: Arnold M. Alvarez-Glasman, City Attorney
Joseph Palombi, Director of Planning and Community Development

SUBJECT: **Adoption of Resolution Relating to the Findings and Decision on the Appeal of a Planning Commission Decision of Denial of Conditional Use Permit ("CUP") Modification CUP 02-94-M1 requesting the Operation of a Solid Waste Transfer Station at 1701 Gage Road**

DATE: March 24, 2021

RECOMMENDATIONS:

It is recommended that the City Council take the following action:

1) Adopt the Resolution attached with this report which will uphold the decision of the Montebello Planning Commission and finalize the findings and decision of the City Council denying the Applicant's, NASA Services Inc., request to modify CUP 02-94; and

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

FISCAL IMPACT

There is no fiscal impact regardless of which action recommended above is taken by the City Council.

BACKGROUND

On May 9, 1994, the Planning Commission approved Conditional Use Permit 2-94 to allow for the establishment of a recycling plant at 1701 Gage Road ("Project Site"), in the M-2 (Heavy Manufacturing) Zone.

On October 26, 2020, NASA Services Inc. ("Applicant") submitted an application with a request to modify the existing Conditional Use Permit (CUP No. 02-94), under case numbers CUP 02-94-M1 and ENV No. 115-20-ND, to allow for the continued use and operation of a solid waste transfer station at the Project Site.

A duly noticed hearing was scheduled on December 1, 2020 before the Planning

Commission where a motion to continue the item to the December 15, 2020 hearing was ultimately passed. In an effort to allow more time to discuss this matter, on December 15, 2020, the Planning Commission decided to continue the item once more to the January 5, 2021 meeting. At the January 5, 2021, the Planning Commission held a duly noticed public hearing and considered the proposal to modify CUP 02-94 to allow for the continued use and operation of a solid waste transfer station at the Project Site, which was previously approved for a glass recycling facility under CUP 02-94. At the January 5, 2021 hearing, the Planning Commission denied the proposed project.

On January 13, 2021, the Applicant filed an appeal of the Planning Commission's denial of CUP 02-94-M1 pursuant to Montebello Municipal Code ("MMC") Section 17.78.070. The appeal seeks review and consideration from the City Council to overturn the Planning Commission's January 5, 2021 denial.

On January 29, 2021, a Notice of Public Hearing was published in the Whittier Daily News and notices were also mailed to all property owners within 300 feet of the proposed Project Site.

On February 10, 2021, this item was scheduled to be heard by the City Council, but the Public Hearing was continued to February 24, 2021. On February 24, 2021, the City Council conducted a public hearing and received oral and written presentations by the Applicant, including those in support of the Applicant's appeal, and from parties in opposition to the requested CUP modification.

After conducting and closing the public hearing, the City Council reviewed all evidence presented and deliberated on the item. At the conclusion of the City Council's deliberation, the City Council directed the City staff and City Attorney to prepare a Resolution denying the Applicant's request and upholding the Planning Commission's decision.

The attached Resolution memorializes the direction of the City Council with findings and a decision consistent with the Council's direction provided at the February 24, 2021 City Council meeting.

DISCUSSION:

The Project Site is located in the City's M-2 (Heavy Manufacturing) Zone with a General Plan land use designation of Industrial. The Project Site is comprised of approximately 1.07 acres or 45,746 square feet. The subject property is currently improved with a 1,856- square-foot (SF) wood-frame and frame and stucco office building, a 3,500 SF metal building, a 240 SF paved parking/drive aisles, and approximately 6,000 SF of landscaping. The Project Site is currently utilized as a collection truck and roll-off container storage yard for NASA Services.

The proposed Project would result in the existing structures to be demolished and a 26,940 SF building will be erected in its place. The building would consist of three elements: 1) a 25,250 SF transfer station building; 2) offices totaling 1,530 SF, and 3) a 160 SF scale house.

At the January 5th, 2021 Planning Commission meeting, staff presented the staff report with a recommendation of approval and included a draft Resolution to approve CUP 02-94-M1. The Planning Commission opened the public hearing and took testimony from the Applicant and the public. The Planning Commission closed the public hearing, deliberated, and expressed concern regarding unknown potential environmental impacts to the surrounding properties. Subsequently, the Planning Commission voted 3-1-0-1 to deny CUP 02-94-M1.

An appeal of the Planning Commission's decision was timely filed resulting in a public hearing to be conducted by the City Council. Similar to the decision of the Planning Commission, after conducting the Public Hearing, the City Council expressed General Plan consistency insufficiencies, the inability to make findings as required by the Montebello Municipal Code ("MMC") for compliance as required for a CUP modification, and environmental impact consequence concerns. The City Council expressed the intended direction, but not final action, to deny the Applicant's appeal. The City Council directed the City staff and City Attorney to prepare the requisite Resolution for City Council consideration which would result in the denial of the Applicant's requested CUP modification and to uphold the decision of the Planning Commission.

Required Findings:

Pursuant to Appendix A: Index of Primary Uses of the MMC, Conditional Use Permit approval is required for a Recycling Facility in the M-2 Zone. Per the MMC, Chapter 17.78.080 – Appeal of planning commission decision – the Council in hearing the appeal, the City Council must make the same findings and consider the same criteria as required of the Planning Commission.

GENERAL PLAN:

In order to approve the Project, it must be determined that the proposal conforms to the Montebello General Plan, Land Use Element in that the Project is compatible with surrounding land uses and supports the existing goals and policies developed to inform development along both the industrial areas of the City and the Interstate-5 Freeway (I-5 Freeway).

> Goal #1: [T]o Formulate a plan which is responsive to the needs of the community and which permits the orderly arrangement of land uses,

permitting sufficient areas for reasonable development.
Goal #4: [T]o provide for growth and development of an industrial area in a manner compatible with other uses.

MONTEBELLO MUNICIPAL CODE ("MMC"):

Per Section 17.70.070 of the MMC, the City Council on appeal must make the following findings in order to approve the proposed Project.

1. *The site for the proposed use is adequate in size and shape;*

2. *That the site has sufficient access to streets and highways and is adequate in width and pavement type to carry the quantity and quality of traffic generated by the proposed use;*

3. *That the proposed use will not have an adverse effect upon adjacent or abutting properties; and*

4. *Is in conformance with the goals, policies, and objectives of the General Plan and the purpose and intent of this code and any applicable specific plan.*

Required Findings for Modification to CUP:

Pursuant to MMC Section 17.70.130 (Modification), any condition imposed upon the granting of a conditional use permit may be modified or eliminated, or new conditions may be added; provided, that the granting body shall first conduct a public hearing in the same manner as required for the granting of the original permit.

No such modification shall be made unless the City Council finds that such modification is necessary to protect the public interest and/or adjacent or abutting properties; or, in case of deletion of an existing condition, that such action is necessary to permit reasonable operation and use under the conditional use permit.

The attached Resolution (Please see Attachment A) addresses the required findings and the conclusion that the City Council could not make the required findings based upon the evidence, both written and oral, presented at the Public Hearing. The Resolution, if adopted, would result in the denial of the Applicant's request.

ENVIRONMENTAL:

The Project application under CUP 02-94-M1 and ENV No. 115-20-ND is considered a "project," per the California Environmental Quality Act ("CEQA") definition of a "project." Considering the Project's potential impacts to the environment, City staff recommended

an Initial Study be completed. The Initial Study found that the proposed project will have less than significant effects on the environment; therefore, a Negative Declaration has been prepared.

The City Council expressed concerns that the Negative Declaration did not adequately address the environmental impacts created by the proposed Project.

Pursuant to California Public Resources Code Section 21080(b)(5), projects which a public agency rejects or disapproves is not subject to CEQA.

SUMMARY:

The public hearing was closed at the February 24, 2021 City Council meeting. No additional evidence has been presented or considered by the City Council. Staff is requesting the City Council review the attached Resolution to determine its consistency with the City Council determinations and direction provided after the close of the February 24, 2021 public hearing.

If the City Council determines that the Resolution expresses the findings and decision of the City Council on this appeal, it is appropriate for the City Council to adopt the attached Resolution.

By adopting the Resolution, the City Council, after reviewing all staff reports, planning commission reports, environmental reports, all written and oral evidence and presentation and all other documents which are part of the record in this matter, would, by adopting the attached Resolution, approving its findings and rendering its decision denying the Applicant's request to approve a modification to CUP 02-94. In addition, by denying the proposed Project, the City Council would be upholding the decision of the Planning Commission.

ATTACHMENTS:

A. Attachment A – Resolution Denying the Applicant's request to grant a modification of CUP 02-94 and uphold the Planning Commission decision to deny CUP 02-94-M1.

ATTACHMENT A

RESOLUTION NO. 21-____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MONTEBELLO DENYING THE REQUEST FOR A CONDITIONAL USE PERMIT MODIFICATION (CUP 02-94-M1) TO ALLOW FOR THE OPERATION OF A SOLID WASTE TRANSFER STATION AT 1701 GAGE ROAD WITH FINDINGS CONSISTENT THERETO AND UPHOLDING THE DECISION OF THE MONTEBELLO PLANNING COMMISSION

WHEREAS, on May 9, 1994, a Conditional Use Permit (CUP 02-94) was approved by the Planning Commission of the City of Montebello ("Planning Commission") to allow for the operation of a Recycling Facility at 1701 Gage Road on a site in the M-2 (Heavy Manufacturing) Zone; and

WHEREAS, an application to modify the existing Conditional Use Permit (CUP 02-94-M1) has been received and accepted; and

WHEREAS, the modification to the Conditional Use Permit would allow for the operation of a Solid Waste Transfer Station at 1701 Gage Road (the "Subject Site"); and

WHEREAS, the Conditional Use Permit Modification ("CUP 02-94-M1") is considered a "project" per the California Environmental Quality Act ("CEQA"); and

WHEREAS, an Initial Study and Negative Declaration ("Negative Declaration") have been prepared in accordance with the requirements of CEQA, which analyzed the potential environmental impacts of the Project and found that the Project does not have the potential, and will not, result in any significant environmental impacts; and

WHEREAS, a Notice of Intent to adopt the Negative Declaration was prepared and posted for public review on November 10, 2020, notifying the public of the public review period through November 30, 2020, and the Notice of Intent was further published with the State Clearinghouse pursuant to Executive Order N-80-20; and

WHEREAS, on January 5th, 2021 the Planning Commission held a duly noticed public hearing on the Conditional Use Permit Modification and the Negative Declaration, at which time the Planning Commission received and considered staff presentations, recommendations, public testimony, and all other matters presented at the public hearing and included in the record for this matter; and

WHEREAS, at the January 5th, 2021 public hearing, the Planning Commission denied CUP 02-94-M1; and

WHEREAS, an appeal was filed by the Applicant in a timely manner and this City Council is was required to hold a public hearing and make the same findings and consider the same criteria as required of the Planning Commission; and

WHEREAS, the City Council of the City of Montebello conducted a public hearing on February 24, 2021, wherein public testimony was received by the Applicant, NASA Services, Inc., parties in support of the CUP modification and parties in opposition to the CUP modification. In addition there were numerous written statements, petitions, letters and other documents presented to the City Council at the public hearing which were reviewed and accepted by the City Council as part of the evidence considered in making their decision and findings; and

WHEREAS, after review and consideration of all staff agenda reports, the environmental analysis prepared, the Applicant's presentation and request for modification to the Conditional Use Permit, oral testimony from those in support of the Applicant's request and those opposed to the CUP modification, and evaluation of all written communications, reports and documents from all parties, the City Council, as set forth in the findings expressed below, hereby denies the Applicant's request for modification of CUP 02-94 and upholds the decision of the Montebello City Planning Commission; and

WHEREAS, this Resolution, upon adoption, shall constitute the announcement of findings and decision of the City Council pursuant to Montebello Municipal Code (MMC) §17.78.090 and denies any modification to the resolution associated with the Conditional Use Permit (CUP 02-94) and the conditions provided therein; and

WHEREAS, all other legal prerequisites to the adoption of this resolution have occurred.

NOW, THEREFORE, the City Council of the City of Montebello hereby resolves, finds, and declares as follows:

SECTION 1. The foregoing recitals are true and correct and are hereby incorporated as substantive findings in this Resolution.

SECTION 2. The City Council hereby upholds the decision of the Planning Commission denying CUP 02-94-M1 based on the findings herein.

SECTION 3. The City Council hereby finds and declares as follows:

A. GENERAL PLAN. The City Council of the City of Montebello finds that the proposed Project is consistent with the General Plan.

Pursuant to the Montebello General Plan, the Project is not compatible with surrounding land uses and does not support the existing goals and policies developed for proper industrial growth and development. Specifically, General Plan Goal #4: "[T]o provide for growth and development of an industrial area in a manner compatible with other uses" will not been achieved due the substantial and significant impacts this proposed use would have adjacent businesses and other operations and land uses in the area surrounding the Applicant's location.

There was substantial testimony and evidence presented which demonstrates that the proposed modification and use would significantly increase traffic, noise, smells, odors and other effects which would severely impact business operations or uses of surrounding and adjacent properties. Specifically, owners of four (4) adjacent properties provide written and oral testimony that the modification to a solid waste transfer station would create various environmental and health impacts that would diminish the property values of properties in the area surrounding the Applicant's property. In addition, there were over twenty (20) adjacent property owners or residents who expressed their view that granting the requested modification was not in the best interests or compatible to the existing industrial uses of the area. The significant increase in solid waste being transported primarily from surrounding communities to the Applicant's site in Montebello creates an imposition of processing waste not generated from the City's residents or businesses and has a negative impact upon the industrial uses which currently exists.

B. Conditional Use Permit. The City Council denies the proposed modification to the Conditional Use Permit with Conditions based on the following findings:

(i) Per MMC 17.70.070 the following findings must be made before a Conditional Use Permit is approved:

1. The site for the proposed use is adequate in size and shape;

The Property is located on a 1.07-acre lot with a proposed footprint of 26,940 square feet of building footprint. The proposed increased use from a glass recycling facility to a solid waste transfer station is an intensification of use which exceeds the appropriate use for a property of this size and shape.

The proposed use would result in a demolition of existing structures to accommodate a new facility which would increase the current office space and waste processing uses of the site from approximately 5,356 square feet to a new construction footprint of 26,940 square feet (over five times the size of the existing site facilities). All new construction would be placed upon the same 1.07 (46,609 square feet) site as the current use sits. The City Council finds the site is not adequate in size or shape for the proposed use.

2. That the site has sufficient access to streets and highways, and is adequate in width and pavement type to carry the quantity and quality of traffic generated by the proposed use;

While the streets and highways that serve the Project Site are designed to accommodate heavy industrial vehicles such as those associated with the proposed transfer station and the surrounding warehouse/distribution and trucking businesses, the number of

inbound and outbound truck traffic impacts would increase from the current volume of 104 trips per day to 530 trips per day. This would create five (5) times more truck traffic volume than currently exists at this location and would have a detrimental impact upon traffic in the surrounding area.

The City Council finds that the intensified use as proposed by the Applicant does not have sufficient access to streets or highways of the right of ways leading to the Project location. In addition, the City Council finds the increased truck traffic impacts would have a detrimental impact to the pavement and general infrastructure of the area.

3. That the proposed use will not have an adverse effect upon adjacent or abutting properties;

   The proposed use is located in the M-2 (Heavy Manufacturing) zone and is bordered by Industrial (Heavy Manufacturing) development in all directions. While the project complies with the M-2 designated land use, it will have an adverse impact on adjacent or abutting properties.

   As stated herein, numerous business and property owners, residents and interested property testified, both via verbal public comment and written objections, correspondence and other communications, of the numerous detrimental adverse impacts this proposed use would have both directly and indirectly upon adjacent and abutting properties and business operations. After carefully considering the testimony presented, the City Council finds that the proposed use will have an adverse effect upon adjacent and abutting properties.

4. Is in conformance with the goals, policies, and objectives of the General Plan and the purpose and intent of this code and any applicable specific plan.

   The Project is not consistent with the goals and policies of the General Plan, specifically;

   General Plan Goal #4: "[T]o provide for growth and development of an industrial area in a manner compatible with other uses"

   The City Council finds the proposed Project is an intensified use that is not compatible with other adjacent industrial uses. The increased truck traffic, solid waste disposal and processing, noise, odors, potential rodent infestation, and related impacts create circumstances which are incompatible with other surrounding and adjacent uses. For these reasons, the City Council finds that the Project is not consistent with goals and policies of the City's General Plan.

C. Modification to CUP:

(ii) Pursuant to MMC Section 17.70.130 (Modification), any condition imposed upon the granting of a conditional use permit may be modified or eliminated, or new conditions may be added; provided, that the granting body shall first conduct a public hearing in the same manner as required for the granting of the original permit.

No such modification shall be made unless the City Council finds that such modification is necessary to protect the public interest and/or adjacent or abutting properties. Based upon all evidence presented, the City Council finds that the modification to CUP 02-94 is not in the public interest and does not benefit the existing uses of adjacent or abutting properties.

SECTION 4. On the basis of the entire record before it, the City Council disapproves the CEQA analysis finding that the Negative Declaration does not adequately address the environmental impacts created by the proposed Project. The City Council finds that the cumulative effects of the Project will have the potential to significantly impact or degrade the quality of the environment.

The impacts of this Project would significantly and negatively impact the environment in one or more of the following areas: traffic, noise, air quality, greenhouse gas emissions, hazardous materials and water quality. The City Council finds that additional environmental analysis should been required by consideration of a Mitigated Negative Declaration or an Environmental Impact Report. The CEQA analysis presented by the Negative Declaration did not adequately address the significant environmental impacts created by the proposed Project.

SECTION 5. For the foregoing reasons the City Council finds and determines (1) the proposed Project is not consistent with the City's General Plan, (2) fails to meet the required findings set forth in MMC §17.70.070 and 17.70.130, and (3) failed to properly and adequately study, analyze and address the significant environmental impacts the proposed Project would create. The decision of the City Council is to deny the CUP modification application (CUP 02-94-M1) and the CEQA Initial Study submitted concurrently (ENV No. 115-20-ND) as filed and submitted by the Applicant, NASA Services Inc.

SECTION 6. By adopting this Resolution the City Council is announcing its findings and decision as required by MMC §17.78.090. The City Clerk shall give written notice of this decision to the Applicant as required by MMC §17.78.110 and to the Planning Commission as required by MMC §17.78.120. This action and decision of the City Council shall be final as set forth in MMC §17.78.100.

APPROVED AND ADOPTED this 24th day of March 2021.

_____
Kimberly A. Cobos-Cawthorne, Mayor

ATTEST: **APPROVED AS TO FORM:**

_____ _____
Christopher Jimenez, City Clerk Arnold M. Alvarez-Glasman, City Attorney

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS:
CITY OF MONTEBELLO)

I, Christopher Jimenez, City Clerk of the City of Montebello, County of Los Angeles, State of California, hereby certify that the foregoing Resolution No. 21-__ was passed and adopted by the City Council of the City of Montebello, signed by the Mayor and attested by the City Clerk at a regular meeting of said Council held on the 24th day of March 2021 and that said Resolution was adopted by the following vote, to-wit:

AYES:
NOES:
ABSTAIN:
ABSENT:

The undersigned, City Clerk of the City of Montebello, does hereby attest and certify that the foregoing Resolution is a true, full and correct copy of a resolution duly adopted at a meeting of said City which was duly convened and held on the date stated thereon, and that said document has not been amended, modified, repealed or rescinded since its date of adoption and is in full force and effect as of the date hereof.

DATE: _____ _____
Christopher Jimenez, City Clerk

CITY OF MONTEBELLO

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and Members of the City Council

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

BY: James Enriquez, P.E., Director of Public Works / City Engineer

SUBJECT: **Approve Amendment No. 2 to Agreement No. 3356 with Sebastian Waterworks for Emergency Sewer Repairs at Various Locations and Authorize Issuance of a Request for Proposals**

DATE: March 24, 2021

RECOMMENDATIONS:

It is recommended that the City Council:

1) Approve Amendment No. 2 to Agreement No. 3356 with Sebastian Waterworks (doing business as Mr. Rooter Plumbing) increasing the Fiscal Year 2020-21 agreement and purchase order amount by $132,000; and

2) Authorize City Staff to issue a Request for Proposals (RFP) for on-call sewer maintenance and repair services.

FISCAL IMPACTS

The costs associated with work done under this contract are charged to various accounts: a mix of General Fund, Transit and Golf accounts. The majority of charges hit either the Building Maintenance Division (Parks and Recreation Department) or the Sewer Maintenance Division (Public Works Department). Sufficient funding exists in the various departments and divisions to provide funding for the additional, needed contract amount to cover recent emergency services.

No budget amendment is needed as part of this action. Staff will appropriate the necessary funding for Fiscal Year 2021-22 as part of budget development. The additional $132,000 will cover the three unanticipated emergency repairs described in detail below.

BACKGROUND

On February 14, 2018, the City Council approved an agreement with Sebastian Waterworks (doing business as Mr. Rooter Plumbing) (“Mr. Rooter Plumbing”) for a 3-year term in an amount not-to-exceed $240,000 per year. The Agreement is for on-call sewer maintenance and citywide plumbing repair services. The initial term expired on February 14, 2021.

There have been three significant and unanticipated repairs required this fiscal year that require augmenting the annual budget and "not to exceed" contract amount as follows:

- September 2020: Replacement of boiler in the Police Department Headquarters, including all appurtenant plumbing and cleaning/rehab of existing plumbing. ($35,227)
- February 2021: Storm drain manhole repair at 914 S. Vail Ave. The manhole lid of an existing storm drain was popping open from vehicles rolling over it. Upon further investigation, the storm drain was determined to be an abandoned pipe and the manhole was never removed. The manhole was removed below grade and paved over. The abandoned pipe was filled with slurry to prevent future sink holes. ($52,947)
- February 2021: Pumping and disposal of sewage from the pump station for Tract No. 20861 (located on Lincoln Ave west of Sanchez St). The pumps failed and pumping by Mr. Rooter was required to avoid overflow and to provide access for the pump repair contractor. ($42,729)

Augmentation of the contract amount for Fiscal Year 2020-21 is required in order to cover the cost of the unanticipated emergency repairs while ensuring adequate funding for the remainder of the fiscal year.

SUMMARY

The emergency repairs to the sewer system, storm drain system and the emergency plumbing repairs were required in order to prevent further damage to the city's infrastructure and property. Upon approval of the recommended actions, staff will process the associated invoices for payment in the aggregate amount not-to-exceed $132,000. The current purchase order splits costs across several accounts, given the nature of the work done by Mr. Rooter. Adequate funding exists in the various accounts, and as such no budget amendment is needed. Staff will conduct a RFP and funding based on any new professional services agreement awarded will be placed in the FY 2021-22 budget.

ATTACHMENT(S):

A. Attachment A – Amendment No. 2 to Agreement No. 3356
B. Attachment B – Agreement No. 3356, dated February 14, 2018

ATTACHMENT A

CITY OF MONTEBELLO

AMENDMENT NO. 2
TO PROFESSIONAL SERVICES AGREEMENT NO. 3356
WITH SEBASTIAN WATERWORKS, dba MR. ROOTER PLUMBING

This Amendment No. 2 to the Professional Services Agreement by and between the City of Montebello and Sebastian Waterworks, dba Mr. Rooter Plumbing **("Amendment No. 2")** is entered into this 24th day of March 2021, by and between Sebastian Waterworks, dba Mr. Rooter Plumbing, **("Contractor")** and City of Montebello **("City"),** with reference to the following facts:

RECITALS

WHEREAS, Contractor and City (sometimes hereinafter individually referred to as a **"Party"** and jointly as the **"Parties")** entered into that certain Agreement for Engineering Services by and between the City of Montebello and Sebastian Waterworks, dba Mr. Rooter Plumbing, dated February 14, 2018 (the **"Agreement"),** pursuant to which City retained Contractor to provide On-Call Sewer Maintenance and Plumbing Services, as further described in the Agreement; and

WHEREAS, the City awarded the Agreement to the Contractor based on their qualification, subsequent to a competitive selection process. However, the services needed, including costs and expenses, exceeded the anticipated scope of the Agreement, and City and Contractor desire to increase the maximum compensation allowable under the Agreement; and

WHEREAS, under Section 1. **SERVICES/COMPENSATION**, Contractor may exceed the maximum compensation with prior written consent of the City; and

WHEREAS, under Section 5. **EXTRA SERVICES**, of the Agreement, any extra services over and above the compensation need to be duly authorized in writing by the City Manager.

WHEREAS, for the reasons set forth herein, the City and Consultant desire to enter into this Amendment No. 2, as set forth below.

AMENDMENT

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, the receipt adequacy of which is expressly acknowledged by the Parties, the Parties agree to amend the Agreement, as follows:

SECTION 1. Exhibit “B” Schedule of Compensation.

In accordance with Section 1 and Section 5 of the Agreement, Exhibit “B” Schedule of Compensation of the Agreement shall be amended to read:

The Contractor shall be paid in accordance with the **Proposal Fee Sheet** in the original Agreement**,** for all work performed. In the event the City requires additional or extra services, all such services shall comply with the provisions in Section 5 of the Agreement.

The contract amount shall not exceed **$240,000** annually, with the exception of the 2020-2021 fiscal year. For the 2020-2021 fiscal year, the annual compensation shall not exceed **$372,000**.

SECTION 2. Remainder of Agreement Effective.

Except as expressly amended herein with respect to the Term, the remainder of the Agreement shall remain in full force and effect and is incorporated herein in its entirety.

IN WITNESS WHEREOF, the Parties have executed this Amendment No. 2 to the Agreement as of the Effective Date:

"CITY"

CITY OF MONTEBELLO

By: _____
René Bobadilla, City Manager

"CONTRACTOR"

SEBASTIAN WATERWORKS, dba MR. ROOTER PLUMBING

By: _____
Joe Diaz, Owner

ATTEST:

By: _____
Christopher Jimenez, City Clerk

APPROVED AS TO FORM:

By: _____
Arnold M. Alvarez-Glasman, City Attorney

CITY OF MONTEBELLO
PROFESSIONAL SERVICES AGREEMENT NO. 3356
BY AND BETWEEN
CITY OF MONTEBELLO
AND
SEBASTIAN WATERWORKS, dba MR. ROOTER PLUMBING

THIS AGREEMENT ("Agreement") is made and entered into on **February 14, 2018**, by the **CITY OF MONTEBELLO**, a municipal corporation (hereinafter referred to as "CITY") and **SEBASTIAN WATERWORKS, dba MR. ROOTER PLUMBING**. (hereinafter referred to as "CONTRACTOR"). CITY and CONTRACTOR are sometimes referred to herein individual as the "Party," and jointly as the "Parties."

RECITALS

WHEREAS, the CITY desires to retain a qualified professional contractor to provide on-call sewer maintenance and plumbing services in the CITY; and

WHEREAS, the CONTRACTOR represents that it is fully qualified to perform such services by virtue of its experience and the training, education and expertise of its principals and employees.

NOW THEREFORE, in consideration of performance by the Parties of the covenants and conditions herein contained, the Parties hereto agree as follows:

SECTION 1. SERVICES / COMPENSATION.

A. All terms, conditions, requirements, and provisions of the Request for Proposals for On-Call Sewer Maintenance and Plumbing Services in the City of Montebello (December 6, 2017) ("Request for Proposals"), as such is set forth fully in **Exhibit "A"** hereto, are hereby incorporated fully herein by this reference and shall be binding on the Parties. To the extent of a conflict between the terms of this Agreement and that set forth in any exhibits or attachments hereto, the terms of this Agreement shall govern.

B. CONTRACTOR shall provide to CITY all labor, equipment, materials and incidental necessary for performing on-call sewer maintenance and plumbing services as set forth fully in the Request for Proposals, as such is set forth fully in **Exhibit "A"** hereto and incorporated fully herein by this reference (hereinafter "Professional Services").

C. CONTRACTOR shall be shall be compensated for performance of the Professional Services as set forth in the Schedule of Compensation attached hereto as **Exhibit "B"** and incorporated fully herein by this reference ("Compensation"). CONTRACTOR shall provide an itemized billing statement to the CITY each month for Professional Services performed. CONTRACTOR shall no incur fees or costs which exceed the Compensation without the prior written consent of the CITY.

SECTION 2. TERM.

This Agreement shall commence upon issuance of the Notice to Proceed by the City ("Effective Date"), and shall expire three (3) years from the Effective Date, unless terminated earlier as hereinafter provided. This Agreement may be extended for up to two (2) additional years upon such terms and conditions mutually agreed upon by the Parties in writing.

SECTION 3. PERFORMANCE.

a. CONTRACTOR shall at all times, faithfully, competently, and to the best of its ability, experience and talent, perform all tasks described herein.

b. CONTRACTOR shall employ, at a minimum, generally accepted standards and practices utilized by companies engaged in providing similar services, as are required of Contractor hereunder, in meeting its obligations under this Agreement.

c. CONTRACTOR shall be knowledgeable of and subject to all CITY ordinances, rules and regulations, standard operating procedures, and the supervisory chain of command.

d. CONTRACTOR shall have the right to retain, subject to CITY's approval, additional individuals, consultants or subcontractors to assist in the completion of services as herein defined. Compensation for additional individuals, consultants or subcontractors shall be the sole and exclusive responsibility of CONTRACTOR.

e. CONTRACTOR shall retain all original reports, field and office notes, correspondence, calculations, maps, and other documents specifically related to the services provided by CONTRACTOR pursuant to this Agreement, other than documents which are exempt from disclosure pursuant to the attorney-client privilege or any other law. Said documents shall be made available for inspection by the CITY upon request.

SECTION 4. WORK PRODUCT.

a. CONTRACTOR hereby agrees that all work product produced pursuant to this Agreement, and provided to CITY during and upon completion of this Agreement, shall be the property of the CITY, and ownership of said work product shall be retained by the CITY. CONTRACTOR may take and retain copies of such written products as desired, but no such written products shall be the subject of a copyright application by CONTRACTOR.

b. All data, documents, discussion, or other information developed or received by CONTRACTOR or provided for performance of this Agreement are deemed confidential and shall not be disclosed by CONTRACTOR without prior written consent by the CITY. The CITY shall grant such consent if disclosure is legally required. All such written products shall be returned to the CITY upon the termination or expiration of this Agreement. CONTRACTOR agrees that the covenants contained in this Article shall survive the expiration or termination of this Agreement.

SECTION 5. EXTRA SERVICES.

No extra services over and above the Compensation shall be rendered by CONTRACTOR under this Agreement unless such extra services first shall have been duly authorized in writing by the City Manager.

SECTION 6. CITY SUPERVISION.

The City Manager shall have the right of general supervision of all work performed by CONTRACTOR and shall be the CITY agent with respect to obtaining CONTRACTOR's compliance hereunder. No payment for services rendered under this Agreement shall be made without the prior approval of the City Manager.

SECTION 7. TERMINATION.

In the event that either Party hereto fails or refuses to perform any of the provisions of this Agreement at the time and in the manner required, the non-defaulting party shall give the defaulting party written notice of the default, the nature of the default, and of the steps necessary to cure the default.

a. Termination for Cause. In the event that any of the provisions of the Agreement are violated by either party, the non-defaulting Party may terminate the Agreement by serving written notice upon the other Party, listing the violation(s) and its intent to terminate such Agreement unless within ten (10) days after the serving of such notice, such violation shall cease or be rectified, the contract shall upon the expiration of an additional thirty (30) days cease and terminate. Violations by Contractor which cannot be corrected within ten (10) days, said contract shall at the option of the City cease and terminate upon the giving of like notice. In the event of any such termination for default by Contractor, the City may take over the work and prosecute the same to completion by contract or otherwise for the account and at the expense of the Contractor. The Contractor and his sureties shall be liable to the City for any excess cost occasioned in the event of any such termination. This change shall not be construed to prevent the termination, for other causes authorized by law or other provisions of this contract. In the event of a termination for cause, CONTRACTOR shall only be entitled to the Compensation for those Professional Services satisfactory performed on or before the effective date of termination.

b. Termination For Convenience. The CITY shall have the option, at its sole discretion and without cause, to terminate this Agreement in whole, or in part, by giving ten (30) business days' written notice to CONTRACTOR. Upon the termination of this Agreement as provided herein, the CITY shall provide to CONTRACTOR the part of Compensation which would otherwise be payable to CONTRACTOR for services CONTRACTOR had completed as of the date of termination, less the amount of all previous payment with respect to the Compensation. Further, upon such a termination for convenience by CITY, the Parties agree that CONTRACTOR shall be reimbursed for any "non-refundable" costs that CONTRACTOR has incurred for its services under this Agreement, provided that: (1) such "non- refundable" costs were incurred by the CONTRACTOR prior to the date of termination, and (2) that CONTRACTOR provides the CITY with adequate proof that CONTRACTOR incurred the costs, and is unable to be seek a refund for such costs. Such "non-refundable" costs may include, but are not limited to, travel reservations incurred by CONTRACTOR for its performance of services under this Agreement. CONTRACTOR agrees to cease all work under this Agreement on or before the effective date of any notice of termination.

SECTION 8. EMPLOYMENT OF CITY EMPLOYEES.

No regular employee of the CITY shall be employed by CONTRACTOR during the term of this Agreement.

SECTION 9. NON-LIABILITY OF CITY OFFICIALS AND EMPLOYEES.

No official or employee of the CITY shall be personally liable to CONTRACTOR in the event of any default or breach by CITY, or for any amount which may become due to CONTRACTOR.

SECTION 10. INDEPENDENT CONTRACTOR.

a. The CONTRACTOR is and shall, at all times, remain as to the CITY a wholly independent contractor. Neither the CITY nor any of its elected officials, officers, employees or agents shall have control over the conduct of the CONTRACTOR except as expressly set forth in this Agreement. The CONTRACTOR shall not at any time or in any manner represent that he

is in any manner an elected official, officer, employee or agent of the CITY. No employee benefits shall be available to CONTRACTOR in connection with the performance of this Agreement. Except as provided in this Agreement, CITY shall not pay salary, wages, or other compensation to CONTRACTOR for performance hereunder for CITY, CITY shall not be liable for compensation to CONTRACTOR, CONTRACTOR's employees or CONTRACTOR'S subcontractors for injury or sickness arising out of performing services hereunder.

b. The parties further acknowledge and agree that nothing in this Agreement shall create or be construed to create a partnership, joint venture, employment relationship or any other relationship except as set forth in this Agreement.

c. CITY shall not deduct from the Compensation paid to CONTRACTOR any sums required for Social Security, withholding taxes, FICA, state disability insurance or any other federal, state or local tax or charge which may or may not be in effect or hereinafter enacted or required as a charge or withholding on the compensation paid to CONTRACTOR. CITY shall have no responsibility to provide CONTRACTOR, its employees or subcontractors with workers' compensation insurance or any other insurance.

SECTION 11. PERS ELIGIBILITY INDEMNITY.

a. In the event that CONTRACTOR or any employee, agent, or subcontractor of CONTRACTOR providing services under this Agreement claims or is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of the CITY, CONTRACTOR shall indemnify, defend, and hold harmless CITY for the payment of any employee and/or employer contributions for PERS benefits on behalf of CONTRACTOR or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of CITY.

b. Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, CONTRACTOR and any of its employees, agents, and subcontractors providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by CITY, including but not limited to eligibility to enroll in PERS as an employee of CITY and entitlement to any contribution to be paid by CITY for employer contribution and/or employee contributions for PERS benefits.

SECTION 12. LEGAL RESPONSIBILITIES.

CONTRACTOR shall at all times observe and comply with all applicable laws, ordinances, codes and regulations of the federal, state and local governments including, but not limited to the Montebello Municipal Code. The CITY, and its appointed or elected officers, employees, or agents, shall not be liable at law or in equity occasioned by failure of the CONTRACTOR to comply with this section.

SECTION 13. INDEMNIFICATION.

The CONTRACTOR agrees to, and shall defend, indemnify, protect and hold harmless, the CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers from and against any and all claims, demands, lawsuits, defense costs, civil, penalties, expenses, causes of action, and judgments at law or in equity, or liability of any kind or nature which the CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers may sustain or incur or which may be imposed upon them for injuries or deaths of persons, or damage to property arising out of CONTRACTOR'S negligent or wrongful act,

or omission under the terms of this Agreement, except only liability arising out of the sole negligence of the CITY.

SECTION 14. INSURANCE COVERAGE.

During the term of this Agreement, CONTRACTOR shall carry, maintain, and keep in full force and effect insurance against claims for death or injuries to persons or damages to property that may arise from or in connection with CONTRACTOR'S performance of this Agreement. Such insurance shall be of the types and in the amounts as set forth below:

- **Commercial General Liability (CGL)**: Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis for bodily injury and property damage, including products-completed operations, personal injury and advertising injury, with limits no less than $1,000,000 per occurrence. If a general aggregate limit applies, the limit shall be twice the required occurrence limit.

- **Automobile Liability Insurance:** Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if CONTRACTOR has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than $1,000,000 per accident for bodily injury and property damage.

- **Worker's Compensation** insurance as required by the laws of the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than $1,000,000 per accident for bodily injury or disease.

- **Professional Liability** insurance appropriate to the CONTRACTOR'S profession, with limit no less than $1,000,000 per occurrence or claim, $2,000,000 aggregate.

If the CONTRACTOR maintains higher limits than the minimums shown above, the CITY requires and shall be entitled to coverage for the higher limits maintained by the CONTRACTOR.

CONTACTOR shall require each of its subcontractors, if any, to maintain insurance coverage that meets all of the requirements of this Agreement.

The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California and with a current rating of at least A:VII in the latest edition of Best's Insurance Guide.

Each insurance policy required above shall state that coverage shall not be canceled, except after thirty (30) days' prior written notice (ten (10) days for non-payment) has been given to the City. CONTRACTOR agrees that if it does not keep the aforesaid insurance in full force and effect CITY may either (i) immediately terminate this Agreement for Cause; or (ii) take out the necessary insurance and pay, at CONTRACTOR'S expense, the premium thereon.

At all times during the term of this Agreement, CONTRACTOR shall maintain on file with CITY's Risk Manager a certificate or certificates of insurance showing that the aforesaid policies are in effect in the required amounts and naming the CITY as an additional insured. CONTRACTOR shall, prior to commencement of work under this Agreement, file with CITY's Risk Manager such certificate(s).

CONTRACTOR shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies

providing at least the same coverage. Such proof will be furnished at least two weeks prior to the expiration of the coverages.

The general liability and automobile policies of insurance required by this Agreement shall contain an endorsement naming CITY, its officers, employees, agents and volunteers as additional insureds. All of the policies required under this Agreement shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty days' prior written notice to CITY. CONTRACTOR agrees to require its insurer to modify the certificates of insurance to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions.

The insurance provided by CONTRACTOR shall be primary to any coverage available to CITY. Any insurance or self-insurance maintained by CITY, its officers, employees, agents or volunteers, shall be in excess of CONTRACTOR'S insurance and shall not contribute with it.

All insurance coverage provided pursuant to this Agreement shall not prohibit CONTRACTOR, and CONTRACTOR'S employees, agents or subcontractors, from waiving the right of subrogation prior to a loss. CONTRACTOR hereby waives all rights of subrogation against the CITY.

Any deductibles or self-insured retentions must be declared to and approved by the CITY. At the option of CITY, CONTRACTOR shall either reduce or eliminate the deductibles or self-insured retentions with respect to CITY, or CONTRACTOR shall procure a bond guaranteeing payment of losses and expenses.

Procurement of insurance by CONTRACTOR shall not be construed as a limitation of CONTRACTOR'S liability or as fall performance of CONTRACTOR'S duties to indemnify, hold harmless and defend under Section 9 of this Agreement.

SECTION 15. SUBCONTRACT, ASSIGNMENT OR DELEGATION.

CONTRACTOR shall not subcontract, delegate or assign its duties or rights hereunder, either in whole or in part, without the prior written consent of CITY. Any proposed subcontract, delegation, or assignment shall provide a description of the services to be covered, identification of the proposed sub-contractor, delegee, or assignee, and an explanation of why and how the same was selected, including the degree of competition involved.

Any subcontract, delegation or assignment shall be made in the name of CONTRACTOR and shall not bind or purport to bind CITY and shall not release CONTRACTOR from any obligations under this Agreement including, but not limited to, the duty to properly supervise and coordinate the work of employees, assignees, delegees or sub-contractors. No such subcontract, delegation or assignment shall result in any increase in the amount of total compensation payable to CONTRACTOR under the Agreement.

SECTION 16. NO WAIVER.

Waiver by any party hereto of any term, condition or covenant of this Agreement shall not constitute the waiver of any other term, condition or covenant hereof.

SECTION 17. DISPUTE RESOLUTION; GOVERNING LAW.

Disputes regarding the interpretation or application of any provision(s) of this Agreement shall, to the extent reasonably feasible, be resolved through good faith negotiations between the Parties. If any action at law or in equity is brought to enforce this Agreement or because of

alleged dispute, breach, default or misrepresentation in connection with the provisions of this Agreement, the prevailing party in such action shall be entitled to reasonable attorney's fees, expert fees, costs and necessary disbursements incurred in that action or proceeding, in addition to such other relief as may be sought and awarded. The venue for any litigation shall be County of Los Angeles, California. The Parties agree that the covenants contained in this Article shall survive the expiration or termination of this Agreement.

SECTION 18. ATTORNEY'S FEES AND COSTS.

If litigation is reasonably required to enforce or interpret the provisions of this Agreement, the prevailing party in such litigation shall be entitled to an award of reasonable attorney's fees and costs in addition to any other relief to which it may be entitled.

SECTION 19. WARRANTIES.

Each of the parties represents and warrants to one another as follows:

a. It has received independent legal advice from its attorneys with respect to the advisability of entering into and executing this Agreement;

b. In executing this Agreement, it has carefully read this Agreement, knows the contents thereof, and has relied solely on the statements expressly set forth herein and has placed no reliance whatsoever on any statement, representation, or promise of any other party, or any other person or entity, not expressly set forth herein, nor upon the failure of any other party or any other person or entity to make any statement, representation or disclosure of *any* matter whatsoever; and

c. It is agreed that each party has the full right and authority to enter into this Agreement, and that the person executing this Agreement on behalf of either party has the full right and authority to fully commit and bind such party to the provisions of this Agreement.

SECTION 20. MISCELLANEOUS.

a. The descriptive paragraph headings of this Agreement are included for purposes of convenience only and shall not control or affect the construction of interpretation of any of its provisions.

b. Whenever the context hereof shall so require, the singular shall include the plural, the male gender shall include the female gender, and the neuter and vice versa.

c. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provisions had never been contained herein.

d. The representations and warranties made by the parties to this Agreement shall survive the consummation of the transaction herein described.

e. This Agreement may be signed in any one or more counterparts all of which taken together shall be but one and the same Agreement. Any signed copy of this Agreement or of any other document or agreement referred to herein, or copy or counterpart thereof, delivered by facsimile transmission, shall for all purposes be treated as if it were delivered containing an original manual signature of the party whose signature appears in

the facsimile and shall be binding upon such party in the same manner as though an originally signed copy had been delivered.

f. Each of the parties acknowledges that it has been represented by independent counsel of its own choosing, or if it has not been so represented, it has been admonished to obtain independent counsel and has freely and voluntarily waived and relinquished the right to counsel. Each party who has not obtained independent counsel acknowledges that the failure to have independent legal counsel will not excuse such party's failure to perform under this Agreement or any agreement referred to in this Agreement.

SECTION 21. NOTICE.

All notices, demands, requests or approvals to be given under this Agreement shall be given in writing and conclusively shall be deemed served when delivered personally or on the second business day after the deposit thereof in the United States mail, postage prepaid, registered or certified, addressed as hereinafter provided. All notices, demands, requests, or approvals hereunder shall be given to the following addresses or such other addresses as the Parties may designate by written notice:

Danilo Batson, Assistant City Manager / Director of Public Works
Public Works Department
City of Montebello
1600 West Beverly Boulevard
Montebello, California 90640
E-mail: dbatson@cityofmontebello.com

Joe Diaz, Owner
Sebastian Waterworks, Inc. dba Mr. Rooter Plumbing
P.O. Box 3735
Montebello, California 90640
E-mail: diazmrrooterplumbingsg@gmail.com

SECTION 22. NON-DISCRIMINATION AND EQUAL OPPORTUNITY EMPLOYER.

In the performance of this Agreement, CONTRACTOR shall not discriminate against any employee, sub-contractor, or applicant for employment because of race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, mental condition or sexual orientation. CONTRACTOR will take affirmative action to ensure that sub-contractor and applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition or sexual orientation.

SECTION 23. CONFLICT OF INTEREST.

CONTRACTOR covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which may be affected by the services to be performed by CONTRACTOR under this Agreement, or which would conflict in any manner with the performance of its services hereunder. CONTRACTOR further covenants that, in performance of this Agreement, no person having any such interest shall be employed by it. Furthermore, CONTRACTOR shall avoid the appearance of having any interest that would conflict in any manner with the performance of its services pursuant to this Agreement.

CONTRACTOR covenants not to give or receive any compensation, monetary or otherwise, to or from the ultimate vendor(s) of services to CITY as a result of the performance of this

Agreement, or the services that may be procured by the CITY as a result of the recommendations made by CONTRACTOR. CONTRACTOR's covenant under this section shall survive the termination of this Agreement.

SECTION 24. ENTIRE AGREEMENT.

This Agreement contains the entire understanding between the CITY and CONTRACTOR. Any prior agreements, promises, negotiations or representations not expressly set forth herein are of no force or effect. Subsequent modifications to this Agreement shall be effective only if in writing and signed by each party. If any term, condition or covenant of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this Agreement shall be valid and binding.

CITY OF MONTEBELLO

Andrew Pasmant
Acting City Manager

Dated: 3/5/18

CONTRACTOR (SEBASTIAN WATERWORKS, dba MR. ROOTER PLUBMING)

Joe Diaz
Owner

Dated: 2-23-18

ATTEST:

Irma Barajas
City Clerk

APPROVED AS TO FORM:

Arnold Alvarez-Glasman
City Attorney

Exhibit "A"
Request for Proposals

CITY OF MONTEBELLO

1600 West Beverly Blvd.
Montebello, CA 90640

Request for Proposals: 18-27
Bid Issue Date: Dec. 6, 2017
CLOSING DATE: Wed.1/03/18@11:00a.m.

CITY OF MONTEBELLO
PUBLIC WORKS DEPARTMENT

NOTICE INVITING SEALED BIDS/PROPOSALS FOR ON CALL SEWER MAINTENANCE AND PLUMBING SERVICES (RFP NO. 18-27)

PUBLIC NOTICE IS HEREBY GIVEN THAT THE City of Montebello as AGENCY, invites sealed bids/proposals for the above stated services. Bids/proposals can be submitted via PlanetBids Portal (accessed through the City of Montebello's official website at http://www.cityofmontebello.com/rfp-bids/bid-opportunities.html) or by submitting/delivering 3 copies of proposal to the City Clerk's Office at 1600 West Beverly Boulevard, up to the hour of 11:00 a.m. on Wednesday, January 3, 2018.

Copies of the specifications and contract documents are available from the City of Montebello, 1600 West Beverly Boulevard, Montebello, California 90640 and on PlanetBids Portal, accessed through the City of Montebello's official website at http://www.cityofmontebello.com/rfp-bids/bid-opportunities.html.

As described in the Bidding Documents, the bids are for a public works project ("Project") which consist of ON CALL SEWER MAINTENANCE AND PLUMBING SERVICES and related work.

Any contract entered into pursuant to this notice will incorporate the provisions of the State Labor Code. Compliance with the prevailing rates of wages and apprenticeship employment standards established by the State Director of Industrial Relations will be required.

The successful Contractor and his subcontractors will be required to possess business licenses from the City.

The terms and conditions for bidding on the Project are described in the attached Bidding Instructions

CITY OF MONTEBELLO

1600 West Beverly Blvd.
Montebello, CA 90640

Request for Proposals: 18-27
Bid Issue Date: Dec. 6, 2017
CLOSING DATE: Wed. 1/03/18@11:00a.m.

BIDDING INSTRUCTIONS

1 **DEFINITIONS.** Unless provided otherwise, the definitions in the Greenbook, Special Conditions, or other Contract Documents are applicable to all Bidding Documents.

1.1 "Addenda" means written or graphic instruments issued by the City before the Bid Deadline that modify or interpret the Bidding Documents by additions, deletions, clarifications, or corrections.

1.2 "Alternate" means a proposed change in the Work, as described in the Bidding Documents which, if accepted, may result in a change to either the Contract Sum or the Contract Time, or both.

1.3 "Bid Deadline" means the date and time designated in the Notice for Bids as the last date and time for receipt of Bids, as may be revised by Addenda.

1.4 "Bidder" means a person or firm that submits a Bid.

1.5 "Bidding Documents" means the construction documents prepared and issued for bidding purposes including all Addenda.

1.6 "Lump Sum Base Bid" means the sum stated in the Bid for which Bidder offers to perform the Work described in the Bidding Documents, but not including unit price items or Alternates.

1.7 "Unit Price" means an amount stated in the Bid for which Bidder offers to perform the Unit Price Work for a fixed price per unit of measurement.

2 **BIDDER'S REPRESENTATIONS.** By making its Bid, Bidder represents that:

2.1 Bidder read, understood, and made the Bid pursuant to the requirements in the Bidding Documents.

2.2 Bidder visited the Project site and is familiar with the conditions under which the Work will be performed and the local conditions as related to the Contract Documents.

2.3 The Bid is based upon the materials, equipment, and systems required by the Bidding Documents.

2.4 Bidder and all Subcontractors, regardless of tier, have the appropriate current licenses issued by the State of California Contractor's State License Board for the Work to be performed. If Bidder is a joint venture, the Bidder will have a joint venture license appropriate for the performance of the work, and each member of the joint venture will likewise have the appropriate license. Business and

Professions Code §§ 7000-7191 establish licensing requirements for contractors. If a Bidder, that is a specialty contractor, submits a Bid involving 3 or more specialized building trades, the work of which is more than incidental and supplemental to the performance of the Work for which Bidder holds a specialty contractor license, Bidder must also hold either (1) a specialty contractor "C" license in each such trade, (2) a General Engineering contractor "A" license, or (3) a General Building contractor "B" license. This requirement is applicable whether or not Bidder lists a Subcontractor for each such trade.

2.5 If licensure or proper licensure is controverted, then proof of licensure pursuant to this section must be made by production of a verified certificate of licensure from the Contractors' State License Board which establishes that the individual or entity bringing the action was duly licensed in the proper classification of contractors at all times during the performance of any act or contract covered by the action. Nothing in this subdivision requires any person or entity controverting licensure or proper licensure to produce a verified certificate. When licensure or proper licensure is controverted, the burden of proof to establish licensure or proper licensure is on the licensee.

2.6 Bidder has the expertise and financial capacity to perform and complete all obligations under the Bidding Documents.

2.7 The person executing the Bid Form is duly authorized and empowered to execute the Bid Form on Bidder's behalf.

2.8 Bidder is aware of and, if awarded the Contract, will comply with Applicable Code Requirements in its performance of the Work.

2.9 The Bidder has paid the City's business license fee(s).

3 BIDDING DOCUMENTS.

3.1 Bidders may obtain complete sets of the Bidding Documents from the City's Public Works Department for the sum stated in the Notice for Bids.

3.2 Bidders will use a complete set of Bidding Documents in preparing Bids.

3.3 The City makes copies of the Bidding Documents available, on the above terms, for the sole purpose of obtaining Bids for the Work and does not confer a license or grant permission for any other use of the Bidding Documents.

4 INTERPRETATION OR CORRECTION OF BIDDING DOCUMENTS.

4.1 Before submitting its Bid, Bidder will carefully study and compare the various documents comprising the Bidding Documents and compare them with any other

work being bid concurrently or presently under construction which relates to the Work for which the Bid is submitted; will examine the Project site, the conditions under which the Work is to be performed, and the local conditions; and will at once report to the City's Representative errors, inconsistencies, or ambiguities discovered.

4.2 Requests for clarification or interpretation of the Bidding Documents will be addressed to the City's Representative.

4.3 Clarifications, interpretations, corrections, and changes to the Bidding Documents will be made by Addenda. Clarifications, interpretations, corrections, and changes to the Bidding Documents made in any other manner will not be binding and Bidders will not rely upon them.

5 **PRODUCT SUBSTITUTIONS.** No substitutions will be considered before award of Contract. Substitutions will only be considered after award of the Contract and as provided for in the Contract Documents.

6 **SUBCONTRACTORS.**

6.1 Each Bidder will list in the Bid Form all first-tier Subcontractors that will perform work, labor or render such services. The Bid Form contains spaces for the following information when listing Subcontractors: (1) Work Activity; (2) name of Subcontractor; (3) city of Subcontractor's business location. Failure to list any of these items on the Bid Form will result in the City treating the Bid as if no Subcontractor was listed for the Work and that Bidder represents to the City that it is fully qualified to perform that portion of the Work and will perform do so.

6.2 Subcontractors listed in the Bid Form will only be substituted after the Bid Deadline with the City's written consent in accordance with California law.

7 **ADDENDA.**

7.1 Addenda will be in writing and issued only by the City. Addenda will be mailed or delivered to all who are known by the City to have received a complete set of Bidding Documents and who have provided a street address for receipt of Addenda.

7.2 Copies of Addenda will be made available for inspection at the City's Public Works Department.

7.3 The City will issue Addenda so that they are received by prospective Bidders not later than three (3) business days before the Bid Deadline. Addenda that withdraw the request for Bids or postpone the Bid Deadline may be issued anytime before the Bid Deadline.

7.4 Each Bidder is responsible for ensuring that it has received all issued Addenda before issuing a Bid.

8 **PRE-BID CONFERENCE.** Bidder will attend a Pre-Bid Conference where the City will discuss the Bidding Documents, answer questions, accept comments, and conduct a Project site visit. The City requires all Pre-Bid Conference attendees to arrive for the meeting on time and to sign an attendance list which is used to determine if Bidders meet this requirement. Any Bidder not attending the Pre-Bid Conference in its entirety will be deemed to have not complied with the requirements of the Bidding Documents and its Bid will be rejected.

9 **FORM AND STYLE OF BIDS**

9.1 Bids will be submitted on the Bid Form included with the Bidding Documents. Bids not submitted on the City's Bid Form will be rejected.

9.2 All blanks on the Bid Form will be filled in legibly in ink or by typewriter.

9.3 Bidder's failure to submit a price for any Alternate or unit price will result in the Bid being considered as nonresponsive. If Alternates are called for and no change in the Lump Sum Base Bid is required, enter "No Change."

9.4 Each Bidder must fill out the "Bidders Statement of Past Contract Disqualifications" form stating any and all instances of contract disqualifications due to a violation of a law or safety regulation. The Bidder must explain the circumstances of each disqualification. The City may reject the bid based on such information.

9.5 Bidder will make no stipulations on the Bid Form nor qualify the Bid in any manner.

9.6 The Bids will be based upon full completion of all the Work as shown on the plans and specifications. It is expressly understood that the plans are drawn with as much accuracy as is possible in advance, but should errors, omissions or discrepancies exist in the plans which show conditions that vary from those encountered in construction, the Bidder (if awarded the Contract) specifically agrees to construct a completed work ready for the use and in the manner which is intended. In the event of increasing or decreasing of work, the total amount of work actually done or materials or equipment furnished must be paid for according to the unit or lump sum price established for such work under the contract, wherever such unit or lump sum price has been established. In the event no prices are named in the contract to cover such changes or alterations, the cost of such changes must be covered as extra work.

9.7 The Bid Form will be signed by a person or persons legally authorized to bind Bidder to a contract. Bidder's Representative will sign and date the Declaration included in the Bid Form. Failure to sign and date the declaration will cause the Bid to be rejected.

10 BID SECURITY

10.1 Each Bid will be accompanied by Bid Security, in the amount of 10% of the Lump Sum Base Bid as security for Bidder's obligation to enter into a Contract with the City on the terms stated in the Bid Form and to furnish all items required by the Bidding Documents. Bid Security will be a Bid Bond on the form provided by the City or a certified check made payable to "City of Montebello." When a Bond is used for Bid Security, failure to use the City's Bid Bond form will result in the rejection of the Bid.

10.2 If the apparent lowest responsible Bidder fails to sign the Agreement and furnish all items required by the Bidding Documents within the time limits specified in these Instructions to Bidders, the City will disqualify such Bidder and select the next apparent lowest responsible Bidder until all bids have been exhausted or the City may reject all bids. In such an event, the disqualified Bidder will be liable for and forfeit to the City the amount of the difference, not to exceed the amount of the Bid Security, between the amount of the disqualified Bid and the larger amount for which the City procures the Work.

10.3 If a Bid Bond is submitted and an attorney-in-fact executes the Bid Bond on behalf of the surety, a notarized and current copy of the power of attorney will be affixed to the Bid Bond. The surety issuing the Bid Bond will be listed in the latest published State of California, Department of Insurance list of, "Insurers Admitted to Transact Surety Insurance in This State."

10.4 The City will retain Bid Security until the occurrence of one of the following:

10.4.1 All items required by the Bidding Documents have been furnished and the Agreement has been signed by the successful Bidder and the City.

10.4.2 The specified time has elapsed during which Bids may be withdrawn.

10.4.3 All Bids have been rejected.

10.5 The Bid Form, Bid Security, and all other documents required to be submitted with the Bid, as instructed in the Bidding Instructions.

10.6 A Bid received after the Bid Deadline will be returned to Bidder unopened.

10.7 Bidder will assume full responsibility for timely delivery of their Bid.

10.8 Oral, telephonic, facsimile, or telegraphic Bids are invalid and will not be accepted.

11 **MODIFICATION OR WITHDRAWAL OF BID.**

11.1 Before the Bid Deadline, a submitted Bid may be modified or withdrawn. Notice of such action will be given to the City in writing and signed by the Bidder's authorized representative. A change so made will be so worded as not to reveal the amount of the original Bid.

11.2 A withdrawn Bid may be resubmitted up to the Bid Deadline, provided that it then fully complies with the Bidding Requirements.

11.3 Bid Security will be in an amount sufficient for the Bid as modified or resubmitted.

11.4 Bids may not be modified, withdrawn, or canceled within sixty (60) days after the Bid Deadline unless otherwise provided in Supplementary Instructions to Bidders.

12 **OPENING OF BIDS.** Bids submitted in the manner required by these instructions and are received on or before the Bid Deadline will be opened publicly.

13 **REJECTION OF BIDS.**

13.1 The City will have the right to reject all Bids.

13.2 The City will have the right to reject any Bid not accompanied by the required Bid Security or any other item required by the Bidding Documents, or a Bid which is in any other way materially incomplete or irregular.

14 **AWARD**

14.1 The City may retain all bids for a period of sixty (60) days for examination and comparison, and to delete any portion of the work from the contract.

14.2 The City will have the right to waive nonmaterial irregularities in a Bid and to accept the lowest responsive Bid as determined by The City.

14.3 The City will have the right to accept Alternates in any order or combination, unless otherwise specifically provided in the Bidding Documents.

14.4 The City will determine the low Bidder on the basis of the sum of the Lump Sum Base Bid plus all unit prices multiplied by their respective estimated quantities as stated in the Bid Form, if any, plus the Contractor Delay Damages multiplied by the "multiplier" as stated in the Bid Form, plus the amounts of all accepted Alternates.

14.4.1 Inclusion of Contractor Delay Damages within the Bid Form is solely for the purpose of determining the low bidder and establishing the City's maximum daily liability as a result of City delays to Contractor, if any, and City has no obligation to pay any daily Contractor Delay Damages except as provided for in these Contract Documents for Compensable Delays. In the event that City becomes liable to Contractor for compensable delays, City agrees to pay Contractor the daily Contractor Delay Damages set forth in the Proposal Form or Contractor's actual daily delay damages, whichever is less, for each day of Compensable Delay as provided for by these Contract Documents.

14.5 The City will select the apparent lowest responsive and responsible Bidder and notify such Bidder within thirty (30) days (unless number of days is modified in Supplementary Instructions to Bidders) after the Bid Deadline or reject all bids. Within ten (10) days after receiving the City's notice that Bidder was selected as the apparent lowest responsible Bidder, Bidder will submit to the City all of the following items:

14.5.1 Three originals of the Agreement signed by Bidder.

14.5.2 Three originals of the Payment Bond.

14.5.3 Three originals of the Performance Bond

14.5.4 Certificates of Insurance on form provided by the City.

14.5.5 Names of all Subcontractors, with their addresses, telephone number, facsimile number, trade on Bidders' company stationery. Evidence, as required by the City, of the reliability and responsibility of the proposed Subcontractors such as statements of experience, statements of financial condition, and references.

14.5.6 Preliminary Contract Schedule.

14.5.7 Selection of Retention Options and Escrow Agreement for Deposit of Securities in Lieu of Retention and Deposit of Retention. If not submitted, the City will withhold retention.

14.5.8 Cost Breakdown.

14.6 Before award of the Contract, the City will notify Bidder in writing, if the City objects to a Subcontractor proposed by Bidder, in which case Bidder will propose a substitute acceptable to the City. Failure of the City to object to a proposed Subcontractor before award will not preclude the City from requiring replacement of any Subcontractor based upon information received subsequent to award, information which cannot be properly evaluated before award due to time constraints, or information relating to a failure to comply with the requirements of the Contract.

14.7 If Bidder submits the three original signed Agreements and all other items within ten (10) days after receiving the City's notification, and all such items comply with the requirements of the Bidding Documents, the City will award the Contract to Bidder by signing the Agreement and returning a signed copy of the Agreement to Bidder.

14.8 If the City consents to the withdrawal of the Bid of the apparent lowest responsible Bidder, or the apparent lowest responsible Bidder fails or refuses to sign the Agreement or submit to the City all of the items required by the Bidding Documents, within ten (10) days after receiving the City's notification, or the City determines that the Bidder is not financially or otherwise qualified to perform the Contract, the City may reject such Bidder's Bid and select the next apparent lowest responsible Bidder, until all bids are exhausted, or reject all Bids.

CITY OF MONTEBELLO

1600 West Beverly Blvd.
Montebello, CA 90640

Request for Proposals: 18-27
Bid Issue Date: Dec. 6, 2017
CLOSING DATE: Wed, 1/03/18@11:00a.m.

PROPOSAL
FOR
ON CALL SEWER MAINTENANCE AND PLUMBING SERVICES
BIDDER'S STATEMENT OF PAST CONTRACT DISQUALIFICATIONS

Please state all instances of being disqualified, removed, or otherwise prevented from bidding on, or completing, a federal, state, or local government project due to a violation of a law or safety regulation.

1. Have you ever been disqualified from any government contract?

   Yes ☐ No ☒

2. If yes, explain the circumstances:

01/05/2018

Bidder's Signature Date

CITY OF MONTEBELLO

1600 West Beverly Blvd.
Montebello, CA 90640

Request for Proposals: 18-27
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INSURANCE REQUIREMENTS
[MUST BE SUBMITTED WITH PROJECT PROPOSAL]

To be awarded this contract, the successful bidder must procure and maintain the following types of insurance with coverage limits complying, at a minimum, with the limits set forth below:

Type of Insurance	Limits
Commercial General Liability	$2,000,000
Business Automobile Liability	$1,000,000
Worker's Compensation	Statutory Requirement

Commercial general liability insurance must meet or exceed the requirements of ISO-CGL Form No. CG 00 01 11 85 or 88. The amount of insurance set forth above must be a combined single limit per occurrence for bodily injury, personal injury, and property damage for the policy coverage. Liability policies must be endorsed to name the City, its officials, and employees as "additional insureds" under said insurance coverage and to state that such insurance will be deemed "primary" such that any other insurance that may be carried by the City will be excess thereto. Such endorsement must be reflected on ISO Form No. CG 20 10 11 85 or 88, or equivalent. Such insurance must be on an "occurrence," not a "claims made," basis and will not be cancelable or subject to reduction except upon thirty (30) days prior written notice to the City.

Automobile coverage must be written on ISO Business Auto Coverage Form CA 00 01 06 92, including symbol 1 (Any Auto).

The Consultant must furnish to the City duly authenticated Certificates of Insurance evidencing maintenance of the insurance required under this Agreement, endorsements as required herein, and such other evidence of insurance or copies of policies as may be reasonably required by the City from time to time. Insurance must be placed with admitted insurers with a current A.M. Best Company Rating equivalent to at least a Rating of "A:VII." Certificate(s) must reflect that the insurer will provide thirty (30) day notice of any cancellation of coverage. The Consultant will require its insurer to modify such certificates to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions.

By signing this form, the bidder certifies that it has read, understands, and will comply with these insurance requirements if it is selected as the City's consultant. Failure to provide this insurance will render the bidder's proposal "nonresponsive."

01/05/2018

Bidder's Signature — Date

SEBAWAT-02 D1SMORRIS

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 01/05/2018

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.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or 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).

PRODUCER License # 954553
AssuredPartners of Ohio LLC, Franchise Division
3900 Kinross Lakes Parkway #300
Richfield, OH 44286

CONTACT NAME: Franchise Division
PHONE (A/C, No, Ext): FAX (A/C, No):
E-MAIL ADDRESS: FranchiseCerts@assuredpartnersoh.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A: Ohio Casualty	24074
INSURER B: American Fire & Casualty Co.	24066
INSURER C: Capitol Specialty Ins Corp	10328
INSURER D:	
INSURER E:	
INSURER F:	

INSURED
Sebastian Waterworks, Inc. DBA Mr. Rooter Plumbing
P.O. Box 3735
Montebello, CA 90640

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

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.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	COMMERCIAL GENERAL LIABILITY							
	[ ] CLAIMS-MADE [X] OCCUR	X		BKO58223489	12/21/2017	12/21/2018	EACH OCCURRENCE	$ 1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	$ 100,000
							MED EXP (Any one person)	$ 10,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						PERSONAL & ADV INJURY	$ 1,000,000
	[X] POLICY [ ] PRO-JECT [ ] LOC						GENERAL AGGREGATE	$ 2,000,000
	OTHER:						PRODUCTS - COMP/OP AGG	$ 2,000,000
								$
B	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	$ 1,000,000
	[X] ANY AUTO			BAA58223489	12/21/2017	12/21/2018	BODILY INJURY (Per person)	$
	[ ] OWNED AUTOS ONLY [ ] SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	[X] HIRED AUTOS ONLY [X] NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	$
								$
B	[X] UMBRELLA LIAB [ ] OCCUR						EACH OCCURRENCE	$ 5,000,000
	[ ] EXCESS LIAB [ ] CLAIMS-MADE			BAA582233489	12/21/2017	12/21/2018	AGGREGATE	$ 5,000,000
	[ ] DED [X] RETENTION $ 0							$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y/N						[ ] PER STATUTE [ ] OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? [ ] (Mandatory in NH)	N/A					E.L. EACH ACCIDENT	$
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$
							E.L. DISEASE - POLICY LIMIT	$
C	Pollution Liability			EV20150759-02	12/29/2017	12/29/2018	Pollution	1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
City of Montebello is Additional Insured for the above listed General Liability policy with regards to the operations of the named insured with 30 day notice of cancellation.

CERTIFICATE HOLDER

City of Montebello
1600 W Beverly Blvd
Montebello, CA 90640

CANCELLATION

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

ACORD 25 (2016/03)

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BLANKET ADDITIONAL INSURED CONTRACTORS - PRODUCTS/COMPLETED OPERATIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. Paragraph **2.** under **Section II - Who Is An Insured** is amended to include as an insured any person or organization whom you have agreed to add as an additional insured in a written contract or written agreement. Such person or organization is an additional insured but only with respect to liability for "bodily injury" or "property damage":

1. Caused by "your work" performed for that additional insured that is the subject of the written contract or written agreement; and

2. Included in the "products-completed operations hazard".

However:

a) The insurance afforded to such additional insured only applies to the extent permitted by law; and

b) If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured

The insurance provided by this endorsement applies only if the written contract or written agreement is signed prior to the "bodily injury" or "property damage".

We have no duty to defend an additional insured under this endorsement until we receive written notice of a "suit" by the additional insured as required in Paragraph **b.** of Condition **2. Duties In The Event Of Occurrence, Offense, Claim Or Suit** under **Section IV - Commercial General Liability Conditions.**

B. With respect to the insurance provided by this endorsement, the following are added to Paragraph **2. Exclusions** under **Section I - Coverage A - Bodily Injury And Property Damage Liability:**

This insurance does not apply to:

1. "Bodily injury" or "property damage" that occurs prior to you commencing operations at the location where such "bodily injury" or "property damage" occurs.

2. "Bodily injury" or "property damage" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services including:

a. The preparing, approving or failure to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawing and specifications; and

b. Supervisory, inspection, architectural or engineering activities.

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C. With respect to the insurance afforded by this endorsement, exclusion **l. Damage To Your Work** of Paragraph **2. Exclusions** under **Section I - Coverage A - Bodily Injury And Property Damage Liability** is replaced by the following:

l. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

D. With respect to the insurance afforded to these additional insureds, the following is added to **Section II - Limits of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declaration.

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declaratio ns.

E. With respect to the insurance afforded by this endorsement, **Section IV - Commercial General Liability Conditions** is amended as follows:

1. The following is added to Paragraph **2. Duties In The Event Of Occurrence, Offense, Claims Or Suit:**

An additional insured under this endorsement will as soon as practicable:

a. Give written notice of an "occurrence" or an offense that may result in a claim or "suit" under this insurance to us;

b. Tender the defense and indemnity of any claim or "suit" to all insurers whom also have insurance available to the additional insured; and

c. Agree to make available any other insurance which the additional insured has for a loss we cover under this Coverage Part.

d. We have no duty to defend or indemnify an additional insured under this endorsement until we receive written. notice of a "suit" by the additional insured.

2. Paragraph **4. of Section IV - Commercial General Liability Conditions** is amended as follows:

a. The following is added to Paragraph **a. Primary Insurance:**

If an additional insured's policy has an Other Insurance provision making its policy excess, and you have agreed in a written contract or written agreement to provide the additional insured coverage on a primary and noncontributory basis, this policy shall be primary and we will not seek contribution from the additional insured's policy for damages we cover.

b. The following is added to Paragraph **b. Excess Insurance:**

When a written contract or written agreement, other than a premises lease, facilities rental contract or agreement, an equipment rental or lease contract or agreement, or permit issued by a state or political subdivision between you and an additional insured does not require this insurance to be primary or primary and non-contributory, this insurance is excess over any other insurance for which the additional insured is designated as a Named Insured.

Regardless of the written agreement between you and an additional insured, this insurance is excess over any other insurance whether primary, excess, contingent or on any other basis for which the additional insured has been added as an additional insured on other policies.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMERCIAL GENERAL LIABILITY EXTENSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

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With respect to coverage afforded by this endorsement, the provisions of the policy apply unless modified by the endorsement.

A. NON-OWNED AIRCRAFT

Under Paragraph **2. Exclusions** of **Section I - Coverage A - Bodily Injury And Property Damage Liability,** exclusion **g. Aircraft, Auto Or Watercraft** does not apply to an aircraft provided:

1. It is not owned by any insured;
2. It is hired, chartered or loaned with a trained paid crew;
3. The pilot in command holds a currently effective certificate, issued by the duly constituted authority of the United States of America or Canada, designating her or him a commercial or airline pilot; and
4. It is not being used to carry persons or property for a charge.

However, the insurance afforded by this provision does not apply if there is available to the insured other valid and collectible insurance, whether primary, excess (other than insurance written to apply specifically in excess of this policy), contingent or on any other basis, that would also apply to the loss covered under this provision.

B. NON-OWNED WATERCRAFT

Under Paragraph **2. Exclusions** of **Section I - Coverage A - Bodily Injury And Property Damage Liability,** Subparagraph **(2)** of exclusion **g. Aircraft, Auto Or Watercraft** is replaced by the following:

This exclusion does not apply to:

(2) A watercraft you do not own that is:

(a) Less than 52 feet long; and

(b) Not being used to carry persons or property for a charge.

C. PROPERTY DAMAGE LIABILITY - ELEVATORS

1. Under Paragraph **2. Exclusions** of **Section I - Coverage A - Bodily Injury And Property Damage Liability,** Subparagraphs **(3), (4)** and **(6)** of exclusion **j. Damage To Property** do not apply if such "property damage" results from the use of elevators. For the purpose of this provision, elevators do not include vehicle lifts. Vehicle lifts are lifts or hoists used in automobile service or repair operations.

2. The following is added to **Section IV - Commercial General Liability Conditions,** Condition **4. Other Insurance,** Paragraph **b. Excess Insurance:**

The insurance afforded by this provision of this endorsement is excess over any property insurance, whether primary, excess, contingent or on any other basis.

D. EXTENDED DAMAGE TO PROPERTY RENTED TO YOU (Tenant's Property Damage)

If Damage To Premises Rented To You is not otherwise excluded from this Coverage Part:

1. Under Paragraph **2. Exclusions of Section I - Coverage A - Bodily Injury and Property Damage Liability:**

a. The fourth from the last paragraph of exclusion **j. Damage To Property** is replaced by the following:

Paragraphs **(1), (3)** and **(4)** of this exclusion do not apply to "property damage" (other than damage by fire, lightning, explosion, smoke, or leakage from an automatic fire protection system) to:

(i) Premises rented to you for a period of 7 or fewer consecutive days; or

(ii) Contents that you rent or lease as part of a premises rental or lease agreement for a period of more than 7 days.

Paragraphs **(1), (3)** and **(4)** of this exclusion do not apply to "property damage" to contents of premises rented to you for a period of 7 or fewer consecutive days.

A separate limit of insurance applies to this coverage as described in **Section III - Limits of Insurance.**

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b. The last paragraph of subsection **2. Exclusions** is replaced by the following:

Exclusions **c.** through **n.** do not apply to damage by fire, lightning, explosion, smoke or leakage from automatic fire protection systems to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to Damage To Premises Rented To You as described in **Section III - Limits Of Insurance.**

2. Paragraph **6.** under **Section III - Limits Of Insurance** is replaced by the following:

6. Subject to Paragraph **5.** above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage **A** for damages because of "property damage" to:

a. Any one premise:

(1) While rented to you; or

(2) While rented to you or temporarily occupied by you with permission of the owner for damage by fire, lightning, explosion, smoke or leakage from automatic protection systems; or

b. Contents that you rent or lease as part of a premises rental or lease agreement.

3. As regards coverage provided by this provision **D. EXTENDED DAMAGE TO PROPERTY RENTED TO YOU (Tenant's Property Damage)** - Paragraph **9.a.** of **Definitions** is replaced with the following:

9.a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire, lightning, explosion, smoke, or leakage from automatic fire protection systems to premises while rented to you or temporarily occupied by you with the permission of the owner, or for damage to contents of such premises that are included in your premises rental or lease agreement, is not an "insured contract".

E. MEDICAL PAYMENTS EXTENSION

If **Coverage C Medical Payments** is not otherwise excluded, the Medical Payments provided by this policy are amended as follows:

Under Paragraph **1. Insuring Agreement** of **Section I - Coverage C - Medical Payments,** Subparagraph **(b)** of Paragraph **a.** is replaced by the following:

(b) The expenses are incurred and reported within three years of the date of the accident; and

F. EXTENSION OF SUPPLEMENTARY PAYMENTS - COVERAGES A AND B

1. Under **Supplementary Payments - Coverages A** and **B**, Paragraph **1.b.** is replaced by the following:

b. Up to **$3,000** for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

2. Paragraph **1.d.** is replaced by the following:

d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to **$500** a day because of time off from work.

G. ADDITIONAL INSUREDS - BY CONTRACT, AGREEMENT OR PERMIT

1. Paragraph **2.** under **Section II - Who Is An Insured** is amended to include as an insured any person or organization whom you have agreed to add as an additional insured in a written contract, written agreement or permit. Such person or organization is an additional insured but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused in whole or in part by:

a. Your acts or omissions, or the acts or omissions of those acting on your behalf, in the performance of your on going operations for the additional insured that are the subject of the written contract or written agreement provided that the "bodily injury" or "property damage" occurs, or the "personal and advertising injury" is committed, subsequent to the signing of such written contract or written agreement; or

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b. Premises or facilities rented by you or used by you; or

c. The maintenance, operation or use by you of equipment rented or leased to you by such person or organization; or

d. Operations performed by you or on your behalf for which the state or political subdivision has issued a permit subject to the following additional provisions:

(1) This insurance does not apply to "bodily injury", "property damage", or "personal and advertising injury" arising out of the operations performed for the state or political subdivision;

(2) This insurance does not apply to "bodily injury" or "property damage" included within the "completed operations hazard".

(3) Insurance applies to premises you own, rent, or control but only with respect to the following hazards:

(a) The existence, maintenance, repair, construction, erection, or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoist away openings, sidewalk vaults, street banners, or decorations and similar exposures; or

(b) The construction, erection, or removal of elevators; or

(c) The ownership, maintenance, or use of any elevators covered by this insurance.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and

2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

With respect to Paragraph **1.a.** above, a person's or organization's status as an additional insured under this endorsement ends when:

(1) All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or

(2) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

With respect to Paragraph **1.b.** above, a person's or organization's status as an additional insured under this endorsement ends when their written contract or written agreement with you for such premises or facilities ends.

With respects to Paragraph **1.c.** above, this insurance does not apply to any "occurrence" which takes place after the equipment rental or lease agreement has expired or you have returned such equipment to the lessor.

The insurance provided by this endorsement applies only if the written contract or written agreement is signed prior to the "bodily injury" or "property damage".

We have no duty to defend an additional insured under this endorsement until we receive written notice of a "suit" by the additional insured as required in Paragraph **b.** of Condition **2. Duties In the Event Of Occurrence, Offense, Claim Or Suit** under **Section IV - Commercial General Liability Conditions.**

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2. With respect to the insurance provided by this endorsement, the following are added to Paragraph 2. **Exclusions** under **Section I - Coverage A - Bodily Injury And Property Damage Liability:**

This insurance does not apply to:

a. "Bodily injury" or "property damage" arising from the sole negligence of the additional insured.

b. "Bodily injury" or "property damage" that occurs prior to you commencing operations at the location where such "bodily injury" or "property damage" occurs.

c. "Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:

(1) The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or

(2) Supervisory, inspection, architectural or engineering activities.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved the rendering of, or the failure to render, any professional architectural, engineering or surveying services.

d. "Bodily injury" or "property damage" occurring after:

(1) All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or

(2) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

e. Any person or organization specifically designated as an additional insured for ongoing operations by a separate **ADDITIONAL INSURED -OWNERS, LESSEES OR CONTRACTORS** endorsement issued by us and made a part of this policy.

3. With respect to the insurance afforded to these additional insureds, the following is added to **Section III - Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

a. Required by the contract or agreement; or

b. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declaratio ns.

H. PRIMARY AND NON-CONTRIBUTORY ADDITIONAL INSURED EXTENSION

This provision applies to any person or organization who qualifies as an additional insured under any form or endorsement under this policy.

Condition **4. Other Insurance of SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS** is amended as follows:

a. The following is added to Paragraph **a. Primary Insurance:**

If an additional insured's policy has an Other Insurance provision making its policy excess, and you have agreed in a written contract or written agreement to provide the additional insured coverage on a primary and noncontributory basis, this policy shall be primary and we will not seek contribution from the additional insured's policy for damages we cover.

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b. The following is added to Paragraph **b. Excess Insurance:**

When a written contract or written agreement, other than a premises lease, facilities rental contract or agreement, an equipment rental or lease contract or agreement, or permit issued by a state or political subdivision between you and an additional insured does not require this insurance to be primary or primary and non-contributory, this insurance is excess over any other insurance for which the additional insured is designated as a Named Insured.

Regardless of the written agreement between you and an additional insured, this insurance is excess over any other insurance whether primary, excess, contingent or on any other basis for which the additional insured has been added as an additional insured on other policies.

I. **ADDITIONAL INSUREDS - EXTENDED PROTECTION OF YOUR "LIMITS OF INSURANCE"**

This provision applies to any person or organization who qualifies as an additional insured under any form or endorsement under this policy.

1. The following is added to Condition **2. Duties In The Event Of Occurrence, Offense, Claim or Suit:**

An additional insured under this endorsement will as soon as practicable:

a. Give written notice of an "occurrence" or an offense that may result in a claim or "suit" under this insurance to us;

b. Tender the defense and indemnity of any claim or "suit" to all insurers whom also have insurance available to the additional insured; and

c. Agree to make available any other insurance which the additional insured has for a loss we cover under this Coverage Part.

d. We have no duty to defend or indemnify an additional insured under this endorsement until we receive written notice of a "suit" by the additional insured.

2. The limits of insurance applicable to the additional insured are those specified in a written contract or written agreement or the limits of insurance as stated in the Declarations of this policy and defined in **Section III - Limits of Insurance** of this policy, whichever are less. These limits are inclusive of and not in addition to the limits of insurance available under this policy.

J. **WHO IS AN INSURED - INCIDENTAL MEDICAL ERRORS / MALPRACTICE**
WHO IS AN INSURED - FELLOW EMPLOYEE EXTENSION - MANAGEMENT EMPLOYEES

Paragraph **2.a.(1)** of **Section II - Who Is An Insured** is replaced with the following:

(1) "Bodily injury" or "personal and advertising injury":

(a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;

(b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph **(1) (a)** above;

(c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs **(1) (a)** or **(b)** above; or

(d) Arising out of his or her providing or failing to provide professional health care services. However, if you are not in the business of providing professional health care services or providing professional health care personnel to others, or if coverage for providing professional health care services is not otherwise excluded by separate endorsement, this provision (Paragraph **(d)**) does not apply.

Paragraphs **(a)** and **(b)** above do not apply to "bodily injury" or "personal and advertising injury" caused by an "employee" who is acting in a supervisory capacity for you. Supervisory capacity as used herein means the "employee's" job responsibilities assigned by you, includes the direct supervision of other "employees" of yours. However, none of these "employees" are insureds for "bodily injury" or "personal and

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advertising injury" arising out of their willful conduct, which is defined as the purposeful or willful intent to cause "bodily injury" or "personal and advertising injury", or caused in whole or in part by their intoxication by liquor or controlled substances.

The coverage provided by provision J. is excess over any other valid and collectable insurance available to your "employee".

K. NEWLY FORMED OR ADDITIONALLY ACQUIRED ENTITIES

Paragraph **3. of Section II - Who Is An Insured** is replaced by the following:

3. Any organization you newly acquire or form and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
   a. Coverage under this provision is afforded only until the expiration of the policy period in which the entity was acquired or formed by you;
   b. Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
   c. Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.
   d. Records and descriptions of operations must be maintained by the first Named Insured.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations or qualifies as an insured under this provision.

L. FAILURE TO DISCLOSE HAZARDS AND PRIOR OCCURRENCES

Under **Section IV - Commercial General Liability Conditions,** the following is added to Condition **6. Representations:**

Your failure to disclose all hazards or prior "occurrences" existing as of the inception date of the policy shall not prejudice the coverage afforded by this policy provided such failure to disclose all hazards or prior "occurrences" is not intentional.

M. KNOWLEDGE OF OCCURRENCE, OFFENSE, CLAIM OR SUIT

Under **Section IV - Commercial General Liability Conditions,** the following is added to Condition **2. Duties In The Event of Occurrence, Offense, Claim Or Suit:**

Knowledge of an "occurrence", offense, claim or "suit" by an agent, servant or "employee" of any insured shall not in itself constitute knowledge of the insured unless an insured listed under Paragraph **1. of Section II - Who Is An Insured** or a person who has been designated by them to receive reports of "occurrences", offenses, claims or "suits" shall have received such notice from the agent, servant or "employee".

N. LIBERALIZATION CLAUSE

If we revise this Commercial General Liability Extension Endorsement to provide more coverage without additional premium charge, your policy will automatically provide the coverage as of the day the revision is effective in your state.

O. BODILY INJURY REDEFINED

Under **Section V - Definitions,** Definition **3.** is replaced by the following:

3. "Bodily Injury" means physical injury, sickness or disease sustained by a person. This includes mental anguish, mental injury, shock, fright or death that results from such physical injury, sickness or disease.

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P. EXTENDED PROPERTY DAMAGE

Exclusion a. of **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** is replaced by the following:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

Q. WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US - WHEN REQUIRED IN A CONTRACT OR AGREEMENT WITH YOU

Under **Section IV - Commercial General Liability Conditions,** the following is added to Condition **8. Transfer Of Rights Of Recovery Against Others To Us:**

We waive any right of recovery we may have against a person or organization because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard" provided:

1. You and that person or organization have agreed in writing in a contract or agreement that you waive such rights against that person or organization; and
2. The injury or damage occurs subsequent to the execution of the written contract or written agreement.

59229439 004765 580 117 of 242

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MRROO-1 OP ID: BC

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 01/05/2018

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.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or 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).

PRODUCER VERITY Insurance Services Inc. 248 E Rowland St Covina, CA 91723 Chris Mendoza 626-956-4048	CONTACT NAME: PHONE (A/C, No, Ext): 626-956-4048 FAX (A/C, No): 626-956-4050 E-MAIL ADDRESS:
INSURED SEBASTIAN WATERWORKS, INC. PO Box 3735 Montebello, CA 90640	INSURER(S) AFFORDING COVERAGE — NAIC # INSURER A: NorGuard Insurance Co. — 31470 INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

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.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	COMMERCIAL GENERAL LIABILITY						EACH OCCURRENCE	$
	☐ CLAIMS-MADE ☐ OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$
							MED EXP (Any one person)	$
							PERSONAL & ADV INJURY	$
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$
	☐ POLICY ☐ PRO-JECT ☐ LOC						PRODUCTS - COMP/OP AGG	$
	OTHER:							$
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	$
	☐ ANY AUTO						BODILY INJURY (Per person)	$
	☐ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	☐ HIRED AUTOS ONLY ☐ NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	$
								$
	☐ UMBRELLA LIAB ☐ OCCUR						EACH OCCURRENCE	$
	☐ EXCESS LIAB ☐ CLAIMS-MADE						AGGREGATE	$
	☐ DED ☐ RETENTION $							$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY						X PER STATUTE ☐ OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y/N ☐ N/A			SEWC770195	07/01/2017	07/01/2018	E.L. EACH ACCIDENT	$ 1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$ 1,000,000
							E.L. DISEASE - POLICY LIMIT	$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

All terms and conditions are per the actual policy.
Evidence of Insurance.

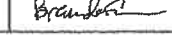
CERTIFICATE HOLDER CITYMOT

City of Montebello
1600 West Beverly Blvd
Montebello, CA 90640

CANCELLATION

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



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CITY OF MONTEBELLO

1600 West Beverly Blvd.
Montebello, CA 90640

Request for Proposals: 18-27
Bid Issue Date: Dec. 6, 2017
CLOSING DATE: Wed. 1/03/18@11:00a.m.

BIDDING DOCUMENTS

I. INSTRUCTIONS AND CONDITIONS

A. No bid proposal will be considered for award unless submitted in the bid format described in the bidding documents. The bid must be fully completed and executed. Bids/proposals can be submitted via PlanetBids Portal (accessed through the City of Montebello's official website at http://www.cityofmontebello.com/rfp-bids/bid-opportunities.html) or by submitting/delivering 3 copies of proposal to the City Clerk's Office at 1600 West Beverly Boulevard, up to the hour of 11:00 a.m. on Wednesday, January 3, 2018.

Each bid proposal, delivered or mailed, must be submitted in a sealed envelope addressed to City of Montebello, City Clerk office, 1600 West Beverly Blvd, Montebello, California 90640, Attention: ON CALL SEWER MAINTENANCE AND PLUMBING SERVICES and delivered prior to the time and date specified in this document. Each sealed envelope containing a bid proposal must have, on the outside, the name of the bidder, bidder's address and the statement "DO NOT OPEN UNTIL THE TIME OF BID OPENING."

II. GENERAL INFORMATION

A It is the intent of the City of Montebello to solicit proposals for qualified, plumbing maintenance services (operator) businesses who are duly registered and licensed in the State of California to render quality plumbing services to the City in order to provide a reliable environment for employees, clients and visitors to the offices, buildings and/or grounds of the various City locations stated in the specifications. Locations may, be added or deleted during the term of this contract and extensions thereof.

B. The contracted vendor(s) shall be responsible for furnishing all materials, transportation, labor, equipment, any and all services and materials necessary to perform plumbing service, for both specified and unspecified sites at various City locations.

C. Contractor(s) shall comply with and perform all plumbing maintenance services in accordance with all applicable federal, state and local laws, rules, regulations, ordinances, codes and manufacturer's instructions, and shall obtain any licenses or permits required to do the specified work.

D. The term of this agreement shall be for three (3) years. The City may elect to extend the agreement for two (2) additional one (1) year periods on the same terms and conditions, upon providing written notice to Contractor not less than thirty (30) days prior to expiration of the Agreement.

CITY OF MONTEBELLO

1600 West Beverly Blvd.
Montebello, CA 90640

Request for Proposals: 18-27
Bid Issue Date: Dec. 6, 2017
CLOSING DATE: Wed. 1/03/18@11:00a.m.

SCOPE OF SERVICES

1. The City of Montebello (City) is seeking proposals from licensed and qualified Plumbers to provide a full range of plumbing services. Services will be performed in a variety of City locations including, but not limited to, administrative offices, park facilities, senior center, Library, Museum and jail. These will include installations, routine maintenance, service calls, supplies, and emergency services.

2. The Facilities Maintenance Department may contact a plumbing service company to assist maintenance staff. The services may include a full range of services including, but not limited to plumbing services such as unclogging drains, installation, maintenance and repair of building, main domestic water supply and sewer lines, their component as well as repair faucets, flush valves, hot water heaters and pumps, repair, maintain and replaced gas lines, also unstop, repair, replace drain lines up to and including the City main sewer lines.

3. Contractor Must Hold a current commercial plumbing license issue by the state of California, Including but not limited to a C-36, C-42 and A license

Delivery of services

1. Contractor(s) shall be able to provide Dispatcher services — (24) hours a day, (7) days a week, including weekends and holidays, so that the Contractor(s) shall respond to calls for service to any City emergency, within (1) hour of notification.

2. The City expects the Contractor to give "priority" service to any call for a plumbing emergency failure in some city facilities or City main sewer lines, when is deem a matter of public safety; there for a (1) hour emergency response is critical.

3. Vendor/Contractor shall take all necessary precautions for the safety of the employees and or public on the work site and should erect and maintain at all time, as require on job conditions and process of the work, all necessary safeguards for the protection of the workman and pubic.

4. Service calls will normally be responded to with a Journeyman and apprentice Plumbers Only. The City must authorize any additional personnel. If additional personnel are necessary, they are to be apprentice unless the service requires a master plumber.

5. All Contractor personnel working in or around city facilities shall wear distinctive uniform clothing and identification.

6. EXTRA WORK: Contractor shall, from time-to-time, be asked to perform Extra Work of varying types. Including but not limited to the following: Replacement of underground sewer lines, installation of new drinking fountains, removal of sidewalks and asphalt to make

necessary repairs, etc. Vendor shall prepare a written quote for all Extra Work, no such work may be performed without prior written authorization from The City of Montebello. Additional work will be charged base on the rates provided in Attachment A.

Work Specifications

1. All work perform by the proponent shall be to a professional standard, complying with requirements of the applicable editions of the uniform plumbing code, uniform building code, state and local codes. The (MUTCD) Manual on uniform traffic control devices.

2. Contractor must be experience at and ether own or have immediate access to equipment necessary to perform the following task, but not limited to, the following conditions.

1. All types of commercial plumbing repairs including confine space entry repairs
2. The Contractor will repair/replace broken/damage/deteriorated drain lines, sewer lines and waterlines
3. Video inspections of sewer and drain lines, electronic leak detection, and electronic locating of sewer lines, pipes
4. Repair, replace, install new drain clean outs. This includes, but not limited to, in ground clean outs and roof vents clean outs
5. Resolves minor and major stoppages and sewage spills
6. High pressure jet drain cleaning-large and small diameter pipe
7. Vacuum pump truck to cleanup sewer overflows, storm drains or flooded streets
8. Trenchless pipe lining
9. Handle plumbing associated with remodels and buildups
10. Commercial re-piping
11. Back flow installation, testing and repairs
12. Lift station pumping and cleaning
13. Residential and commercial water heater replacement and repairs
14. Septic tanks and clarifier pumping

CITY OF MONTEBELLO

1600 West Beverly Blvd.
Montebello, CA 90640

Request for Proposals: 18-27
Bid Issue Date: Dec. 6, 2017
CLOSING DATE: Wed 1/03/18@11:00a.m.

ATTACHMENT "A"

Proposal Fee Sheet

Regular Business Hours are, 6:30 am to 5:30 pm Monday to Friday.
Holidays rates go into effect on the holiday observed by the City.

	Regular Hours	After Hours
Hourly Rate for Master Plumber	$ 185.00 per Hour	$ 277.50 per Hour
Hourly Rate for Journeyman Plumber	$ 165.00 per Hour	$ 247.50 per Hour
Hourly Rate for Hydro Jetting Sewer Lines	$ 225.00 per Hour	$ 337.50 per Hour
Hourly Rate for Video Inspections	$ 225.00 per Hour	$ 337.50 per Hour
Hourly Rate for dump truck with Operator	$ 385.00 per Hour	$ 460.00 per Hour
Hourly Rate for Backhoe with Operator	$ 375.00 per Hour	$ 420.00 per Hour
Hourly Rate for backflow testing	$ 135.00 per Hour	$ 202.50 per Hour

Additional Repair Items:

Cutting Concrete	$ 10.20 per Square Foot
Replacement of Concrete	$ 20.00 per Square Foot
Cutting Asphalt	$ 10.20 per Square Foot
Replacement of Asphalt	$ 20.00 per Square Foot
Replacement of 8inch clay pipe	$ 375.00 per Linear Foot
Slurry Seal	$ 15.00 per Square Foot

Hourly rate above shall include charges for apprentices and/or laborers accompanying Master Plumber or Journeyman on maintenance calls.

CITY OF MONTEBELLO

1600 West Beverly Blvd.
Montebello, CA 90640

Request for Proposals: 18-27
Bid Issue Date: Dec. 6, 2017
CLOSING DATE: Wed. 1/03/18@11:00a.m.

ATTACHMENT "B"

BID FOR PLUMBING SERVICES CURRENT AGENCY OR BUSINESS REFERENCES
This form must be included as part of the sealed bid proposal. References from three governmental agencies or other similar accounts for which bidder currently provides Plumbing services are required.

1. AGENCY /COMPANY NAME: State of California Dept. of Transportation (Cal Trans)

   PHONE NO.: (213) 897-1884

   ADDRESS: 100 S Main Street, MS-6, Los Angeles, Ca 90012

   CONTACT PERSON: Ed Frances

   DATE SERVICES STARTED: 10/20/2015

   SUMMARY OF FACILITIES INCLUDED IN THIS CONTRACT:

   State owned buildings and properties : residential and commercial properties in the 710 cooridor.

2. AGENCY /COMPANY NAME: Los Angeles County ISD

   PHONE NO.: (818) 686-1047

   ADDRESS: 13811 Del Sur Street, San Fernando, Ca 91340

   CONTACT PERSON: Richard Lugo

   DATE SERVICES STARTED: 12-22-2006

   SUMMARY OF FACILITIES INCLUDED IN THIS CONTRACT: LA County Library,

   LA County ISD office, LA County Animal Control, Olive View Hospital, Descanso Gardens

   LA County Fire Dept., LA County Sheriff's Dept., LA County Juvenile Hall & Probation Dept.

CITY OF MONTEBELLO

1600 West Beverly Blvd.
Montebello, CA 90640

Request for Proposals: 18-27
Bid Issue Date: Dec. 6, 2017
CLOSING DATE: Wed.1/03/18@11:00a.m.

3. AGENCY /COMPANY NAME: City of Monterey Park

PHONE NO.: 626-307-2506

ADDRESS: 751 So Alhambra Ave. Monterey Park, Ca 91755

CONTACT PERSON: Chris Reyes

DATE SERVICES STARTED: 11/17/2005

SUMMARY OF FACILITIES INCLUDED IN THIS CONTRACT:

City of Monterey Park City Hall, Police Department, Fire Departments, Public Parks &

City Yard. City Library, Senior Center, and Public Pools.

City of Montebello

Department of Public Works
ADMINISTRATION DIVISION
PHONE (323) 887-1200 x462
FAX (323) 887-4716

To: Prospective Responders/Bidders

From: Danilo Batson
Assistant City Manager

Date: December 28, 2017

Subject: **RFP No. 18-27 – Request for Bids/Proposals for On-Call Sewer Maintenance and Plumbing Services (ADENDUM # 1 - Extension of Due Date)**

I. EXTENSION OF PROPOSALS DUE DATE:

Sealed Bids/Proposals are due on or before Wednesday, January 10, 2018 at 11:00 AM.

Bidder's Certificate: (This Certificate must be signed and returned together with the Bid/Quote Proposal, otherwise the submitted bid shall be considered incomplete.)

I ACKNOWLEDGE RECEIPT OF THIS ADDENDUM #1 AND I ACCEPT THE AFOREMENTIONED CONDITIONS.

DATE: 01/05/2018

COMPANY: Mr. Rooter Plumbing

SIGNATURE: _____

TITLE: President

City of Montebello

Department of Public Works
ADMINISTRATION DIVISION
PHONE (323) 887-1200 x462
FAX (323) 887-4716

To: Prospective Responders/Bidders

From: Danilo Batson
Assistant City Manager

Date: December 28, 2017

Subject: **RFP No. 18-27 – Request for Bids/Proposals for On-Call Sewer Maintenance and Plumbing Services (ADENDUM # 2 – Response to Inquiries)**

I. **RESPONSE TO INQUIRIES:**

1) **How much does the City spend annually for these services?**
Answer: On average, the City spends approximately $240,000 annually for the services requested in this RFP.

2) **How long is the contract for?**
Answer: The RFP states (under Bidding Documents, General Information, Item D), "The term of this agreement shall be for three (3) years. The City may elect to extend the agreement for two (2) additional one (1) year periods on the same terms and conditions, upon providing written notice to Contractor not less than thirty (30) days prior to expiration of the Agreement."

Bidder's Certificate: (This Certificate must be signed and returned together with the Bid/Quote Proposal, otherwise the submitted bid shall be considered incomplete.)

I ACKNOWLEDGE RECEIPT OF THIS ADDENDUM #2 AND I ACCEPT THE AFOREMENTIONED CONDITIONS.

DATE: 01/05/2018

COMPANY: Mr. Rooter Plumbing
221 W Pomona Blvd, Mpk Ca 91754

SIGNATURE: _____

TITLE: President

RLI Insurance Company
9025 N. Lindbergh Dr. Peoria, IL 61615
P.O. Box 3967 Peoria, IL 61612-3967
Phone: (309)692-1000 Fax: (309)683-1610

Bid Bond - Annual Contract

Bond No. N/A

KNOW ALL MEN BY THESE PRESENTS,

That we, Sebastian Waterworks, Inc. dba Mr. Rooter Plumbing
221 W. Pomona Blvd., Monterey Park, CA 91754, as Principal, hereinafter called Principal, and RLI Insurance Company
9025 N. Lindbergh Dr. Peoria, IL 61615 P.O. Box 3967 Peoria, IL 61612-3967, a Illinois corporation, as Surety, hereinafter called Surety, are held and firmly bound unto City of Montebello
1600 W. Beverly Blvd., Montebello, CA 90640, as Obligee, hereinafter called Obligee, in the amount of Ten percent of the Total Amount Bid Dollars (10%), for the payment of which sum well and truly to be made, the said Principal and the said Surety, bind themselves, and their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has submitted or is about to submit a proposal to Obligee on a contract for:
Three-year Maintenance Service, Sewer Maintenance and Plumbing Services

Bid Date: January 10, 2018

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if Obligee shall accept the bid of Principal and Principal shall enter into a Contract with Obligee in accordance with the terms of such bid, **save for the condition(s) noted in the following paragraph,** and give such bond or bonds as may be specified in the bidding or Contract Documents with good and sufficient Surety for the faithful performance of such Contract and for the prompt payment of labor and material furnished in the prosecution thereof, or in the event of the failure of the Principal to enter such Contract and give such bond or bonds, if Principal shall pay to Obligee the difference not to exceed the penalty hereof between the amount specified in said bid and such larger amount for which Obligee may in good faith contract with another party to perform the work covered by said bid, then this obligation shall be null and void, otherwise to remain in full force and effect.

IT IS AGREED AND UNDERSTOOD that the following conditions apply to this bid:

1. That if Obligee shall accept Principal's bid, the bond and or bonds required by the contract to be provided by Principal shall be limited to an initial term of one (1) year; renewable for one (1) year periods at the surety's sole option (see attached sample).

THIS AGREEMENT shall be binding on the Principal and Surety executing the same, their legal representatives, successors, and assigns.

SIGNED AND SEALED this 10th day of January, 2018.

Sebastian Waterworks, Inc. dba Mr. Rooter Plumbing
Principal

By: _____

RLI Insurance Company

By: _____
Lori A. Proch — Attorney in Fact

C0092215-50,0

ACKNOWLEDGMENT OF SURETY

STATE OF Ohio

COUNTY OF Summit

On this 10 day of January in the year 2018, before me personally came Lori A. Proch to me known, who, being by me duly sworn, did depose and say that she resides in the Village of Chagrin Falls, Ohio and that she is the Attorney-in-Fact for RLI Insurance Company, the corporation described in and which executed the attached instrument; that she knows the seal of said corporation; that the seal affixed to the said instrument is such corporate seal; and that it was so affixed by Order of the Board of Directors of the said corporation, and that she signed her name thereto by like order.



Kristine M Heinrich
Notary Public
In and For the State of Ohio
My Commission Expires
02 October 2021

Kristine M Heinrich

(SEAL)

My Commission Expires: October 2, 2021

9025 N. Lindbergh Dr. | Peoria, IL 61615
Phone: (800)645-2402 | Fax: (309)689-2036

POWER OF ATTORNEY

RLI Insurance Company

Contractors Bonding and Insurance Company

Know All Men by These Presents:

That this Power of Attorney is not valid or in effect unless attached to the bond which it authorizes executed, but may be detached by the approving officer if desired.

That this Power of Attorney may be effective and given to either or both of **RLI Insurance Company** and **Contractors Bonding and Insurance Company,** required for the applicable bond.

That **RLI Insurance Company** and/or **Contractors Bonding and Insurance Company**, each Illinois corporations (as applicable), each authorized and licensed to do business in all states and the District of Columbia do hereby make, constitute and appoint:

Bruce W. Lockhart, David J. Black, Jeremy S. Ball, Louis A. Colagrossi, Mark N. Coleman, Mary Ann Copley, Lori A. Proch, Gary E. Roadruck, Stephanie A. Rook, Linka V. Roeser, Kyp L. Ross, Faith A. Studeny, Teresa Bennett, Sue A. Brandal, Nicole Green, Gail Baker, Kristine M. Heinrich, jointly or severally

in the City of Richfield, State of Ohio, as Attorney in Fact, with full power and authority hereby conferred upon him/her to sign, execute, acknowledge and deliver for and on its behalf as Surety, in general, any and all bonds, undertakings, and recognizances in an amount not to exceed **Ten Million** Dollars (**$10,000,000.00**) for any single obligation.

The acknowledgment and execution of such bond by the said Attorney in Fact shall be as binding upon this Company as if such bond had been executed and acknowledged by the regularly elected officers of this Company.

RLI Insurance Company and **Contractors Bonding and Insurance Company**, as applicable, have each further certified that the following is a true and exact copy of the Resolution adopted by the Board of Directors of each such corporation, and now in force, to-wit:

> **"All bonds, policies, undertakings, Powers of Attorney or other obligations of the Corporation shall be executed in the corporate name of the Corporation by the President, Secretary, any Assistant Secretary, Treasurer, or any Vice President, or by such other officers as the Board of Directors may authorize. The President, any Vice President, Secretary, any Assistant Secretary, or the Treasurer may appoint Attorneys in Fact or Agents who shall have authority to issue bonds, policies or undertakings in the name of the Corporation. The corporate seal is not necessary for the validity of any bonds, policies, undertakings, Powers of Attorney or other obligations of the Corporation. The signature of any such officer and the corporate seal may be printed by facsimile or other electronic image."**

IN WITNESS WHEREOF, **RLI Insurance Company** and/or **Contractors Bonding and Insurance Company**, as applicable, have caused these presents to be executed by its respective Vice President with its corporate seal affixed this 28th day of August, 2017.

CONTRACTORS BONDING AND INSURANCE COMPANY CORPORATE SEAL ILLINOIS

RLI INSURANCE COMPANY CORPORATE SEAL ILLINOIS

RLI Insurance Company
Contractors Bonding and Insurance Company

B.W.D.

Barton W. Davis — Vice President

State of Illinois
County of Peoria } SS

On this 28th day of August, 2017, before me, a Notary Public, personally appeared Barton W. Davis, who being by me duly sworn, acknowledged that he signed the above Power of Attorney as the aforesaid officer of the **RLI Insurance Company** and/or **Contractors Bonding and Insurance Company**, and acknowledged said instrument to be the voluntary act and deed of said corporation.

Gretchen L. Johnigk — Notary Public

GRETCHEN L JOHNIGK
NOTARY PUBLIC STATE OF ILLINOIS
"OFFICIAL SEAL"
My Commission Expires
May 26, 2020

CERTIFICATE

I, the undersigned officer of **RLI Insurance Company**, and/or **Contractors Bonding and Insurance Company**, each Illinois corporations, do hereby certify that the attached Power of Attorney is in full force and effect and is irrevocable; and furthermore, that the Resolution of the Company as set forth in the Power of Attorney, is now in force. In testimony whereof, I have hereunto set my hand and the seal of the **RLI Insurance Company** and/or **Contractors Bonding and Insurance Company** this 10th day of January, 2018.

RLI Insurance Company
Contractors Bonding and Insurance Company

B.W.D.

Barton W. Davis — Vice President

STATE OF CALIFORNIA

DEPARTMENT OF INSURANCE No [illegible]

SAN FRANCISCO

Amended

Certificate of Authority

THIS IS TO CERTIFY *THAT, Pursuant to the Insurance Code of the State of California,*

RLI Insurance Company

of Illinois *, organized under the*

laws of Illinois *, subject to its Articles of Incorporation or other fundamental organizational documents, is hereby authorized to transact within the State, subject to all provisions of this Certificate, the following classes of insurance:*

Fire, Marine, Surety, Disability, Plate Glass, Liability, Workers' Compensation, Common Carrier Liability, Boiler and Machinery, Burglary, Credit, Sprinkler, Team and Vehicle, Automobile, Aircraft, and Miscellaneous

as such classes are now or may hereafter be defined in the Insurance Laws of the State of California.

THIS CERTIFICATE *is expressly conditioned upon the holder hereof now and hereafter being in full compliance with all, and not in violation of any, of the applicable laws and lawful requirements made under authority of the laws of the State of California as long as such laws or requirements are in effect and applicable, and as such laws and requirements now are, or may hereafter be changed or amended.*

IN WITNESS WHEREOF, *effective as of the* 21st *day of* December, 2010, *I have hereunto set my hand and caused my official seal to be affixed this* 21st *day of* December, 2010.

Steve Poizner
Insurance Commissioner

By

Susan J. Stapp
for Jesse Huff
Chief Deputy

NOTICE:
Qualification with the Secretary of State must be accomplished as required by the California Corporations Code promptly after issuance of this Certificate of Authority. Failure to do so will be a violation of Insurance Code Section 701 and will be grounds for revoking this Certificate of Authority pursuant to the convenants made in the application therefor and the conditions contained herein.

FORM CR-3

OSP 00 39391

RLI Insurance Company
P.O. Box 3967 Peoria IL 61612-3967
Phone: 309-692-1000 Fax: 309-683-1610

RLI Insurance Company

December 31, 2016

Admitted Assets

Investments:	
Fixed maturities	$ 691,592,014
Equity securities	890,779,919
Short-term investments	3,606,726
Real estate	30,057,188
Properties held to produce income	0
Cash on hand and on deposit	14,824,739
Other invested assets	23,767,904
Receivables for securities	65,707
Agents' balances	72,408,650
Investment income due and accrued	6,410,724
Funds held	4,000
Reinsurance recoverable on paid losses	9,891,389
Federal income taxes receivable	1,880,750
Net deferred tax asset	0
Guarantee funds receivable or on deposit	46,136
Electronic data processing equipment, net of depreciation	3,036,720
Receivable from affiliates	824,582
Other admitted assets	4,154,773
Total Admitted Assets	$ 1,753,351,921

Liabilities and Surplus

Liabilities:	
Reserve for unpaid losses and loss adjustment expenses	$ 489,669,057
Unearned premiums	238,082,518
Accrued expenses	54,157,871
Funds held	559,190
Advance premiums	5,514,072
Amounts withheld	75,489,279
Dividends declared and unpaid	29,298
Ceded reinsurance premium payable	5,073,678
Payable for securities	1,182,762
Statutory penalties	470,200
Current federal & foreign income taxes	0
Federal income tax payable	11,018,129
Borrowed money and accrued interest	0
Drafts outstanding	0
Payable to affiliate	3,615,055
Other liabilities	8,514,592
Total Liabilities	$ 893,375,721
Surplus:	
Common stock	$ 10,000,375
Additional paid-in capital	242,451,084
Unassigned surplus	607,524,741
Total Surplus	$ 859,976,200
Total Liabilities and Surplus	$ 1,753,351,921

State of Illinois
County of Peoria

*The undersigned, being duly sworn, says: That he is the President of **RLI Insurance Company**; that said Company is a corporation duly organized, in the State of Illinois, and licensed and engaged in business in the State of* Ohio *and has duly complied with all the requirements of the laws of said State applicable of said Company and is duly qualified to act as Surety under such laws; that said Company has also complied with and is duly qualified to act as Surety under the Act of Congress approved July 1947, 6U.S.C sec. 6-13; and that to the best of his knowledge and belief the above statement is a full, true, and correct statement of the financial condition of the said Company on the 31st day of December 2016.*

Attest:

RLI INSURANCE COMPANY CORPORATE SEAL ILLINOIS

{ Corporate Seal Affixed }

Craig Kliethermes — President

Cherie L. Montgomery — Assistant Secretary

Sworn to before me this 13th day of March, 2017.

NOTARY PUBLIC STATE OF ILLINOIS — GRETCHEN L JOHNIGK "OFFICIAL SEAL" My Commission Expires May 26, 2020

{ Notarial Seal Affixed }

Gretchen L. Johnigk — *Notary Public, State of Illinois*

M0058317

SUBCONTRACTORS:

1. Tunnelworks Services, INC. – William Duarte
   13502H Whittier Blvd, Suite 165
   Whittier, Ca 90604
   (562) 553-2734
   License #963734

   Work Activity: Pipelining, Fiberglass point repairs, large diameter, sewer and storm drain hydro jetting

2. Rk Industries Group – Randy Kimura
   1301 S Beach Blvd Suite D
   La Habra, Ca 90631
   (714) 723-4658
   License #996175

   Work Activity: Heating and Air Conditioning

3. H2O Restoration Inc. – David Rodriguez
   201 W. Garvey Ave.
   Suite 102-571
   Monterey Park, Ca 91754
   (951) 923-4207
   License #1025426

   Work Activity: Emergency water extraction, fire clean up, water damage clean up, vandalism repair, mold remediation, building maintenance & repair

Exhibit "B"
Schedule of Compensation

SCHEDULE OF COMPENSATION

The Contractor shall be paid in accordance with the attached **Proposal Fee Sheet,** for all work performed. In the event the City requires additional or extra services, all such services shall comply with the provisions in Section 5 of the Agreement.

The contract amount shall not exceed **$240,000** annually.

CITY OF MONTEBELLO

1600 West Beverly Blvd.
Montebello, CA 90640

Request for Proposals: 18-27
Bid Issue Date: Dec. 6, 2017
CLOSING DATE: Wed, 1/03/18@11:00a.m.

ATTACHMENT "A"

Proposal Fee Sheet

Regular Business Hours are, 6:30 am to 5:30 pm Monday to Friday.
Holidays rates go into effect on the holiday observed by the City.

	Regular Hours	After Hours
Hourly Rate for Master Plumber	$ 185.00 per Hour	$ 277.50 per Hour
Hourly Rate for Journeyman Plumber	$ 165.00 per Hour	$ 247.50 per Hour
Hourly Rate for Hydro Jetting Sewer Lines	$ 225.00 per Hour	$ 337.50 per Hour
Hourly Rate for Video Inspections	$ 225.00 per Hour	$ 337.50 per Hour
Hourly Rate for dump truck with Operator	$ 385.00 per Hour	$ 460.00 per Hour
Hourly Rate for Backhoe with Operator	$ 375.00 per Hour	$ 420.00 per Hour
Hourly Rate for backflow testing	$ 135.00 per Hour	$ 202.50 per Hour

Additional Repair Items:

Cutting Concrete	$ 10.20 per Square Foot
Replacement of Concrete	$ 20.00 per Square Foot
Cutting Asphalt	$ 10.20 per Square Foot
Replacement of Asphalt	$ 20.00 per Square Foot
Replacement of 8inch clay pipe	$ 375.00 per Linear Foot
Slurry Seal	$ 15.00 per Square Foot

Hourly rate above shall include charges for apprentices and/or laborers accompanying Master Plumber or Journeyman on maintenance calls.

ITEM # 14

CITY OF MONTEBELLO

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and Members of the City Council

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

BY: James Enriquez, P.E., Director of Public Works

SUBJECT: **Amend the Fiscal Year 2020-21 Budget by Increasing Appropriations in the Amount of $250,000 for Agreement No. 3066 with Infrastructure Engineers and Authorize the Issuance of a Request for Proposals for Engineering Services**

DATE: March 24, 2021

RECOMMENDATIONS:

It is recommended that the City Council:

1) Amend the Fiscal Year 2020-21 budget by increasing appropriations in the amount of $250,000 for Agreement No. 3066 with Infrastructure Engineers (Account No. 100-30-330-6040.80, Engineering Services); and

2) Authorize issuance of a Request for Proposals for Engineering Services in compliance with Montebello Municipal Code 3.21.060.

FISCAL IMPACTS

The “not to exceed” amount on Agreement No. 3066 with Infrastructure Engineers must be increased in order to continue utilizing their services through June 30, 2021. The term of the contract expired a year ago, and City Council authorized a “month to month” term for Agreement No. 3066 on March 24, 2020. However, additional appropriations are needed to pay outstanding invoices as well as to provide services rendered between now and the end of the current fiscal year.

Staff is requesting approval of a budget amendment in the amount of $250,000 (Account No. 100-30-330-6040.80, Engineering Services). This is the estimated amount needed for Public Works to continue utilizing Infrastructure Engineers for services included in Agreement No. 3066 through June 30, 2021.

If approved, Staff will also issue a Request for Proposals (RFP) for engineering services. The scope and cost of any new agreement will be included during FY 2021-22 budget preparation.

BACKGROUND

On March 25, 2015, the City Council approved a Professional Services Agreement for City Engineering Services with Infrastructure Engineers. The Agreement was for three years, with options for two one-year extensions for a total maximum of 5 years of contracted services. The first extension of the Agreement was exercised on March 22, 2018 (First Amendment) and the second extension was exercised on March 22, 2019 (Second Amendment). The City Council approved the extension of the agreement on a month-to-month basis on March 25, 2020 (Fourth Amendment) and the term continues on a month-to-month basis. On January 13, 2021, the City Council approved the Sixth Amendment setting the monthly retainer rate at $31,720.

In addition to the services included in the monthly retainer, Infrastructure Engineers provides additional services specific to projects and other unanticipated task orders throughout the year (i.e. traffic studies in response to resident requests, plan check services, etc.). As a result, the amount included for Infrastructure Engineers in the Adopted Budget for Fiscal Year 2020-21 has been exhausted, requiring the appropriation of an additional $250,000 to complete anticipated services for the remainder of the fiscal year (through June 30, 2021).

It has been longer than five years since the approval and execution of Agreement No. 3066 (executed on March 25, 2015). It is recommended that the City issue an RFP for these services in accordance with Montebello Municipal Code 3.21.060. This code section was amended in February 2019 to add the 5-yr limit on contract term along with other code modifications that remedied deficiencies in the City's purchasing practices identified in the audit conducted by the California State Controller's office.

SUMMARY

The City Council will consider approval of a budget amendment in the amount of $250,000 to cover anticipated services provided by Infrastructure Engineers under Agreement No. 3066 for remainder of Fiscal Year 2020-21 by increasing appropriations in Account No. 100-30-330-6040.80 (Engineering Services). Staff is also seeking approval to issue a RFP for engineering services, with an anticipated start for the new professional services agreement of July 1, 2021. Budget planning for FY 2021-22 will include sufficient funding for services under any new agreement approved by the City Council.

ATTACHMENT(S):

None.

CITY OF MONTEBELLO

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and Members of the City Council

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

BY: Michael Chee, Deputy Director of Public Affairs

SUBJECT: **Authorize Award of Professional Services Agreement for Citywide Website Content Management System (CMS) Upgrades**

DATE: March 24, 2021

RECOMMENDATION

It is recommended that City Council authorize the City Manager to execute a professional services agreement with Granicus for website design, development and maintenance support services.

BACKGROUND

The City currently operates four independently hosted and maintained websites for the City and its Fire, Police and Transportation Departments. Because of this, the City does not have consistent control over brand, content management, and functionality to effectively interact and communicate in a manner that meets current web and mobile user needs. The disparity in website functionality is detrimental to the City's ability to effectively communicate, share information and present City services and information in a standardized, transparent, accessible and functional web environment that is up to present day standards.

A state-of-the-art, mobile and desktop friendly Content Management System (CMS) is the critical backbone for websites in today's digital environment. Under the Deputy Director of Public Affairs, staff has researched and identified vendors and platforms that can more efficiently meet and address the City's overall web needs and functions. Improvement efforts will require significant Department coordination and time in order to effectively migrate all four existing websites to a single, more functional, transparent, accessible, efficient and capable CMS. Staff anticipates this will be a design/build process in order to minimize the amount of time from migration start to a go-live date with the new CMS.

Currently, all four Department websites are outdated in both their functionality, ability to be mobile friendly and lack compliance with current Americans with Disabilities Act (ADA) user requirements. Today's CMS platforms enable full and automatic compliance and integration with social media platforms, ADA requirements and vastly improved capability

to update information and host specific functions for the public, such as online reporting and City business interactions.

An RFP was issued on January 22, 2021, and the City received a total of fifteen (15) proposals. A multi-Department internal review Task Force convened from February 10th - 24th to engage in question and answer virtual meetings with six (6) finalists whose proposal scores were the highest. The results of these Q&A sessions were debated and evaluated by the Task Force on March 1, 2021, when a conclusion and final contractor selection was made. The outcomes of this entire process are as follows:

- One (1) proposal was dismissed as being insufficient in detail or the contractor's capabilities was deemed insufficient to meet the City's functional requirements and needs.
- Six (6) proposals were deemed adequate for further consideration.
- A final review committee was convened on March 1, 2021, to analyze proposers' Q&A feedback and responses in order to make a final selection.
- Of these six qualified proposals one contractor was identified as having the depth of experience, the necessary Information Technology and CMS experience and capabilities to meet the City's current and future website needs, and ability to meet budget requirements.
- If approved, the recommended vendor and start date for contract execution and initiation of the planning phase is expected to take less than two weeks.
- The following is an approximation of total website development time:
    - Design phase will take up to three months
    - Configure phase will take up to two months
    - Department and Staff training and use phase will take one week
    - Content migration to new CMS will take up to one month
    - Stabilizing and quality assurance testing will take three weeks
    - Deployment/Go-Live will take one day

Therefore, the projected start to finish time frame is approximately eight months. However, due to advance planning and preparation by Staff and City Departments to update existing content and pre-position for migration, this timeframe may be reduced significantly based on the effectiveness of content migration and design decision making.

FISCAL IMPACT

The Fiscal Year 2020-21 adopted budget contained $20,000 in funding for a website update. This amount was an estimate, based on limited knowledge of the amount of work needed to bring the City's website into compliance and update to current technologies at the time of budget development and adoption (June, 2020).

With a firm proposal in place, an updated and more accurate cost estimate is available. Total website design and implementation cost is $36,670 and is inclusive of all services required including:

- Website design and implementation
- Customized homepage wireframes
- Fully mobile responsive design
- Programming and CMS implementation
- Content migration
- Form conversions
- Staff training in use and site updates
- Unlimited technical support
- Secure site hosting
- Disaster recovery and data security

In addition to the one-time implementation cost, the agreement with Granicus includes maintenance, hosting and licensing fees. The ongoing costs start at year two at the launch date of the new website.

Payment schedule over the next five fiscal years is as follows:

1st Year (FY 2020-21)	=	$0
2nd year (FY 2021-22)	=	$7,600
3rd year (FY 2022-23)	=	$7,980
4th Year (FY 2023-24)	=	$8,379
5th Year (FY 2024-25)	=	$8,798

The $20,000 included in the FY 2020-21 budget will be sufficient to pay the first two progress payments required per the agreement (i.e., 40% and 20% progress payments). The FY 2021-22 budget will include funding for the remaining implementation costs. Subsequent budgets will include funding for the annual maintenance and licensing fees.

SUMMARY

Staff is recommending that the City Council award a Professional Services Agreement to Granicus to provide web development services and institute the necessary upgrades and improvements for our website functionality and authorize the City Manager to execute the Professional Services Agreement on behalf of the City.

ATTACHMENTS:

A. Attachment A – Draft Professional Services Agreement

ATTACHMENT A

CITY OF MONTEBELLO

PROFESSIONAL SERVICES AGREEMENT NO. _____ WITH GRANICUS LLC

THIS AGREEMENT ("Agreement") is made and entered into on **_____, 2021**, by the CITY OF MONTEBELLO, a municipal corporation (hereinafter referred to as "CITY") and Granicus LLC, a Minnesota Limited Liability Company. (hereinafter referred to as "CONTRACTOR"). CITY and CONTRACTOR are sometimes referred to herein individual as the "Party," and jointly as the "Parties."

RECITALS

WHEREAS, the CITY desires to retain a qualified professional contractor to provide website design, implementation, maintenance, hosting, and licensing services in the CITY; and

WHEREAS, the CONTRACTOR represents that it is fully qualified to perform such services by virtue of its experience and the training, education and expertise of its principals and employees.

NOW THEREFORE, in consideration of performance by the Parties of the covenants and conditions herein contained, the Parties hereto agree as follows:

SECTION 1. SERVICES / COMPENSATION.

A. All terms, conditions, requirements, and provisions of the CONTRACTOR's Response to Request for Proposals ("RFP") for Web Development Services in the City of Montebello issued December 21, 2020) ("RFP #21-17"), as such is set forth fully in **Exhibit "A**" hereto, are hereby incorporated fully herein by this reference and shall be binding on the Parties. To the extent of a conflict between the terms of this Agreement and that set forth in any exhibits or attachments hereto, the terms of this Agreement shall govern.

B. CONTRACTOR shall provide to CITY all labor, equipment, materials and incidental necessary to provide Web Development Services as set forth fully in the Granicus Proposal attached as **Exhibit "B**" hereto and incorporated fully herein by this reference (hereinafter "Professional Services").

C. CONTRACTOR shall be shall be compensated for performance of the Professional Services as set forth in the Schedule of Compensation included in **Exhibit "C"** ("Compensation"). CONTRACTOR shall provide an itemized billing statement to the CITY pursuant to Exhibit B. CONTRACTOR shall not incur fees or costs which exceed the Compensation without the prior written consent of the CITY.

D. CITY's use of CONTRACTOR's products and services will be subject to the terms set forth in **Exhibit "D"** attached hereto and incorporated fully herein by this reference ("User Agreement").

SECTION 2. TERM.

This Agreement shall commence upon date of signature ("Effective Date"), and shall expire three (3) years from the Effective Date, unless terminated earlier as hereinafter provided. This Agreement may be extended for up to two (2) one-year extensions upon such terms and conditions mutually agreed upon by the Parties in writing.

SECTION 3. PERFORMANCE.

a. CONTRACTOR shall at all times, faithfully, competently, and to the best of its ability, experience and talent, perform all tasks described herein.

b. CONTRACTOR shall employ, at a minimum, generally accepted standards and practices utilized by companies engaged in providing similar services, as are required of Contractor hereunder, in meeting its obligations under this Agreement.

c. CONTRACTOR shall be subject to all applicable CITY ordinances, rules and regulations, standard operating procedures, and the supervisory chain of command.

d. CONTRACTOR shall have the right to retain, subject to CITY's approval, additional individuals, consultants or subcontractors to assist in the completion of services as herein defined. Compensation for additional individuals, consultants or subcontractors shall be the sole and exclusive responsibility of CONTRACTOR.

e. CONTRACTOR shall maintain full and accurate records with respect to all matters covered solely and exclusively under this Agreement for a period of three (3) years, unless otherwise provided for in Exhibit "A." Upon CITY providing at least seventy-two (72) hours advanced prior notice, CONSULTANT shall make all records, invoices, time cards, cost control sheets and other records maintained by CONSULTANT solely and exclusively in connection with this Agreement during Consultant's regular working hours to CITY for review and audit by CITY.

SECTION 4. WORK PRODUCT.

a. CONTRACTOR hereby agrees that all work produced solely and exclusively for CITY under this Agreement shall be the property of CITY, and ownership of said work product shall be retained by CITY. CONTRACTOR may take and retain copies of such written products as desired.

b. All data, documents, discussion, or other information developed solely and exclusively for CITY under this Agreement or received by CONTRACTOR or provided for performance of this Agreement by CITY are deemed confidential and shall not be disclosed by CONTRACTOR without prior written consent by CITY. CITY shall grant such consent if disclosure is legally required. All such written products shall be returned to CITY upon the termination or expiration of this Agreement. CONTRACTOR agrees that the covenants contained in this Article shall survive the expiration or termination of this Agreement.

SECTION 5. EXTRA SERVICES.

No extra services over and above the Compensation shall be rendered by CONTRACTOR under this Agreement unless such extra services first shall have been duly authorized in writing by the City Manager.

SECTION 6. CITY SUPERVISION.

The City Manager, and/or his designee shall have the right of general supervision of all work performed by CONTRACTOR and shall be the CITY agent with respect to obtaining CONTRACTOR's compliance hereunder. No payment for services rendered under this Agreement shall be made without the prior approval of the City Manager.

SECTION 7. TERMINATION.

In the event that either Party hereto fails or refuses to perform any of the provisions of this Agreement at the time and in the manner required, the non-defaulting party shall give the defaulting party written notice of the default, the nature of the default, and of the steps necessary to cure the default.

a. Termination for Cause. In the event that any of the provisions of the Agreement are violated by either party, the non-defaulting Party may terminate the Agreement by serving written notice upon the other Party, listing the violation(s) and its intent to terminate such Agreement unless within thirty (30) days after the serving of such notice, such violation shall cease or be rectified or cured, the contract shall upon the expiration of an additional thirty (30) days cease and terminate. In the event of a termination for cause, CONTRACTOR shall only be entitled to the Compensation for those Professional Services performed on or before the effective date of termination.

b. Termination For Convenience. The CITY shall have the option, at its sole discretion and without cause, to terminate this Agreement in whole, or in part, by giving thirty (30) business days' written notice to CONTRACTOR. Upon the termination of this Agreement as provided herein, the CITY shall provide to CONTRACTOR the part of Compensation which would otherwise be payable to CONTRACTOR for services CONTRACTOR had completed as of the date of termination, less the amount of all previous payment with respect to the Compensation. Further, upon such a termination for convenience by CITY, the Parties agree that CONTRACTOR shall be reimbursed for any "non-refundable" costs that CONTRACTOR has incurred for its services under this Agreement, provided that: (1) such "non- refundable" costs were incurred by the CONTRACTOR prior to the date of termination, and (2) that CONTRACTOR provides the CITY with adequate proof that CONTRACTOR incurred the costs, and is unable to be seek a refund for such costs. Such "non-refundable" costs may include, but are not limited to, travel reservations incurred by CONTRACTOR for its performance of services under this Agreement. CONTRACTOR agrees to cease all work under this Agreement on or before the effective date of any notice of termination.

SECTION 8. EMPLOYMENT OF CITY EMPLOYEES.

No regular employee of the CITY shall be employed by CONTRACTOR during the term of this Agreement.

SECTION 9. NON-LIABILITY OF CITY OFFICIALS AND EMPLOYEES.

No official or employee of the CITY shall be personally liable to CONTRACTOR in the event of any default or breach by CITY, or for any amount which may become due to CONTRACTOR.

SECTION 10. INDEPENDENT CONTRACTOR.

a. The CONTRACTOR is and shall, at all times, remain as to the CITY a wholly independent contractor. Neither the CITY nor any of its elected officials, officers, employees or agents shall have control over the conduct of the CONTRACTOR except as expressly set forth in this Agreement. The CONTRACTOR shall not at any time or in any manner represent that he is in any manner an elected official, officer, employee or agent of the CITY. No employee benefits shall be available to CONTRACTOR in connection with the performance of this Agreement. Except as provided in this Agreement, CITY shall not pay salary, wages, or other compensation to CONTRACTOR for performance hereunder for CITY, CITY shall not be liable for compensation to CONTRACTOR, CONTRACTOR's employees or CONTRACTOR'S subcontractors for injury or sickness arising out of performing services hereunder.

b. The parties further acknowledge and agree that nothing in this Agreement shall create or be construed to create a partnership, joint venture, employment relationship or any other relationship except as set forth in this Agreement.

c. CITY shall not deduct from the Compensation paid to CONTRACTOR any sums required for Social Security, withholding taxes, FICA, state disability insurance or any other federal, state or local tax or charge which may or may not be in effect or hereinafter enacted or required as a charge or withholding on the compensation paid to CONTRACTOR. CITY shall have no responsibility to provide CONTRACTOR, its employees or subcontractors with workers' compensation insurance or any other insurance.

SECTION 11. PERS ELIGIBILITY INDEMNITY.

a. In the event that CONTRACTOR or any employee, of CONTRACTOR providing services under this Agreement claims or is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of the CITY as a result of providing services under this Agreement, CONTRACTOR shall indemnify, defend, and hold harmless CITY for the payment of any employee and/or employer contributions for PERS benefits on behalf of CONTRACTOR or its employees, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of CITY, subject to the limitation of liability cap included in Section 13

b. Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, CONTRACTOR and any of its employees, agents, and subcontractors providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by CITY, including but not limited to eligibility to enroll in PERS as an employee of CITY and entitlement to any contribution to be paid by CITY for employer contribution and/or employee contributions for PERS benefits.

SECTION 12. LEGAL RESPONSIBILITIES.

CONTRACTOR shall at all times observe and comply with all applicable laws, ordinances, codes and regulations of the federal, state and local governments including, but not limited to the Montebello Municipal Code. The CITY, and its appointed or elected officers, employees, or agents, shall not be liable at law or in equity occasioned by failure of the CONTRACTOR to comply with this section.

SECTION 13. INDEMNIFICATION.

CONTRACTOR agrees to, and shall defend, indemnify, protect and hold harmless, the CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers from and against any and all claims, demands, lawsuits, defense costs, civil, penalties, expenses, causes of action, and judgments at law or in equity, which the CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers may sustain or incur or which may be imposed upon them for injuries or deaths of persons, or damage to property arising out of CONTRACTOR'S negligent or wrongful act, or omission solely and exclusively related to and arising out of the CONTRACTOR'S obligations under the terms of this Agreement, except only liability arising out of the sole negligence of the CITY. NOTWITHSTANDING THE FOREGOING, IN NO INSTANCE SHALL EITHER PARTY'S LIABILITY TO THE OTHER PARTY FOR DIRECT DAMAGES UNDER THIS AGREEMENT (WHETHER IN CONTRACT OR TORT OR OTHERWISE) EXCEED THE FEES PAID BY CITY FOR THE CONTRACTORS'S PRODUCTS AND SERVICES DURING THE TWELVE (12) MONTHS IMMEDIATELY PRECEDING DATE THE DAMAGED PARTY NOTIFIES THE OTHER PARTY IN WRITING OF THE CLAIM FOR DIRECT DAMAGES. NEITHER PARTY SHALL BE RESPONSIBLE FOR ANY LOST PROFITS OR OTHER THE DAMAGES, INCLUDING DIRECT, INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR ANY OTHER DAMAGES, HOWEVER CAUSED.

SECTION 14. INSURANCE COVERAGE.

During the term of this Agreement, CONTRACTOR shall carry, maintain, and keep in full force and effect insurance against claims for death or injuries to persons or damages to property that may arise from or in connection with CONTRACTOR'S performance of this Agreement. Such insurance shall be of the types and in the amounts as set forth below:

- **Commercial General Liability (CGL)**: Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001) minimum combined single limits of One Million Dollars and Zero Cents ($1,000,000) per occurrence and Two Million Dollars and Zero Cents ($2,000,000) aggregate

against any injury, death, loss or damage as a result of wrongful or negligent acts by Contractor, its officers, employees, agents, and independent contractors in performance of Services under this Agreement..

- **Automobile Liability Insurance:** Insurance Services Office Form Number CA 0001 covering, Code 8 (hired) and 9 (non-owned), with limit no less than One Million Dollars and Zero Cents $1,000,000 combined single limit each accident for bodily injury and property damage.

- **Worker's Compensation** insurance as required by the laws of the State of California, with Statutory Limits, and Liability Insurance with limit of no less than One Million Dollars and Zero Cents ($1,000,000.00) per accident for bodily injury or disease. CONSULTANT agrees to waive, and to obtain endorsements from its workers' compensation insurer waiving subrogation rights under its compensation insurance policy against CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers for losses arising from work performed by CONSULTANT for CITY and to require each of its subcontractors, if any, to do likewise under their workers' compensation insurance policies.

- **Professional Liability** Technology and Professional liability coverage with minimum limit of $5,000,000.

CONTACTOR shall require each of its subcontractors, if any, to maintain insurance coverage that meets all of the requirements of this Agreement.

The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California and with a current rating of at least A:VII in the latest edition of Best's Insurance Guide.
CONTRACTOR agrees to provide City with at least thirty (30) days prior written notice in the event of the cancellation of any of the insurance requirements under Section 14 of the Agreement.

At all times during the term of this Agreement, CONTRACTOR shall maintain on file with CITY's Risk Manager a certificate or certificates of insurance showing that the aforesaid policies are in effect in the required amounts and including the CITY as an additional insured. CONTRACTOR shall, prior to commencement of work under this Agreement, file with CITY's Risk Manager such certificate(s).

Should insurance coverage change during the term of this Agreement, CITY may request CONTRACTOR provide proof that the insurance coverage has been renewed or replaced. Upon such reasonable, written request, CONTRACTOR shall provide such proof within ten (10) business days to CITY.

The general liability and automobile policies of insurance required by this Agreement shall include CITY, its officers, employees, agents and volunteers as additional insureds. The Contractor agrees to provide City thirty (30) days prior written notice by email if any of the insurance coverage required under this Agreement is to be suspended, voided, reduced, or canceled.

Except for professional liability and compensation policies, the insurance provided by CONTRACTOR shall be primary to any coverage available to CITY. Any insurance or self-insurance maintained by CITY, its officers, employees, agents or volunteers, shall be in excess of CONTRACTOR'S insurance and shall not contribute with it.

All insurance coverage provided pursuant to this Agreement shall not prohibit CONTRACTOR, and CONTRACTOR'S employees, agents or subcontractors, from waiving the right of subrogation prior to a loss. CONTRACTOR hereby waives all rights of subrogation against the CITY.

SECTION 15. SUBCONTRACT, ASSIGNMENT OR DELEGATION.

CONTRACTOR shall not subcontract, delegate or assign its duties or rights hereunder, either in whole or in part, without the prior written consent of CITY. Any proposed subcontract, delegation, or assignment shall provide a description of the services to be covered, identification of the proposed sub-contractor, delegee, or assignee, and an explanation of why and how the same was selected, including the degree of competition involved.

Any subcontract, delegation or assignment shall be made in the name of CONTRACTOR and shall not bind or purport to bind CITY and shall not release CONTRACTOR from any obligations under this Agreement including, but not limited to, the duty to properly supervise and coordinate the work of employees, assignees, delegees or sub-contractors. No such subcontract, delegation or assignment shall result in any increase in the amount of total compensation payable to CONTRACTOR under the Agreement.

Notwithstanding the foregoing, the parties agree that CONTRACTOR may assign this Agreement without City's consent in the event of any successor or assign that has acquired all, or substantially all, of the Contractor's business by means of merger, stock purchase, asset purchase, or otherwise. Nevertheless, CONTRACTOR shall notify CITY in writing within thirty (30) days of such assignment.

SECTION 16. NO WAIVER.

Waiver by any party hereto of any term, condition or covenant of this Agreement shall not constitute the waiver of any other term, condition or covenant hereof.

SECTION 17. DISPUTE RESOLUTION; GOVERNING LAW.

Disputes regarding the interpretation or application of any provision(s) of this Agreement shall, to the extent reasonably feasible, be resolved through good faith negotiations between the Parties. If any action at law or in equity is brought to enforce this Agreement or because of alleged dispute, breach, default or misrepresentation in connection with the provisions of this Agreement, the prevailing party in such action shall be entitled to reasonable attorney's fees, expert fees, costs and necessary disbursements incurred in that action or proceeding, in addition to such other relief as may be sought and awarded. The venue for any litigation shall be County of Los Angeles, California. The Parties agree that the covenants contained in this Article shall survive the expiration or termination of this

Agreement. Notwithstanding the foregoing, in no event shall the costs, expenses, necessary disbursements, and relief sought exceed the liability cap included in Section 13 of this Agreement.

SECTION 18. ATTORNEY'S FEES AND COSTS.

If litigation is reasonably required to enforce or interpret the provisions of this Agreement, the prevailing party in such litigation shall be entitled to an award of reasonable attorney's fees and costs in addition to any other relief to which it may be entitled. Notwithstanding the foregoing, in no event shall the costs, expenses, necessary disbursements, and relief sought exceed the liability cap included in Section 13 of this Agreement.

SECTION 19. WARRANTIES.

Each of the parties represents and warrants to one another as follows:

a. It has received and reviewed the terms of this Agreement and agrees to comply with its terms.

b. In executing this Agreement, it has carefully read this Agreement, knows the contents thereof, and has relied solely on the statements expressly set forth herein and has placed no reliance whatsoever on any statement, representation, or promise of any other party, or any other person or entity, not expressly set forth herein, nor upon the failure of any other party or any other person or entity to make any statement, representation or disclosure of *any* matter whatsoever; and

c. It is agreed that each party has the full right and authority to enter into this Agreement, and that the person executing this Agreement on behalf of either party has the full right and authority to fully commit and bind such party to the provisions of this Agreement.

SECTION 20. MISCELLANEOUS.

a. The descriptive paragraph headings of this Agreement are included for purposes of convenience only and shall not control or affect the construction of interpretation of any of its provisions.

b. Whenever the context hereof shall so require, the singular shall include the plural, the male gender shall include the female gender, and the neuter and vice versa.

c. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provisions had never been contained herein.

d. The representations and warranties made by the parties to this Agreement shall survive the consummation of the transaction herein described.

e. This Agreement may be signed in any one or more counterparts all of which taken together shall be but one and the same Agreement. Any signed copy of this Agreement or of any other document or agreement referred to herein, or copy or counterpart thereof, delivered by facsimile transmission, shall for all purposes be treated as if it were delivered containing an original manual signature of the party whose signature appears in the facsimile and shall be binding upon such party in the same manner as though an originally signed copy had been delivered.

f. Each of the parties acknowledges that it has been represented by independent counsel of its own choosing, or if it has not been so represented, it has been admonished to obtain independent counsel and has freely and voluntarily waived and relinquished the right to counsel. Each party who has not obtained independent counsel acknowledges that the failure to have independent legal counsel will not excuse such party's failure to perform under this Agreement or any agreement referred to in this Agreement.

SECTION 21. NOTICE.

All notices, demands, requests or approvals to be given under this Agreement shall be given in writing and conclusively shall be deemed served when delivered personally or on the second (2nd) business day after the deposit thereof in the United States mail, postage prepaid, registered or certified, addressed as hereinafter provided. All notices, demands, requests, or approvals hereunder shall be given to the following addresses or such other addresses as the Parties may designate by written notice:

CITY: Michael Chee, Deputy Director of Public Affairs
City of Montebello
1600 West Beverly Boulevard
Montebello, California 90640
E-mail: mchee@cityofmontebello.com

CONTRACTOR: Contracts
408 St. Peter Street
Suite 600
Saint Paul, MN 55102
(651) 757-4154
contracts@granicus.com

Notice may also be allowed to be given via email.

SECTION 22. NON-DISCRIMINATION AND EQUAL OPPORTUNITY EMPLOYER.

In the performance of this Agreement, CONTRACTOR shall not discriminate against any employee, sub-contractor, or applicant for employment because of race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, mental condition or sexual orientation. CONTRACTOR will take affirmative action to ensure that sub-contractor and

applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition or sexual orientation.

SECTION 23. CONFLICT OF INTEREST.

CONTRACTOR covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which may be affected by the services to be performed by CONTRACTOR under this Agreement, or which would conflict in any manner with the performance of its services hereunder. CONTRACTOR further covenants that, in performance of this Agreement, no person having any such interest shall be employed by it. Furthermore, CONTRACTOR shall avoid the appearance of having any interest that would conflict in any manner with the performance of its services pursuant to this Agreement.

CONTRACTOR covenants not to give or receive any compensation, monetary or otherwise, to or from the ultimate vendor(s) of services to CITY as a result of the performance of this Agreement, or the services that may be procured by the CITY as a result of the recommendations made by CONTRACTOR. CONTRACTOR's covenant under this section shall survive the termination of this Agreement.

SECTION 24. ENTIRE AGREEMENT.

This Agreement contains the entire understanding between the CITY and CONTRACTOR. Any prior agreements, promises, negotiations or representations not expressly set forth herein are of no force or effect. Subsequent modifications to this Agreement shall be effective only if in writing and signed by each party. If any term, condition or covenant of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this Agreement shall be valid and binding.

[SIGNATURES ON NEXT PAGE]

"CITY"	"CONTRACTOR"
CITY OF MONTEBELLO	**GRANICUS LLC**
By: _____	By: _____
René Bobadilla, City Manager	Jessica Yang, Manager of Business and Contracts
Dated: _____	Dated: _____

ATTEST:

_____
Christopher Jimenez, City Clerk

APPROVED AS TO FORM:

_____
Arnold M. Alvarez-Glasman, City Attorney

Attachments: Exhibit A – City Request For Proposals
Exhibit B – Granicus Proposal Response
Exhibit C – Schedule of Compensation
Exhibit D – User Agreement

Exhibit “A”

City Request for Proposals

Exhibit “A”

City Request for Proposals

CITY OF MONTEBELLO

REQUESTS FOR PROPOSALS

RFP #21-17

December 21, 2020

WEB DEVELOPMENT SERVICES FOR CITY OF MONTEBELLO, CALIFORNIA

Deadline for Submission: January 25, 2021

City of Montebello

Public Affairs

www.cityofmontebello.com

NOTICE REGARDING DISCLOSURE OF CONTENTS OF DOCUMENT

All responses to this Request for Proposal (RFP) accepted by the City of Montebello (City) shall become the exclusive property of the City. At such time as the City Manager recommends a contractor to the City Council, and such recommendation, with any recommended contract appears on the Council agenda, all proposals accepted by the City shall become a matter of public record and shall be regarded as public, with the exception of those elements of each proposal which are defined by the contractor as business or trade secrets and plainly marked as "Trade Secret", "Confidential" or "Proprietary". Each element of a proposal which a contractor desires not to be considered a public record must be clearly marked as set forth above, and any blanket statement (i.e. regarding entire pages, documents or other non-specific designations) shall not be sufficient and shall not bind the City in any way whatsoever. If disclosure is required or permitted under the California Public Records Act or otherwise by law, the City shall not in any way be liable or responsible for the disclosure of any such records or part thereof.

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I. REQUEST FOR PROPOSAL

TO PROSPECTIVE BIDDERS

The City of Montebello invites your firm to submit a proposal in accordance with this Request for Proposals (RFP). Your response to this request will be evaluated to determine the qualifications of your firm. Proposals must adhere to the format and content of this RFP. Proposals will not be evaluated unless all parts requested are submitted in a complete package. The information set forth is the minimum required in order to qualify for consideration. The successful Bidder will be required to enter into a Professional Service Agreement based on the specifications outlined in this RFP.

DATE OF SOLICITATION: Monday, December 21, 2020

PRE-PROPOSAL MEETING: There will be No Pre-Proposal Meeting

SUBMITTAL DUE DATE: Monday, **January 25, 2021, at 3:00 p.m.** ("deadline"), either via electronic mail, or via the PlanetBids vendor portal. Place "WEBSITE DEVELOPMENT SERVICES" in the subject line, and no physical copy would be required. The City assumes no responsibility for errors or delays caused by electronic e-mails, public or private carriers in delivering any proposals. All submittals must be received on or before the deadline.

ANTICIPATED AWARD DATE: Friday, February 10, 2021

ANTICIPATED COMMENCEMENT DATE: Monday, March 1, 2021

PROPOSAL CONTACTS:

Any questions and/or correspondence concerning this RFP must be submitted in writing to the PlanetBids vendor portal or to the contact:

CONTACT:

Name:	Public Affairs
Address:	1600 West Beverly Boulevard
	Montebello, California 90640
Contact:	Michael Chee, Deputy Director, Public Affairs
Contact Phone:	(323) 887-1200 ext. 201
Contact E-Mail:	mchee@cityofmontebello.com

II. BACKGROUND AND PROJECT DESCRIPTION

The City of Montebello maintains a website that has not been updated since 2012. Its CMS and background software are no longer supported and is currently out of compliance with ADA requirements. This website does not possess the dynamic state-of-the-art efficiencies and scalability required in the current user environments.

Additionally, the City currently operates three independently hosted and maintained websites for its Fire, Police and Transportation departments. Because of this, the City does not have consistent control over brand, content management, and functionality to effectively interact and communicate in a manner that meets current web and mobile user needs. The disparity in website functionality is detrimental to the City's ability to effectively communicate, share information and present city services and information in a standardized and functional web environment that is up to present day standards.

III. SCOPE OF WORK

Project tasks include, but are not limited to:

1) Under general direction from the Deputy Director of Public Affairs, the selected consultant will be responsible for the timely assessment of four websites including the City main site, Fire Department, Police Department and Transportation Department websites and the preparation and processing of a site migration timeline and plan to accommodate the transfer of content and functionality to a new CMS.

2) The selected consultant shall be responsible for data gathering and analysis; overseeing and evaluating the design and implementation of all wireframes, content presentation and user experience layouts and activities; in order to conduct a full migration of all existing websites to a new, single CMS.

3) Allow for consistency in design and appearance while allowing specific customization of functions and appearance for City departments as needed or requested.

4) Ensure the stability, security and user experience reliability of a new CMS, to include compliance with all language, legal, ADA or other website regulations.

5) Securely host site and provide ongoing IT support and operational updates as needed for City and departments as requested following launch of the new CMS. Providing budget guidance and justifications in alignment with City policies and personnel guidelines and in conformance with grant solicitation requirements;

IV. PROPOSAL SUBMITTAL

The City will select, as to the RFP, best qualified and complete proposal. The City reserves the right, to negotiate with the prospective contractors as to the price, terms and conditions of providing the required services and to award a contract for performance of the required services based on the negotiated price, terms and conditions. The City reserves the right to split the award, reject all bids and circulate another RFP or award contract(s) in a manner that best suits the City's needs.

The City reserves the right to reject any or all Proposals, amend the RFP, and to discontinue or re-open the process at any time. The City reserves the right to request and obtain, from one (1) or more contractors, supplementary information as may be necessary for the City to analyze the proposal pursuant to contract selection criteria. Upon completion of the evaluation phase, the City will select those contractors for interviews whose proposals and qualifications most closely conform to the requirements of this RFP, if required. The contractor, by submitting a response to this RFP, waives all rights to protest or seek any legal remedies whatsoever regarding any aspect of this RFP, waives all right to protest or seek any legal remedies whatsoever regarding an aspect of this RFP. The City may choose to interview one (1) or more firms responding to this RFP, and may enter into more than one (1) contract with multiple individuals or firms, if City determines that is the best way to address the full range of services needed under this RFP.

V. PROPOSAL FORMAT AND CONTENT

The proposal should be responsive, concise, and free of jargon to the extent possible, and should conform to the following order and content.

Section 1	**Cover Letter**
The cover letter shall be used to identify the respondent, their name and contact information, and information relative to their introduction. Provide office location and staffing which will be allocated to be providing services to the City.	
Section 2	**Description**
The description of the respondent shall explain the overall team and approach, methods and strategies for providing the requested services (refer to Scope of Work).	
Section 3	**Budget**
The pricing for the delivery of services, including breakdown of additional services.	
Section 4	**Organizational Chart**
Provide an organization chart with names and areas of responsibility for each principle and manager, with resumes, as well as support personnel.	
Section 5	**Experience and References**
Provide at least three agencies or companies that you have provided similar services for within the last five years, and provide a contact name, telephone number and email address.	

VI. SELECTION PROCESS AND CRITERIA

Step 1 -Proposal Reviews

Upon receiving the proposals by the deadline, each response will be evaluated by Public Affairs and City management for completeness and the best-qualified consultants will be invited to participate in the selection process and subsequent be contacted for a follow-up interview.

The selection process will evaluate and score responsive proposals with the following criteria and weights:

Evaluation Criteria	Available Points
Project Approach & Performance	25 pts
Professional Experience	25 pts
Proposers Capacity and Capability	25 pts
Proposed Budget	15 pts
References	10 pts
Local Knowledge and Background	10 pts

*The cost-effectiveness of the consultants will be considered, but not be the only and definitive factor.

Successful proposals will demonstrate the ability to meet and exceed the following evaluation criteria:

- **Project Approach and Performance** – Points will be assigned based on how well the proposal demonstrates an understanding of the request and the proposer's services. The services should be tailored to fit the City's unique needs, and the proposer should explain how they will accomplish each task identified in the Scope of Work. The proposer should discuss any foreseen issues and challenges for each task and demonstrate alternative solutions to overcome or minimize potential barriers. The proposer should also reference similar completed projects to illustrate any unique or innovative strategies that contributed to success.

- **Professional Experience** – Points will be assigned based on the proposer's description of professional qualifications and experience. Successful proposals should clearly describe any experience and past achievements with implementing similar specialized services.

- **Proposer Capacity and Capability** – Points will be assigned based on the qualification of the proposer provided in their resume and the identification of key staff members who will assist with providing the services or in general how will the proposer plans to provide the qualified staff. Points will also be assigned based on the samples provided of the proposer's prior work and projects.

- **Proposed Budget**– Points will be assigned based on the provided detailed budget and description of items necessary to support the project. The project's budget should be feasible, realistic, accurate, and cost effective.

- **References** – Points will be assigned based on the proposer's comprehensive list of references for other public and private entities where the same or similar services were provided.

- **Local Knowledge and Background** – Points will be assigned based on the proposer's knowledge, background, and experience with grant writing services. Proposers should describe how this knowledge and/or experience will favorably contribute to the delivery and success of the grant writing services, and any other special considerations.

Step 2 -Evaluation and Scoring

The panel intends to review and score proposals during the week of January 25 thru February 5, 2021.

Step 3 -Agreement

A sample professional services agreement is attached (Exhibit A) and will be used as the basis to create a formal agreement with the consultant awarded this project.

Step 4 -Approval

Upon completion of the agreement, the City Council will be presented with the preferred consultant and their respective agreement for approval and execution by the City Manager. This will tentatively be presented at the City Council Meeting on February 11, 2010.

VII. GENERAL TERMS AND PROVISIONS

Contract Documents:

A Draft Standard Agreement is attached herewith and shall be agreed to by the successful Bidder. The Agreement entered into by the parties shall consist of the final Website Development Services Agreement ("Agreement"), the Request for Proposals, the signed proposal submitted by the Contractor together with all required bonds, insurance certificates, permits, notices, schedules, forms, certifications and affidavits; and also including any and all addenda or supplemental agreements clarifying, or extending the work contemplated as may be required to insure its completion in acceptable manner all of which shall be referred to collectively as the "Contract Documents."

Contract Modification and Amendment:

The parties may adjust the specific terms of the final Agreement where circumstances beyond the control of either party require modification or amendment. Any modification or amendment proposed by the selected Bidder must be in writing to the City. Any agreed upon modification or amendment must be in writing (and if authorized), approved by the City Manager and or his/her designee, and signed by both parties.

Agreement Terms:

The Agreement term shall be for a period of 3 years. At the conclusion of the 3-year Agreement, the parties may extend the Agreement for up to two (2) additional, one-year (1-year) terms upon further written approval and authorization.

Agreement Administration:

The City Manager, and/or his designee, shall be the City's authorized representative in all matters pertaining to the administration of the Agreement.

Insurance:

Selected Bidder shall provide a certificate or will-serve letter indicating that they will be issued a policy or policies of insurance in the following types and amounts:

(1) *General Liability*: Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001) minimum combined single limits of **One Million Dollars and Zero Cents** ($1,000,000) per occurrence and **Two Million Dollars and Zero Cents** ($2,000,000) aggregate against any injury, death, loss or damage as a result of wrongful or negligent acts by Contractor, its officers, employees, agents, and independent contractors in performance of Services under this Agreement;

(2) *Automobile Liability*: Insurance Services Office Business Auto Coverage form number CA 0001, code 1 (any auto) with minimum combined single limits coverage of **One Million Dollars and Zero Cents** ($1,000,000) per accident for bodily injury and property damage covering any vehicle; and

(3) *Workers' Compensation and Employer's Liability*: Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance (EL) with a minimum limit of **One Million Dollars and Zero Cents** ($1,000,000) per accident or the amount required by law, whichever is greater.

(4) *Maintenance Liability*. If applicable, selected Bidder shall procure and maintain, and require its sub-Contractors to procure and maintain, for a period of five (5) years following completion of the Project, errors and omissions liability insurance appropriate to its profession. Such insurance shall have minimum combined single limits coverage of **One Million Dollars and Zero Cents** ($1,000,000) per claim and **Two Million Dollars and Zero Cents** ($2,000,000) aggregate, on a form approved by the City Attorney.

(5) Professional Liability. Professional liability/errors and omissions insurance (as applicable to the Contractor's profession), with minimum combined single limits coverage of **One Million Dollars** ($1,000,000) per claim and **Two Million Dollars** ($2,000,000) aggregate, on a form approved by the City Attorney.

Insurance is to be placed with insurers with a current A.M. Best's rating no less than A:VII, licensed to do business in California, and satisfactory to City.

Contractor shall furnish City with original certificates of insurance and endorsements effecting coverage required by this Agreement on forms satisfactory to City. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf, and shall be on forms provided by City if requested. All certificates and endorsements must be received and approved by City before work commences. City reserves the right to require complete, certified copies of all required insurance policies, at any time.

City, its officers, employees, attorneys, and designated volunteers shall be named as additional insureds on the policy(ies) as to commercial general liability and automobile liability with respect to liabilities arising out of Contractor's performance of Services under this Agreement

The insurer shall agree to waive all rights of subrogation against City, its directors, officials, officers, employees, agents and volunteers for losses paid under the terms of the insurance policies which arise from work performed by the Contractor. The policies shall contain a waiver if subrogation in favor of City.

Except for professional liability and workers' compensation policies, the insurance policies shall states that insurance coverage shall be primary insurance as respects City, its directors, officials, officers, employees, agents and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Contractor's scheduled underlying coverage. Any insurance or self-insurance maintained by City, its directors, officials, officers, employees, agents and volunteers shall be excess of the Contractor's insurance and shall not be called upon to contribute with it in any way.

Each insurance policy required by this Agreement shall be endorsed to state that: (1) coverage shall not be suspended, voided, reduced or canceled except after thirty (30) calendar days' prior written notice by certified mail, return receipt requested, has been given to City—unless canceled for non-payment, in which case the insurer shall give ten (10) calendar days' written notice to City; (2) any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to City, its directors, officials, officers, employees, agents and volunteers; (3) include a description of operations; and (4) list the Certificate Holder as "City of Montebello."

All insurance required by this Section shall contain standard separation of insureds provisions. In addition, such insurance shall not contain any special limitations on the

scope of protection afforded to City, its directors, officials, officers, employees, agents and volunteers.

Any deductibles or self-insured retentions must be declared to and approved by City. Contractor shall guarantee that, at the option of City, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects City, its directors, officials, officers, employees, agents and volunteers; or (2) the Contractor shall procure a bond guaranteeing payment of losses and related investigation costs, claims and administrative and defense expenses.

Costs:

The City assumes no responsibility for any costs incurred by a respondent in the preparation and/or presentation of a proposal in the response to this requires.

Rights:

The City reserves the right to reject any or all proposals received or request additional information from any or all of the consultant respondents, in order to ascertain the qualifications of the respondent for the requested service.

Completeness:

To be considered, respondents must submit a complete response in accordance with the requirements contained herein. Proposals must be signed by an officer of the respondent authorized to bind the firm to its provisions. All proposals, with associated costs and agreements, shall be considered valid and binding on the respondent for a period to extend until June 30, 2021

Ownership:

All documents prepared by the respondents under this request shall become the property of the City upon receipt of the City.

Public Records Act:

Responses to this RFP become the exclusive property of the City and bay be subject to the California Public Records Act. Those elements, if any, in each proposal which are

trade secrets as that term is defined in Civil Code section 3426.1(d) or otherwise exempt by law from disclosure and which are prominently marked as “TRADE SECRET”, “CONFIDENTIAL”, or “PROPRIETARY” may not be subject to disclosure.

It is the responsibility of each Bidder to clearly identify information in their proposal that it considers to be confidential under the California Public Records Act. To the extent that the City agrees with that designation, such information will be held in confidence whenever possible. The City shall not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked, if disclosure is deemed to be required by a law or by an order of a Court.

Bidders that indiscriminately identify all or most of their proposal as exempt from disclosure without justification may be deemed non-responsive.

Award Protest:

The final award of the contract shall be made by the City Council, and is final and may not be appealed or be subject to the protest provisions of the public bidding statutes. The City may consider any award upon a finding of good cause at its sole discretion.

Communication with the City**:**

It is the responsibility of each Bidder to inquire about any requirement of this RFP that the Bidder does not understand. Responses to inquiries, if they change or clarify the RFP in a substantial manner, will be submitted via Addendum and posted on the City website with the original RFP. The City will not be bound by oral responses to inquires or written responses other than addenda.

Address all inquiries via PlanetBid, or by emailing Michael Chee, Deputy Director, Public Affairs Department, mchee@cityofmontebello.com

Withdrawal of Proposals:

A proposal may be withdrawn by the Bidder prior to the date and time for submittal or proposals, by means of a written request signed by the Bidder by and through its properly authorized officer or through PlanetBid.

Proposal Understanding:

Bidder shall be solely responsible for examining the RFP Documents, including any Addenda issued during the proposal period, and for informing themselves with respect to any and all conditions, which may in any way affect their proposals, or the performance of the Services in the event the Bidder is selected.

By submitting their proposals, Bidder agree and assure that the proposal terms and conditions and Contract provisions are adequate and acceptable, and each Bidder accepts the terms and conditions in the Contract Documents as defined below and indicate their ability to perform the services under such terms and conditions by submission of their proposals. Any exceptions should be noted in each Bidder's response or proposal.

VIII. EXHIBIT A- SAMPLE PROFESSIONAL SERVICES AGREEMENT

Included with this RFP as “Attachment A” is a draft of the Professional Services Agreement that will be utilized for this contract. Consultants are asked to review the draft agreement and not any objections and/or corrections as part of their proposal submittal and to pay particular attention to the insurance requirements specified in the agreement. It should be noted that this Agreement is subject to change and revision pursuant to review by the City Attorney.

The proposal process, contract negotiations and execution, and subsequent actions will be conducted by the City in accordance with applicable law. Consultants should carefully review this document, which constitutes the formal RFP, to ensure a clear understanding of the City’s needs, objectives and scope of work.

CITY OF MONTEBELLO

PROFESSIONAL SERVICES AGREEMENT NO.

BY AND BETWEEN

CITY OF MONTEBELLO

AND

[CONSULTANT NAME]

CONSULTANTS

THIS AGREEMENT ("Agreement") is made and entered into on_____, 20_, by the CITY OF MONTEBELLO, a municipal corporation (hereinafter referred to as "CITY") and [NAME OF CONSULTANT] (hereinafter referred to as "CONSULTANT"). CITY and CONSULTANT are sometimes referred to herein individual as a "Party," and jointly as the "Parties."

RECITALS

WHEREAS, CITY desires to retain a qualified professional consultant to assist CITY in evaluating alternative approaches to the management of its water system; and

WHEREAS, CONSULTANT represents the degree of specialized expertise contemplated within California Government Code, Section 37103, and is qualified to perform such services by virtue of its experience and the training, education and expertise of its principals and employees; and

WHEREAS, no official or employee of CITY has a financial interest, within the provisions of Sections 1090 – 1092 of the California Government Code, in the subject matter of this Agreement; and

DELETE THE FOLLOWING "**WHEREAS**" PARAGRAPH IF PSA AWARDED WITHOUT RFP PROCESS.

WHEREAS, CONSULTANT responded to CITY's Request for Proposals dated [DATE] (RFP No. [X]), as such is set forth fully in **Exhibit "A"** hereto and incorporated fully herein by this reference (hereinafter "Consultant Proposal").

NOW THEREFORE, in consideration of performance by the Parties of the covenants and conditions herein contained, the Parties hereto agree as follows:

SECTION 1. SERVICES / COMPENSATION.

A. CONSULTANT shall provide to CITY those services that are set forth fully in the Scope of Services, as such is set forth fully in **Exhibit "A"** hereto and incorporated fully herein by this reference (hereinafter "Professional Services").

B. CONSULTANT shall complete the Scope of Services within the time set forth in the Schedule of Performance, as such is set forth in **Exhibit "B"** hereto and incorporated fully herein by this reference.

B. CONSULTANT shall be compensated a sum not-to-exceed (the "Maximum Compensation") for performance of the Professional Services as set forth in the Schedule of Compensation attached hereto as **Exhibit "C"** and incorporated fully herein by this reference ("Compensation"). CONSULTANT shall provide an itemized billing statement to CITY each month for Professional Services performed. CONSULTANT shall not incur fees or costs which exceed the Maximum Compensation without the prior written consent of CITY.

C. CITY will be invoiced at the end of the first billing period following commencement of work and at the end of each billing period thereafter. Payment in full of an invoice must be received by CONSULTANT within thirty (30) days of the date of such invoice.

D. Work performed shall be deemed approved and accepted by CITY as and when invoiced unless CITY objects within fifteen (15) days of invoice date by written notice specifically stating the details in which CITY believes such work is incomplete or defective, and the invoice amount(s) in dispute. CITY shall pay undisputed amounts as provided for in the preceding paragraph.

E. Failure of CITY to submit full payment of an invoice within thirty (30) days of the date thereof subjects this agreement and the work herein contemplated to suspension or termination at CONSULTANT's discretion.

SECTION 2. TERM.

This Agreement shall commence upon the date the last of the Parties executes this Agreement hereinbelow ("Effective Date"), and shall terminate upon completion of the Scope of Services set forth herein, unless terminated sooner as provided in Section 7 herein.

[OPTIONAL LANGUAGE IF EXTENSIONS PERMITTED]: Thereafter, this Agreement may be extended for a maximum of [SPELL OUT NUMBER] (#) successive one (1) year periods. Such extensions, if any, will be evidenced by a written amendment to this Agreement].

The Parties agree that Sections 4(B), 9, 10, 11, 13, 16, 17, 18, and 19 shall survive for three (3) years following the expiration or termination of this Agreement.

SECTION 3. PERFORMANCE.

A. CONSULTANT shall at all times, faithfully, competently, and to the best of its ability, experience and talent, perform all tasks described herein.

B. CONSULTANT shall employ, at a minimum, generally accepted standards and practices utilized by companies engaged in providing similar services, as are required of CONSULTANT hereunder, in meeting its obligations under this Agreement.

C. CONSULTANT shall be knowledgeable of and subject to all CITY ordinances, rules and regulations, standard operating procedures, and the supervisory chain of command.

D. CONSULTANT shall have the right to retain, subject to CITY's written approval, additional individuals, consultants or subcontractors to assist in the completion of services as herein defined. Compensation for additional individuals, consultants or subcontractors shall be the sole and exclusive responsibility of CONSULTANT.

E. CONSULTANT shall maintain full and accurate records with respect to all matters covered under this Agreement for a period of three (3) years, unless otherwise provided for in **Exhibit "A."** Upon CITY providing twenty-four (24) hours advanced prior notice, CONSULTANT shall make all records, invoices, time cards, cost control sheets and other records maintained by CONSULTANT in connection with this Agreement available during CONSULTANT's regular working hours to CITY for review and audit by CITY.

F. All reports, documents or other written material developed by CONSULTANT in the performance of this Agreement shall be and remain the property of CITY without restriction or limitation upon its use or dissemination by CITY. Such material shall not be the subject of a copyright application by CONSULTANT. Any alteration or reuse by CITY of any such materials on any project other than the Project shall be at CITY's sole risk, unless CITY compensates CONSULTANT for such reuse.

SECTION 4. WORK PRODUCT.

A. CONSULTANT hereby agrees that all work produced pursuant to this Agreement, and provided to CITY during and upon completion of this Agreement, shall be the property of CITY, and ownership of said work product shall be retained by CITY. CONSULTANT may take and retain copies of such written products as desired.

B. All data, documents, discussion, or other information developed or received by CONSULTANT or provided for performance of this Agreement are deemed confidential and shall not be disclosed by CONSULTANT without prior written consent by CITY. CITY shall grant such consent if disclosure is legally required. All such written products shall be returned to CITY upon the termination or expiration of this Agreement. CONSULTANT agrees that the covenants contained in this Article shall survive the expiration or termination of this Agreement.

C. Documents are provided in CONSULTANT's standard software formats. CITY recognizes that electronic or magnetic data and its transmission can be easily damaged, may not be compatible with CITY's software formats and systems, may develop inaccuracies during conversion or use, and may contain viruses or other destructive programs, and that software and hardware operating systems may become obsolete. As a condition of delivery of electronic or magnetic data, CITY agrees to defend indemnify and hold CONSULTANT, its sub-contractors, agents and employees harmless from and against all claims, loss, damages, expense and liability arising from or connected with its use, reuse, misuse, modification or misinterpretation. In no event shall CONSULTANT be liable for any loss of use, profit or any other damage.

SECTION 5. EXTRA SERVICES.

No extra services over and above the Compensation shall be rendered by CONSULTANT under this Agreement unless such extra services first shall have been duly authorized in writing by CITY's City Administrator ("City Administrator").

SECTION 6. CITY SUPERVISION.

The City Administrator shall have the right of general supervision of all work performed by CONSULTANT and shall be CITY's agent with respect to obtaining CONSULTANT's compliance hereunder. No payment for services rendered under this Agreement shall be made without the prior approval of the City Administrator.

SECTION 7. TERMINATION.

In the event that either Party hereto fails or refuses to perform any of the provisions of this Agreement at the time and in the manner required, the non-defaulting party shall give the defaulting party written notice of the default, the nature of the default, and of the steps necessary to cure the default.

A. Termination for Cause. In the event that any of the provisions of the Agreement are violated by either party, the non-defaulting Party may terminate the Agreement by serving written notice upon the other Party, listing the violation(s) and its intent to terminate such Agreement unless within ten (10) days after the serving of such notice, such violation shall cease or be rectified, the contract shall upon the expiration of an additional thirty (30) days cease and terminate. Violations by CONSULTANT which cannot be corrected within ten (10) days, said contract shall at the option of CITY cease and terminate upon the giving of like notice. In the event of any such termination for default by CONSULTANT, CITY may take over the work and prosecute the same to completion by contract or otherwise for the account and at the expense of CONSULTANT. CONSULTANT and his sureties shall be liable to CITY for any excess cost occasioned in the event of any such termination. This change shall not be construed to prevent the termination, for other causes authorized by law or other provisions of this contract. In the event of a termination for cause, CONSULTANT shall only be entitled to the Compensation for those Professional Services satisfactory performed on or before the effective date of termination.

B. Termination for Convenience. CITY shall have the option, at its sole discretion and without cause, to terminate this Agreement in whole, or in part, after giving written notice to CONSULTANT at least five (5) business days before the termination is to be effective. Upon the termination of this Agreement as provided herein, CITY shall provide to CONSULTANT the part of Compensation which would otherwise be payable to CONSULTANT for services CONSULTANT had completed as of the date of termination, less the amount of all previous payment with respect to the Compensation. Further, upon such a termination for convenience by CITY, the Parties agree that CONSULTANT shall be reimbursed for any "non-refundable" costs that CONSULTANT has incurred for its services under this Agreement, provided that: (1) such "non- refundable" costs were incurred by CONSULTANT prior to the date of termination; (2) that CONSULTANT provides CITY with adequate proof that CONSULTANT incurred the costs, and is unable to be seek a refund for such costs; and (3) such costs were within the scope of work or services to be performed under this Agreement. Such "non-refundable" costs may include, but are not limited to, travel reservations incurred by CONSULTANT for its performance of services under this Agreement. CONSULTANT agrees to cease all work under this Agreement on or before the effective date of any notice of termination.

SECTION 8. EMPLOYMENT OF CITY EMPLOYEES.

No regular employee of CITY shall be employed by CONSULTANT during the Term of this Agreement.

SECTION 9. NON-LIABILITY OF CITY OFFICIALS AND EMPLOYEES.

No official or employee of CITY shall be personally liable to CONSULTANT in the event

of any default or breach by CITY, or for any amount which may become due to CONSULTANT.

SECTION 10. INDEPENDENT CONTRACTOR.

A. CONSULTANT is and shall, at all times, remain as to CITY a wholly independent contractor. Neither CITY nor any of its elected officials, officers, employees or agents shall have control over the conduct of CONSULTANT except as expressly set forth in this Agreement. CONSULTANT shall not at any time or in any manner represent that he is in any manner an elected official, officer, employee or agent of CITY. No employee benefits shall be available to CONSULTANT in connection with the performance of this Agreement. Except as provided in this Agreement, CITY shall not pay salary, wages, or other compensation to CONSULTANT for performance hereunder for CITY. CITY shall not be liable for compensation to CONSULTANT, CONSULTANT's employees or CONSULTANT's subcontractors for injury or sickness arising out of performing services hereunder.

B. The parties further acknowledge and agree that nothing in this Agreement shall create or be construed to create a partnership, joint venture, employment relationship or any other relationship except as set forth in this Agreement.

C. CITY shall not deduct from the Compensation paid to CONSULTANT any sums required for Social Security, withholding taxes, FICA, state disability insurance or any other federal, state or local tax or charge which may or may not be in effect or hereinafter enacted or required as a charge or withholding on the compensation paid to CONSULTANT. CITY shall have no responsibility to provide CONSULTANT, its employees or subcontractors with workers' compensation insurance or any other insurance.

SECTION 11. PERS ELIGIBILITY INDEMNITY.

A. 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 the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of CITY, CONSULTANT shall indemnify, defend, and hold harmless CITY for the payment of any employee and/or employer contributions for PERS benefits on behalf of CONSULTANT or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of CITY.

B. Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, CONSULTANT and any of its employees, agents, and subcontractors providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by CITY, including but not limited to eligibility to enroll in PERS as an employee of CITY and entitlement to any contribution to be paid by CITY for employer contribution and/or employee contributions for PERS benefits.

SECTION 12. LEGAL RESPONSIBILITIES.

CONSULTANT shall at all times observe and comply with all applicable laws, ordinances, codes and regulations of the federal, state and local governments including, but not limited to the Montebello Municipal Code. CITY, and its appointed or elected officers, employees, or agents, shall not be liable at law or in equity occasioned by failure of CONSULTANT to comply with this section.

SECTION 13. INDEMNIFICATION.

CONSULTANT agrees to, and shall defend, indemnify, protect and hold harmless, CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers from and against any and all claims, demands, lawsuits, defense costs, civil, penalties, expenses, causes of action, and judgments at law or in equity, or liability of any kind or nature which CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers may sustain or incur or which may be imposed upon them for injuries or deaths of persons, or damage to property arising out of CONSULTANT'S negligent or wrongful act, or omission under the terms of this Agreement, except only liability arising out of the sole negligence of CITY.

SECTION 14. INSURANCE COVERAGE.

During the Term of this Agreement, CONSULTANT shall carry, maintain, and keep in full force and effect all of the following minimum scope of insurance against claims for death or injuries to persons or damages to property that may arise from or in connection with CONSULTANT's performance of this Agreement. Such insurance shall be of the types and in the amounts as set forth below:

- **Commercial General Liability (CGL)**: Broad-form, Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis for bodily injury and property damage, including premise-operations, products-completed operations, broad form property damage, blanket contractual liability, independent contractors, personal injury or bodily injury, and advertising injury, with limits no less than **Two Million Dollars and Zero Cents** ($2,000,000), combined single limits, per occurrence. If a general aggregate limit applies, the limit shall be twice the required occurrence limit.

- **Business Automobile Liability Insurance:** For owned vehicles, hired, and non-owned vehicles, Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if CONSULTANT has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than **One Million Dollars and Zero Cents** ($1,000,000.00) per accident for bodily injury and property damage.

- **Worker's Compensation** insurance as required by the laws of the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than **One Million Dollars and Zero Cents** ($1,000,000.00) per accident for bodily injury or disease. CONSULTANT agrees to waive, and to obtain endorsements from its workers' compensation insurer waiving subrogation rights under its workers' compensation insurance policy against CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers for losses arising from work performed by CONSULTANT for CITY and to require each of its subcontractors, if any, to do likewise under their workers' compensation insurance policies.

By executing this Agreement, CONSULTANT further certifies as follows:

I am aware of, and will comply with, Section 3700 of the Labor Code, requiring every employer to be insured against liability of Workers' Compensation or to undertake self-insurance before commencing any of the work contemplated herein.

- **Professional Errors and Omissions (E&O) Liability** insurance appropriate to the CONSULTANT's profession, with limit no less than **Two Million Dollars and Zero Cents** ($2,000,000.00) per occurrence or claim, **Two Million Dollars and Zero Cents** ($2,000,000.00) aggregate. Architects' and engineers' coverage shall be endorsed to include contractual liability. If the policy is written as a "claims made" policy, the retroactivity date shall be prior to the start of work set forth herein, CONSULTANT shall obtain and maintain said E&O liability insurance during the Term of this Agreement and for five (5) years after completion of work hereunder. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the effective date of this Agreement, CONSULTANT shall purchase "extended reporting" coverage for a minimum of five (5) years after completion of the work.

If CONSULTANT maintains higher limits than the minimums shown above, CITY requires and shall be entitled to coverage for the higher limits maintained by CONSULTANT. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to CITY.

CONTACTOR shall require each of its subcontractors, if any, to maintain insurance coverage that meets all of the requirements of this Agreement.

The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California, with a current rating of at least A:VII in the latest edition of Best's Insurance Guide, and approved by CITY.

Each insurance policy required herein shall state that coverage shall not be canceled, except after providing CITY thirty (30) days' (or ten [10] calendar days' for non-payment) prior written notice. CONSULTANT agrees that if it does not keep the aforesaid insurance in full force and effect CITY may either: (i) immediately terminate this Agreement for Cause; or (ii) take out the necessary insurance and pay, at CONSULTANT'S expense, the premium thereon.

At all times during the Term of this Agreement, CONSULTANT shall maintain on file with CITY's Risk Manager a certificate or certificates of insurance showing that the aforesaid policies are in effect in the required amounts and naming CITY, its officers, agents, employees and volunteers as an additional insured. CONSULTANT shall, prior to commencement of work under this Agreement, file with CITY's Risk Manager such certificate(s).

CONSULTANT shall provide proof that policies of insurance required herein expiring during the Term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Such proof will be furnished at least two (2) weeks prior to the expiration of the coverages.

The general liability and automobile policies of insurance required by this Agreement shall contain an endorsement naming CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers as additional insureds. All of the policies required under this Agreement shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty (30) days' prior written notice to CITY. CONSULTANT agrees to require its insurer to modify the certificates of insurance to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions.

Except for professional liability and workers' compensation policies, the policies herein are primary and non-contributing with any insurance that may be carried by CITY. Any insurance or

self-insurance maintained by CITY, its officers, employees, agents or volunteers, shall be in excess of CONSULTANT's insurance and shall not contribute with it.

All insurance coverage provided pursuant to this Agreement shall not prohibit CONSULTANT, and CONSULTANT's employees, agents or subcontractors, from waiving the right of subrogation prior to a loss. CONSULTANT hereby waives all rights of subrogation against CITY. Consultant agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not CITY has received a waiver if subrogation endorsement from the insurer.

Coverage not affected. Any failure to comply with the reporting provisions of the policies contemplated herein, shall not affect coverage provided to CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers.

Coverage applies separately. CONSULTANT's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

Any deductibles or self-insured retentions must be declared to and approved by CITY. At the option of CITY, CONSULTANT shall either reduce or eliminate the deductibles or self-insured retentions with respect to CITY, or CONSULTANT shall procure a bond guaranteeing payment of losses and expenses.

Procurement of insurance by CONSULTANT shall not be construed as a limitation of CONSULTANT's liability or as fall performance of CONSULTANT's duties to indemnify, hold harmless and defend under Section 9 of this Agreement.

CITY, its officers and employees shall not be responsible for any claims in law or in equity occasioned by failure of CONSULTANT to comply with this section.

SECTION 15. SUBCONTRACT, ASSIGNMENT OR DELEGATION.

CONSULTANT shall not subcontract, delegate or assign its duties or rights hereunder, either in whole or in part, without the prior written consent of CITY. Any proposed subcontract, delegation, or assignment shall provide a description of the services to be covered, identification of the proposed sub-contractor, delegee, or assignee, and an explanation of why and how the same was selected, including the degree of competition involved.

Any subcontract, delegation or assignment shall be made in the name of CONSULTANT and shall not bind or purport to bind CITY and shall not release CONSULTANT from any obligations under this Agreement including, but not limited to, the duty to properly supervise and coordinate the work of employees, assignees, delegees or sub-contractors. No such subcontract, delegation or assignment shall result in any increase in the amount of total compensation payable to CONSULTANT under the Agreement.

SECTION 16. NO WAIVER.

Waiver by any party hereto of any term, condition or covenant of this Agreement shall not constitute the waiver of any other term, condition or covenant hereof.

SECTION 17. DISPUTE RESOLUTION; GOVERNING LAW.

Disputes regarding the interpretation or application of any provision(s) of this Agreement shall, to the extent reasonably feasible, be resolved through good faith negotiations between the Parties. If any action at law or in equity is brought to enforce this Agreement or because of alleged dispute, breach, default or misrepresentation in connection with the provisions of this Agreement, the prevailing party in such action shall be entitled to reasonable attorney's fees, expert fees, costs and necessary disbursements incurred in that action or proceeding, in addition to such other relief as may be sought and awarded. The venue for any litigation shall be County of Los Angeles, California. The Parties agree that the covenants contained in this Article shall survive the expiration or termination of this Agreement.

SECTION 18. ATTORNEY'S FEES AND COSTS.

If litigation is reasonably required to enforce or interpret the provisions of this Agreement, the prevailing party in such litigation shall be entitled to an award of reasonable attorney's fees and costs in addition to any other relief to which it may be entitled.

SECTION 19. WARRANTIES.

Each of the parties represents and warrants to one another as follows:

A. It has received independent legal advice from its attorneys with respect to the advisability of entering into and executing this Agreement;

B. In executing this Agreement, it has carefully read this Agreement, knows the contents thereof, and has relied solely on the statements expressly set forth herein and has placed no reliance whatsoever on any statement, representation, or promise of any other party, or any other person or entity, not expressly set forth herein, nor upon the failure of any other party or any other person or entity to make any statement, representation or disclosure of *any* matter whatsoever; and

C. It is agreed that each party has the full right and authority to enter into this Agreement, and that the person executing this Agreement on behalf of either party has the full right and authority to fully commit and bind such party to the provisions of this Agreement.

SECTION 20. MISCELLANEOUS.

A. The descriptive paragraph headings of this Agreement are included for purposes of convenience only and shall not control or affect the construction of interpretation of any of its provisions.

B. Whenever the context hereof shall so require, the singular shall include the plural, the male gender shall include the female gender, and the neuter and vice versa.

C. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provisions had never been contained herein.

D. The representations and warranties made by the parties to this Agreement shall survive the consummation of the transaction herein described.

E. This Agreement may be signed in any one or more counterparts all of which taken together shall be but one and the same Agreement. Any signed copy of this Agreement or of any other document or agreement referred to herein, or copy or counterpart thereof, delivered by facsimile transmission, shall for all purposes be treated as if it were delivered containing an original manual signature of the party whose signature appears in the facsimile and shall be binding upon such party in the same manner as though an originally signed copy had been delivered.

F. Each of the parties acknowledges that it has been represented by independent counsel of its own choosing, or if it has not been so represented, it has been admonished to obtain independent counsel and has freely and voluntarily waived and relinquished the right to counsel. Each party who has not obtained independent counsel acknowledges that the failure to have independent legal counsel will not excuse such party's failure to perform under this Agreement or any agreement referred to in this Agreement.

G. To the extent of a conflict between the terms of this Agreement and those set forth in any exhibits or attachments hereto, the terms of this Agreement shall govern.

SECTION 21. NOTICE.

All notices, demands, requests or approvals to be given under this Agreement shall be given in writing and conclusively shall be deemed served when delivered personally or on the second business day after the deposit thereof in the United States mail, postage prepaid, registered or certified, addressed as hereinafter provided. All notices, demands, requests, or approvals hereunder shall be given to the following addresses or such other addresses as the Parties may designate by written notice:

CITY ADMINISTRATOR
City of Montebello
1600 West Beverly Boulevard
Montebello, California 90640

CONSULTANT
_____
_____
_____
_____

SECTION 22. NON-DISCRIMINATION AND EQUAL OPPORTUNITY EMPLOYER.

In the performance of this Agreement, CONSULTANT shall not discriminate against any employee, sub-contractor, or applicant for employment because of race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, mental condition or sexual orientation. CONSULTANT will take affirmative action to ensure that sub-contractor and applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition or sexual orientation.

SECTION 23. CONFLICT OF INTEREST.

CONSULTANT and its officers, employees, associates and subconsultants, if any, shall comply with all California conflict of interest statutes applicable to Consultant's Services under this Agreement, including, but not limited to, the Political Reform Act (Gov. Code, § 81000 et seq.) and Government Code Section 1090. CONSULTANT further covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which may be affected by the services to be performed by CONSULTANT under this Agreement, or which would conflict in any manner with the performance of its services hereunder. CONSULTANT further covenants that, in performance of this Agreement, no person having any such interest shall be employed by it. Furthermore, CONSULTANT shall avoid the appearance of having any interest that would conflict in any manner with the performance of its services pursuant to this Agreement.

CONSULTANT covenants not to give or receive any compensation, monetary or otherwise, to or from the ultimate vendor(s) of services to CITY as a result of the performance of this Agreement, or the services that may be procured by CITY as a result of the recommendations made by CONSULTANT. CONSULTANT's covenant under this section shall survive the termination of this Agreement.

SECTION 24. ENTIRE AGREEMENT.

This Agreement contains the entire understanding between CITY and CONSULTANT. Any prior agreements, promises, negotiations or representations not expressly set forth herein are of no force or effect. Subsequent modifications to this Agreement shall be effective only if in writing and signed by each party. If any term, condition or covenant of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this Agreement shall be valid and binding.

CITY OF MONTEBELLO	**CONSULTANT**
_____	_____
Rene Bobadilla City Manager	Name and Title
Dated:_____	Dated: _____

ATTEST:

_____
Christopher Jimenez
City Clerk

APPROVED AS TO FORM

_____
Arnold M. Alvarez-Glasman
City Attorney

Exhibit "A"
Scope of Services

Exhibit “B”
Schedule of Performance

Exhibit “C”
Schedule of Compensation

Exhibit “B”

Granicus Proposal Response

GRANICUS

Empowering Modern Digital Government

Montebello, CA

Website Development Services

Danny Elmore
SMG Account Executive
971-708-5500/ 310.656.3103 fax
Danny.elmore@granicus.com

Granicus
1999 Broadway, Suite 3600
Denver, CO 80202
www.granicus.com
Date: January 25, 2021

Dear Selection Committee Members,

Thank you for the opportunity to submit a proposal for the upgrade of City of Montebello's (City) website. Based on the thoroughness of your RFP, we feel our comprehensive ***full custom*** offering will enable you to transform your web presence into a true "Digital City Hall."

Granicus is uniquely positioned to help you serve, engage and reach – residents, visitors and businesses in the city. Here is how we can help you:

- **Serve.** Like most government organizations, you are looking to bring more services online. We'll help you transform your website into a true service portal. We'll start by identifying the top tasks users perform on your website – like paying a ticket – and make it easy for visitors to find and complete those tasks.
- **Engage.** Connect with your citizens in a whole new way. With Granicus govAccess you can gather input on important issues, conduct polls, and aggregate and analyze data to inform public policy.
- **Reach.** Extend the reach of your website with Granicus govDelivery. Send targeted campaigns to our network of more than 220M subscribers nationally.
- **Protect.** Keep critical data safe by working with a vendor serving federal agencies that require the highest levels of security. At a time when ransomware attacks are growing in local government, you can never be too careful. We are here to help!
- **Mobilize.** With nearly 50 percent of traffic to local government websites coming from a mobile device, responsive design is no longer enough. Granicus offers the tools to truly optimize the mobile experience for your users.

We see tremendous potential for your website and would welcome the opportunity to help you achieve it. I look forward to talking with you soon about what's next for city of Montebello.

Respectfully submitted,



Danny Elmore
SMG Account Executive

**Because much of our proposal contains proprietary trade secrets that could substantially harm Granicus financially if revealed, we ask the City to allow us to redact this document prior to fulfilling any public records request per 5 U.S.C. §552(b)(4) and O.C.G.A. §50-18-72.*

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GRANICUS

Section 1

Executive Summary

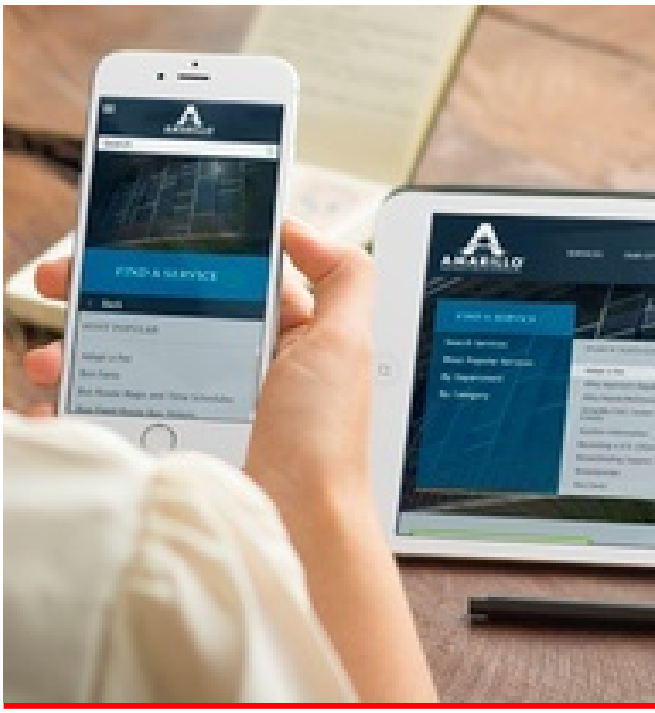
Executive Summary

Better Serve Your Citizens

Your citizens approach their digital interactions with government in the same manner they do elsewhere on the web – as customers. Whether they are looking for information on a consumer website or a government website, they expect to find clear and understandable answers to their questions, quickly, in plain language they understand, at any time of day and via the device of their choice. Increasingly, that device is a mobile one, which requires additional thought to ensure this emerging group of site visitors can easily navigate your site.

The Granicus Experience

Granicus has partnered with more than 800 leading local government agencies to design, develop and host their websites. Through these partnerships we continuously evolve our processes and technology to put our government clients at the forefront of innovation in digital government. Everything we do contributes to our mission to help YOU create **a superior digital customer experience** including:



"I've never worked with a vendor that has been more invested in our success."

Robert Rasmussen
Assistant IT Director
Amarillo, TX

A citizens-focused project approach that starts with research into how your website visitors want to engage with you and what services and information is most important to them. We'll also interview internal stakeholder to understand your goals. This research informs the design, content structure and development of your website – ultimately helping you deliver a superior digital CX.

Ongoing support and continuous improvement that helps ensure your website evolves with customer expectations. The Granicus team conducts an annual analysis of your website using proprietary data and makes recommendations to improve your customer experience leveraging our flexible CMS. You'll also benefit from a guaranteed free redesign.

A CMS that powers superior digital citizen experiences. After we hand over your new website, our CMS solution is there to help you carry on the superior digital citizen experience mission. The casual user can easily update the website with fresh content and visuals, while the power user can monitor, manage, analyze and optimize the website over time.

GRANICUS

Montebello, CA

The first goal with any website redesign is to understand your community and what visitors to your website are looking for from a digital experience with their local government.

Census data helps us start to understand your unique community and the additional content, services or focus areas to consider outside of the norm.

	Montebello, CA	US
Population Growth	-.9%	6.3%
Population	61,954	
Under 5 yrs old	6.0%	6.0%
65 and over	14.8%	16.5%
25+ Bachelor's degree or higher	19.8%	31.5%
Disabled under 65	7.7%	8.6%
Living in poverty	13.9%	10.5%
Speak language other than English at home	73.6%	21.5%
Persons under 65 without health insurance	12.7%	9.5%
Mean Travel Time to Work	33.4 mins	26.6 mins

FOCUS AREA

- **Negative Population Growth –** Montebello is a thriving community with downtown revitalization efforts attracting residents and businesses. The city's new website should reflect the vibrant community and all it has to offer through imagery and spotlight copy.
- **Residents living in poverty –** Your populations has more residents living in poverty than the national average. These visitors are usually unable to qualify for a reliable Internet connection and are likely accessing your site from a cell phone.







GRANICUS

Project Vision

The desire is to update the government website by improving the information architecture (IA), the user experience (UX), simplify content discoverability, and an improved navigation architecture, especially in the mobile platform.

Your Goals

Improve user experience

Simplify discoverability

Improve accessibility

Common Pitfalls

User experience (UX) is not enough. Many communities fall into the trap of department-centric web design that optimize disjointed user experiences rather than a holistic customer experience (CX).

A cookie-cutter approach to citizen services. Your community's needs are unique and not easily comparable even to those of communities of the same size. Many communities inadvertently bury the services most important to their citizens by simply porting over their existing content.

A set-it-and-forget-it approach to accessibility. Accessibility standards are changing constantly and today's most accessibly website design may no longer protect you from legal action tomorrow.

What You Might Be Missing

Many existing government websites rank below other very similar community websites in its level of security. That vulnerable situation opens the government organization up to potential risk events that the security requirements stated in the RFP may not be able to address.

The cost of integrating current communication and agenda stacks across disparate vendors significantly increases the Total Cost of Ownership of a new site. The current RFP does not do enough to address the significant internal costs of using disparate solutions on a day-to-day basis.

GRANICUS

The Cost of Not Getting it Right

31%

Organizations

have experienced cyber attacks on operational technology infrastructure

43%

Costs of Info Loss

making it the most expensive component of cyber attacks

141

Dollars Per Person

average cost per lost or stolen records – or **$40 million** cost of breach involving 1 million records

2,000

Lawsuits

were filed in 2018 alone alleging website accessibility issues for the disabled – a **177% increase** against 2017

66%

IT Projects

FAIL outright or take much longer to install due to excess complexity

$200

Per Day in Customer Calls

spent due to poorly deigned customer experiences for cities larger in size

GRANICUS

The Cost of Not Getting it Right

"I have to sort through long menus featuring one city department after another just to find for the service I'm looking for… I might as well just call and talk to a real person."

- Citizen

"I changed to a more sophisticated eReader and now I can't engage with my city as easily as I used to!"

- Citizen

"I spend most of my day switching from one system to another, duplicating my work because our communications stack is patched together! And when something breaks it's nearly impossible to pinpoint whose responsibility it is to fix it!"

- City Official

"We've spent a lot of time and energy making our website accessible, but it feels like every time we make an improvement to our content we have to go back to the drawing board when it comes to ADA."

- City Official

GRANICUS

Section 2

Description

Project Development Approach

Over the last 20-plus years, Granicus has created hundreds of award-winning local government websites. We'll bring this expertise to your project, while also working to meet and exceed your unique goals. Here are a few things you can expect from your partnership with Granicus.

Your Goals

A digital city hall experience that promotes self-service across all departments.

Encourage civic participation.

A citizen-centric design, release early, iterate often.

Data-driven approach to the website redesign.

A unified web presence with apps used by the city seamlessly integrated.

The Granicus Difference

Granicus believes your website should truly serve citizens, making it easy to find and complete common tasks, like paying a ticket. Our data-driven approach will help us identify top services and tasks so we can optimize the online customer journey.

Connect with your citizens in a whole new way. With Granicus govAccess you can gather input on important issues, conduct polls, and aggregate and analyze data. You may also want to consider govDelivery, enabling you to publish content to our network of 220M people.

With our public beta site offering we can launch early, gather feedback and iterate to ensure we deliver a website that truly meets the needs of your citizens.

Our process takes the guesswork out of your website redesign by basing key project decisions on the data we collect about your website, not on opinions. As a result, your team will be informed and aligned.

Extend the impact of your website with the Granicus platform – publish content to our network of 220M+ citizens, simplify agenda creation, stream meetings to video, and much more. You can also chose from an extensive list of pre-built integrations with best-in-class apps like Laserfiche, NeoGov, Esri, Siteimprove, Twitter, Facebook and more.

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Timeline + Development Plan

Over the last 20-plus years, we've developed thousands of websites for some of the most progressive local government agencies. Lessons learned from this experience have helped us refine our process in order to deliver consistent, superior results. Here's what you can expect.

1 Research	**GOAL** Conduct analysis to understand how your website is used.
2 Design	**GOAL** Develop a website that reflects your community and brand and delivers superior digital customer experience.
3 Site Development	**GOAL** Refine the website's content and implement Granicus govAccess.
4 Launch	**GOAL** Train your team and bring the new site live to the public.
5 Post Launch	**GOAL** Provide ongoing support and maintain a superior digital customer experience.

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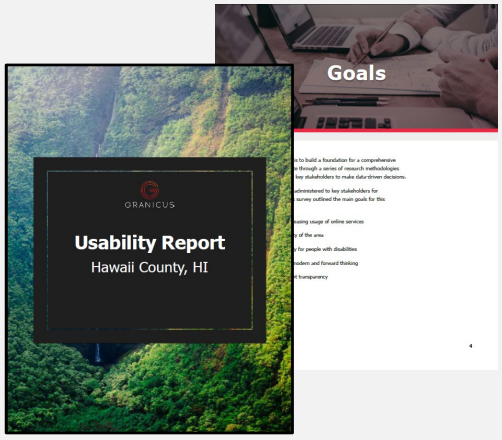
1 | Research

GOAL
Conduct analysis to understand how your website is used.

Deliverables
- Site Usability Report
- Custom Wireframe

Toolkits
- Project Kick-off Kit

Site Usability Report



Granicus' primary objective is to develop a website that makes it easy for people to get things done online. In order to achieve this mission, our process begins with an extensive focus on customer experience (CX), which gives us an understanding of your unique community and what they're looking to do on your website.

Comprehensive Analysis

We'll compile data in a variety of ways, including:

- **Heatmap Analysis:** Heat maps help us gain an understanding of how people are interacting with your content. The information gathered is helpful to us as we determine how to organize content and information to best attract users to your site.

- **Web Analytics:** We leverage data from Google Analytics to understand the most frequently visited pages, top referring sources, bounce rates, etc. This data supplements our heatmap analysis to inform recommendations for your website.

- **Community Survey:** A survey of your community will help us understand what kinds of tasks residents are most frequently looking to complete on the site. Having anecdotal feedback helps ensure we're on the right track.

- **Stakeholder Survey:** We also survey your internal stakeholders to gather information on the current goals and tasks of your website from an internal point of view.

- **Recorded User Testing:** Users will be recorded as they attempt to complete tasks on your website. This method has consistently uncovered valuable insight into how a website can be confusing to those who don't use it everyday.

Site Usability Report

Based on the results of our research, our NN/g Certified User Experience Specialist will compile a custom Usability Report, summarizing findings and recommendations. This document should be shared internally to provide alignment for key project decisions.

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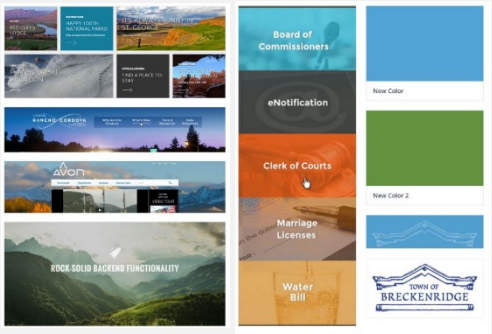
2 | Design

Our design phase is highly collaborative to ensure the unique identity of your organization is reflected in the site's look and feel. We balance aesthetics with usability, mobility and accessibility principles to ensure the final result is beautiful without compromising functionality.

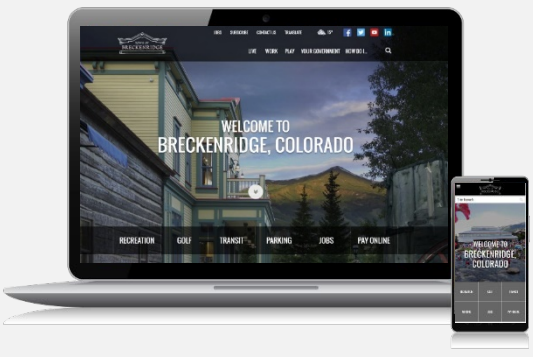
GOAL
Develop a site that reflects your community, brand and delivers superior customer experience.

Deliverables
- Mood Board
- Graphic Design Comp
- Mobile Comp
- Style Guide

Mood Board



Graphic Design Comps



Web Design Implementation

- **Design Meeting and Mood Board:** You'll begin the process by meeting with our graphic design team for a brainstorming session. During this time, we'll review your survey results and ask your team questions in order to better understand your desired aesthetic. The information will be compiled into a digital mood board that will summarize the overall style and direction for the design.

- **Mobile-First Design Methodology:** We think about mobile from the onset of the design process. We work with you to determine which common tasks and key content should be easily available for mobile users. The result will be a fully responsive design that can easily be modified by staff as priorities change.

- **Accessibility and Usability Check:** Our entire design team is versed in the latest WCAG 2.0 Accessibility requirements for color use and contrast on websites and will ensure your design adheres with the level of compliance you seek. Additionally, our designers work hand-in-hand with our NN/g certified User Experience Specialist to ensure the final design adheres to usability best practices.

- **Revisions and Finalization:** Using our advanced design collaboration software, you will be able to easily make comments and provide direction for your design revisions. We provide unlimited revisions and won't stop until your team is completely satisfied with the look and feel. The phase will complete with your sign-off on the final composition.

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3 Site Development

GOAL
Refine the site's content and implement the CMS.

Deliverables
- Sitemap Recommendations
- Online Consulting
- Migrated Content
- Program Website

Toolkits & Templates
- Work Plan Template
- Pre-Launch Preparation
- Content Migration Guide
- "How Do I..." Menu Guide

Great Content Should Enable a Customer Mission

"The writing for the web training was critical for helping our staff think about our customer and what they're trying to accomplish in every decision we make about content."

Abbot Chambers
City Librarian + Director of Comms
City of Sausalito

The site development phase has two major components: the actual technical programming of the website and finalization of content that will be added to your site. While our development team is busy, our content strategy experts will work with your staff to finalize the sitemap, and migrate and refine content.

Content Preparation and Migration

No one knows the city like the department heads in your organization, which is why at this phase we recommend active involvement from anyone who will be contributing to your website now and in the future. To ensure this process runs as smoothly as possible, your Granicus Project Manager will set your team lead up for success with all the tools needed to ensure your project stays on track.

- **Sitemap Consultation:** At this stage we will finalize the site map, consulting with you to make sure all navigation is organized and labeled in an effective manner to accomplish your goals.
- **Work Plan:** To help your team lead communicate project goals, deliverables, and deadlines, we provide a Work Plan Template. This template includes a project introduction, breakdown of individual project-related tasks and timeline for completion.
- **Communication Cadence:** Communication templates and a recommended cadence around tasks and deadlines, meetings and agendas are also provided. These tools not only ensure a smoother project, they will help your team lead establish credibility.
- **Writing for the Web Training:** Even the most visually stunning website will not be effective if information is difficult to find and understand. To help, we will conduct an online training workshop to introduce overall best practices for creating great, action-oriented content. Following the session, we'll provide resources to help reinforce the concepts learned with your content editors.
- **Content Migration:** We'll help begin the process of populating your new website with content by migrating 1,500 pages. Once the migration is complete, you'll be given access to the development website in order to review and refine the information.

4 | Launch

GOAL
Transfer to production environment, train your team and bring the new site live to the public.

Deliverables
- Staging Site
- CMS Training
- UAT Kick-Off Meeting

Toolkits
- User Setup Guide
- UAT Guide
- Launch Planning Guide

Launch Planning Guide



After extensive quality assurance testing, our developers will hand over the website to your team in a staging environment. This major milestone typically brings excitement and anxiety – with extensive activity and coordination needed across the organization before your site is ready to launch. To help, Granicus has perfected the process to ensure everything on your site functions as expected and internal signoff is complete before your site goes live.

Go Live Preparation

- **Granicus Quality Assurance Testing** - The Granicus team will conduct testing to identify broken links, accessibility violations and general issues. Any issues will be flagged for your team to check before the site goes live.

- **CMS Training** – While our team is conducting final QA testing, our trainers will work with your team to teach them about the new tools they will be able to leverage in the CMS. All users will go through Basic CMS Training, to fully prepare them to review, add and edit content. Your super users will gain a deeper understanding of specific departmental functionality and how to set up roles, permissions and workflow/approval cycles.

- **Staging Site** – Our technical team will transfer your new site to a production environment in Rackspace.

- **User Acceptance Testing (UAT)** - While our team has already conducted a quality assurance process against the approved design specifications and Granicus migrated content, you have the opportunity to conduct your own review during the User Acceptance Testing process.

- **Launch Planning Meeting** – Prior to your go-live date we will conduct a launch planning meeting to prepare your team and the Granicus team for pre- and post-launch configuration activities that can only occur once the site has gone live (Granicus Search & SSL set up, for example).

- **Final Signoff** - Once UAT has been completed and all stakeholders are comfortable, we'll flip the switch, and your new site will make its debut.

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5 | Post Launch

GOAL
Ensure your team is effectively supported and your website evolves as needed to maintain a superior digital customer experience.

Deliverables
- Ongoing technical support
- Guaranteed 99.9% uptime
- Annual CX consultation and recommendations



Guaranteed Redesign

Guaranteed redesign after your contract term.

Adapt your website to meet changing needs with our ongoing support, flexible CMS and a guaranteed redesign with no further out-of-pocket expense.

Unlimited Technical Support: Granicus provides comprehensive, unlimited technical support including:
- *On Demand Videos* – Step-by-step tutorial videos provide a quick overview of features and tools. These videos are particularly helpful for supplementing training, bringing new staff up to speed or providing refresher.
- *Live Chat* – Initiate a chat from anywhere in the CMS.

Dedicated Client Success Manager: In addition to technical support, you will also be assigned a dedicated Client Success Manager who will help you get the most out of your website long-term.

Annual Health Check: Your Client Success Manager will proactively reach out twice a year to perform a website health check and ensure you are getting the most of your Granicus experience.

Ongoing Training: Bring new staff members up to speed and stay current on the latest government website trends through free live training sessions and educational webinars. These sessions focus on CMS functionality, client best practices and general trends from the industry, such as transparency, accessibility and content strategy. Anyone from your organization that is interested may attend at no cost.

Regional Events and National Summit: Granicus offers a number of free in-person events throughout the year, bringing our clients together to collaborate and share best practices. Each event features educational sessions designed to help get the most out of your website. We are at our best when we're listening to our clients and these events provide a unique opportunity to learn and develop together.

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Your Role

The best outcomes come with collaboration – after all, no one knows your community like you do! While we will do as much of the heavy lifting as possible, to drive the optimal level of collaboration, we will need a few things from you along the way including:

1 | Research

- Identify web team
- Complete stakeholder survey – this helps us understand your goals, expectations, audience needs, etc.
- Provide access to Google analytics
- Sign-off on wireframe

2 | Design

- Share any existing brand guidelines
- Gather any photos + logos + video to be used in your website design
- Sign-off on mood board + design comps + style guide

3 | Site Development

- Supply list of all 3rd party apps used with website
- Sign-off on sitemap
- Collaborate with your PM to map current pages to new site map / identify redirects
- Attend writing for the web / accessibility training
- Edit existing content / create content for new pages (we offer additional content writing + editing services)

4 | Launch

- Attend CMS training
- Conduct User Acceptance Testing (UAT)
- Create marketing plan for website launch – we offer an optional website launch promo service if interested
- Final sign-off prior to go live

5 | Post Launch

- Setup metrics dashboard and measure results – top pages, traffic sources, etc. – optimize overtime
- Keep your content fresh
- Reach out to our support team with questions anytime
- Meet with your Granicus success manager for annual health checks

GRANICUS

CMS, Hosting, and Security

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The govAccess Content Management System

Our content management system, Granicus govAccess, is designed to help you deliver a superior digital customer experience to your community.

So, how do we deliver on this promise?

- **Ease of Use & Administrative Control** – Lock down user permissions while providing drag-and-drop simplicity to users where help is never more than a click away.
- **Mobile Management** – Offer a better experience to residents by analyzing mobile traffic before customizing the display on different screen sizes.
- **Digital Service Delivery**– Move more services online, go completely paperless, and ensure your community can easily find everything that you have to offer.
- **Interior Page Design** – Think past the homepage and create a plan for how you will optimize the complete end-to-end customer journey with flexible technology.
- **Federal-grade Security** – Follow the same hosting and security best practices as The White House, Social Security Administration, and Census Bureau.
- **Continuous Innovation**– Enjoy monthly release updates and help shape the product by joining our customer council, Labs, for prototypes, beta access and more.

Granicus technology serves more than 4,500 agencies across United States, Canada, and United Kingdom.

If you desire something not listed, then there is a very good chance we either still offer it or the requested functionality is on our near-term roadmap. Go ahead and connect with us; we are happy to answer any questions.

200 + Council Members



"I love working with Granicus because the CMS always evolves to meet the changing dynamics of local government. They never settle and always strive to deliver the best technology in the market."

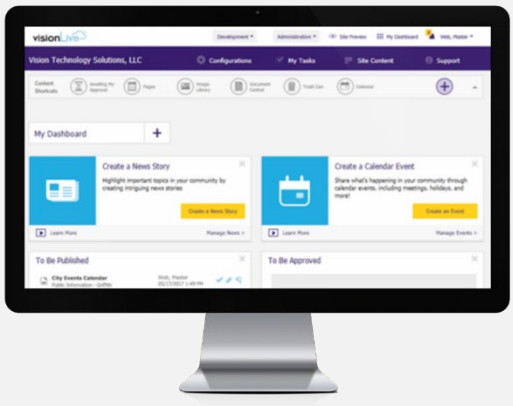
Anthony Wilson,
Public Information Officer
City of San Angelo, Texas

Labs

GRANICUS

Did you know?

60% of CMS users login less than twice per month.



With Granicus govAccess, the casual user can easily update the website with fresh content and visuals, while the power user can monitor, manage, analyze and optimize the website over time.

Easy Authoring and Administrative Control

At Granicus, we understand the complexities of managing the many departments and content editors contributing to your website. To give you time back in your day, we have simplified the experience for the casual user, while offering governance and administrative tools to ensure a consistent experience for website visitors.

Granicus govAccess is a CMS built for government. With our solution you will have everything you need to manage content, including, but not limited to:

- **Live Chat & Embedded Training** – Connect with our technical support team or teach yourself with self-service curriculums and training videos.
- **Wizard Interface –** Walk through a guided content creation process with helpful tips along the way in a single, intuitive workflow.
- **Drag-and-drop Simplicity –** Add content or customize your experience within seconds by configuring settings or leveraging inline editing mode.
- **Personal Dashboards** – Tailor your workspace with dashboard blocks including content quick-adds, content approvals, reporting, analytics and more.
- **Social Media Management** – Promote new content through multiple social accounts, customize and preview posts, and schedule a social campaign with a cadence of publish dates across channels.
- **Multi-channel Publishing** – Promote custom content directly to Facebook, Twitter, email messages, and the website with a single click of a button.
- **Subsite Management** – Consolidate sites into one single CMS instance to share user permissions, leverage common assets, and improve content transparency.

GRANICUS

Content Delivery Network (CDN) by Akamai

Millions of people visit a govAccess website each day and expectations of these site visitors continue to rise. A website re-design is the first step to deliver new rich, interactive content responsive on any device to meet this rising needs.

Be careful when choosing a website partner as this approach also runs the risk of delivering a heavier site, which can slow performance and ultimately hinder the user experience. In fact, 53% of people abandon a site that takes more than three seconds to load.

Granicus partners with Akamai to deliver a CDN comprised of the world's largest and most sophisticated network which includes more than 200,000 servers across 130 countries.

Our content delivery network (CDN) delivers the following benefits:

Instant Scalability for Traffic Spikes

A global network of more than 200,000 servers helps your site immediately scale resources to meet unexpected traffic peaks.

100% Availability

A self-healing and highly resilient platform with Site Failover powered by the Akamai CDN keeps your site available to the public – even if the primary data center servers go down.

Faster Page Load Times

Dynamic caching, TCP optimization, and HTTP/2 support combine with SureRoute technology to find the optimal network route to improve your site performance.

Increased Security with SSL

All govAccess websites configured with the CDN come standard with SSL protection to deliver secure content and help prevent data theft free of charge.

(technical specifications available upon request)

Did you know?

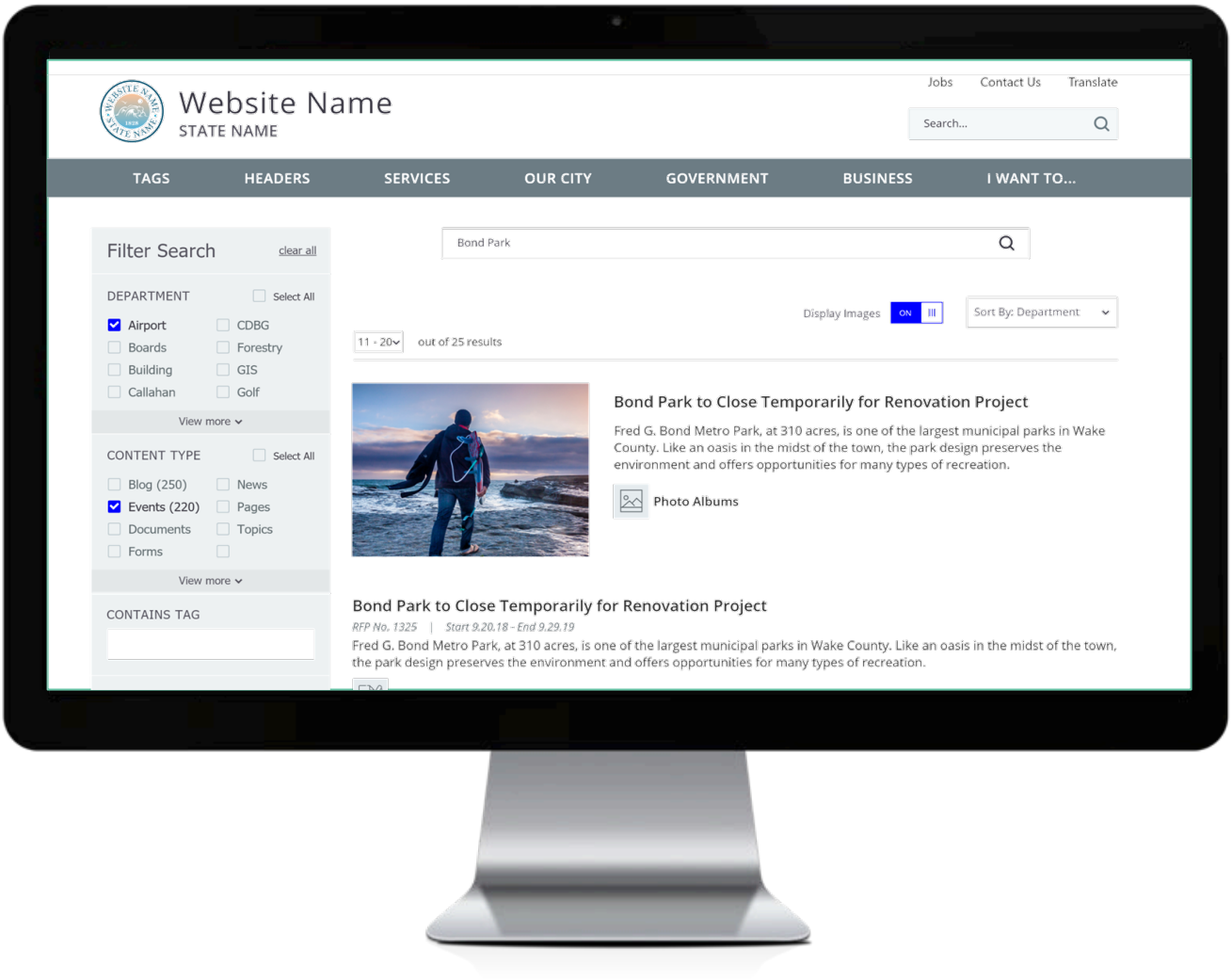
53%

Of people abandon a site that takes more than three seconds to load.

Akamai

GRANICUS

Intelligent Site Search Built for Government



Included New Features

- ✓ **Predictive Intelligence to Save Time -** Autocomplete displays suggested results as visitors type a query to preview upcoming search results to eliminate duplicate attempts with different terms
- ✓ **Knowledge Cards to Increase Usability -** Search results associated with a specific content type are uniquely designed to enhance the user experience and delight the site visitor
- ✓ **Smart Filters to Refine & Isolate Results -** Faceted search allows site visitors can quickly locate content based on specific attributes like content type, meta data, or Boolean logic
- ✓ **Real-time Indexing for Immediate Updates -** Push all published content via API to the central search repository so visitors can instantly find *up-to-date* content regardless of time of day
- ✓ **Synonyms to Increase Search Relevancy -** Link similar terms together such as trash, waste, rubbish, and garbage to ensure site visitors find the *right* content regardless of vernacular

GRANICUS

Mobile Management for A Modern World

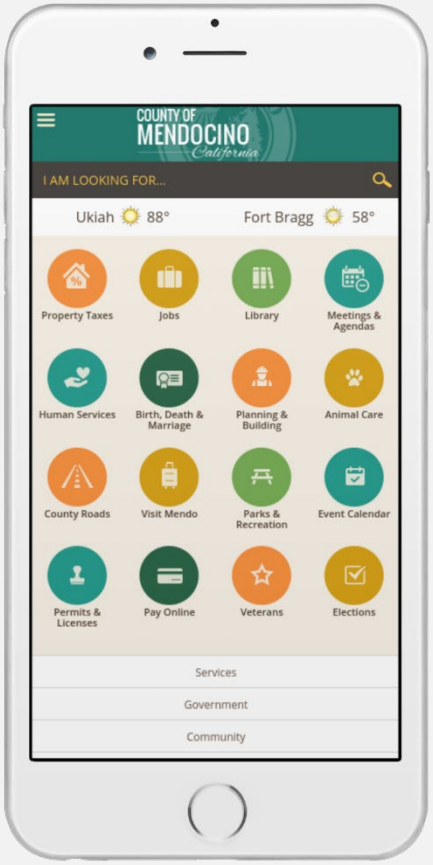
Mobile responsive design is no longer a luxury; it is a requirement.

With Granicus, you'll benefit from progressive mobile web design and a CMS solution that ensures your focus on creating a mobile-first experiences does not stop at your launch date. Granicus govAccess delivers all the necessary tools required for an increasingly mobile world.

- **Responsive Design** – Deliver responsive websites across any device at any time out-of-the-box. This means it will look great on a desktop monitor, a tablet such as an iPad, or any number of mobile devices – small or large.
- **Analytics and Reports** – Review data supplied by Google right on your personalized dashboard. Track most visited mobile pages to better understand where you can begin to start optimizing mobile content.
- **Mobile Designer** – Optimize content for site visitors visiting from a mobile device; reorder or hide specific content for complete control over the experience..
- **App-like Mobile Homepages** – Include an app-like experience in your project at no additional cost to you. Streamline the resident experience on mobile devices with our intuitive app-like mobile-specific homepages.
- **Native Mobile Apps –** Offer super tech savvy citizens the ability to download a 100% native mobile app – no fake apps with HTML wrappers – to further transform your organization. *(inquire for pricing)*

Did you know?

Approximately 49% of traffic to a government website comes from a mobile device!



Top tasks change by device type.

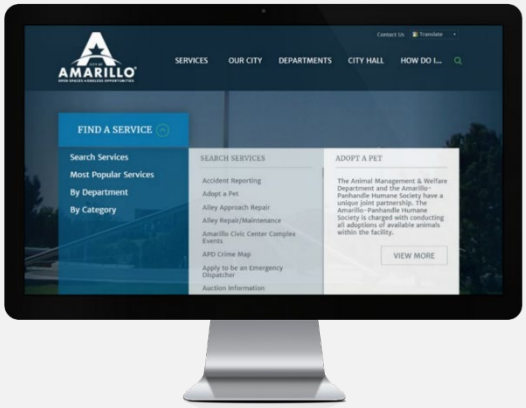
More complex tasks like applying for a building permit are done on a desk top, whereas looking up quick info about parks and rec or paying a parking ticket are more often done from a mobile device.

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Example Sites

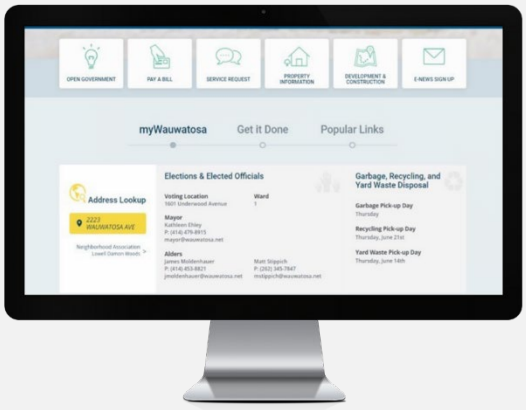
Service Finder

www.Amarillo.gov



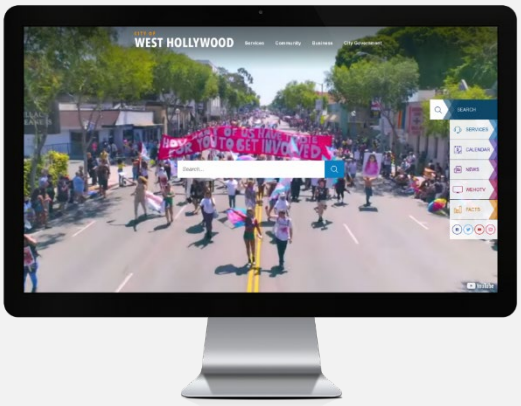
Geo Finder

www.Wauwatosa.net



Video + Image Background

www.WeHo.org



Digital Service Delivery for Every Audience

Visitors to your website are most often looking to accomplish a specific task – paying a parking ticket or learning about important information.

A Granicus website helps you inform, serve, and engage residents while personalizing content to meet the unique needs of your audience.

- **Service Finder** – Stop fighting over homepage real estate. You can now organize *all* available services and streamline the experience for your residents.
- **Geo Finders** – Associate content like trash pick-up days, polling locations, or elected officials with geo-spatial information such as a resident's home address.
- **Specialty Homepages** – Swap the main homepage in seconds to an alternative homepage to address emergencies, election night, large events and more.
- **Form Transactions** – Go paperless by offering 100% digital forms fully integrated with digital signatures and multiple payment gateways.
- **Form Library –** Share best practice forms from more than 4,500 government clients ranging from small cities to larger Federal agencies.
- **Data Visualizations** – Bring transparency to the forefront by showcasing demographic information or financial reports through animated banner displays.
- **Video + Image Background** – Delight site visitors by showcasing your community with beautiful imagery and engaging videos; switch modes with ease.

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Serve Residents Beyond the Homepage

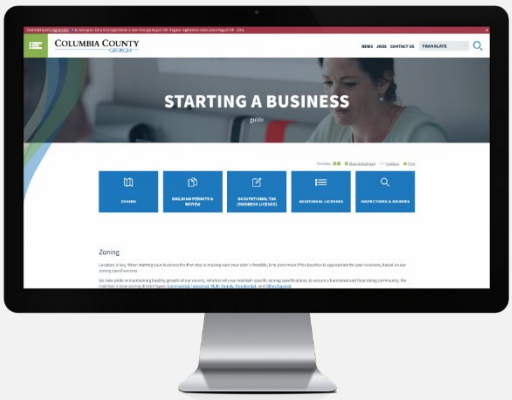
Did you know that 65% of your website traffic lands directly on an interior page. This is why it is so important to consider the full customer journey.

At Granicus, we deliver modern designs, intuitive tools and 3rd party integrations to help you achieve your organization's mission and achieve a bigger impact all from one comprehensive CMS.

- **20+ Components** – Enjoy our extensive library of flexible components such as News, Calendar, Image Library, Document Central and more. These components allow you to put a custom touch on any interior page.
- **75+ Modules** – Leverage the page designer and many dynamic modules with setting configurations to address unlimited use cases.
- **Mega Menu Designer** – Organize static content for site visitors to easily locate pages or display dynamic content such as events and job postings.
- **Flexible Search** – Promote pages, create search synonyms, categorize content, and integrate results across multiple products like Laserfiche and Granicus.
- **Department Branding** – Stand out from other departments and maintain your department identify to serve your unique audience.
- **3rd Party and Pre-built Integrations** – Extend your CMS with integrations like Siteimprove, PageFreezer, Facebook, Twitter, Google Analytics, and more.
- **Event Registration & Facility Reservation** – Collect more revenue by managing online registrations and reservations with integrated online payments.

Did you know?

65% of your website traffic lands directly on an interior page.



www.columbiacountyga.gov

Columbia County took a unique approach to interior pages creating guides like "Starting a Business"

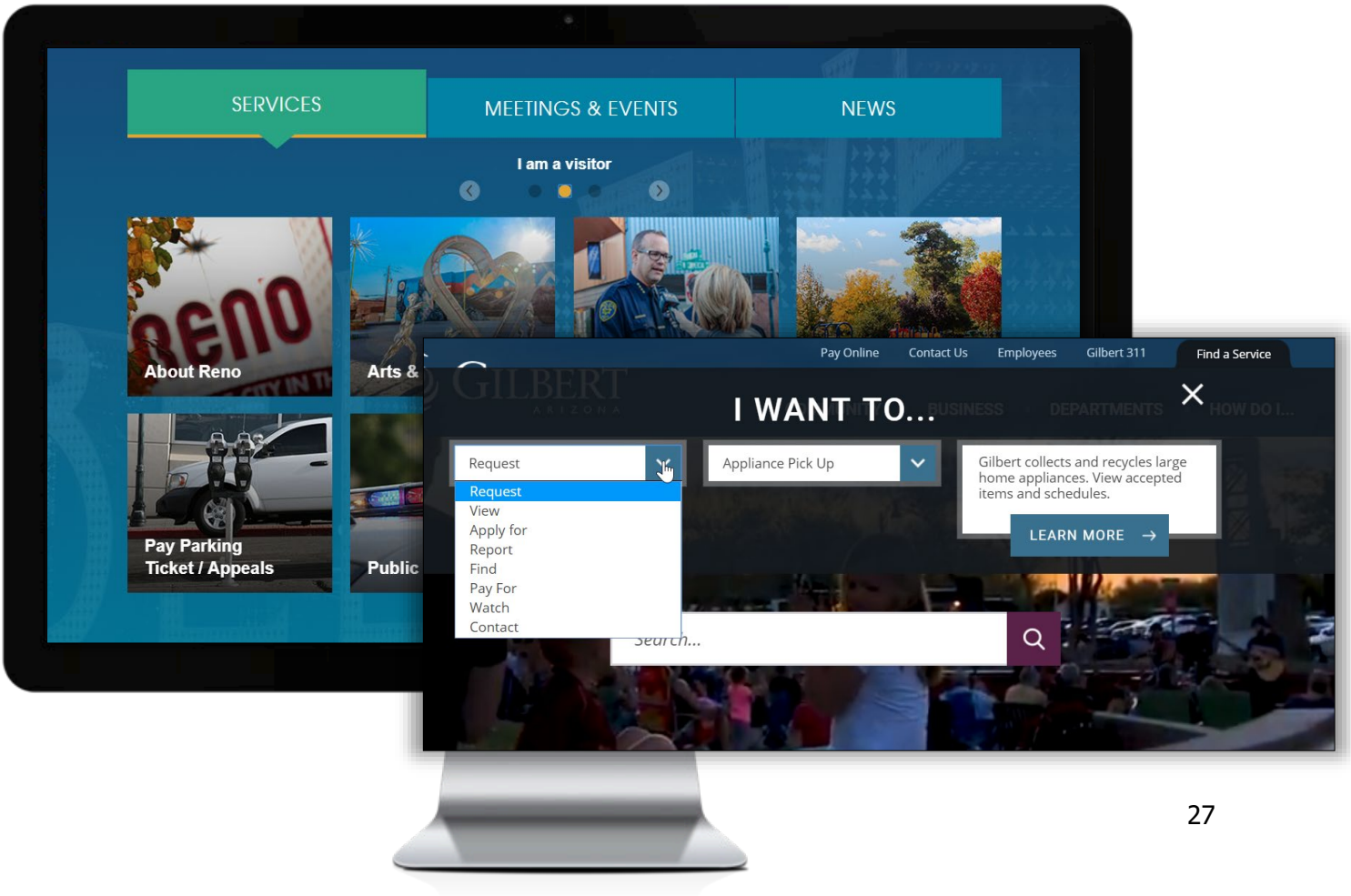
"When the time came to completely update and transform our website, it was refreshing to find a partner like Granicus that could innovate alongside us."

Scott D. Johnson
County Administrator
Columbia County, GA

Better Connect Montebello Residents to Government Services

Choice of various "Service Finders" include:

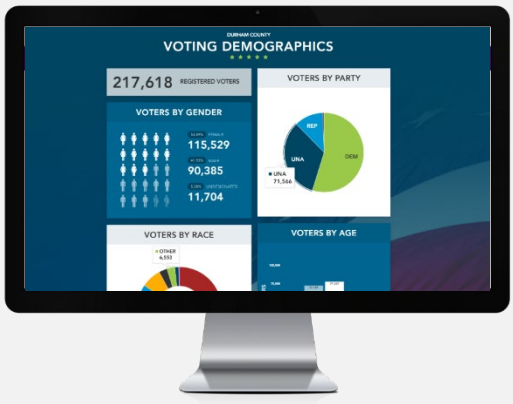
- ✓ **Persona-driven –** Organize services by common personas such as residents, visitors, or businesses to quickly deliver information to your community.
- ✓ **Dynamic Filter –** Organize services by department, category, or most frequency; support search functions as well. This option works great for larger organizations.
- ✓ **Dynamic Filter w/Overlay –** Ensure services are easily findable from any page. This style exists as part of your main navigation so services are never more than one-click away.
- ✓ **"I Want to …" –** Organize services in plain language and guide your site visitors step-by-step through the relevant service discovery process. This option works great for smaller organizations with fewer online services.
- ✓ **"I Want to …" w/Overlay -** Ensure services are easily findable from any page. This style exists as part of your main navigation so services are never more than one-click away.



GRANICUS

Did you know?

60% of CMS users login less than twice per month.



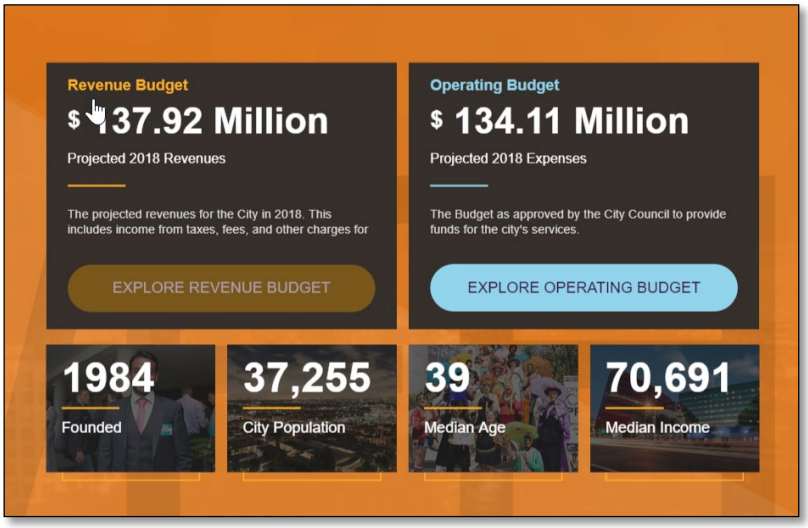
With Granicus govAccess, the casual user can easily update the website with fresh content and visuals, while the power user can monitor, manage, analyze and optimize the website over time.

Open Government in a Modern World

Your site visitors come to the website with a task or mission in mind. In today's age, many people are seeking to better understand how an organization is performing or where money is spent. Turn the website into a self-service portal today.

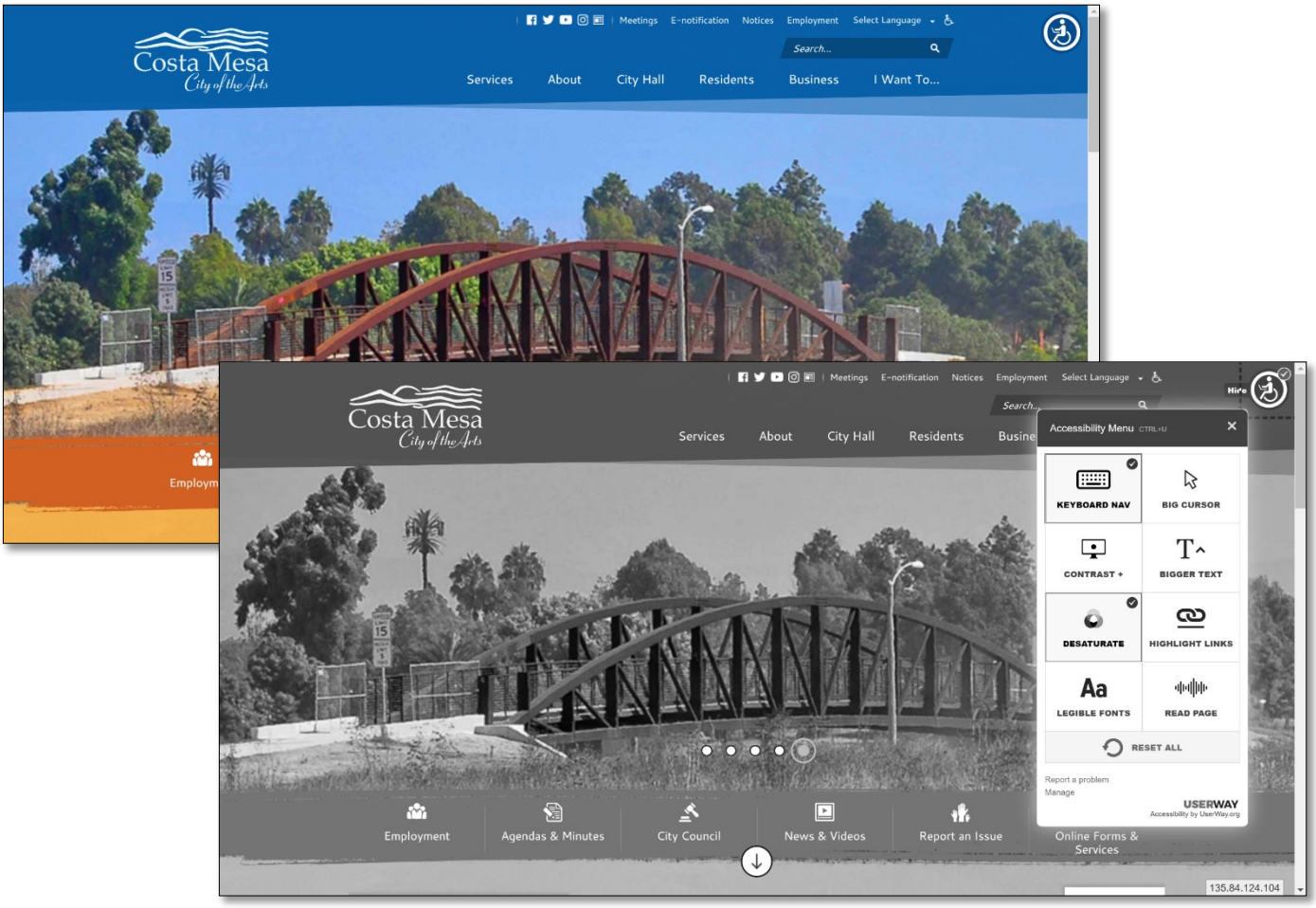
A few use cases to consider include;

- **Eliminate FOIA requests** – Save money by showcasing things like revenue and operating budgets or other spending reports.
- **Promote economic growth –** Share a preview of the community with demographic information, investment in new businesses or historical growth rates.
- **Highlight department success** – Display how many potholes you filled or report on the number of incidents solved by public safety
- **Integrate 3rd party solutions** – Embed data visuals from other existing systems such as Socrata, ClearGov, Junar, OpenGov and others.



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UserWay Integration to Improve Accessibility



INCLUDED FEATURES:

Desaturation (seen above) – Site visitors coming to your site may have a visual impairment. Great government websites offer an easy way turn an entire page greyscale.

Contrast View and Highlighted Links – Similar to saturation effects, other visitors will varying visual impairments which are influenced and corrected with multiple contrasting views.

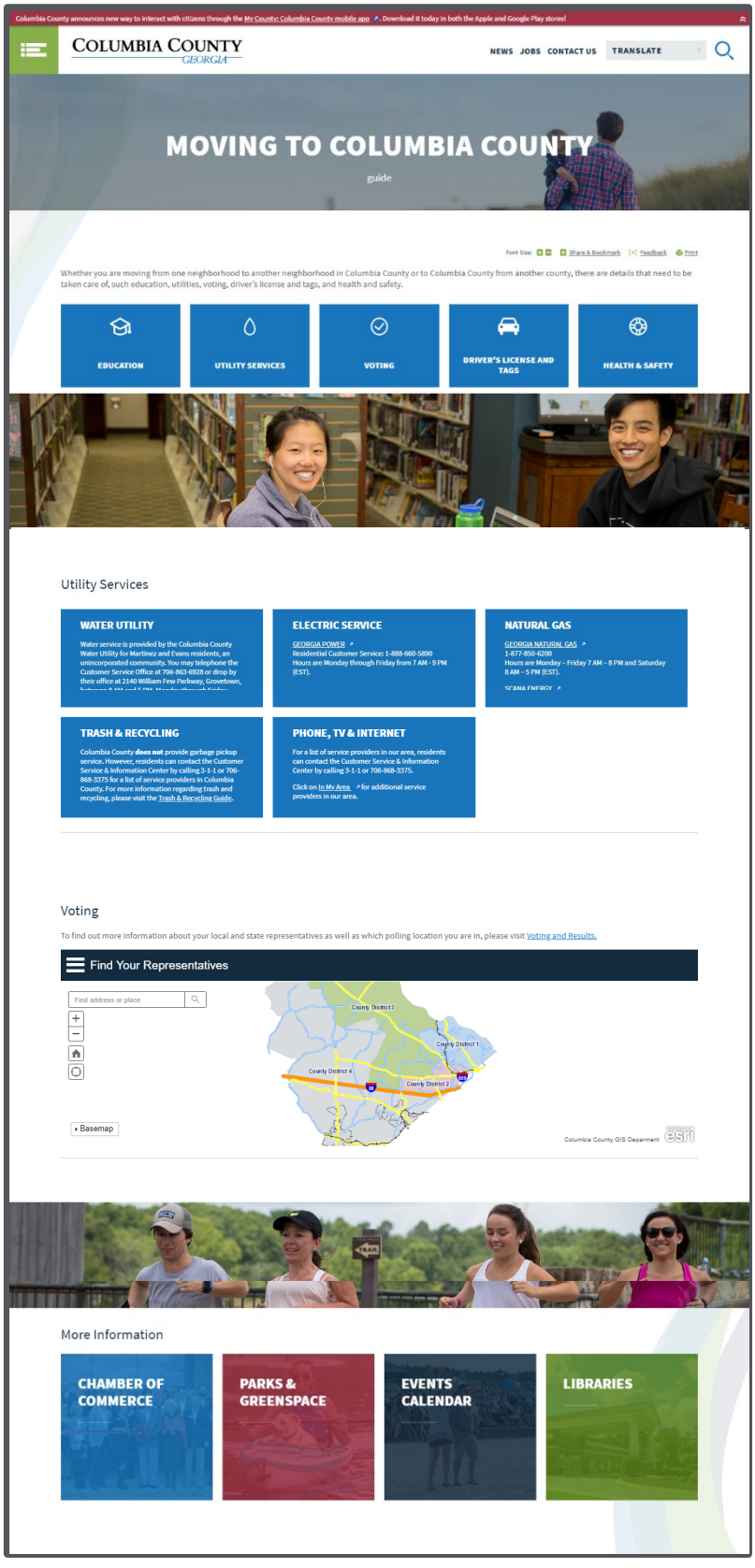
Built-in Screen Reader – The average reading level is 8th grade. Other site visitors might not read at all. You can improve accessibility by including a default screen reader on your site.

Legible Fonts – Stylistic designs may win awards, but they exclude some of the people you serve. Government sites are required to allow a way for automatically changing this font-style.

Enlarged Cursor and Text – Increase the size of both the mouse cursor and text on the screen to make it easier to see content and possible actions on your site.

GRANICUS

Optimize Your Interior Pages for Customers



Did you know?

65%

of your website traffic lands directly on an INTERIOR page.

Things to Consider:

What makes a great journey? Content strategy best practices state the following necessities

1. Logically grouped content
2. Clear call-to-actions
3. Mobile responsiveness
4. Applied Information architecture

www.columbiacountyga.gov

"When the time came to completely update and transform our website, it was refreshing to find a partner like Granicus that could innovate alongside us."

Scott D. Johnson
County Administrator
Columbia County, GA

GRANICUS

Emergency Homepage

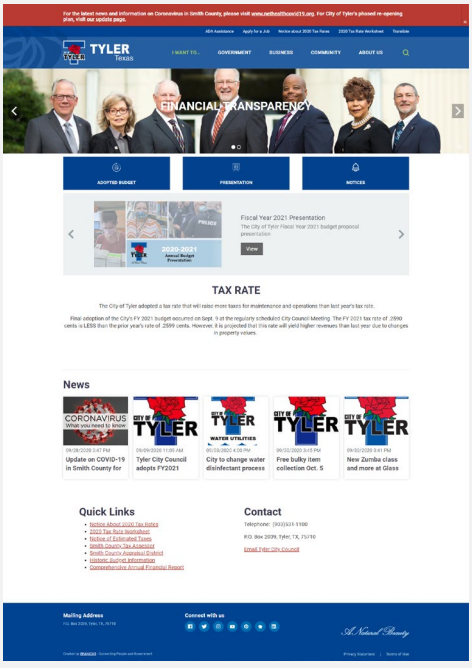
Our design team will create custom landing pages for different use cases:

- Department overview
- Emergency information
- Election night
- Special events
- And more

These landing pages are 100% configurable, allowing CMS users to:

- Swap images
- Change settings
- Choose # of buttons
- Edit addresses
- Manage social media links
- And more

See ***Tyler, TX's Emergency Homepage for Financial Transparency***

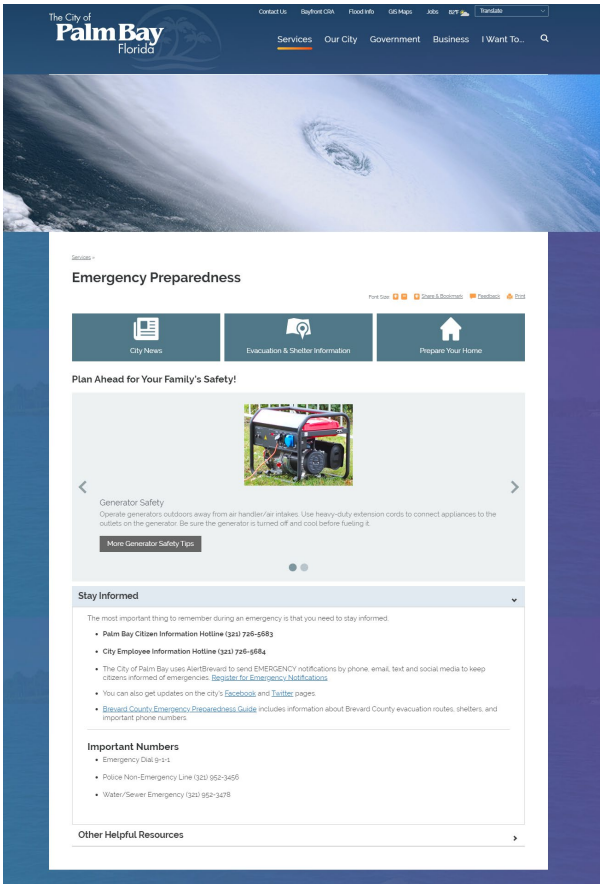


Alternative Homepages in Time of Need

Take emergency alerting one step further - emergency happen fast and banners are often overlooked. Content editors do not have time to write content – let alone design a usable page communicating key information.

The govAccess eCMS allows you to prebuild landing pages. Once built a simple setting allows you to immediately ***change your homepage*** in a matter of seconds.

The most common use case seen by Granicus include preparing for an emergency, but you can easily create similar pages for election night, large events such as a festival, or even swap it out each season.



Proposed Technology

Feature List

Everything a Government CMS Requires to Succeed

Granicus has served government clients for more than 20 years, developing our CMS to meet the unique needs of these agencies. Decentralized authorship across many different departments leads to ranges in skill levels and requirements around approvals. Our government CMS solution delivers everything you need and more.

Embedded Training & Support

- Quick links (button designer)
- Inline (live) editing
- Live chat support
- LMS curriculum & help articles
- Tool tips and instructional text
- Video training materials
- WYSIWYG or HTML editing
- Wizard interfaces
- Custom dashboards
- Custom quick links
- "My Favorite" pages
- User account settings

Webmaster Tools

- Mega menu designer
- Mobile editor (Mobile Designer)
- Custom Content
- Custom Fields
- Google Analytics dashboard blocks
- Page layout designer

Integrations

- Active Directory LDAP*
- Active Directory Federation Services*
- Granicus "Agenda Management"
- Granicus "Communications Cloud"
- Import / export functionality
- Laserfiche
- Maps (multiple)
- Open APIs and custom programming
- PageFreezer
- Payment Gateways (multiple)
- Siteimprove

(ask for other integration examples)

Digital Asset Management

- Image Library (centralized)
- Image rotation and cropping
- Image Meta Tagging
- Document Central (centralized)
- Document meta tagging
- "In-Use" logic
- Analytics and reporting

Administrative Management

- Approval Cycle and workflows
- Audit trail history
- CAPTCHA security
- Two-factor authentication
- Centralized Subsite Management
- Content permissions and security roles
- Content Review
- Content Scheduling
- Content Versioning (CMS Archives)
- Emergency alert banner
- External Archives (via PageFreezer)
- Extranet (Password protected content)
- Awaiting Approval Reports
- Expiring Content Reports
- "My Tasks" management
- Page template controls
- Accessibility (WCAG 2.1/ADA) tools

Reports & Analytics

- Administrative analytics
- Asset inventory report
- Broken link reporting
- Dashboard blocks
- Edited content reporting
- Expiring & expired content reports
- Global site analytics
- Page performance analytics

**May incur additional charges*

Tools to Deliver a Superior Digital Customer Experience

Citizen expectations are rising, and you are expected to do more with less. Our government CMS provides an easy-to-use system with all the functionality necessary to better inform, serve, engage, and personalize the experience for your community.

Information-based

- Calendar Event & Registrations
- Business (Resources) Directory
- Facility directory & reservations
- Frequently asked questions (FAQs)
- Meetings management
- News stories
- Photo gallery (albums)
- Site search (Granicus Search)
- Site search (Google CSE)
- Site search (Cludo)
- Site search (Swiftype)
- Staff directory

Service-oriented

- Digital signatures (legally binding)*
- Form builder
- Form calculations
- Form conditional logic (If-this-then-that)
- Form email notifications
- Form finder
- Form template library
- Form security settings
- Online payments
- RFP, RFQ, Bid management
- Service requests (CRM / 311)
- Service directory
- Service finder*

Engagement-related

- Activity registration
- Audio & Video Embed
- Blogging*
- Community topics*
- Email campaigns
- Event Registration
- Emergency alert banner
- eNotifications
- Facility Reservations
- Job post and application manager
- LinkedIn, Nextdoor, and Instagram
- Online Polls
- RSS feeds
- SMS (500 subscribers)
- Surveys
- Social media share links
- Social media management
- Streaming Video
- YouTube or Vimeo channels

Personalization

- Resident dashboard (My Dashboard)
- Email and SMS subscriptions
- Email and SMS digests
- Geo Finder*
- Service request alerts
- Specialty homepages

Expecting something else? Chances are we have it.

(reach out with questions)

**May incur additional charges*

GRANICUS

License, Warranty, Security, and Support Model

License Information

The govAccess content management system by Granicus supports unlimited, enterprise use by your agency. There are no restrictions to the number of content records (e.g., News, Calendar Events, Pages, Forms, Facilities, etc.), users/seats, community form submissions, modified versions, and more.

All rights, title, and interests to the website design and govAccess™ will remain with Granicus. However, under your customer agreement, Granicus will grant you a license that will enable the City to reproduce or modify for its own use the website design forever. Further, Granicus will grant a subscription-based license to govAccess™, and the City will be free to use govAccess™ so long as the City remains a govAccess™ subscriber with a valid customer contract. The City owns all information and content, such as logos and images.

Warranty

All unmodified programming code developed by Granicus is warranted to be free of any material errors or bugs so long as the City maintains a Granicus govAccess Subscription.

Security - Hosting

The proposed annual licensing and maintenance plan includes hosting the website in a Tier III data center which also covers Distributed Denial of Service (DDoS) mitigation techniques, guaranteed up-time of more than 99.9%, a content delivery network (CDN), redundant ISP providers, back-up power and redundant generators in addition to state-of-the-art firewall protection. Security and network teams data fail-overs, virtualized environments, F5 load balancers, 90-minute recovery time objective (RTO) and 30 minute recovery point objectives (RPO).

Our hosted GovDelivery Communications Cloud product maintains FedRAMP authorization with a database of 185M subscribers leveraged by existing client accounts including Department of Defense, FEMA, SSA, and IRS.

Support Overview

Our support team includes dedicated personnel to handle web, email, and phone support. Clients also have access to the Granicus Support Portal for self-training and issue submission.

Scheduled Maintenance

Scheduled maintenance will take place between 1:00 am – 4:00 am ET every Monday.

How to Contact Granicus

The Customer Care staff at Granicus may be contacted by the customer via Internet, email, or telephone.

Online (recommended)	support.granicus.com
Email	support@granicus.com
Phone (for urgent issues)	800.314.0147

Support Hours

Regular Hours	8:00 AM – 10:00 PM Eastern	Monday-Friday
Urgent After-Hours Support is also available 24/7	800.314.0147	

System Status

Granicus System Status: status.granicusops.com

Support – How We Rank Cases

How We Rank Cases

PRIORITY 1: EMERGENCY

Target Initial Response: within 1 hour

Severe application problem that causes productivity to cease for a large number of staff or complete loss of service to either website or intranet (application-related site outage).

Examples:

- Web server is running but application is non-functional
- SQL-server errors not related to hardware
- Page watch is not working as expected

PRIORITY 2: URGENT

Target Initial Response: within 4 business hours

Application/service is available, but in a degraded mode. A workaround is possible or a brief loss of service is acceptable. Impacts only a small group or causes work to cease for an individual.

Examples:

- Site is operational, but search, calendar, or other modular functionality is non-operational or impaired
- Application is operational but bulletin sending is disrupted

PRIORITY 3: MEDIUM

Target Initial Response: within 1 business day

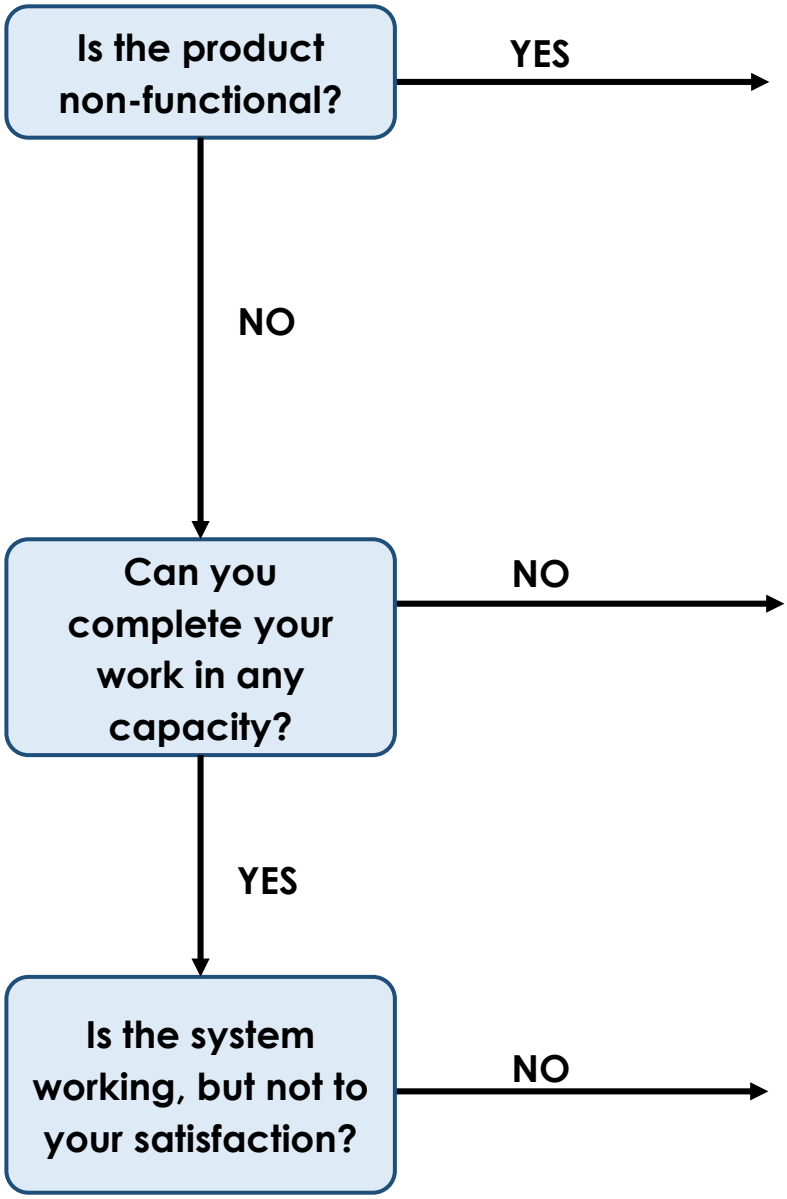
Moderate business impact; issues have affected productivity. A workaround may exist or the problem is for a non business-critical task.

Examples:

- File attachments won't upload
- Text is not rendering correctly
- Bulletins are sending but sending not as quickly as expected or with higher than usual bounce rates

Note: The initial response represents the ideal target time for assignment of the case to a Customer Support Engineer and the initial acknowledgement of the issue. The resolution time will depend on the severity and complexity of the issue and the nature of the resolution required.

Support – How We Rank Cases



PRIORITY 1: EMERGENCY
CALL GRANICUS SUPPORT: 800.314.0147
Initial response within 1 hour during prime hours (M-F 8am – 10pm Eastern) Updates as scheduled with Granicus

PRIORITY 2: URGENT
CALL GRANICUS SUPPORT: 800.314.0147
Or submit a case online: support.granicus.com
Initial response within 4 business hours during prime hours (M-F 8am – 10pm Eastern)
Updates as scheduled with Granicus

PRIORITY 3: MEDIUM
CALL GRANICUS SUPPORT: 800.314.0147
Or submit a case online: support.granicus.com
or email: support@granicus.com
Initial response within 1 business day during prime hours (M-F 8am – 10pm Eastern)
Staff will be notified when the issue is resolved.

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Section 3

Budget

GRANICUS

Proposed Investment

All quotes are priced per project and presented in US dollars.

YEAR 1 INVESTMENT

govAccess TRAILBLAZER
Full Custom Website Design and Implementation

$36,670
Year 1 investment

Website Design and Implementation - Trailblazer provides a citizen focused website and includes:
• Advanced UX Consultation, which may include one (1) or more of the following:
1. One (1) site analytics report
2. One (1) heatmap analysis
3. One (1) internal stakeholder survey
4. One (1) community stakeholder survey
5. One (1) remote user testing of top tasks
• Three (3) customer landing page consultation
• Fully customized homepage wireframe
• Fully responsive design
• Custom mobile homepage or standard mobile responsive homepage
• Video background or standard rotating image carousel (switchable at any time)
• Up to three (3) customer experience features - Choose from Granicus' library including service finder, geo finder, or data visualization banner
• Programming/CMS implementation
• Migrate up to 200 webpages
• Up to ten (10) forms converted into the new CMS
• One (1) day of on-site consultation / training to be applied towards additional project management or training (two (2) of three (3) days must be consecutive)

GRANICUS

Proposed Investment

All quotes are priced per project and presented in US dollars

ANNUAL REOCCURING

govAccess
Maintenance, Hosting, & Licensing Fee**

- Ongoing Software Updates
- Unlimited Technical Support (6 am – 6 pm PT, Monday – Friday)
- Training Webinars and On-Demand Video Library
- Best Practice Webinars and Resources
- Annual health check with research-based recommendations for website optimization
- Hosting with 99.9% uptime
- DDoS Mitigation
- Disaster Recovery with 90 min failover (RTO) and 15 min data replication (RPO)
- Data Security

INCLUDED YEAR ONE
Annual reoccurring*

ANNUAL PAYMENT PLAN

1st Year $0

2nd Year $7,600

3rd Year $7,980

4th Year $8,379

5th Year $8,797.95

FREE
Guaranteed Redesign***

Optional Payment Options Available: Granicus recognizes you have a budget to work within. To accommodate your preference we offer different payment options, including distributing costs differently over multiple budget years.

*Payment cycle begins at the start of year two (2) or at the launch date of the new website (whichever comes first) and is based on a standard 5 year contract term.

**Annual hosting, maintenance and software license are subject to a cumulative annual 5% technology fee beginning in the second year of reoccurring billing.

***Guaranteed basic redesign after your contract term, no additional out-of-pocket expense.

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Section 4

Organization Chart

About Granicus

Granicus provides technology and services that empowers government organizations to create seamless digital experiences for the people they serve. Offering the industry's leading cloud-based solutions for communications, content management, meeting and agenda management, and digital services to more than 4,500 public sector organizations, Granicus helps turn government missions into quantifiable realities.

Granicus acquired Vision in 2018, the national leader in government website design, development and hosting. Granicus was impressed by the evolution of the Vision CMS to meet the changing needs of government and the people they serve. They were equally impressed by the process the team perfected to design and develop award-winning government websites.

Contact Information

Danny Elmore
SMG Account Executive
971-708-5500/ 310.656.3103 fax
Danny.elmore@granicus.com

Company Information

Full name of legal entity
Granicus, LLC
Years in Business
21 Years (Vision) / 19 Years (Granicus)
Company Website
www.Granicus.com

Office Locations

Denver
1999 Broadway
Suite 3600
Denver, CO 80202

St. Paul
408 St. Peter St.
Suite 600
St. Paul, MN 55102

Washington D.C.
1152 15th Street NW
Suite 800
Washington, DC 20005

GRANICUS

BY THE NUMBERS



1999
FOUNDED



4500+
GOV CLIENTS



40
OF THE 50 MOST POPULOUS U.S. CITIES



2018
VISION ACQUIRED BY GRANICUS

GRANICUS

Relentless Focus on Client Satisfaction

Simply saying we're dedicated to client satisfaction isn't enough. It's our relentless focus, and one that we measure. In fact, across all of our client implementations over the past three years, our average client satisfaction rating is 9 on a 10 point scale.

At Granicus, anything less than the best for our clients is unacceptable.

- **Executives** – Our leadership team guides the entire company to do what is best for our clients. Each week the leadership team reviews client satisfaction survey results and discusses any proactive actions that need to be taken. Our leadership team also brings years of experience across government, software, design and technology industries to the table.
- **Certified Experts** – Our certified experts are passionate about helping you deliver a superior digital customer experience, which is why we are constantly learning new and better ways of doing things. Many of our team members hold the following certifications: NN/g certified User Experience Specialist, Web Graphic Design certified, WebAIM WCAG 2.0 educated, Network and CCNA certified.
- **Project Managers and Customer Support** – Our project managers and customer support team are fanatical about your success, and will go above and beyond to support you.

ACCOLADES

★★★★★★★★★☆

9 OUT OF 10

PROJECT SATISFACTION

250+

AWARD WINNING SITES

COMPANY RECOGNITION

GovTech 100 Company 2017







GRANICUS

Qualifications of Key Personnel

Qualifications of Key Personnel

An essential component of Granicus' qualification for this project is our team. Granicus enjoys the contributions of long-term, dedicated staff who guide the development of each and every project. Their expertise will ensure the success of the website development.



Trevor Wolter, Project Implementation Manager

Trevor's technical expertise coupled with extensive experience as a project manager enables him to guide the development of each website Granicus produces. He oversees our staff of project managers and implementation processes, creates necessary documentation and provides support to your Project Manager during the development.

Year of Experience: 11 **Joined Granicus Team:** 2005

Reference Projects:
- Weston, FL (www.westonfl.org/)
- Colleyville, TX (www.colleyville.com/)
- Tempe, AZ (www.tempe.gov/)



Uriz Goldman, User Experience (UX) Manager

Since joining Granicus in 2005, Uriz has guided the development of hundreds of local government websites. As a Certified User Experience Consultant, he is passionate about creating more intuitive customer experiences for our clients and will oversee the comprehensive User Experience Analysis for your website.

Years of Experience: 18 **Joined Granicus Team:** 2005

Education:
- Bachelor of Science, Management Information Systems
- NN/g UX Certified

Reference Projects:
- Amarillo, TX (http://amarillo.gov/)
- Sarasota, FL (www.sarasotafl.gov)
- Wilmington, NC (www.wilmingtonnc.gov)



Taleah Codrington, Visual Designer

Taleah Codrington is a multi-disciplinary designer & UX design manager for govAccess. She has over 13 years of experience in visual design, product design, and brand identity. Within the last 4 years, Taleah's focus has shifted to include research and user experience to improve web accessibility and site usability. As a superior verbal and written communicator, she's successfully built & sustained superb client relationships from design inception to design approval. This two-time Pinnacle award winner & Member's Choice winner has a phenomenal track record of developing projects with intent, identifying problems and providing stellar solutions.

Years of Experience: 13 **Joined Granicus Team:** 2016

Education:
- Bachelor of Arts, Media Arts and Animation

Reference Projects:
- West Hollywood, CA (https://www.weho.org/)
- La Quinta, CA (https://www.laquintaca.gov/ and https://econdev.laquintaca.gov/home-econdev)
- Suwanee, GA (https://www.suwanee.com/)
- El Segundo, CA (https://www.elsegundobusiness.com/)



Brian Pope, Technical Trainer

Brian is an experienced educator who leads technical training on our content management system. He will equip you to get the most out of Granicus govAccess, both through the initial training included in your project and on-going live training webinars.

Years of Experience: 7 **Joined Granicus Team:** 2016

Education:
- Bachelor of Arts, Education and Spanish



Casey Golubieski, Client Success Manager

Casey has built her career as an ardent client servant. She manages a team of Customer Success Consultants who thrive on deepening our customers' adoption. Her team will work with you once your website launches to ensure you're getting the most out of your relationship with Granicus, by monitoring the site's performance, consulting with you about new features and services and providing feedback on the health of your site during your Strategic Reviews.

Years of Experience: 17 **Joined Granicus Team:** 2014

GRANICUS

Your Role

The best outcomes come with collaboration – after all, no one knows your community like you do! While we will do as much of the heavy lifting as possible, to drive the optimal level of collaboration, we will need a few things from you along the way including:

1 | Research

- Identify web team
- Complete stakeholder survey – this helps us understand your goals, expectations, audience needs, etc.
- Provide access to Google analytics
- Sign-off on wireframe

2 | Design

- Share any existing brand guidelines
- Gather any photos + logos + video to be used in your website design
- Sign-off on mood board + design comps + style guide

3 | Site Development

- Supply list of all 3rd party apps used with website
- Sign-off on sitemap
- Collaborate with your PM to map current pages to new site map / identify redirects
- Team attends writing for the web / accessibility training
- Edit existing content / create content for new pages (we offer additional content writing + editing services)

4 | Launch

- Team attends CMS training
- Conduct User Acceptance Testing (UAT)
- Create marketing plan for website launch – we offer an optional website launch promo service if interested
- Final sign-off prior to go live

5 | Post Launch

- Setup metrics dashboard and measure results – top pages, traffic sources, etc. – optimize overtime
- Keep your content fresh
- Reach out to our support team with questions anytime
- Meet with your Vision success manager for a formal annual health check

Identifying Your Website Team

While the Granicus team will guide the process, we will depend on the dedication of staff and resources by the City to achieve the best result. Based on our experience, we recommend assigning staff into the following roles:

Project Manager
You should assign a dedicated project manager, who will serve as the main point of contact to interface with Granicus throughout the development of your website. This person will work closely with your Granicus project manager at each stage should be empowered to make final decisions on behalf of the City.

Core Project Team (3-5 people)
To help guide decisions, you should form a core project team. This group will work closely with your designated Project Manager in helping to gather input from your staff and guiding key decisions through the course of the project. Commonly this team includes staff from the following departments:

- **Communications**
- **Administration**
- **IT**

Steering Committee (varies)
To help build buy-in across your organization, we recommend forming a steering committee. This larger team should include representatives from across all of your departments. They will be included in larger surveys and potentially provide input at key decision points. Gathering this group early helps engage the organization in the development, gaining buy-in for the project and providing alignment for decisions.

WHAT CUSTOMERS SAID

Above and Beyond

"The Granicus Team went above and beyond. They were as invested in the website as we were, and we truly appreciated that!"

Anthony Wilson
City of San Angelo, TX

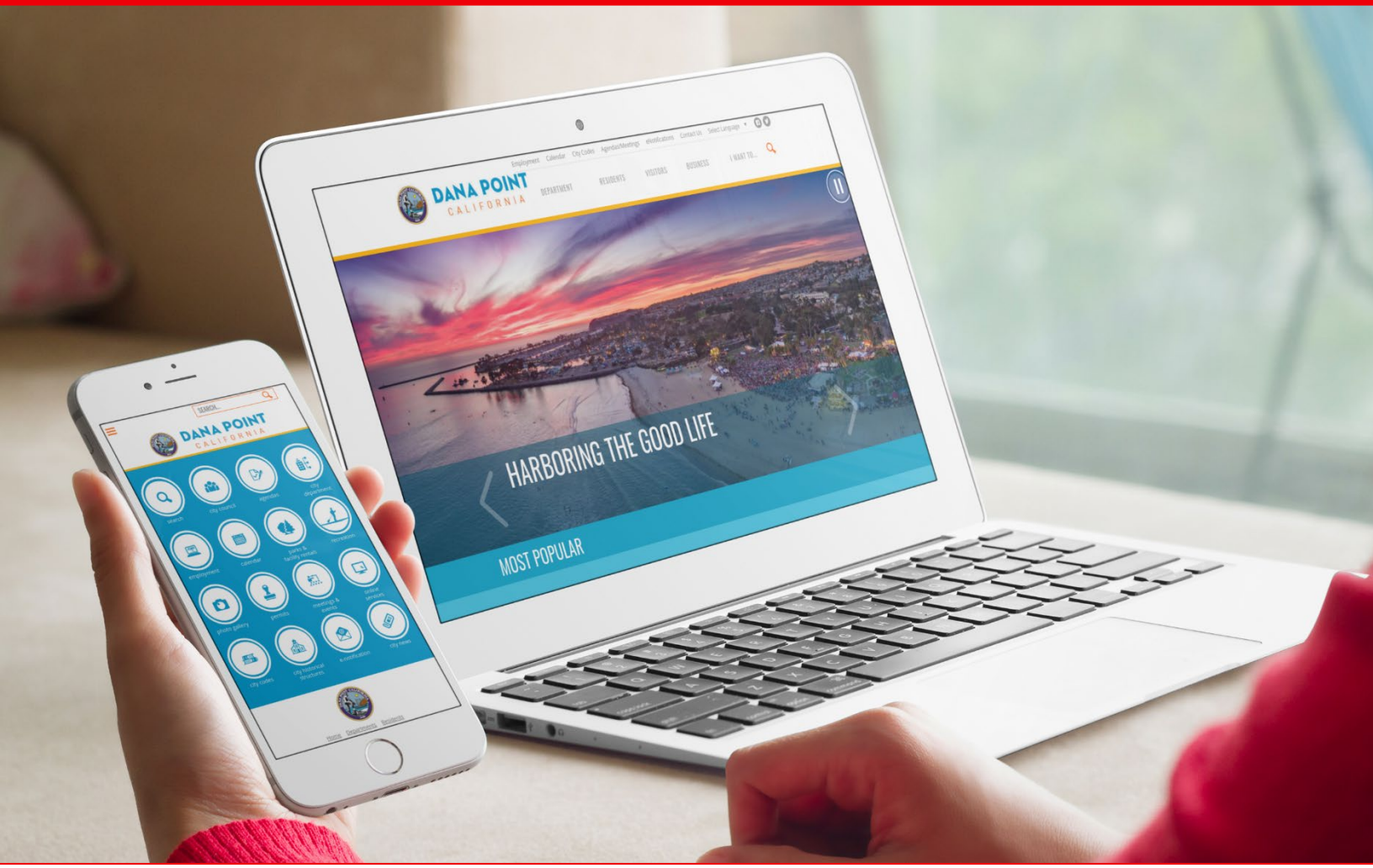


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Section 5

Experience and References

PROJECT EXPERIENCE



City of Dana Point, CA

Population: 34,000 **Launch**: 2016 **URL**: www.danapoint.org

Dana Point is home to over 33,000 residents. The city is also a popular surfing destination, accessible via the State Route 1. To serve residents, businesses and visitors, the city knew it had to develop a one-stop-shop to help guide users to discover the city, find important community information, and navigate dining options, lodging and upcoming events.

The new site features:

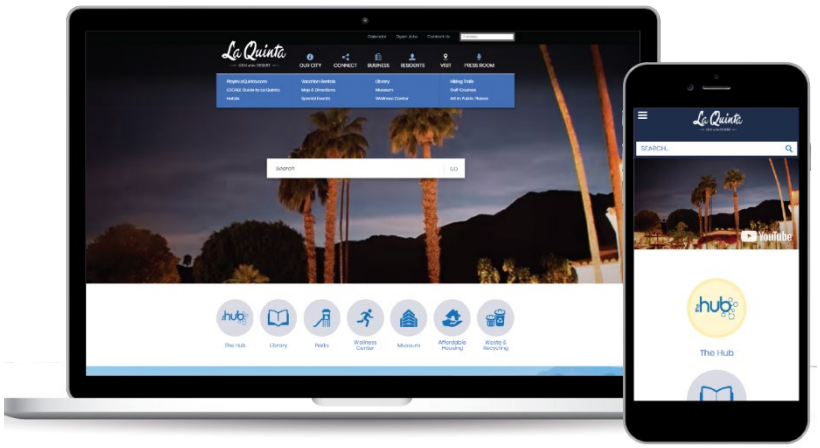
- A rotating homepage collage with photos and informational overlays across each image
- Homepage buttons that direct users to the most popular online services and tasks
- An "I Want To…" menu to make it even easier to find city information and services

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PROJECT EXPERIENCE

City of La Quinta, CA

Population: 38,000 Launch: 2017
www.laquintaca.gov



With younger families moving in and a growing number of visitors coming to town for music festivals, **the City of La Quinta** realized it had to find new ways to serve this evolving demographic. The new website is now a one-stop-shop to help guide users to discover what the city has to offer and to find important community.

The new site features:

- **A homepage video background** to showcase things to do in La Quinta
- **"The Hub"** to help residents easily locate and apply for permits online
- The city **decreased their page count by 3,000+ before launching** providing visitors with more concise information.
- **A Google and Amazon inspired navigation** that helps users quickly find what they're looking for

City of Sioux City, IA

Population: 82,000 Launch: 2017
www.sioux-city.org



As a hub for business, tourism and residents, **The City of Sioux** revamped its website to better serve its diverse community.

The new site features:

- **Intuitive homepage navigation** that links to frequently visited pages, including online bill payments, job openings, and license and permit applications
- **Elegant news and calendar** widgets to notify users of planned city projects and events
- **An "I Want To…" menu** that allows users to access the most popular city services

References

City of Atlanta, Georgia
Johnethia Dancer
Business Process Analyst
404-330-6423
jdancer@atlanta.gov

Durham County, North Carolina
Hudson Oliver
Systems Development Supervisor
919-560-7084
holiver@dconc.gov

City of Roswell, Georgia
Julia Brechbill
Community Information Manager
770-594-6416
jbrechbill@roswellgov.com

City of Oklahoma City, Oklahoma
Zach Nash
Creative Manager
405 297-2578
zach.nash@okc.gov

GRANICUS

Section 6

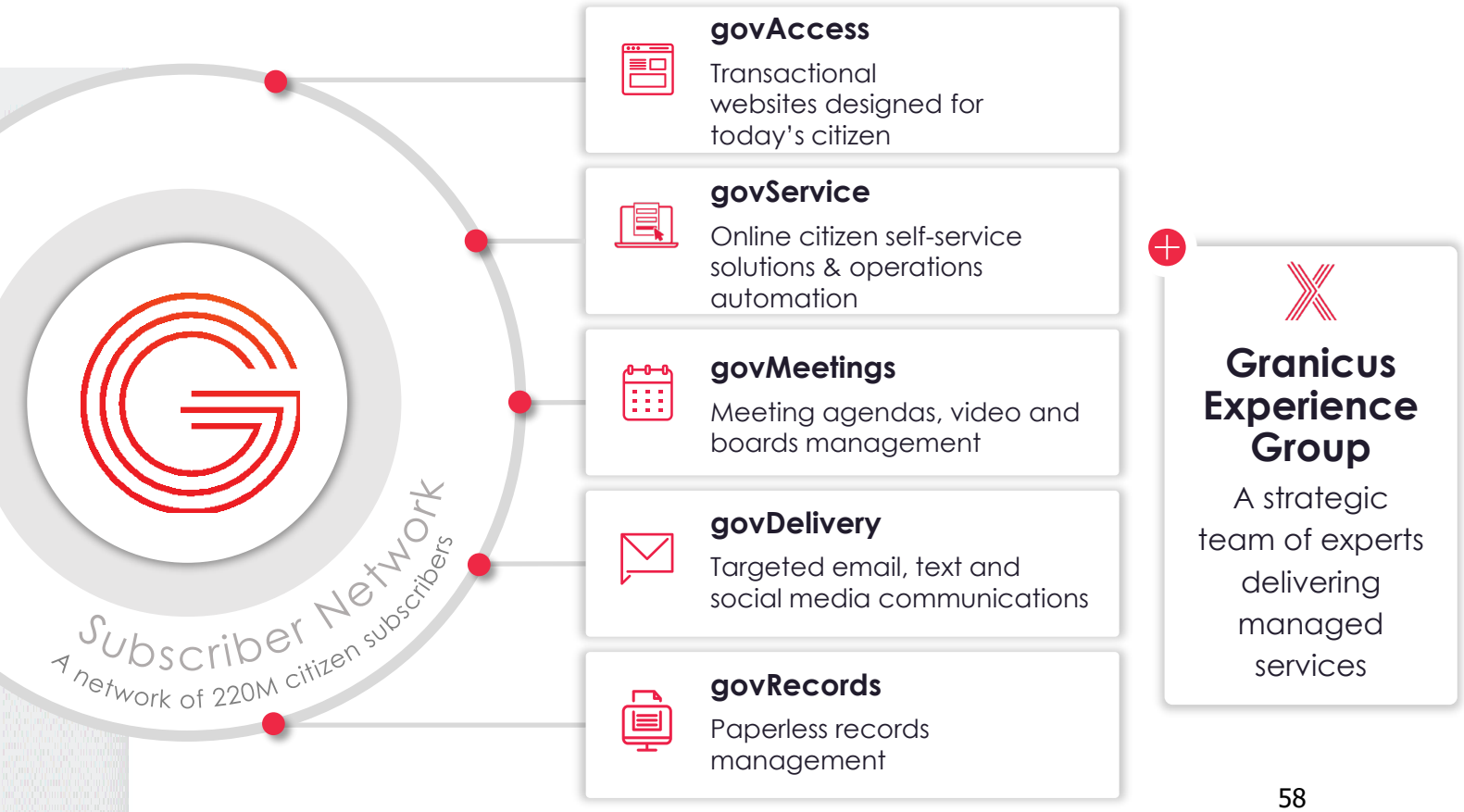
Optional Project Recommendations

OPTIONAL PROJECT RECOMMENDATIONS

Complete Digital Government Platform

Are your peers talking about a future **digital city hall**? Look no further than the Granicus platform to extend the impact of your website. Our platform of intuitive solutions are built for government and enable you to transform your digital presence.

- **govAccess –** Create and manage your website with a CMS specifically designed for the needs of local governments.
- **govService –** Create self-service solutions for your citizens and automate various operations
- **govMeetings –** Coordinate agenda and minute creation or stream meetings to video to maximize exposure and simplify democracy.
- **govDelivery –** Publish content to a network of over 150 MILLION people to promote services and achieve a larger impact.
- **govRecords** – Transform the clerk and recorder's office into an efficient gateway of public information, automating and streamlining government records.
- **Granicus Experience Group (GXG)** – Meet and exceed your goals with our team of communications experts who can help you optimize your programs for maximum impact.



GRANICUS

OPTIONAL PROJECT RECOMMENDATIONS

Add-on Modules + Products

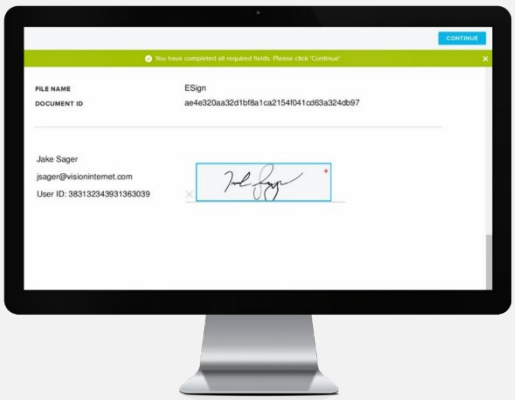
EXAMPLE OFFERINGS

Looking to take your digital presence to the next level, our add-on modules and products can help:

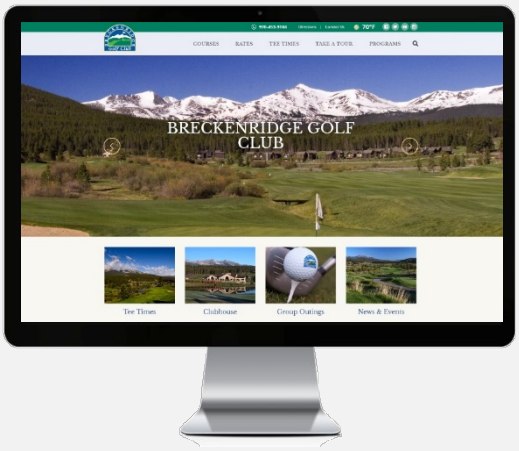
- **Digital Signatures –** Go completely paperless by finally moving all forms online which require a legally binding digital signature from residents.
- **DIY Subsite Builder –** Consolidate multiple sites into one single instance to maintain department branding or share costs with related associations.
- **Subsite Packages –** Granicus offers a variety of subsite packages ranging from simple department-specific color changes to a completely unique design.
- **Premium Website Design –** Win awards with anchor scrolling, parallax scrolling, tile layouts, desktop mobile menu or day/night themes.
- **Intranet –** Collaborate internally using the same intuitive CMS as the main site and share content between instances to maximize efficiency.
- **Community Engagement –** Collect feedback and gauge public opinion on important issues before turning to actionable results and next steps.
- **Partner Solutions** – In addition to our core product suite, Granicus partners with best-in-class solution providers to offer a fully integrated experience. We have partners in areas such as:

- **Mobile App**
- **3rd Party Search**
- **Advanced Accessibility Tools**

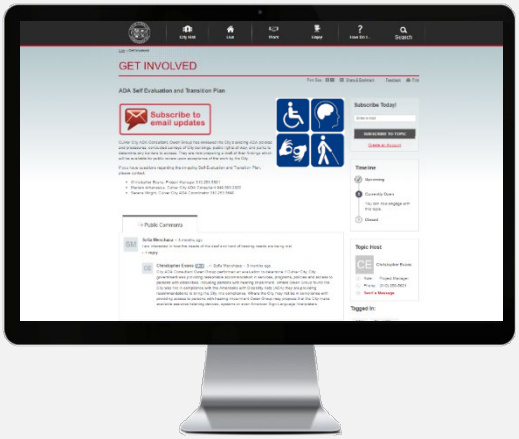
Digital Signatures



DIY Subsite Builder



Community Engagement



OPTIONAL PROJECT RECOMMENDATIONS

Subsites to meet your unique audience needs

Are you looking to better convert or engage visitors from a heavily visited webpage, capture more revenue or just stand out. Whatever your goals, Granicus can help. We have a variety of subsite packages ranging from simple department-specific color changes to a completely unique design.

To accommodate your needs, Granicus offers three subsite packages:

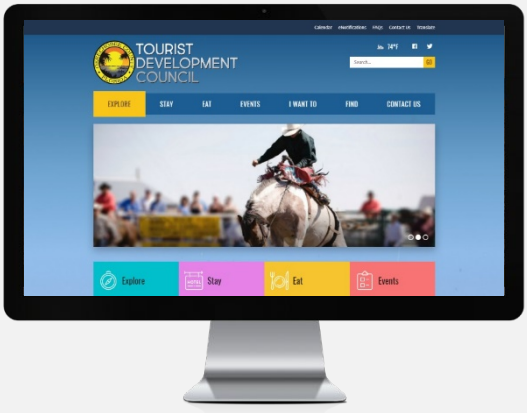
- **Branded Subsite –** This package allows a department to customize their pages with a unique color scheme and branding while still utilizing the framework of the main website. The consistency of the page layout and menus makes navigating the site intuitive, while still allowing for a distinct look and feel.
- **Independent Subsite –** Looking for a completely different look and independence from the parent website? This package offers custom design, the ability to set up separate top-level navigation and a unique URL. You will also have the option to leverage available departmental functionality and plugins. These design changes allow the department or division to truly differentiate itself.
- **Specialty Subsite –** This package is intended to serve the needs of larger and often revenue-generating departments that have either maintained their own separate website in the past, or would like to develop one as part of this project. Any department that purchases this package will receive comprehensive services, including one-on-one consultation to define unique goals, analyze audience behavior and demographics, and ultimately create a structure, navigation and site design that serves the unique audience of the department.

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EXAMPLE OFFERINGS

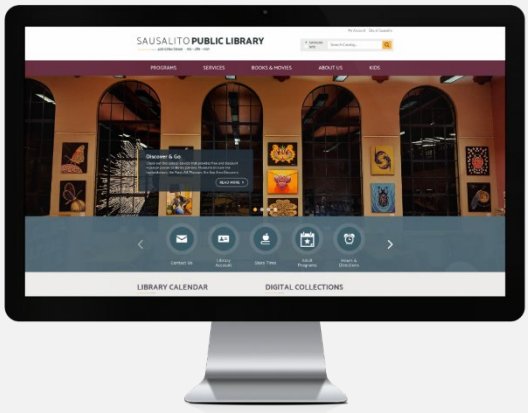
Branded Subsite

www.co.okeechobee.fl.us/i-want-to/explore
Main Site - www.co.okeechobee.fl.us



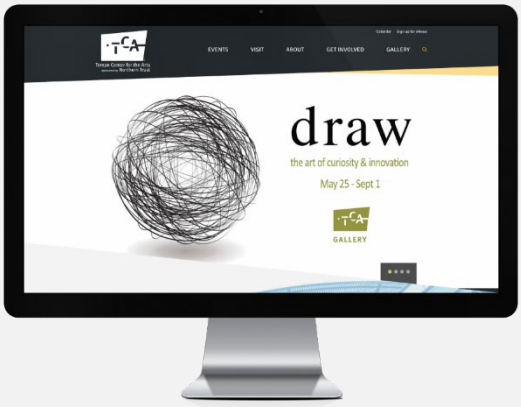
Independent Subsite

www.sausalitolibrary.org
Main Site - www.sausalito.gov



Specialty Subsite

www.tempecenterforthearts.com
Main Site - https://www.tempe.gov/



OPTIONAL PROJECT RECOMMENDATIONS

Content Strategy + Accessibility Services

All clients get some content and accessibility services built into their website project. If you are looking for more –maybe you don't have the resources in-house or just need more hands-on-training – we've got you covered. Here are the additional services we offer:

- **Content Consultation** – Do you need help determining what content to bring over to your new website? This engagement starts with a content analytics report that summarizes the top pages and other insights from your current site. The report is followed by a collaborative one-day session to develop the content strategy for your website.
- **Content Writing Services –** Do you have limited resources or little time to write your own web content? No problem, hire a content editor to edit, rewrite and reformat page content in plain language.
- **Reformatting of Agency Pages + Accessibility Policy** – Our staff of trained experts can help you reformat web pages to comply with WCAG 2.0 standards. We can also offer guidance on developing an agency accessibility policy.
- **Manual Testing –** Automated accessibility scanners can miss the true experience of a customer with a disability. Granicus partners with a tester to provide a user experience report from the perspective of people with disabilities, including remediation recommendations.

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WHAT CUSTOMERS SAID

Content Consultation

"Our old site was difficult-to-navigate with more than 4,000 pages of content. After the analysis conducted by Granicus, we were able to reduce the number of pages by 90%."

Tustin Larson
Community Resource Manager
City of La Quinta

Content and Web Accessibility Training

"Content strategy is about creating web pages for people with and without disabilities; web accessibility training is for creating content for those with disabilities. Now that Granicus trained us in both, we can best serve every customer who comes to our site."

Daniel Moore
IT Manager
Fresno County

OPTIONAL PROJECT RECOMMENDATIONS

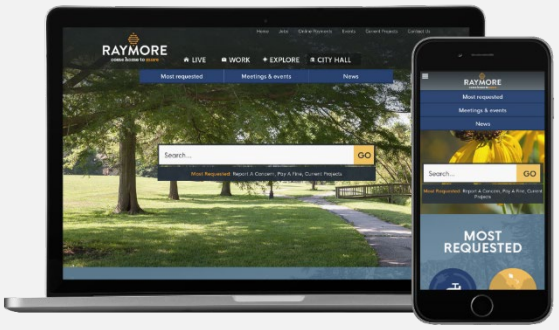
Services to take you Beyond the Homepage

All clients get some content and accessibility services built into their website project. If you are looking for more –maybe you don't have the resources in-house or just need more hands-on-training – we've got you covered. Here are the additional services we offer:

- **Department Usability Workshop** – Do you have departments that have a lot of webpages or offer extensive online services? Make sure the user experience extends beyond the homepage. Let the Granicus team help you facilitate focused meetings with your department heads to develop a plan for customer journeys, services, navigation, forms, and 3rd party integrations.
- **Customer Journeys (Landing Pages)** – Do you have limited resources but big goals to optimize top tasks for your users. Let the Granicus team help you ensure a seamless user experience from beginning to end.
- **Forms Audit –** Do you have hundreds of online and offline forms that you want to bring into your new website? Enlist help from our team of experts to take an inventory of your online and offline forms. This process will include a performance assessment and recommendations for how to optimize.
- **Forms Conversion** – Do you need help converting your offline forms to your new website? Our team of experts is here to help you convert your offline forms. The D.I.Y. option is also available at no cost, leverage our forms template library and drag-and-drop form builder.
- **Custom Programming & Integrations** – Do you have a third party app you want to connect to your new website? If it's not on our extensive list of pre-built integrations, our team of web developers is here to help.
- **Benchmark Report** – Compare your agency to all other Granicus govAccess websites to identify areas of opportunity and improve the overall performance of your website.

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WHAT CUSTOMERS SAID



Benchmark Report

"The Benchmark Report provided our leadership an update on the state of our website. Granicus' objective voice validated we were doing the big things well, while also providing recommendations on how to further improve our customer experience."

Mike Ekey
Comms Director
Raymore, MO

Developer Toolkit

Transform unlimited digital web properties to meet the rising expectations of constituents by delivering content across any device, at any time. Solutions include:

- Microsite Builder
- Design Studio
- Content SDK



MICROSITE BUILDER

Eliminate Website Sprawl

Many special groups managed by your agency require microsites to serve a unique audience or better manage large amounts of content. Stop people from going rogue and manage all websites – from 1 to 100 – under a single, enterprise web platform. This solution provides unlimited microsite management and maintains consistent branding to help govern all digital properties across the organization.

Microsite Builder includes:

Re-use Homepage Wireframe (or a standard landing page) to better organize information.

Logo Branding to provide a distinct identity and guide site visitors back to the homepage.

Navigation tailored for the microsite surfaces content for browsing site visitors with ease.

Header & Footer personalized to the use case supports additional branding efforts.

Unique Content is possible by constraining content or quickly changing widget settings.

Example use cases:

Consolidate fragmented websites spread across legacy content management systems.

Marketing campaigns or special events lasting for a temporary period of time.

Centralized IT management for organizations offering microsites to multiple departments.

Shared government services to provide a cost-effective solution for smaller organizations to collaborate together under one solution.



DESIGN STUDIO

Develop Personal Experiences

Technical staff are invaluable to your organization; leverage internal expertise to extend core functionality and meet changing customer needs. The govAccess content management system provides the platform infrastructure required by government agencies to succeed while allowing technical staff to focus and extend the technology to address use cases not included out of the box.

Design Studio includes:

HTML / CSS – Code any static content for use on any interior page across any website.

Javascript – Extend the platform by effortlessly calling external 3rd party applications.

Image & Text Links – Generate hyperlinked lists for easy editing by non-technical authors.

WYSIWYG Snippets – Build the starting blocks before allowing non-technical editors quick access to modify the starting point.

Example use cases:

3rd Party Integrations – Insert JavaScript to control embedded content across your site.

Stylized Widgets – Target specific classes or IDs with CSS to provide a unique look and feel.

Custom Footers – Tailor content to audiences with distinct addresses or social media links.



CONTENT SDK

Force Multiply Content

Design and deliver on-demand content across any device for specific personas and/or customer journeys. Content SDK is a cost-effective way to transition on-premise, legacy applications and databases to the cloud. This solution helps you amplify your effort to produce more output. Investing in force multipliers, much like a hammer, means that you'll get more done with the same amount of effort.

Content SDK includes:

Content-as-a-Service, a microservice, to easily transport data across any digital device.

Custom Data Schemas to personalize content unique to your departments and organization.

Component Builder provides a framework and user interface to develop intuitive user interfaces so authors can easily manage content.

Example use cases:

- ✓ Project & Zoning Construction Directory
- ✓ FOIA Request Transparency Portal
- ✓ Property Management Listings
- ✓ Parcel and Land Search
- ✓ Inmate Directory

Section 7

Legal Exceptions

January 14, 2021

Montebello, California

Subject: Exceptions to RFP Number 21-17 and Sample Professional Services Agreement

Dear City of Montebello:

Thank you for providing us with the opportunity to review and respond to the Request for Proposals Number 21-17 ("RFP") and the Sample Professional Services Agreement ("Sample Agreement").

After reviewing the RFP and Sample Agreement, we kindly request the following changes:

VII. General Terms and Provisions:

- **Contract Documents:** "*A Draft Standard Agreement is attached herewith and shall be* ***negotiated in good faith with*** ~~*agreed to by*~~ *the successful Bidder. The Agreement entered into by the parties shall consist of the final Website Development Services Agreement ("Agreement"), the* ***negotiated*** *Request for Proposals, the signed proposal submitted by the Contractor together with all required* ~~*bonds,*~~ *insurance certificates, permits, notices, schedules, forms, certifications and affidavits; and also including any and all addenda or supplemental agreements clarifying, or extending the work contemplated as may be required to insure its completion in acceptable manner all of which shall be referred to collectively as the "Contract Documents*" **and negotiated in good faith by and agreed to in writing by both parties**." Please note that Granicus reserves the right to in good faith further negotiate the terms and conditions of the RFP, Sample Agreement, and any other agreement or document issued by the City of Montebello, upon award.

- **Contract Modification and Amendment:** "*The parties* ***agree to in good faith negotiate, modify, amend, and*** ~~*may*~~ *adjust the specific terms of the final Agreement* ***as needed, requested, or required by either party*** ~~*where circumstances beyond the control of either party require modification or amendment*~~*. Any modification or amendment proposed by the selected Bidder must be in writing to the City. Any agreed upon modification or amendment must be in writing (and if authorized), approved by the City Manager and or his/her designee, and signed by both parties*." City of Montebello, as stated above, Granicus reserves the right to in good faith further negotiate the terms and conditions of the RFP, Sample Agreement, and any other agreement or document issued by the City of Montebello, upon award.

Proposal Understanding: "*Bidder shall be solely responsible for examining the RFP Documents, including any Addenda issued during the proposal period, and for informing themselves with respect to any and all conditions, which may in any way affect their proposals, or the performance of the Services in the event the Bidder is selected.* ~~*By submitting their proposals, Bidder agree and assure that the proposal terms and conditions and Contract provisions are adequate and acceptable, and each Bidder accepts the terms*~~

- ~~*by submission of their proposals. Any exceptions should be noted in each Bidder's response or proposal.*~~ ***Notwithstanding the foregoing, the parties agree to in good faith negotiate the terms and conditions, requirements, and Sample Contract provisions upon award****."* City of Montebello, as stated above, Granicus reserves the right to in good faith further negotiate the terms and conditions of the RFP, Sample Agreement, and any other agreement or document issued by the City of Montebello, upon award.

- **Insurance:**

  - **Automobile Liability: "***Insurance Services Office Business Auto Coverage form number* ~~*CA 0001, code 1 (any auto)*~~ ***hired and non-owned*** *with minimum combined single limits coverage of* ***One Million Dollars and Zero Cents*** *($1,000,000)* ~~*per accident*~~ *for bodily injury and property damage* ~~*covering any vehicle.*~~" Please note that the language has been updated to reflect the language included in our insurance policy.

  - **Maintenance Liability and Professional Liability:** We kindly request to strike "Maintenance Liability and Professional Liability" and replace with the following, in order for the language to align with Granicus' insurance policy: "***Technology and Professional liability coverage with minimum limit of $5,000,000.***"

    - *"Contractor shall furnish City with* ***a digital copy of the certificate of insurance or an*** *original certificates of insurance* ~~*and endorsements*~~ *effecting coverage required by this Agreement on forms satisfactory to City. The certificates* ~~*and endorsements*~~ *for each insurance policy shall be signed by a person authorized by that insurer to* ***provide the certificates*** ~~*bind coverage on its behalf*~~*, and shall be on forms provided by City if requested. All certificates* ~~*and endorsements*~~ *must be received and approved by City before work commences. City reserves the right to require complete, certified copies of all required insurance policies, at any time.*

      City, its officers, employees, attorneys, and designated volunteers shall be ~~*named*~~ ***included*** *as additional insureds on the policy(ies) as to commercial general liability and automobile liability with respect to liabilities arising out of Consultant's performance of Services under this Agreement.*

      The insurer shall agree to waive all rights of subrogation against City, its directors, officials, officers, employees, agents and volunteers for losses paid under the terms of the insurance policies which arise from work performed by the Contractor. ~~*The policies shall contain a waiver if subrogation in favor of City.*~~

Except of professional liability and workers' compensation policies, the insurance policies shall ~~*state that insurance coverage*~~ *shall be primary insurance as respects City, its directors, officials, officers, employees, agents, and volunteers*~~*, or if excess, shall stand in an unbroken chain of coverage excess of the Contractor's scheduled underlying coverage*~~*. Any insurance or self-insurance maintained by City, its directors, officials,*

- **Section 3. Performance:** We kindly request to strike c or alternatively modify c as follows, "*CONSULTANT shall be ~~knowledgeable of and~~ subject to all **applicable** CITY ordinances, rules and regulations, standard operating procedures, and the supervisory chain of command*."

    - **3. E: We kindly request to update Section 3.E as follows, "***CONSULTANT shall maintain full and accurate records with respect to all matters covered **solely and exclusively** under this Agreement for a period of three (3) years, unless otherwise provided for in **Exhibit "A."** Upon CITY providing ~~twenty-four (24)~~ **at least seventy-two (72)** hours advanced prior notice, CONSULTANT shall make all records, invoices, time cards, cost control sheets and other records maintained by CONSULTANT **solely and exclusively** in connection with this Agreement during Consultant's regular working hours to CITY for review and audit by CITY*."

    - **3. F:** We kindly request to update Section 3. F as follows, "*All reports, documents or other written material developed by CONSULTANT **solely and exclusively for City** in the performance of this Agreement shall be and remain the property of CITY without restriction or limitation upon its use or dissemination by CITY. Such material shall not be the subject of a copyright application by CONSULTANT. Any alteration or reuse by CITY of any such materials on any project other than the Project shall be at the City's sole risk~~, unless CITY compensates Consultant for such reuse~~."*

- **Section 4. Work Product:** We kindly request to modify Section 4 as follows,

    - "*A. CONSULTANT hereby agrees that all work produced **solely and exclusively for CITY under** ~~pursuant to~~ thisAgreement~~, and provided to CITY during and upon completion of this Agreement,~~ shall be the property of CITY, and ownership of said work product shall be retained by CITY. CONSULTANT may take and retain copies of such written products as desired.*

      *B. All data, documents, discussion, or other information developed **solely and exclusively for CITY under this Agreement** or received by CONSULTANT or provided for performance of this Agreement **by CITY** are deemed confidential and shall not be disclosed by CONSULTANT without prior written consent by CITY. CITY shall grant such consent if disclosure is legally required. All such written products shall be returned to CITY upon the termination or expiration of this Agreement. CONSULTANT agrees that the covenants contained in this Article shall survive the expiration or termination of this Agreement*."

- **Section 6. City Supervision:** We kindly request to update Section 6 as follows, "*The City Administrator shall have the right of general supervision of all work performed by CONSULTANT **solely and exclusively under this Agreement** and shall be CITY's agent with respect to obtaining CONSULTANT's compliance hereunder. No payment for services rendered under this Agreement shall be made without the prior approval of the City Administrator*."

- **Section 7. Termination: We kindly request that Section 7 be updated as follows,**

- *"In the event that either Party hereto fails or refuses to perform any of the provisions of this Agreement at the time and in the manner required, the non-defaulting party shall give the defaulting party **at least forty-five (45) days prior** written notice of the default, the nature of the default, and of the steps necessary to cure the default **within forty-five (45) days of receiving notice of default**.*

  *A. Termination for Cause. In the event that any of the provisions of the Agreement are violated by either party, the non-defaulting Party may terminate the Agreement by serving written notice upon the other Party, listing the violation(s) and its intent to terminate such Agreement unless within ~~ten (10)~~ **forty-five (45)** days after the serving of such notice, such violation shall cease or be rectified **or cured**, the contract shall upon the expiration of an additional thirty (30) days cease and terminate. ~~Violations by CONSULTANT which cannot be corrected within ten (10) days, said contract shall at the option of CITY cease and terminate upon the giving of like notice. In the event of any such termination for default by CONSULTANT, CITY may take over the work and prosecute the same to completion by contract or otherwise for the account and at the expense of CONSULTANT. CONSULTANT and his sureties shall be liable to CITY for any excess cost occasioned in the event of any such termination. This change shall not be construed to prevent the termination, for other causes authorized by law or other provisions of this contract.~~ In the event of a termination for cause, CONSULTANT shall only be entitled to the Compensation for those Professional Services ~~satisfactory~~ performed on or before the effective date of termination.*

  *B. Termination for Convenience. **Either party**~~CITY~~ shall have the option, at its sole discretion and without cause, to terminate this Agreement in whole, or in part, after giving written notice to **the other party** ~~CONSULTANT~~ at least ~~five (5)~~ **thirty (30)** business days before the termination is to be effective. Upon the termination of this Agreement as provided herein, CITY shall provide to CONSULTANT the part of Compensation which would otherwise be payable to CONSULTANT for services CONSULTANT had completed as of the date of termination, less the amount of all previous payment with respect to the Compensation. Further, upon such a termination for convenience by City, the Parties agree that CONSULTANT shall be reimbursed for any "non-refundable costs that CONSULTANT has incurred for its services under this Agreement, provided that: (1) such "non-refundable" costs were incurred by CONSULTANT prior to the date of termination; (2) that CONSULTANT provides CITY with adequate proof that CONSULTANT incurred the costs, and is unable to be seek a refund for such costs; and (3) such costs were within the scope of work or services to be performed under this Agreement. Such "non-refundable" costs may include, but are not limited to travel reservations incurred by CONSULTANT for its performance of services under this Agreement. CONSULTANT agrees to cease all work under this Agreement on or before the effective date of any notice of termination."*

- **Section 11. PERS Eligibility Indemnity:** We kindly request to strike A from Section 11.

- **Section 13. Indemnification:** We kindly request to modify Section 13 as follows, "*CONSULTANT agrees to, and shall defend, indemnify, protect and hold harmless, CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers from and against ~~any and~~ all claims, demands, lawsuits, defense costs, civil, penalties, expenses, causes of action, and judgments at law or in equity, ~~or liability of any kind or nature which~~ CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers may sustain or incur or which may be imposed upon them for injuries or deaths of persons, or damage to property arising out of Consultant's negligent or wrongful act, or omission* ***solely and exclusively related to and arising out of Consultant's obligations*** *under the Agreement, except only liability arising out of the sole negligence of CITY.* ***NOTWITHSTANDING THE FOREGOING, IN NO INSTANCE SHALL EITHER PARTY'S LIABILITY TO THE OTHER PARTY FOR DIRECT DAMAGES UNDER THIS AGREEMENT (WHETHER IN CONTRACT OR TORT OR OTHERWISE) EXCEED THE FEES PAID BY City FOR THE CONSULTANTS'S PRODUCTS AND SERVICES DURING THE SIX (6) MONTHS IMMEDIATELY PRECEDING DATE THE DAMAGED PARTY NOTIFIES THE OTHER PARTY IN WRITING OF THE CLAIM FOR DIRECT DAMAGES. CONSULTANT SHALL NOT BE RESPONSIBLE FOR ANY LOST PROFITS OR OTHER THE DAMAGES, INCLUDING DIRECT, INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR ANY OTHER DAMAGES, HOWEVER CAUSED. NEITHER PARTY MAY INSTITUTE AN ACTION IN ANY FORM ARISING OUT OF NOR IN CONNECTION WITH THIS AGREEMENT MORE THAN TWO (2) YEARS AFTER THE CAUSE OF ACTION HAS ARISEN***." City of Montebello, we kindly request to include the standard limitation of liability language that we are required to include in our contracts with clients and vendors.

- **Section 14. Insurance Coverage:** We kindly request the following changes to Section 14:

  "During the Term of this Agreement, CONSULTANT shall carry, maintain, and keep in full force and effect all of the following minimum scope of insurance against claims for death or injuries performance of this Agreement. Such insurance shall be of the types and in the amounts as set forth below:

  Commercial General Liability: *~~Broad-form Insurance Services Office Form CG 00 01 covering CGL on an "occurrence basis for bodily injury and property damage, including premise-operations, products-completed operations, broad form property damage, blanket contractual liability, independent contractors, personal injury or bodily injury, and advertising injury, with limits no less than Two Million Dollars and Zero Cents ($2,000,000), combined single limits, per occurrence. If a general aggregate limit applies, the limit shall be twice the required occurrence limit~~.* ***Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001) minimum combined single limits of One Million Dollars and Zero Cents ($1,000,000) per occurrence and Two Million Dollars and Zero Cents ($2,000,000) aggregate against any injury, death, loss or damage as a result of wrongful or negligent acts by Contractor, its officers, employees, agents, and independent contractors in performance of Services under this Agreement.***

Business Automobile Liability Insurance: *For ~~owned vehicles, hired, and non-owned vehicles, Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or~~ if CONSULTANT*

has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than One Million Dollars and Zero Cents ($1,000,000.00) ~~per accident~~ for bodily injury and property damage.

Worker's Compensation *insurance as required by the laws of the State of California, with Statutory Limits, and Liability Insurance with limit of no less than One Million Dollars and Zero Cents ($1,000,000.00) per accident for bodily injury or disease. CONSULTANT agrees to waive, ~~and to obtain endorsements from its workers' compensation insurer waiving~~ subrogation rights under its compensation insurance policy against CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers for losses arising from work performed by CONSULTANT for CITY and to require each of its subcontractors, if any, to do likewise under their workers' compensation insurance policies.*

By executing this Agreement, CONSULTANT further certifies as follows:

I am aware of, and will comply with, Section 3700 of the Labor Code, Compensation or to undertake self-insurance before commencing any of the work contemplated herein.

~~*Professional Errors and Omissions (E&O) Liability insurance appropriate to the Consultant's profession, with limit no less than Two Million Dollars and Zero Cents ($2,000,000.00) per occurrence or claim, with no less than Two Million Dollars and Zero Cents ($2,000,000.00) per occurrence or claim, Two Million Dollars and Zero Cents ($2,000,000.00) aggregate, Architects' and engineers' coverage shall be endorsed to include contractual liability. If the policy is written as a "claims made policy, the retroactivity date shall be prior to the start of work set forth herein, CONSULTANT shall obtain and maintain said E&O liability insurance during the Term of this Agreement and for five (5) years after completion of work hereunder. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the effective date of this Agreement, CONSULTANT shall purchase "extended reporting" coverage for a minimum of five (5) years after completion of the work.~~* ***Technology and Professional liability coverage with minimum limit of $5,000,000.***

~~*If CONSULTANT maintains higher limits than the minimums shown above, CITY requires and shall be entitled to coverage for the higher limits maintained by CONSULTANT. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to CITY.*~~

CONTACTOR shall require each of its subcontractors, if any, to maintain insurance coverage that meets all of the requirements of this Agreement.

The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California, with a current rating of at least A:VII in the latest edition of Best's Insurance Guide, and approved by CITY.

~~*Each insurance policy required herein shall state that coverage shall not be canceled, except after providing City thirty (30) days (or ten [10] calendar days' for non-payment) prior written notice. CONSULTANT agrees that if it does not keep the aforesaid insurance in full force and effect CITY may either: (i) immediately terminate this Agreement for Cause; or (ii) take out the necessary insurance and pay, at CONSULTANT'S expense, the premium thereon.*~~

At all times during the Term of this Agreement, CONSULTANT shall maintain on file with City's Risk Manager a certificate or certificates of insurance showing that the aforesaid policies are in effect in the required amounts and ***including*** ~~*naming*~~ *CITY, its officers, agents, employees and volunteers as an additional insured. CONSULTANT shall, prior to commencement of work under this Agreement, file with CITY's Risk Manager such certificate(s).*

~~*CONSULTANT shall provide proof that policies of insurance required herein expiring during the Term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Such proof will be furnished at least two (2) weeks prior to the expiration of the coverages.*~~

The general liability and automobile policies of insurance required by this Agreement shall ~~*contain an endorsement naming*~~ ***include*** *CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers as additional insureds.* ***The Consultant agrees to provide City thirty (30) days prior written notice by email if any of the insurance coverage required under this Agreement is to be suspended, voided, reduced or canceled.*** ~~*All of the policies required under this Agreement shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty (30) prior written notice to CITY. CONSULTANT agrees to require its insurer to modify the certificates of insurance to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions.*~~

Except for professional liability and compensation policies, the policies herein are primary and non-contributing with any insurance that may be carried by CITY. Any insurance or self-insurance maintained by CITY, its officers, employees, agents or volunteers, shall be in excess of CONSULTANT's insurance and shall not contribute with it.

All insurance coverage provided pursuant to this Agreement shall not prohibit CONSULTANT, and CONSULTANT's employees, agents, or subcontractors, from waiving the right of subrogation to a loss. CONSULTANT hereby waives all rights of subrogation against CITY. ~~*Consultant agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not CITY has received a waiver if subrogation endorsement from the insurer.*~~

~~*Coverage not affected. Any failure to comply with the reporting provisions of the policies contemplated herein, shall not affect coverage provided to CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers.*~~

~~*Coverages applies separately. CONSULTANT's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.*~~

~~*Any deductibles or self insured retentions must be declared to and approved by CITY. At the option of CITY, CONSULTANT shall either reduce or eliminate the deductibles or self-insured retentions with respect to CITY, or CONSULTANT shall procure a bond guaranteeing payment of losses and expenses.*~~

~~*Procurement of insurance by CONSULTANT shall not be construed as a limitation of CONSULTANT's liability or as fall performance harmless and defend under Section 9 of this Agreement.*~~

CITY, its officers and employees shall not be responsible for any claims in law or in equity occasioned by failure of CONSULTANT to comply with this section."

City of Montebello, please note that as a standard **we do not name** but rather **agree to include** clients and vendors as "additional insured."

- **Section 15. Subcontract, Assignment, or Delegation:** We kindly request to include the following language, "***Notwithstanding the foregoing, the parties agree that the Consultant may assign this Agreement without City's consent in the event of any successor or assign that has acquired all, or substantially all, of the Consultant's business by means of merger, stock purchase, asset purchase, or otherwise.***"

- **Section 17. Dispute Resolution; Governing Law:** We kindly request to include the following language, ***"Notwithstanding the foregoing, in no event shall the costs, expenses, necessary disbursements, and relief sought exceed the liability cap included in Article 13 of this Agreement***."

- **Section 18. Attorney's Fees and Costs:** We kindly request to include the following language, "***Notwithstanding the foregoing, in no event shall the costs, expenses, necessary disbursements, and relief sought exceed the liability cap included in Article 13 of this Agreement***."

- **Section 19. Warranties:** Granicus is not currently have in-house counsel; therefore, we kindly request to strike A.

- **Section 21. Notice:** Since Granicus employees are currently working remotely, we kindly request that notice also be allowed to be given via email.

Additionally, we kindly request that the City of Montebello review the following language that Granicus proposes adding to the contract, should Granicus be selected:

1. *Use of Consultant Products and Services and Proprietary Rights*

1.1. Consultant Products and Services. *The Consultant Products and Services are purchased by County as subscriptions during an Order Term specified in each Order.*

1.2. Permitted Use. *Subject to the terms and conditions of this Agreement, Consultant hereby grants during each Order Term, and City hereby accepts, solely for its internal use, a worldwide, revocable, non-exclusive, non-transferrable right to use the Consultant Products and Services to the extent allowed in the relevant Order (collectively the "Permitted Use"). The Permitted Use shall also include the right, subject to the conditions and restrictions set forth herein, to use the Consultant Products and Services up to the levels limited in the applicable Order.*

1.2.1. Data Sources. *Data uploaded into Consultant Products and Services must be brought in from City sources (interactions with end users and opt-in contact lists). City cannot upload purchased contact information into Consultant Products and Services without Consultants' written permission and professional services support for list cleansing. Consultant certifies that it will not sell, retain, use, or disclose any personal information provided by City for any purpose other than the specific purpose of performing the Services outlined within this Agreement.*

1.2.2. Passwords. *Passwords are not transferable to any third party. City is responsible for keeping all passwords secure and all use of the Consultant Products and Services accessed through City's passwords.*

1.2.3. Content. *City can only use Consultant Products and Services to share content that is created by and owned by City and/or content for related organizations provided that it is in support of other organizations but not as a primary communication vehicle for other organizations that do not have a Consultant subscription. Any content deemed inappropriate for a public audience or in support of programs or topics that are unrelated to City, can be removed or limited by Consultant.*

1.2.3.1. Disclaimers. *Any text, data, graphics, or any other material displayed or published on City's website must be free from violation of or infringement of copyright, trademark, service mark, patent, trade secret, statutory, common law or proprietary or intellectual property rights of others. Consultant is not responsible for content migrated by City or any third party.*

1.2.4. Advertising. *Consultant Products and Services shall not be used to promote products or services available for sale through City or any third party unless approved in writing, in advance, by Consultant. Consultant reserves the right to request and review the details of any agreement between City and a third party that compensates City for the right to have information included in Content distributed or made available through Consultant Products and Services prior to approving the presence of Advertising within Consultant Products and Services.*

1.3. Restrictions. *City shall not:*

1.1.1. *Misuse any Consultant resources or cause any disruption, including but not limited to, the display of pornography or linking to pornographic material, advertisements, solicitations, or mass mailings to individuals who have not agreed to be contacted;*

1.1.2. *Use any process, program, or tool for gaining unauthorized access to the systems, networks, or accounts of other parties, including but not limited to, other Consultant customers;*

1.1.3. *City must not use the Consultant Products and Services in a manner in which system or network resources are unreasonably denied to other Consultant clients;*

1.1.4. *City must not use the Services as a door or signpost to another server.*

1.1.5. *Access or use any portion of Consultant Products and Services, except as expressly allowed by this Agreement or each Order placed hereunder;*

1.1.6. *Disassemble, decompile, or otherwise reverse engineer all or any portion of the Consultant Products and Services;*

1.1.7. *Use the Consultant Products and Services for any unlawful purposes;*

1.1.8. *Export or allow access to the Consultant Products and Services in violation of U.S. laws or regulations;*

1.1.9. *Except as expressly permitted in this Agreement, subcontract, disclose, rent, or lease the Consultant Products and Services, or any portion thereof, for third party use; or*

1.1.10. *Modify, adapt, or use the Consultant Products and Services to develop any software application intended for resale which uses the Consultant Products and Services in whole or in part.*

Please note that Granicus reserves the right to in good faith further negotiate the terms and conditions of the RFP, Sample Agreement, and any other agreement or document issued by the City of Montebello, upon award.

We look forward to having the opportunity to work with and support the City of Montebello.

Sincerely,

GRANICUS

GRANICUS

THANK YOU

Exhibit “C”

Schedule of Compensation

GRANICUS

Section 3

Budget

GRANICUS

Proposed Investment

All quotes are priced per project and presented in US dollars.

YEAR 1 INVESTMENT

govAccess TRAILBLAZER
Full Custom Website Design and Implementation

$36,670
Year 1 investment

Website Design and Implementation - Trailblazer provides a citizen focused website and includes:
• Advanced UX Consultation, which may include one (1) or more of the following:
1. One (1) site analytics report
2. One (1) heatmap analysis
3. One (1) internal stakeholder survey
4. One (1) community stakeholder survey
5. One (1) remote user testing of top tasks
• Three (3) customer landing page consultation
• Fully customized homepage wireframe
• Fully responsive design
• Custom mobile homepage or standard mobile responsive homepage
• Video background or standard rotating image carousel (switchable at any time)
• Up to three (3) customer experience features - Choose from Granicus' library including service finder, geo finder, or data visualization banner
• Programming/CMS implementation
• Migrate up to 200 webpages
• Up to ten (10) forms converted into the new CMS
• One (1) day of on-site consultation / training to be applied towards additional project management or training (two (2) of three (3) days must be consecutive)

GRANICUS

Proposed Investment

All quotes are priced per project and presented in US dollars

ANNUAL REOCCURING

govAccess
Maintenance, Hosting, & Licensing Fee**

- Ongoing Software Updates
- Unlimited Technical Support (6 am – 6 pm PT, Monday – Friday)
- Training Webinars and On-Demand Video Library
- Best Practice Webinars and Resources
- Annual health check with research-based recommendations for website optimization
- Hosting with 99.9% uptime
- DDoS Mitigation
- Disaster Recovery with 90 min failover (RTO) and 15 min data replication (RPO)
- Data Security

INCLUDED YEAR ONE
Annual reoccurring*

ANNUAL PAYMENT PLAN

1st Year $0

2nd Year $7,600

3rd Year $7,980

4th Year $8,379

5th Year $8,797.95

FREE
Guaranteed Redesign***

Optional Payment Options Available: Granicus recognizes you have a budget to work within. To accommodate your preference we offer different payment options, including distributing costs differently over multiple budget years.

*Payment cycle begins at the start of year two (2) or at the launch date of the new website (whichever comes first) and is based on a standard 5 year contract term.

**Annual hosting, maintenance and software license are subject to a cumulative annual 5% technology fee beginning in the second year of reoccurring billing.

***Guaranteed basic redesign after your contract term, no additional out-of-pocket expense.

Exhibit “D”

User Agreement

Exhibit "C"

User Agreement

The Contractor Products and Services are purchased by County as subscriptions during an Order Term specified in each Order.

Subject to the terms and conditions of this Agreement, Contractor hereby grants during each Order Term, and City hereby accepts, solely for its internal use, a worldwide, revocable, non-exclusive, non-transferrable right to use the Contractor Products and Services to the extent allowed in the relevant Order (collectively the "Permitted Use"). The Permitted Use shall also include the right, subject to the conditions and restrictions set forth herein, to use the Contractor Products and Services up to the levels limited in the applicable Order.

Data uploaded into Contractor Products and Services must be brought in from City sources (interactions with end users and opt-in contact lists). City cannot upload purchased contact information into Contractor Products and Services without Contractors' written permission and professional services support for list cleansing. Contractor certifies that it will not sell, retain, use, or disclose any personal information provided by City for any purpose other than the specific purpose of performing the Services outlined within this Agreement.

Passwords are not transferable to any third party. City is responsible for keeping all passwords secure and all use of the Contractor Products and Services accessed through City's passwords.

City can only use Contractor Products and Services to share content that is created by and owned by City and/or content for related organizations provided that it is in support of other organizations but not as a primary communication vehicle for other organizations that do not have a Contractor subscription. Any content deemed inappropriate for a public audience or in support of programs or topics that are unrelated to City, can be removed or limited by Contractor.

Disclaimers. Any text, data, graphics, or any other material displayed or published on City's website must be free from violation of or infringement of copyright, trademark, service mark, patent, trade secret, statutory, common law or proprietary or intellectual property rights of others. Contractor is not responsible for content migrated by City or any third party.

Contractor Products and Services shall not be used to promote products or services available for sale through City or any third party unless approved in writing, in advance, by Contractor. Contractor reserves the right to request and review the details of any agreement between City and a third party that compensates City for the right to have information included in Content distributed or made available through Contractor Products and Services prior to approving the presence of Advertising within Contractor Products and Services.

City shall not:

1. Misuse any Contractor resources or cause any disruption, including but not limited to, the display of pornography or linking to pornographic material, advertisements, solicitations, or mass mailings to individuals who have not agreed to be contacted;
2. Use any process, program, or tool for gaining unauthorized access to the systems, networks, or accounts of other parties, including but not limited to, other Contractor customers;
3. Use the Contractor Products and Services in a manner in which system or network

resources are unreasonably denied to other Contractor clients;
4. Use the Services as a door or signpost to another server.
5. Access or use any portion of Contractor Products and Services, except as expressly allowed by this Agreement or each Order placed hereunder;
6. Disassemble, decompile, or otherwise reverse engineer all or any portion of the Contractor Products and Services;
7. Use the Contractor Products and Services for any unlawful purposes;
8. Export or allow access to the Contractor Products and Services in violation of U.S. laws or regulations;
9. Except as expressly permitted in this Agreement, subcontract, disclose, rent, or lease the Contractor Products and Services, or any portion thereof, for third party use; or
10. Modify, adapt, or use the Contractor Products and Services to develop any software application intended for resale which uses the Contractor Products and Services in whole or in part.

////

[END OF USER AGREEMENT]

ITEM # 16

CITY OF MONTEBELLO

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

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

BY: Joseph Palombi, Director of Planning and Community Development

SUBJECT: **Adopt Resolution Approving the Purchase and Sale Agreement for the Purchase of Real Property located at 612 W. Whittier Boulevard and Authorizing the City Manager to execute the Purchase and Sale Agreement on Behalf of the City and Adopt Resolution Approving an Interfund Loan to Provide Funding for the Purchase**

DATE: March 24, 2021

RECOMMENDATIONS:

Staff recommends that the City Council adopt Resolution No. _____:

1) Approving the City's purchase of the real property located at 612 W. Whittier Boulevard in City of Montebello, California (the "Property") for $575,000; and

2) Approving the Purchase and Sale Agreement and authorize staff to continue negotiating the final form as long as no change to purchase price or description of property being purchased, which final agreement shall be approved as to form by the City Attorney's office; and

3) Authorize the City Manager to execute the Purchase and Sale Agreement between the City of Montebello and Mario Mojarro, and any related documents necessary to reasonably complete the purchase in accordance with the final Agreement; and

4) Approve an interfund loan in the amount of $575,000 from the Housing Successor Agency Fund to the General Fund; and

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

FISCAL IMPACT

Funding for the proposed acquisition of real property located at 612 W. Whittier Blvd. will come from available cash resources in the Housing Successor Agency Fund (Fund 810). This Fund has approximately $1.948 million in available cash as of March 14, 2021. In an effort to balance ongoing needs for General Fund reserves with other

available cash resources, an interfund loan is proposed to provide funding for the acquisition of this piece of real property.

The loan would be short-term in nature, with full repayment from the General Fund to the Housing Successor Agency fund completed by June 30, 2023. The Housing Successor Agency fund has adequate cash reserves to provide this short-term, interfund loan. This loan would help maintain current General Fund reserves, while using idle cash in the Housing Successor Agency fund to purchase this key piece of property.

BACKGROUND

The Property and building located at 612 West Whittier Boulevard is offered for sale with an asking price of $575,000. This property is located along the Whittier Boulevard corridor and within the proposed Downtown Montebello Specific Plan boundary. The City has been interested in improving the Whittier corridor with uses that activate the boulevard. The City Council discussed the price and terms of a proposed sale with the City's real property negotiator on December 16, 2020, and again on January 13, 2021 during closed session meetings.

The negotiated deal points include the full repayment of an outstanding loan by Mario Mojarro ("Seller") to the Successor Agency to the Former Montebello Redevelopment Agency ("Successor Agency") pursuant to the Loan Agreement dated March 30, 2006 (Please see Attachment E). The original loan amount was $150,000, with the seller having an outstanding balance of $118,400. This amount would be paid to the Successor Agency, with funds distributed according to the statutes and rules governing redevelopment agency dissolution. Staff will work with the State Department of Finance (DOF) and County of Los Angeles to effectuate the transfer of funds as required.

The Seller is the fee owner of the Property consisting of approximately 3,250 gross square feet of real property located at 612 West Whittier Boulevard in the City of Montebello, Los Angeles County, California, specifically described as Los Angeles County Assessor's Parcel Number 6349-027-007, including all improvements located thereon, and all rights, privileges, easements and appurtenances thereto, if any, and all rights, title and interest in and to all minerals, oil, gas and other hydrocarbon substances, development rights and water stock relating thereto.

Staff commissioned an appraisal, which valued the Property at $550,000. The negotiated sales price is $575,000 with a projected closing date of the sale to be determined.

On March 16, 2021, the Planning Commission made the necessary finding that the acquisition of the Property conforms with the Montebello General Plan pursuant to Government Code Section 65402.

PROPERTY DESCRIPTION

The Property is currently improved with a 1,488 square foot building located in the C-2 (General Commercial) Zone. The Property is currently developed with a permitted commercial use as a professional office, which is currently occupied by Mojarro Law Offices. The Property is located on the Whittier Blvd. corridor and within the proposed Downtown Montebello Specific Plan area.

Pursuant to Government Code Section 65402, before the City may dispose or acquire the Property, the Planning Commission must find that the acquisition of the Property conforms with the adopted General Plan.

The Property is in conformance with the City of Montebello's General Plan Land Use Element:

A. Goals:
    1. Provides for the development and location of commercial shopping areas within the community in a manner compatible with other land uses. (*Land Use Goal #3).*
B. Objectives:
    1. Encourages cluster type commercial development as opposed to proliferation of strip commercial (*Land Use Objective #3).*
C. Policies; Commercial:
    1. Encourages commercial development within the City in an appropriate location and according to need. (*Land Use Commercial Policy #1).*
    2. Encourages a variety of commercial development, including regional and community shopping facilities, local neighborhood convenience centers, highway-oriented development and professional office type areas. (*Land Use Commercial Policy #2*).
    3. Provides for continued commercial development on Whittier Boulevard, within a commercial cluster. (*Land Use Commercial Policy #3*).
    4. Encourages future beautification of Whittier Boulevard by requiring future

projects that require street landscaping, ample off-street parking, and some lot unification. (*Land Use Commercial Policy #4*).

5. Provides for ample commercial facilities aimed at meeting the needs of City residents as well as future taxable revenues to the City. (*Land Use Commercial Policy #5*).

The subject site is located in the C-2 Zone which provides for a variety of commercial uses to meet the needs of residents and visitors to the area. The Property also provides taxable revenues to the City, and meets the floor-to-area ratio of 3:1 approaching 100% lot coverage with reduced setback and parking requirements. As previously mentioned, the subject property is also located along Whittier Boulevard, a major corridor in the City, which offers sites for commercial land uses as well as contributes to the economic welfare of the community through the generation of sales and property taxes.

ANALYSIS

Purchasing this Property makes sense for several reasons, even during these relatively uncertain economic times.

Primarily, this is a unique opportunity for the City to assemble land, which creates opportunities for existing and future uses consistent with City Council policy direction. Moreover, this opportunity may not present itself during a healthy economic time. Lastly, the Property's location on a major corridor is central to the future vision of this area of the City that includes a downtown specific plan and would make it possible to incorporate the Property into a more beneficial and productive use that adds value to the downtown Whittier Blvd. corridor and surrounding areas.

ENVIRONMENTAL

The adoption of the proposed Resolution is not subject to California Environmental Quality Act (CEQA) because CEQA Guidelines section 15060(c)(2) states that a project is not subject to CEQA review where the activity will not result in a direct or reasonably foreseeable indirect physical change to the environment and is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) which states that a project is exempt from CEQA "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 City's acquisition of the Property will not result in a direct or reasonably foreseeable indirect physical change to the environment and there is no possibility that the acquisition of the

Property will have a significant effect on the environment because the Property will continue to be used as a commercial office building and any future changes to the Property shall comply with CEQA at that time.

NEXT STEPS/RECOMMENDATIONS

Staff recommends that City Council approve the attached Resolution approving the purchase of the Property and authorizing the City Manager to execute the Purchase and Sale Agreement, and any reasonably related documents, on behalf of the City to move forward with acquiring this Property located along the proposed Downtown Whittier Boulevard Corridor. In addition, Staff recommends approval of an interfund loan between the Housing Successor Agency (Fund 810) and the General Fund in the amount of $575,000. Loaning the General Fund the full purchase amount will assist with cash flow while utilizing idle cash in the Housing Successor Agency Fund.

ATTACHMENTS:

A. Attachment A – Draft Purchase and Sale Agreement
B. Attachment B – Property Profile Report
C. Attachment C – Appraisal
D. Attachment D – Resolution Approving Purchase of Property
E. Attachment E – Loan Agreement with Former Redevelopment Agency
F. Attachment F – Interfund Loan Resolution

ATTACHMENT A

CITY OF MONTEBELLO

AGREEMENT OF PURCHASE AND SALE NO. _____
AND ESCROW INSTRUCTIONS
(612 West Whittier Boulevard, Montebello, CA 90640)

THIS PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS ("Agreement"), is dated as of _____, 2021, is made by and between the City of Montebello, a municipal corporation ("Buyer" or "City"), and Mario Mojarro ("Seller"). Buyer and Seller are referred to herein individually as a "Party" and collectively as the "Parties."

RECITALS

A. Seller is the fee owner of approximately 3,250 gross square feet of real property located at 612 West Whittier Boulevard in the City of Montebello, Los Angeles County, California, specifically described as Assessor's Parcel Number 6349-027-007, and more particularly described in the Legal Description as Exhibit A, attached hereto and incorporated herein, including all improvements located thereon, and all rights, privileges, easements and appurtenances thereto, if any, and all rights, title and interest in and to all minerals, oil, gas and other hydrocarbon substances, development rights and water stock relating thereto (the "Property").

B. Seller desires to sell the Property to Buyer and Buyer desires to purchase the Property from Seller on the terms and conditions contained in this Agreement.

THE PARTIES AGREE AS FOLLOWS:

1. Sale of Property; Purchase Price.

1.1 Sale of Property. On the Closing Date (as defined in Paragraph 2.2), Seller shall sell, transfer, assign and convey to Buyer and Buyer shall purchase and accept the sale, transfer, assignment and conveyance from Seller of, all of Seller's right, title and interest in the Property at the price and upon the terms and conditions set forth in this Agreement.

1.2 Sale of Personal Property. Buyer acknowledges that no personal property is being conveyed to Buyer pursuant to this Agreement.

1.3 Purchase Price. Buyer shall pay to Seller as the total purchase price for the Property the sum of Five Hundred Seventy-Five Thousand and 00/100 Dollars ($575,000.00) (the "Purchase Price"), which shall be deposited by Buyer into Escrow no later than one (1) business day before the "Closing Date" (as defined in Paragraph 2.2 below).

2. Escrow; Closing Conditions.

2.1 Escrow. No later than three (3) business day after the execution of this Agreement by Buyer and Seller, Buyer and Seller shall open an escrow (the "Escrow") with [NAME], Escrow Officer, [COMPANY], [ADDRESS], [CITY], CA [ZIP], Telephone:

(XXX) XXX-XXXX ("Escrow Holder") and shall deliver a fully executed copy of this Agreement to Escrow Holder. The deposit with Escrow Holder of a fully executed original of this Agreement shall constitute the opening of Escrow (the "Opening of Escrow") and authorization to Escrow Holder to act in accordance with the terms of this Agreement. Escrow Holder's standard provisions shall become a part hereof; provided, however that if there is any conflict or inconsistency between such standard provisions and this Agreement, then this Agreement shall control.

2.2 Closing Date. The Escrow shall close no later than forty-five (45) days after the Opening of Escrow (the "Closing Date"), unless otherwise extended in writing by the Parties. Notwithstanding the foregoing, the "Closing" (as defined in Paragraph 2.7 below) or Close of Escrow shall not occur unless the conditions to the Close of Escrow set forth in this Agreement have been satisfied or waived, including, without limitation, (i) the conditions set forth in Paragraphs 2.9 and 2.10 below, (ii) the condition that all items described in Paragraphs 2.5 and 2.6 below shall have been deposited with Escrow Holder, and (iii) the condition that the "Title Company" (as defined in Paragraph 2.3 below) has unconditionally committed to issue the "Title Policy" (as defined in Paragraph 2.3 below). If any of such conditions have not been satisfied or waived on or before the Closing Date, this Agreement and the Escrow shall terminate; provided, however that such termination shall not affect any claims that either party may have against the other for any breach of this Agreement. If neither party is in default hereunder, upon any termination of this Agreement, the provisions of Paragraph 2.11 shall apply.

2.3 Title and Title Insurance. Seller shall convey title to the Property to Buyer by a grant deed in the form attached hereto as Exhibit A (the "Grant Deed"). At the "Close of Escrow," _____ (the "Title Company"), shall issue through Escrow an Owner's Policy of Title Insurance (the "Title Policy") with CLTA coverage, unless Buyer elects ALTA coverage and pays the additional cost of such coverage pursuant to Paragraph 2.4.2 below, in which event the Title Company shall issue the Title Policy with ALTA coverage, with liability in the amount of the Purchase Price, insuring fee title to the Property vested in Buyer, subject only to the following exceptions (the "Permitted Exceptions"):

(i) the standard printed exceptions set forth in the Title Policy;

(ii) general and special taxes and assessments not then delinquent or payable over time; and

(iii) any exceptions to title created by or made through Buyer (any loan or other encumbrance from the Successor Agency to the Former Montebello Redevelopment Agency are not deemed created by or through the Buyer); and

(iv) such other exceptions consistent with this Agreement and approved or waived by Buyer in writing.

2.4 Costs.

2.4.1 Escrow Holder's fees with respect to the Escrow shall be paid by Buyer and Seller equally.

2.4.2 Seller shall pay the premium for a CLTA Standard Policy of Title Insurance. The additional cost for an ALTA Owner's Policy, if selected by Buyer, and any endorsements to the Title Policy requested by Buyer shall be paid for by Buyer. Buyer shall pay all costs and expenses, if any, incurred in connection with obtaining a survey of the Property.

2.4.3 All expenses and charges incurred in connection with the discharge of delinquent taxes, if any, or monetary liens or monetary encumbrances on the Property, other than (a) those created by or made through Buyer, (b) bonds, taxes and assessments payable over time, except to the extent payable by Seller under Subparagraph 2.4.4 below, (c) interests granting royalties to third parties, (d) liens arising out of any legal proceedings encumbering the Property, notwithstanding the fact that such liens could be discharged by the payment of money, and (e) any exception to title that cannot expressly, by its terms, be discharged by payment of money, shall be paid by Seller.

2.4.4 All installments of bonds, special taxes or assessments which are a lien on the Property and due and payable in full prior to the time of Closing shall be prorated in the manner set forth in Paragraph 2.8.1 below; provided, however, that in determining any amount payable by Seller, such assessments shall be amortized over the longest period of time permitted by the taxing authority to make such payment, even if the assessment is assessed as a lump sum.

2.4.5 Each party shall be responsible for payment of the fees and expenses of its counsel relating to this Agreement and the transactions contemplated hereby.

2.4.6 Any city or county documentary or transfer taxes and recording fees shall be paid by Buyer.

2.4.7 Any other closing costs or charges shall be paid by Buyer.

2.5 Deposit of Documents and Funds by Seller. Seller shall deposit with Escrow Holder the following items no later than five (5) business days prior to the Closing Date, duly executed and acknowledged where required:

2.5.1 The Grant Deed.

2.5.2 A certification, duly executed by Seller under penalty of perjury in the form of, and upon the terms set forth in, the Transferor's Certification of Non-Foreign Status ("FIRPTA Certificate"), setting forth Seller's address and federal tax identification number and certifying that Seller is a "United States Person" and that Seller is not a "foreign person" in accordance with and/or for the purpose of the provisions of Sections 7701 and 1445 (as may be amended) of the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder.

2.5.3 To the extent not previously delivered to Buyer, originals of any leases, any contracts relating to the Property, certificates of occupancy, governmental approvals, and any other documents, instruments or agreements reasonably necessary to effectuate the transaction contemplated by this Agreement to the extent any such documents are in Seller's possession.

2.5.4 Materials related to the Condition of the Property. Any environmental impact reports, "Phase I" or "Phase II" reports, or environmental site assessments concerning hazardous materials on the Property, complaints or notices of the presence of hazardous materials on the Property, geological surveys, soil tests, engineering reports, inspection results, complaints, or notices received from any person or governmental agency regarding the safety of the Property, to the extent such documents are in Seller's possession or control.

2.5.5 All other documents as may reasonably be required by Escrow Holder or the Title Company to close the Escrow in accordance with this Agreement.

2.6 Deposit of Documents and Funds by Buyer. Buyer shall deposit with Escrow Holder the following items no later than one (1) business days prior to the Closing Date, duly executed and acknowledged where required:

2.6.1 The Purchase Price plus such additional funds as are required to pay Buyer's costs and prorations as provided in Paragraph 2.4 above and Paragraph 2.8 below, less any credits Buyer is entitled to hereunder.

2.6.2 All other documents as may be reasonably required by Escrow Holder or the Title Company to close the Escrow in accordance with this Agreement.

2.7 Delivery of Documents and Funds at Closing. The performance of the acts set forth in this paragraph shall constitute the "Closing" or the "Close of Escrow" as such terms are used in this Agreement. The Escrow Holder shall conduct the Closing by recording and distributing the following described documents and funds in the following manner:

2.7.1 Deliver to Seller on the Closing Date immediately available funds in the sum of the Balance, and such other funds, if any, due Seller by reason of prorations, less Seller's closing costs and prorations, if any, as provided in Paragraph 2.4 above and Paragraph 2.8 below, and any credits Buyer is entitled to hereunder.

2.7.2 Pay the costs referred to in Paragraph 2.4 above.

2.7.3 Record the Grant Deed, with Certificate of Acceptance, in the Office of the County Recorder of Los Angeles County and simultaneously deliver the Change of Ownership Report to such Office.

2.7.4 Obtain and deliver the original Title Policy to Buyer and a copy to Seller.

2.7.5 Deliver to Buyer any funds deposited by Buyer, and any interest earned thereon, in excess of the amount required to be paid by Buyer under the Agreement.

2.8 Prorations.

2.8.1 Taxes. Escrow Holder shall prorate on a 365-day basis the ad valorem taxes on the Property for the current fiscal year and all installments of bonds, special taxes, and assessments payable over time as of the Close of Escrow based upon the most current real estate tax information available. Buyer acknowledges that Seller is obligated to pay to the California State Board of Equalization the ad valorem taxes on the Property for the entire tax fiscal year during which the Close of Escrow occurs even though (a) Seller will own the Property for less than the entire fiscal year, and (b) such payment may be due following the Close of Escrow. Therefore, Buyer agrees that at the Close of Escrow Seller shall be credited and Buyer shall be debited an amount equal to that portion of the ad valorem taxes on the Property attributable to the period from the Close of Escrow to the end of the tax fiscal year in which the Close of Escrow occurs. Any bill for supplemental ad valorem taxes ("Supplemental Taxes") on the Property which is issued after the Close of Escrow shall be prorated by Buyer and Seller outside of Escrow after the Close of Escrow. Each party shall remit its pro rata share of any such Supplemental Taxes, as reasonably determined by Seller, to the requesting party outside of Escrow within ten (10) days after such party's receipt of a copy of the bill for such Supplemental Taxes from the requesting party. Notwithstanding the proration procedure described above, Buyer shall assume and shall pay all taxes and assessments (including all roll-back taxes and assessments) levied or assessed against any portion of the Property as the result of a change in the use or ownership of the Property occurring from and after the Closing Date, and shall defend, indemnify, and hold Seller harmless from any cost, expense, liability, or obligation (including, without limitation, reasonable attorneys' fees and costs) with respect to any such taxes or assessments. This provision shall survive the Close of Escrow.

2.8.2 Utilities. Escrow Holder shall prorate through Escrow, on a 365-day basis, all water, gas, electric and other utility services, if any, on the Property.

2.9 Buyer's Conditions to Closing. Buyer shall not be obligated to proceed to the Close of Escrow and the Closing shall not occur unless and until, in addition to all other conditions contained in this Agreement, the following conditions have been satisfied or waived in writing by Buyer:

2.9.1 Title Report. Promptly following the execution of this Agreement by Buyer and Seller, the Title Company shall have delivered to Buyer (i) a preliminary title report issued by the Title Company (the "Preliminary Report") for the Property and legible copies of all title documents referred to therein; and (ii) any survey of the Property in Seller's possession. Buyer shall have ten (10) business days from the date of receipt of the Preliminary Report to disapprove any exceptions to title shown therein ("collectively referred to as "Disapproved Exceptions") and to provide Seller with notice thereof describing the defect with reasonable particularity (the Disapproval Notice"). Any exceptions to title not disapproved within the Review Period shall be deemed approved. Within five (5) days after Seller's receipt

of the Disapproval Notice, Seller shall notify Buyer whether or not Seller intends to remove the Disapproved Exceptions. Seller shall be under no obligation to remove any Disapproved Exception, but Seller agrees to cooperate in good faith with Buyer in Buyer's efforts to eliminate any Disapproved Exception, provided Seller is not obligated to pay any sum or assume any liability in connection with the elimination of any such Disapproved Exception. If Seller notifies Buyer that Seller intends to eliminate any Disapproved Exception, Seller shall do so concurrently with or prior to the Close of Escrow. If Seller notifies Buyer that Seller does not intend to eliminate any Disapproved Exception(s), Buyer, by notifying Seller within five (5) days after its receipt of such notice, may elect to terminate this Agreement and receive a refund of any funds deposited by Buyer or take the Property subject to the Disapproved Exception(s). The Title Policy shall include such endorsements as Buyer shall reasonably request. Any endorsements to the Title Policy are to be paid for by Buyer.

2.9.2 Issuance of Title Policy. The Title Company shall have issued the Title Policy as of the Close of Escrow.

2.10 Seller's Conditions to Closing. Seller shall not be obligated to proceed to the Close of Escrow and the Closing shall not occur unless and until, in addition to all other conditions contained in this Agreement, the following conditions have been satisfied or waived in writing by Seller:

2.10.1 Performance of Obligations. At or prior to the Closing Date, Buyer shall have performed all of Buyer's obligations herein that are to be performed prior to the Closing.

2.10.2 Waiver. It is hereby understood that the conditions set forth in Paragraph 2.10.1 above are for the benefit of Seller and may be waived by Seller in writing delivered to Buyer and Escrow Holder. In satisfying the conditions in this Paragraph 2.10, Seller and Buyer shall each exercise good faith, reasonableness, and diligence. However, decisions authorized to be made in the sole discretion of either Buyer or Seller shall be final and not subject to review or challenge on any basis.

2.11 Termination. Upon any termination of this Agreement and the Escrow (if applicable) for any reason, other than either party's default hereunder, (i) each party shall execute such documents as Escrow Holder may reasonably require to evidence such termination, (ii) Escrow Holder shall charge its fees and expenses to both parties equally, (iii) subject to the provisions of Subparagraph (ii) above, Escrow Holder shall return all documents and funds to the party who deposited them, (iv) , and (vii) all obligations of either party relating to this Agreement and the Property shall terminate.

3. Seller's Representations and Warranties. Seller hereby represents and warrants to Buyer that, unless otherwise provided, at the date of execution hereof and at and as of the Closing Date:

3.1 Non-Foreign Person. Seller is not a "foreign person" within the meaning of Internal Revenue Code §1445.

3.2 To the best of Seller's current, actual knowledge, no representation, warranty, or statement of Seller in this Agreement or made by Seller in any document furnished or to be furnished to Buyer pursuant to this Agreement, contains or will contain any untrue statement of a material fact. To the best of Seller's then current, actual knowledge, all representations, warranties, and statements made by Seller are based on correct and complete information as of the time furnished to Buyer, and, unless otherwise disclosed to Buyer, to the best of Seller's current, actual knowledge there has been no material adverse change in such information after such time. Seller agrees to notify Buyer promptly if Seller learns of any material adverse changes to information provided to Buyer before the Close of Escrow.

3.3 If Buyer believes or asserts that any representation or warranty set forth in this Paragraph 3 is not true or complete, it must commence an action or proceeding with respect to the truth, accuracy, or completeness of any representation or warranty of Seller, if at all, within six (6) months after the Close of Escrow.

3.4 Effect of Representations and Warranties. Each representation and warranty made by Seller in this Paragraph 3 (a) is material and being relied on by Buyer, (b) is true in all respects as of the Effective Date, (c) must be true in all respects on the Closing Date, and (d) will survive the Closing, except as otherwise provided in this Agreement.

4. Buyer's Representations and Warranties. Buyer hereby represents and warrants to Seller that at the date of execution hereof and at and as of the Closing Date, Buyer is a municipal corporation and has the legal capacity to understand and execute this Agreement and all documents in connection therewith.

Each representation and warranty made by Buyer in this Paragraph 3 (a) is material and being relied on by Seller, (b) is true in all respects as of the Effective Date, (c) must be true in all respects on the Closing Date, and (d) will survive the Closing, except as otherwise provided in this Agreement.

5. Buyer's Examination of the Property. Except as provided in Paragraph 3 of this Agreement, Seller makes no representation or warranty respecting the Property, or any portion thereof, or otherwise in connection with the transaction contemplated hereby. Without limiting the generality of the foregoing, Buyer hereby acknowledges and agrees that Buyer will be purchasing the Property "AS IS" with all faults, without representation, warranty or guarantee of any kind, either express or implied, including, without limitation, any warranty of condition, merchantability, habitability or fitness for a particular use or purpose or the value, accuracy of information, marketability, prospects for future development, use or occupancy, except as provided in Paragraph 3 above, and more specifically that:

(i) Seller makes no representation or warranty with respect to the zoning or permitted use of any portion of the Property.

(ii) Prior to the Close of Escrow, Buyer will be fully satisfied that the Purchase Price is fair and adequate consideration for the Property.

(iii) Subject to the conditions, covenants, representations and warranties of the parties set forth herein, notwithstanding any adverse effect on the marketability, desirability or value of the Property or any portion thereof which occurs between the execution of this Agreement and the Closing Date, including, without limitation, any adverse effect arising from or related to any changes or proposed changes to any governmental laws, ordinances, statutes, rules or regulations, the transactions contemplated by this Agreement shall be consummated on the terms and conditions contained herein.

6. Removal of Personal Property. Prior to the Close of Escrow, Seller shall remove from the Property any items of personal property owned by Seller. Such removal shall not affect the amount of the Purchase Price or any other terms or conditions of this Agreement.

7. Delivery of Possession. Subject to the rights of all tenants on the Property, if any, Seller shall deliver possession of the Property to Buyer at the Close of Escrow.

8. Commissions. Buyer and Seller represent and warrant to one another that no broker, salesman or finder has been engaged by them in connection with the transactions contemplated by this Agreement.

9. Notices. Whenever Escrow Holder or any party hereto shall desire to deliver to the other any notice, demand, request or other communication, each such notice, demand, request or other communication shall be in writing, shall be given by personal delivery, by registered or certified United States mail, return receipt requested, or by overnight courier, postage prepaid, addressed as follows:

If to Buyer: City of Montebello
1600 West Beverly Blvd.
Montebello, CA 90640
Attn: City Manager

Tel: (323) 887-1363
Fax: (323) 887-1443

With a copy to: Alvarez-Glasman & Colvin
13181 Crossroads Parkway North, Suite 400
City of Industry, CA 91746
Attn: Arnold M. Alvarez-Glasman, City Attorney
Tel: (562) 699-5500
Fax: (562 692-2244
Email: AGlasman@agclawfirm.com

If to Seller: Mario Mojarro
_____
_____
Attn: _____
Email:_____

Any such notice, demand, request or other communication shall be deemed effective on the day of actual delivery or refusal to accept as shown by the addressee's return receipt. If the date on which any notice required to be delivered hereunder falls on a weekend or legal holiday, then such notice may be delivered on the next business day immediately following such weekend or holiday. If the date of Closing, or any other date falls on a weekend or legal holiday, then such date shall automatically be extended to the next business day immediately following such weekend or holiday. The foregoing addresses may be changed by notice given in accordance with this Paragraph.

10. Indemnification. Seller shall, at its own expense, defend, indemnify, and hold harmless the Buyer and its officers, agents, employees and representatives harmless from any and all losses, liabilities, claims, lawsuits, causes of action, judgments, settlements, court costs, attorneys' fees, and other legal expenses, costs of evidence of title, costs of evidence of value, and other damages of whatsoever nature arising out of or in connection with, or relating in any manner to any act or omission of Seller or their agents, employees, contractors and subcontractors of any tier and employees thereof in connection with or arising from Seller's ownership or operation of the Property, except for any such loss, liability, claim, lawsuit or other damage arising from the gross negligence or willful misconduct of the City or its officers, agents, employees or representatives.

11. Amendment; Complete Agreement. All amendments and supplements to this Agreement must be in writing and executed by Buyer and Seller. All understandings and agreements between the parties (including any printed offer of sale provided by Seller to Buyer) regarding the Property are merged in this Agreement, which alone fully and completely expresses the agreement of the parties regarding the Property. This Agreement has been entered into after full investigation of the facts by both Parties and neither Party has relied on any statement or representation not embodied in this document. This Agreement has been drafted through a joint effort of the parties and their counsel and therefore shall not be construed against either of the parties as the draftsperson.

12. Governing Law. This Agreement shall be governed under the laws of the State of California.

13. Counterparts, Headings and Defined Terms. This Agreement may be executed in several counterparts each of which shall be an original, but all such counterparts shall constitute one such Agreement. The headings used herein are for convenience only and are not to be construed to be part of this Agreement. For the purposes of this Agreement, (a) the term "including" means "including without limitation," and (b) when a time period is specified in this Agreement for the performance of an act or the occurrence of an event, "days" shall mean "calendar days," unless otherwise specified herein.

14. No Offer. Submission of this Agreement for examination or signature by Buyer is not effective as an agreement to sell the Property or otherwise until execution by and delivery to both Buyer and Seller of an original of this Agreement.

15. Time of the Essence. Time is of the essence of this Agreement.

16. Waiver. The waiver by one party of performance of any covenant, condition or promise shall not invalidate this Agreement, nor shall it be considered to be a waiver by it of any other covenant, condition or promise. The waiver by either or both parties of the time for performing any act shall not constitute a waiver of the time for performing any other act or an identical act required to be performed at a later time. The exercise of any remedy provided in this Agreement shall not be a waiver of any other remedy provided by law.

17. Third Parties. Nothing contained in this Agreement, expressed or implied, is intended to confer upon any person, other than the parties hereto and their successors and assigns, any rights or remedies under or by reason of this Agreement.

18. Severability. If any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein, unless such invalidity, illegality or unenforceability materially affects the transactions contemplated by this Agreement or the ability of either party to perform its obligations under this Agreement. In such case, either party may terminate this Agreement and the Escrow on written notice to the other party given no later than ten (10) business days after the party giving such notice becomes aware of such invalidity, illegality or unenforceability, and the provisions of Paragraph 2.11 above shall apply.

19. Additional Documents. Each party hereto agrees to perform any further acts and to execute and deliver any further documents which may be reasonably necessary to carry out the provisions of this Agreement.

20. Assignment; Binding Effect. This Agreement shall not be assignable by Buyer to any other party without the prior written consent of Seller, which consent Seller may withhold in their sole discretion. For purposes of this Paragraph, any agreement entered into between Buyer and a third party prior to the Close of Escrow to sell or otherwise transfer any interest in the Property, including, without limitation, the execution of escrow instructions contemplating such a sale or transfer shall be deemed an assignment. Any such assignment without Seller's consent as provided herein, shall be deemed a material breach of this Agreement, and Seller may, in Seller's sole discretion, elect to terminate this Agreement, in which case this Agreement shall be null and void, Buyer shall have no further rights hereunder, and Seller shall be entitled to damages. Subject to the foregoing, this Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of Seller and Buyer.

21. Independent Counsel. Each party acknowledges that it has consulted with and had the opportunity to consult with independent counsel of its own choosing in connection with the negotiation and execution of this Agreement.

[*Signatures on next page*]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

SELLER:
Mario Mojarro

By: _____
Mario Mojarro

Date: _____

BUYER:
City of Montebello, a municipal corporation

By: _____
René Bobadilla, City Manager

Date: _____

ATTEST:

By: _____
Christopher Jimenez, City Clerk

APPROVED AS TO FORM:

By: _____
Arnold M. Alvarez-Glasman
City Attorney

Attachments: Exhibit A – Legal Description
Exhibit B – Grant Deed

EXHIBIT A

Legal Description

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF MONTEBELLO, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

Lot 3 of Tract 10722, County of Los Angeles, State of California, as per map recorded in Book 169, page 1 of Maps, in the office of the County Recorder of said County.

EXHIBIT B

Grant Deed

FREE RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

City Clerk
City of Montebello
1600 W Beverly Blvd
Montebello, CA 90640
Attn: City Manager

APN: 6349-027-007

SPACE ABOVE THIS LINE FOR RECORDER'S USE
EXEMPT FROM RECORDING FEE PER GOV. CODE § 27383

GRANT DEED

AND RESERVATION OF EASEMENT

THE UNDERSIGNED GRANTOR declares: (a) DOCUMENTARY TRANSFER TAX is $ _____; and (b) CITY TAX is $0.

FOR VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, Mario Mojarro ("Grantor"), hereby grants to CITY OF MONTEBELLO, a California municipal corporation ("Grantee"), all of its respective rights, title, and interest in the real property in the City of Montebello, County of Los Angeles, State of California, as more particularly described in Attachment 1 attached hereto and incorporated herein by this reference (the "Property").

IN WITNESS WHEREOF, Grantor has caused this instrument to be executed on its behalf as of the date written below.

Mario Mojarro

_____

Mario Mojarro

[*Signature to be notarized*]

ATTACHMENT 1
to Grant Deed

Legal Description

RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO:

City Clerk
City of Montebello
1600 W Beverly Blvd.
Montebello, CA 90640
Attn: City Manager

(Space Above Line For Use By Recorder)
Exempt from recording fee pursuant to
Gov. Code Section 27383

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the Grant Deed and Reservation of Easement dated _____ 20___ from Mario Mojarro, to the City of Montebello ("City") is hereby accepted by the undersigned officer on behalf of the City pursuant to authority conferred by City Council Resolution No. _____ adopted on _____ 2021. City hereby consents to the recordation thereof by its duly authorized officer.

Dated: _____, 20____

GRANTEE:

CITY OF MONTEBELLO, a municipal corporation

By: _____
René Bobadilla, City Manager

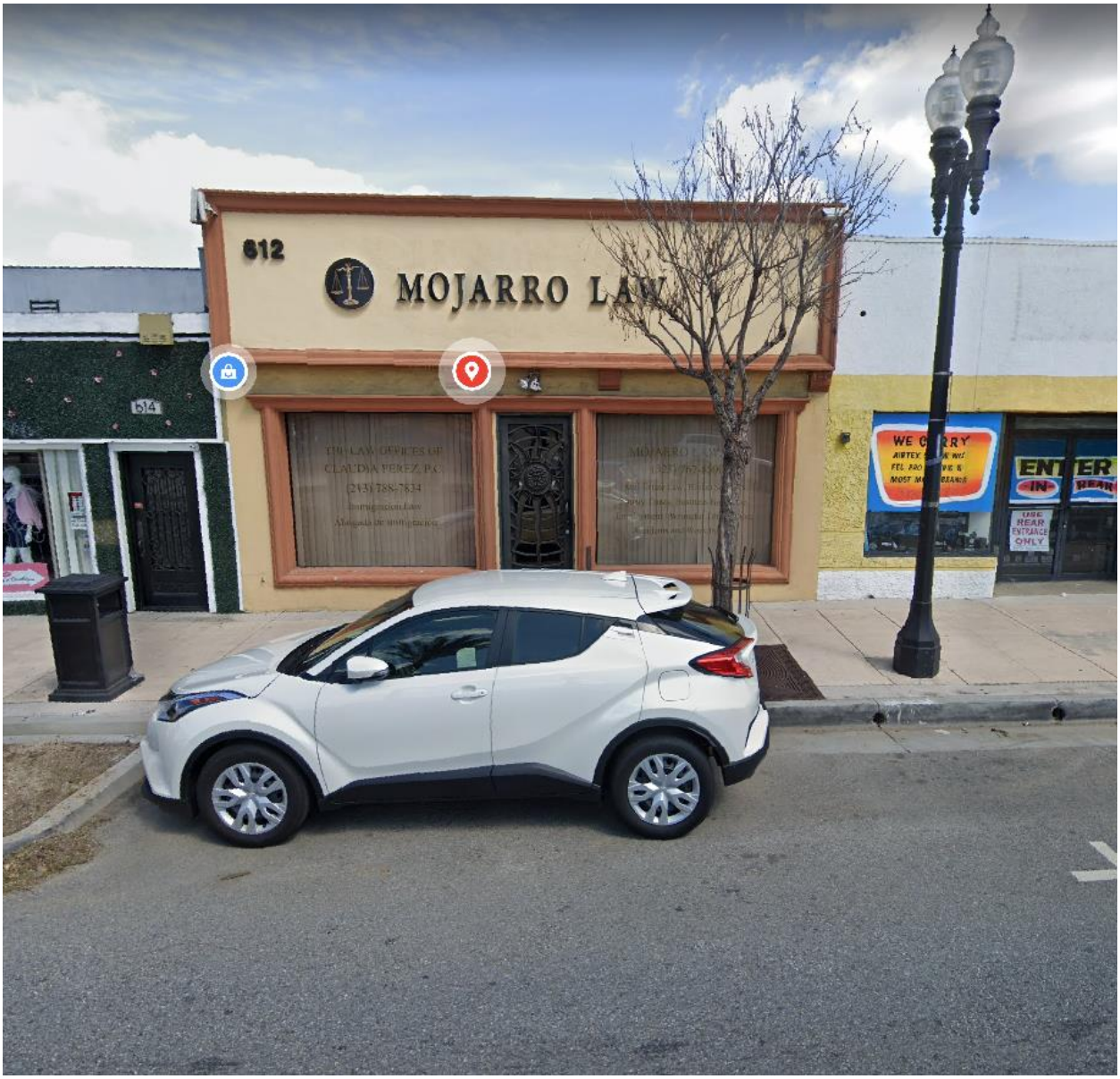
ATTEST:

_____
City Clerk

ATTACHMENT B

PROPERTY PROFILE

JANUARY 14, 2021



Property:
612 W. Whittier Boulevard
Montebello, CA 90640
L.A. County Assessor's Parcel Number: 6346-027-007

I. OWNER INFORMATION

Property Address: 612 W. Whittier Blvd.

Assessor's Parcel Number: 6346-027-007

Property Owner: Mario Mojarro

II. SALE INFORMATION

Sale Price: $575,000

Appraised Value: $550,000 (Appraisal Report dated November 30, 2020)

III. PROPERTY CHARACTERISTICS

Total Lot Area: 3,257 square feet (0.07 acres)

Total Building Area: 1,488 square feet

Zoning: C-2 (General Commercial)

Allowable Uses[1]: Offices (Business & Professional), Restaurant (with Conditional Use Permit), Retail Stores, Banks, Barber/Beauty Shop/Cosmetology, Health Food Store, Hobby Supply Shop, and Ice Cream Parlors.

Current Use: Law Office (Professional Office)

Current Operator: Mojarro Law Offices

IV. SUMMARY

The subject site is currently comprised of one lot with a total lot area of approximately 3,257 square feet (0.07 acres). This site is currently developed with a commercial use. Mojarro Law Office currently occupies this site.

The Property is zoned C-2 (General Commercial) with a floor area ratio of 3:1 (MMC Section 17.22.020). The subject site is currently improved with an approximately 1,488 square foot commercial building.

The subject property is located within the proposed Downtown Specific Plan corridor. Please note that this site is adjacent to the City-owned surface parking lot and within close proximity to active uses such as Alondra Hot Wings, 701 Restaurant Bar and Grill, and Boulevard Marketplace.

[1] Please note that this is not a comprehensive list of permitted uses under the Montebello Municipal Code.


612 W Whittier Blvd.
W Hart Pl
Newmark Mall
WHITTIER BLVD
S MONTEBELLO BLVD
N 6th St
W WHITTIER BLVD
S 7th St

ATTACHMENT C

APPRAISAL REPORT

SINGLE – TENANT COMMERCIAL BUILDING
612 WEST WHITTIER BOULEVARD
MONTEBELLO, CALIFORNIA 90640

PACIFIC REALTY ASSOCIATES, INC.

REAL ESTATE APPRAISAL & CONSULTATION

2459 West 208th Street, Suite 203
Torrance, California 90501
Telephone (310) 294-8563
Facsimile (310) 294-8564
tbaaden@astbb.com

November 30, 2020

City of Montebello
1600 West Beverly Boulevard
Montebello, California 90640

Attention: Mr. Joseph A. Palombi
Director of Planning and Community Development

Reference: Single-Tenant Commercial Building
612 West Whittier Boulevard
Montebello, California 90640

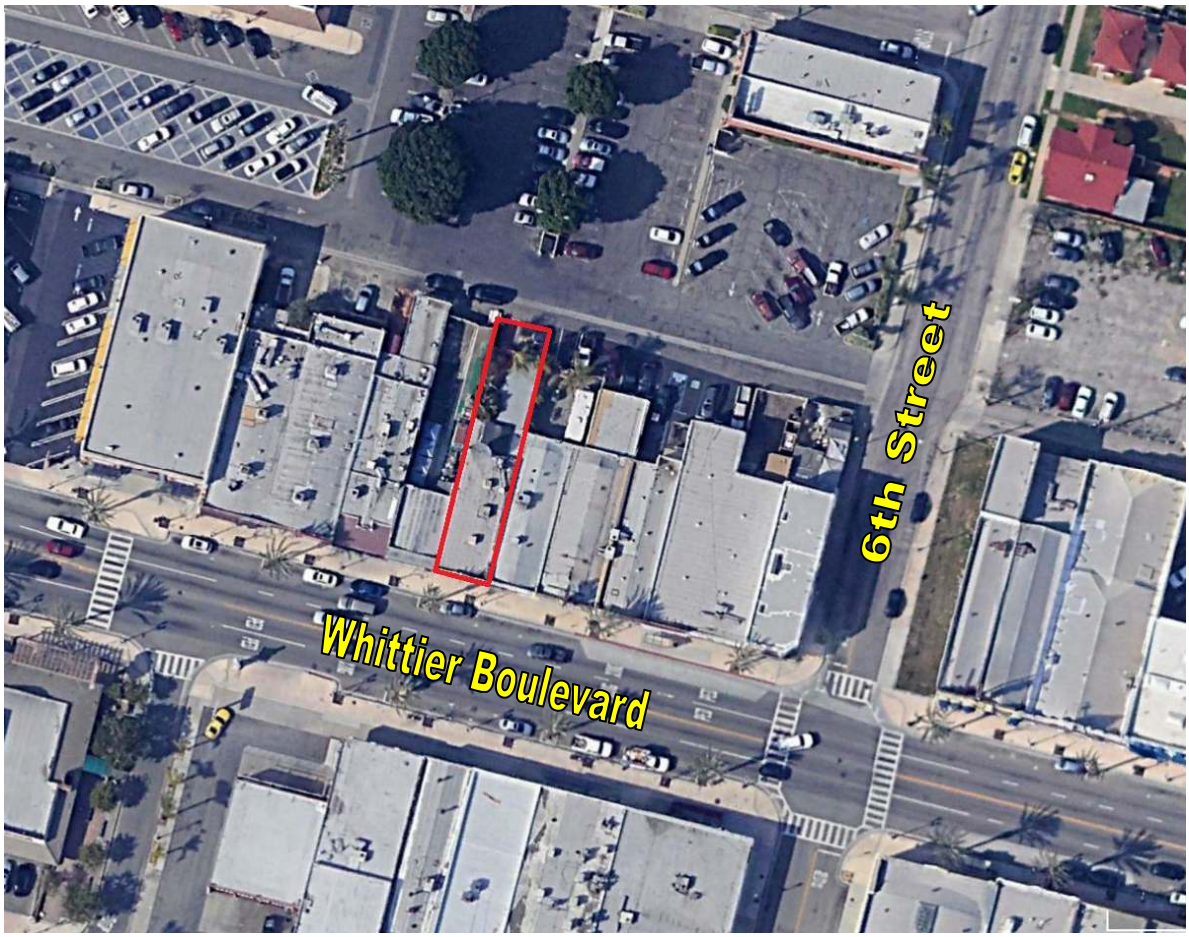
Our File No: 2168-20-BBM

Dear Mr. Palombi:

Our appraisal report concerning the above-referenced property is presented. The subject property was inspected on November 20, 2020. The purpose of this report is to provide the "as is" fee simple estate market value of the subject property as of November 20, 2020.

The subject property pertains to a rectangular shaped, interior parcel totaling 3,250 gross square feet situated along the north side of Whittier Boulevard, 155 feet west of 6th Street in the City of Montebello, California. The subject property is situated within the City of Montebello Downtown District. The subject site is currently improved with a 1,488 rentable square foot single-tenant, one-story, reinforced brick and stucco commercial building originally built in 1945 and renovated in 2004. Although currently partially used as a covered patio area, the subject parking area can accommodate up to six tandem parking spaces equating to a parking ratio of 4.0 spaces per 1,000 square feet of rentable building area. The subject property is also adjacent to a City-owned parking lot providing free parking to the surrounding businesses at a ratio of 2.6 spaces per 1,000 square feet. Combining both the subject on-site parking as well as the adjacent free public parking, the subject property is provided a favorable parking ratio of 6.6 spaces per 1,000 square feet. The overall FAR (floor area ratio) is 0.46 based on the subject rentable building area and gross land area. The current improvements are in overall good condition for their age. The property is currently fully occupied by the ownership's business, Mojarro Law, a local law firm.

The Income and Sales Comparison approaches are considered appropriate in determining the market value opinions stated herein. The Cost Approach was considered, but not used as owner-users and investors typically do not consider replacement cost in their decision-making. Furthermore, the property's 1945 construction and 2004 renovation would render a calculation of accrued depreciation somewhat speculative.



N

Pacific Realty Associates, Inc.

AERIAL

Mr. Joseph A. Palombi
City of Montebello
November 30, 2020
Page Two

Based upon investigation, analyses, and experience, the following opinion of market value for the subject property is formed, subject to the general assumptions and limiting conditions found throughout this report as of November 20, 2020.

"As Is" Fee Simple Estate Market Value $550,000

The subject property would be desirable to both an investor and owner-user as the subject property is owner-occupied with no lease in place. The market value conclusion herein refers to the real property and does not include any non-realty components such as personal property (FF&E or M&E) and intangible property (business enterprise components).

This appraisal was prepared during the outbreak of the Coronavirus (COVID-19) pandemic. The Coronavirus (COVID-19) pandemic outbreak has put fear in financial markets as investors face the possibility that the pandemic has led the world economy into a recession. Nearly all governments, corporations, organizations and event planners implemented unprecedented measures including a shutdown of all non-essential business and personal activities. In early June 2020, many businesses began reopening in California, but on July 13, 2020, a partial shutdown was mandated once again. The short-term effects are harsh, have severely disrupted the world economy and have had some negative impact on all real estate sectors in the United States and globally in the short-term. The mid- to long-term impact of the Coronavirus (COVID-19) pandemic on real estate markets is unknown at this time. Although some market data (rental rates, overall capitalization rates and sale prices) relating to the subject property type have been uncovered, it is clear that uncertainty in real estate markets has resulted based on our interviews with market participants and review of investor surveys and publications which leads to increased risk and lower property values. The value conclusions made herein consider the current apparent impact the Coronavirus (COVID-19) pandemic is having as of the effective date of this report.

This report complies with the Federal Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) relating to appraisal standards as enumerated in Chapter 12, Code of Federal Regulations, Part 34 (12 CFR34) and without limitation the Uniform Standards of Professional Appraisal Practice (USPAP) adopted by the Appraisal Standards Board of the Appraisal Foundation.

The appraiser has no present or prospective interest in the subject property. This appraisal was not based on a requested minimum valuation, a specific valuation, range or the approval of a loan. The appraiser has complied with the USPAP competency provision, is a Member of the Appraisal Institute (MAI), and is certified in the state in which the property is located. As of the

Mr. Joseph A. Palombi
City of Montebello
November 30, 2020
Page Three

date of this report, Thomas W. Baaden, MAI has completed the requirements of the continuing education program of The Appraisal Institute. Thomas W. Baaden, MAI is competent to complete this assignment due to his 35 years of experience in the appraisal profession and numerous appraisals completed on commercial properties located in the subject market area.

On the following pages will be found an appraisal report that contains the matters and data for which the opinions expressed are predicated. Please contact our office with questions regarding the valuation work performed.

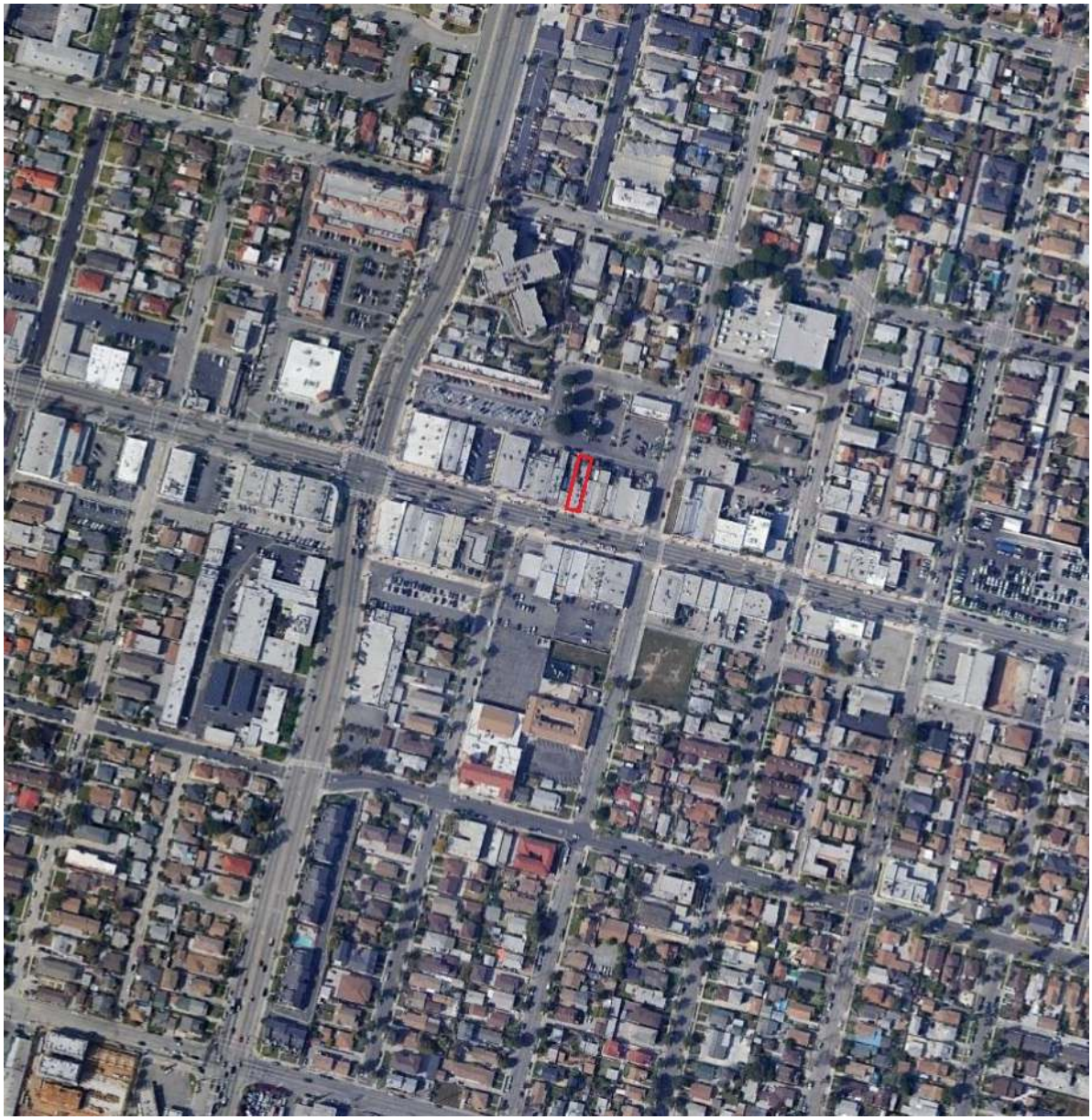
Respectfully submitted,

PACIFIC REALTY ASSOCIATES, INC.

Thomas W. Baaden, MAI
BREA #AG004789
Expires 1-24-2021

EXECUTIVE SUMMARY

Property Name and Type:	Single-Tenant Commercial Building
Location:	North side Whittier Boulevard, 155 feet west of 6th Street in the City of Montebello, California.
Address:	612 West Whittier Boulevard, Montebello, California 90640
Assessor Parcel Number:	6346-027-007
Date of Inspection:	November 20, 2020
Interest Appraised & Date of Value:	"As Is" Fee Simple Estate Market Value As Of November 20, 2020
Land Area:	3,250 gross square feet
Zoning:	C-2, General Commercial
Current Improvements:	The subject site is currently improved with a 1,488 rentable square foot single-tenant, one-story, reinforced brick and stucco commercial building originally built in 1945 and renovated in 2004. Although currently used as a covered patio area, the subject parking area can accommodate up to six tandem parking spaces equating to a parking ratio of 4.0 spaces per 1,000 square feet of rentable building area. The subject property is also adjacent to a City-owned parking lot providing free parking to the surrounding businesses at a ratio of 2.6 spaces per 1,000 square feet. Combining both the subject on-site parking as well as the adjacent free public parking, the subject property is provided a favorable parking ratio of 6.6 spaces per 1,000 square feet. The overall FAR (floor area ratio) is 0.46 based on the subject rentable building area and the gross land area. The current improvements are in overall good condition for their age.
Highest and Best Use:	-As Vacant and Improved – Single-Tenant Commercial Building For Purchase By Owner-User
Occupancy:	The property is currently fully occupied by the ownership's business, Mojarro Law, a local law firm.
Subject Positive Risk Factors:	• Situated along major commercial thoroughfare with very good traffic exposure • Very good combined parking ratio of 6.6 spaces per 1,000 square feet • Improvements in good condition and of similar quality



Pacific Realty Associates, Inc.

AERIAL

Subject Negative Risk Factors:	• Average freeway proximity • Limited pedestrian activity
Actual Age :	75 Years
Effective Age:	40 Years
Total Economic Life:	75 Years
Remaining Economic Life Improvements:	35 Years

VALUE APPROACH	"AS IS" FEE SIMPLE ESTATE MARKET VALUE AS OF NOVEMBER 20, 2020
Income:	$455,000
Sales Comparison:	$560,000
Reconciled Value:	$550,000

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Exhibit A – Engagement Letter

Appraiser's Qualifications and State of California Appraisal License

INTRODUCTION

Purpose Of Appraisal And Interest Appraised

The purpose of this appraisal report is to provide our opinion of the "as is" fee simple estate market value of the subject property.

Use and Users of the Appraisal

The use of this appraisal report is to assist Mr. Joseph A. Palombi and the City of Montebello in acquisition purposes. It is not intended for any other use or users. Mr. Joseph A. Palombi, representing the City of Montebello, is the client.

Scope of Work

According to the Uniform Standards of Professional Appraisal Practice 2020 - 2021 Edition, for each appraisal and appraisal review assignment on appraiser must:

- Identify the problem to be solved;
- Determine and perform the scope of work necessary to develop credible assignment results; and
- Disclose the scope of work in the report

The appraiser must properly identify the problem to be solved in order to determine the appropriate scope of work. The appraiser must be prepared to demonstrate that the scope of work is sufficient to produce credible assignment results.

Appraisers have broad flexibility and significant responsibility in determining the appropriate scope of work for an appraisal or appraisal review assignment. Credible assignment results require support by relevant evidence and logic. The credibility of assignment results is always measured in the context of the intended use.

The scope of work includes, but is not limited to:

- The extent to which the property is identified;

- The extent to which the tangible property is inspected;
- The type and extent of data researched;
- The type and extent of analyses applied to arrive at opinions and conclusions

With respect to this appraisal report, the property has been adequately identified and inspected. Data pertaining to sales and listings of similar commercial properties were researched, described, discussed and analyzed herein. All applicable approaches to value have been considered. The Income and Sales Comparison approaches best measure the value of a commercial property through an analysis of a user and investor criteria. The Cost Approach is not used in valuing the subject property as this approach is not typically relied upon by buyers of single-tenant commercial properties in their decision-making.

Definition of Market Value

Market value is defined as the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their own best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Source: Office of the Comptroller of the Currency under 12 CFR, Part 34, subpart C-appraisals, 34.42 Definitions (f).

Definition of "As Is" Market Value

An estimate of the market value of the property in the condition observed upon inspection as it physically and legally exists without hypothetical conditions, assumptions, or qualifications as of the date the appraisal is prepared.

Definition of Prospective Value Estimate

A forecast of the value expected at a specified future date.

Definition of Stabilized Value

Market value at stabilized occupancy as of the effective date of the report. Stabilized value assumes that the property is fully leased to stabilized occupancy.

Definition of Fee Simple Estate

A fee simple estate is defined as absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat.

Definition of Leased Fee Estate

An ownership interest held by a landlord with the right of use and occupancy conveyed by lease to others; usually consists of the right to receive rent and the right to repossession at the termination of the lease.

Definition of Real Property

All interests, benefits, and rights inherent in the ownership of physical real estate; the bundle of rights with which the ownership of the real estate is endowed.

Definition of Furniture, Fixtures And Equipment (FF&E)

The movable property of a business enterprise not classified as stock or inventory or leasehold improvements; frequently found in the ownership of hotels or motels, restaurants, assisted living facilities, service stations, car washes, greenhouses and nurseries, and other service-intensive

properties. Furniture, fixtures, and equipment frequently wear out much more rapidly than other components of those properties.

Definition of Extraordinary Assumption

An assumption, directly related to a specific assignment which, if found to be false, could alter the appraiser's opinions or conclusions.

Definition of Hypothetical Condition

That which is contrary to what exists but is supposed for the purpose of analysis.

Legal Description

The subject property's legal description is referenced as follows:

> *Lot 3 of Tract 10722, County of Los Angeles, State of California, as per map recorded in Book 169, page 1 of Maps, in the office of the County Recorder of said County.*

Assessor's Identification of the Property

The property is identified by the following Los Angeles County Assessor's office records:

6346-027-007

Location

The subject property is located along the north side of Whittier Boulevard, 155 feet west of 6th Street, in the City of Montebello, California. The property is located within the City of Montebello Downtown District. The subject property is identified and legally addressed as:

612 West Whittier Boulevard
Montebello, California 90640

Reference is made to the facing **Location Map** for the general orientation of the property.

LOCATION MAP



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Owner of Record and Property History

Public records indicate that title to the subject property is currently held by Mario Mojarro who acquired the subject property on February 4, 2004, for $185,000. The subject property is fully occupied by the ownership's business, a local law firm. The subject property is currently not listed for sale.

Market Participant Interviews

In the process of confirming market rent and sale information utilized in this study, the current state of the real estate retail market was discussed with market participants. Local brokers and property owners interviewed included Juan Carlos Argueta of Dilbeck Commercial, Margarita Moreno of Pace Development, Donald La of Keller Williams Commercial and Jonathan Tang of Huntington Realty Group. Information gathered from listing brokers, property managers and owners, plus review of published general retail market studies, reveal that general retail market conditions in Los Angeles County were stable prior to the onset of the Coronavirus (COVID-19) pandemic.

Based on the 3rd Quarter 2020 Greater Los Angeles Retail MarketView report, the overall retail vacancy rate for the Greater Los Angeles Area was 6.2%. This vacancy rate was slightly above the 5.7% overall retail vacancy rate reported in 3rd Quarter 2019. The average asking retail rent in Greater Los Angeles in 3rd Quarter 2020 was $2.86 per square foot, contrasted with $2.78 per square foot in 3rd Quarter 2019. The subject property is located within the Southeast Los Angeles submarket which had a total retail inventory of 7,269,313 square feet in 3rd Quarter 2020. The Southeast Los Angeles submarket had an overall retail vacancy rate of 4.2% and an average asking lease rate of $3.26 per square foot in 3rd Quarter 2020. In comparison, the Southeast Los Angeles overall retail vacancy rate was higher at 5.8%, and average asking lease rate was much lower at $1.64 per square foot in 3rd Quarter 2019.

CBRE Economic Advisors anticipates retail rental and vacancy rate recovery in 2022, in line with the U.S. economy's bounce back of annual GDP declining 5% this year following the decline in 2nd Quarter 2020. A COVID-19 vaccine would likely give firms and households confidence to invest in

the future, providing a boost to consumption. Key indicators suggest activity rebounded in the 3rd Quarter 2020. Despite broader economic weakness and persistent social distancing restrictions, consumer demand has remained robust with retail sales measures now on par with 2019 levels. California reported a 2.6% increase in year-over-year retail sales in June. Leasing has been most active in the discount, home improvement, grocery and automobile industries. Fitness operators and primarily dine-in restaurants remain inactive.

Numerous brokers interviewed stated that user and investor retail sale activity was very strong and sale prices escalated very significantly between 2014 and up until early March 2020 before the onset of the Coronavirus (COVID-19) pandemic. This appraisal was prepared during the outbreak of the Coronavirus (COVID-19) which has put fear in financial markets as investors face the possibility that the pandemic has led the world economy into a recession. Nearly all governments, corporations, organizations and event planners implemented unprecedented measures including shutdown of all non-essential business and personal activities. Many businesses had fully or partially reopened in June 2020; however, on July 13, 2020, Governor Gavin Newsom reimposed restrictions on many indoor businesses statewide, including food and beverage operations. The closures will stay in place until counties meet standards set out by the State. The short-term effects are harsh, have severely disrupted the world economy and have had some negative impact on all real estate sectors in the United States and globally in the short-term. The mid- to long-term impact of the Coronavirus (COVID-19) pandemic on real estate markets is unknown at this time.

Although some market data (rental rates, overall capitalization rates and sale prices) relating to the subject property type (commercial) have been uncovered, it is clear that uncertainty in real estate markets has resulted based on our interviews with market participants and review of investor surveys and publications which leads to increased risk and lower property values. Most market participants stated that certain segments of the retail industry (restaurants, small retail stores, shopping centers of all types and health clubs) will continue to be significantly negatively impacted even after the pandemic ceases.

Marketing/Exposure Time

Exposure time is presumed to occur prior to the effective date of the appraisal. Marketing time is assumed to be the time period required to affect a sale subsequent to the effective date of appraisal. The following anticipated marketing periods are illustrated by various investors surveyed in the Third Quarter 2020 PwC Real Estate Investor Survey for the "National Net Lease Market."

Source	Anticipated Marketing Period
Owner/Operator	6 to 12 Months
Investment Advisor	4 to 5 Months
Private Real Estate Firm	1 to 3 Months
Management Company	3 to 18 Months
Real Estate Investor	2 to 4 Months

The PwC Survey suggests an overall marketing period of one to 18 months, with most falling within two to 12 months. Based on current market conditions and the PwC Survey, in the event the subject property was offered individually in the marketplace for disposition and not being under duress, a marketing time of five months is anticipated at the price level suggested herein. This timeframe is estimated to be applicable to both marketing and exposure time.

CITY OF MONTEBELLO

Background

Incorporated on October 19, 1920, the City of Montebello is situated only approximately 8.5 miles southeasterly of Downtown Los Angeles. The City, whose name in Italian means "Beautiful Hills," is irregularly-shaped and generally situated between the Pomona (60) and Santa Ana (5) freeways, along the western side of the Rio Hondo Channel. Surrounding municipalities include Pico Rivera to the east, with the City of Commerce and East Los Angeles on the west, Monterey Park is located to the north and Downey is to the south.

Montebello is surrounded by freeways and has become a center for the trucking and specialty vehicle industry, as wheels, engines, underbodies, refrigerated trucks, campers and truck trailers are all manufactured in Montebello. The over-the-road trucking industry has located to Montebello, as have the service, maintenance and custom fabrication groups due to Montebello's central geography and abundant freeway access. Bakeries, meat companies, consumer paper distributors, sales organizations, beer and soft drink distributors, warehouses, petroleum distributors and lumber and building materials suppliers are also found within the City limits.

Population

With 42,807 residents in 1970, the population of Montebello grew by 10,122 or 23.6-percent in the 1970s to 52,929 by 1980. However, growth in the resident base of the City has slowed significantly in recent years; indeed by 1990 the population reached 59,564, while the 2000 population escalated to 62,150 residents, reflecting a minimal increase of 2,586 persons or 4.3-percent during the 1990s. As of January 2020, the California Department of Finance provided an estimated population of 63,544 residents or a decrease of 0.3% from the previous year.

According to CoreLogic, the median sale price of a single-family residence in the City of Montebello was $569,500 as of September 2020. This represents a 15.1% increase from the price reported in September 2019. In comparison, the median sale price of a single-family residence in Los Angeles County was $710,000 during the same period or an increase of 14.5% from the previous year.

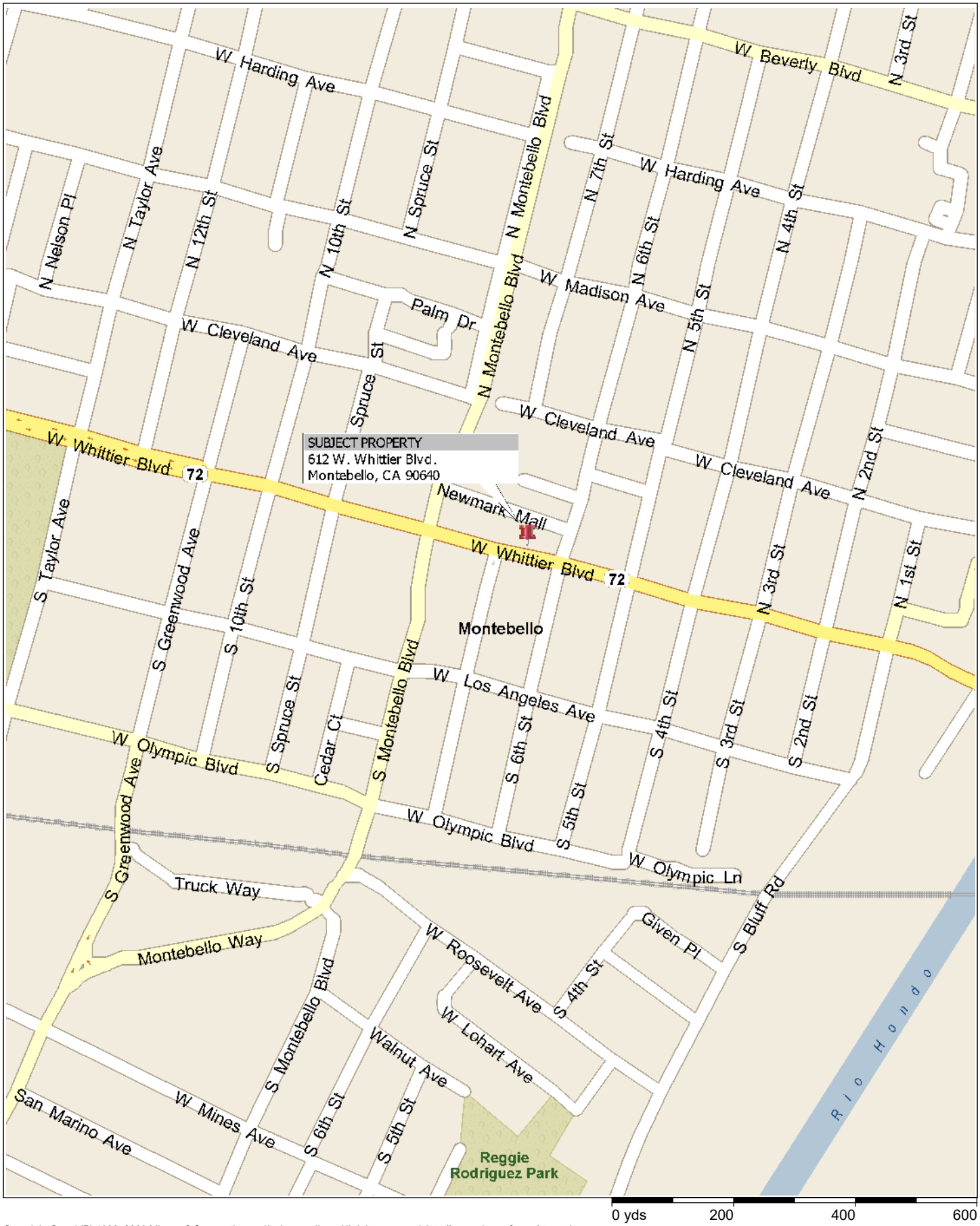
Trends

Future growth in Montebello will be constrained by the lack of developable land, as the residential neighborhoods, as well as commercial and industrial districts are fully built-out; thus new construction will be limited to the recycling of older properties. Montebello has excellent freeway access as the Santa Ana (5) Freeway skirts the industrial section of the City to the south and the Pomona (60) Freeway skirts the commercial and residential districts on the north.

IMMEDIATE SURROUNDINGS

The subject property is located along the north side of Whittier Boulevard, 155 feet west of 6th Street in the City of Montebello. Located within the City's Downtown District, the property is situated within an area mainly comprised of retail buildings built primarily between the 1940s and 1990s. Most properties in the immediate area are leased by established local tenants. Notable tenants in the area are CVS Pharmacy, located at the northwest corner of Whittier and Montebello boulevards, Wells Fargo Bank, situated at the southeast corner of the aforementioned intersection, and AT&T and Bank of America, situated along the north side of Whittier Boulevard and to the west of the subject property. A notable project which is scheduled to open in early 2021 is BLVD MRKT, an indoor/outdoor artisan food hall. Situated at the northeast corner of Whittier Boulevard and 6th Street roughly 155 feet east of the subject property, BLVD MRKT will be home to local food vendors as well as a wine and beer garden. Overall, the subject property is currently located in an established commercial district with no adverse influences.

NEIGHBORHOOD MAP



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RETAIL MARKET OVERVIEW

According to market watchers, the Los Angeles County retail sector had been fairly strong as consumer confidence and spending during 2018 and 2019 continued to increase while unemployment rates continued to decline. At year-end 2019, CBRE reported that the Greater Los Angeles retail market was one of stark contrast and contradictions. On the one hand, many entrenched retailers grapple with bankruptcies and shop closings, while on the other hand, brand-new retail developments were opening nearly entirely occupied with diverse and meticulously cultivated tenant offerings.

Despite all the naysaying headlines, retail in Greater Los Angeles had been performing well until the onset of the Coronavirus (COVID-19) pandemic commencing in the United States in March 2020, but the landscape was evolving. Malls and power centers continued to bear the brunt of e-commerce exposure and weakening sales, weighing heavily on occupancy and rent growth. Meanwhile, neighborhood, strip and general retail centers benefited from more resilient forms of demand which helped support rent growth. From a space usage perspective, there was a continuing and undeniable shift towards smaller, more dynamic and flexible formats. Before the start of the Coronavirus (COVID-19) pandemic, retail rent growth in Los Angeles was running below inflation and lagged behind other property types. This was while the economy continued to expand and what was the longest economic expansion in U. S. history.

The Greater Los Angeles retail vacancy was 6.2% at the end of 3rd Quarter 2020. The Greater Los Angeles retail vacancy was 5.7% at the end of 3rd Quarter 2019. Net absorption in 4th Quarter 2019 totaled 171,460 square feet, bringing the 2019 year-over-year total to 561,142 square feet. Year-to-date net absorption as of 3rd Quarter 2020 was a negative 1,033,378 square feet in Greater Los Angeles. A total of 1,526,443 square feet of space was under construction in the Greater Los Angeles retail market as of 3rd Quarter 2020. The average asking lease rate as of 3rd Quarter 2020 was $2.86 per square foot per month net, contrasted with $2.78 per square foot per month net as of 3rd Quarter 2019. Rising average asking rates stemmed from steady demand and a favorable economic outlook combined with limited availability.

According to CBRE, the subject property is located within the Southeast Los Angeles submarket of the Greater Los Angeles Area. The Southeast Los Angeles submarket has a total retail inventory of 7,269,313 square feet in 3rd Quarter 2020. The overall retail vacancy rate in the Southeast Los Angeles submarket was 4.2% in 3rd Quarter 2020. In comparison, the year-ago overall retail vacancy rate in the Southeast Los Angeles submarket was higher at 5.8%. Year-to-date net absorption in the Southeast Los Angeles submarket as of 3rd Quarter 2020 totaled positive 64,647 square feet. A total of 1,526,4432 square feet of space was under construction in the Greater Los Angeles Area retail submarket as of 3rd Quarter 2020, of which 82,450 square feet are located in the Southeast Los Angeles submarket. The average asking retail rent in the Southeast Los Angeles submarket was $3.26 per square foot in 3rd Quarter 2020. In comparison, the Southeast Los Angeles average asking lease rate was $1.64 per square foot in 3rd Quarter 2019.

CBRE Economic Advisors anticipates retail rental and vacancy rate recovery in 2022, in line with the U.S. economy's bounce back of annual GDP declining 5% this year following the decline in 2nd Quarter 2020. A COVID-19 vaccine would likely give firms and households confidence to invest in the future, providing a boost to consumption. Key indicators suggest activity rebounded in the 3rd Quarter 2020. Despite broader economic weakness and persistent social distancing restrictions, consumer demand has remained robust with retail sales measures now on par with 2019 levels. California reported a 2.6% increase in year-over-year retail sales in June. Leasing has been most active in the discount, home improvement, grocery and automobile industries. Fitness operators and primarily dine-in restaurants remain inactive.

Numerous brokers interviewed stated that user and investor retail sale activity was very strong and sale prices escalated very significantly between 2014 and up until early March 2020 before the onset of the Coronavirus (COVID-19) pandemic. This appraisal was prepared during the outbreak of the Coronavirus (COVID-19) pandemic. The Coronavirus (COVID-19) pandemic outbreak has put fear in financial markets as investors face the possibility that the pandemic has led the world economy into a recession. Nearly all governments, corporations, organizations and event planners had implemented unprecedented measures including a shutdown of all non-essential business and

personal activities. In early June 2020, many businesses began reopening in California, but on July 13, 2020, a partial shutdown was mandated once again. The short-term effects are harsh, have severely disrupted the world economy and have had some negative impact on all real estate sectors in the United States and globally in the short-term. The mid- to long-term impact of the Coronavirus (COVID-19) on real estate markets is unknown at this time.

Although some market data (rental rates, overall capitalization rates and sale prices) relating to the subject property type (single-tenant retail) have been uncovered, it is clear that uncertainty in real estate markets has resulted based on our interviews with market participants and review of investor surveys and publications which leads to increased risk and lower property values. Most market participants interviewed as part of this appraisal expressed that there has been significant negative impacts in the retail real estate market throughout Southern California due to the Coronavirus (COVID-19) pandemic. Most market participants stated that certain segments of the retail industry (restaurants, small retail stores, shopping centers of all types and health clubs) will continue to be significantly impacted even after the pandemic ceases. It is our opinion that small freestanding or strip retail properties leased to local tenants like the subject will experience some difficulty in regaining their market position, but should eventually recover.

SUBJECT PROPERTY DESCRIPTION

THE LAND

Introduction

The following land description is based on public records and our personal inspection of the site.

Location and Address

The subject property is located along the north side of Whittier Boulevard, 155 feet west of 6th Street in the City of Montebello, California. The subject is addressed as:

612 West Whittier Boulevard
Montebello, California 90640

Census Tract Number/Thomas Guide Coordinates

The subject is located within Census Tract Number 5301.01 and on Thomas Guide page LA 676-D2.

Site Area

Per the Los Angeles County Assessor Parcel Map, the subject site totals 3,250 gross and net square feet.

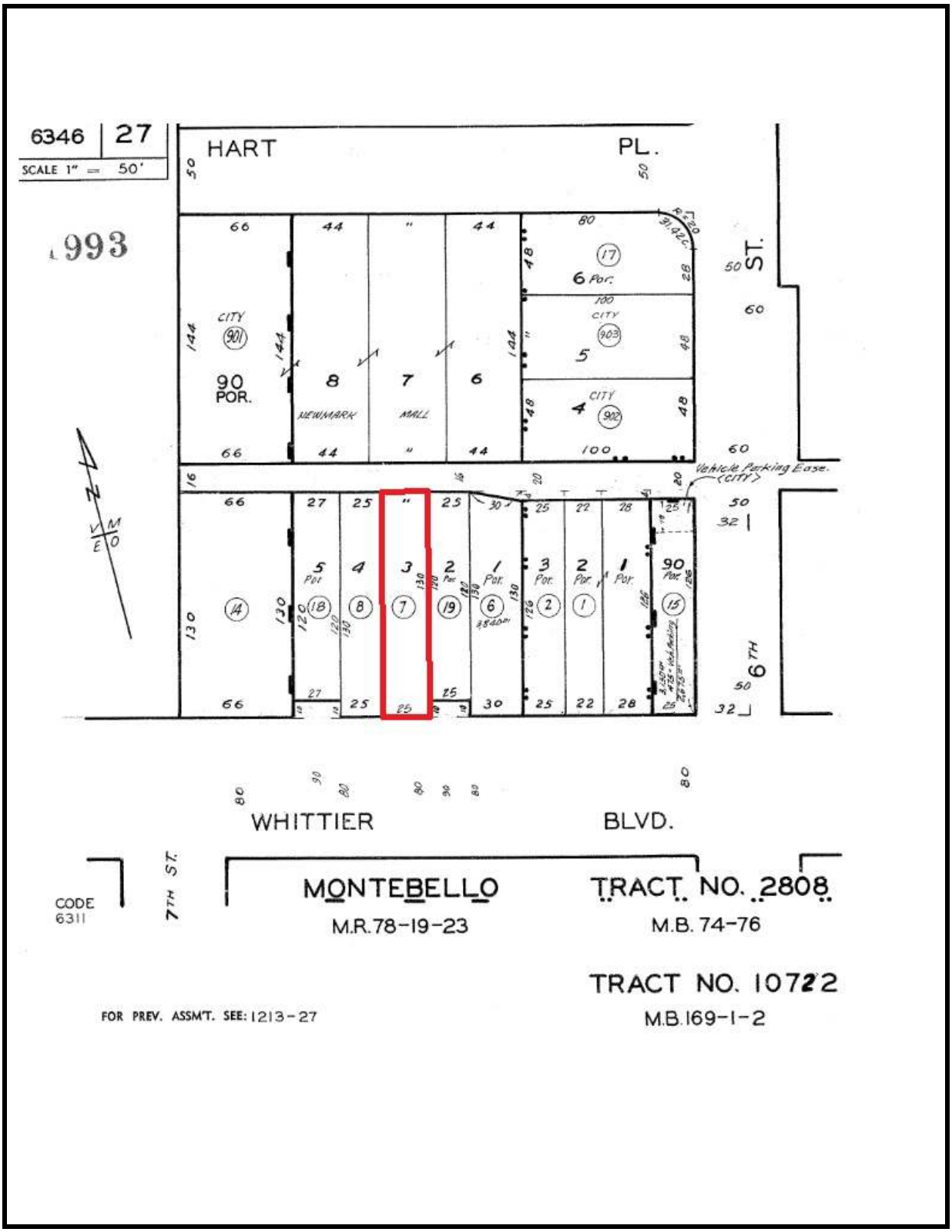
Parcel Shape & Frontage

As depicted in the facing **Plat Map**, the subject site is a rectangular-shape site with the following dimensions:

North (Public Alley) and South (Whittier Boulevard) Property Lines.	25.00 feet
East and West Property Lines.....	130.00 feet

Topography and Drainage

The subject site is generally level and at grade with Whittier Boulevard.



Pacific Realty Associates, Inc.

PLAT MAP

Utilities

The site is sustained by all of the usual and necessary public utilities, including gas and electric, telephone, water and sewer services.

Zoning Designation

The subject property is zoned C-2, General Commercial Zone, which is established for business centers in areas where a wide range of retail sales and service establishments are needed to accommodate the surrounding community. Relevant development standards are detailed below.

Minimum Lot Area:	2,500
Minimum Lot Width:	25 feet
Minimum Lot Depth:	100 feet
Maximum Lot Coverage:	Unlimited except for required yard areas
Maximum Height:	35 feet where common lot line with R-1 (25 feet for any portion of building within 15 feet of R-1 property)
Setbacks:	None
Parking:	Retail, Personal Service Shops – 1 parking space for each 400 square feet of gross floor area
	Banks, Businesses and Professional Offices: 1 parking space for each 400 square feet of gross floor area

Zoning requires a total of 4 parking spaces (1,488 ÷ 400 = 3.7) based on the current utilization of the subject property. Although currently used as a covered patio area, the subject parking area can accommodate up to six tandem parking spaces equating to a parking ratio of 4.0 spaces per 1,000 square feet of rentable building area. The subject property is also adjacent to a City-owned parking lot providing free parking to the surrounding businesses at a ratio of 2.6 spaces per 1,000 square feet. The subject property is a legal, conforming use and standard due to parking.

Soil, Site Pollution and Health Hazards

No soil or environmental reports on the subject property were provided for the review of the appraiser. It is assumed that the land is of sufficient stability and there are no toxic soil contamination concerns. Since the appraiser is not qualified to render opinions as to the toxicity or non-toxicity of the site in question, no responsibility is assumed for any hidden or unapparent conditions of the property surface and/or subsoil that would impact value, and the appraiser defers to the analysis of a specialist who is qualified to render such opinions.

Easements/Encroachments/Restrictions

A preliminary title report was not provided for the review of the appraiser. There appears to be no detrimental easements, encroachments or restrictions, other than the typical utility easements that adversely affect the utility and/or value of the site. A professional title consultant should be hired to ensure clear title.

Flood Zone

Per the FEMA (Federal Emergency Management Agency) maps, the subject property is located within Community Panel Number 06037C1663F, panel date September 26, 2008. It is located in Zone X, which indicates areas determined to be outside the 0.2% annual chance floodplain. Flood insurance is not required in this zone.

Earthquake and Seismic Hazards Zones

In 1972, the State of California enacted the Alquist-Priolo Special Studies Act. The purpose of this legislation was to delineate all active faults (ones with movement within the last 10,000 years) in California and to prohibit development of structures for human occupancy across the trace of an active fault. Per the California Department of Conservation, Division of Mines and Geology, the following Earthquake and/or Seismic Hazard Zones apply to the property under appraisal.

Earthquake/Seismic Hazard Zones	Yes	No
Is subject shown on an Alquist-Priolo Earthquake Fault Zone Map?		✓
Is subject currently within a defined Alquist-Priolo Earthquake Fault Zone?		✓
Is subject included within a Landslide Zone ?		✓

Streets

Whittier Boulevard is a major east-west thoroughfare fully dedicated to a width of 80 to 90 feet along the subject frontage and is provided two lanes in each direction. The street is asphalt-paved and improved with curbs, gutters and sidewalks. Curb-side parking is allowed along both sides of the street at the subject frontage.

Traffic Count

In the following table is the average daily traffic (ADT) count for the stretch of Whittier Boulevard along the subject property. The ADT count is the most recently available from the City of Montebello.

Date Taken	Location	Total Traffic Count
2014	Whittier Boulevard Between Montebello Boulevard & Bluff Road	24,090

Access

The subject property is accessed directly off Whittier Boulevard, as well as a rear City owned 16 to 20-foot wide vehicle parking easement accessed from 6th Street. On and off-ramps to the 605 Freeway are roughly 2.4 miles east of the subject property along Whittier Boulevard. The Pomona Freeway (State Highway 60) is approximately 2.0 miles north of the subject with on and off-ramps accessed along Paramount Boulevard. The property under study has average freeway accessibility.



Whittier Boulevard Looking West
Subject Property On The Right



Whittier Boulevard Looking East
Subject Property On The Left

Functional Utility

The subject interior, rectangular-shaped site totals 3,250 gross square feet and is situated along a major commercial thoroughfare, Whittier Boulevard. Overall, the subject site's appeal and functionality are good.

THE IMPROVEMENTS

Introduction

The following improvement description is based on information obtained from public records and provided by the subject listing broker and a general exterior and interior inspection of the facility.

Property Type

The subject property is improved with a single-tenant, one-story, reinforced brick and stucco retail building constructed in 1945 and renovated in 2004.

Building Areas

Per our on-site measurements, the subject property totals 1,488 rentable square feet. Public records show a total building area of 1,488 square feet. A total building area of 1,488 square feet is used throughout this report.

Basic Construction Features

FOUNDATION
Reinforced concrete on wall and pad footings

FLOORS
Reinforced concrete slab

EXTERIOR WALLS
Painted wood-frame and stucco with clear glass windows in wood frames.

ROOF
Flat composition roof; the roof is reportedly approximately 15 to 20 years old.



Subject Property Looking Northwest From Whittier Boulevard



Subject Property Looking Northeast From Whittier Boulevard

Interior Floor Plans and Finishes

FLOOR PLAN
Lobby, conference room, five private offices, a small kitchen and two unisex restrooms.

FLOORS
Hardwood, ceramic tile and brick pavers

WALLS
Painted drywall

CEILINGS
Dropped acoustical and painted drywall

LIGHTING
Recessed fluorescent and ceiling mounted fixtures

Floor Area Ratio

0.46 based on 3,250 square feet of net land and rentable building area of 1,488 square feet

Ceiling Height

Nine and 11 feet

Heating and Air Conditioning

One roof mounted package unit provides heating and cooling to the entire subject property; the unit is reportedly over 20 years old

Fire Protection

None

Utilities

The building is served by all necessary utilities.

Restrooms

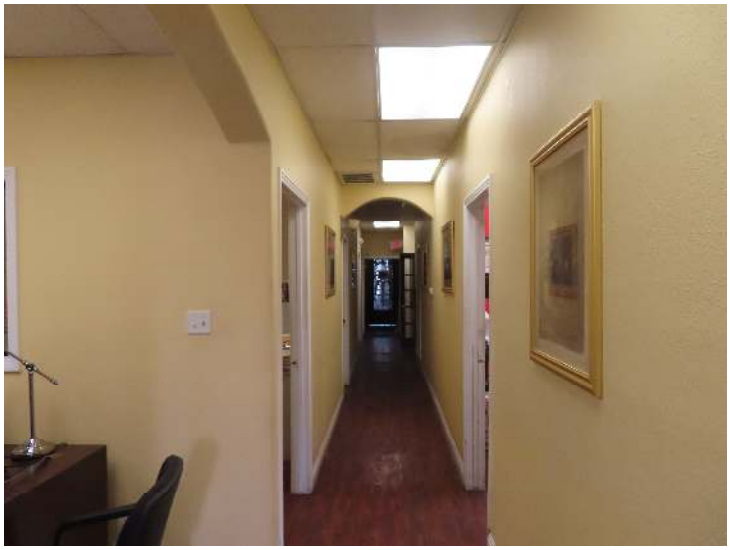
Two unisex restrooms are improved with ceramic tile floors, painted drywall walls and ceiling and ceiling mounted light fixtures lights. One restroom contains one toilet, one sink and one urinal whereas the second restroom contains one toilet, one sink and one shower. Restrooms are in overall good condition.

Parking

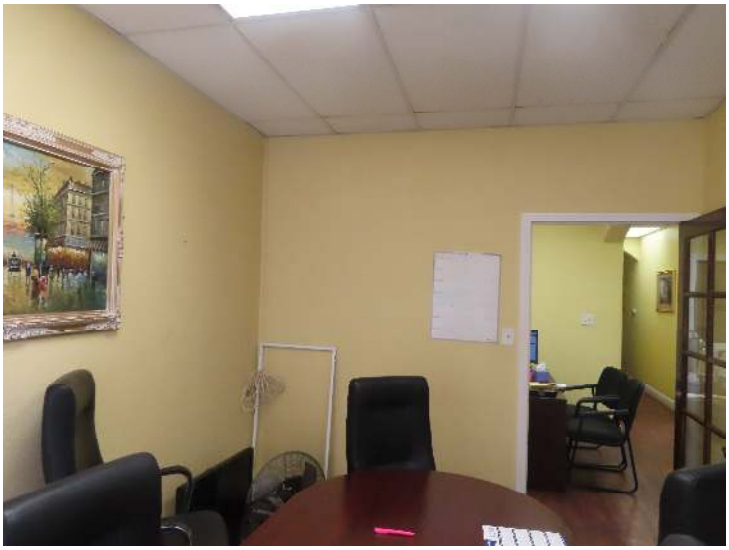
Although currently used as a covered patio area, the subject parking area can accommodate up to six tandem parking spaces equating to a parking ratio of 4.0 spaces per 1,000 square feet of rentable building area. The subject property is also adjacent to a City-owned parking lot providing free parking to the surrounding businesses at a ratio of 2.6 spaces per 1,000 square feet. Combining both the subject on-site parking as well as



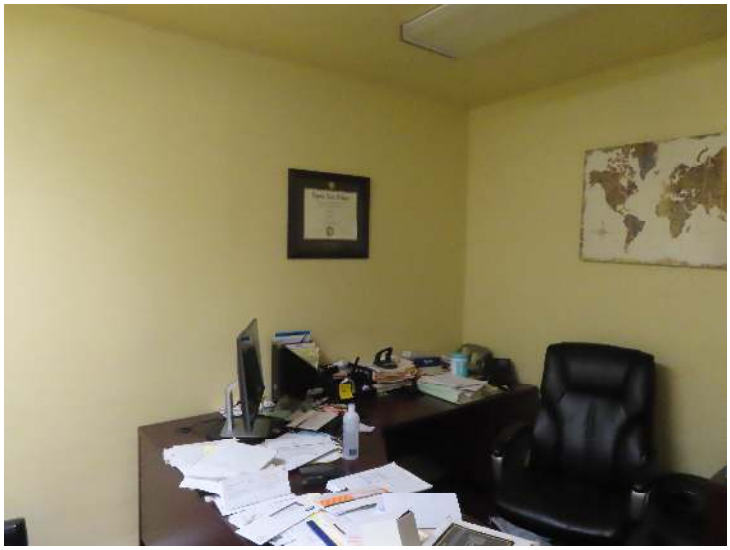
Subject Property



Office Space



Conference Room



Private Office



Kitchen Area



Rear Parking/Patio Area

the adjacent free public parking, the subject property is provided a favorable parking ratio of 6.6 spaces per 1,000 square feet.

Site Improvements

The site is provided brick pavers, a metal canopy, trees and planters and a wrought-iron fence and gate. The site improvements are in overall good condition.

American with Disabilities Act (ADA)

The subject property is appraised without a specific compliance survey having been conducted to determine if the property as it currently exists is or is not in conformance with the requirements of the Americans with Disabilities Act (ADA). The appraiser is not an expert in the requirements for compliance with the ADA. Such determination requires investigation by a qualified expert in the field of architecture or engineering. The appraiser has not been provided with information from such an expert as to the subject property's status with regard to the ADA.

Governmental Issues

Regarding asbestos containing materials and the structural and seismic conditions of the building, an assumption is made that there are no adverse materials used in construction of the improvements.

Project Quality, Condition & Functional Utility

The subject site is improved with a 1,488 rentable square foot single-tenant one-story, wood-frame and stucco retail building originally built in 1945. Although currently used as a covered patio area, the subject parking area can accommodate up to six tandem parking spaces equating to a parking ratio of 4.0 spaces per 1,000 square feet of rentable building area. The subject property is also adjacent to a City-owned parking lot providing free parking to the surrounding businesses at a ratio of 2.6 spaces per 1,000 square feet. Combining both the subject on-site parking as well as the adjacent free public parking, the subject property is provided a favorable parking ratio of 6.6 spaces per 1,000 square feet. Overall, the interior improvements are currently in good condition for their age. The subject property benefits from its location along a major commercial thoroughfare. Drawbacks to the property are its average freeway proximity and limited pedestrian activity.

ASSESSED VALUATION AND TAXES

Background

Real estate taxes in the State of California are governed by Proposition 13. The law created by the voter-approved Proposition 13 states that property taxes shall not exceed one percent of the market value of the property, with the exception of those costs related to bond indebtedness. A property may only be reassessed when it sells or is transferred (ground leases over 35 years in length and gifts of more than 50% may also trigger reassessment; in these areas, professional tax advice is recommended). After the initial assessment, new adjustments are limited to annual increases of 2.0%. In estimating the market value of the subject, by definition, assumed the sale of the property. Thus, existing tax information of the subject has little impact on a potential buyer or to its appraisal. Nevertheless, this information provides an indication of how the tax system works.

Los Angeles County Assessor's Identification

6346-027-007

Tax Rate Area & Tax Rate

The subject is in Tax Rate Area 6311; the corresponding 2020/2021 tax rate 1.33860%.

Assessed Values and Taxes (2020/2021)

Assessed Values			
Land	Improvements	Total	Taxes
$ 155,998	$ 84,496	$ 240,494	$ 3,655.19

Special Assessments

In Los Angeles County, the Assessor also applies special assessments to properties for various miscellaneous items. In the case of the subject parcel, these charges totaled $436 in 2020/2021.

Comments

The market value conclusions herein have been reached under the assumption that all tax payments are current. According to information published on the Los Angeles County Treasurer and Tax Collector website as of the date of this report, property taxes for the subject parcels are current.

In estimating market value an assumption of sale is made and with this sale will come a reassessment to market value. This market value is likely to be the sale price of the property, assuming an arm's-length transaction and market financing. The new taxes are discussed in the Income Approach to Value section of this report.

HIGHEST AND BEST USE

Introduction

In the appraisal process, the concept of highest and best use represents the premise upon which a value estimate is based. The determination of highest and best use is the result of the appraiser's judgment and analytical skills. Highest and best use is defined as follows:

- The reasonable and probable use that supports the highest present value of vacant land or improved property, as defined, as of the date of appraisal;
- The reasonably probable, and legal use of land or sites as though vacant, found to be physically possible, appropriately supported, financially feasible, and results in the highest present land value;
- The most profitable use.

Implied in the above definition is that the determination of highest and best use takes into account the contribution of a specific use to the community and community development goals as well as the benefits of that use to individual property owners. Accordingly, the various uses to which the property could be adapted in terms of the area's economic condition and the general land use patterns of the neighborhood have been considered. Based on our market study the following highest and best use conclusion emerges.

Highest and Best Use – As Vacant

Legally Permissible

This criterion relates to the right to develop or use a site in light of private restrictions (deed restrictions and easements) and public restrictions (zoning ordinances). A visual inspection of the subject land did not uncover any unusual easements or deed restrictions that would prove detrimental to the development of the property in question. For the purposes of this analysis, an assumption is made that there are no detrimental easements or deed restrictions that would negatively affect the development potential or marketability of the subject site. The subject land is not encumbered by restriction of a long-term ground lease; therefore, legal restrictions as they apply to the subject site are limited to public restrictions of zoning.

The subject property is zoned C-2, General Commercial Zone, which is established for business centers in areas where a wide range of retail sales and service establishments are needed to accommodate the surrounding community. Based on the subject zoning and locational features, a variety of commercial uses are compatible and legally permissible in the immediate district.

Physically Possible

The physically possible uses of a site depend on its size, shape and terrain. The subject site totals 3,250 square feet and pertains to a rectangular-shaped parcel located along a major commercial thoroughfare, Whittier Boulevard. Overall, the subject site has good physical features. A current soils report was not submitted for our review. For the purpose of our study, an assumption is made that the subject soil is free of contaminants and is suitable to support a commercial development as allowed by zoning. The physical characteristics of the parcel provide good overall utility for a wide variety of commercial uses.

Financially Feasible/Maximally Productive

Considering the subject property's favorable physical characteristics, zoning and character of the surrounding land uses, financially feasible uses would be limited to a commercial development. Consequently, it is our opinion that the highest and best use of the subject land, if hypothetically vacant, would be to develop the site with a single-tenant retail property marketed to an owner-user.

Highest and Best Use - As Improved

The subject aggregate site is improved with a 1,488 rentable square foot single-tenant one-story, reinforced brick and stucco commercial building constructed in 1945 and renovated in 2004. Overall, the interior improvements are currently in good condition considering their age. The subject property is currently fully occupied by the ownership's law firm for office use. The highest and best use as improved is for use as a single-tenant commercial property marketed to an owner-user.

VALUATION

In appraisal practice, there are three approaches to value. The approaches are commonly known and briefly defined as:

- the **Cost Approach**, wherein the cost of reproducing or replacing the improvements is estimated, to which the loss in value from depreciation is deducted and the value of land is added;

- the **Income Approach**, wherein the net income imputable to the property is calculated and then discounted and/or capitalized into value, using an overall capitalization rate or other capitalization/discounting method considered representative of the marketplace; and,

- the **Market Data** or **Sales Comparison Approach**, wherein the appraiser researches the market for sales data considered comparable and significant to the property being appraised (the differences and similarities of the properties are compared, by means of units of comparison, to the subject property to reach an estimated value).

Depending on their applicability to each particular appraisal assignment, one or more of the approaches to value may be used. In determining their applicability, the appraiser considers factors such as the significance of each approach relative to the nature of the subject property and the market data that is available as of the date of value. The Income and Sales Comparison approaches are considered appropriate in determining the fee simple estate market values detailed herein. The Cost Approach was considered, but not used as owner-users and investors typically do not consider replacement cost in their decision-making. Furthermore, the property's 1945 year built and subsequent 2004 renovation would render a calculation of accrued depreciation somewhat speculative.

The appraisal process is concluded by a review and re-examination of each of the approaches to value that was employed. In reaching a final value, consideration is given to quantity and quality of data available under each approach and to the type of property being appraised.

INCOME APPROACH

Introduction

The Income Approach to Value consists of the methods, techniques and procedures that an appraiser uses to analyze the property's capacity to generate benefits and convert those benefits into an indication of present value. The principle of anticipation is fundamental to the Income Approach. The value is created by the expectation of future benefits and may be defined as the present worth of these future benefits.

The property's potential gross income is first estimated, from this figure a vacancy loss and collection reserve is deducted to arrive at the effective gross income. All expenses accruing to ownership are then deducted from the effective gross income to reach the net operating income, which is then capitalized and/or discounted into a present value estimate. The subject net operating income has been capitalized into a present value indication. A discounted cash flow is not used as prospective investors of small retail buildings usually do not use this valuation tool.

Operating Results and Occupancy Status

The subject property is currently fully occupied by the ownership's law firm.

Retail Rent Survey

A survey of similar commercial spaces located within the City of Montebello and surrounding area has been made to determine the market rental value of the subject property. Pertinent details of the most relevant data are summarized below and on the following page. Reference is made to the facing **Rental Data Map** which highlights the location of each property in relation to the subject.

Data No./Address Location	Total Rent. Sq. Ft. Yr. Built Yr. Renov. % Leased	Parking Ratio Pk. Type	Lease Date Term	Type Unit Loc. Sq. Ft. Bldg. Type	Mo. Rent /Sq. Ft. Escalations Net Chrgs.	Free Rent TI/Sq. Ft. Effective Rent /Sq. Ft.
SUBJECT **612 W. Whittier Blvd.** **Montebello** **N/S Whittier Blvd., 155 Ft.** **W/O 6th St.**	**3,250** **1945** **100.0%**	**6.0/1,000*** **Tandem &** **Single**	**--** **--**	**New** **Interior** **1,488** **Single-** **Ten.**	**--** **--** **--**	**--** **--** **--**
NO. 1 524-525 N. Montebello Blvd. Montebello E/S Montebello Blvd., 275 Ft. N/O Beverly Blvd.	2,150 1979 100.0%	3.3/1,000 Single	7/19 36 Mos.	New Interior 1,250 Two-Ten.	$1.400 MG 3.0% Ann. N/A	1 Mo. None $1.360 MG
NO. 2 620-624 W. Whittier Blvd. Montebello N/S Whittier Blvd., 232 Ft. W/O 6th St.	6,189 1928; R. 2018 100.0%	2.6/1,000** Single	3/20 62 Mos. .	New Interior 3,675 Two-Ten.	$2.250 MG 3.0% Ann. N/A	2 Mos. None $2.177 MG
NO. 3 412 W. Whittier Blvd. Montebello NEC Whittier Blvd. & 5th St.	15,352 1911 79.2%	1.0/1,000 Single	Available 36 Mos.	New Corner/End 3,200 Multi-Ten.	$1.250 Net 3.0% Ann. ±$0.25	1 Mo. None $1.215 Net $1.465 MG Equivalent
NO. 4 615-623 Beverly Blvd. Montebello SEC Beverly Blvd. & 7th St.	6,278 1965 74.6%	4.0/1,000 Single	Available 36 Mos.	New End 1,594 Multi-Ten.	$1.500 MG 3.0% Ann. N/A	Neg. Neg. $1.500 MG
NO. 5 709 W. Whittier Blvd. Montebello S/S Whittier Blvd., 75 Ft. W/O 7th St.	6,266 1941; R. 2020 79.5%	2.6/1,000** Single	Available 24-36 Mos.	New Interior 1,287 Multi-Ten.	$2.000 MG 3.0% Ann. N/A	Neg. Neg. $2.000 MG

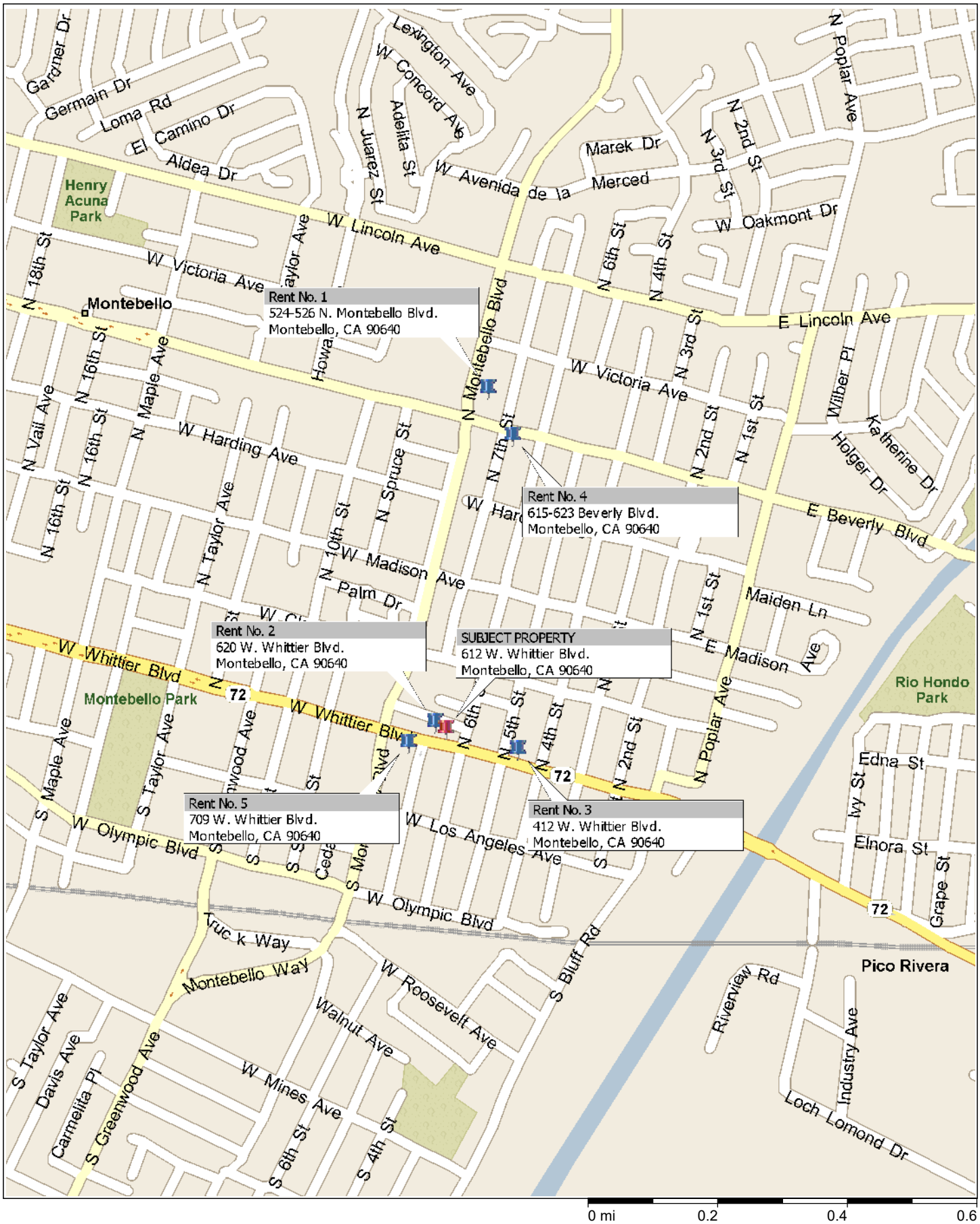
*Combined on-site parking and adjacent free City owned lot

**Parking via adjacent free City owned lot

Rental Data Analysis

The comparable properties in our survey pertain to retail spaces located in the City of Montebello within a one-mile radius from the subject property. The leased spaces vary in size from 1,250 to

IMPROVED RENTAL MAP



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3,675 rentable square feet. The subject building totals 1,488 rentable square feet. No other relevant lease comparables were uncovered after an extensive search was conducted. Nos. 1, 3, 4 and 5 pertain to general retail or retail/office space whereas No. 2 was fully built out as a restaurant at the time it was leased. The comparables were built in 1979, 1928, 1911, 1965 and 1941. Only Nos. 2 and 5 were significantly renovated in 2018 and 2020, respectively. The subject property was built in 1945 and renovated in 2004. Parking ratios in the comparables range from 1.0 to 4.0 spaces per 1,000 square feet. Nos. 1, 3 and 4 are provided on-site parking whereas Nos. 2 and 5 are provided parking via adjacent free City-owned parking lots. The subject property has a combined on-site and adjacent free parking ratio of 6.0 spaces per 1,000 square feet. All the comparables are provided single parking spaces whereas the subject property has both tandem and single parking spaces.

The two actual lease comparables leased in July 2019 and March 2020, show actual effective and equivalent modified gross lease rates at lease start of $1.360 and $2.177 per square foot per month. These actual leases pertain to 36 and 62-month terms which contain annual base rent increases of 3.0%. No. 2 shows a much higher per square foot rent as it was fully built out as a restaurant and had been recently extensively renovated from the interior. Nos. 3, 4 and 5 pertain to current listings at $1.250, $1.500 and $2.000 per square foot modified gross equivalent with projected 3.0% annual base rent increases. No recent offers have been reported these listings. Detailed on the following page is a rent adjustment grid comparing the subject property (1,488 rentable square feet) and the comparables.

		COMPARABLE RENTAL NO.				
	SUBJECT	**1**	**2**	**4**	**5**	**5**
Rental Date	--	7/19	3/20	Available	Available	Available
Eff. MG Rent PSF	--	$1.360	$2.177	$1.465	$1.500	$2.000
Conditions of Lease	--	Market	Market	Listing	Listing	Listing
Adjustment	--	*0%*	*0%*	*-3%*	*-3%*	*-5%*
Adjusted Eff. MG Rent	--	$1.360	$2.177	$1.421	$1.455	$1.900
Market Conditions	--	*2.33%*	*0.00%*	*0.00%*	*0.00%*	*0.00%*
Adjusted Eff. MG Rent	--	$1.392	$2.177	$1.421	$1.455	$1.900
Other Adjustments:						
Location	**Montebello**	Montebello	Montebello	Montebello	Montebello	Montebello
Adjustment	--	*0%*	*0%*	*0%*	*0%*	*0%*
Freeway Prox.	**Average**	Average	Average	Average	Average	Average
Adjustment	--	*0%*	*0%*	*0%*	*0%*	*0%*
Unit Street Exposure	**1 Major**	1 Major	1 Major	1 Major, 1 Local	1 Major, 1 Local	1 Major
Adjustment	--	*0%*	*0%*	*-3%*	*-3%*	*0%*
Pedestrian Traffic	**Average**	Average	Average	Average	Below Avg.	Average
Adjustment	--	*0%*	*0%*	*0%*	*5%*	*0%*
Signalized Corner	**No**	No	No	Yes	No	No
Adjustment	--	*0%*	*0%*	*-5%*	*0%*	*0%*
Leased Sq. Ft.	**1,488**	1,250	3,675	3,200	1,594	1,287
Adjustment	--	*0%*	*10%*	*8%*	*0%*	*0%*
Space Type	**Gen. Retail/Office**	Gen. Retail	Restaurant	Gen. Retail	Gen. Retail	Gen. Retail/Office
Adjustment	--	*0%*	*-15%*	*0%*	*0%*	*0%*
Building Type	**Single-Tenant**	Two-Ten.	Two-Ten.	Multi-Ten.	Multi-Ten.	Multi-Ten.
Adjustment	--	*0%*	*0%*	*0%*	*0%*	*0%*
Pk./1,000 sq.ft.	**6.6**	3.3	2.6	1.0	4.0	2.6
Adjustment	--	*10%*	*10%*	*15%*	*6%*	*10%*
Parking Type	**Tandem & Single**	Single	Single	Single	Single	Single
Adjustment	--	*-3%*	*-3%*	*-3%*	*-3%*	*-3%*
Year Built/ Ren.	**1945; R. 2004**	1979	1928; R. 2018	1911	1965	1941; R. 2020
Adjustment	--	0%	-6%	5%	3%	-5%
Quality/Condition	**Good**	Average	Very Good	Average	Average	Very Good
Adjustment	--	10%	-10%	10%	10%	-5%
Total Other Adjustmts	--	***17%***	***-14%***	***27%***	***18%***	***-3%***
Adjusted Eff. MG Rent	--	***$1.628***	***$1.872***	***$1.805***	***$1.717***	***$1.843***

The adjustments made on the previous table are purely judgmental and do not involve paired match studies that can be proved quantitatively. Nos. 3, 4 and 5 pertain to listings only and not signed leases and therefore adjusted down by 3.0% and 5.0% for condition of lease. The actual lease comparables were adjusted by 0.333% per month or 4.00% annually through March 2020 just prior to the onset of



Subject Property



Rent No. 1



Rent No. 2



Rent No. 3



Rent No. 4



Rent No. 5

the Coronavirus (COVID-19) pandemic to reflect improved market conditions during the last few years. Per brokers active in the area, rental market conditions have been flat since March 2020. Further adjustments were made for unit street exposure, pedestrian traffic, signalized corner, leased square feet, parking ratio and quality and condition of improvements. Adjustments result in a more narrow and meaningful effective modified gross rental range of $1.628 to $1.872 per square foot or an average of $1.773 per square foot.

Market Rent Projection

The subject site is improved with a 1,488 rentable square foot single-tenant one-story, reinforced brick and stucco retail building originally built in 1945 and renovated in 2004. Although currently used as a covered patio area, the subject parking area can accommodate up to six tandem parking spaces equating to a parking ratio of 4.0 spaces per 1,000 square feet of rentable building area. The subject property is also adjacent to a City-owned parking lot providing free parking to the surrounding businesses at a ratio of 2.6 spaces per 1,000 square feet. Combining both the subject on-site parking as well as the adjacent free public parking, the subject property is provided a favorable parking ratio of 6.6 spaces per 1,000 square feet. Overall, the interior improvements are currently in good condition for their age. The property benefits from its location along a major commercial thoroughfare. Moderate drawbacks to the subject property are its average freeway proximity and average pedestrian activity. Based on our analysis of the market data, the market rental rate for the subject property is estimated at $1.800 per square foot modified gross. Our estimated market rent is used in our ensuing income analysis.

Stabilized Vacancy and Collection Loss

The total vacancy rate for retail space in Los Angeles County was reported by CBRE at 6.2% as of 3rd Quarter 2020, whereas the overall vacancy rate for the subject Southeast Los Angeles submarket was 4.2% during the same quarter. Prior to the onset of the Coronavirus (COVID-19) pandemic, it is our opinion that a prudent investor would assign a long-term stabilized vacancy and collection rate of 3.0% for the subject property. Given the current uncertainty created by this pandemic, it is reasonable

that a potential investor would allow a somewhat higher vacancy and collection loss of 4.0% for the property under study at this time.

Expense Reimbursements

Throughout the Los Angeles County, many single-tenant retail properties are leased on a single-tenant industrial/commercial modified gross basis whereby the tenant pays the increase in property taxes and insurance over the base year levels, all utilities and interior and exterior maintenance of building. The landlord is responsible for base year property taxes and insurance, property, management and reserves. The ensuing estimated reimbursements are based on the provisions of a single-tenant industrial/commercial modified gross basis.

Operating Expenses

Following are descriptions of each of the major expense categories and our expense projections. Our projections of stabilized operating expenses are based on operating results similar retail properties in Los Angeles and Orange counties, plus information obtained from market participants.

OPERATING:

REAL ESTATE TAXES
Real estate taxes are predicated upon the estimated fee simple estate market value of the subject property, the current tax rate of 1.33860% and special assessments of $436. Based on our $455,000 fee simple market value of the subject property, real estate taxes are estimated at $6,525 or $4.385 per total square foot. The tenant will reimburse the landlord for the increase in taxes over the base year only under a single-tenant industrial/commercial modified gross lease. Given that market rent is used in our study with the base year property taxes being reset based on the market value of the property assuming a transfer, no reimbursement for property taxes is assumed in our study.

PROPERTY INSURANCE
Fire insurance, general liability and other property insurance items. Total property insurance for the subject is estimated at $520 or $0.350 per square foot. The tenant reimburses this expense over the base year amount only, however no reimbursement for property insurance is estimated in our analysis as insurance costs have escalated only nominally and therefore no tenant reimbursement amount is projected for this expense category.

UTILITIES
All charges for individual and common area electricity, gas, water and sewer service. An estimated annual total utility cost of $2.500 per rentable square foot or $3,720 is projected for the subject property. The tenant will pay directly or reimbursement the landlord for all utility costs.

REPAIRS AND MAINTENANCE
Includes maintenance and repairs relating mechanical equipment, lighting, plumbing and building exterior plus landscape and sweeping service. Also included in this category are costs associated with trash service, business and payroll taxes, workers compensation, licenses and other miscellaneous property operating costs. Repairs and maintenance costs can vary significantly from year-to-year due to certain expenses not incurred on a regular basis (roof, asphalt and mechanical equipment replacements, etc.). A normalized estimate of $1,490 annually or $1.000 per total rentable square foot is made to the subject for repairs and maintenance. The tenant reimburses this expense under a single-tenant industrial/commercial modified gross lease.

MANAGEMENT FEE
Internal or external fee charged to cover costs to manage the property. Typically management fees for single-tenant retail properties vary from 1.5% to 2.5% of effective gross income. Our projection for this cost for the subject property is $650 or $0.437 per total square foot which equates to 1.9% of effective gross revenue. The tenant does not reimburse this expense under a single-tenant industrial/commercial modified gross lease.

RESERVES:
Annual reserves for replacing various capital items such as the roof, exterior walls and mechanical equipment etc. are sometimes allocated by owners. A total of $300 annually or $0.200 per total square foot is projected for the subject for this category. This expense is allocated in our analysis as the overall capitalization rate sales presented in this report do include this expenditure.

STABILIZED EXPENSE PROJECTION
(BASED ON 1,488 RENTABLE SQUARE FEET)

Expense Category	Total Annual Expenses Per Sq. Ft.	Total Annual Expenses Total	Tenant Reimbursements
Real Estate Taxes	$4.385	$6,525	$ 0
Property Insurance	0.350	520	0
Utilities	2.500	3,720	3,720
Repairs and Maintenance	1.000	1,490	1,490
Subtotal	$8.236	$12,255	$5,210
Management	$0.437	$ 650	--
Reserves	0.200	300	--
Subtotal	$0.605	$ 950	
Total All Expenses	$8.874	$13,205	$5,210

Stabilized Overall Capitalization Rate

Background

In determining the appropriate "going-in" direct capitalization rate to be used in the analysis of the subject property, information obtained from investor purchases of single-tenant retail properties located in Los Angeles County and various investor publications has been utilized. Relevant data pertaining to the investment parameters are discussed below.

Capitalization Rate Sales

Commercial investment properties have been in increasing high demand throughout Southern California during the past few years, largely buoyed by historically low cost of financing. Substantial levels of investment capital chasing limited quantities of property have driven required return rates down. Demand for all commercial properties began increasing in 2012 and continued through 2020 due to significant pent-up demand and substantial investment capital available.

To support our stabilized capitalization rate selection, as well as illustrate demand, investor purchases of single-tenant leased retail properties located in Los Angeles County were gathered. The investment

sales presented are limited to properties sold between $1,595,000 and $8,000,000 and exclude retail properties leased to fast-food restaurants, drug stores, banks and auto repair facilities. The following table summarizes these sales. The capitalization rates reflect deductions made for vacancy, collection loss and reserves.

Data No. / Address Tenant	Sale Date	Bldg. Sq. Ft. Year Built/Ren.	Total Sale Price Price/Sq. Ft. Bldg.	Overall Cap Rate
No. 1 5710 Crenshaw Blvd., Los Angeles *Dollar Tree*	6/19	9,060 1941	$2,850,000 $314.57	4.61%
No. 2 1327 5th St., Santa Monica *Ron Robinson*	7/19	6,387 1930	$7,500,000 $1,174.26	5.00%
No. 3 4455 Van Nuys Blvd., Sherman Oaks *Dragonfly Cycling*	10/19	2,400 1954	$1,595,000 $664.58	4.08%
No. 4 14416 - 14418 Ventura Blvd. Sherman Oaks *Hillt 11*	10/19	2,420 1930; R. 2018	$1,950,000 $805.79	4.24%
No. 5 8000 Slauson Ave., Montebello *7-Eleven*	1/20	2,800 2020	$4,095,000 $1,462.50	4.13%
No. 6 5200 Triggs St., Commerce *Harbor Freight Tools*	2/20	16,190 2019	$6,752,000 $417.05	4.33%
No. 7 2799 E. Pacific Coast Hwy., Signal Hill *7-Eleven*	4/20	2,400 1976	$3,408,000 $1,420.00	4.00%
No. 8 8430 Beverly Blvd., Los Angeles *Goodwill*	4/20	1,664 1968	$2,160,000 $1,298.08	5.04%
No. 9 3894 Crenshaw Blvd., Los Angeles *U.S. Postal Service*	6/20	12,089 1959	$4,700,000 $388.78	3.80%

Data No. / Address Tenant	Sale Date	Bldg. Sq. Ft. Year Built/Ren.	Total Sale Price Price/Sq. Ft. Bldg.	Overall Cap Rate
No. 10 2936 Main St., Santa Monica *MUJI Santa Monica*	6/20	8,781 1929; Ren. 1990	$8,000,000 $911.06	4.75%
No. 11 6625 Lankershim Blvd., North Hollywood *7-Eleven*	6/20	2,870 1973	$1,310,000 $456.45	4.04%
No. 12 9750 Woodman Ave., Arleta *Walgreens*	8/20	16,335 2002	$10,000,000 $612.18	4.66%
No. 13 6625 Somerset Blvd., Paramount *OK Market*	8/20	3,100 1945	$850,000 $274.19	5.02%
No. 14 11340 Magnolia Blvd., North Hollywood *7-Eleven*	9/20	2,400 1977	$1,500,000 $625.00	4.85%
No. 15 13023 Hawthorne Blvd., Hawthorne *99 Cents Only Store*	10/20	15,000 1960	$5,750,000 $383.33	4.75%

The 15 retail properties range in rentable areas from 1,664 to 16,190 square feet and were developed between 1930 and 2020. The properties were fully occupied at the time of sale and were sold between June 2019 and October 2020. The properties are leased to local retail outlets and national chains (Dollar Tree, 7-Eleven, Walgreens, Harbor Freight Tools, Goodwill, U.S. Postal Service). The overall capitalization rates range from 3.80% to 5.04% or an average 4.49%.

Investor Survey – National Net Lease Market

The Third Quarter 2020 results of the "PwC Real Estate Investor Survey" for the "National Net Lease Market" show overall capitalization rates recapped on the next page. These range from 4.00% to 8.00%; the current quarter average is 6.22% and one year earlier, the average was 6.75%.

Source	Overall Capitalization Rates
Owner/Operator	5.50% - 8.00%
Investment Advisor	5.75% - 6.00%
Private Investment Firm	4.00% - 8.00%
Management Company	Did Not Disclose
Real Estate Investor	6.25%
Current Quarter Average	6.16%
Year Ago Average	6.77%

Capitalization Rate Selection

Commercial investment brokers interviewed stated that overall capitalization rates for well located retail in Los Angeles County leased to single tenants currently fall between 4.00% to 5.50% if leased at market for remaining terms of three years plus. The overall capitalization rate will depend on the property location, condition and occupancy status, particularly the quality, stability and financial success of the tenant(s); remaining lease terms (base rent, escalations, option terms, etc.); contract rents in relation to market; and near-term rollover risk.

The subject site is improved with a 1,488 rentable square foot single-tenant one-story, reinforced brick and stucco retail building originally built in 1945 and renovated in 2004. Although currently used as a covered patio area, the subject parking area can accommodate up to six tandem parking spaces equating to a parking ratio of 4.0 spaces per 1,000 square feet of rentable building area. The subject property is also adjacent to a City-owned parking lot providing free parking to the surrounding businesses at a ratio of 2.6 spaces per 1,000 square feet. Combining both the subject on-site parking as well as the adjacent free public parking, the subject property is provided a favorable parking ratio of 6.6 spaces per 1,000 square feet. Overall, the interior improvements are currently in good condition for their age. The property benefits from its location along a major commercial thoroughfare. Moderate drawbacks to the subject property are its average freeway proximity and average pedestrian activity.

Prior to the Coronavirus (COVID-19) pandemic, the subject property would have likely sold at around a 4.75% overall capitalization rate assuming it was leased at or close to market terms and the relatively small size of the improvements. Due to the current significant negative effects of the Coronavirus (COVID-19) pandemic on the local, national and international economies, it is prudent to adopt a somewhat higher capitalization rate (0.25 basis points higher) than what would have been used previously. Based on these factors, a capitalization n rate of 5.00% is justified for the subject property assuming market rent ($1.800 per square foot per month single-tenant industrial/commercial modified gross) is used in our study.

Capital Value Analysis

Gross Potential Revenue:

1,488 rentable square feet @ $1.800/SF x 12 Months	$32,141
Estimated Expense Reimbursements	5,210
Total Gross Potential Revenue	$37,351

Effective Gross Revenue:

Total Gross Potential Revenue	$37,351
Less: Vacancy & Collection Loss (4.0%)	(1,494)
Total Effective Gross Revenue	$35,857

Less Operating Expenses:

Real Estate Taxes	$6,525
Property Insurance	520
Utilities	3,720
Repairs & Maintenance	1,490
Management Fees (1.8%)	650
Reserves	300
Total	$13,205

Stabilized Net Operating Income:

Effective Gross Income	$35,857
Expenses	(13,205)
NOI	$22,652

Capitalization:

$22,652 ÷ 5.00%	$453,040
Adopted Fee Simple Estate Market Value	**$455,000**

SALES COMPARISON APPROACH

Introduction

In the Sales Comparison Approach, the appraiser estimates the value of a property by comparing it with similar, recently sold and/or listed properties located within competing areas. Inherent in this approach is the principle of substitution, which holds that when a property is replaceable in market, its value tends to be set at the cost of acquiring an equally desirable substitute property, assuming that no costly delay is encountered in making the substitution. This holds for both owner-user and investor motivated transactions.

Retail Building Sales

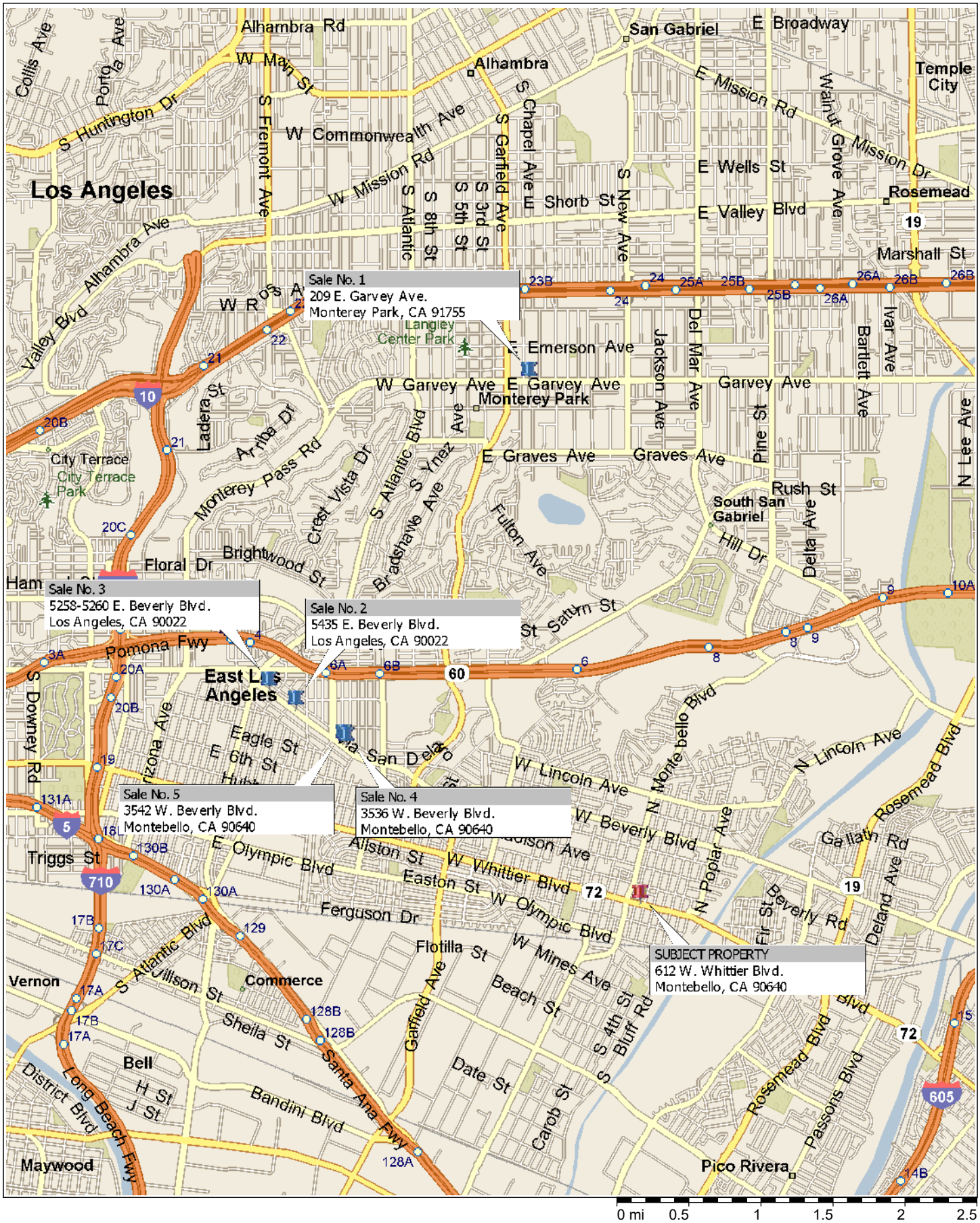
To determine the "as is" fee simple estate market value of the subject property, a survey has been made to obtain information on sales of commercial properties located in the City of Montebello and the surrounding communities. Specifically, our search focused on street frontage retail/office structures similar in size to the subject 1,488 rentable square feet.

The transactions summarized on the following pages refer to the most pertinent data available; their locations are keyed on the facing **Improved Sales Map**. No other relevant actual sales or listings were uncovered. The most common unit of comparison for retail buildings is price per square foot of building area.

Data No./Name Location/Address/APN	Sale Date Doc. No. Buyer	Rent Sq. Ft. Building Type Year Built Stories No. Bldgs.	Land Sq. Ft. Lot Shape Parking Type Parking Rt. FAR	Construction No. St. Visibility Occupancy @ Sale	Total Price /Sq. Ft. Cap Rate
SUBJECT **612 W. Whittier Blvd.** **Montebello** **N/S Whittier Blvd., 155 Ft, W/O 6th St.** **6346-027-004**	**--** **--** **Owner-User or Investor**	**1,488** **Single-Tenant** **1945** **One** **One**	**3,250** **Rectangular Surface, Tandem & Single** **6.6/1,000*** **0.46**	**Brick & Stucco** **One** **100.0%**	**--** **--** **N/A**
NO. 1 209 E. Garvey Ave. Monterey Park N/S Garvey Ave., 58 Ft. E/O Lincoln Ave.; 5255-017-024	10/17/19 1109354 Owner-User	1,250 Single-Tenant 1923 One One	2,758 Rectangular Surface Tandem 3.2/1,000 0.45	Brick & Stucco One 0.0%	$540,000 $432.00 N/A
NO. 2 5435 E. Beverly Blvd. Los Angeles N/S Beverly Blvd., 320 Ft. E/O Margaret Ave. 5249-022-022	7/2/20 0731172 Owner-User	1,000 Single-Tenant 1947 One One	2,500 Rectangular Surface Tandem 5.0/1,000 0.40	Brick & Stucco One 0.0%	$370,000 $370.00 N/A
NO. 3 5258-5260 E. Beverly Blvd. Los Angeles S/S Beverly Blvd., 195 Ft. W/O Hill View Ave. 6341-001-033	7/15/20 0773903 Investor	1,250 Two-Tenant 1949 One One	2,500 Rectangular Surface Tandem 4.8/1,000 0.50	Brick & Stucco One 100.0%	$530,00 $424.00 N/A
NO. 4 3536 W. Beverly Blvd. Montebello N/S Beverly Blvd., 425 Ft. W/O Bradshaw St. 5249-001-016	Available N/A Owner-User or Investor	1,700 Single-Tenant 1958 One One	2,500 Rectangular Surface Single 1.2/1,000 0.68	Brick & Stucco One 0.0%	$480,000 $282.35 N/A
NO. 5 3542 W. Beverly Blvd. Montebello N/S Beverly Blvd., 332 Ft. E/O Gerhart Ave. 5249-002-002	Available N/A Investor	1,060 Single-Tenant 1957 One One	2,500 Rectangular Surface, Tandem 3.8/1,000 0.42	Block & Stucco One 100.0%	$480,000 $452.83 N/A

*Combined on-site and adjacent free City-owned parking

IMPROVED SALES MAP



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Certain mapping and direction data © 2009 NAVTEQ. All rights reserved. The Data for areas of Canada includes information taken with permission from Canadian authorities, including: © Her Majesty the Queen in Right of Canada, © Queen's Printer for Ontario. NAVTEQ and NAVTEQ ON BOARD are trademarks of NAVTEQ. © 2009 Tele Atlas North America, Inc. All rights reserved. Tele Atlas and Tele Atlas North America are trademarks of Tele Atlas, Inc. © 2009 by Applied Geographic Systems. All rights reserved.

Comparable Sales Analysis

A total of three closed sales and two current listings of single (Nos. 1, 2, 4 and 5) and two-tenant (No. 3) retail properties are presented for comparison to the subject. The subject property is a single-tenant retail/office building. The comparables are situated in the City of Monterey Park (No. 1), the unincorporated Los Angeles County community of East Los Angeles (Nos. 2 and 3) and the City of Montebello (Nos. 4 and 5). The subject property is located in the City of Montebello. The comparables are one-story buildings as is the subject property. The comparables range in size from 1,000 to 1,700 rentable square feet and built in 1923, 1947, 1949, 1958 and 1957, respectively. The subject one-story building was constructed in 1945 and renovated in 2004. The comparables are provided on-site parking at ratios of 3.2, 5.0, 4.8, 1.2 and 3.8 spaces per 1,000 square feet. The subject property has a combined on-site and adjacent City-owned parking ratio of 6.6 spaces per 1,000 square feet. Nos. 1, 2, 3 and 5 have tandem parking spaces whereas No. 4 is provided single parking spaces only. The subject property is provided a combined tandem and single parking spaces.

The three actual sales closed in October 2019 and July 2020 at per square foot prices equating to $432.00, $370.00 and $424.00, respectively. Nos. 1 and 2 were vacant at the time of sale and purchased by owner-users. No. 3 was fully leased to two month-to-month tenants and was purchased by an investor. Nos. 4 and 5 pertain to current listings available at $282.35 and $452.83 per square foot, with no current recent offers reported. No. 4 pertains to a motivated seller and therefore shows a much lower asking price. No. 4 is currently vacant whereas No. 5 is fully leased to one tenant. Details of the lease in place for No. 5 were not disclosed. Detailed below is an adjustment grid comparing the relevant features of the subject with the comparables.

		COMPARABLE SALES NOS.				
	SUBJECT	**1**	**2**	**3**	**4**	**5**
Sale Date	--	10/17/19	7/2/20	7/15/20	Available	Available
Sales Price PSF	--	$432.00	$370.00	$424.00	$282.35	$452.83
Property Rights	**Fee Simple**	Fee Simple	Fee Simple	Leased Fee	Fee Simple	Leased Fee
Adjustment	--	*0%*	*0%*	*0%*	*0%*	*0%*
Adj. Price PSF	--	$432.00	$370.00	$424.00	$282.35	$452.83
Conditions Sale	--	Market	Market	Market	Motivated Seller	Listing
Adjustment	--	*0%*	*0%*	*0%*	*10%*	*-10%*
Adj. Price PSF	--	$432.00	$370.00	$424.00	$310.59	$407.55
Mkt. Conditions	--	*2.08%*	*0.00%*	*0.00%*	*0.00%*	*0.00%*
Adj. Price PSF	--	$441.00	$370.00	$424.00	$310.59	$407.55
Other Adjsts.:						
Location	**Montebello**	Monterey Park	East LA	East LA	Montebello	Montebello
Adjustment	--	*-20%*	*5%*	*5%*	*0%*	*0%*
Frwy. Proximity	**Average**	Good	Very Good	Very Good	Good	Good
Adjustment	--	*-8%*	*-12%*	*-12%*	*-8%*	*-8%*
Street Frontage	**1 Major**	1 Major	1 Major	1 Major	1 Major	1 Major
Adjustment	--	*0%*	*0%*	*0%*	*0%*	*0%*
Signalized Corner	**No**	No	No	No	No	No
Adjustment	--	*0%*	*0%*	*0%*	*0%*	*0%*
Pedestrian Traffic	**Average**	Average	Average	Average	Average	Average
Adjustment	--	*0%*	*0%*	*0%*	*0%*	*0%*
Rentable Sq. Ft.	**1,488**	1,250	1,000	1,250	1,700	1,060
Adjustment	--	*-5%*	*-8%*	*-5%*	*5%*	*-8%*
Building Type	**Single-Tenant**	Single-Tenant	Single-Tenant	Two-Tenant	Single-Tenant	Single-Tenant
Adjustment	--	*0%*	*0%*	*-10%*	*0%*	*0%*
Stories	**One**	One	One	One	One	One
Adjustment	--	*0%*	*0%*	*0%*	*0%*	*0%*
Pk. Ratio/1,000	**6.6**	3.2	5.0	4.8	1.2	3.8
Adjustment	--	*8%*	*5%*	*5%*	*15%*	*8%*
Parking Type	**Tandem & Single**	Tandem	Tandem	Tandem	Single	Tandem
Adjustment	--	*0%*	*0%*	*0%*	*-3%*	*0%*
Year Built/Ren.	**1945; R. 2004**	1923	1947	1949	1958	1957
Adjustment	--	*5%*	*0%*	*0%*	*-3%*	*-3%*
Quality/Condition	**Good**	Avg./Good	Average	Avg./Good	Below Avg.	Avg./Good
Adjustment	--	*5%*	*10%*	*5%*	*15%*	*5%*
FAR	**0.46**	0.45	0.40	0.50	0.68	0.48
Adjustment	--	*0%*	*0%*	*0%*	*0%*	*0%*
Occupancy	**100.0%**	0.0%	0.0%	100.0%	0.0%	100.0%
Adjustment	--	*0%*	*0%*	*0%*	*0%*	*0%*
Other Adsts.	--	***-15%***	***0%***	***-12%***	***21%***	***-6%***
Adj. Price PSF	--	***$374.85***	***$370.00***	***$373.12***	***$375.81***	***$383.09***

The adjustments made are purely judgmental and do not involve paired match studies that can be proved quantitatively. None of the comparables were adjusted for interest appraised. Although the subject property pertains to the fee simple interest, the property could be acquired by either an investor



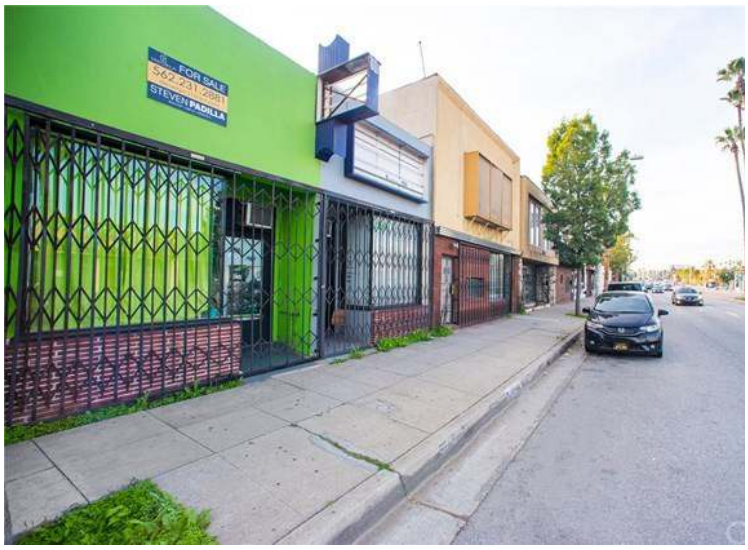
Subject Property



Sale No. 1



Sale No. 2



Sale No. 3



Sale No. 4



Sale No. 5

or owner user. Nos. 4 was adjusted up by 10.0% as it pertains to a motivated seller. The property has been on the market for 18 months with no recent offers reported. No. 5 was adjusted down by 10.0% for condition of sale as it is a listing only and not a closed sale. Nos. 1, 2 and 3 are consummated sales which were adjusted upward by 0.417% per month or 5.00% annually through March 2020 just prior to the onset of the Coronavirus (COVID-19) pandemic to reflect improved market conditions during the last few years. Per brokers active in the area, rental market conditions have been flat since March 2020. Further adjustments for overall location, freeway proximity, street frontage, pedestrian traffic, rentable square feet, stories, parking ratio, parking type, year built and renovation and quality and condition. The adjustments result in an adjusted sales range of $370.00 to $383.09 per square foot or an average of $375.37 per square foot.

Fee Simple Estate Market Value

The subject site is improved with a 1,488 rentable square foot single-tenant one-story, reinforced brick and stucco retail building originally built in 1945 and renovated in 2004. Although currently used as a covered patio area, the subject parking area can accommodate up to six tandem parking spaces equating to a parking ratio of 4.0 spaces per 1,000 square feet of rentable building area. The subject property is also adjacent to a City-owned parking lot providing free parking to the surrounding businesses at a ratio of 2.6 spaces per 1,000 square feet. Combining both the subject on-site parking as well as the adjacent free public parking, the subject property is provided a favorable parking ratio of 6.6 spaces per 1,000 square feet. Overall, the interior improvements are currently in good condition. The property benefits from its location along a major commercial thoroughfare. Moderate drawbacks to the subject property are its average freeway proximity and average pedestrian activity. Based on our analysis of the comparable sales and listings presented, fee simple estate market value close to the adjusted average of the sales or $375.00 per square foot is adopted for the subject property.

1,488 Sq. Ft. @ $375.00/Sq. Ft. (Rounded) $560,000

RECONCILIATION

Summarized below are the "as is" fee simple estate market value as of November 20, 2020, derived from the two approaches to value used in this report.

Valuation Approach	Fee Simple Estate Market Value As of November 20, 2020
Income	$455,000
Sales Comparison	$560,000

The Income Approach results in a fee simple estate market value of the property of $455,000 and is based on thorough rental, expense and capitalization rate analyses and provides a reliable approach to value for most retail properties.

The Sales Comparison Approach includes four closed sales and one current listing of single-tenant retail properties located within comparables areas to the City of Montebello . These sales provide fairly good indications of the "as is" market value of the subject property. The "as is" fee simple estate market value of the subject property by the Sales Comparison Approach is estimated at $560,000.

The market values of the subject property shown by the two approaches differ by $105,000 or 18.8%. The subject property would be desirable to both an investor and owner-user but a user would likely pay a higher price than an investor. Placing most weight on the Sales Comparison Approach, a final "as is" fee simple estate market value of $550,000 is adopted for the subject property**.**

VALUATION

Based upon investigation, analyses, and experience, the following opinions of market value for the subject property are formed, subject to the general assumptions and limiting conditions found throughout this report:

"As Is" Fee Simple Estate Market Value $550,000

The value conclusion above refers to real property and does not include any non-realty components such as personal property (FF&E or M&E) and intangible property (business enterprise components). There are no extraordinary assumptions and hypothetical conditions contained in this appraisal report.

Numerous brokers interviewed stated that user and investor retail sale activity was very strong and sale prices escalated very significantly between 2014 and up until early March 2020 before the onset of the Coronavirus (COVID-19) pandemic. The Coronavirus outbreak has put fear in financial markets as investors face the apparent reality that the pandemic has led the world economy into a recession. Nearly all governments, corporations, organizations and event planners implemented unprecedented measures including a shutdown of all non-essential businesses and personal activities. Many businesses had fully or partially reopened in June 2020; however, on July 13, 2020, Governor Gavin Newsom reimposed restrictions on many indoor businesses statewide, including food and beverage operations. The closures will stay in place until counties meet standards set out by the state.

The Coronavirus (COVID-19) pandemic has led the United States economy into a recession that has resulted in very sharp declines in GDP (Gross Domestic Product) for H1 2020 and in job losses, particularly in the retail, food and beverage, and transportation sectors. The unique nature of this downturn should result in an unusually swift recovery that could begin as early as 4th Quarter 2020. It is hopeful that the Coronavirus (COVID-19) pandemic peaks this fall in the U.S. and the U.S. government's fiscal and monetary stimulus continues to bear some fruit. This, paired with pent-up private demand, could help the U.S. economy return to growth by year-end 2020 and drive stronger growth in 2021.

The short-term effects of the pandemic are harsh, have severely disrupted the world economy and will likely have some negative impact on all real estate sectors in the United States and globally in the short-term. The mid- to long-term impact of the Coronavirus pandemic on real estate markets is unknown at this time. Although some market data (rental rates, overall capitalization rates and sale prices) relating to the subject property type (retail) has been uncovered, it is clear that uncertainty in real estate markets has resulted based on our interviews with market participants and review of investor surveys and publications which leads to increased risk and lower property values. The value conclusions made herein consider the current impact the Coronavirus (COVID-19) pandemic is having as of the effective date of this report.

LIMITING CONDITIONS

This report is made expressly subject to the following conditions and stipulations:

1) No opinion as to **title** is rendered. Data related to ownership and legal description were obtained from county records or owner and is considered reliable. Title is assumed to be marketable and free and clear of all liens, encumbrances, easements and restrictions except those specifically discussed in the report. The property is appraised assuming it to be under responsible ownership and competent management.

2) The appraiser has made no survey or engineering analysis of this property. The appraiser assumes the existing boundaries to be correct, that no encroachments exist, and assumes no responsibility for any condition not readily observable from customary investigation and inspection of the premises, which might affect the valuation, except in those items, which were specified in the report.

3) The report is based, in part, upon information assembled from a wide range of sources and, therefore, the incorporated data cannot be guaranteed. An impractical and uneconomic expenditure of time would be required in attempting to furnish unimpeachable verification in all instances, particularly as to engineering and market-related information.

   It is suggested that the client consider independent verification within these categories as a prerequisite to any transaction involving sale, lease, or other significant commitment of the subject property, and that such verification be performed by the appropriate specialists.

4) The **date of value,** to which the conclusions and opinions expressed in this report apply, is set forth in the letter of transmittal. Further that the dollar amount of any value opinion rendered was based upon the purchasing power of the American dollar existing on that date.

5) The appraiser assumes no responsibility for **economic or physical factors**, which may affect the opinions in this report, which occur after the date of the letter transmitting the report.

6) The appraiser reserves the right to make such **adjustments** to the analyses, opinions and conclusions set forth in this report as may be required by consideration of additional data or more reliable data that may become available.

7) No opinion is expressed as to the value of **subsurface oil, gas or mineral rights** or whether the property is subject to surface entry for the exploration or removal of such materials except as is expressly stated.

8) No opinion is intended to be expressed for matters that require **legal expertise** or specialized investigation or knowledge beyond that customarily employed by real estate appraisers.

9) In the event the report is placed in the hands of a third party, it is requested that such party be made cognizant of any and all **limiting conditions** resulting from the basis of appraiser's employment and discussions related thereto as well as those set forth in the report.

10) No consideration has been given in the appraisal as to the value of any **personal property** (as considered by the appraisers) located on the premises, or the cost of moving or relocating such personal property; only the real property has been considered.

11) No detailed **soils studies** or information relating to geologic conditions covering the subject property were available to the appraiser. Therefore, it was assumed that existing soil conditions are capable of supporting development and standard construction on the subject property to its assumed highest and best use without extraordinary foundation or soil remedial expense.

12) Since **earthquakes** are not uncommon in the area, no responsibility is assumed for their possible effect on individual properties, unless detailed geologic reports are made available.

13) **Testimony** or attendance in court or at any other hearing is not required by reason of rendering this appraisal, unless such arrangements are made a reasonable time in advance.

14) **Maps, plats and exhibits** included in the report are for illustration only as an aid in visualizing matters discussed within the report. They should not be considered as surveys, or relied upon for any other purpose, nor should they be removed form, reproduced, or used apart from the report.

15) The property is appraised assuming it to be in full compliance with all applicable federal, state and local environmental **regulations and laws**, unless otherwise stated.

16) The property is appraised assuming that all applicable **zoning** and use regulations and restrictions have been compiled with, unless otherwise stated.

17) The property is appraised assuming that all **required licenses**, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based, unless otherwise stated.

18) That **possession** of this report, or a copy of it, does not carry with it the right of publication or reproduction. Any person other than the party to whom it is addressed without the written consent of the appraiser and in any event only with proper written qualification and only in its entirety may not use it for any purpose.

19) The **liability** of Thomas W. Baaden, MAI is limited to the client only. Further, there is no accountability, obligation or liability to any third party. If this report is placed in the hands of anyone other than the client, the client shall make such party aware of all limiting conditions and assumptions of the assignment and related discussion. The appraiser is in no way to be responsible for any costs incurred to discover or correct any deficiencies of any type present in the property, physical, financial, and/or legal.

20) Acceptance of and/or **use of this appraisal** report by the client or any third party constitutes acceptance of the above conditions. Appraiser's liability extends only to the stated client, not subsequent parties or users, and is limited to the amount of fee received by appraiser.

21) Unless otherwise stated in this report, the **existence of hazardous material** that may or may not be present on the property was not observed by the appraisers. The appraisers have no knowledge of the existence of such materials on or in the property. The appraisers, however, are not qualified to detect such substances. The presence of substances such as asbestos, urea formaldehyde foam insulation or any of the other 300+ identified potentially hazardous chemicals/materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for such condition or for any expertise or engineering

knowledge required discovering them. The client is urged to retain an expert in this field, if desired.

22) Information relating to the **income and expenses** covering the subject property that was provided by the property operator are assumed accurate.

23) This appraisal should not be considered a report on the physical items that are a part of the appraised property. Although the appraisal may contain information about the physical items being appraised (including their adequacy and/or condition), it should be clearly understood that this information is only to be used as a general guide for property valuation and not as a complete or detailed physical report. The appraisers are not construction, environmental, or legal experts, and any statement given on these matters should be considered preliminary in nature.

24) The methodology utilized in calculating an **insurable value** is not delineated in any Appraisal Institute publication of which we are aware. Further, we are not contractors with construction or replacement cost expertise and have relied on various published information. Thus, it is a somewhat esoteric exercise that is provided as a service to and at the request of the Client, but we are not responsible for its ultimate use. The lender and/or ownership should consult with their insurer to ensure adequate coverage is maintained to restore the premises in the event of loss.

25) The observed condition of the foundation, roof, exterior walls, floors, heating system, plumbing, insulation, electrical service, and all other mechanical and constructions based on a casual inspection only and no detailed inspection was made. The structures were not checked for building code violations, and it is assumed that all building components meet applicable building codes unless so stated in the report.

Because no detailed inspection was made, and because such knowledge goes beyond the scope of this appraisal, any observed condition or other comments given in this appraisal should not be taken as a guarantee that a problem does not exist. Specifically, no guarantee is made as to the adequacy or condition of the foundation, roof, exterior walls, interior walls, floors, heating system, air conditioning system, plumbing, electrical service, insulation, or any other detailed construction matters. If any interested party were concerned about the existence, condition, or adequacy of any particular building or site component, we would strongly suggest that a construction expert be hired for a detailed investigation.

CERTIFICATION

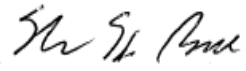
I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and no personal interest or bias with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results. **The undersigned has not performed any services, as an appraiser or in any other capacity, on the subject property within the last three years. The appraiser has no present or prospective interest in the subject property.**
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) and the specific requirements of the Client.
- I have made a personal inspection of the property that is the subject of this report.
- My value conclusion, as well as other opinions expressed herein, are not based on a requested minimum value, a specific value or approval of a loan.
- No one other than the undersigned and Marisol Marquez provided significant professional assistance in preparing the report. Marisol Marquez assisted in data research and compilation.

I certify that I have the appropriate knowledge and experience required to complete the appraisal assignment; otherwise, the steps are noted to comply with the competency provision of USPAP. I also certify that my state appraisal license has not been revoked, suspended, canceled or restricted. As of the date of this report, Thomas W. Baaden, MAI has completed the requirements of the continuing education program of The Appraisal Institute.

Respectfully submitted,

PACIFIC REALTY ASSOCIATES, INC.



Thomas W. Baaden, MAI
BREA #AG004789
Expires 1-24-2021

ADDENDA

EXHIBIT A

Appraisal Authorization

PACIFIC REALTY ASSOCIATES, INC.

REAL ESTATE APPRAISAL & CONSULTATION

2459 West 208th Street, Suite 203
Torrance, California 90501
Telephone (310) 294 - 8563
Facsimile (310) 294 - 8564
tbaaden@astbb.com

October 26, 2020

Mr. Joseph A. Palombi
Director
City of Montebello
1600 West Beverly Boulevard
Montebello, California 90640

Reference:

Property No. 1:	Property No. 2
612 West Whittier Boulevard	715 West Whittier Boulevard
Montebello, California 90640	Montebello, California 90640
Assessor Parcel No.: 6346-027-007	Assessor Parcel No.: 6349-007-004

Mr. Palombi:

The following proposal concerning appraisal services to be performed on the terms and conditions is set forth below. Separate narrative appraisal reports will be provided on the above referenced properties to determine the current market value of the leased fee estate interests.

The total fee for this assignment is $5,850 ($2,925 for each property). The reports will be completed within 3.5 weeks of receipt of this authorization. Three copies of the reports and an electronic copy (PDF) will be provided. All payments due shall bear interest at the rate of ten (10) percent per annum commencing thirty (30) days after such payments are due. In the event that any payment is not paid when due, you shall pay all expenses of collection including, but not limited to, court costs and attorneys' fees.

Sincerely,

PACIFIC REALTY ASSOCIATES, INC.

Thomas W. Baaden, MAI

Authorized By: Joseph Palombi
(Print Name)

(Signature)

Date: October 26, 2020

PROFESSIONAL QUALIFICATIONS - THOMAS W. BAADEN, MAI

EXPERIENCE:

Pacific Realty Associates, Inc.
Torrance, California,

Principal - Provides consulting, investment and valuation services on all types of vacant and improved commercial, industrial, residential income, retail, and special purposes properties.

Buss-Shelger Associates, Los Angeles, California (1985 - 2003)

Vice President. Regional appraisal firm located in Downtown Los Angeles. Provided consulting, investment and valuation services on all types of vacant and improved properties.

Hughes Aircraft, El Segundo, California (1983-1985)
Financial Analyst

LICENSES:

Licensed **Certified - General Real Estate Appraiser**
State of California

Licensed State of California Real Estate Broker

PROFESSIONAL ACTIVITIES:

Member of Appraisal Institute, MAI No. 8541

Member of American Industrial Real Estate Association (AIR)

CERTIFICATION:

Currently certified under the Appraisal Institute's voluntary program of continuing education for its designated members (MAIs who meet the standards of this program are awarded periodic certification).

Certified as General Real Estate Appraiser in the State of California BREA Appraiser Certification No. AG004789; expiration January 24, 2021

EDUCATION:

Bachelor of Science, Business Administration, Emphasis in Real Estate Finance - University of Southern California, Los Angeles, California (1984)

CONTACTS:

Pacific Realty Associates, Inc.
18732 Crenshaw Boulevard
Torrance, California 90504
310 323 - 3535; Ext. 2 (Work Phone)
310 877 - 8553 (Cell Phone)
310 323 - 3636 (Fax)
tbaaden@astbb.com

Business, Consumer Services & Housing Agency

BUREAU OF REAL ESTATE APPRAISERS

REAL ESTATE APPRAISER LICENSE

Thomas W. Baaden

has successfully met the requirements for a license as a residential and commercial real estate appraiser in the State of California and is, therefore, entitled to use the title:

"Certified General Real Estate Appraiser"

This license has been issued in accordance with the provisions of the Real Estate Appraisers' Licensing and Certification Law.

BREA APPRAISER IDENTIFICATION NUMBER: AG 004789

Effective Date: January 25, 2019
Date Expires: January 24, 2021

Jim Martin, Bureau Chief, BREA

3044815

THIS DOCUMENT CONTAINS A TRUE WATERMARK - HOLD UP TO LIGHT TO SEE "CHAIN LINK"

ATTACHMENT D

RESOLUTION NO. 21-____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MONTEBELLO APPROVING: THE PURCHASE AND SALE AGREEMENT FOR THE PURCHASE OF REAL PROPERTY LOCATED AT 612 W. WHITTIER BOULEVARD AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE PURCHASE AND SALE AGREEMENT ON BEHALF OF THE CITY

WHEREAS, the City of Montebello (the "City") intends to acquire certain real property owned by Mario Mojarro ("Seller"), an individual, at 612 W. Whittier Boulevard in the City of Montebello, California (Los Angeles County Assessor's Parcel Number ["APN"] 6346-027-007); and

WHEREAS, the Seller is the owner of said real property located at 612 W. Whittier Boulevard in the City of Montebello, California (Los Angeles County Assessor's Parcel Number ["APN"] 6346-027-007); and

WHEREAS, the Seller desires to transfer ownership of a 1,488 square foot building on a 3,257 square foot lot ("Property") to the City by and through a negotiated Purchase and Sale Agreement; and

WHEREAS, the City Council and the City's real property negotiator discussed the deal points in closed session on December 16, 2020 and January 13, 2021, which include the full repayment of an outstanding loan by the Seller to the Successor Agency to the Former Montebello Redevelopment Agency ("Successor Agency") pursuant to the Loan Agreement dated March 30, 2006; and

WHEREAS, the original loan amount was $150,000, with the Seller having an outstanding balance of $118,400 which will be paid to the Successor Agency pursuant to a demand letter from the City, with funds distributed according to the statutes and rules governing redevelopment agency dissolution; and

WHEREAS, the Staff commissioned an appraisal, which valued the Property at $550,000, and the negotiated sales price is $575,000; and

WHEREAS, on March 16, 2021, the Planning Commission made the necessary finding that the acquisition of the Property from Mario Mojarro conforms with the Montebello General Plan pursuant to California Government Code Section 65402; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MONTEBELLO DOES FIND, DETERMINE, RECOMMEND AND RESOLVES AS FOLLOWS:

SECTION 1: The City Council hereby finds that the above recitals are true and correct and incorporate them herein as part of the findings.

SECTION 2: Based upon all information presented to the City Council during its consideration of this matter, the City Council hereby approves and authorizes the City's purchase of the real property located at 612 W. Whittier Boulevard in City of Montebello, California (the "Property") for $575,000.

SECTION 3: The City Council hereby approves the Purchase and Sale Agreement and authorizes staff to continue negotiating the final form as long as no change to purchase price or description of property being purchased, which final agreement shall be approved as to form by the City Attorney's office.

SECTION 4: The City Council further authorizes the City Manager to execute the Purchase and Sale Agreement between the City of Montebello and Mario Mojarro, and any related documents reasonably necessary to complete the purchase in accordance with the final Agreement and accept title to the Property on behalf of the City.

SECTION 6: The adoption of this Resolution is not subject to California Environmental Quality Act (CEQA) because CEQA Guidelines section 15060(c)(2) states that a project is not subject to CEQA review where the activity will not result in a direct or reasonably foreseeable indirect physical change to the environment and is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) which states that a project is exempt from CEQA "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 City's acquisition of the Property will not result in a direct or reasonably foreseeable indirect physical change to the environment and there is no possibility that the acquisition of the Property will have a significant effect on the environment because the Property will continue to be used as a commercial office building and any future changes to the Property shall comply with CEQA at that time.

SECTION 7. This Resolution shall become effective immediately upon its adoption by the City Council and the City Clerk shall certify to the adoption of this Resolution.

APPROVED AND ADOPTED this 24th day of March 2021.

_____
Kimberly A. Cobos-Cawthorne, Mayor

ATTEST: **APPROVED AS TO FORM:**

_____ _____
Christopher Jimenez, City Clerk Arnold M. Alvarez-Glasman, City Attorney

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS:
CITY OF MONTEBELLO)

I, Christopher Jimenez, City Clerk of the City of Montebello, County of Los Angeles, State of California, hereby certify that the foregoing Resolution No. 21-__ was passed and adopted by the City Council of the City of Montebello, signed by the Mayor and attested by the City Clerk at a regular meeting of said Council held on the 24th day of March 2021 and that said Resolution was adopted by the following vote, to-wit:

AYES:
NOES:
ABSTAIN:
ABSENT:

The undersigned, City Clerk of the City of Montebello, does hereby attest and certify that the foregoing Resolution is a true, full and correct copy of a resolution duly adopted at a meeting of said City which was duly convened and held on the date stated thereon, and that said document has not been amended, modified, repealed or rescinded since its date of adoption and is in full force and effect as of the date hereof.

DATE: _____ _____
Christopher Jimenez, City Clerk

LOAN AGREEMENT

ORIGINAL

(Secured by Real Property)

This LOAN AGREEMENT ("Agreement") is made effective as of March 30, 2006, by and between Mega Brokers ("Borrower"), and the Montebello Redevelopment Agency, a California public agency ("Agency").

RECITALS

A. Pursuant to California Community Redevelopment Law (Health & Safety Code Section 33000 et seq.) ("CRL"), it is the goal of the Agency to eliminate blighting conditions within its community. CRL Section 33021 states that redevelopment includes the rehabilitation of existing structures in a project area. In accordance with CRL Sections 33021 and 33444.5, the Agency has adopted the Whittier Boulevard Revitalization Business Assistance Programs ("Programs"), along with procedures and guidelines ("Program Guidelines") therefor, to enhance and improve the visual attractiveness, appearance and viability of commercial buildings located in the specific target area within the City of Montebello. The Program Guidelines, as presently stated and as may be amended, are hereby incorporated into this Agreement by reference. In the event of any conflict or inconsistency between this Agreement and the Program Guidelines, this Agreement shall supersede and control, but only to the extent of such conflict or inconsistency.

B. Borrower has requested that Agency make a loan pursuant to the Program Guidelines to Borrower to finance the purchase and/or leasing of furniture, fixtures and equipment ("FF&E") and/or property improvements necessary for the establishment and/or operation of a Broker business ("Business") to be located at 612 W. Whittier Boulevard, City of Montebello, County of Los Angeles, California ("Premises"). The Business is located within the area covered by the Programs.

C. Borrower is the owner of one of the following real properties (whichever is selected, shall be referred to hereunder as the "Property") that is security for the loan provided for hereunder:

1) MM [*Borrower initial here if the Premises property is the security for this loan*] the real property of the Premises; or

2) _____ [*Borrower initial here if other real property is the security for this loan*] other real property commonly known _____, City _____, County of _____, California.

D. Agency is willing to make such loan pursuant to the terms and conditions of this Agreement and the Program Guidelines.

NOW, THEREFORE, in consideration of the mutual covenants, conditions, and promises set forth herein, the parties hereto agree as follows:

1. Terms of Loan. Subject to the fulfillment of Agency's funding contingencies as set forth in Section 4, Agency shall advance to Borrower an amount (the "Loan") not to exceed One hundred fifty thousand dollars and .00/100 Dollars ($150,000.00). The disbursement of the Loan funds may be in such periodic disbursements and in the form, including two-party drafts payable to Borrower and its vendors or contractors through an escrow, as the Agency may elect in its reasonable discretion. The outstanding balance of the Loan shall accrue interest at a rate per annum equal to Three and No/100 percent (3.00%). The term ("Term") of the Loan shall be twenty five (25) years. In the event Borrower ceases to maintain and operate the Business to the reasonable satisfaction of Agency prior to the expiration of the Term, such event shall be an "Event of Default" under the Note and Agency may, at Agency's option, declare the Note and the entire indebtedness thereby evidenced to be immediately due and payable, regardless of the maturity date. Borrower shall execute a promissory note to evidence the Loan in the form attached hereto as Exhibit A ("Note") and incorporated herein by reference.

2. Security. Borrower's obligations under the Loan and the Note shall be secured by a first, or as the case may be, a second, deed of trust (and, if applicable, a fixture filing) on the Property in the form attached hereto as Exhibit B and incorporated herein by reference (the "Deed of Trust").

3. Further Assurances and Obligations.

(a) Borrower shall, at Borrower's own cost and expense, execute and deliver such further documents and instruments and take such other actions as may be reasonably required or appropriate to evidence or carry out the intent and purposes of this Agreement, including, without limitation, cooperating in good faith to sell the Borrower's Alcoholic Beverage Control license, if the Business has such license, to any party Agency approves to succeed to Borrower's interest in the Property upon the occurrence of an Event of Default.

(b) As a condition to funding of the Loan, and during the Term, Borrower shall obtain and keep in force a commercial general liability policy of insurance reasonably acceptable to Agency and protecting Borrower and Agency, as an additional insured, against claims for bodily injury, personal injury and property damage based upon or arising out the operation of the Business. Such insurance shall be on an occurrence basis providing single limit coverage in an amount not less than $1,000,000 per occurrence with an annual aggregate of not less than $2,000,000. Borrower acknowledges and agrees that the failure to obtain and keep such insurance coverage shall be an Event of Default under the Note.

4. Funding Contingencies. Agency's obligation to fund the Loan according to the terms hereof, particularly Section 1 above, shall be contingent upon the fulfillment of the following contingencies, all to Agency's sole and absolute satisfaction, on or before 04/27/06, 2006:

(a) Borrower shall have delivered to Agency through escrow an original executed copy of the Note, the Deed of Trust and the Security Agreement;

(b) Borrower shall have delivered to Agency a schedule describing the FF&E to be acquired, including the estimated cost thereof, and evidence of insurance coverage described under Section 3(b) hereof; and

(c) Borrower shall have delivered to Agency copies of any and all contracts between Borrower and Borrower's contractor and/or contractors sufficient to evidence that the proposed improvements will be constructed.

5. Severability. The unenforceability or invalidity of any provision or provisions of this Agreement as to any persons or circumstances shall not render that provision or those provisions unenforceable or invalid as to any other persons or circumstances, and all provisions hereof, in all other respects, shall remain valid and enforceable.

6. Binding Effect; Inurement. This Agreement shall bind Borrower and its successors and assigns and the benefits hereof shall inure to Agency and Agency's successors and assigns.

7. Governing Law; Jurisdiction. This Agreement shall be governed by and construed exclusively in accordance with the internal substantive laws of the State of California. The parties hereto consent to the exclusive jurisdiction of the state courts sitting in the City of Los Angeles, California, for any action or proceeding arising under this Agreement or the Loan.

8. Attorneys' Fees. Borrower agrees to pay the following costs, expenses, and attorneys' fees paid or incurred by the Agency or adjudged by a Court: (i) reasonable costs of collection, costs, expenses, and attorneys' fees paid or incurred in connection with the collection or enforcement of the Loan, whether or not suit is filed; and (ii) costs of such sum as the Court may adjudge as attorneys' fees in an action to enforce payment of this note or any part of it. In the event Agency brings an action under this Agreement in which Borrower is the prevailing party, Borrower shall be entitled to its reasonable attorney's fees and costs.

[Signatures Follow on the Next Page]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

BORROWER:

Mega Brokers

By: _____

Name: Mario Mojarro

Its: Owner

[Signatures Continue on the Next Page]

AGENCY:

Montebello Redevelopment Agency
a California public agency

By: _____

Name: Ruben Lopez

Title: Community Development Director

APPROVED AS TO LEGAL FORM:

BEST BEST & KRIEGER LLP

_____
City Attorney

EXHIBIT A
TO
LOAN AGREEMENT

PROMISSORY NOTE

[To Be Attached]

DO NOT DESTROY THIS NOTE: When paid, this Note and the Deed of Trust securing same must be surrendered to Trustee for cancellation before reconveyance will be made.

SECURED PROMISSORY NOTE

(Secured by Real Property)

$150,000.00 **Montebello, California** **March 30, 2006**

FOR VALUE RECEIVED, Mario Mojarro, a business owner ("Maker"), promises to pay to MONTEBELLO REDEVELOPMENT AGENCY, a California public agency ("Holder"), or order, at such place as Holder may from time to time designate by written notice to Maker, the principal sum of One hundred fifty thousand Dollars ($150,000.00), together with interest thereon accruing from the date of each disbursement under this Note and thereafter at a rate per annum equal to Three and No/100 percent (3.00%). Principal and interest will be due and payable in lawful money of the United States of America without set-off, deduction, or counterclaim, except as provided herein.

1. Term. The term ("Term") of this Note shall expire on the Maturity Date, defined below, and all amounts outstanding pursuant to the terms of this Note shall be due and payable, as provided under Section 2 hereof, at the end of the Term.

2. Payments. During the Term, Maker shall make payments of principal and interest to Holder according to the following: Maker shall make three hundred (300) equal monthly installments, each in the amount of $ 711.32 and due on the first day of each month, commencing ninety (90) days after the last disbursement of funds pursuant to that certain Loan Agreement of even date herewith by and between the Maker and Holder. The entire unpaid principal balance of this Note, together with accrued interest thereon, will be fully due and payable on a date 300 months from the date of the last disbursement ("Maturity Date").

3. Prepayment. Maker shall have the right to prepay any amount owing under this Note, in whole or in part, without penalty.

4. Waiver. Maker waives presentment, protest, notice of dishonor and non-payment.

5. Security. This Note is secured by that certain Deed of Trust of even date herewith.

6. Guaranty. If Maker is a legal entity, Maker's principal(s) have delivered to Holder that certain Personal Guaranty of even date herewith and under which they guarantee any and all of Maker's obligations hereunder.

7. Acceleration of Note. Should an event of default (defined below) occur, then and in any such event, Holder may, at Holder's option, declare this Note and the entire indebtedness hereby evidenced to be immediately due and payable, regardless of the Maturity Date.

8. Indemnity. Maker agrees to indemnify Holder and to hold Holder and Holder's successors and assigns harmless from and against any and all claims, demands, costs, liabilities and obligations of any kind or nature arising out of any default hereunder, including without limitation all

costs of collection, including reasonable attorneys' fees and all costs of suit, in the event the unpaid principal sum of this Note and/or any interest thereon is not paid when due.

9. Interest Rate on Remaining Amount. Following the maturity of the indebtedness evidenced hereby, whether by acceleration or otherwise, any amount remaining unpaid to Holder, together with unpaid interest on such unpaid amounts, shall thereafter bear interest at the rate of three percent (3%) per annum.

10. Events of Default. The occurrence of any of the following events shall be an event of default hereunder: (i) any portion or all of the real property encumbered by the deed of trust which secures this Note, or any interest therein, is sold, alienated or conveyed in any way whatsoever, whether equitable or legal, recorded or unrecorded, and shall include, without limitation, "outright sale," a land sale contract, a lease with a term of more than three (3) years, a lease with option to purchase, and conveyances in trust; or the terms of the deed of trust, including the obligation to insure the real property so encumbered, are otherwise breached by Maker; (ii) Maker's ceasing to maintain and operate the Business to the reasonable satisfaction of Holder at any time prior to the Maturity Date; or Maker's failure to timely provide evidence of general liability insurance as provided under that certain Loan Agreement of event date herewith by and between Maker and Holder; (iii) the failure of Maker to make payment in full of the unpaid principal and interest thereon on or before the Maturity Date; (iv) the making of any general arrangement or assignment for the benefit of creditors; (v) becoming a "debtor" as defined in 11 U.S.C. § 101 or any successor statute thereto; (vi) the appointment of a trustee or receiver to take possession of substantially all of Maker's assets; or (vii) the attachment, execution or other judicial seizure of substantially all of Maker's assets. If any provision of this Section 9 is contrary to applicable law, such provision shall be of no force or effect and shall not affect the validity of the other provisions, which shall remain in full force and effect.

11. Severability. The unenforceability or invalidity of any provision or provisions of this Note as to any persons or circumstances shall not render that provision or those provisions unenforceable or invalid as to any other persons or circumstances, and all provisions hereof, in all other respects, shall remain valid and enforceable.

12. Binding Effect; Inurement. This Note shall bind Maker and its successors and assigns and the benefits hereof shall inure to Holder and Holder's successors and assigns.

13. Governing Law and Jurisdiction. The enforcement and interpretation of this Note shall be governed exclusively by the laws of the State of California without regard to its choice of law rules (or those of any state) and regardless of which state's law would govern, if at all, otherwise. Maker consents to the exclusive jurisdiction of the federal or state courts sitting in the City of Los Angeles, California, for any action or proceeding to enforce or interpret the terms of this Note.

[This space left intentionally blank]

14. Time of the Essence. Time is of the essence of this Note.

MAKER:

Mega Brokers

By: _____

Name: Mario Mojarro

Its: Owner

EXHIBIT B
TO
LOAN AGREEMENT

DEED OF TRUST

[To Be Attached]

(Rev. 1/94)

STEWART TITLE
GUARANTY COMPANY

SHORT FORM LOAN POLICY

Order No.: 717402249

SUBJECT TO THE CONDITIONS AND STIPULATIONS HEREOF, STEWART TITLE GUARANTY COMPANY, a Texas corporation, herein called the Company, insures the insured, as of Date of Policy shown in Schedule A, against loss or damage, not exceeding the amount of insurance stated in Schedule A, sustained or incurred by said insured by reason of any incorrectness of the assurances set forth in Schedule A.

In Witness Whereof, STEWART TITLE GUARANTY COMPANY has caused this policy to be signed and sealed by its duly authorized officers as of Date of Policy shown in Schedule A.

Sanctity of Contract

STEWART TITLE
GUARANTY COMPANY

Chairman of the Board

STEWART TITLE GUARANTY CO. INCORPORATED 1908 TEXAS

Malcolm S. Morris
President

Countersigned:

Authorized Countersignature
STEWART TITLE OF CALIFORNIA, INC.
Agent ID: 05060A

Policy Serial No. 2642- 105383

SCHEDULE A

OUR ORDER NO.: 717402249 YOUR REF. NO.:

SHORT FORM LOAN POLICY NO: M-2642-105383

DATE OF POLICY: APRIL 03, 2006, 7:30 A.M.

COUNTY: LOS ANGELES

BORROWER:

MARIO MOJARRO

NAME OF INSURED: CITY OF MONTEBELLO

AMOUNT OF INSURANCE: $150,000.00

PREMIUM:

The assurances referred to on the face page are:

1. Subject to any conflicts in boundary lines, or discrepancies that would be revealed by a correct survey, the land referred to in this policy is that land located in the county shown above, in the State of California, and is described in the hereinbelow referenced instrument as follows:

a. 612 WEST WHITTIER BOULEVARD, MONTEBELLO, CA 90640

b. The land which is more fully described in "Legal Description" attached hereto as "Exhibit A".

c. The latest available tax information in the Office of the Assessor of said county discloses the following with respect to said land for the fiscal year 2005-2006, a lien as follows:

Parcel no.:	6346-027-007
1st Installment:	$1,917.41 PAID
2nd Installment:	$1,917.40 OPEN
Land:	$122,400
Improvements:	$66,300
Exemptions:	$0

The lien of supplemental taxes, if any, assessed pursuant to the provisions of Chapter 498, Statutes of 1983 of the State of California.

SCHEDULE A CONTINUED

2. The last document as disclosed by the Official Records of the Recorder of said county purported to convey the fee title to said land is:

Document: GRANT DEED Recorded on APRIL 14, 2004 as File No. 04-898015 of Official Records

Documentary Transfer Tax: $203.50

Conveyed To: MARIO MOJARRO, A SINGLE MAN

3. According to the Official Records of the Recorder of said county relative to the land described in "Exhibit A", there is no homestead executed by the party(ies) named in Paragraph 2 above, nor outstanding mortgages or outstanding statutory monetary liens purporting to affect said land, other than those set out below under exceptions; provided, however, that no liability is assumed with respect to the identity of any party named or referred to in this schedule, nor with respect to the validity, legal effect or priority of any matter shown as an exception.

TAXES

1. GENERAL AND SPECIAL CITY AND/OR COUNTY TAXES FOR THE FISCAL YEAR 2006-2007, A LIEN NOT YET DUE AND PAYABLE.

2. ASSESSMENTS, IF ANY, FOR COMMUNITY FACILITY DISTRICTS AFFECTING SAID LAND WHICH MAY EXIST BY VIRTUE OF ASSESSMENT MAPS OR NOTICES FILED BY SAID DISTRICTS. SAID ASSESSMENTS ARE COLLECTED WITH THE COUNTY TAXES.

EXCEPTIONS

3. A DEED OF TRUST TO SECURE AN INDEBTEDNESS OF THE AMOUNT STATED HEREIN AND ANY OTHER AMOUNTS PAYABLE UNDER THE TERMS THEREOF, RECORDED APRIL 14, 2004 AS INSTRUMENT NO. 04-898016 OF OFFICIAL RECORDS:

DATED:	MARCH 11, 2004
TRUSTOR:	MARIO D. MOJARRO, A SINGLE MAN
TRUSTEE:	SPECTRUM BANK
BENEFICIARY:	SPECTRUM BANK
AMOUNT:	$135,000.00

4. MATTERS WHICH MAY AFFECT THE TITLE UNLESS ELIMINATED BY A STATEMENT OF IDENTITY FROM THE FOLLOWING: ALL PARTIES

EXHIBIT A

OUR ORDER NUMBER: 717402249 YOUR REF. NO.:

SHORT FORM LOAN POLICY NO: M-2642-105383

DESCRIPTION

PARCEL NO.: 6346-027-007

LOT 3 OF TRACT NO. 10722, IN THE CITY OF MONTEBELLO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 169, PAGE 1 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

Stewart Title Guaranty Company, Stewart Title Insurance Company, Stewart Title of California, Inc.

Privacy Policy Notice

PURPOSE OF THIS NOTICE

Title V of the Gramm-Leach-Bliley Act (GLBA) generally prohibits any financial institution, directly or through its affiliates, from sharing nonpublic personal information about you with nonaffiliated third party unless the institution provides you with a notice of its privacy policies and practices, such as the type of information that it collects about you and the categories of persons or entities to whom it may be disclosed. In compliance with the GLBA, we are providing you with this document, which notifies you of the privacy policies and practices of Stewart Title Guaranty Company, Stewart Title Insurance Company, Stewart Title of California, Inc.

We may collect nonpublic personal information about you from the following sources:

* Information we receive from you, such as on applications or other forms.
* Information about your transactions we secure from our files, or from our affiliates or others.
* Information we receive from a consumer reporting agency.
* Information that we receive from others involved in your transaction, such as the real estate agent or lender.

Unless it is specifically stated otherwise in an amended Privacy Policy Notice, no additional nonpublic personal information will be collected about you.

We may disclose any of the above information that we collect about our customers or former customers to our affiliates or to nonaffiliates third parties permitted by law.

We also may disclose this information about our customers or former customers to companies that perform services on our behalf as permitted by law.

WE DO NOT DISCLOSE ANY NONPUBLIC PERSONAL INFORMATION ABOUT YOU WITH ANYONE FOR ANY PURPOSE THAT IS NOT SPECIFICALLY PERMITTED BY LAW.

We restrict access to nonpublic personal information about you to those employees who need to know that information in order to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

ATTACHMENT F

CITY COUNCIL RESOLUTION NO. 21-_____
HOUSING SUCCESSOR RESOLUTION NO. 21- _____

JOINT RESOLUTION OF THE CITY COUNCIL OF THE CITYMONTEBELLO AND THE CITY COUNCIL OF THE CITY OF MONTEBELLO SERVING AS HOUSING SUCCESSOR OF THE FORMER MONTEBELLO REDEVELOPMENT AGENCY, APPROVING AN INTERFUND LOAN FROM THE HOUSING SUCCESSOR AGENCY FUND TO THE GENERAL FUND FOR THE PURCHASE OF REAL PROPERTY LOCATED AT 612 WEST WHITTIER BOULEVARD

WHEREAS, the Planning Commission, on March 16, 2021, adopted a resolution making the finding that the acquisition of real property at 612 West Whittier Blvd. conforms with the Montebello General Plan pursuant to Government Code Section 65402; and

WHEREAS, the acquisition of said property conforms with Montebello's General Plan Land Use Element and meets numerous land use objectives and policies beneficial to the City and the surrounding community; and

WHEREAS, purchase of this property presents a unique opportunity for the City to assemble land, which creates opportunities for existing and future uses consistent with City Council policy direction, and the Property's location on a major corridor is central to the future vision of this area of the City that includes a downtown specific plan and would make it possible to incorporate the Property into a more beneficial and productive use that adds value to the downtown Whittier Blvd. corridor and surrounding areas; and

WHEREAS, in order to quickly and easily effectuate purchase of the property at 612 West Whittier Blvd., an interfund loan in the amount of $575,000 from the Housing Successor Agency Fund to the General Fund is necessary; and

WHEREAS, the City Council and the Housing Successor finds and declares that adoption of this Resolution is necessary and appropriate and in furtherance of the City's best interests.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF MONTEBELLO AND THE CITY COUNCIL OF THE CITY OF MONTEBELLO SERVING AS THE HOUSING SUCCESSOR TO THE FORMER MONTEBELLO REDEVELOPMENT AGENCY HEREBY:

SECTION 1. Recitals. Based upon all information presented during its consideration of this matter, the City Council and the Housing Successor find and declare that the foregoing recitals are true and correct, and hereby incorporates the same as substantive findings into this Resolution.

SECTION 2. Appropriateness of Source Fund. The City Council and the Housing Successor have reviewed the appropriateness of the interfund loan made by

this Resolution, including but not limited to: the availability of cash balances and uncommitted funds in the Housing Successor Agency Fund (Fund No. 810); the reliability and volatility of revenues available to replenish the Housing Successor Agency Fund; any multi-year plans for use of the monies in the Housing Successor Agency Fund; and potential risks if the loaned monies are required by the Housing Successor Agency Fund if the monies are required during the loan term. Based on its review of such matters, the City Council and Housing Successor find and declare that the proposed loan is consistent with the purposes of the Housing Successor Fund, and monies in said account have not been appropriated for other purposes and thus the loan of monies therefrom will not pose significant risks to the Housing Successor Agency Fund or the City's budgetary needs if the loaned funds are repaid no later than Fiscal Year 2022-23.

SECTION 3. Authorization of Loan. The Successor Agency hereby authorizes an advance, in the form of a loan, from the City's Housing Successor Agency Fund available cash balance to the General Fund, in the amount of Five Hundred Seventy-Five Thousand Dollars ($575,000) to the City of Montebello.

SECTION 4. Deposit of Loan Proceeds. The Finance Director for the City and Housing Successor are hereby authorized and directed to make the appropriation / transfer of Loan proceeds authorized by this Resolution, which shall be recorded in the financial statements as additions to cash in the General Fund, with a liability in the Housing Successor Agency Fund recorded to show the Loan proceeds that are to be repaid. The Finance Director shall keep and maintain records evidencing the transfer of Loan funds authorized by this Resolution in a manner that is consistent with generally accepted accounting practices for local governmental agencies.

SECTION 5. Repayment of Loan. The City Council expressly declares that the monies from the Housing Successor Agency Fund appropriated hereunder are a Loan, and not a grant, and that the City Council expects and directs that the Loan made by this Resolution shall be repaid in full by the General Fund by June 30, 2023.

SECTION 6.Ongoing Management. The City Council authorizes and directs staff to pursue and facilitate repayment of the Loan as described above, and to otherwise manage and administer the Loan in accordance with the terms hereof.

SECTION 7. This Resolution shall take effect immediately, and the City Clerk and Housing Successor Secretary shall certify to its adoption.

APPROVED AND ADOPTED this 24th day of March 2021.

_____
Mayor/Housing Successor Chair

ATTEST: **APPROVED AS TO FORM:**

_____ _____
City Clerk/Secretary Arnold M. Alvarez-Glasman, City Attorney

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS:
CITY OF MONTEBELLO)

I, Christopher Jimenez, City Clerk of the City of Montebello, County of Los Angeles, State of California, hereby certify that the foregoing Resolution No. 21-__ was passed and adopted by the City Council of the City of Montebello, signed by the Mayor and attested by the City Clerk at a regular meeting of said Council held on the 24th day of March 2021 and that said Resolution was adopted by the following vote, to-wit:

AYES:
NOES:
ABSTAIN:
ABSENT:

The undersigned, City Clerk of the City of Montebello, does hereby attest and certify that the foregoing Resolution is a true, full and correct copy of a resolution duly adopted at a meeting of said City which was duly convened and held on the date stated thereon, and that said document has not been amended, modified, repealed or rescinded since its date of adoption and is in full force and effect as of the date hereof.

DATE: _____ _____
Christopher Jimenez, City Clerk

ITEM # 17

CITY OF MONTEBELLO

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

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

BY: Joseph Palombi, Director of Planning and Community Development

SUBJECT: **Adopt Resolution Approving the Purchase and Sale Agreement for the Purchase of Real Property located at 715 W. Whittier Boulevard and Authorizing the City Manager to execute the Purchase and Sale Agreement on Behalf of the City and Adopt Resolution Approving an Interfund Loan to Provide Funding for the Purchase.**

DATE: March 24, 2021

RECOMMENDATIONS:

Staff recommends that the City Council adopt Resolution No. _____:

1) Approving the City's purchase of the real property located at 715 W. Whittier Boulevard in City of Montebello, California (the "Property") for $1,200,000; and

2) Approving the Purchase and Sale Agreement and authorize staff to continue negotiating the final form as long as no change to purchase price or description of property being purchased, which final agreement shall be approved as to form by the City Attorney's office; and

3) Authorize the City Manager to execute the Purchase and Sale Agreement between the City of Montebello and Phillip J. Pace and Phyllis M. Pace, and any related documents necessary to reasonably complete the purchase in accordance with the final Agreement; and

4) Approve an interfund loan in the amount of $900,000 from the Housing Successor Agency Fund (Fund 810) to the General Fund to assist with funding a portion of the total acquisition costs of the Property; and

5) Amend the Fiscal Year 2020-21 budget by increasing appropriations in the amount of $300,000 (Account No. 100-99-7060 (Acquisition) to provide remaining funds necessary for acquisition of the Property; and

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

FISCAL IMPACT

Funding for the proposed acquisition of real property located at 715 West Whittier Blvd. will come from two sources: 1) available cash resources in the Housing Successor Agency Fund ($900,000); and 2) available fund balance in the General Fund ($300,000). Combined, the two sources will provide the total $1,200,000 purchase price.

The Housing Successor Agency Fund (Fund 810) has approximately $1.948 million in available cash as of March 14, 2021. In an effort to balance ongoing needs for General Fund reserves with other available cash resources, an interfund loan is proposed to provide a portion of the funding necessary for the acquisition of this piece of real property. There is another item on the March 24, 2021 City Council agenda recommending an interfund loan to purchase a property at 612 West Whittier Blvd. Combined, the two interfund loans will utilize $1,425,000 of existing cash balance in Fund 810. This will leave approximately $562,600 in available cash in Fund 810.

The $900,000 loan would be short-term in nature, with full repayment from the General Fund to the Housing Successor Agency fund completed by June 30, 2023. The Housing Successor Agency fund has adequate cash reserves to provide this short-term, interfund loan. This loan would help maintain current General Fund reserves, while using idle cash in the Housing Successor Agency fund to purchase this key piece of property.

The remaining $300,000 would come from General Fund reserves. Staff is requesting a budget amendment to the Fiscal Year 2020-21 budget to Account 100-99-7060 (Acquisition). The two sources of funds (interfund loan and General Fund reserves) will provide the $1,200,000 necessary to purchase the property at 715 West Whittier Blvd.

BACKGROUND

The Property and building located at 715 W. Whittier Boulevard is offered for sale with an asking price of $1,200,000. This property is located along the Whittier Boulevard corridor and within the proposed Downtown Montebello Specific Plan boundary. The City has been interested in improving the Whittier corridor with uses that activate the boulevard. The City Council discussed the price and terms of a proposed sale with the City's real property negotiator on December 16, 2020, and again on January 13, 2021 during closed session meetings.

Phillip J. Pace and Phyllis M. Pace (collectively the "Seller") are the fee owner of the Property consisting of approximately 5,195 gross square feet of real property located at 715 West Whittier Boulevard in the City of Montebello, Los Angeles County, California,

specifically described as Los Angeles County Assessor's Parcel Number 6349-007-004, including all improvements located thereon, and all rights, privileges, easements and appurtenances thereto, if any, and all rights, title and interest in and to all minerals, oil, gas and other hydrocarbon substances, development rights and water stock relating thereto.

Staff commissioned an appraisal, which valued the Property at $1,050,000 (Please see Attachment C). The negotiated sales price is $1,200,000 with a projected closing date to be determined.

On March 16, 2021, the Planning Commission made the necessary finding that the acquisition of the Property conforms with the Montebello General Plan pursuant to Government Code Section 65402.

PROPERTY DESCRIPTION

The Property is currently improved with a 5,000 square foot building located in the C-2 (General Commercial) Zone. The Property is located on the Whittier Boulevard corridor and currently developed with a permitted commercial building, which is currently vacant. The subject property is located within the proposed Downtown Montebello Specific Plan area.

Pursuant to Government Code Section 65402, before the City may dispose or acquire the Property, the Planning Commission must find that the acquisition of the Property conforms with the adopted General Plan.

The Property is in conformance with the City of Montebello's General Plan Land Use Element:

A. Goals:
    1. Provides for the development and location of commercial shopping areas within the community in a manner compatible with other land uses. (*Land Use Goal #3).*
B. Objectives:
    1. Encourages cluster type commercial development as opposed to proliferation of strip commercial (*Land Use Objective #3).*
C. Policies; Commercial:

1. Encourages commercial development within the City in an appropriate location and according to need. (*Land Use Commercial Policy #1).*
2. Encourages a variety of commercial development, including regional and community shopping facilities, local neighborhood convenience centers, highway-oriented development and professional office type areas. (*Land Use Commercial Policy #2*).
3. Provides for continued commercial development on Whittier Boulevard, within a commercial cluster. (*Land Use Commercial Policy #3*).
4. Encourages future beautification of Whittier Boulevard by requiring future projects that require street landscaping, ample off-street parking, and some lot unification. (*Land Use Commercial Policy #4*).
5. Provides for ample commercial facilities aimed at meeting the needs of City residents as well as future taxable revenues to the City. (*Land Use Commercial Policy #5*).

The subject site is located in the C-2 Zone which provides for a variety of commercial uses to meet the needs of residents and visitors to the area. The Property also provides taxable revenues to the City, and meets the floor-to-area ratio of 3:1 approaching 100% lot coverage with less required setback and parking requirements. As previously mentioned, the subject property is also located along Whittier Boulevard, a major corridor in the City, which offers sites for commercial/retail facilities as well as contributes to the economic welfare of the community through the generation of sales and property taxes.

ANALYSIS

Purchasing this Property makes sense for several reasons, even during these relatively uncertain economic times. This is a unique opportunity for the City to assemble land, which creates opportunities for existing and future uses consistent with City Council policy direction. Moreover, this opportunity may not present itself during a healthy economic time. Lastly, the Property's location on a major corridor is central to the future vision of this area of the City that includes a downtown specific plan and would make it possible to incorporate the Property into a more beneficial and productive use that adds value to the downtown Whittier Boulevard corridor and the surrounding area.

ENVIRONMENTAL

The adoption of the proposed Resolution is not subject to California Environmental Quality Act (CEQA) because CEQA Guidelines section 15060(c)(2) states that a project is not subject to CEQA review where the activity will not result in a direct or reasonably foreseeable indirect physical change to the environment and is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) which states that a project is exempt from CEQA "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 City's acquisition of the Property will not result in a direct or reasonably foreseeable indirect physical change to the environment and there is no possibility that the acquisition of the Property will have a significant effect on the environment because the Property will continue to be used as a commercial office building and any future changes to the Property shall comply with CEQA at that time.

NEXT STEPS/RECOMMENDATIONS

Staff recommends that City Council approve the attached Resolution approving the purchase of the Property and authorizing the City Manager to execute the Purchase and Sale Agreement, and any reasonably related documents, on behalf of the City to move forward with acquiring this Property located along the proposed Downtown Whittier Boulevard Corridor.

In addition, Staff recommends approval of an interfund loan between the Housing Successor Agency (Fund 810) and the General Fund in the amount of $900,000. Loaning the General Fund a portion of the full purchase amount will assist with cash flow while utilizing idle cash in the Housing Successor Agency Fund. Staff also recommends amending the FY 2020-21 budget by increasing appropriations by $300,000 in Account 100-99-7060 (Acquisition) to provide the remaining funding necessary to acquire the property. The two sources of funding combined will provide the total purchase price of $1,200,000.

ATTACHMENTS:

A. Attachment A – Draft Purchase and Sale Agreement
B. Attachment B – Property Profile Report
C. Attachment C – Appraisal
D. Attachment D – Resolution Approving Purchase of Property
E. Attachment E – Interfund Loan Resolution

ATTACHMENT A

AGREEMENT OF PURCHASE AND SALE NO. _____
AND ESCROW INSTRUCTIONS
(715 West Whittier Boulevard, Montebello, CA 90640)

THIS PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS ("Agreement"), is dated as of _____, 2021, is made by and between the City of Montebello, a municipal corporation ("Buyer" or "City"), and Phillip J. Pace, Trustee, Pace Family Trust, u/t/d 9/26/86 ("Seller"). Buyer and Seller are referred to herein individually as a "Party" and collectively as the "Parties."

RECITALS

A. Seller is the fee owner of approximately 5,200 gross square feet of real property located at 715 West Whittier Boulevard in the City of Montebello, Los Angeles County, California, specifically described as Assessor's Parcel Number 6349-007-004, and more particularly described in the Legal Description as Exhibit A, attached hereto and incorporated herein, including all improvements located thereon, and all rights, privileges, easements and appurtenances thereto, if any, and all rights, title and interest in and to all minerals, oil, gas and other hydrocarbon substances, development rights and water stock relating thereto (the "Property").

B. Seller desires to sell the Property to Buyer and Buyer desires to purchase the Property from Seller on the terms and conditions contained in this Agreement.

THE PARTIES AGREE AS FOLLOWS:

1. Sale of Property; Purchase Price.

1.1 Sale of Property. On the Closing Date (as defined in Paragraph 2.2), Seller shall sell, transfer, assign and convey to Buyer and Buyer shall purchase and accept the sale, transfer, assignment and conveyance from Seller of, all of Seller's right, title and interest in the Property at the price and upon the terms and conditions set forth in this Agreement.

1.2 Sale of Personal Property. Buyer acknowledges that no personal property is being conveyed to Buyer pursuant to this Agreement.

1.3 Purchase Price. Buyer shall pay to Seller as the total purchase price for the Property the sum of One Million Two Hundred Thousand and 00/100 Dollars ($1,200,000.00) (the "Purchase Price"), which shall be deposited by Buyer into Escrow no later than one (1) business day before the "Closing Date" (as defined in Paragraph 2.2 below).

2. Escrow; Closing Conditions.

2.1 Escrow. No later than three (3) business day after the execution of this Agreement by Buyer and Seller, Buyer and Seller shall open an escrow (the "Escrow") with Penn Escrow, Escrow Officer Roseanne Padilla, 1818 West Beverly Blvd., Suite 103, Telephone: (323) 722-4562, Fax: (323) 728-7560 ("Escrow Holder") and shall deliver a fully executed copy

of this Agreement to Escrow Holder. The deposit with Escrow Holder of a fully executed original of this Agreement shall constitute the opening of Escrow (the "Opening of Escrow") and authorization to Escrow Holder to act in accordance with the terms of this Agreement. Escrow Holder's standard provisions shall become a part hereof; provided, however that if there is any conflict or inconsistency between such standard provisions and this Agreement, then this Agreement shall control.

2.2 Closing Date. The Escrow shall close no later than sixty (60) days after the Opening of Escrow (the "Closing Date"), unless otherwise extended in writing by the Parties. Notwithstanding the foregoing, the "Closing" (as defined in Paragraph 2.7 below) or Close of Escrow shall not occur unless the conditions to the Close of Escrow set forth in this Agreement have been satisfied or waived, including, without limitation, (i) the conditions set forth in Paragraphs 2.9 and 2.10 below, (ii) the condition that all items described in Paragraphs 2.5 and 2.6 below shall have been deposited with Escrow Holder, and (iii) the condition that the "Title Company" (as defined in Paragraph 2.3 below) has unconditionally committed to issue the "Title Policy" (as defined in Paragraph 2.3 below). If any of such conditions have not been satisfied or waived on or before the Closing Date, this Agreement and the Escrow shall terminate; provided, however that such termination shall not affect any claims that either party may have against the other for any breach of this Agreement. If neither party is in default hereunder, upon any termination of this Agreement, the provisions of Paragraph 2.11 shall apply.

2.3 Title and Title Insurance. Seller shall convey title to the Property to Buyer by a grant deed in the form attached hereto as Exhibit A (the "Grant Deed"). At the "Close of Escrow," Pacific Coast Title (David Gomez) (the "Title Company"), shall issue through Escrow an Owner's Policy of Title Insurance (the "Title Policy") with CLTA coverage, unless Buyer elects ALTA coverage and pays the additional cost of such coverage pursuant to Paragraph 2.4.2 below, in which event the Title Company shall issue the Title Policy with ALTA coverage, with liability in the amount of the Purchase Price, insuring fee title to the Property vested in Buyer, subject only to the following exceptions (the "Permitted Exceptions"):

(i) the standard printed exceptions set forth in the Title Policy;

(ii) general and special taxes and assessments not then delinquent or payable over time;

(iii) any exceptions to title created by or made through Buyer; and

(iv) such other exceptions consistent with this Agreement and approved or waived by Buyer in writing.

2.4 Costs.

2.4.1 Escrow Holder's fees with respect to the Escrow shall be paid by Buyer and Seller equally.

2.4.2 Seller shall pay the premium for a CLTA Standard Policy of Title Insurance. The additional cost for an ALTA Owner's Policy, if selected by Buyer, and any endorsements to the Title Policy requested by Buyer shall be paid for by Buyer. Buyer shall pay all costs and expenses, if any, incurred in connection with obtaining a survey of the Property.

2.4.3 All expenses and charges incurred in connection with the discharge of delinquent taxes, if any, or monetary liens or monetary encumbrances on the Property, other than (a) those created by or made through Buyer, (b) bonds, taxes and assessments payable over time, except to the extent payable by Seller under Subparagraph 2.4.4 below, (c) interests granting royalties to third parties, (d) liens arising out of any legal proceedings encumbering the Property, notwithstanding the fact that such liens could be discharged by the payment of money, and (e) any exception to title that cannot expressly, by its terms, be discharged by payment of money, shall be paid by Seller.

2.4.4 All installments of bonds, special taxes or assessments which are a lien on the Property and due and payable in full prior to the time of Closing shall be prorated in the manner set forth in Paragraph 2.8.1 below; provided, however, that in determining any amount payable by Seller, such assessments shall be amortized over the longest period of time permitted by the taxing authority to make such payment, even if the assessment is assessed as a lump sum.

2.4.5 Each party shall be responsible for payment of the fees and expenses of its counsel relating to this Agreement and the transactions contemplated hereby.

2.4.6 Any city or county documentary or transfer taxes and recording fees shall be paid by Buyer.

2.4.7 Any other closing costs or charges shall be paid by Buyer.

2.5 Deposit of Documents and Funds by Seller. Seller shall deposit with Escrow Holder the following items no later than five (5) business days prior to the Closing Date, duly executed and acknowledged where required:

2.5.1 The Grant Deed.

2.5.2 A certification, duly executed by Seller under penalty of perjury in the form of, and upon the terms set forth in, the Transferor's Certification of Non-Foreign Status ("FIRPTA Certificate"), setting forth Seller's address and federal tax identification number and certifying that Seller is a "United States Person" and that Seller is not a "foreign person" in accordance with and/or for the purpose of the provisions of Sections 7701 and 1445 (as may be amended) of the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder.

2.5.3 To the extent not previously delivered to Buyer, originals of any leases, any contracts relating to the Property, certificates of occupancy, governmental approvals,

and any other documents, instruments or agreements reasonably necessary to effectuate the transaction contemplated by this Agreement to the extent any such documents are in Seller's possession.

2.5.4 Materials related to the Condition of the Property. Any environmental impact reports, "Phase I" or "Phase II" reports, or environmental site assessments concerning hazardous materials on the Property, complaints or notices of the presence of hazardous materials on the Property, geological surveys, soil tests, engineering reports, inspection results, complaints, or notices received from any person or governmental agency regarding the safety of the Property, to the extent such documents are in Seller's possession or control.

2.5.5 All other documents as may reasonably be required by Escrow Holder or the Title Company to close the Escrow in accordance with this Agreement.

2.6 Deposit of Documents and Funds by Buyer. Buyer shall deposit with Escrow Holder the following items no later than one (1) business days prior to the Closing Date, duly executed and acknowledged where required:

2.6.1 The Purchase Price plus such additional funds as are required to pay Buyer's costs and prorations as provided in Paragraph 2.4 above and Paragraph 2.8 below, less any credits Buyer is entitled to hereunder.

2.6.2 All other documents as may be reasonably required by Escrow Holder or the Title Company to close the Escrow in accordance with this Agreement.

2.7 Delivery of Documents and Funds at Closing. The performance of the acts set forth in this paragraph shall constitute the "Closing" or the "Close of Escrow" as such terms are used in this Agreement. The Escrow Holder shall conduct the Closing by recording and distributing the following described documents and funds in the following manner:

2.7.1 Deliver to Seller on the Closing Date immediately available funds in the sum of the Balance, and such other funds, if any, due Seller by reason of prorations, less Seller's closing costs and prorations, if any, as provided in Paragraph 2.4 above and Paragraph 2.8 below, and any credits Buyer is entitled to hereunder.

2.7.2 Pay the costs referred to in Paragraph 2.4 above.

2.7.3 Record the Grant Deed, with Certificate of Acceptance, in the Office of the County Recorder of Los Angeles County and simultaneously deliver the Preliminary Change of Ownership Report to such Office.

2.7.4 Obtain and deliver the original Title Policy to Buyer and a copy to Seller.

2.7.5 Deliver to Buyer any funds deposited by Buyer, and any interest earned thereon, in excess of the amount required to be paid by Buyer under the Agreement.

2.8 Prorations.

2.8.1 Taxes. Escrow Holder shall prorate on a 365-day basis the ad valorem taxes on the Property for the current fiscal year and all installments of bonds, special taxes, and assessments payable over time as of the Close of Escrow based upon the most current real estate tax information available. Buyer acknowledges that Seller is obligated to pay to the California State Board of Equalization the ad valorem taxes on the Property for the entire tax fiscal year during which the Close of Escrow occurs even though (a) Seller will own the Property for less than the entire fiscal year, and (b) such payment may be due following the Close of Escrow. Therefore, Buyer agrees that at the Close of Escrow Seller shall be credited and Buyer shall be debited an amount equal to that portion of the ad valorem taxes on the Property attributable to the period from the Close of Escrow to the end of the tax fiscal year in which the Close of Escrow occurs. Any bill for supplemental ad valorem taxes ("Supplemental Taxes") on the Property which is issued after the Close of Escrow shall be prorated by Buyer and Seller outside of Escrow after the Close of Escrow. Each party shall remit its pro rata share of any such Supplemental Taxes, as reasonably determined by Seller, to the requesting party outside of Escrow within ten (10) days after such party's receipt of a copy of the bill for such Supplemental Taxes from the requesting party. Notwithstanding the proration procedure described above, Buyer shall assume and shall pay all taxes and assessments (including all roll-back taxes and assessments) levied or assessed against any portion of the Property as the result of a change in the use or ownership of the Property occurring from and after the Closing Date, and shall defend, indemnify, and hold Seller harmless from any cost, expense, liability, or obligation (including, without limitation, reasonable attorneys' fees and costs) with respect to any such taxes or assessments. This provision shall survive the Close of Escrow.

2.8.2 Utilities. Escrow Holder shall prorate through Escrow, on a 365-day basis, all water, gas, electric and other utility services, if any, on the Property.

2.9 Buyer's Conditions to Closing. Buyer shall not be obligated to proceed to the Close of Escrow and the Closing shall not occur unless and until, in addition to all other conditions contained in this Agreement, the following conditions have been satisfied or waived in writing by Buyer:

2.9.1 Title Report. Promptly following the execution of this Agreement by Buyer and Seller, the Title Company shall have delivered to Buyer (i) a preliminary title report issued by the Title Company (the "Preliminary Report") for the Property and legible copies of all title documents referred to therein; and (ii) any survey of the Property in Seller's possession. Buyer shall have ten (10) business days from the date of receipt of the Preliminary Report to disapprove any exceptions to title shown therein ("collectively referred to as "Disapproved Exceptions") and to provide Seller with notice thereof describing the defect with reasonable particularity (the Disapproval Notice"). Any exceptions to title not disapproved within the Review Period shall be deemed approved. Within five (5) days after Seller's receipt of the Disapproval Notice, Seller shall notify Buyer whether or not Seller intends to remove the Disapproved Exceptions. Seller shall be under no obligation to remove any Disapproved Exception, but Seller agrees to cooperate in good faith with Buyer in Buyer's efforts to eliminate

any Disapproved Exception, provided Seller is not obligated to pay any sum or assume any liability in connection with the elimination of any such Disapproved Exception. If Seller notifies Buyer that Seller intends to eliminate any Disapproved Exception, Seller shall do so concurrently with or prior to the Close of Escrow. If Seller notifies Buyer that Seller does not intend to eliminate any Disapproved Exception(s), Buyer, by notifying Seller within five (5) days after its receipt of such notice, may elect to terminate this Agreement and receive a refund of any funds deposited by Buyer or take the Property subject to the Disapproved Exception(s). The Title Policy shall include such endorsements as Buyer shall reasonably request. Any endorsements to the Title Policy are to be paid for by Buyer.

2.9.2 Issuance of Title Policy. The Title Company shall have issued the Title Policy as of the Close of Escrow.

2.10 Seller's Conditions to Closing. Seller shall not be obligated to proceed to the Close of Escrow and the Closing shall not occur unless and until, in addition to all other conditions contained in this Agreement, the following conditions have been satisfied or waived in writing by Seller:

2.10.1 Performance of Obligations. At or prior to the Closing Date, Buyer shall have performed all of Buyer's obligations herein that are to be performed prior to the Closing.

2.10.2 Waiver. It is hereby understood that the conditions set forth in Paragraph 2.10.1 above are for the benefit of Seller and may be waived by Seller in writing delivered to Buyer and Escrow Holder. In satisfying the conditions in this Paragraph 2.10, Seller and Buyer shall each exercise good faith, reasonableness, and diligence. However, decisions authorized to be made in the sole discretion of either Buyer or Seller shall be final and not subject to review or challenge on any basis.

2.11 Termination. Upon any termination of this Agreement and the Escrow (if applicable) for any reason, other than either party's default hereunder, (i) each party shall execute such documents as Escrow Holder may reasonably require to evidence such termination, (ii) Escrow Holder shall charge its fees and expenses to both parties equally, (iii) subject to the provisions of Subparagraph (ii) above, Escrow Holder shall return all documents and funds to the party who deposited them, (iv) , and (vii) all obligations of either party relating to this Agreement and the Property shall terminate.

3. Seller's Representations and Warranties. Seller hereby represents and warrants to Buyer that, unless otherwise provided, at the date of execution hereof and at and as of the Closing Date:

3.1 Non-Foreign Person. Seller is not a "foreign person" within the meaning of Internal Revenue Code §1445.

3.2 To the best of Seller's current, actual knowledge, no representation, warranty, or statement of Seller in this Agreement or made by Seller in any document furnished

or to be furnished to Buyer pursuant to this Agreement, contains or will contain any untrue statement of a material fact. To the best of Seller's then current, actual knowledge, all representations, warranties, and statements made by Seller are based on correct and complete information as of the time furnished to Buyer, and, unless otherwise disclosed to Buyer, to the best of Seller's current, actual knowledge there has been no material adverse change in such information after such time. Seller agrees to notify Buyer promptly if Seller learns of any material adverse changes to information provided to Buyer before the Close of Escrow.

3.3 If Buyer believes or asserts that any representation or warranty set forth in this Paragraph 3 is not true or complete, it must commence an action or proceeding with respect to the truth, accuracy, or completeness of any representation or warranty of Seller, if at all, within ninety (90) days after the Close of Escrow.

3.4 Effect of Representations and Warranties. Each representation and warranty made by Seller in this Paragraph 3 (a) is material and being relied on by Buyer, (b) is true in all respects as of the Effective Date, (c) must be true in all respects on the Closing Date, and (d) will survive the Closing for ninety (90) days, except as otherwise provided in this Agreement.

4. Buyer's Representations and Warranties. Buyer hereby represents and warrants to Seller that at the date of execution hereof and at and as of the Closing Date, Buyer is a municipal corporation and has the legal capacity to understand and execute this Agreement and all documents in connection therewith. Each representation and warranty made by Buyer in this Paragraph 3 (a) is material and being relied on by Seller, (b) is true in all respects as of the Effective Date, (c) must be true in all respects on the Closing Date, and (d) will survive the Closing for ninety (90) days, except as otherwise provided in this Agreement.

5. Buyer's Examination of the Property. Except as provided in Paragraph 3 of this Agreement, Seller makes no representation or warranty respecting the Property, or any portion thereof, or otherwise in connection with the transaction contemplated hereby. Without limiting the generality of the foregoing or Section 10 below, Buyer hereby acknowledges and agrees that Buyer will be purchasing the Property "AS IS" with all faults, without representation, warranty or guarantee of any kind, either express or implied, including, without limitation, any warranty of condition, merchantability, habitability or fitness for a particular use or purpose or the value, accuracy of information, marketability, prospects for future development, use or occupancy, except as provided in Paragraph 3 above, and , without limitation that:

(i) Seller makes no representation or warranty with respect to the zoning or permitted use of any portion of the Property.

(ii) Prior to the Close of Escrow, Buyer will be fully satisfied that the Purchase Price is fair and adequate consideration for the Property.

(iii) Subject to the conditions, covenants, representations and warranties of the parties set forth herein, notwithstanding any adverse effect on the marketability, desirability or value of the Property or any portion thereof which occurs

between the execution of this Agreement and the Closing Date, including, without limitation, any adverse effect arising from or related to any changes or proposed changes to any governmental laws, ordinances, statutes, rules or regulations, the transactions contemplated by this Agreement shall be consummated on the terms and conditions contained herein.

6. Removal of Personal Property. Prior to the Close of Escrow, Seller shall remove from the Property any items of personal property owned by Seller. Such removal shall not affect the amount of the Purchase Price or any other terms or conditions of this Agreement.

7. Delivery of Possession. Subject to the rights of all tenants on the Property, if any, Seller shall deliver possession of the Property to Buyer at the Close of Escrow.

8. Commissions. Buyer and Seller represent and warrant to one another that no broker, salesman or finder has been engaged by them in connection with the transactions contemplated by this Agreement except for Jon Pace who is a licensed California Real Estate Broker in good standing who shall be compensated by Seller pursuant to a separate written agreement.

9. Notices. Whenever Escrow Holder or any party hereto shall desire to deliver to the other any notice, demand, request or other communication, each such notice, demand, request or other communication shall be in writing, shall be given by personal delivery, by registered or certified United States mail, return receipt requested, or by overnight courier, postage prepaid, addressed as follows:

If to Buyer: City of Montebello
1600 West Beverly Blvd.
Montebello, CA 90640
Attn: Joseph Palombi, Director of Planning
Email: JPalombi@cityofmontebello.com
Tel: (323) 887-1200
Fax: (323) 887-1443

With a copy to: Alvarez-Glasman & Colvin
13181 Crossroads Parkway North, Suite 400 West
City of Industry, CA 91746
Attn: Arnold M. Alvarez-Glasman, City Attorney
Tel: (562) 699-5500
Fax: (562 692-2244
Email: AGlasman@agclawfirm.com

If to Seller: Phillip J. Pace c/o Jon D. Pace
400 N Montebello Blvd., Suite 200
Montebello, CA 90640
Attn: Jon Pace
Email: jpace@paceland.com
Tel : (323) 721 5069
Fax : (323) 721-8457

With a copy to: Ryan & Associates
1712 West Beverly Blvd., Suite 201
Montebello, CA 90640
Attn: Gregory Ryan, Esq.
Tel: (213) 689-0899
Fax: (213) 689 0881
Email: gryan@ryan-lawfirm.com

Any such notice, demand, request or other communication shall be deemed effective on the day of actual delivery or refusal to accept as shown by the addressee's return receipt. If the date on which any notice required to be delivered hereunder falls on a weekend or legal holiday, then such notice may be delivered on the next business day immediately following such weekend or holiday. If the date of Closing, or any other date falls on a weekend or legal holiday, then such date shall automatically be extended to the next business day immediately following such weekend or holiday. The foregoing addresses may be changed by notice given in accordance with this Paragraph.

10. Release. As material consideration to Seller, Buyer acknowledges and agrees that it (a) is acquiring the Property based on Seller's Warranties under Section 3 and upon Buyer's inspection and investigation of the Property and all documents related thereto, or its opportunity to do so; (b) is purchasing the Property in an "AS IS, WHERE IS" condition, without relying upon any representations or warranties, express, implied or statutory, of any kind, except as expressly set forth in the Agreement; and (c) accepts the Property, with all faults and conditions thereon. The closing of the purchase of the Property by Buyer shall be conclusive evidence that (1) Buyer has fully and completely inspected (or has caused to be fully and completely inspected) the Property to Buyer's satisfaction, and (2) Buyer accepts the Property as being in satisfactory condition and suitable for Buyer's purposes. Buyer releases Seller and their respective heirs, agents, and attorneys (hereinafter, the **"Seller Releasees"**) and waives all rights and claims against the Seller Releasees related to the condition of the Property, and this waiver and release shall prohibit and preclude Buyer and her assignees, transferees and affiliated entities and persons from seeking indemnity or contribution from the Seller Releasees relating to the Property. Buyer expressly agrees that the terms and conditions of this paragraph shall survive the Close of Escrow or any termination of this Agreement before the Close of Escrow. It is understood that, except for the express representations and warranties of Seller set forth in this Agreement, this is a full and final release covering all unknown and unanticipated injuries, debts, claims, or damages to Buyer which may have arisen, or may arise, in connection with the foregoing released matters by reason of any act, omission or event arising before the date of execution of this Agreement. For that reason, Buyer hereby waives any and all rights or benefits

which she may have under the terms of California Civil Code Section 1542, which provides as follows:

> "A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which, if known by him or her, might have materially affected his or her settlement with the debtor."

Buyer acknowledges that it is familiar with the foregoing, and acknowledges and agrees that this waiver is an essential and material term of this Agreement and without such waiver, Seller would not have entered into this Agreement.

11. Amendment. Complete Agreement. All amendments and supplements to this Agreement must be in writing and executed by Buyer and Seller. All understandings and agreements between the parties (including any printed offer of sale provided by Seller to Buyer) regarding the Property are merged in this Agreement, which alone fully and completely expresses the agreement of the parties regarding the Property. This Agreement has been entered into after full investigation of the facts by both Parties and neither Party has relied on any statement or representation not embodied in this document. This Agreement has been drafted through a joint effort of the parties and their counsel and therefore shall not be construed against either of the parties as the draftsperson.

12. Governing Law. This Agreement shall be governed under the laws of the State of California.

13. Counterparts, Headings and Defined Terms. This Agreement may be executed in several counterparts each of which shall be an original, but all such counterparts shall constitute one such Agreement. The headings used herein are for convenience only and are not to be construed to be part of this Agreement. For the purposes of this Agreement, (a) the term "including" means "including without limitation," and (b) when a time period is specified in this Agreement for the performance of an act or the occurrence of an event, "days" shall mean "calendar days," unless otherwise specified herein.

14. No Offer. Submission of this Agreement for examination or signature by Buyer is not effective as an agreement to sell the Property or otherwise until execution by and delivery to both Buyer and Seller of an original of this Agreement.

15. Time of the Essence. Time is of the essence of this Agreement.

16. Waiver. The waiver by one party of performance of any covenant, condition or promise shall not invalidate this Agreement, nor shall it be considered to be a waiver by it of any other covenant, condition or promise. The waiver by either or both parties of the time for performing any act shall not constitute a waiver of the time for performing any other act or an identical act required to be performed at a later time. The exercise of any remedy provided in this Agreement shall not be a waiver of any other remedy provided by law.

17. Third Parties. Nothing contained in this Agreement, expressed or implied, is intended to confer upon any person, other than the parties hereto and their successors and assigns, any rights or remedies under or by reason of this Agreement.

18. Severability. If any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein, unless such invalidity, illegality or unenforceability materially affects the transactions contemplated by this Agreement or the ability of either party to perform its obligations under this Agreement. In such case, either party may terminate this Agreement and the Escrow on written notice to the other party given no later than ten (10) business days after the party giving such notice becomes aware of such invalidity, illegality or unenforceability, and the provisions of Paragraph 2.11 above shall apply.

19. Additional Documents. Each party hereto agrees to perform any further acts and to execute and deliver any further documents which may be reasonably necessary to carry out the provisions of this Agreement.

20. Assignment; Binding Effect. This Agreement shall not be assignable by Buyer to any other party without the prior written consent of Seller, which consent Seller may withhold in their sole discretion. For purposes of this Paragraph, any agreement entered into between Buyer and a third party prior to the Close of Escrow to sell or otherwise transfer any interest in the Property, including, without limitation, the execution of escrow instructions contemplating such a sale or transfer shall be deemed an assignment. Any such assignment without Seller's consent as provided herein, shall be deemed a material breach of this Agreement, and Seller may, in Seller's sole discretion, elect to terminate this Agreement, in which case this Agreement shall be null and void, Buyer shall have no further rights hereunder, and Seller shall be entitled to damages. Subject to the foregoing, this Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of Seller and Buyer.

21. Independent Counsel. Each party acknowledges that it has consulted with and had the opportunity to consult with independent counsel of its own choosing in connection with the negotiation and execution of this Agreement.

22. Exchange. Seller may exchange the Property for other property or exchange other property for the Property, as designated by such party, with the intention of qualifying the exchange under the Internal Revenue Code. Buyer and Seller each hereby agree to cooperate with the other party to effect such an exchange, provided that (a) the non-exchanging party shall not be obligated to pay any escrow, title, brokerage or other costs or expenses incurred with respect to the exchange, (b) the failure of this transaction to qualify as a tax-deferred exchange shall not constitute grounds for rescission for either party and shall not be deemed to be a failure of consideration, and (c) the Close of Escrow shall not be extended or accelerated to accommodate the exchanging party.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

SELLER:
PACE FAMILY TRUST, u/t/d 9/26/86

By: _____
Phillip J. Pace, Trustee

Date: _____

BUYER:
City of Montebello, a municipal corporation

By: _____
René Bobadilla, City Manager

Date: _____

ATTEST:

By: _____
Christopher Jimenez, City Clerk

APPROVED AS TO FORM:

By: _____
Arnold M. Alvarez-Glasman
City Attorney

Attachments: Exhibit A – Legal Description
Exhibit B – Grant Deed

EXHIBIT A

Legal Description

EXHIBIT B

Grant Deed

FREE RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

City Clerk
City of Montebello
1600 W Beverly Blvd
Montebello, CA 90640
Attn: City Manager

APN: 6349-007-004

SPACE ABOVE THIS LINE FOR RECORDER'S USE
EXEMPT FROM RECORDING FEE PER GOV. CODE § 27383

GRANT DEED

AND RESERVATION OF EASEMENT

THE UNDERSIGNED GRANTOR declares: (a) DOCUMENTARY TRANSFER TAX is $ _____; and (b) CITY TAX is $0.

FOR VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, Phillip J. Pace, Trustee, Pace Family Trust, u/t/d 9/26/86 ("Grantor"), hereby grants to CITY OF MONTEBELLO, a California municipal corporation ("Grantee"), all of its respective rights, title, and interest in the real property in the City of Montebello, County of Los Angeles, State of California, as more particularly described in Attachment 1 attached hereto and incorporated herein by this reference (the "Property").

IN WITNESS WHEREOF, Grantor has caused this instrument to be executed on its behalf as of the date written below.

Phillip J. Pace, Trustee
Pace Family Trust u/t/d 9/26/86

[*Signatures to be notarized*]

ATTACHMENT 1
to Grant Deed

Legal Description

RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO:

City Clerk
City of Montebello
1600 W Beverly Blvd.
Montebello, CA 90640
Attn: City Manager

(Space Above Line For Use By Recorder)
Exempt from recording fee pursuant to
Gov. Code Section 27383

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the Grant Deed and Reservation of Easement dated _____ 20___ from Phillip J. Pace , Trustee, Pace Family Trust, u/t/d 9/26/86 to the City of Montebello ("City") is hereby accepted by the undersigned officer on behalf of the City pursuant to authority conferred by City Council Resolution No. _____ adopted on _____ 2021. City hereby consents to the recordation thereof by its duly authorized officer.

Dated: _____, 20____

GRANTEE:

CITY OF MONTEBELLO, a municipal corporation

By: _____
René Bobadilla, City Manager

ATTEST:

_____
City Clerk

ATTACHMENT B

PROPERTY PROFILE

JANUARY 14, 2021



Property:
715 W. Whittier Boulevard
Montebello, CA 90640
L.A. County Assessor's Parcel Number: 6349-007-004

I. OWNER INFORMATION

Property Address: 715 W. Whittier Blvd.

Assessor's Parcel Number: 6349-007-004

Property Owner: Phillip J. Pace and Phyllis M. Pace

II. SALE INFORMATION

Sale Price: $1,200,000

Appraised Value: $1,050,000 (Appraisal Report dated November 20, 2020)

III. PROPERTY CHARACTERISTICS

Total Lot Area: 5,195 square feet (0.12 acres)

Total Building Area: 5,000 square feet

Zoning: C-2 (General Commercial)

Allowable Uses[1]: Offices (Business & Professional), Restaurant (with Conditional Use Permit), Retail Stores, Banks, Barber/Beauty Shop/Cosmetology, Health Food Store, Hobby Supply Shop, and Ice Cream Parlors.

Current Use: Vacant

Previous Use/Operator: Hair Salon/Barber Shop/Street Executives

IV. SUMMARY

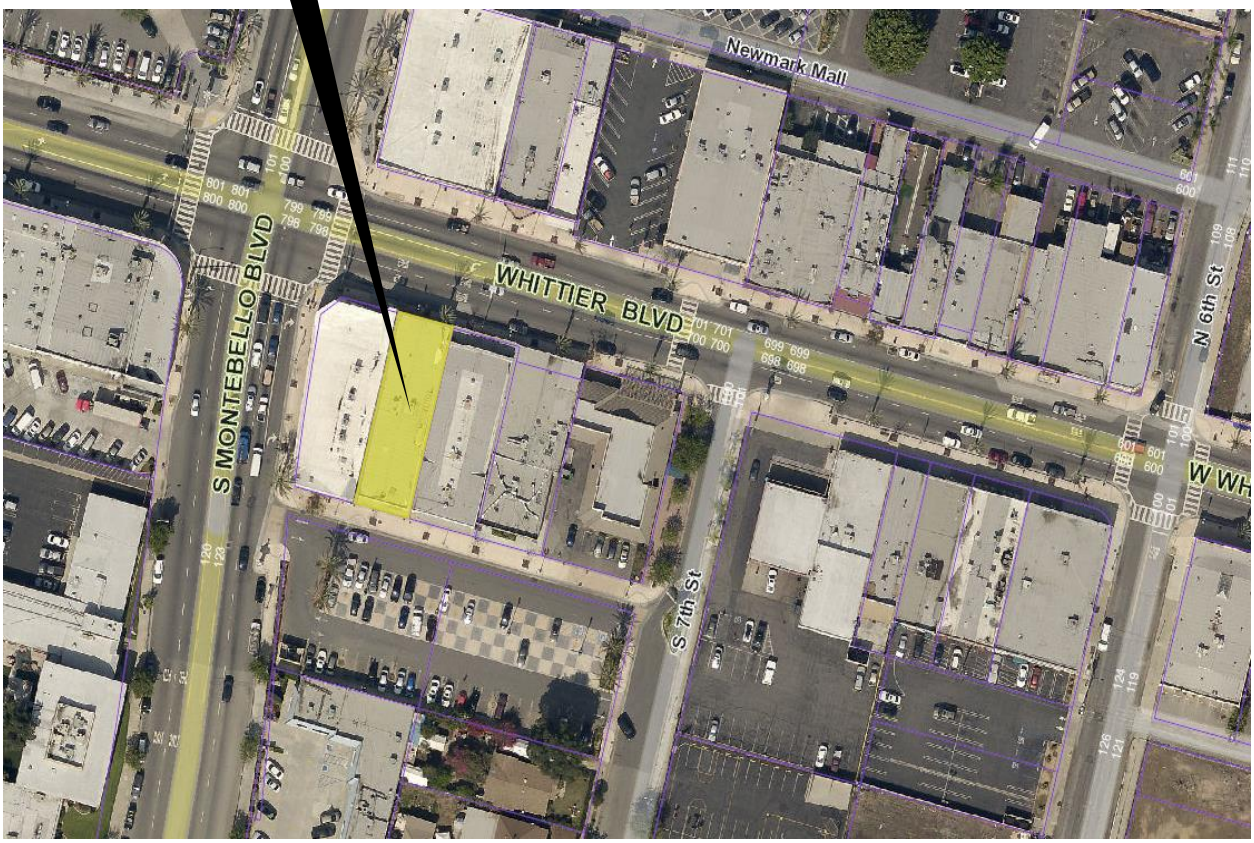
The subject site is currently comprised of one lot with a total lot area of approximately 5,195 square feet (0.12 acres). This site is currently developed with a commercial use. Street Executives (barber/beauty shop) currently occupies this site.

The Property is zoned C-2 (General Commercial) with a floor area ratio of 3:1 (MMC Section 17.22.020). The subject site is currently improved with an approximately 5,000 square foot commercial building.

The subject site is located within the proposed Downtown Montebello Specific Plan area. In addition, this site is located approximately 100 linear feet from the former Jimmy's restaurant on the same side of the Whittier corridor.

[1] Please note that this is not a comprehensive list of permitted uses under the Montebello Municipal Code.

715 W Whittier Blvd.



ATTACHMENT C

APPRAISAL REPORT

SINGLE – TENANT RETAIL BUILDING
715 WEST WHITTIER BOULEVARD
MONTEBELLO, CALIFORNIA 90640

PACIFIC REALTY ASSOCIATES, INC.

REAL ESTATE APPRAISAL & CONSULTATION

2459 West 208th Street, Suite 203
Torrance, California 90501
Telephone (310) 294-8563
Facsimile (310) 294-8564
tbaaden@astbb.com

November 20, 2020

City of Montebello
1600 West Beverly Boulevard
Montebello, California 90640

Attention: Mr. Joseph A. Palombi
Director of Planning and Community Development

Reference: Single-Tenant Retail Building
715 West Whittier Boulevard
Montebello, California 90640

Our File No: 2069-20-BBM

Dear Mr. Palombi:

Our appraisal report concerning the above-referenced property is presented. The subject property was inspected on November 13, 2020. The purpose of this report is to provide the "as is" leased fee estate market value of the subject property as of November 13, 2020.

The subject property pertains to a rectangular shaped, interior parcel totaling 5,200 gross square feet situated along the south side of Whittier Boulevard, 43 feet east of Montebello Boulevard in the City of Montebello, California. The subject property is situated within the City of Montebello Downtown District. The subject site is currently improved with a 5,000 square foot single-tenant, one-story, reinforced brick and stucco retail building originally built in 1940. The subject property is not provided on-site parking, but is situated immediately north of a free City-owned parking lot which provides an overall parking ratio of 2.6 spaces per 1,000 square feet. The overall FAR (floor area ratio) is 0.98 based on the subject rentable building area and the gross land area. The current improvements are in overall average to good condition considering their age.

The property is currently fully occupied by one tenant, Street Executives, a local barber shop and retail store. The tenant is currently on a month-to-month lease and has been since July 2017. The current monthly rent is $4,800 or $0.960 per square foot modified gross. Besides base rent, the tenant pays for all utilities and repairs and maintenance.

The Income and Sales Comparison approaches are considered appropriate in determining the market value opinions stated herein. The Cost Approach was considered, but not used as full and part owner-users and investors typically do not consider replacement cost in their decision-making. Furthermore, the property's 1940 construction would render a calculation of accrued depreciation somewhat speculative.



N

Pacific Realty Associates, Inc.

AERIAL

Mr. Joseph A. Palombi
City of Montebello
November 20, 2020
Page Two

Based upon investigation, analyses, and experience, the following opinion of market value for the subject property is formed, subject to the general assumptions and limiting conditions found throughout this report as of November 13, 2020.

"As Is" Leased Fee Estate Market Value $1,050,000

Due to the current month-to-month lease in place, the subject property would be desirable to both an investor and owner-user. The market value conclusion herein refers to the real property and does not include any non-realty components such as personal property (FF&E or M&E) and intangible property (business enterprise components).

This appraisal was prepared during the outbreak of the Coronavirus (COVID-19) pandemic. The Coronavirus (COVID-19) pandemic outbreak has put fear in financial markets as investors face the possibility that the pandemic has led the world economy into a recession. Nearly all governments, corporations, organizations and event planners implemented unprecedented measures including a shutdown of all non-essential business and personal activities. In early June 2020, many businesses began reopening in California, but on July 13, 2020, a partial shutdown was mandated once again. The short-term effects are harsh, have severely disrupted the world economy and have had some negative impact on all real estate sectors in the United States and globally in the short-term. The mid- to long-term impact of the Coronavirus (COVID-19) pandemic on real estate markets is unknown at this time. Although some market data (rental rates, overall capitalization rates and sale prices) relating to the subject property type (retail) have been uncovered, it is clear that uncertainty in real estate markets has resulted based on our interviews with market participants and review of investor surveys and publications which leads to increased risk and lower property values. The value conclusions made herein consider the current apparent impact the Coronavirus (COVID-19) pandemic is having as of the effective date of this report.

This report complies with the Federal Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) relating to appraisal standards as enumerated in Chapter 12, Code of Federal Regulations, Part 34 (12 CFR34) and without limitation the Uniform Standards of Professional Appraisal Practice (USPAP) adopted by the Appraisal Standards Board of the Appraisal Foundation.

The appraiser has no present or prospective interest in the subject property. This appraisal was not based on a requested minimum valuation, a specific valuation, range or the approval of a loan. The appraiser has complied with the USPAP competency provision, is a Member of the Appraisal Institute (MAI), and is certified in the state in which the property is located. As of the

Mr. Joseph A. Palombi
City of Montebello
November 20, 2020
Page Three

date of this report, Thomas W. Baaden, MAI has completed the requirements of the continuing education program of The Appraisal Institute. Thomas W. Baaden, MAI is competent to complete this assignment due to his 35 years of experience in the appraisal profession and numerous appraisals completed on retail properties located in the subject market area.

On the following pages will be found an appraisal report that contains the matters and data for which the opinions expressed are predicated. Please contact our office with questions regarding the valuation work performed.

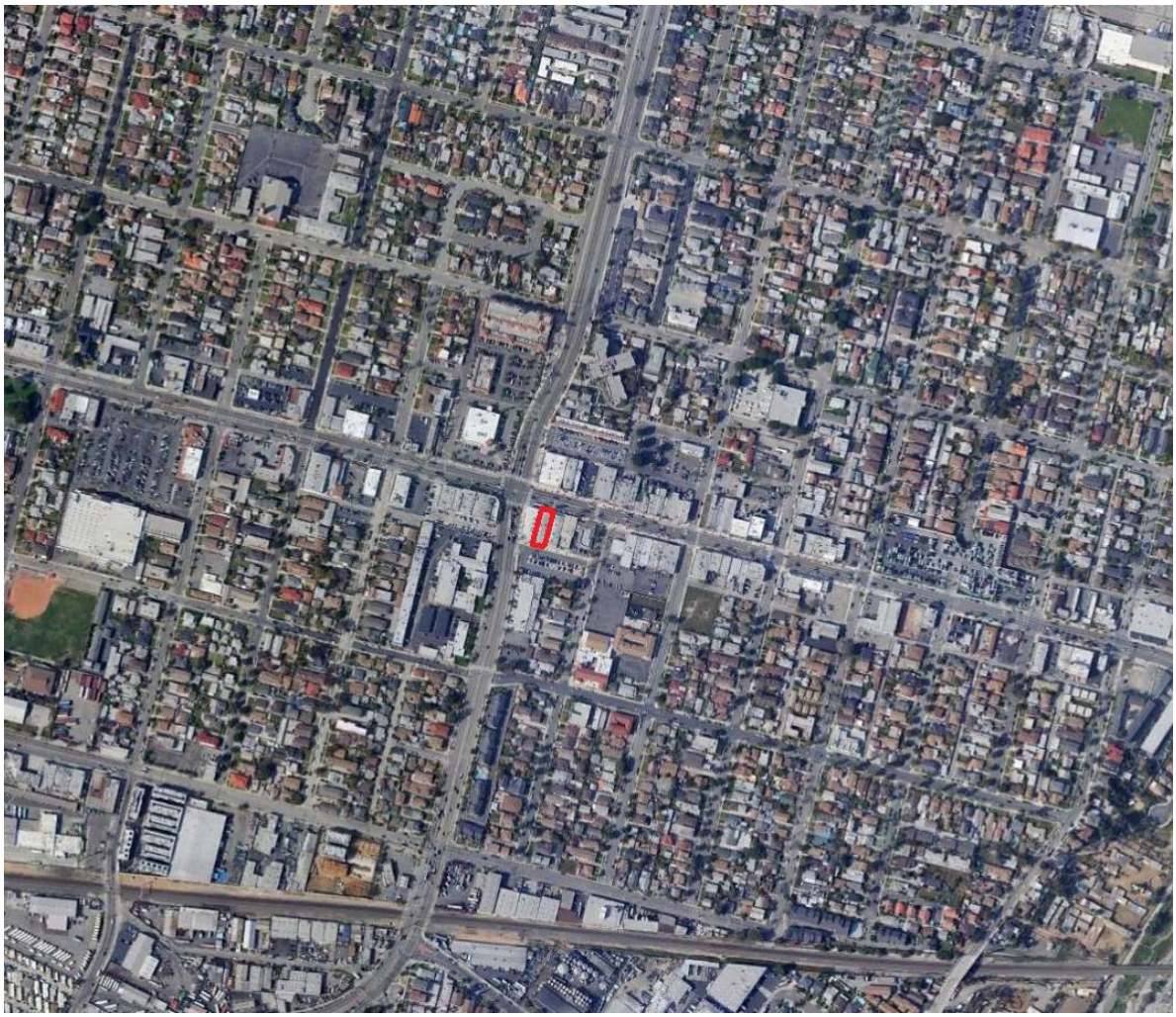
Respectfully submitted,

PACIFIC REALTY ASSOCIATES, INC.

Thomas W. Baaden, MAI
BREA #AG004789
Expires 1-24-2021

EXECUTIVE SUMMARY

Property Name and Type:	Single-Tenant Retail Building
Location:	South side of Whittier Boulevard, 43 feet east of Montebello Boulevard in the City of Montebello, California. The subject property is located within the City of Montebello Downtown District.
Address:	715 West Whittier Boulevard, Montebello, California 90640
Assessor Parcel Number:	6349-007-004
Date of Inspection:	November 13, 2020
Interest Appraised:	"As Is" Leased Fee Estate Market Value
Date of Value:	November 13, 2020
Land Area:	5,200 gross and net square feet
Zoning:	C-2, General Commercial
Current Improvements:	The subject site is currently improved with a 5,000 square foot single-tenant, one-story, reinforced brick and stucco retail building originally built in 1940. The subject property is not provided on-site parking but is situated immediately north of a free City-owned parking lot providing an overall parking ratio of 2.6 spaces per 1,000 square feet. The overall FAR (floor area ratio) is 0.98 based on the subject rentable building area and the gross land area. The current improvements are in overall average to good condition for its age.
Highest and Best Use:	-As Vacant and Improved – Single-Tenant Retail Building For Purchase By Owner-User or Investor due to the current month-to-month lease in place
Occupancy:	The property is currently fully occupied by one tenant, Street Executives, a local barber shop and retail store. The tenant is currently on a month-to-month lease and has been since July 2017. The current monthly rent is $4,800 or $0.960 per square foot modified gross. Besides base rent, the tenant pays for all utilities and repairs and maintenance.
Subject Positive Risk Factors:	• Situated along major commercial thoroughfare with very good traffic exposure • Situated adjacent to free City-owned parking lot



Pacific Realty Associates, Inc.

AERIAL

Subject Negative Risk Factors:	• Average freeway proximity • No on-site parking on subject parcel • Limited pedestrian activity
Actual Age :	80 Years
Effective Age:	50 Years
Total Economic Life:	80 Years
Remaining Economic Life Improvements:	30 Years

VALUE APPROACH	"AS IS" LEASED FEE ESTATE MARKET VALUE AS OF NOVEMBER 13, 2020
Income:	$ 970,000
Sales Comparison:	$1,125,000
Reconciled Value:	$1,050,000

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Exhibit A – Engagement Letter

Appraiser's Qualifications and State of California Appraisal License

INTRODUCTION

Purpose Of Appraisal And Interest Appraised

The purpose of this appraisal report is to provide our opinion of the "as is" leased fee estate market value of the subject property.

Use and Users of the Appraisal

The use of this appraisal report is to assist Mr. Joseph A. Palombi and the City of Montebello for acquisition purposes. It is not intended for any other use or users. Mr. Joseph A. Palombi, representing the City of Montebello, is the client.

Scope of Work

According to the Uniform Standards of Professional Appraisal Practice 2020 - 2021 Edition, for each appraisal and appraisal review assignment on appraiser must:

- Identify the problem to be solved;
- Determine and perform the scope of work necessary to develop credible assignment results; and
- Disclose the scope of work in the report

The appraiser must properly identify the problem to be solved in order to determine the appropriate scope of work. The appraiser must be prepared to demonstrate that the scope of work is sufficient to produce credible assignment results.

Appraisers have broad flexibility and significant responsibility in determining the appropriate scope of work for an appraisal or appraisal review assignment. Credible assignment results require support by relevant evidence and logic. The credibility of assignment results is always measured in the context of the intended use.

The scope of work includes, but is not limited to:

- The extent to which the property is identified;

- The extent to which the tangible property is inspected;
- The type and extent of data researched;
- The type and extent of analyses applied to arrive at opinions and conclusions

With respect to this appraisal report, the property has been adequately identified and inspected. Data pertaining to sales and listings of similar retail properties were researched, described, discussed and analyzed herein. All applicable approaches to value have been considered. The Income and Sales Comparison approaches best measure the value of a retail property through an analysis of a user and investor criteria. The Cost Approach is not used in valuing the subject property as this approach is not typically relied upon by buyers of single-tenant retail properties in their decision-making.

Definition of Market Value

Market value is defined as the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their own best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Source: Office of the Comptroller of the Currency under 12 CFR, Part 34, subpart C-appraisals, 34.42 Definitions (f).

Definition of "As Is" Market Value

An estimate of the market value of the property in the condition observed upon inspection as it physically and legally exists without hypothetical conditions, assumptions, or qualifications as of the date the appraisal is prepared.

Definition of Prospective Value Estimate

A forecast of the value expected at a specified future date.

Definition of Stabilized Value

Market value at stabilized occupancy as of the effective date of the report. Stabilized value assumes that the property is fully leased to stabilized occupancy.

Definition of Fee Simple Estate

A fee simple estate is defined as absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat.

Definition of Leased Fee Estate

An ownership interest held by a landlord with the right of use and occupancy conveyed by lease to others; usually consists of the right to receive rent and the right to repossession at the termination of the lease.

Definition of Real Property

All interests, benefits, and rights inherent in the ownership of physical real estate; the bundle of rights with which the ownership of the real estate is endowed.

Definition of Furniture, Fixtures And Equipment (FF&E)

The movable property of a business enterprise not classified as stock or inventory or leasehold improvements; frequently found in the ownership of hotels or motels, restaurants, assisted living facilities, service stations, car washes, greenhouses and nurseries, and other service-intensive

properties. Furniture, fixtures, and equipment frequently wear out much more rapidly than other components of those properties.

Definition of Extraordinary Assumption

An assumption, directly related to a specific assignment which, if found to be false, could alter the appraiser's opinions or conclusions.

Definition of Hypothetical Condition

That which is contrary to what exists but is supposed for the purpose of analysis.

Legal Description

The subject property's legal description is referenced as follows:

> *Lot 4 of Tract 3276, County of Los Angeles, State of California, as per map recorded in Book 40, page 31 of Maps, in the office of the County Recorder of said County.*

Assessor's Identification of the Property

The property is identified by the following Los Angeles County Assessor's office records:

6349-007-004

Location

The subject property is located along the south side of Whittier Boulevard, 43 feet east of Montebello Boulevard, in the City of Montebello, California. The property is located within the City of Montebello Downtown District. The subject property is identified and legally addressed as:

715 West Whittier Boulevard
Los Angeles, California 90640

Reference is made to the facing **Location Map** for the general orientation of the property.

LOCATION MAP



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Owner of Record and Property History

Public records indicate that title to the subject property is currently held by Phillip J. and Phyllis Pace who acquired the subject property on May 3, 1989, for $360,000. The subject property is fully occupied by one local tenant (Street Executives) currently on a month-to-month lease. The subject property is currently not listed for sale or lease.

Market Participant Interviews

In the process of confirming market rent and sale information utilized in this study, the current state of the real estate retail market was discussed with market participants. Local brokers and property owners interviewed included Bruce McNaughton of Realty World, Margarita Moreno of Pace Development, Maggie Gonzalez of NAI Capital and Matt Marraccini of Gateway Business Properties. Information gathered from listing brokers, property managers and owners, plus review of published general retail market studies, reveal that general retail market conditions in Los Angeles County were stable prior to the onset of the Coronavirus (COVID-19) pandemic.

Based on the 3rd Quarter 2020 Greater Los Angeles Retail MarketView report, the overall retail vacancy rate for the Greater Los Angeles Area was 6.2%. This vacancy rate was slightly above the 5.7% overall retail vacancy rate reported in 3rd Quarter 2019. The average asking retail rent in Greater Los Angeles in 3rd Quarter 2020 was $2.86 per square foot, contrasted with $2.78 per square foot in 3rd Quarter 2019. The subject property is located within the Southeast Los Angeles submarket which had a total retail inventory of 7,269,313 square feet in 3rd Quarter 2020. The Southeast Los Angeles submarket had an overall retail vacancy rate of 4.2% and an average asking lease rate of $3.26 per square foot in 3rd Quarter 2020. In comparison, the Southeast Los Angeles overall retail vacancy rate was higher at 5.8%, and average asking lease rate was much lower at $1.64 per square foot in 3rd Quarter 2019.

CBRE Economic Advisors anticipates retail rental and vacancy rate recovery in 2022, in line with the U.S. economy's bounce back of annual GDP declining 5% this year following the decline in 2nd Quarter 2020. A COVID-19 vaccine would likely give firms and households confidence to invest in

the future, providing a boost to consumption. Key indicators suggest activity rebounded in the 3rd Quarter 2020. Despite broader economic weakness and persistent social distancing restrictions, consumer demand has remained robust with retail sales measures now on par with 2019 levels. California reported a 2.6% increase in year-over-year retail sales in June. Leasing has been most active in the discount, home improvement, grocery and automobile industries. Fitness operators and primarily dine-in restaurants remain inactive.

Numerous brokers interviewed stated that user and investor retail sale activity was very strong and sale prices escalated very significantly between 2014 and up until early March 2020 before the onset of the Coronavirus (COVID-19) pandemic. This appraisal was prepared during the outbreak of the Coronavirus (COVID-19) which has put fear in financial markets as investors face the possibility that the pandemic has led the world economy into a recession. Nearly all governments, corporations, organizations and event planners implemented unprecedented measures including shutdown of all non-essential business and personal activities. Many businesses had fully or partially reopened in June 2020; however, on July 13, 2020, Governor Gavin Newsom reimposed restrictions on many indoor businesses statewide, including food and beverage operations. The closures will stay in place until counties meet standards set out by the State. The short-term effects are harsh, have severely disrupted the world economy and have had some negative impact on all real estate sectors in the United States and globally in the short-term. The mid- to long-term impact of the Coronavirus (COVID-19) pandemic on real estate markets is unknown at this time.

Although some market data (rental rates, overall capitalization rates and sale prices) relating to the subject property type (multi-tenant retail) have been uncovered, it is clear that uncertainty in real estate markets has resulted based on our interviews with market participants and review of investor surveys and publications which leads to increased risk and lower property values. Most market participants stated that certain segments of the retail industry (restaurants, small retail stores, shopping centers of all types and health clubs) will continue to be significantly negatively impacted even after the pandemic ceases.

Marketing/Exposure Time

Exposure time is presumed to occur prior to the effective date of the appraisal. Marketing time is assumed to be the time period required to affect a sale subsequent to the effective date of appraisal. The following anticipated marketing periods are illustrated by various investors surveyed in the Third Quarter 2020 PwC Real Estate Investor Survey for the "National Net Lease Market."

Source	Anticipated Marketing Period
Owner/Operator	6 to 12 Months
Investment Advisor	4 to 5 Months
Private Real Estate Firm	1 to 3 Months
Management Company	3 to 18 Months
Real Estate Investor	2 to 4 Months

The PwC Survey suggests an overall marketing period of one to 18 months, with most falling within two to 12 months. Based on current market conditions and the PwC Survey, in the event the subject property was offered individually in the marketplace for disposition and not being under duress, a marketing time of five months is anticipated at the price level suggested herein. This timeframe is estimated to be applicable to both marketing and exposure time.

CITY OF MONTEBELLO

Background

Incorporated on October 19, 1920, the City of Montebello is situated only approximately 8.5 miles southeasterly of Downtown Los Angeles. The City, whose name in Italian means "Beautiful Hills," is irregularly-shaped and generally situated between the Pomona (60) and Santa Ana (5) freeways, along the western side of the Rio Hondo Channel. Surrounding municipalities include Pico Rivera to the east, with the City of Commerce and East Los Angeles on the west, Monterey Park is located to the north and Downey is to the south.

Montebello is surrounded by freeways and has become a center for the trucking and specialty vehicle industry, as wheels, engines, underbodies, refrigerated trucks, campers and truck trailers are all manufactured in Montebello. The over-the-road trucking industry has located to Montebello, as have the service, maintenance and custom fabrication groups due to Montebello's central geography and abundant freeway access. Bakeries, meat companies, consumer paper distributors, sales organizations, beer and soft drink distributors, warehouses, petroleum distributors and lumber and building materials suppliers are also found within the City limits.

Population

With 42,807 residents in 1970, the population of Montebello grew by 10,122 or 23.6-percent in the 1970s to 52,929 by 1980. However, growth in the resident base of the City has slowed significantly in recent years; indeed by 1990 the population reached 59,564, while the 2000 population escalated to 62,150 residents, reflecting a minimal increase of 2,586 persons or 4.3-percent during the 1990s. As of January 2020, the California Department of Finance provided an estimated population of 63,544 residents or a decrease of 0.3% from the previous year.

According to CoreLogic, the median sale price of a single-family residence in the City of Montebello was $569,500 as of September 2020. This represents a 15.1% increase from the price reported in September 2019. In comparison, the median sale price of a single-family residence in Los Angeles County was $710,000 during the same period or an increase of 14.5% from the previous year.

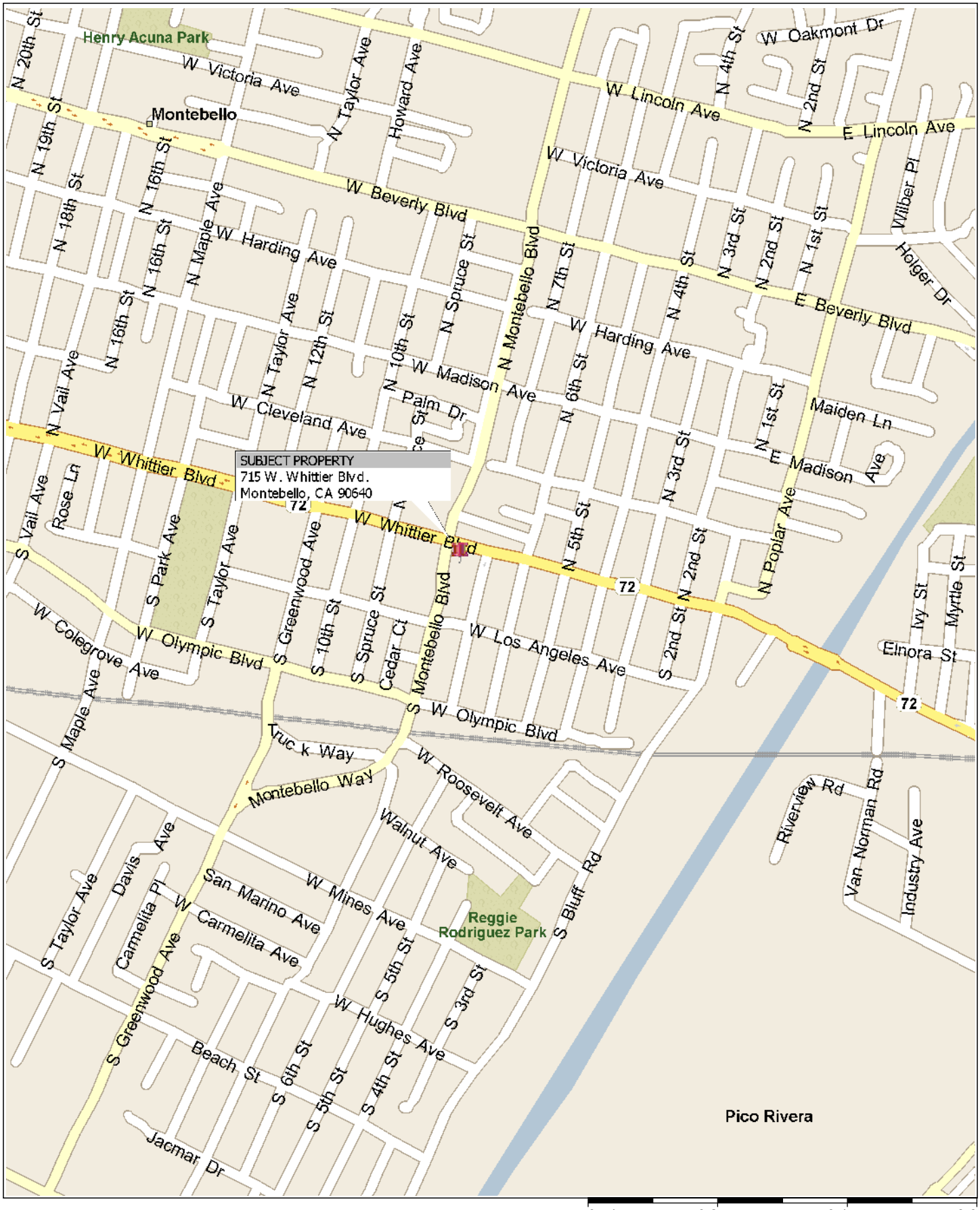
Trends

Future growth in Montebello will be constrained by the lack of developable land, as the residential neighborhoods, as well as commercial and industrial districts are fully built-out; thus new construction will be limited to the recycling of older properties. Montebello has excellent freeway access as the Santa Ana (5) Freeway skirts the industrial section of the City to the south and the Pomona (60) Freeway skirts the commercial and residential districts on the north.

IMMEDIATE SURROUNDINGS

The subject property is located along the south side of Whittier Boulevard, 43 feet east Montebello Boulevard in the City of Montebello. Located within the City's Downtown District, the property is situated within an area mainly comprised of retail buildings built primarily between the 1940s and 1990s. Most properties in the immediate area are leased by established local tenants. Notable tenants in the area are CVS Pharmacy, located at the northwest corner of Whittier and Montebello boulevards, Wells Fargo Bank, situated immediately west of the subject property at the southeast corner of the aforementioned intersection, and AT&T and Bank of America, situated along the north side of Whittier Boulevard. A notable project which is scheduled to open in early 2021 is BLVD MRKT, an indoor/outdoor artisan food hall. Situated at the northeast corner of Whittier Boulevard and 6th Street roughly one block east of the subject property, BLVD MRKT will be home to local food vendors as well as a wine and beer garden. Overall, the subject property is currently located in an established commercial district with no adverse influences.

NEIGHBORHOOD MAP



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RETAIL MARKET OVERVIEW

According to market watchers, the Los Angeles County retail sector had been fairly strong as consumer confidence and spending during 2018 and 2019 continued to increase while unemployment rates continued to decline. At year-end 2019, CBRE reported that the Greater Los Angeles retail market was one of stark contrast and contradictions. On the one hand, many entrenched retailers grapple with bankruptcies and shop closings, while on the other hand, brand-new retail developments were opening nearly entirely occupied with diverse and meticulously cultivated tenant offerings.

Despite all the naysaying headlines, retail in Greater Los Angeles had been performing well until the onset of the Coronavirus (COVID-19) pandemic commencing in the United States in March 2020, but the landscape was evolving. Malls and power centers continued to bear the brunt of e-commerce exposure and weakening sales, weighing heavily on occupancy and rent growth. Meanwhile, neighborhood, strip and general retail centers benefited from more resilient forms of demand which helped support rent growth. From a space usage perspective, there was a continuing and undeniable shift towards smaller, more dynamic and flexible formats. Before the start of the Coronavirus (COVID-19) pandemic, retail rent growth in Los Angeles was running below inflation and lagged behind other property types. This was while the economy continued to expand and what was the longest economic expansion in U. S. history.

The Greater Los Angeles retail vacancy was 6.2% at the end of 3rd Quarter 2020. The Greater Los Angeles retail vacancy was 5.7% at the end of 3rd Quarter 2019. Net absorption in 4th Quarter 2019 totaled 171,460 square feet, bringing the 2019 year-over-year total to 561,142 square feet. Year-to-date net absorption as of 3rd Quarter 2020 was a negative 1,033,378 square feet in Greater Los Angeles. A total of 1,526,443 square feet of space was under construction in the Greater Los Angeles retail market as of 3rd Quarter 2020. The average asking lease rate as of 3rd Quarter 2020 was $2.86 per square foot per month net, contrasted with $2.78 per square foot per month net as of 3rd Quarter 2019. Rising average asking rates stemmed from steady demand and a favorable economic outlook combined with limited availability.

According to CBRE, the subject property is located within the Southeast Los Angeles submarket of the Greater Los Angeles Area. The Southeast Los Angeles submarket has a total retail inventory of 7,269,313 square feet in 3rd Quarter 2020. The overall retail vacancy rate in the Southeast Los Angeles submarket was 4.2% in 3rd Quarter 2020. In comparison, the year-ago overall retail vacancy rate in the Southeast Los Angeles submarket was higher at 5.8%. Year-to-date net absorption in the Southeast Los Angeles submarket as of 3rd Quarter 2020 totaled positive 64,647 square feet. A total of 1,526,4432 square feet of space was under construction in the Greater Los Angeles Area retail submarket as of 3rd Quarter 2020, of which 82,450 square feet are located in the Southeast Los Angeles submarket. The average asking retail rent in the Southeast Los Angeles submarket was $3.26 per square foot in 3rd Quarter 2020. In comparison, the Southeast Los Angeles average asking lease rate was $1.64 per square foot in 3rd Quarter 2019.

CBRE Economic Advisors anticipates retail rental and vacancy rate recovery in 2022, in line with the U.S. economy's bounce back of annual GDP declining 5% this year following the decline in 2nd Quarter 2020. A COVID-19 vaccine would likely give firms and households confidence to invest in the future, providing a boost to consumption. Key indicators suggest activity rebounded in the 3rd Quarter 2020. Despite broader economic weakness and persistent social distancing restrictions, consumer demand has remained robust with retail sales measures now on par with 2019 levels. California reported a 2.6% increase in year-over-year retail sales in June. Leasing has been most active in the discount, home improvement, grocery and automobile industries. Fitness operators and primarily dine-in restaurants remain inactive.

Numerous brokers interviewed stated that user and investor retail sale activity was very strong and sale prices escalated very significantly between 2014 and up until early March 2020 before the onset of the Coronavirus (COVID-19) pandemic. This appraisal was prepared during the outbreak of the Coronavirus (COVID-19) pandemic. The Coronavirus (COVID-19) pandemic outbreak has put fear in financial markets as investors face the possibility that the pandemic has lead the world economy into a recession. Nearly all governments, corporations, organizations and event planners had implemented unprecedented measures including a shutdown of all non-essential business and

personal activities. In early June 2020, many businesses began reopening in California, but on July 13, 2020, a partial shutdown was mandated once again. The short-term effects are harsh, have severely disrupted the world economy and have had some negative impact on all real estate sectors in the United States and globally in the short-term. The mid- to long-term impact of the Coronavirus (COVID-19) on real estate markets is unknown at this time.

Although some market data (rental rates, overall capitalization rates and sale prices) relating to the subject property type (single-tenant retail) have been uncovered, it is clear that uncertainty in real estate markets has resulted based on our interviews with market participants and review of investor surveys and publications which leads to increased risk and lower property values. Most market participants interviewed as part of this appraisal expressed that there has been significant negative impacts in the retail real estate market throughout Southern California due to the Coronavirus (COVID-19) pandemic. Most market participants stated that certain segments of the retail industry (restaurants, small retail stores, shopping centers of all types and health clubs) will continue to be significantly impacted even after the pandemic ceases. It is our opinion that small freestanding or strip retail properties leased to local tenants like the subject will experience some difficulty in regaining their market position, but should eventually recover.

SUBJECT PROPERTY DESCRIPTION

THE LAND

Introduction

The following land description is based on public records and our personal inspection of the site.

Location and Address

The subject property is located along the south side of Whittier Boulevard, 43 feet east of Montebello Boulevard in the City of Montebello, California. The subject is addressed as:

715 West Whittier Boulevard
Montebello, California 90640

Census Tract Number/Thomas Guide Coordinates

The subject is located within Census Tract Number 5321.01 and on Thomas Guide page LA 676-D2.

Site Area

Per the Los Angeles County Assessor Parcel Map, the subject site totals 5,200 gross and net square.

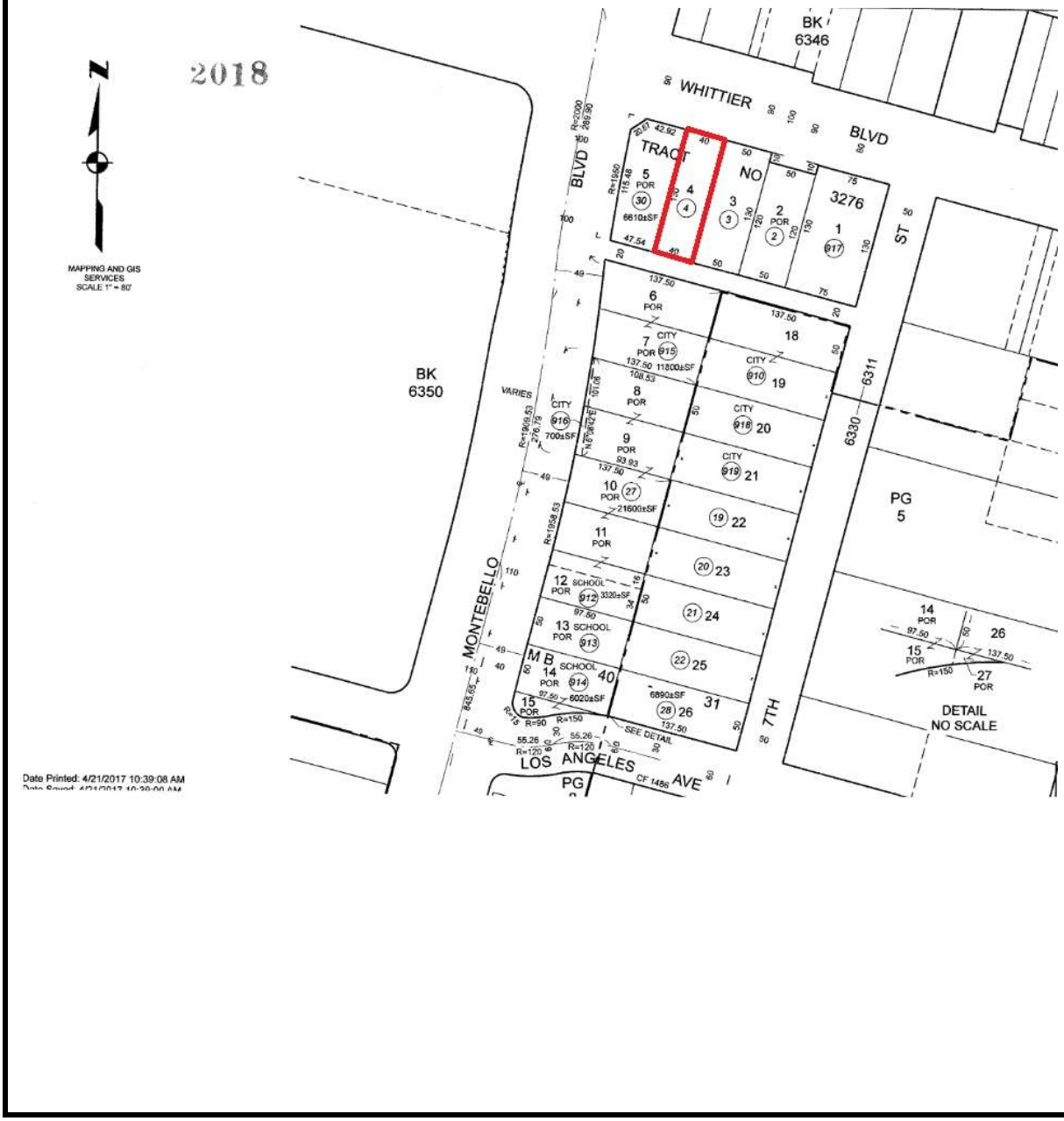
Parcel Shape & Frontage

As depicted in the facing **Plat Map**, the subject site is a rectangular-shape site with the following dimensions:

North (Whittier Boulevard) and South (Public Alley) Property Lines.	40.00 feet
East and West Property Lines.....	130.00 feet

Topography and Drainage

The subject site is generally level and at grade with Whittier Boulevard.



Pacific Realty Associates, Inc.

PLAT MAP

Utilities

The site is sustained by all of the usual and necessary public utilities, including gas and electric, telephone, water and sewer services.

Zoning Designation

The subject property is zoned C-2, General Commercial Zone, which is established for business centers in areas where a wide range of retail sales and service establishments are needed to accommodate the surrounding community. Relevant development standards are detailed below.

Minimum Lot Area:	2,500
Minimum Lot Width:	25 feet
Minimum Lot Depth:	100 feet
Maximum Lot Coverage:	Unlimited except for required yard areas
Maximum Height:	35 feet where common lot line with R-1 (25 feet for any portion of building within 15 feet of R-1 property)
Setbacks:	None
Parking:	Retail, Personal Service Shops – 1 parking space for each 400 square feet of gross floor area

Zoning requires a total of 13 parking spaces (5,000 ÷ 400 = 12.5) based on the current utilization of the subject property. The subject property is not provided any on-site surface parking, although a free City-owned parking lot is situated immediately south of the subject property. Nevertheless, the subject property is a legal, nonconforming use and standard due to parking.

Non-conformance

Non-conforming buildings and structures may continue in all zones unless any of the following occurs:

1. The nonconforming building or structure has been removed or demolished

2. There is a change from a nonconforming use to a conforming use
3. There is an increase or enlargement of the area, space or volume of the building, structure or land devoted to the nonconforming use

Soil, Site Pollution and Health Hazards

No soil or environmental reports on the subject property were provided for the review of the appraiser. It is assumed that the land is of sufficient stability and there are no toxic soil contamination concerns. Since the appraiser is not qualified to render opinions as to the toxicity or non-toxicity of the site in question, no responsibility is assumed for any hidden or unapparent conditions of the property surface and/or subsoil that would impact value, and the appraiser defers to the analysis of a specialist who is qualified to render such opinions.

Easements/Encroachments/Restrictions

A preliminary title report was not provided for the review of the appraiser. There appears to be no detrimental easements, encroachments or restrictions, other than the typical utility easements that adversely affect the utility and/or value of the site. A professional title consultant should be hired to ensure clear title.

Flood Zone

Per the FEMA (Federal Emergency Management Agency) maps, the subject property is located within Community Panel Number 06037C1663F, panel date September 26, 2008. It is located in Zone X, which indicates areas determined to be outside the 0.2% annual chance floodplain. Flood insurance is not required in this zone.

Earthquake and Seismic Hazards Zones

In 1972, the State of California enacted the Alquist-Priolo Special Studies Act. The purpose of this legislation was to delineate all active faults (ones with movement within the last 10,000 years) in California and to prohibit development of structures for human occupancy across the trace of an active

fault. Per the California Department of Conservation, Division of Mines and Geology, the following Earthquake and/or Seismic Hazard Zones apply to the property under appraisal.

Earthquake/Seismic Hazard Zones	Yes	No
Is subject shown on an Alquist-Priolo Earthquake Fault Zone Map?		✓
Is subject currently within a defined Alquist-Priolo Earthquake Fault Zone?		✓
Is subject included within a Landslide Zone ?		✓

Streets

Whittier Boulevard is a major east-west thoroughfare fully dedicated to a width of 80 to 90 feet along the subject frontage and is provided two lanes in each direction. The street is asphalt-paved and improved with curbs, gutters and sidewalks. Curb-side parking is allowed along both sides of the street at the subject frontage.

Traffic Count

In the following table is the average daily traffic (ADT) count for the stretch of Whittier Boulevard along the subject property. The ADT count is the most recently available from the City of Montebello.

Date Taken	Location	Total Traffic Count
2014	Whittier Boulevard Between Montebello Boulevard & Bluff Road	24,090

Access

The subject property is accessed directly off Whittier Boulevard, as well as a rear 20-foot wide public alley accessed from Montebello Boulevard and 7th Street. On and off-ramps to the 605 Freeway are roughly 2.4 miles east of the subject property along Whittier Boulevard. The 60 Freeway is approximately 2.0 miles north of the subject with on and off-ramps accessed along Paramount Boulevard. The property under study has average freeway accessibility.



Whittier Boulevard Looking West
Subject On The Left



Whittier Boulevard Looking East
Subject On The Right

Functional Utility

The subject interior, rectangular-shaped site totals 5,200 gross and net square feet and is situated along a major commercial thoroughfare, Whittier Boulevard. Overall, the subject site's appeal and functionality are good.

THE IMPROVEMENTS

Introduction

The following improvement description is based on information obtained from public records and provided by the subject owner and a general exterior and interior inspection of the facility.

Property Type

The subject property is improved with a single-tenant, one-story, reinforced brick and stucco retail building constructed in 1940.

Building Areas

Per our on-site measurements, the subject property totals 5,000 rentable square feet. Public records show a total building area of 5,000 square feet. A total building area of 5,000 square feet is used throughout this report.

Basic Construction Features

FOUNDATION
Reinforced concrete on wall and pad footings

FLOORS
Reinforced concrete slab

EXTERIOR WALLS
Painted stucco over reinforced brick walls with clear glass windows and doors in aluminum frames.

ROOF
Flat composition roof; roof is reportedly in overall good condition and was last significantly repaired in 2013.



Subject Property Looking Southwest From Whittier Boulevard



Subject Property Rear Looking Northeast From Parking Area

Interior Floor Plans and Finishes

FLOOR PLAN
Open retail space, two private office areas and one unisex restroom.

FLOORS
Carpet and laminate hardwood floors

WALLS
Painted drywall

CEILINGS
Painted drywall and dropped acoustical tile

LIGHTING
Recessed fluorescent and circular canister lights

Floor Area Ratio

0.96 based on 5,200 square feet of land and rentable building area of 5,000 square feet

Ceiling Height

10 feet

Heating and Air Conditioning

Two roof mounted package unit provides heating and cooling to the entire subject property; the units were reportedly replaced in 2013 and are in overall good condition.

Fire Protection

None

Utilities

The building is served by all necessary utilities.

Restrooms

One unisex restroom are improved with ceramic tile floors, painted drywall walls and ceiling and ceiling mounted light fixtures. The restroom is provided one toilet and one sink and is in overall average to good condition.

Parking

The subject property is not provided on-site parking. A City-owned parking lot is situated immediately south of the subject property providing sufficient customer parking at an overall ratio of 2.6 spaces per 1,000 square feet.



Subject Property



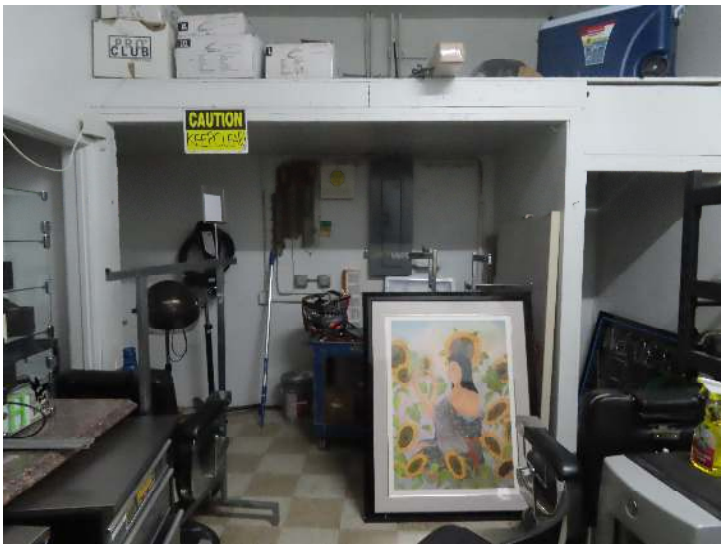
Open Retail/Salon/Barber Shop Space



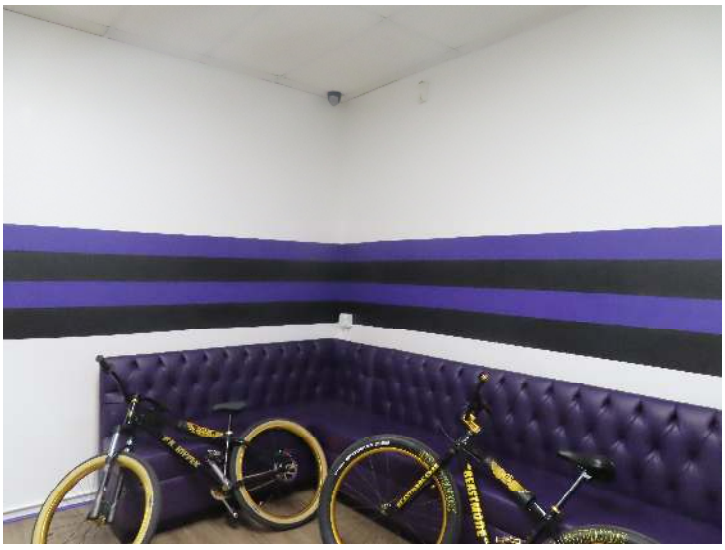
Retail Space



Retail Area



Storage Room



Private Office Space

Site Improvements

None

American with Disabilities Act (ADA)

The subject property is appraised without a specific compliance survey having been conducted to determine if the property as it currently exists is or is not in conformance with the requirements of the Americans with Disabilities Act (ADA). The appraiser is not an expert in the requirements for compliance with the ADA. Such determination requires investigation by a qualified expert in the field of architecture or engineering. The appraiser has not been provided with information from such an expert as to the subject property's status with regard to the ADA.

Governmental Issues

Regarding asbestos containing materials and the structural and seismic conditions of the building, an assumption is made that there are no adverse materials used in construction of the improvements.

Project Quality, Condition & Functional Utility

The subject site is improved with a 5,000 rentable square foot single-tenant one-story, reinforced brick and stucco retail building originally built in 1940. Although the subject property does not have on-site parking, a City-owned parking lot located immediately to the south provides sufficient customer parking at a ratio of 2.6 per 1,000 square feet. Overall, the subject property is currently in average to good condition considering its age. The subject property benefits from its location along a major commercial thoroughfare. Drawbacks to the property are its average freeway proximity, limited pedestrian activity and lack of on-site fee owned parking.

ASSESSED VALUATION AND TAXES

Background

Real estate taxes in the State of California are governed by Proposition 13. The law created by the voter-approved Proposition 13 states that property taxes shall not exceed one percent of the market value of the property, with the exception of those costs related to bond indebtedness. A property may only be reassessed when it sells or is transferred (ground leases over 35 years in length and gifts of more than 50% may also trigger reassessment; in these areas, professional tax advice is recommended). After the initial assessment, new adjustments are limited to annual increases of 2.0%. In estimating the market value of the subject, by definition, assumed the sale of the property. Thus, existing tax information of the subject has little impact on a potential buyer or to its appraisal. Nevertheless, this information provides an indication of how the tax system works.

Los Angeles County Assessor's Identification

6349-007-004

Tax Rate Area & Tax Rate

The subject is in Tax Rate Area 6311; the corresponding 2020/2021 tax rate 1.33860%.

Assessed Values and Taxes (2020/2021)

Assessed Values			
Land	Improvements	Total	Taxes
$ 223,058	$ 394,646	$ 617,704	$ 9,124.25

Special Assessments

In Los Angeles County, the Assessor also applies special assessments to properties for various miscellaneous items. In the case of the subject parcel, these charges totaled $856 in 2020/2021.

Comments

The market value conclusions herein have been reached under the assumption that all tax payments are current. According to information published on the Los Angeles County Treasurer and Tax Collector website as of the date of this report, property taxes for the subject parcels are current.

In estimating market value an assumption of sale is made and with this sale will come a reassessment to market value. This market value is likely to be the sale price of the property, assuming an arm's-length transaction and market financing. The new taxes are discussed in the Income Approach to Value section of this report.

HIGHEST AND BEST USE

Introduction

In the appraisal process, the concept of highest and best use represents the premise upon which a value estimate is based. The determination of highest and best use is the result of the appraiser's judgment and analytical skills. Highest and best use is defined as follows:

- The reasonable and probable use that supports the highest present value of vacant land or improved property, as defined, as of the date of appraisal;
- The reasonably probable, and legal use of land or sites as though vacant, found to be physically possible, appropriately supported, financially feasible, and results in the highest present land value;
- The most profitable use.

Implied in the above definition is that the determination of highest and best use takes into account the contribution of a specific use to the community and community development goals as well as the benefits of that use to individual property owners. Accordingly, the various uses to which the property could be adapted in terms of the area's economic condition and the general land use patterns of the neighborhood have been considered. Based on our market study the following highest and best use conclusion emerges.

Highest and Best Use – As Vacant

Legally Permissible

This criterion relates to the right to develop or use a site in light of private restrictions (deed restrictions and easements) and public restrictions (zoning ordinances). A visual inspection of the subject land did not uncover any unusual easements or deed restrictions that would prove detrimental to the development of the property in question. For the purposes of this analysis, an assumption is made that there are no detrimental easements or deed restrictions that would negatively affect the development potential or marketability of the subject site. The subject land is not encumbered by restriction of a long-term ground lease; therefore, legal restrictions as they apply to the subject site are limited to public restrictions of zoning.

The subject property is zoned C-2, General Commercial Zone, which is established for business centers in areas where a wide range of retail sales and service establishments are needed to accommodate the surrounding community. Based on the subject zoning and locational features, a variety of commercial uses are compatible and legally permissible in the immediate district.

Physically Possible

The physically possible uses of a site depend on its size, shape and terrain. The subject site totals 5,200 square feet and pertains to a rectangular-shaped parcel located along a major commercial thoroughfare, Whittier Boulevard. Overall, the subject site has good physical features. A current soils report was not submitted for our review. For the purpose of our study, an assumption is made that the subject soil is free of contaminants and is suitable to support a commercial development as allowed by zoning. The physical characteristics of the parcel provide good overall utility for a wide variety of commercial uses.

Financially Feasible/Maximally Productive

Considering the subject property's favorable physical characteristics, zoning and character of the surrounding land uses, financially feasible uses would be limited to a retail development. Consequently, it is our opinion that the highest and best use of the subject land, if hypothetically vacant, would be to develop the site with a single-tenant retail property marketed to an owner-user or investor.

Highest and Best Use - As Planned To Be Improved

The subject aggregate site is improved with a 5,000 rentable square foot single-tenant one-story, reinforced brick and stucco retail building constructed in 1940. Overall, the interior improvements are currently in average to good condition considering their age. The subject property is currently fully occupied by one tenant on a month-to-month lease. The highest and best use as improved is for use as a single-tenant retail property marketed to an owner-user or investor due to the current month-to-month lease in place.

VALUATION

In appraisal practice, there are three approaches to value. The approaches are commonly known and briefly defined as:

- the **Cost Approach**, wherein the cost of reproducing or replacing the improvements is estimated, to which the loss in value from depreciation is deducted and the value of land is added;

- the **Income Approach**, wherein the net income imputable to the property is calculated and then discounted and/or capitalized into value, using an overall capitalization rate or other capitalization/discounting method considered representative of the marketplace; and,

- the **Market Data** or **Sales Comparison Approach**, wherein the appraiser researches the market for sales data considered comparable and significant to the property being appraised (the differences and similarities of the properties are compared, by means of units of comparison, to the subject property to reach an estimated value).

Depending on their applicability to each particular appraisal assignment, one or more of the approaches to value may be used. In determining their applicability, the appraiser considers factors such as the significance of each approach relative to the nature of the subject property and the market data that is available as of the date of value. The Income and Sales Comparison approaches are considered appropriate in determining the leased fee estate market values detailed herein. The Cost Approach was considered, but not used as full and part owner-users and investors typically do not consider replacement cost in their decision-making. Furthermore, the property's 1940 construction, would render a calculation of accrued depreciation somewhat speculative.

The appraisal process is concluded by a review and re-examination of each of the approaches to value that was employed. In reaching a final value, consideration is given to quantity and quality of data available under each approach and to the type of property being appraised.

INCOME APPROACH

Introduction

The Income Approach to Value consists of the methods, techniques and procedures that an appraiser uses to analyze the property's capacity to generate benefits and convert those benefits into an indication of present value. The principle of anticipation is fundamental to the Income Approach. The value is created by the expectation of future benefits and may be defined as the present worth of these future benefits.

The property's potential gross income is first estimated, from this figure a vacancy loss and collection reserve is deducted to arrive at the effective gross income. All expenses accruing to ownership are then deducted from the effective gross income to reach the net operating income, which is then capitalized and/or discounted into a present value estimate. The subject net operating income has been capitalized into a present value indication. A discounted cash flow is not used as prospective investors of small retail buildings usually do not use this valuation tool.

Operating Results and Occupancy Status

The subject property is currently fully occupied by one tenant, Street Executives (a local barber shop and retail store), who has been at the subject property since 2014. The tenant has been on a month-to-month lease since July 2017 when its initial three-year lease expired. The tenant is currently paying a monthly base rent of $4,800 or $0.960 per square foot modified gross. The tenant is responsible for paying all utilities and maintenance on the property, whereas the tenant pays all property taxes and insurance as well as reserves. No historical operating results were provided for our review.

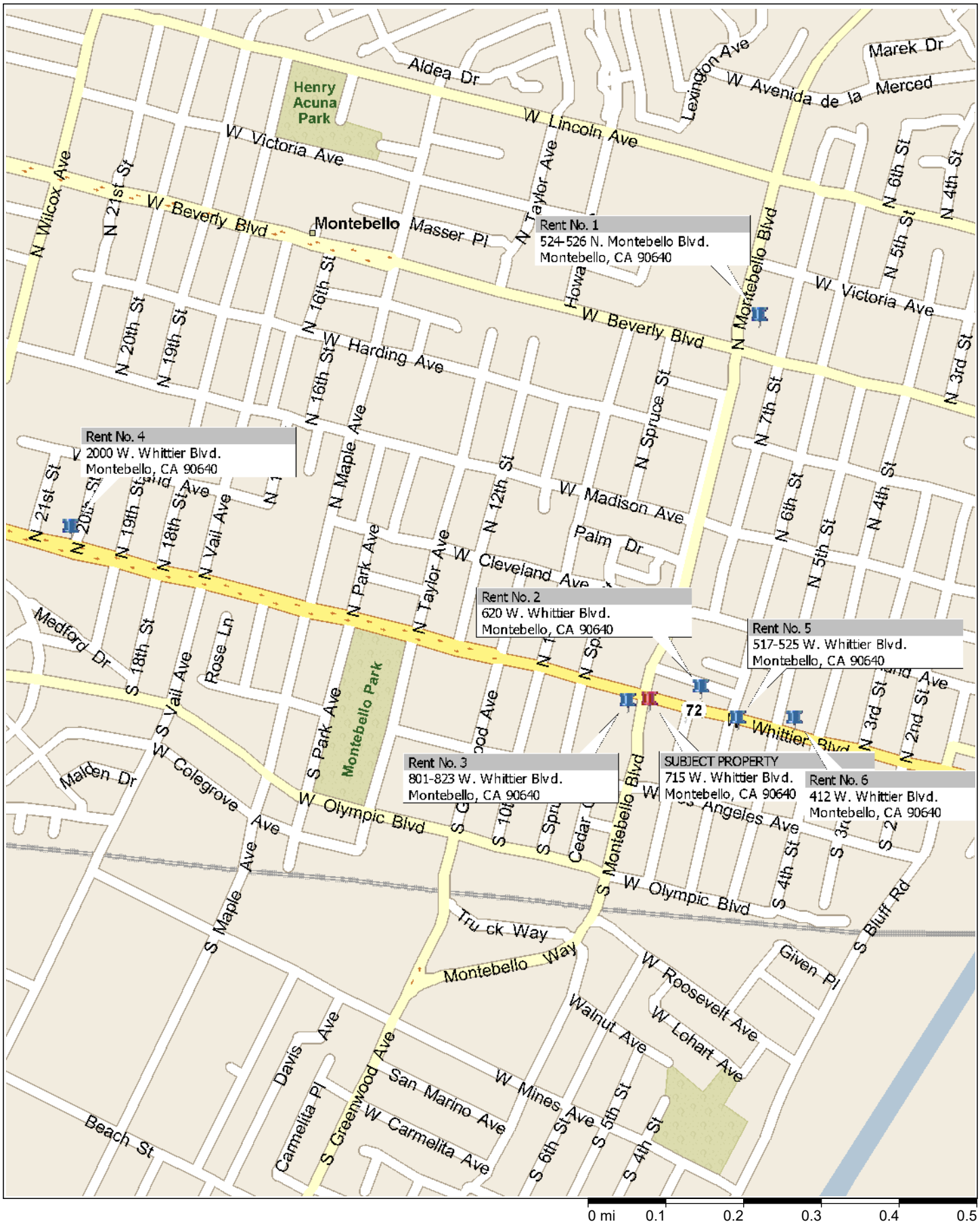
Retail Rent Survey

A survey of similar retail spaces located within the subject area of Montebello and surrounding area has been made to determine the market rental value of the subject property. Pertinent details of the most relevant data are summarized below and on the following page. Reference is made to the facing **Rental Data Map** which highlights the location of each property in relation to the subject.

Data No./Address Location	Total Rent. Sq. Ft. Yr. Built Yr. Renov. % Leased	Parking Ratio Pk. Type	Lease Date Term	Type Unit Loc. Sq. Ft. Bldg. Type	Mo. Rent /Sq. Ft. Escalations Net Chrgs.	Free Rent TI/Sq. Ft. Effective Rent /Sq. Ft.
SUBJECT **715 W. Whittier Blvd.** **Montebello** **S/O Whittier Blvd., 43 Ft.** **E/O Montebello Blvd.**	**5,000** **1940** **100.0%**	**2.6/1,000*** **Single**	**--** **--**	**New** **Interior** **5,000** **Single-** **Ten.**	**--** **--** **--**	**--** **--** **--**
NO. 1 524-525 N. Montebello Blvd. Montebello E/S Montebello Blvd., 275 Ft. N/O Beverly Blvd.	2,150 1979 100.0%	3.3/1,000 Single	7/19 36 Mos.	New Interior 1,250 Two-Ten.	$1.400 MG 3.0% Ann. N/A	1 Mo. None $1.360 MG
NO. 2 620-624 W. Whittier Blvd. Montebello N/S Whittier Blvd., 232 Ft. W/O 6th St.	6,189 1928; R. 2018 100.0%	2.6/1,000* Single	3/20 62 Mos. .	New Interior 3,675 Two-Ten.	$2.250 MG 3.0% Ann. N/A	2 Mos. None $2.177 MG
NO. 3 801-823 W. Whittier Blvd. Montebello SWC Whittier & Montebello Blvds.	31,000 1992 84.7%	1.2/1,000 Single	Available 36 Mos.	New Interior 2,000 Multi-Ten.	$1.250 MG 3.0% Ann. N/A	Neg. Neg. $1.250 MG
NO. 4 2000 W. Whittier Blvd. Montebello NWC Whittier Blvd. & 20th St.	4,500 1947 0.0%	0.7/1,000 Single	Available 36 Mos.	New Corner/End 4,500 Single-Ten.	$1.110 MG 3.0% Ann. N/A	Neg. Neg. $1.110 MG
NO. 5 517-525 W. Whittier Blvd. Montebello SEC Whittier Blvd. & 6th St.	8,905 1932 100.0%	1.3/1,000 Single	Available 36-60 Mos.	New Corner/End 4,500 Multi-Ten.	$1.250 MG 3.0% Ann. N/A	Neg. Neg. $1.250 MG
NO. 6 412 W. Whittier Blvd. Montebello NEC Whittier Blvd. & 5th St.	15,352 1911 79.2%	1.0/1,000 Single	Available 36 Mos.	New Corner/End 3,200 Multi-Ten.	$1.250 Net 3.0% Ann. ±$0.25	1 Mo. None $1.215 Net $1.465 MG Equivalent

*Parking via adjacent free City owned lot

IMPROVED RENTAL MAP



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Rental Data Analysis

The comparable properties in our survey pertain to retail spaces located in the City of Montebello within a one-mile radius from the subject property. The leased spaces vary in size from 1,250 to 4,500 rentable square feet. The subject building totals 5,000 rentable square feet. No other relevant lease comparables were uncovered after an extensive search was conducted. Nos. 1, 3, 4, 5 and 6 pertain to general retail space whereas No. 2 was fully built out as a restaurant at the time it was leased. The comparables were built in 1979, 1928, 1992, 1947, 1932 and 1911. Only Nos. 2 was significantly renovated in 2018. The subject property was built in 1940. Parking ratios in the comparables range from 0.7 to 3.3 spaces per 1,000 square feet. No. 2 is provided parking via an adjacent free City-owned parking lot similar to the subject property. The subject property is situated adjacent to a City-owned lot which provides an overall parking ratio of 2.6 spaces per 1,000 square feet. All the comparables as well as the subject property are provided single parking spaces.

The two actual lease comparables leased in July 2019 and March 2020, show actual effective and equivalent modified gross lease rates at lease start of $1.360 and $2.177 per square foot per month. These actual leases pertain to 36 and 62-month terms which contain annual base rent increases of 3.0%. No. 2 shows a much higher per square foot rent as it was fully built out as a restaurant and had been recently extensively renovated from the interior. Nos. 3, 4, 5 and 6 pertain to current listings at $1.250, $1.110, $1.250 and $1.465 per square foot modified gross equivalent with projected 3.0% annual base rent increases. No recent offers have been reported these listings. Detailed on the following page is a rent adjustment grid comparing the subject property (5,000 rentable square feet) and the comparables.

		COMPARABLE RENTAL NO.					
	SUBJECT	**1**	**2**	**3**	**4**	**5**	**6**
Rental Date	--	7/19	3/20	Available	Available	Available	Available
Eff. MG Rent PSF	--	$1.360	$2.177	$1.250	$1.110	$1.250	$1.465
Conditions of Lease	--	Market	Market	Listing	Listing	Listing	Listing
Adjustment	--	*0%*	*0%*	*-3%*	*-3%*	*-3%*	*-5%*
Adjusted Eff. MG Rent	--	$1.360	$2.177	$1.213	$1.077	$1.213	$1.392
Market Conditions	--	*2.33%*	*0.00%*	*0.00%*	*0.00%*	*0.00%*	*0.00%*
Adjusted Eff. MG Rent	--	$1.392	$2.177	$1.213	$1.077	$1.213	$1.392
Other Adjustments:							
Location	**Montebello**	Montebello	Montebello	Montebello	Montebello	Montebello	Montebello
Adjustment	--	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*
Freeway Prox.	**Average**	Average	Average	Average	Average	Average	Average
Adjustment	--	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*
Unit Street Exposure	**1 Major**	1 Major	1 Major	1 Major	1 Maj., 1 Loc.	1 Maj., 1 Loc.	1 Maj, 1 Loc.
Adjustment	--	*0%*	*0%*	*0%*	*-3%*	*-3%*	*-3%*
Pedestrian Traffic	**Average**	Average	Average	Average	Below Average	Average	Average
Adjustment	--	*0%*	*0%*	*0%*	*5%*	*0%*	*0%*
Signalized Corner	**No**	No	No	No	No	No	Yes
Adjustment	--	*0%*	*0%*	*0%*	*0%*	*0%*	*-5%*
Leased Sq. Ft.	**5,000**	1,250	3,675	2,000	4,500	4,500	3,200
Adjustment	--	*-12%*	*-8%*	*-10%*	*0%*	*0%*	*-8%*
Space Type	**Gen. Retail**	Gen. Retail	Restaurant	Gen. Retail	Gen. Retail	Gen. Retail	Gen. Retail
Adjustment	--	*0%*	*-10%*	*0%*	*0%*	*0%*	*0%*
Building Type	**Single-Tenant**	Two-Ten.	Single-Ten.	Multi-Ten.	Single-Ten.	Multi-Tenant	Multi-Ten.
Adjustment	--	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*
Pk./1,000 sq.ft.	**2.6**	3.3	2.6	1.2	0.7	1.3	1.0
Adjustment	--	*-3%*	*0%*	*6%*	*10%*	*6%*	*8%*
Parking Type	**Single**	Single	Single	Single	Single	Single	Single
Adjustment	--	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*
Year Built/ Ren.	**1940**	1979	1928; R. 2018	1992	1947	1932	1911
Adjustment	--	0%	-5%	0%	0%	0%	0%
Quality/Condition	**Avg/Good**	Average	Very Good	Average	Average	Average	Average
Adjustment	--	5%	-15%	5%	5%	5%	5%
Total Other Adjustmts	--	***-10%***	***-38%***	***1%***	***17%***	***8%***	***-3%***
Adjusted Eff. MG Rent	--	***$1.253***	***$1.350***	***$1.225***	***$1.260***	***$1.310***	***$1.350***

The adjustments made on the previous table are purely judgmental and do not involve paired match studies that can be proved quantitatively. Nos. 3, 4, 5 and 6 pertain to listings only and not signed leases and therefore adjusted down by 3.0% and 10.0% for condition of lease. The actual lease comparables were adjusted by 0.333% per month or 4.00% annually through March 2020 just prior to the onset of the Coronavirus (COVID-19) pandemic to reflect improved market conditions during the last few years. Per brokers active in the area, rental market conditions have been flat since March



Rent No. 1



Rent No. 2



Rent No. 3



Rent No. 4



Rent No. 5



Rent No. 6

2020. Further adjustments were made for unit street exposure, pedestrian traffic, signalized corner, leased square feet, parking ratio and quality and condition of improvements. Adjustments result in a more narrow and meaningful effective modified gross rental range of $1.225 to $1.350 per square foot or an average of $1.291 per square foot.

Market Rent Projection

The subject site is improved with a 5,000 rentable square foot single-tenant one-story, reinforced brick and stucco retail building originally built in 1940. Although the subject property is not provided on-site parking, a City-owned parking lot providing free parking is located immediately to the south. The City-owned parking lot provides free parking to the surrounding businesses at a ratio of 2.6 spaces per 1,000 square feet. Overall, the interior improvements are currently in average to good condition. The property benefits from its location along a major commercial thoroughfare. Moderate drawbacks to the subject property are its average freeway proximity and average pedestrian activity. Based on our analysis of the market data, the market rental rate for the subject property is estimated at $1.300 per square foot modified gross. Our estimated market rent is used in our ensuing income analysis.

Stabilized Vacancy and Collection Loss

The total vacancy rate for retail space in Los Angeles County was reported by CBRE at 6.2% as of 3rd Quarter 2020, whereas the overall vacancy rate for the subject Southeast Los Angeles submarket was 4.2% during the same quarter. Prior to the onset of the Coronavirus (COVID-19) pandemic, it is our opinion that a prudent investor would assign a long-term stabilized vacancy and collection rate of 3.0% for the subject property. Given the current uncertainty created by this pandemic, it is reasonable that a potential investor would allow a somewhat higher vacancy and collection loss of 4.0% for the property under study at this time.

Expense Reimbursements

Throughout the Los Angeles County, many single-tenant retail properties are leased on a single-tenant industrial/commercial modified gross basis whereby the tenant pays the increase in property taxes and insurance over the base year levels, all utilities and interior and exterior maintenance of building.

The landlord is responsible for base year property taxes and insurance, property, management and reserves. The ensuing estimated reimbursements are based on the provisions of a single-tenant industrial/commercial modified gross basis.

Operating Expenses

Following are descriptions of each of the major expense categories and our expense projections. Our projections of stabilized operating expenses are based on operating results similar retail properties in Los Angeles and Orange counties, plus information obtained from market participants.

OPERATING:

REAL ESTATE TAXES
Real estate taxes are predicated upon the estimated leased fee estate market value of the subject property, the current tax rate of 1.33860% and special assessments of $856. Based on our $970,000 leased fee estate market value of the subject property, real estate taxes are estimated at $13,840 or $2.768 per total square foot. The tenant will reimburse the landlord for the increase in taxes over the base year only under a single-tenant industrial/commercial modified gross lease. Given that market rent is used in our study with the base year property taxes being reset based on the market value of the property assuming a transfer, no reimbursement for property taxes is assumed in our study.

PROPERTY INSURANCE
Fire insurance, general liability and other property insurance items. Total property insurance for the subject is estimated at $1,750 or $0.350 per square foot. The tenant reimburses this expense over the base year amount only, however no reimbursement for property insurance is estimated in our analysis as insurance costs have escalated only nominally and therefore no tenant reimbursement amount is projected for this expense category.

UTILITIES
All charges for individual and common area electricity, gas, water and sewer service. An estimated annual total utility cost of $2.500 per rentable square foot or $12,500 is projected for the subject property. The tenant will pay directly or reimbursement the landlord for all utility costs.

REPAIRS AND MAINTENANCE
Includes maintenance and repairs relating mechanical equipment, lighting, plumbing and building exterior plus landscape and sweeping service. Also included in this category are costs associated with trash service, business and payroll taxes, workers compensation, licenses and other miscellaneous property operating costs. Repairs and maintenance costs can vary significantly from year-to-year due to certain expenses not incurred on a regular

basis (roof, asphalt and mechanical equipment replacements, etc.). A normalized estimate of $5,000 annually or $1.000 per total rentable square foot is made to the subject for repairs and maintenance. The tenant reimburses this expense under a single-tenant industrial/commercial modified gross lease.

MANAGEMENT FEE

Internal or external fee charged to cover costs to manage the property. Typically management fees for single-tenant retail properties vary from 1.5% to 2.5% of effective gross income. Our projection for this cost for the subject property is $1,800 ($175 per month) or $0.360 per total square foot which equates to 2.0% of effective gross revenue. The tenant does not reimburse this expense under a single-tenant industrial/commercial modified gross lease.

RESERVES:

Annual reserves for replacing various capital items such as the roof, exterior walls and mechanical equipment etc. are sometimes allocated by owners. A total of $1,000 annually or $0.200 per total square foot is projected for the subject for this category. This expense is allocated in our analysis as the overall capitalization rate sales presented in this report do include this expenditure.

STABILIZED EXPENSE PROJECTION
(BASED ON 5,000 RENTABLE SQUARE FEET)

Expense Category	Total Annual Expenses		Tenant
	Per Sq. Ft.	Total	Reimbursements
Real Estate Taxes	$2.768	$13,840	$ 0
Property Insurance	0.350	1,750	0
Utilities	2.500	12,500	12,500
Repairs and Maintenance	1.000	5,000	5,000
Subtotal	$6.645	$33,090	$17,500
Management	$0.360	$ 1,800	--
Reserves	0.200	1,000	--
Subtotal	$0.560	$ 2,800	
Total All Expenses	$7.178	$35,890	$17,500

Stabilized Overall Capitalization Rate

Background

In determining the appropriate "going-in" direct capitalization rate to be used in the analysis of the subject property, information obtained from investor purchases of single-tenant retail properties located in Los Angeles County and various investor publications has been utilized. Relevant data pertaining to the investment parameters are discussed below.

Capitalization Rate Sales

Commercial investment properties have been in increasing high demand throughout Southern California during the past few years, largely buoyed by historically low cost of financing. Substantial levels of investment capital chasing limited quantities of property have driven required return rates down. Demand for all commercial properties began increasing in 2012 and continued through 2020 due to significant pent-up demand and substantial investment capital available.

To support our stabilized capitalization rate selection, as well as illustrate demand, investor purchases of single-tenant leased retail properties located in Los Angeles County were gathered. The investment sales presented are limited to properties sold between $1,595,000 and $8,000,000 and exclude retail properties leased to fast-food restaurants, drug stores, banks and auto repair facilities. The following table summarizes these sales. The capitalization rates reflect deductions made for vacancy, collection loss and reserves.

Data No. / Address Tenant	Sale Date	Bldg. Sq. Ft. Year Built/Ren.	Total Sale Price Price/Sq. Ft. Bldg.	Overall Cap Rate
No. 1 5710 Crenshaw Blvd., Los Angeles *Dollar Tree*	6/19	9,060 1941	$2,850,000 $314.57	4.61%
No. 2 1327 5th St., Santa Monica *Ron Robinson*	7/19	6,387 1930	$7,500,000 $1,174.26	5.00%

Data No. / Address Tenant	Sale Date	Bldg. Sq. Ft. Year Built/Ren.	Total Sale Price Price/Sq. Ft. Bldg.	Overall Cap Rate
No. 3 4455 Van Nuys Blvd., Sherman Oaks *Dragonfly Cycling*	10/19	2,400 1954	$1,595,000 $664.58	4.08%
No. 4 14416 - 14418 Ventura Blvd. Sherman Oaks *Hillt 11*	10/19	2,420 1930; R. 2018	$1,950,000 $805.79	4.24%
No. 5 8000 Slauson Ave., Montebello *7-Eleven*	1/20	2,800 2020	$4,095,000 $1,462.50	4.13%
No. 6 5200 Triggs St., Commerce *Harbor Freight Tools*	2/20	16,190 2019	$6,752,000 $417.05	4.33%
No. 7 2799 E. Pacific Coast Hwy., Signal Hill *7-Eleven*	4/20	2,400 1976	$3,408,000 $1,420.00	4.00%
No. 8 8430 Beverly Blvd., Los Angeles *Goodwill*	4/20	1,664 1968	$2,160,000 $1,298.08	5.04%
No. 9 3894 Crenshaw Blvd., Los Angeles *U.S. Postal Service*	6/20	12,089 1959	$4,700,000 $388.78	3.80%
No. 10 2936 Main St., Santa Monica *MUJI Santa Monica*	6/20	8,781 1929; Ren. 1990	$8,000,000 $911.06	4.75%
No. 11 6625 Lankershim Blvd., North Hollywood *7-Eleven*	6/20	2,870 1973	$1,310,000 $456.45	4.04%
No. 12 9750 Woodman Ave., Arleta *Walgreens*	8/20	16,335 2002	$10,000,000 $612.18	4.66%
No. 13 6625 Somerset Blvd., Paramount *OK Market*	8/20	3,100 1945	$850,000 $274.19	5.02%

Data No. / Address Tenant	Sale Date	Bldg. Sq. Ft. Year Built/Ren.	Total Sale Price Price/Sq. Ft. Bldg.	Overall Cap Rate
No. 14 11340 Magnolia Blvd., North Hollywood *7-Eleven*	9/20	2,400 1977	$1,500,000 $625.00	4.85%
No. 15 13023 Hawthorne Blvd., Hawthorne *99 Cents Only Store*	10/20	15,000 1960	$5,750,000 $383.33	4.75%

The 15 retail properties range in rentable areas from 1,664 to 16,190 square feet and were developed between 1930 and 2020. The properties were fully occupied at the time of sale and were sold between June 2019 and October 2020. The properties are leased to local retail outlets and national chains (Dollar Tree, 7-Eleven, Walgreens, Harbor Freight Tools, Goodwill, U.S. Postal Service). The overall capitalization rates range from 3.80% to 5.04% or an average 4.49%.

Investor Survey – National Net Lease Market

The Third Quarter 2020 results of the "PwC Real Estate Investor Survey" for the "National Net Lease Market" show overall capitalization rates recapped on the next page. These range from 4.00% to 8.00%; the current quarter average is 6.22% and one year earlier, the average was 6.75%.

Source	Overall Capitalization Rates
Owner/Operator	5.50% - 8.00%
Investment Advisor	5.75% - 6.00%
Private Investment Firm	4.00% - 8.00%
Management Company	Did Not Disclose
Real Estate Investor	6.25%
Current Quarter Average	6.16%
Year Ago Average	6.77%

Capitalization Rate Selection

Commercial investment brokers interviewed stated that overall capitalization rates for well located retail in Los Angeles County leased to single tenants currently fall between 4.00% to 5.50% if leased at market for remaining terms of three years plus. The overall capitalization rate will depend on the property location, condition and occupancy status, particularly the quality, stability and financial success of the tenant(s); remaining lease terms (base rent, escalations, option terms, etc.); contract rents in relation to market; and near-term rollover risk.

The subject site is improved with a 5,000 rentable square foot single-tenant one-story, reinforced brick and stucco retail building originally built in 1940. Although the subject property is not provided on-site parking, a City-owned parking lot providing free parking is located immediately to the south. The City-owned parking lot provides free parking to the surrounding businesses at a ratio of 2.6 spaces per 1,000 square feet. Overall, the interior improvements are currently in average to good condition. The property benefits from its location along a major commercial thoroughfare. Moderate drawbacks to the subject property are its average freeway proximity and average pedestrian activity.

Prior to the Coronavirus (COVID-19) pandemic, the subject property would have likely sold at around a 5.50% overall capitalization rate assuming it was leased at or close to market terms given the older age of the improvements and likelihood the property would be leased to a local tenant. Due to the current significant negative effects of the Coronavirus (COVID-19) pandemic on the local, national and international economies, it is prudent to adopt a somewhat higher capitalization rate (0.25 basis points higher) than what would have been used previously. Based on these factors, a capitalization n rate of 5.75% is justified for the subject property assuming market rent ($1.250 per square foot per month single-tenant industrial/commercial modified gross) is used in our study.

Capital Value Analysis

Gross Potential Revenue:

5,000 rentable square feet @ $1.300/SF x 12 Months	$78,000
Estimated Expense Reimbursements	17,500
Total Gross Potential Revenue	$95,500

Effective Gross Revenue:

Total Gross Potential Revenue	$95,500
Less: Vacancy & Collection Loss (4.0%)	(3,820)
Total Effective Gross Revenue	$91,680

Less Operating Expenses:

Real Estate Taxes	$13,840
Property Insurance	1,750
Utilities	12,500
Repairs & Maintenance	5,000
Management Fees (2.0%)	1,800
Reserves	1,000
Total	$35,890

Stabilized Net Operating Income:

Effective Gross Income	$91,680
Expenses	(35,890)
NOI	$55,790

Capitalization:

$55,790 ÷ 5.75%	$970,261
Adopted Leased Fee Estate Market Value	**$970,000**

SALES COMPARISON APPROACH

Introduction

In the Sales Comparison Approach, the appraiser estimates the value of a property by comparing it with similar, recently sold and/or listed properties located within competing areas. Inherent in this approach is the principle of substitution, which holds that when a property is replaceable in market, its value tends to be set at the cost of acquiring an equally desirable substitute property, assuming that no costly delay is encountered in making the substitution. This holds for both owner-user and investor motivated transactions.

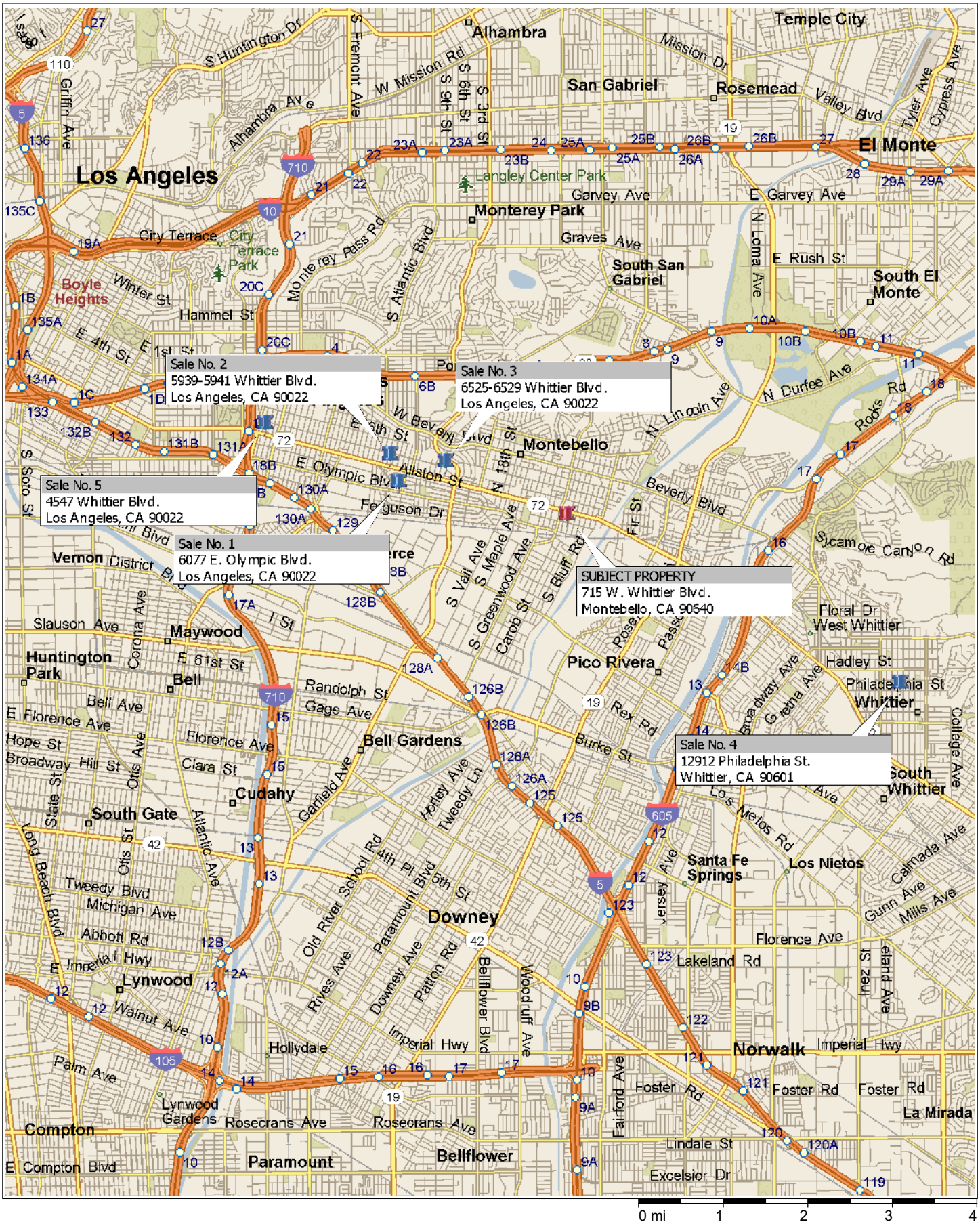
Retail Building Sales

To determine the "as is" leased fee estate market value of the subject property, a survey has been made to obtain information on sales of retail properties located in the City of Montebello and the surrounding communities. Specifically, our search focused on street frontage retail structures similar in size to the subject 5,000 rentable square feet.

The transactions summarized on the following pages refer to the most pertinent data available; their locations are keyed on the facing **Improved Sales Map**. No other relevant actual sales or listings were uncovered. The most common unit of comparison for retail buildings is price per square foot of building area.

Data No./Name Location/Address/APN	Sale Date Doc. No. Buyer	Rent Sq. Ft. Building Type Year Built Stories No. Bldgs.	Land Sq. Ft. Lot Shape Parking Type Parking Rt. FAR	Construction No. St. Visibility Occupancy @ Sale	Total Price /Sq. Ft. Cap Rate
SUBJECT **715 W. Whittier Blvd.** **Montebello** **S/S Whittier Blvd., 43 Ft.** **E/O Montebello Blvd.** **6349-007-004**	**--** **--** **Owner-User** **or Investor**	**5,000** **Single-Tenant** **1940** **One** **One**	**5,200** **Rectangular** **Surface,** **Single*** **2.6/1,000*** **0.96**	**Brick & Stucco** **One** **100.0%**	**--** **--** **N/A**
NO. 1 6077 E. Olympic Blvd. Los Angeles N/S Olympic Blvd., 55 Ft. W/O Hendricks Ave. 6339-013-019	6/28/19 0627011 Owner-User	3,300 Single-Tenant 1947 One One	5,000 Rectangular Surface Single & Tandem 2.4/1,000 0.66	Brick One 0.0%	$720,000 $218.18 N/A
NO. 2 5939-5941 Whittier Blvd. Los Angeles N/S Whittier Blvd., 50 Ft. E/O Leonard Ave. 6342-034-014	9/17/19 0964792 Owner-User (Purchased By Tenant)	3,150 Single-Tenant 1928 One One	5,737 Rectangular Surface Single 1.6/1,000 0.55	Wood-Frame One 100.0%	$750,000 $238.10 N/A
NO. 3 6525-6529 Whittier Blvd. Los Angeles N/S Whittier Blvd., 62 Ft. W/O Via Clemente 6343-013-020, 021 & 022	1/16/20 0060329 Part Owner- User	5,725 Single-Tenant 1947 One One	10,000 Rectangular Surface Single 1.7/1,000 0.57	Wood-Frame & Stucco One 0.0%	$1,045,000 $182.53 N/A
NO. 4 12912 Philadelphia St. Whittier S/S Philadelphia St., 93 Ft. E/O Comstock Ave. 8139-023-018	2/4/20 0138951 Owner-User	5,188 Single-Tenant 1948 One + Mezz. One	4,666 Rectangular Surface Single* 1.2/1,000* 1.11	Brick & Block One 0.0%	$1,100,000 $212.03 N/A
NO. 5 4547 Whittier Blvd. Los Angeles N/S Whittier Blvd., 93 Ft. W/O McBride Ave. 5247-013-019	Available N/A Owner-User or Investor	6,375 Single-Tenant 1922 One One	6,375 Rectangular None N/A 1.00	Brick One 100.0%	$1,185,000 $185.88 N/A

IMPROVED SALES MAP



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Comparable Sales Analysis

A total of four closed sales and one current listings of single-tenant retail properties are presented for comparison to the subject. The subject property is a single-tenant retail building. The comparables are situated in the unincorporated Los Angeles County community of East Los Angeles (Nos. 1, 2, 3 and 5) and the City of Whittier (No. 4). The subject property is located in the City of Montebello. No relevant single-tenant retail building sales were uncovered within the subject City of Montebello. Nos. 1, 2, 3 and 5 are one-story retail buildings whereas No. 4 is a one-story plus mezzanine structure. The comparables range in size from 3,150 to 6,375 rentable square feet and built in 1947, 1928, 1947, 1947 and 1922, respectively. The subject one-story building was constructed in 1940. Nos. 1, 2 and 3 are provided on-site parking at ratios of 2.4, 1.6 and 1.7 spaces per 1,000 square feet . No. 4 does not have on-site parking but is situated adjacent to a free, City-owned parking lot which provides parking at a ratio of 1.2 spaces per 1,000 square feet. No. 5 does not have on-site parking or is situated near a City-owned parking lot. The subject property does not have on-site parking but is situated adjacent City-owned parking lot which provides free parking to the immediate retail businesses at a ratio of 2.6 spaces per 1,000 square feet.

The four actual sales closed in June 2019, September 2019, January 2020 and February 2020 at per square foot prices equating to $218.18, $238.10, $182.53 and $212.03, respectively. No. 1 was vacant at the time of sale and purchased by an owner-user; No. 2 was acquired by the tenant; No. 3 pertains to a vacant property purchased by a part owner-user who will partially convert and occupy the property with their dental practice and lease out the remaining space; No. 4 was a vacant property acquired by an owner-user. No. 5 pertains to current listing available at $185.88 per square foot, with no current recent offers reported. Currently fully leased to one tenant on a month-to-month basis, No. 5 is being marketed to both an investor and an owner-user. Detailed below is an adjustment grid comparing the relevant features of the subject with the comparables.

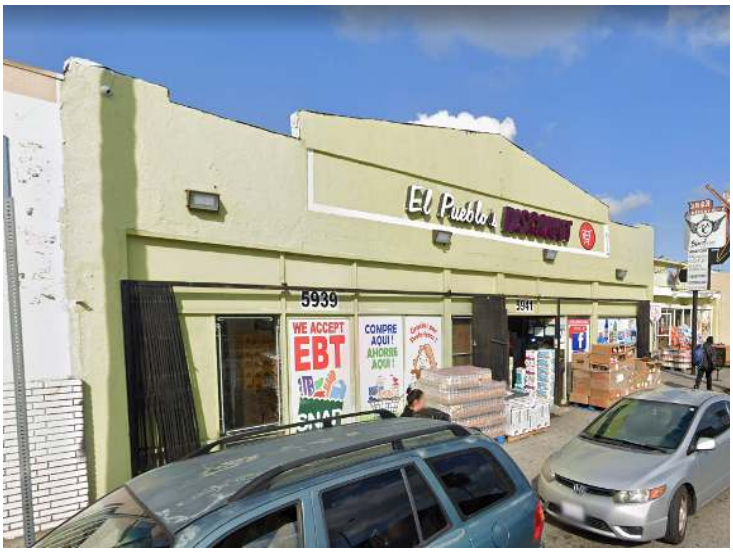
		COMPARABLE SALES NOS.				
	SUBJECT	**1**	**2**	**3**	**4**	**5**
Sale Date	--	6/28/19	9/17/19	1/16/20	2/4/20	Available
Sales Price PSF	--	$218.18	$238.10	$182.53	$212.03	$185.88
Property Rights	**Leased Fee**	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Leased Fee
Adjustment	--	*0%*	*0%*	*0%*	*0%*	*0%*
Adj. Price PSF	--	$218.18	$238.10	$182.53	$212.03	$185.88
Conditions Sale	--	Market	Market	Market	Market	Listing
Adjustment	--	*0%*	*0%*	*0%*	*0%*	*-3%*
Adj. Price PSF	--	$218.18	$238.10	$182.53	$212.03	$180.30
Mkt. Conditions	--	*4.17%*	*2.50%*	*0.83%*	*2.50%*	*0.00%*
Adj. Price PSF	--	$227.27	$244.05	$184.05	$217.33	$180.30
Other Adjsts.:						
Location	**Montebello**	East LA	East LA	East LA	Whittier	East LA
Adjustment	--	*5%*	*5%*	*5%*	*-5%*	*5%*
Frwy. Proximity	**Average**	Good	Good	Average	Average	Good
Adjustment	--	*-8%*	*-8%*	*0%*	*0%*	*-8%*
Street Frontage	**1 Major**	1 Major	1 Major	1 Major	1 Secondary	1 Major
Adjustment	--	*0%*	*0%*	*0%*	*5%*	*0%*
Signalized Corner	**No**	No	No	No	No	No
Adjustment	--	*0%*	*0%*	*0%*	*0%*	*0%*
Pedestrian Traffic	**Average**	Average	Average	Below Avg.	Avg./Good	Avg./Good
Adjustment	--	*0%*	*0%*	*5%*	*-5%*	*-5%*
Rentable Sq. Ft.	**5,000**	3,300	3,150	5,725	5,188	6,375
Adjustment	--	*-5%*	*-6%*	*3%*	*0%*	*5%*
Stories	**One**	One	One	One	One+Mezz.	One
Adjustment	--	*0%*	*0%*	*0%*	*5%*	*0%*
Pk. Ratio/1,000	**2.6**	2.4	1.6	1.7	1.2	0.0
Adjustment	--	*0%*	*3%*	*3%*	*5%*	*10%*
Parking Type	**Single**	Single & Tandem	Single	Single	Single	N/A
Adjustment	--	*3%*	*0%*	*0%*	*0%*	*0%*
Year Built/Ren.	**1940**	1947	1928	1947	1948	1922
Adjustment	--	*0%*	*0%*	*0%*	*0%*	*5%*
Quality/Condition	**Avg./Good**	Average	Avg./Good	Average	Avg./Good	Average
Adjustment	--	*5%*	*0%*	*5%*	*0%*	*10%*
FAR	**0.96**	0.66	0.55	0.57	1.11	1.00
Adjustment	--	*0%*	*0%*	*0%*	*0%*	*0%*
Occupancy	**100.0%**	0.0%	100.0%	0.0%	0.0%	100.0%
Adjustment	--	*0%*	*0%*	*0%*	*0%*	*0%*
Other Adsts.	--	***0%***	***-6%***	***21%***	***5%***	***22%***
Adj. Price PSF	--	***$227.27***	***$229.41***	***$222.70***	***$228.20***	***$219.97***



Subject Property



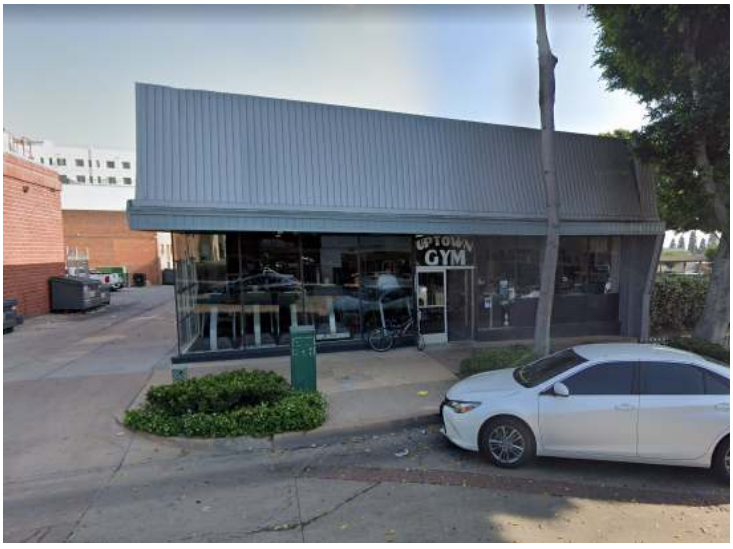
Sale No. 1



Sale No. 2



Sale No. 3



Sale No. 4



Sale No. 5

The adjustments made are purely judgmental and do not involve paired match studies that can be proved quantitatively. None of the comparables were adjusted for interest appraised. Although the subject property pertains to the leased fee interest, the property could be acquired by either an investor or owner user. No. 5 was adjusted down by 3.0% as it pertains to a reasonably priced listing only and not a closed sale. Nos. 1, 2, 3 and 4 are consummated sales which were adjusted upward by 0.417% per month or 5.00% annually through March 2020 just prior to the onset of the Coronavirus (COVID-19) pandemic to reflect improved market conditions during the last few years. Per brokers active in the area, rental market conditions have been flat since March 2020. Further adjustments for overall location, freeway proximity, street frontage, pedestrian traffic, rentable square feet, stories, parking ratio, parking type, year built and renovation and quality and condition. The adjustments result in an adjusted sales range of $219.97 to $229.41 per square foot or an average of $225.51 per square foot.

Leased Fee Estate Market Value

The subject site is improved with a 5,000 rentable square foot single-tenant one-story, reinforced brick and stucco retail building originally built in 1940. Overall, the interior improvements are currently in average to good condition considering their age. The property benefits from its location along a major commercial thoroughfare. Moderate drawbacks to the subject property are its average freeway proximity, average pedestrian activity and lack of fee-owned parking. Based on our analysis of the comparable sales and listings presented, leased fee estate market value close to the adjusted average of the sales or $225.00 per square foot is adopted for the subject property.

5,000 Sq. Ft. @ $225.00/Sq. Ft. $1,125,000

RECONCILIATION

Summarized below are the "as is" leased fee estate market value as of November 13, 2020, derived from the two approaches to value used in this report.

Valuation Approach	Leased Fee Simple Estate Market Value As of November 13, 2020
Income	$ 970,000
Sales Comparison	$1,125,000

The Income Approach results in a leased fee estate market value of the property of $970,000 and is based on thorough rental, expense and capitalization rate analyses and provides a reliable approach to value for most retail properties.

The Sales Comparison Approach includes four closed sales and one current listing of single-tenant retail properties located within comparables areas to the City of Montebello . These sales provide fairly good indications of the "as is" market value of the subject property. The "as is" leased fee estate market value of the subject property by the Sales Comparison Approach is estimated at $1,125,000.

The market values of the subject property shown by the two approaches differ by $155,000 or 13.8%. The subject property would be desirable to both an investor and owner-user due to the current month-to-month lease in place. Placing equal weight on both approaches, a final "as is" leased fee estate market value of $1,050,000 is adopted for the subject property.

VALUATION

Based upon investigation, analyses, and experience, the following opinions of market value for the subject property are formed, subject to the general assumptions and limiting conditions found throughout this report:

"As Is" Leased Fee Estate Market Value..... $1,050,000

The value conclusion above refers to real property and does not include any non-realty components such as personal property (FF&E or M&E) and intangible property (business enterprise components). There are no extraordinary assumptions and hypothetical conditions contained in this appraisal report.

Numerous brokers interviewed stated that user and investor retail sale activity was very strong and sale prices escalated very significantly between 2014 and up until early March 2020 before the onset of the Coronavirus (COVID-19) pandemic. The Coronavirus outbreak has put fear in financial markets as investors face the apparent reality that the pandemic has led the world economy into a recession. Nearly all governments, corporations, organizations and event planners implemented unprecedented measures including a shutdown of all non-essential businesses and personal activities. Many businesses had fully or partially reopened in June 2020; however, on July 13, 2020, Governor Gavin Newsom reimposed restrictions on many indoor businesses statewide, including food and beverage operations. The closures will stay in place until counties meet standards set out by the state.

The Coronavirus (COVID-19) pandemic has led the United States economy into a recession that has resulted in very sharp declines in GDP (Gross Domestic Product) for H1 2020 and in job losses, particularly in the retail, food and beverage, and transportation sectors. The unique nature of this downturn should result in an unusually swift recovery that could begin as early as 4th Quarter 2020. It is hopeful that the Coronavirus (COVID-19) pandemic peaks this fall in the U.S. and the U.S. government's fiscal and monetary stimulus continues to bear some fruit. This, paired with pent-up private demand, could help the U.S. economy return to growth by year-end 2020 and drive stronger growth in 2021.

The short-term effects of the pandemic are harsh, have severely disrupted the world economy and will likely have some negative impact on all real estate sectors in the United States and globally in the short-term. The mid- to long-term impact of the Coronavirus pandemic on real estate markets is unknown at this time. Although some market data (rental rates, overall capitalization rates and sale prices) relating to the subject property type (retail) has been uncovered, it is clear that uncertainty in real estate markets has resulted based on our interviews with market participants and review of investor surveys and publications which leads to increased risk and lower property values. The value conclusions made herein consider the current impact the Coronavirus (COVID-19) pandemic is having as of the effective date of this report.

LIMITING CONDITIONS

This report is made expressly subject to the following conditions and stipulations:

1) No opinion as to **title** is rendered. Data related to ownership and legal description were obtained from county records or owner and is considered reliable. Title is assumed to be marketable and free and clear of all liens, encumbrances, easements and restrictions except those specifically discussed in the report. The property is appraised assuming it to be under responsible ownership and competent management.

2) The appraiser has made no survey or engineering analysis of this property. The appraiser assumes the existing boundaries to be correct, that no encroachments exist, and assumes no responsibility for any condition not readily observable from customary investigation and inspection of the premises, which might affect the valuation, except in those items, which were specified in the report.

3) The report is based, in part, upon information assembled from a wide range of sources and, therefore, the incorporated data cannot be guaranteed. An impractical and uneconomic expenditure of time would be required in attempting to furnish unimpeachable verification in all instances, particularly as to engineering and market-related information.

   It is suggested that the client consider independent verification within these categories as a prerequisite to any transaction involving sale, lease, or other significant commitment of the subject property, and that such verification be performed by the appropriate specialists.

4) The **date of value,** to which the conclusions and opinions expressed in this report apply, is set forth in the letter of transmittal. Further that the dollar amount of any value opinion rendered was based upon the purchasing power of the American dollar existing on that date.

5) The appraiser assumes no responsibility for **economic or physical factors**, which may affect the opinions in this report, which occur after the date of the letter transmitting the report.

6) The appraiser reserves the right to make such **adjustments** to the analyses, opinions and conclusions set forth in this report as may be required by consideration of additional data or more reliable data that may become available.

7) No opinion is expressed as to the value of **subsurface oil, gas or mineral rights** or whether the property is subject to surface entry for the exploration or removal of such materials except as is expressly stated.

8) No opinion is intended to be expressed for matters that require **legal expertise** or specialized investigation or knowledge beyond that customarily employed by real estate appraisers.

9) In the event the report is placed in the hands of a third party, it is requested that such party be made cognizant of any and all **limiting conditions** resulting from the basis of appraiser's employment and discussions related thereto as well as those set forth in the report.

10) No consideration has been given in the appraisal as to the value of any **personal property** (as considered by the appraisers) located on the premises, or the cost of moving or relocating such personal property; only the real property has been considered.

11) No detailed **soils studies** or information relating to geologic conditions covering the subject property were available to the appraiser. Therefore, it was assumed that existing soil conditions are capable of supporting development and standard construction on the subject property to its assumed highest and best use without extraordinary foundation or soil remedial expense.

12) Since **earthquakes** are not uncommon in the area, no responsibility is assumed for their possible effect on individual properties, unless detailed geologic reports are made available.

13) **Testimony** or attendance in court or at any other hearing is not required by reason of rendering this appraisal, unless such arrangements are made a reasonable time in advance.

14) **Maps, plats and exhibits** included in the report are for illustration only as an aid in visualizing matters discussed within the report. They should not be considered as surveys, or relied upon for any other purpose, nor should they be removed form, reproduced, or used apart from the report.

15) The property is appraised assuming it to be in full compliance with all applicable federal, state and local environmental **regulations and laws**, unless otherwise stated.

16) The property is appraised assuming that all applicable **zoning** and use regulations and restrictions have been compiled with, unless otherwise stated.

17) The property is appraised assuming that all **required licenses**, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based, unless otherwise stated.

18) That **possession** of this report, or a copy of it, does not carry with it the right of publication or reproduction. Any person other than the party to whom it is addressed without the written consent of the appraiser and in any event only with proper written qualification and only in its entirety may not use it for any purpose.

19) The **liability** of Thomas W. Baaden, MAI is limited to the client only. Further, there is no accountability, obligation or liability to any third party. If this report is placed in the hands of anyone other than the client, the client shall make such party aware of all limiting conditions and assumptions of the assignment and related discussion. The appraiser is in no way to be responsible for any costs incurred to discover or correct any deficiencies of any type present in the property, physical, financial, and/or legal.

20) Acceptance of and/or **use of this appraisal** report by the client or any third party constitutes acceptance of the above conditions. Appraiser's liability extends only to the stated client, not subsequent parties or users, and is limited to the amount of fee received by appraiser.

21) Unless otherwise stated in this report, the **existence of hazardous material** that may or may not be present on the property was not observed by the appraisers. The appraisers have no knowledge of the existence of such materials on or in the property. The appraisers, however, are not qualified to detect such substances. The presence of substances such as asbestos, urea formaldehyde foam insulation or any of the other 300+ identified potentially hazardous chemicals/materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for such condition or for any expertise or engineering

knowledge required discovering them. The client is urged to retain an expert in this field, if desired.

22) Information relating to the **income and expenses** covering the subject property that was provided by the property operator are assumed accurate.

23) This appraisal should not be considered a report on the physical items that are a part of the appraised property. Although the appraisal may contain information about the physical items being appraised (including their adequacy and/or condition), it should be clearly understood that this information is only to be used as a general guide for property valuation and not as a complete or detailed physical report. The appraisers are not construction, environmental, or legal experts, and any statement given on these matters should be considered preliminary in nature.

24) The methodology utilized in calculating an **insurable value** is not delineated in any Appraisal Institute publication of which we are aware. Further, we are not contractors with construction or replacement cost expertise and have relied on various published information. Thus, it is a somewhat esoteric exercise that is provided as a service to and at the request of the Client, but we are not responsible for its ultimate use. The lender and/or ownership should consult with their insurer to ensure adequate coverage is maintained to restore the premises in the event of loss.

25) The observed condition of the foundation, roof, exterior walls, floors, heating system, plumbing, insulation, electrical service, and all other mechanical and constructions based on a casual inspection only and no detailed inspection was made. The structures were not checked for building code violations, and it is assumed that all building components meet applicable building codes unless so stated in the report.

Because no detailed inspection was made, and because such knowledge goes beyond the scope of this appraisal, any observed condition or other comments given in this appraisal should not be taken as a guarantee that a problem does not exist. Specifically, no guarantee is made as to the adequacy or condition of the foundation, roof, exterior walls, interior walls, floors, heating system, air conditioning system, plumbing, electrical service, insulation, or any other detailed construction matters. If any interested party were concerned about the existence, condition, or adequacy of any particular building or site component, we would strongly suggest that a construction expert be hired for a detailed investigation.

CERTIFICATION

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and no personal interest or bias with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results. **The undersigned has not performed any services, as an appraiser or in any other capacity, on the subject property within the last three years. The appraiser has no present or prospective interest in the subject property.**
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) and the specific requirements of the Client.
- I have made a personal inspection of the property that is the subject of this report.
- My value conclusion, as well as other opinions expressed herein, are not based on a requested minimum value, a specific value or approval of a loan.
- No one other than the undersigned and Marisol Marquez provided significant professional assistance in preparing the report. Marisol Marquez assisted in data research and compilation.

I certify that I have the appropriate knowledge and experience required to complete the appraisal assignment; otherwise, the steps are noted to comply with the competency provision of USPAP. I also certify that my state appraisal license has not been revoked, suspended, canceled or restricted. As of the date of this report, Thomas W. Baaden, MAI has completed the requirements of the continuing education program of The Appraisal Institute.

Respectfully submitted,

PACIFIC REALTY ASSOCIATES, INC.

Thomas W. Baaden, MAI
BREA #AG004789
Expires 1-24-2021

ADDENDA

EXHIBIT A

Appraisal Authorization

PACIFIC REALTY ASSOCIATES, INC.

REAL ESTATE APPRAISAL & CONSULTATION

2459 West 208th Street, Suite 203
Torrance, California 90501
Telephone (310) 294 - 8563
Facsimile (310) 294 - 8564
tbaaden@astbb.com

October 26, 2020

Mr. Joseph A. Palombi
Director
City of Montebello
1600 West Beverly Boulevard
Montebello, California 90640

Reference:

Property No. 1:	Property No. 2
612 West Whittier Boulevard	715 West Whittier Boulevard
Montebello, California 90640	Montebello, California 90640
Assessor Parcel No.: 6346-027-007	Assessor Parcel No.: 6349-007-004

Mr. Palombi:

The following proposal concerning appraisal services to be performed on the terms and conditions is set forth below. Separate narrative appraisal reports will be provided on the above referenced properties to determine the current market value of the leased fee estate interests.

The total fee for this assignment is $5,850 ($2,925 for each property). The reports will be completed within 3.5 weeks of receipt of this authorization. Three copies of the reports and an electronic copy (PDF) will be provided. All payments due shall bear interest at the rate of ten (10) percent per annum commencing thirty (30) days after such payments are due. In the event that any payment is not paid when due, you shall pay all expenses of collection including, but not limited to, court costs and attorneys' fees.

Sincerely,

PACIFIC REALTY ASSOCIATES, INC.

Thomas W. Baaden, MAI

Authorized By: Joseph Palombi
(Print Name)

(Signature)

Date: October 26, 2020

PROFESSIONAL QUALIFICATIONS - THOMAS W. BAADEN, MAI

EXPERIENCE:

Pacific Realty Associates, Inc.
Torrance, California,

Principal - Provides consulting, investment and valuation services on all types of vacant and improved commercial, industrial, residential income, retail, and special purposes properties.

Buss-Shelger Associates, Los Angeles, California (1985 - 2003)

Vice President. Regional appraisal firm located in Downtown Los Angeles. Provided consulting, investment and valuation services on all types of vacant and improved properties.

Hughes Aircraft, El Segundo, California (1983-1985)
Financial Analyst

LICENSES:

Licensed **Certified - General Real Estate Appraiser**
State of California

Licensed State of California Real Estate Broker

PROFESSIONAL ACTIVITIES:

Member of Appraisal Institute, MAI No. 8541

Member of American Industrial Real Estate Association (AIR)

CERTIFICATION:

Currently certified under the Appraisal Institute's voluntary program of continuing education for its designated members (MAIs who meet the standards of this program are awarded periodic certification).

Certified as General Real Estate Appraiser in the State of California BREA Appraiser Certification No. AG004789; expiration January 24, 2021

EDUCATION:

Bachelor of Science, Business Administration, Emphasis in Real Estate Finance - University of Southern California, Los Angeles, California (1984)

CONTACTS:

Pacific Realty Associates, Inc.
18732 Crenshaw Boulevard
Torrance, California 90504
310 323 - 3535; Ext. 2 (Work Phone)
310 877 - 8553 (Cell Phone)
310 323 - 3636 (Fax)
tbaaden@astbb.com

Business, Consumer Services & Housing Agency

BUREAU OF REAL ESTATE APPRAISERS

REAL ESTATE APPRAISER LICENSE

Thomas W. Baaden

has successfully met the requirements for a license as a residential and commercial real estate appraiser in the State of California and is, therefore, entitled to use the title:

"Certified General Real Estate Appraiser"

This license has been issued in accordance with the provisions of the Real Estate Appraisers' Licensing and Certification Law.

BREA APPRAISER IDENTIFICATION NUMBER: AG 004789

Effective Date: January 25, 2019
Date Expires: January 24, 2021

Jim Martin, Bureau Chief, BREA

3044815

THIS DOCUMENT CONTAINS A TRUE WATERMARK - HOLD UP TO LIGHT TO SEE "CHAIN LINK"

ATTACHMENT D

RESOLUTION NO. 21-____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MONTEBELLO APPROVING: THE PURCHASE AND SALE AGREEMENT FOR THE PURCHASE OF REAL PROPERTY LOCATED AT 715 W. WHITTIER BOULEVARD AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE PURCHASE AND SALE AGREEMENT ON BEHALF OF THE CITY

WHEREAS, the City of Montebello (the "City") intends to acquire certain real property owned by Phillip J. Pace and Phyllis M. Pace (collectively the "Seller"), the fee owners, at 715 W. Whittier Boulevard in the City of Montebello, California (Los Angeles County Assessor's Parcel Number ["APN"] 6349-007-004); and

WHEREAS, the Seller is the owner of said real property located at 715 W. Whittier Boulevard in the City of Montebello, California (Los Angeles County Assessor's Parcel Number ["APN"] 6349-007-004); and

WHEREAS, the Seller desires to transfer ownership of an approximately 5,000 square foot building on an approximately 5,195 square foot lot (the "Property") to the City by and through a negotiated Purchase and Sale Agreement; and

WHEREAS, the City Council and the City's real property negotiator discussed the deal points in closed session on December 16, 2020 and January 13, 2021; and

WHEREAS, the Staff commissioned an appraisal, which valued the Property at $1,050,000, and the negotiated sales price is $1,200,000; and

WHEREAS, on March 16, 2021, the Planning Commission made the necessary finding that the acquisition of the Property from the Seller conforms with the Montebello General Plan pursuant to California Government Code Section 65402.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MONTEBELLO DOES FIND, DETERMINE, RECOMMEND AND RESOLVES AS FOLLOWS:

SECTION 1: The City Council hereby finds that the above recitals are true and correct and incorporate them herein as part of the findings.

SECTION 2: Based upon all information presented to the City Council during its consideration of this matter, the City Council hereby approves and authorizes the City's purchase of the real property located at 715 W. Whittier Boulevard in City of Montebello, California (the "Property") for $1,200,000

SECTION 3: The City Council hereby approves the Purchase and Sale Agreement and authorizes staff to continue negotiating the final form as long as no change to purchase price or description of property being purchased, which final agreement shall be approved as to form by the City Attorney's office.

.

SECTION 4: The City Council further authorizes the City Manager to execute the Purchase and Sale Agreement between the City of Montebello and Phillip J. Pace and Phyllis M. Pace, and any related documents reasonably necessary to complete the purchase in accordance with the final Agreement and accept title to the Property on behalf of the City.

SECTION 6: The adoption of this Resolution is not subject to California Environmental Quality Act (CEQA) because CEQA Guidelines section 15060(c)(2) states that a project is not subject to CEQA review where the activity will not result in a direct or reasonably foreseeable indirect physical change to the environment and is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) which states that a project is exempt from CEQA "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 City's acquisition of the Property will not result in a direct or reasonably foreseeable indirect physical change to the environment and there is no possibility that the acquisition of the Property will have a significant effect on the environment because the Property will continue to be used for commercial purposes and any future changes to the Property shall comply with CEQA at that time.

SECTION 7. This Resolution shall become effective immediately upon its adoption by the City Council and the City Clerk shall certify to the adoption of this Resolution.

PASSED AND ADOPTED this 24th day of March 2021 by City Council.

_____
Kimberly A. Cobos-Cawthorne, Mayor

ATTEST:

_____
Christopher Jimenez, City Clerk

APPROVED AS TO FORM:

_____
Arnold M. Alvarez-Glasman, City Attorney

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS:
CITY OF MONTEBELLO)

I, Christopher Jimenez, City Clerk of the City of Montebello, County of Los Angeles, State of California, hereby certify that the foregoing Resolution No. 21-__ was passed and adopted by the City Council of the City of Montebello, signed by the Mayor and attested by the City Clerk at a regular meeting of said Council held on the 24th day of March 2021 and that said Resolution was adopted by the following vote, to-wit:

AYES:
NOES:
ABSTAIN:
ABSENT:

The undersigned, City Clerk of the City of Montebello, does hereby attest and certify that the foregoing Resolution is a true, full and correct copy of a resolution duly adopted at a meeting of said City which was duly convened and held on the date stated thereon, and that said document has not been amended, modified, repealed or rescinded since its date of adoption and is in full force and effect as of the date hereof.

DATE: _____

__
Christopher Jimenez, City Clerk

ATTACHMENT E

CITY COUNCIL RESOLUTION NO. 21-_____
HOUSING SUCCESSOR RESOLUTION NO. 21-_____

JOINT RESOLUTION OF THE CITY COUNCIL OF THE CITY MONTEBELLO AND THE CITY COUNCIL OF THE CITY OF MONTEBELLO SERVING AS HOUSING SUCCESSOR OF THE FORMER MONTEBELLO REDEVELOPMENT AGENCY, APPROVING AN INTERFUND LOAN FROM THE HOUSING SUCCESSOR AGENCY FUND TO THE GENERAL FUND FOR THE PURCHASE OF REAL PROPERTY LOCATED AT 715 WEST WHITTIER BOULEVARD

WHEREAS, the Planning Commission, on March 16, 2021, adopted a resolution making the finding that the acquisition of real property at 715 West Whittier Blvd. conforms with the Montebello General Plan pursuant to Government Code Section 65402; and,

WHEREAS, the acquisition of said property conforms with Montebello's General Plan Land Use Element and meets numerous land use objectives and policies beneficial to the City and the surrounding community; and,

WHEREAS, purchase of this property presents a unique opportunity for the City to assemble land, which creates opportunities for existing and future uses consistent with City Council policy direction, and the Property's location on a major corridor is central to the future vision of this area of the City that includes a downtown specific plan and would make it possible to incorporate the Property into a more beneficial and productive use that adds value to the downtown Whittier Blvd. corridor and surrounding areas; and,

WHEREAS, in order to quickly and easily effectuate purchase of the property at 715 West Whittier Blvd., an interfund loan in the amount of $900,000 from the Housing Successor Agency Fund to the General Fund is necessary; and,

WHEREAS, the City Council and the Housing Successor finds and declares that adoption of this Resolution is necessary and appropriate and in furtherance of the City's best interests.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF MONTEBELLO, CALIFORNIA AND THE CITY COUNCIL OF THE CITY OF MONTEBELLO SERVING AS THE HOUSING SUCCESSOR TO THE FORMER MONTEBELLO REDEVELOPMENT AGENCY, HEREBY:

SECTION 1. Recitals. Based upon all information presented during its consideration of this matter, the City Council and the Housing Successor find and declare that the foregoing recitals are true and correct, and hereby incorporates the same as substantive findings into this Resolution.

SECTION 2. Appropriateness of Source Fund. The City Council and the Housing Successor have reviewed the appropriateness of the interfund loan made by this Resolution, including but not limited to: the availability of cash balances and

uncommitted funds in the Housing Successor Agency Fund (Fund No. 810); the reliability and volatility of revenues available to replenish the Housing Successor Agency Fund; any multi-year plans for use of the monies in the Housing Successor Agency Fund; and potential risks if the loaned monies are required by the Housing Successor Agency Fund if the monies are required during the loan term. Based on its review of such matters, the City Council and Housing Successor find and declare that the proposed loan is consistent with the purposes of the Housing Successor Fund, and monies in said account have not been appropriated for other purposes and thus the loan of monies therefrom will not pose significant risks to the Housing Successor Agency Fund or the City's budgetary needs if the loaned funds are repaid no later than Fiscal Year 2022-23.

SECTION 3. Authorization of Loan. The City Council hereby authorizes an advance, in the form of a loan, from the City's Housing Successor Agency Fund available cash balance to the General Fund, in the amount of Nine Hundred Thousand Dollars ($900,000) to the City of Montebello.

SECTION 4. Deposit of Loan Proceeds. The Finance Director for the City and Housing Successor are hereby authorized and directed to make the appropriation / transfer of Loan proceeds authorized by this Resolution, which shall be recorded in the financial statements as additions to cash in the General Fund, with a liability in the Housing Successor Agency Fund recorded to show the Loan proceeds that are to be repaid. The Finance Director shall keep and maintain records evidencing the transfer of Loan funds authorized by this Resolution in a manner that is consistent with generally accepted accounting practices for local governmental agencies.

SECTION 5. Repayment of Loan. The City Council expressly declares that the monies from the Housing Successor Agency Fund appropriated hereunder are a Loan, and not a grant, and that the City Council expects and directs that the Loan made by this Resolution shall be repaid in full by the General Fund by June 30, 2023.

SECTION 6. Ongoing Management. The City Council authorizes and directs staff to pursue and facilitate repayment of the Loan as described above, and to otherwise manage and administer the Loan in accordance with the terms hereof.

SECTION 7. This Resolution shall take effect immediately, and the City Clerk and Housing Successor Secretary shall certify to its adoption.

APPROVED AND ADOPTED this 24th day of March 2021.

_____
Mayor/Housing Successor Chair

ATTEST: **APPROVED AS TO FORM:**

_____ _____
City Clerk/Secretary Arnold M. Alvarez-Glasman, City Attorney

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS:
CITY OF MONTEBELLO)

I, Christopher Jimenez, City Clerk of the City of Montebello, County of Los Angeles, State of California, hereby certify that the foregoing Resolution No. 21-__ was passed and adopted by the City Council of the City of Montebello, signed by the Mayor and attested by the City Clerk at a regular meeting of said Council held on the 24th day of March 2021 and that said Resolution was adopted by the following vote, to-wit:

AYES:
NOES:
ABSTAIN:
ABSENT:

The undersigned, City Clerk of the City of Montebello, does hereby attest and certify that the foregoing Resolution is a true, full and correct copy of a resolution duly adopted at a meeting of said City which was duly convened and held on the date stated thereon, and that said document has not been amended, modified, repealed or rescinded since its date of adoption and is in full force and effect as of the date hereof.

DATE: _____ _____
Christopher Jimenez, City Clerk

ITEM #_18_

CITY OF MONTEBELLO

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

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

BY: David Sosnowski, Director of Recreation & Community Services

SUBJECT: **Approval of Amendment No. 1 to Agreement No. 3751 – Park Facility Master Plan and Facility Needs Assessment Services**

DATE: March 24, 2021

RECOMMENDATIONS:

It is recommended that the City Council:

1) Approve Amendment No. 1 to Agreement No. 3751 to provide Park Facility Master Plan (PFMP) and Facility Needs Assessment (FNA) Services with KTUA; and,

2) Authorize the City Manager to execute Amendment No. 1 on behalf of the City.

BACKGROUND / ANALYSIS

On February 12, 2020, after issuing a request for proposals (RFP 19-56), the City awarded a contract to KTUA to provide PFMP and FNA Services. The approved contract is for an initial term of one (1) year, with an option to extend for two (2) additional, one-year (1) terms.

Since March of 2020, KTUA has performed with due diligence to complete the necessary research, analysis and public outreach for the PMP and FNA. The original timeline for the project was slightly delayed due to the impacts of the Novel Coronavirus (COVID-19) and related restrictions on gathering which impacted the public outreach components of the project. The proposed amendment to the agreement ("Amendment No. 1") is being recommended to allow KTUA to continue work on the City's PFMP and FNA as described in the original scope of work.

City Council is being asked to consider extending the professional services agreement with KTUA for by an additional one-year term from March 7, 2021 to March 6, 2022 to allow for completion of the project. Additionally, the extended term allows for any follow-up support or technical assistance related to the PFMP and FNA after their adoption.

FISCAL IMPACT

The total not-to-exceed cost for services originally approved by the City Council to provide the PFMP and FNA is $383,749. The proposed extension will not increase the total contract amount. It is further noted that the funding for the project is included as a part of the budget for Fiscal Year 2020-21. Appropriate funds will be appropriated in FY 2021-22 as needed to complete all work per the agreement.

SUMMARY

The City Council will consider approval of Amendment No. 1 to Agreement No. 3751 with KTUA to provide Park Facility Master Plan and Facility Needs Assessment Services by extending the contract term by one-year, as permitted by the original terms of the professional services agreement.

ATTACHMENT

A. Attachment A – Amendment No. 1 to Agreement No. 3751

ATTACHMENT A

CITY OF MONTEBELLO

AMENDMENT NO. 1
TO PROFESSIONAL SERVICES AGREEMENT NO. 3751
WITH KTUA

This Amendment No. 1 to Professional Services Agreement No. 3751 by and between the CITY OF MONTEBELLO and KTUA, ("Amendment No. 1") is entered into this 24th day of March 2021 ("Effective Date"), by and between KTUA, ("Contractor") and the City of Montebello ("City"), with reference to the following facts:

RECITALS

WHEREAS, Contractor and City (sometimes hereinafter individually referred to as a "Party" and jointly as the "Parties") entered into that certain agreement to provide Park Facility Master Plan and Facility Needs Assessment Services by and between the City of Montebello and KTUA, dated February 12, 2020 (the "Agreement"), pursuant to which City retained Contractor to provide Park Facility Master Plan and Facility Needs Assessment Services, as further described in the Agreement; and

WHEREAS, the Parties, being mutually satisfied with the other Party's performance of the Agreement, desired to extend the term of the Agreement for an additionalone year term.

AMENDMENT

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, the receipt adequacy of which is expressly acknowledged by the Parties, the Parties agree to amend the Agreement as follows:

SECTION 1. Recitals. The above recitals are true and correct and are hereby incorporated herein as part of this Amendment No. 1.

SECTION 2. Term. The term of the Agreement is hereby extended for an additional one-year term from March 7, 2021 to March 6, 2022.

SECTION 3. Remainder of Agreement Effective. Except as expressly amended in Section 2 of this Amendment No. 1, the remainder of the Agreement shall remain in full force and effect and is incorporated herein in its entirety. If there is any conflict between Section 2 of this Amendment No. 1 and the Agreement, then the terms of Section 2 of this Amendment No. 1 shall control to the extent of such conflict.

[SIGNATURES ON THE NEXT PAGE]

IN WITNESS WHEREOF, the Parties execute this Amendment No. 1 to the Agrement as of the Effective Date identified above.

("CITY")

CITY OF MONTEBELLO

By: _____
René Bobadilla, City Manager

("CONTRACTOR")

KTUA

By: _____
Name

_____
Title

ATTEST:

By: _____
Christopher Jimenez, City Clerk

APPROVED AS TO FORM:

By: _____
Arnold M. Alvarez-Glasman, City Attorney

ITEM # 19

CITY OF MONTEBELLO

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

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

BY: Fernando Pelaez, Fire Chief

SUBJECT: **Adopt a Resolution Approving the San Gabriel Valley Council of Governments' (SGVCOG) Whitepaper on Los Angeles Housing Services Authority (LAHSA) Reform**

DATE: March 24, 2021

RECOMMENDATIONS:

It is recommended that the City Council:

1) Adopt a Resolution approving the San Gabriel Valley Council of Governments' (SGVCOG) Whitepaper on Los Angeles Housing Services Authority (LAHSA) Reform for the purpose of addressing homelessness.; and

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

BACKGROUND

The San Gabriel Valley Council of Governments (SGVCOG) is a regional planning entity comprised of the thirty participating cities including the City of Montebello, the County of Los Angeles, and the Water Districts in the San Gabriel Valley. The SGVCOG advocates for regional and member interests and develops and manages regional programs to support its member jurisdictions. Within its oversight the SGVCOG is also responsible for addressing issues impacting housing and homelessness, and continues to ensure it provides support and advocacy in those areas.

In response to the Countywide homelessness crisis and challenges within the current homelessness services system, the Los Angeles County Board of Supervisors approved a motion on September 1, 2020, seeking to explore changes to the structure and function of the LAHSA and highlighting the need to examine the system as a whole. A similar motion was approved by the City of Los Angeles City Council. Meanwhile, LAHSA itself convened an Ad Hoc Committee on Governance to consider similar concerns. Subsequent events, including the election of three new Los Angeles City Councilmembers and the announced retirement of the Director of the County Homeless Initiative, have further set the stage for reform in these areas.

In response, the SGVCOG convened a working group to draft a White Paper to ensure the San Gabriel Valley had a leading voice in these reform efforts. This working group consisted of representatives from the SGVCOG. From September to November 2020, the working group met five times, and continues to revise and update the plan as actions occur.

The resulting White Paper (Attachment A) is organized around the following discussion topics:

- Exploring the causes and impacts of systemic problems with the current homelessness response system, especially as they relate to smaller cities;
- Identifying comprehensive solutions; and
- Confirming the San Gabriel Valley's commitment to best practices and programs and to affirming a willingness to lead the region to a more effective, County-wide coordinated strategy to combat homelessness.

Specifically, the White Paper identifies several problems with the current system, including a lack of collaborative relationship with smaller cities, a lack of funding for locally-based and supported initiatives and programs, and poor communication and lack of transparency. To address these problems, the White Paper proposes potential solutions including increasing representation for smaller cities within the current system and providing more autonomy within the current system, as well as leaving the door open to pursue independent control of homelessness funds if these strategies are unsuccessful at sufficiently resolving the stated concerns.

The City Manager's Steering Committee, the Homelessness Committee, and the Executive Committee of the San Gabriel Valley Council of Governments reviewed the White Paper at their respective meetings in November and December and recommended that the Governing Board adopt the White Paper, which subsequently adopted the paper at its January 21, 2021 meeting.

Therefore, the City of Montebello is seeking to support the adoption of the Resolution approving the SGVCOG Whitepaper on LAHSA Reform.

ENVIRONMENTAL

This item is not subject to the California Environmental Quality Act (CEQA) pursuant to the State CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, sections: 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment); 15060(c)(3) (the activity is not a project as defined in Section 15378); and 15061(b)(3), because 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. Because there is no possibility that this item may have a significant adverse effect on the environment, the item is exempt from CEQA.

FISCAL IMPACTS

The adoption of SGVCOG White Paper on LAHSA Reform Resolution has no financial impact. However, it will allow the City to pursue various funding opportunities to continue to explore innovative approaches in addressing the impacts of homelessness in Montebello.

SUMMARY

The City Council will consider adopting the SGVCOG White Paper on LAHSA Reform to support a comprehensive, coordinated structure and strategy to meet the homelessness crisis in Los Angeles County.

ATTACHMENT(S):

A. Attachment A – San Gabriel Valley Council of Governments' (SGVCOG) White Paper on LAHSA Reform
B. Attachment B – Resolution

ATTACHMENT A

United We Stand:
Supporting a comprehensive, coordinated structure and strategy to meet the homelessness crisis in Los Angeles County

A White Paper
Prepared and Adopted
by the San Gabriel Valley Council of Governments

January 21, 2021

SGVCOG
San Gabriel Valley Council of Governments

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INTRODUCTION

The ever-worsening homeless crisis is a growing threat to the wellbeing, prosperity and quality of life of our region. It is likely only to intensify due to the ongoing COVID-19 pandemic. The gravity and urgency of the crisis requires a comprehensive, coordinated, Countywide structure and strategy to end the shame of tens of thousands of people living on our streets.

Acknowledging this crisis and the problems with the current homelessness services system, the Los Angeles County Board of Supervisors approved a motion, "Exploring New Governance Models to Improve Accountability and Oversight of Homeless Funds" on September 1, 2020. This motion focused on the structure and function of Los Angeles Housing Services Authority (LAHSA) but highlighted the need to examine the system as a whole. Meanwhile, LAHSA itself has convened an Ad Hoc Committee on Governance to consider similar concerns.

While we support the efforts of the County, LAHSA and the City of Los Angeles to seek a more effective coordinating structure, we believe it is critical to directly involve the remaining 87 cities that make up the County. These cities represent 60% of the County's population, nearly 40% of the population of those experiencing homelessness and are the source of the majority of the tax revenue for Measure H.

Municipalities in the San Gabriel Valley are committed to be leaders in the fight to combat homelessness. We have the need and the desire to serve the most vulnerable in our communities and to maximize local ideas, resources, and programs to this end. The San Gabriel Valley Council of Governments (SGVCOG) and its member cities developed this white paper to demonstrate our commitment to creating a more coordinated, effective homelessness services system which is capable of solving our homelessness crisis.

As demonstrated in our Homeless Report (Attachment A), we bring tangible resources to the table. Our city governments, non-profits, faith communities, healthcare providers, businesses, civic organizations and volunteers are already actively engaged in meeting this crisis. We already have boots on the ground working every day on all aspects of this challenge. What we lack is participation in a focused, flexible and responsive Countywide structure to coordinate strategy, services and funding to effectively address the causes and solutions for homelessness.

In this white paper, we lay out the background and our perspective on the shortcomings of the current approach to homelessness across LA County. We lay out a range of potential solutions. Our concerns are substantive and we believe our alternatives are realistic. We believe that failure is not an option.

The cities of the San Gabriel Valley pledge to work with the County of Los Angeles, the City of Los Angeles, our sister communities and the myriad of private, non-profit, academic, philanthropic and civic institutions across the County to mobilize an effective, efficient and equitable response to the homelessness crisis.

EXECUTIVE SUMMARY

The SGVCOG is a joint powers authority that supports regional issues and implements regional programs. The SGVCOG includes the 31 cities and unincorporated areas of Los Angeles County Supervisorial Districts 1, 4, and 5, representing 20% of the population of Los Angeles County.

The 2020 Homeless Count identified 4,555 people experiencing homelessness in the San Gabriel Valley. This represents an increase of 47% over the last five years. With the inclusion of the separate count within the separate Pasadena Continuum of Care, the homeless population of the San Gabriel Valley represents nearly 10% of the Countywide total.

Of those counted in 2020, two-thirds were unsheltered with the majority of those staying in vehicles (59.8%) and the remainder (40.2%) on the streets. One third were sheltered. People of color represent 75% of those experiencing homelessness

The SGVCOG cities are actively engaged in providing homelessness services and work with LAHSA, LA County Homeless Initiative, LA County Department of Mental Health, LA County Sheriff's Department, and various other State and County departments, nonprofits, service providers, and other municipalities. The cities of Claremont, Pomona, and La Verne are also served by Tri-City Mental Health.

Most San Gabriel Valley cities have adopted formal homelessness response plans and others are currently developing them. Several cities have used Measure H implementation funding to offer Housing Navigation services to their communities. In 2018, the City of Pomona opened a 200-bed interim housing facility, contributing much of the capital funding themselves. The region has strong networks of outreach efforts, shelters, housing assistance programs and a range of public, non-profit and faith-based social services. Finally, twenty-one SGVCOG member cities have joined the San Gabriel Valley Regional Housing Trust (SGVRHT) that is financing the planning and construction of affordable housing, including permanent supportive housing for homeless individuals and families.

Problems with the Current System:

- **Lack of Collaborative Relationship with Smaller Cities:** LAHSA and the broader County homeless services delivery system do not engage with SGV cities as partners. Yet our cities are on the front line when residents have complaints or concerns about homelessness. Without effective collaboration from LAHSA or the County, cities are largely left on their own to address the needs of their homeless residents. At worst, this can lead to duplicative efforts with LAHSA that are a waste of precious resources. County and LAHSA programs would be more effective if they built on the close relationship that city governments have with their communities and their knowledge of local conditions. To do this, there must be an effort to understand the specific needs of these small communities and collaborate with jurisdictions to implement these more targeted approaches. Communication and transparency need to be improved to build trust and collaboration.
- **Lack of Funding for Locally-Based and Supported Initiatives and Programs:** Cities throughout the County have constrained funding to address a wide range of issues, including homelessness, transportation, public safety, parks, and stormwater. Under the

current system, when cities propose an innovative solution, it does not appear to be taken seriously unless it can be applied County-wide. Funding for locally-based and locally-supported initiatives and programs can leverage Measure H funding for greater impact. Other countywide tax measures, including Measure W (Water), Measure A (Parks), Measure M (Transportation), Measure R (Transportation), have all included a "local return" component that have allowed cities to implement projects and programs customized to local needs.

- **Poor Communication and Lack of Transparency:** If one thing is clear about the homelessness crisis in LA County, it is that it's not clear who is accountable. The roles, missions and responsibilities of County government, the County's Homeless Initiative and LAHSA and individual cities overlap or leave gaps. Currently, cities struggle to access information about programs, do not have direct access to appropriate contacts that can answer questions and respond to concerns. There is a lack of timely and accurate shared data about people experiencing homelessness served in their communities. When cities are able to find appropriate contacts, it can be difficult to get clear and concise direction from LAHSA and the County. At times, staff receive different answers from different people, creating confusion and making program implementation more difficult. Further complicating these issues is that cities often interact with LAHSA in both its capacity as an administrator of funding and as a direct service provider though its outreach teams.

Potential Solutions:

- **Increasing Representation Within the Current System:** LAHSA was created nearly three decades ago as a joint structure for the County and the City of Los Angeles to administer funding for homeless programs, primarily from the Federal government. Much has changed since then, including the passage of Measure H and the increased role of the State government in funding homeless programs. The nature and distribution of homelessness has also fundamentally changed. There is widespread recognition that greater clarity, coordination and innovation is necessary to effectively deal with the growing homelessness crisis. Many options have been proposed for restructuring the governance of homeless strategy, funding, programs and policies. Among the models are restructuring LAHSA to act as the primary entity for expanded countywide coordination. These include using the Metro board as a model; adding representatives from all the Service Planning Areas or the Councils of Government; and a new model implemented in King County (Seattle) that has a bifurcated board structure to direct policy and operations and includes representation from elected officials, experts and people with lived experience.
- **More Autonomy Within the Current System:** Even without restructuring governance, there can be improvements within the current system by granting greater autonomy on programming and funding within each Service Planning Area and with the cities they cover.

The white paper proposes additional proposals for improving the delivery of services to reduce homelessness. Finally, it poses the option that in the absence of consensus on a comprehensive coordinated strategy and structure to effectively address the growing crisis, the San Gabriel Valley is prepared to accept independent responsibility for administering our own Continuum of Care. Of

course, this would require an appropriate allocation of resources. We are hopeful we can work together, collaboratively, to improve the current system.

BACKGROUND

The San Gabriel Valley Council of Governments (SGVCOG) is a regional government planning agency that aims to maximize the quality of life in the San Gabriel Valley. We are a joint powers authority that consists of 31 incorporated cities, unincorporated communities in Los Angeles County Supervisorial Districts 1, 4, and 5, and three San Gabriel Valley Municipal Water Districts. The SGVCOG works on issues of importance to its member agencies, including homelessness, transportation, the environment, and water, and seeks to address these regionally.



The SGVCOG is the largest and most diverse sub-regional council of governments in Los Angeles County. The San Gabriel Valley encompasses nearly 400 square miles and has more than two million residents of thirty-one cities that are represented by 161 councilmembers. In comparison, the City of Los Angeles, with a population of four million, is represented by fifteen councilmembers. This allows councilmembers in San Gabriel Valley cities to be closely in tune with the concerns of their constituents and to shape local policy accordingly.

Our communities each have a unique character and history and often face unique challenges that they have varying resources to address. Our member cities' populations range from 1,008 in the City of Industry and 1,084 in the City of Bradbury to 117,000 in the City of El Monte and 156,000 in the City of Pomona.

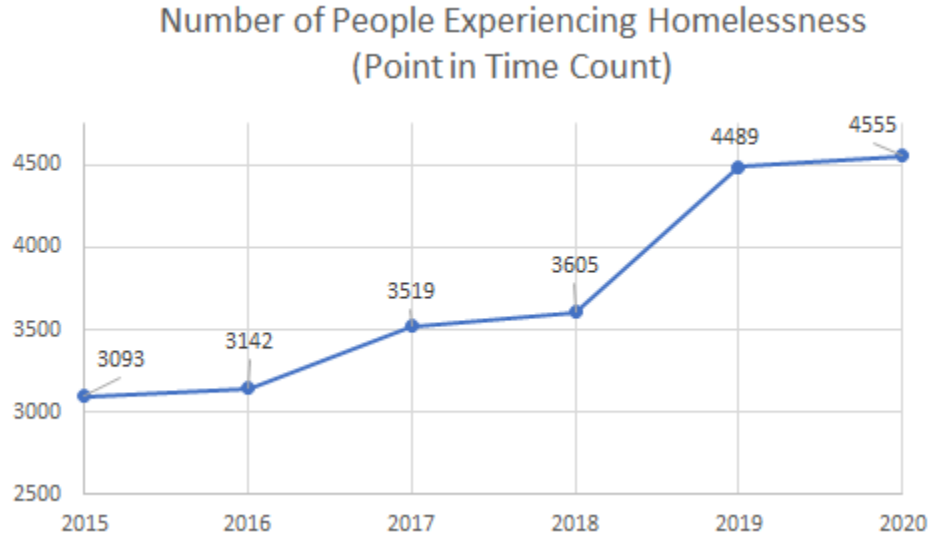
It's a diverse region: of the residents in the San Gabriel Valley, 44.7% identify as Hispanic or Latino; 25.7% as Asian; 24.8% as white non-Hispanic; 2.4% as Black; and 2.4% as Native American, Alaskan Native, Native Hawaiian, or another race.

At the time of the 2010 Census, 61% of residents in the San Gabriel Valley lived in owner-occupied housing, while 39% lived in rental housing units.

While our member cities have unique needs and resources, our communities also face many of the same challenges and have developed a unified voice to maximize resources, achieve sustainable solutions, and advocate for regional and member interests to improve the quality of life in the San Gabriel Valley.

Scope of Homelessness

In January 2020, the Greater Los Angeles Point-in-Time (PIT) Count determined there were 4,555 people experiencing homelessness within the SPA 3, the boundaries of which closely mirror those of the SGVCOG. The number of people experiencing homelessness in the San Gabriel Valley has steadily increased since 2015, when 3,093 people were identified through the PIT Count.



Just as our cities have varying populations, needs, and resources, our communities experience varying levels of homelessness. The 2020 Point-In-Time Count determined there was a range of homelessness in each of our cities - from 0 people experiencing homelessness (PEH) in some communities to 723 people experiencing homelessness in another, with a median of 68 PEH in each SGV city.

Of the people experiencing homelessness within the San Gabriel Valley who were captured through the PIT Count, the majority are unsheltered: 66.5% were unsheltered, with 59.8% of those staying in vehicles (59.8%) and the remaining (40.2%) staying outdoors on the streets, in parks, or in tents. 33.5% were sheltered, sleeping in emergency shelters or transitional housing.

Other key concerns from the region's 2020 Point-in-Time Count data of concern to our region include the following:

- People experiencing chronic homelessness rose 40%
- Number of seniors 62 and over experiencing homelessness rose 13%, 68.7% of whom are unsheltered
- People of color represent 75% of those experiencing homelessness

Our cities recognize the complex vulnerabilities many of those living on the street in the San Gabriel Valley face, with 28% living with serious mental illness and 33% having a substance use disorder. We seek to prioritize the expansion of the mental health and substance abuse services these individuals need to rebuild their lives.
Our region also has deep concern with the impacts of the COVID-19 pandemic on housing stability and homelessness. The 2020 PIT count data predates the pandemic, and the full effects on homelessness in the region remain to be seen.

While the PIT count data provides one metric for measurement, it does not capture the full breadth of homelessness in the region. The PIT count records the presence of homelessness on just a few nights supplemented with metrics and formulas that are extrapolated to determine the PIT count, which can produce significant over-counts and under-counts. The PIT count data also does not account for those persons experiencing homelessness (PEH) that may not reside permanently in the region but may travel and spend time here.

Regional Homelessness Response

As the homeless population has risen over the last 5 years, so too has the amount of San Gabriel Valley resources allocated to policies and programs to respond to the regional homelessness crisis. The cities of the SGVCOG are strongly committed to providing homelessness services and have supplemented the programs and funding administered by LAHSA and the County to provide additional resources to PEH in their communities. Nineteen cities have developed homelessness response plans, with five more cities currently developing plans to be approved by their City Councils in the coming months. The SGVCOG received an influx of $5.625 million from the State Budget in FY 2020, and the majority of those funds have been allocated to these cities to implement their homeless plans. With additional funding supported by the County's Measure H Innovation Fund - which provided approximately $1.5 million to the San Gabriel Valley - in total, 22 cities are utilizing these funds to implement prevention, diversion, rapid rehousing programs, and other pilot programs aimed at reducing homelessness in the San Gabriel Valley. This funding has supplemented funding that some communities received from Measure H implementation grants, which they also used to provide additional housing navigation services to their communities. Recently, during spring and summer 2020, 11 cities participated in the SGVCOG's hygiene program (funded by the County) to provide people experiencing homelessness increased access to hygiene services during the pandemic and to mitigate the spread of COVID-19 in our unhoused neighbors.

These programs often fill key gaps in the larger homeless services system. For example, there is currently a serious lack of funding for rapid rehousing in the San Gabriel Valley, with CES programs often unable to take new clients after the first few months of the fiscal year. With the funding sources listed above, the SGVCOG and its member cities are able to provide additional case management and housing navigation and rapid rehousing slots - as well as targeted outreach

and incentives to landlords to increase the supply of available units - to provide more resources to house our homeless population.

Even with limited staff, cities have also allocated staff resources to ensure that their city can respond to homelessness. Cities' homelessness response falls within a variety of city departments, often working in coordination with one another. Cities' homelessness response teams are staffed in different departments, with some in the City Manager's Offices, some in departments of community/neighborhood/human services, housing departments, economic development departments, police departments, and fire departments. Our cities work with LAHSA, the LA County Homeless Initiative, LA County Department of Mental Health, LA County Sheriff's Department, and various other State and County departments, nonprofits, service providers, and other municipalities. The cities of Claremont, Pomona, and La Verne are also served by Tri-City Mental Health.

Our region is committed to providing shelter to those experiencing homelessness and developing affordable housing to stop the inflow into homelessness. In 2018, the City of Pomona opened a 200-bed interim housing facility, contributing much of the capital funding themselves. The region has strong networks of churches, one of which provides shelter for families, and another of which provides winter shelter locations, in addition to those operated at County parks each year. Smaller scale programs offer transitional housing to youth or families, or residential treatment for substance use disorder. The cities of Baldwin Park and Pomona operate housing authorities to offer rental assistance to qualifying families and individuals through a Housing Choice Voucher Program (HCV). Our cities have engaged in advocacy to use surplus and underutilized public properties to meet the needs of those with mental illness. In 2020, the SGVCOG also started the San Gabriel Valley Regional Housing Trust (SGVRHT) - which has been joined by twenty-one SGVCOG member cities to date - to fund and finance the planning and construction of homeless housing, and extremely-low, very-low, and low-income housing projects. Already, the SGVRHT has issued funding letters of commitment to projects that would provide more than 100 housing units o for the region, 30% of which would serve extremely-low income households or homeless residents.

White Paper Development Process

To inform the white paper, the SGVCOG engaged its thirty-one member cities and formed a working group of representatives from the following 11 cities: Arcadia, Baldwin Park, Claremont, Duarte, Glendora, Montebello, Monterey Park, Pomona, San Dimas, South El Monte, and South Pasadena. Stakeholders included City Managers, Assistant City Managers, Directors of Community/Neighborhood/Human Services, Public Safety Outreach Coordinators, and Police Chiefs. During a three-month period from September to November 2020, the working group met five times.

The white paper was developed through a multi-phase process. The first component included information gathering and assessment to understand the problems with the existing homelessness response system, as well as our region's current resources and programs. Subsequent meetings each focused on one section of the white paper.

The white paper was reviewed by the SGVCOG's City Manager's Steering Committee, Homelessness Committee (made up of elected officials and staff from 10 of our member cities and one LA County Supervisorial District), and ultimately approved by the SGVCOG Governing Board.

The purpose of this white paper is to address the systemic problems with the current homelessness response system, identify comprehensive solutions, confirm our commitment to best practices and programs, and demonstrate our desire to lead the region to a more effective, County-wide coordinated strategy to combat homelessness. While the white paper includes a strong focus on recommendations for reform at LAHSA, it also acknowledges and discusses other challenges within the LA County homeless services system, including administration and distribution of Measure H funds and the implementation of other County programs. This approach has allowed us to look more comprehensively – and make broader recommendations – on the County's entire homeless services system.

The white paper does this by approaching the following topics:

- Exploring the causes and impacts of systemic problems with the current homelessness response system, especially as they relate to smaller cities;
- Identifying comprehensive solutions; and
- Confirming the San Gabriel Valley's commitment to best practices and programs and to affirming a willingness to lead the region to a more effective, County-wide coordinated strategy to combat homelessness.

PROBLEMS WITH THE CURRENT SYSTEM

To identify solutions, it is important to have a good understanding of the existing problems. To that end, the first section of this white paper articulates these obstacles, provides examples of how this impacts service delivery to PEH, and identifies potential root causes. These problems prevent the SGVCOG's cities, the County, and LAHSA from most effectively assisting and housing people experiencing homelessness (PEH) and prevent homelessness.

The SGVCOG has identified the following specific problems and their impacts, which will be discussed in more detail below:

- Lack of Collaborative Relationship with Smaller Cities
- Poor Communication and Lack of Transparency
- Lack of Funding for Locally-Based and Supported Initiatives and Programs

Lack of Collaborative Relationship with Smaller Cities

In general, LAHSA and the broader County homeless services delivery system often do not effectively collaborate with cities. While the County provides opportunities for consultation on Measure H funding priorities, that input has limited impact on the ultimate decision-making. Cities do not feel informed of programs before they are implemented and, at times, it appears that cities are viewed as obstacles rather than partners.

In small cities, the relationship between residents and the city is much closer than in larger jurisdictions (e.g. County of Los Angeles; City of Los Angeles). Cities' councils and staff are on the front line in addressing homelessness and responding to residents, and they are expected to address issues. This means that programs that are much more localized and responsive to city-specific conditions. With limited support from and collaboration with LAHSA or the County, cities are largely left on their own to address the needs of their homeless residents. At worst, this can lead to duplicative efforts with LAHSA that are a waste of precious resources.

Examples

Specific examples of this lack of collaboration between LAHSA, the County, and the cities are as follows:

- **Project Roomkey:** During the recent initial rollout of Project Roomkey, cities were not consulted or informed as potential project sites were identified and pursued. This approach not only created the impression that cities were being deliberately excluded from the discussion but also likely created more opposition, as cities were not able to properly prepare for the launch of Project Roomkey in their communities. Neither staff nor councilmembers had adequate information on the program implementation and had many questions that were unanswered, such as the following:
    - What additional city services/resources (if any) would need to be provided to those sites?
    - Would cities receive transient occupancy tax on the occupied rooms?
    - Who would be housed in these Project Roomkey sites?
    - Would homeless residents from their communities have first priority?
    - Where would Project Roomkey residents go after sites were decommissioned?

Instead, the County's and LAHSA's efforts moved forward without the cities' engagement, leaving councilmembers and residents concerned and frustrated by the lack of up-front information and engagement. It was difficult to overcome this initial lack of collaboration: even as LAHSA and the County attempted to engage cities as Project Roomkey advanced, there was still distrust and uncertainty about the program and its implementation. With a collaborative approach, questions could have been discussed and addressed prior to project launch which would have led to a more successful launch of the Project Roomkey program.

- **Point-in-Time Count:** Cities have often raised the issue that the LAHSA Homeless Count methodology produces a PIT count which is substantially different from a city's understanding of its homeless count, based on its knowledge of its homeless populations. This has in the past included either a substantial undercount or overcount. For example, from 2019 to 2020, the City of Baldwin Park experienced a 100% increase in its homeless count, to 555. This number seemed improbable given Baldwin Park's size, efforts related to address homelessness locally, and observations of staff. To that end, Baldwin Park City staff spent significant time and effort to identify the reason for the significant increase and raised these concerns to LAHSA. However, no action was taken and City staff were left unable to provide an adequate explanation to the community. Baldwin Park's experience is consistent with the experience of other San Gabriel Valley communities. When cities have raised these concerns and presented specific corrections to the official count, no action has been taken.

  City staff are deeply knowledgeable about their communities, and, in some instances, may have collected data throughout the year. LAHSA and the County should collaborate with cities on this data, in order to make better decisions and better direct resources and services to specific areas. This is extremely important from both a political and technical level. City level counts are also highly significant to each community's perception of progress made against homelessness. A PIT count is less accurate at smaller geographies, so it's important to fully vet and understand the data and analyze the reasons for significant changes, especially to assess if the significant change is the result of an error. Input from and meaningful collaboration with cities could resolve these serious discrepancies.

Key Cause: Lack of Representation

The SGVCOG believes that these issues may arise from the fact that LAHSA only represents the City of Los Angeles and the County of Los Angeles, and only representatives from the City and County of Los Angeles are seated on the LAHSA Commission. There are 84 other cities in the County that are also part of the LA Continuum of Care that do not have representation at the level where the most impactful decisions about homelessness are made. Instead, cities are considered as one of many stakeholders within the process, rather than as an independent partner that is also responsible for providing services to its residents. County Departments that provide numerous services to PEH have a seat at the table in discussions on how to address homelessness. However, departments that provide services to PEH in the other 84 cities are not a recognized part of these discussions. Without a seat at the table, it is impossible for true collaboration with all cities.

The SGVCOG recognizes that collaboration is challenging in a region so large and diverse, with thirty-one jurisdictions in the San Gabriel Valley, each with its own council members, ordinances, programs, and staff. However, it is critical to providing the most effective services and resources to our unhoused residents. San Gabriel Valley cities have a shared goal of ending homelessness,

and each city implements the approach that is most responsive to the needs of all of its community members and is based on the resources available, historical knowledge of their communities, and previous experiences.

LAHSA programs could benefit from the close relationship that cities have with their communities and their knowledge of local conditions. To do this, there must be an effort to understand the specific needs of these small communities and collaborate with jurisdictions to implement these more targeted approaches.

Lack of Funding for Locally-Based and Supported Initiatives and Programs

Cities have had limited access to funding that can be used to develop and implement programs that would best serve their communities. This is despite the fact that County residents passed Measure H, voting to tax themselves to provide additional resources to address homelessness. Other tax measures - Measure W (Water), Measure A (Parks), Measure M (Transportation), Measure R (Transportation) - have all included a "local return" component that have allowed cities to implement these unique programs. In each of these instances, the "local return" is only one component of the funding allocation, and there is still significant funding that is allocated towards regional projects and programs.

Local return is missing from Measure H. Instead, Measure H funding is managed by the County, where cities participate merely as minor stakeholders amongst a group of other stakeholders. This mindset has been demonstrated in the various stakeholder meetings used to develop the Measure H Approved Strategies to Combat Homelessness. At these meetings, the majority of representatives have been from County departments or the homeless services system, with very limited representation from cities.

As a result, cities have had limited access to funding that could be used to develop and implement programs that would best serve their communities. This has severely limited cities' flexibility or creativity to create programs that uniquely serve their own communities. Moreover, even when cities propose an innovative solution, it does not appear to be taken seriously unless it can be applied County-wide.

Examples

Specific examples demonstrating the lack of locally-available funding are as follows:

- **Burdensome Funding Requirements:** When Measure H funding from the County is provided, it comes with numerous restrictions. When cities received grants for the implementation of their homeless plans, the County placed restrictions on how the funding could be used and provided cities with little ability to reprogram funds. This left funding that could have supported PEH unused because cities could not use the funds as originally intended but also could not reprogram it. Funding also cannot be used for law enforcement, even if the funding is not used for enforcement activities. Funding also has program standards which small cities are not equipped to provide, such as retaining Licensed Clinical Social Worker (LCSW) level staff. This is especially problematic given that many small cities cannot support enough city staffing to adequately address homelessness issues. Finally, LAHSA appears to apply Federal restrictions to the Measure H, locally-generated

funds. These overly-burdensome requirements do not increase the transparency or effectiveness of the use of funds - they merely increase the time and capacity required by cities and LAHSA to administer and implement the funds.

- **Prohibition on Funding for Law Enforcement Implementation:** In some communities, police or fire departments are the first responders to PEH in their communities and, as such, lead cities' homeless response efforts. With limited resources, cities must use the resources that they have in order to make an impact. Moreover, police officers are on the streets in their communities and often know their local homeless populations. However, with LAHSA's and the County's restrictions, cities that engage their law enforcement to implement homeless programs are precluded from many resources that could support their efforts to address homelessness. They do not have access to data; they have limited access to the county-wide resources that are intended to serve the whole County. Law enforcement has been prevented from communicating directly with the SPA 3 outreach coordinator, even though a strong prior relationship existed. While partnerships with LAHSA's Homeless Engagement Teams (HET) have been made, these teams don't have the resources to adequately communicate and build partnerships with each city. Departments have specialized staff and trained mental health personnel that respond to the homeless within their communities and help to place PEH into housing. For example, in Monterey Park, where the Police Department leads homeless outreach efforts and where several Project Roomkey sites were located, officers were able to house several individuals in temporary Project Roomkey housing. Monterey Park officers worked closely with their assigned County Mental Health team to provide mental health services to those PEH in need.

  With LAHSA's and the County's restrictions, cities that engage their law enforcement to implement homeless programs are precluded from many resources that could support their efforts to address homelessness. These blanket determinations prohibiting engagement with law enforcement have hampered efforts to address homelessness in those communities. PEH would be better served by improving coordination and identifying opportunities to fund those innovative and unique programs, even if they fall within law enforcement agencies. In the longer-term, PEH would also be well-served by efforts to develop and implement a mental health-first response, rather than enforcement, first response. The SGVCOG is currently undertaking an effort to incorporate these services on a regional level. However, even as this effort advances, law enforcement will play a role and, to most effectively provide services to PEH, they should be provided with access to the data and services to do so effectively.

Key Cause: Lack of Understanding of Cities

The 31 independent cities in the San Gabriel Valley - and an additional 54 other independent cities also in the LA Continuum of Care - are each unique, and operate differently from the City and County of Los Angeles. Cities have unique and diverse stakeholders and different programs, procedures, and policies to serve these stakeholders. Neither LAHSA nor the County Homeless Initiative appears to understand this diversity or to value the diversity and information that cities do bring to the table. As discussed previously, cities have an intimate knowledge of their communities, as well as their homeless populations. The overall homeless services system would benefit greatly if LAHSA and the Homeless Initiative made a more concerted effort to understand

the diversity of individual cities and worked with them to support more localized homelessness programs, rather than try to apply a one-size-fits-all approach across the entire County.

City government is the most effective level of government where residents, service providers, faith communities, businesses, and non-profit organizations can work together to develop solutions that work best for their communities. Acknowledging this fact would allow for more opportunities to identify and implement unique solutions.

Poor Communication and Lack of Transparency

As alluded to previously, there is poor communication between LAHSA, the County, and cities. Cities have no centralized point of contact at LAHSA or the County, nor do they have access to appropriate contacts that can answer questions about programs, respond to concerns, and provide data about PEH served in their communities. Further complicating these issues is that cities often interact with LAHSA in both its capacity as an administrator of funding and as a direct service provider though its outreach teams.

When cities are able to find appropriate contacts, it can be difficult to get clear and concise direction from LAHSA and the County. At times, staff receive different answers from different people, creating confusion and making program implementation more difficult. It often seems that information is being withheld from cities, creating the appearance of a lack of transparency.

Examples

Specific examples of this lack of communication and transparency are as follows:

- **Data Sharing:** HMIS is the critical component of data sharing in the County's homeless services system. However, staff are often denied access. In some instances, HMIS access is denied because city staff are members of law enforcement, or, in some cases, simply work closely with law enforcement. Cities are working to use HMIS as a part of an effort to better coordinate their services with the broader system, to share knowledge of individual clients' whereabouts, and to better target city resources and avoid duplication. Without HMIS access, cities are hindered from embracing the principles of the Coordinated Entry System (CES) - intended to be a no-wrong door, county-wide system - while at the same time being encouraged to follow the CES process. It has led to numerous instances of cities working with a particular person experiencing homelessness, only to learn later that they had a case manager elsewhere actively looking for them, or that a service provider was working with someone actively receiving services from a city program. Alternatively, when clients working with a city are later connected to services, their new provider does not have the context which could have been already entered into HMIS. Though cities attempt to facilitate information sharing through individual communications, this is much less efficient or effective. There likely are legitimate issues related to privacy; however, LAHSA has not partnered with cities to attempt to overcome these issues. With genuine collaboration and communication, LAHSA could learn from other contexts in which cities or law enforcement have access to sensitive information and apply these best practices to HMIS and other data.

Without full access to data and information-sharing systems, work done by cities or smaller community-based providers (either separately or in coordination with cities) is not effectively coordinated within the system. As a result, services remain fractured. Even as new initiatives, such as Housing Central Command, aim to unify diverse resources, smaller cities or independent public housing authorities are not included. The need for improved communication is especially critical when cities are impacted by homelessness in areas outside of their jurisdiction. Cities have few options related to homelessness in County parks or Caltrans property within or near their borders, or in unincorporated County which borders the city, and which may not even be in the same SPA.

- **Undermining Public Support for and Success of Measure H:** Beyond the impact on PEH, these problems jeopardize the success of Measure H and challenge the goodwill of residents that want to see progress in addressing homeless in their communities. San Gabriel Valley cities receive numerous complaints regarding the lack of progress made surrounding homelessness, despite the promises of Measure H. Cities, shut off from influencing the services delivery system, cannot assist in a meaningful way. Cities that do not have their own housing navigators - funded using separate funding - or existing relationships with CES providers or outreach teams can only themselves access services for their homeless residents by using the Homeless Outreach Portal (LA-HOP), which can only commit to a response within days. Alternatively, cities can direct their residents to use the same process to request services. If and when an outreach team arrives days later - at which time the PEH may or may not still be there in need of services - nothing appears to change. Then, when programs like Project Roomkey are launched in a community and are not preceded by community engagement, city staff and elected officials are the ones responsible for addressing community complaints. Because they are provided little or no information - and are not in control of the programs, they have little to offer. Community members who wish to serve their homeless neighbors have comparatively few options to get involved. This sours future support in communities for any measure to extend homeless services funding, putting in jeopardy the future of Measure H, as well as the system we have all worked so hard to build.

Key Cause: Lack of Trust

It appears that LAHSA and the County do not trust the cities' partnership in addressing homelessness. They do not appear to trust cities' ability to develop and administer programs responsibly, nor do they appear to trust cities to appropriately use the data to serve their homeless populations. LAHSA and the County have focused on creating an overarching system and establishing best practices but have not actively involved the cities in this process. As a result, an understanding of local context and situation is not included.

Our cities truly are willing partners in the fight against homelessness and having more communication with and trust in cities to develop and implement programs that are responsive to the local communities will lead to a stronger system. Currently, nonexistent and/or slow communication prevents the timely resolution of problems, creates confusion, and, ultimately makes program implementation more difficult. It undermines the intended approach of CES and the County homeless system to have a no-wrong door approach and ensure that PEH receive services as quickly and efficiently as possible.

Cities have developed - and want to continue to develop - their own programs that serve their communities, and they want these programs to be recognized as legitimate components of the County's homeless services system.

POTENTIAL SOLUTIONS

The SGVCOG believes there are multiple alternatives that would address the issues discussed in detail in the previous section. The SGVCOG believes these alternatives would strengthen the County's overall homeless services delivery system. These alternatives would be more responsive to the partners in small cities around the County and allow for more robust collaboration and coordination between all partners participating in the fight to end homelessness in LA County.

Our proposed solutions include both recommendations to improve the system at a high level as well as smaller-scale adjustments to be made concurrently. While most of these recommendations focus on LAHSA, we recognize that many would instead require changes to the policies of the County and its respective departments. In particular, our recommendations 1b, 2b, 2c, 2d, 2e, 3a, and 3c are just as applicable to the County system as to LAHSA. All fall into one of the following categories:

- Increasing Representation Within the Current System
- More Autonomy Within the Current System
- Additional Improvements to the Current System
- Independent Control

Our hope is that it will be possible to resolve the issues identified without necessitating a wholesale overhaul of the current system or the creation of new entities. We believe that starting from scratch in that way is only in the best interest of all involved if sufficient alternatives cannot be agreed upon. To that end, it is our intent to only advocate for the options in the "Independent Control" category after first attempting to find an agreeable resolution to our concerns from among the other categories.

Increasing Representation Within the Current System

Recommendation 1a: Increase Representation and Seats on the LAHSA Commission

The SGVCOG believes that, within the current system, there must be increased representation for jurisdictions besides the City and County of Los Angeles. Seats should be added to the LAHSA Commission, to provide a voice to and increase knowledge of other areas of the region and smaller cities.

The SGVCOG proposes that jurisdictions other than the City of Los Angeles and the County of Los Angeles should have representation that is equal to that of the City and the County. Four potential approaches are summarized in Table 1, below.

Model	Representation Structure

Add Council of Government (COG) Based Representation	● 5 seats for the City of Los Angeles
	● 5 seats for the County of Los Angeles
	● 5 seats allocated to COGs according to their population, excluding portions in the City of Los Angeles and unincorporated County. That could be divided potentially as follows:
	  ● San Gabriel Valley COG (approx. 2 million people)
	  ● Gateway Cities COG (approx. 2 million people)
	  ● South Bay Cities COG (approx. 1.3 million people)
	  ● Westside Cities COG and the Las Virgenes/Malibu COG (Combined) (approx. 500,000 people)
	● San Fernando COG, Arroyo Verdugo COG, and North Los Angeles County COG (Combined) (approx. 1.35 million people)

Los Angeles County Metropolitan Transportation Authority (Metro) board	● 5 seats for the City of Los Angeles ● 5 seats for the County of Los Angeles ● 5 seats selected by the City Selection Committee

Add Service Planning Area (SPA) Based Representation	● 5 seats for the City of Los Angeles
	● 5 seats for the County of Los Angeles
	● 5 seats allocated to all 8 SPAs according to their population, excluding portions in the City of Los Angeles and unincorporated County. That could be divided potentially as follows:
	  ● SPAs 1 and 2 (Combined) (approx. 1.3 million people)
	  ● SPA 3 (approx. 2 million people)
	  ● SPAs 4 and 5 (Combined) (approx. 550,000 people)
	  ● SPA 7 (approx. 2 million people)
	  ● SPAs 6 and 8 (Combined) (approx. 1.8 million people)

King County (Seattle) Regional Homelessness Authority	● A Governing Committee
	  ● One seat for the Mayor of Los Angeles, three seats for LA Councilmembers
	  ● Five seats for the Supervisors
	  ● Five seats for elected officials representing the other 87 cities
	  ● Two seats representing people with lived experience with homelessness
	● An Implementation Board of twelve members with specialized skills and experience appointed by the County, the City of Los Angeles and the smaller cities in the County.

Table 1.
Summary of Possible Governance Structures.

Many problems identified stem from the fact that LAHSA does not represent the other 84 cities in LA County that are also members of the LA CoC and behaves accordingly. While this solution does not solve other specific problems immediately, it allows for appropriate representation to ensure issues in all categories can be addressed over time. It takes the existing structure and improves it incrementally, preventing the disruption associated with building out a new system. Because small cities would have direct authority within the LAHSA structure, LAHSA staff would start to appropriately prioritize their needs, and those cities would have advocates within LAHSA they could call upon as specific situations arise. It also would provide cities with trusted insight into how decisions are being made.

Issue(s) Addressed

- Lack of Collaborative Relationship with Smaller Cities
- Lack of Funding for Locally-Based and Supported Initiatives and Programs
- Poor Communication and Lack of Transparency.

Key Considerations

We recommend an option that provides representation directly to COGs so that the representatives can be more fully accountable to the diverse interests of cities within those regions, rather than only the city they represent. If such alternatives are chosen, the portions of each COG or SPA which are composed of the City of Los Angeles or unincorporated County should not be considered for population weighting purposes, and those entities should recuse themselves from the selection of representatives. Otherwise, this will continue to provide them with disproportionate influence over the homeless services system. Where a seat is to be shared by multiple COG's or SPA's, they could be provided with the option of jointly selecting their representative or rotating who makes the selection. Additionally, policies would need to be created surrounding cities which are not members of any COG or are members of multiple COG's.

This change must still be accompanied by a shift in perspective by LAHSA to view cities and their commissioners as full partners and to endeavor to understand how cities function. Because small cities would not be able to collectively enact any change on their own even with five votes, cities would need to feel assured that the voices of their new commissioners would be listened to.

Critically, this would not resolve cities' concerns as to funding allocations and other decisions related to homelessness made by the County, which must be addressed separately.

Recommendation 1b: Increase Small City Representation on Stakeholder Groups

The SGVCOG requests that LAHSA and the County commit to providing seats dedicated to small cities on advisory bodies, ad hoc committees, and/or stakeholder groups whenever they are formed. The County Homeless Initiative and County Departments should make frequent use of such groups when making decisions which affect the entire County. This will allow for important, otherwise overlooked considerations to be raised from the beginning and provide cities with influence in more areas.

Specifically, the County should form a standing advisory group comprised of cities to provide input on funding decisions. This will better ensure equitable distribution of Measure H funding to regions and jurisdictions around the County.

Issue(s) Addressed

- Lack of Collaborative Relationship with Smaller Cities

Key Considerations

A thoughtful process would need to be developed to determine which entities select these representatives. Those selected would need to bring the perspective of small cities as a group, but it is also necessary for each region to advocate for their distinct needs. Whenever possible, representation from multiple areas should be provided. We also recommend adding additional seats to such bodies for people with lived experience with homelessness.

More Autonomy Within the Current System

Recommendation 2a: Modify LAHSA's Mission to Acknowledge its Services to All Cities

The SGVCOG recommends modifications to LAHSA's mission to specify that it represents and services all 85 cities that are members of the LA CoC, to clarify responsibilities, and to provide more responsibilities to the cities. This would include, for example, committing to always consult cities for input on siting locations and for developing overall strategy in each area. By including the need to be accountable to smaller cities in its mission, LAHSA staff would better grasp the importance of understanding the priorities and structures of all member cities. By requiring that LAHSA obtain early input from cities on matters which affect them, strategies will be better tailored to local needs and foreseeable problems would be averted.

Issue(s) Addressed

- Lack of Collaborative Relationship with Smaller Cities

Key Considerations

Modifications to written policy must be accompanied by good faith collaboration. Because any outline of responsibilities will not be able to capture all circumstances, it will be important to develop strong relationships and active lines of communication to address each new situation.

Recommendation 2b: Incorporate City Input into Program Design

Cities should be given the opportunity to provide input on program design and on the development of Requests for Proposals (RFPs) and Scopes of Required Services, as well as a process to request exemptions from certain requirements. This should also include public funding related to homelessness administered through any County department. This would allow for the removal of barriers to small cities or small providers being awarded funding through the LAHSA RFP process or otherwise. These changes could include, but not be limited to:

- Allowing for programs to target a catchment area approved by the cities but smaller than the whole SPA.
- Removing requirements related to having Licensed Clinical Social Worker level staff.
- Removing prohibitions on funding law enforcement.

This would better facilitate cities being directly awarded funding and to support smaller scale programs by trusted community providers. Both cities and smaller-scale community providers are sometimes unable to meet the program requirements that LAHSA and/or the County require, which unreasonably restricts funding to larger social services providers with the expansive

infrastructure necessary to meet these program requirements. It would allow cities who operate their local homeless services through or in close coordination with their police departments to continue these programs, taking advantage of the knowledge that police departments have of their communities. It would allow cities to prioritize the use of surplus or underutilized public properties in innovative ways.

While homelessness is a regional issue, the SPA is too broad a catchment area for providing services and housing to PEH in a region as large and diverse as the San Gabriel Valley. This requirement could prevent PEH from receiving services in their own communities. For many in our region, PEH may be unable to receive services in their community, separating them from those who speak their language or from foods from their community of origin. This undermines our shared goals related to cultural competency. Our communities may be understanding of serving some PEH from neighboring cities, but requiring the acceptance of referrals from the entire SPA can displace PEH from their established communities, which serves neither housed nor unhoused residents of the San Gabriel Valley. Allowing cities to collaboratively determine a local catchment area of 2-5 cities solves these problems while allowing for flexibility.

Issue(s) Addressed

- Lack of Funding for Locally-Based and Supported Initiatives and Programs

Key Considerations

This process would need to be ongoing and allow for flexibility as new programs are designed or new problems are identified.

Recommendation 2c: Create No-Wrong Door Communication Approach with Cities

LAHSA and the County should provide a "no wrong door" style central point of contact for cities who would be empowered to determine answers to new, city-specific problems. LAHSA and the County would develop better, formal mechanisms within their own structures for engaging with cities as stakeholders and incorporating their input when making decisions.

This would solve a variety of issues related to a collaborative relationship and responsiveness to questions or needs. It would create a mechanism for solutions to novel problems to be developed in a timely manner. This point of contact could be tasked with ensuring there is always outreach to cities when a new program may be located in their jurisdiction.

Issue(s) Addressed

- Poor Communication and Lack of Transparency
- Lack of Collaborative Relationship with Smaller Cities

Key Considerations

A key element to this solution is that the contact would have the ability to prioritize these issues within LAHSA and facilitate decision making. Providing a single point of contact without this ability only solves a small portion of the problem.

Recommendation 2d: Make Funding and Programming Decisions at the SPA-level

Funding and programming decisions should be made at the SPA-level rather than at the County-level, incorporating meaningful input and engagement from stakeholders in each SPA. This could

include distinct allocations foreach Measure H strategy to each SPA and/or SPA-specific RFPs. This could also include allowing SPAs to determine the most impactful ways of allocating funding and implementing programs at the SPA-level, for example developing catchment areas for the purposes of providing services to PEH. This could resolve issues of a mismatch between the strategies for programs and funding determined for each sub-region at the County level and their actual needs. This could also allow for SPAs to develop a more thoughtful approach to providing services and housing for PEH

Issue(s) Addressed

- Lack of Funding for Locally-Based and Supported Initiatives and Programs

Key Considerations
A thoughtful engagement of SPA-level stakeholders would be needed to make these decisions.

Recommendation 2e: Increase Measure H Allocations to Cities and COGs
The County should increase the Measure H allocation to cities and COGs, with a dedicated minimum funding level for each year.

Ensuring a consistent local return will bring Measure H more in line with other County sales tax measures. It would help to address a variety of concerns which were raised with respect to local control and needs. Creating more locally-controlled programs allows for more responsiveness to community concerns and improves public perception about the impact made by Measure H.

Issue(s) Addressed

- Lack of Funding for Locally-Based and Supported Initiatives and Programs
- Lack of Collaborative Relationship with Smaller Cities

Key Considerations
The use of previous allocations of funding to COGs demonstrated their ability to use this funding effectively to create city-specific programs while also maximizing opportunities to build regional partnerships and economies of scale. By providing dedicated funding on an ongoing basis, it will become possible to create long-term programs.

Recommendation 2f: Collect Input on the PIT Methodology from Cities Prior to Finalizing
LAHSA should provide an opportunity for input from each City on the data and methodology used to calculate their city level PIT count before it is finalized, as may be possible within HUD guidelines. This can include input on the correct multiplier to use for the number of individuals per car, tent, or makeshift structure, as well as ensuring the census includes a count of areas within each city with disproportionately high or low concentrations of unsheltered individuals.

This lowers the likelihood of an official overcount or undercount which is at odds with the observations of those who know the city well. It prevents fluctuations from year to year related more to how the count was conducted than changes in reality. It will allow for better data related to the geographic distribution of the homeless population within SPA 3 to inform program targeting decisions.

Issue(s) Addressed

- Lack of Collaborative Relationship with Smaller Cities

Key Considerations

Cities can provide valuable information about their homeless population both when planning for the PIT count and when functioning as a check against inaccurate data or conclusions afterwards.

Additional Improvements to the Current System

Recommendation 3a: Increase Flexibility in Implementing Programs

LAHSA and the County should provide increased flexibility in implementing programs. Overall, there should be more flexibility, whether through modifications to existing program types or the option of proposing new ones. This could include, for example, funding more, smaller programs rather than fewer, larger programs, or the funding of creative programs proposed by cities. LAHSA should not set minimum numbers of PEH to be served by proposed programs and should not restrict the number of providers to be awarded in each SPA. Program funding levels should be set to make smaller programs feasible. This would allow for more access centers, interim housing programs, winter shelters, safe parking sites, and rapid rehousing providers. Currently, the limited number of these programs in each SPA hinders program access by PEH, prevents access to funds by smaller providers, and leads to greater neighborhood pushback as compared to the same funds split across more programs. Program implementation should acknowledge the resources and needs across the region. For example, there should be a greater priority placed on expanding resources for those that suffer with mental health and substance abuse challenges. Program implementation should focus on identifying opportunities to use and expand existing programs and facilities, including vacant, government-owned buildings, to better provide the services these individuals need to rebuild their lives.

This will allow for versions of programs which fit better into communities or otherwise better meet local needs. Using the same amount of funding for smaller programs allows for better geographic distribution, lowers neighborhood impact, and facilitates the participation of smaller providers. For example, in the 2020 Access Centers RFP, in which LAHSA added more funding overall to SPA 3 but did not increase the number of sites. The funding available would have been sufficient to fund two or three smaller programs capable of carrying out the full scope of required services. The current approach leaves most of the region without any nearby access center.

Issue(s) Addressed

- Lack of Funding for Locally-Based and Supported Initiatives and Programs

Key Considerations

This should be addressed both through the creation of the "menu" of programs available to be implemented, but also within RFP documents themselves. RFPs should be less specific in mandating, for example, how many programs will be selected per SPA, and should state more generally the goals that programs must meet, allowing for some discretion in the proposal itself.

Recommendation 3b: Allow Cities to Access HMIS
LAHSA should create a streamlined way for cities to access HMIS and collaborating to resolve any legitimate privacy concerns. LAHSA should provide a clear process for beginning HMIS participation, and standard policies related to privacy concerns cities are likely to face.

This will allow cities to participate in HMIS who do not currently do so either because of lack of a clear avenue to gain access, or because they are prohibited from doing so. Where privacy concerns must be addressed, a collaborative process could result in cities adopting the appropriate policies to resolve them.

Issue(s) Addressed
- Poor Communication and Lack of Transparency

Key Considerations
This should include a clear mechanism to produce city level data and reports to best take advantage of increased HMIS use.

Recommendation 3c: Better Integrate Law Enforcement into Homeless Response
LAHSA and the County should better incorporate homeless outreach within law enforcement. This could be based on the existing model operated by the Department of Mental Health (DMH) with local law enforcement. For example, Monterey Park has a DMH psychiatric social worker assigned to their police department. This person works in conjunction with their officers who focus on homeless outreach. This clinician is mandated to follow the County's privacy and program standards and policies, but this individual is integrated with this local city team. LAHSA could utilize a similar model, assigning an outreach worker to each independent city or to groups of cities depending on their size and/or PIT count. This integration could better tailor outreach to specific community needs.

This will allow the homeless services system to take advantage of the knowledge local law enforcement has of their city. It will reduce fragmentation between the larger system and the work currently taking place in cities who operate their homelessness programs through their police departments.

Issue(s) Addressed
- Poor Communication and Lack of Transparency
- Lack of Collaborative Relationship with Smaller Cities

Key Considerations
The appropriate points of contact and areas for integration will vary by city depending on their law enforcement structure or methods of operating homeless services within their city.

Recommendation 3d: Expand Participation in Housing Central Command
LAHSA and the County should expand participation in Housing Central Command by smaller cities and independent public housing authorities (PHAs) once it expands beyond its pilot phase. This would better streamline the use of these entity's resources to address homelessness in their communities.

Issue(s) Addressed

- Poor Communication and Lack of Transparency

Key Considerations

PHAs have different policies and differing approaches to homelessness which may influence their relationship to Housing Central Command.

Independent Control

Should all attempts to reform or restructure LAHSA fail or be determined to be infeasible, the San Gabriel Valley could pursue the creation or expansion of an entity or entities independent of LAHSA to administer and manage Measure H and other funding. This could include:

- Administration of the majority of funds and programs directly through the COGs
- Forming new homeless services authorities to serve each sub-region.
- Forming a new homeless services authority to serve the County minus the City of LA
- Administration of the majority of funds and programs directly through each city.

Such an entity or entities could, with the necessary approvals, join the Pasadena, Glendale, or Long Beach Continuums of Care (CoC) or create independent CoCs.

Managing funding independently would allow cities to solve all or most of the problems we have identified. Because such an overhaul comes with downsides in terms of disruption of the current system, we hope that these problems can be resolved through other means. However, we view these options as effective solutions to prioritize if other methods fail.

These smaller entities also may be better equipped to act as the fiscal agent to administer funds, as LAHSA struggles to do. Smaller entities could provide more timely payments to providers and cities and be responsive to fiscal questions.

Issue(s) Addressed

- Lack of Collaborative Relationship with Smaller Cities
- Lack of Funding for Locally-Based and Supported Initiatives and Programs
- Poor Communication and Lack of Transparency

Key Considerations

The governance structure of any new entity created would need to be thoughtful to ensure problems of representation are not duplicated and that the needs of all member cities are taken into account. Additionally, Measure H funding would need to be allocated to the respective entities proportionally, either by PIT count, population, or amount of sales taxes collected within their borders. The costs associated with these options should be borne by new or existing County funding.

Recommendation	Collaboration with Smaller Cities	Funding for Local Programs	Communication and Transparency
Additional LAHSA Commission seats for smaller cities	X	X	X
Dedicated seats for smaller cities on advisory bodies, ad hoc committees, and/or stakeholder groups.	X		
Expansion/clarification of LAHSA's mission and responsibilities to specify that it represents and serves all 88 cities.	X		
Formally incorporate cities' input into program design, RFPS, and SOWS and allow cities to be exempted from certain RFP requirements		X	
Provide a "no wrong door" style central point of contact for cities who would be empowered to determine answers to new, city-specific problems.	X		X
Making funding and programming decisions at the SPA-level rather than Countywide.		X	
Increasing the Measure H allocation to cities and COG's, with a dedicated minimum annual funding level.	X	X	
Providing an opportunity for input from each City on the data and methodology used to calculate their city level PIT count before it is finalized.	X		
Increased flexibility in implementing programs.		X	
Streamline access for cities to HMIS, collaborating to resolve any legitimate privacy concerns.			X
Better incorporating homeless outreach within law enforcement.	X		X

Participation in Housing Central Command by smaller cities and independent public housing authorities.			*X*
The selection of an entity or entities independent of LAHSA to manage Measure H and other funding.	*X*	*X*	*X*

Table 2.
Summary of Proposed Recommendations.

DEMONSTRATING COMMITMENT TO QUALITY PROGRAMS AND SERVICES

The San Gabriel Valley is committed to continuing to pursue philosophies which lead to quality programs and services and align with nationally recognized best practices. Our existing practices and plans demonstrate this, and we intend to deepen our commitment to them as our work expands. This demonstrates that funding will be used effectively as the San Gabriel Valley is provided with more autonomy as our recommended solutions are put into effect. While this may look different depending on the level of autonomy provided, these principles will guide the work to combat homelessness in the San Gabriel Valley regardless.

Pursuing Best Practices

All programs in the San Gabriel Valley will follow nationally and regionally recognized best practices, such as those mandated by HUD or recommended by the National Alliance to End Homelessness. These include, but are not limited to, Housing First, Harm Reduction, Trauma-informed Care, Cultural Competency, and a focus on equity, including racial equity and a distribution of funds and services among subpopulations.

Our programs will be operated in accordance with program standards, facilities standards, and performance targets substantially similar to those currently in use by LAHSA. They will follow best practices in terms of caseload ratios and the use of interventions such as motivational interviewing. With respect to unsheltered homelessness in our communities, cities will follow a public health approach which prioritizes services over enforcement as recommended by LAHSA's Principles and Practices for Local Responses to Unsheltered Homelessness. PEH served in our communities will benefit from non-discrimination, equal access, and grievance policies similar to those currently in use. Overall, funds which cities or the COG control will be put to use according to the Measure H strategies.

In order to support the implementation of these philosophies, staff at individual cities who focus on homelessness will provide education on the importance of these best practices to their city councils, particularly to councilmembers who may sit on the LAHSA commission or other boards which oversee homeless services.

CES Participation and Regional Services

Programs in the San Gabriel Valley will participate in the Coordinated Entry System and operate from a regional perspective. Our work will continue to prioritize administering the VI-SPDAT in all programs and entering all participants into CES. City or COG funded programs will require collaboration with CES providers through case conferencing and other venues. Any permanent housing we control will be allocated according to LA County CES prioritization policies. Our programs will participate in HMIS and use it to the fullest extent possible. The only exception to this would be where prohibited by LAHSA, as outlined in the "problems" section of this paper.

Site based programs, such as interim housing, will be structured to serve a portion of the region. Many of our cities already address homelessness in cohorts of neighboring cities. As locally-controlled homelessness programming expands, the remaining cities can form themselves into self-selected cohorts of two to five cities each. These cohorts will form the basis of the catchment

area that each site based program would serve, rather than the entire SPA, and eligibility criteria would include having contact with an outreach team while in that area or otherwise having ties to a member city. In this way, local programs will have a regional approach while serving PEH from the communities where the sites are located.

Use of Local Resources and Control

Our communities commit to using local resources and control to effectively expand the homeless services delivery system. Once the above-mentioned cohorts of cities are formed, we will work to site interim housing beds in each one. By doing so, interim housing options will be available to PEH anywhere in the SPA, resolving a key limitation of this approach. The number of beds within each catchment area will be in accordance with targets to be determined at a later time, for example, 10% of each area's PIT count.

It will be important for member cities to maintain a level of control over beds in their catchment area. This could include the targeting of specific encampments, the use of preference lists, or a set-aside of beds to be filled specifically by city referral. This will not preclude the integration of interim housing into CES, such as by using eligibility criteria related to acuity or housing match status.

Our communities will also support the siting of permanent supportive housing within our communities. We will prioritize using surplus land for homeless services and affordable housing and are actively working to identify parcels for this purpose. We will also prioritize leveraging funding such as CDBG and the Regional Housing Trust to support regional goals. Our cities will prioritize the use of surplus or underutilized public properties, particularly to address the needs of those with mental illness or substance use disorder.

CONCLUSION

The challenges and recommendations emphasized in the sections above highlight the opportunity for all stakeholders in the County of Los Angeles to come together and build a comprehensive, coordinated, Countywide structure and strategy to end the shame of tens of thousands of people living on our streets. Business-as-usual will not solve this problem, so all County stakeholders must rise to face this challenge. The SGVCOG looks forward to actively participating in the formation of a better and more responsive homeless services system for all.

Attachment A



JANUARY 2021

Housing & Homelessness Report

SGVCOG
San Gabriel Valley Council of Governments

SGVRHT San Gabriel Valley Regional Housing Trust

Attachment A

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Attachment A



BACKGROUND

In 2019 and 2020, the San Gabriel Valley Council of Governments (SGVCOG) was awarded more than $7.2 million – through a $5.6 million State budget allocation, a $1.5 million Los Angeles County Measure H Innovation Funds allocation, and a $113,320 State COVID-19 Emergency Homelessness Funds allocation via the County – to support housing and homelessness programs in the San Gabriel Valley. Given that homelessness is a multi-faceted crisis, the SGVCOG aims to tackle homelessness with a multi-faceted approach.

$5.6M IN STATE FUNDING

$1.5M IN COUNTY FUNDING

$113K IN COVID-19 EMERGENCY FUNDS

$7.2M IN TOTAL FUNDING

Based on extensive stakeholder engagement, the following ten regional needs were identified. The SGVCOG Governing Board allocated funding to ten categories of programming accordingly.

- **Affordable housing** to meet current demand and to stop the inflow to homelessness due to inadequate housing supply
- **City homeless plan implementation resources**
- **Development of homeless plans** for those cities that had not previously completed plans
- **Prevention and diversion assistance** and problem solving resources to prevent residents from becoming homeless
- **Pilot programs** to test innovative, scalable solutions to homelessness
- **Workforce development and training** for youth at risk of homelessness
- **Landlord outreach and incentives** to encourage landlords to accept tenants who are experiencing homelessness
- **Increased City-service provider coordination** to build capacity
- **Alternative crisis response** for people experiencing homelessness (PEH) and mental health crises

By Spring 2020 with the outbreak of COVID-19, an additional urgent need became clear:

- **Increased access to hygiene services to mitigate the spread of COVID-19** in our unhoused neighbors

These ten categories of programming aim to both serve people actively experiencing homelessness and to stop the inflow into homelessness. By fall 2020, all programs were underway.



Attachment A



SAN GABRIEL VALLEY REGIONAL HOUSING TRUST

Attachment A







SAN GABRIEL VALLEY REGIONAL HOUSING TRUST

21 MEMBER CITIES

$1.55M IN INITIAL FUNDING

$1.00M IN STATE FUNDING FOR CAPITAL COSTS

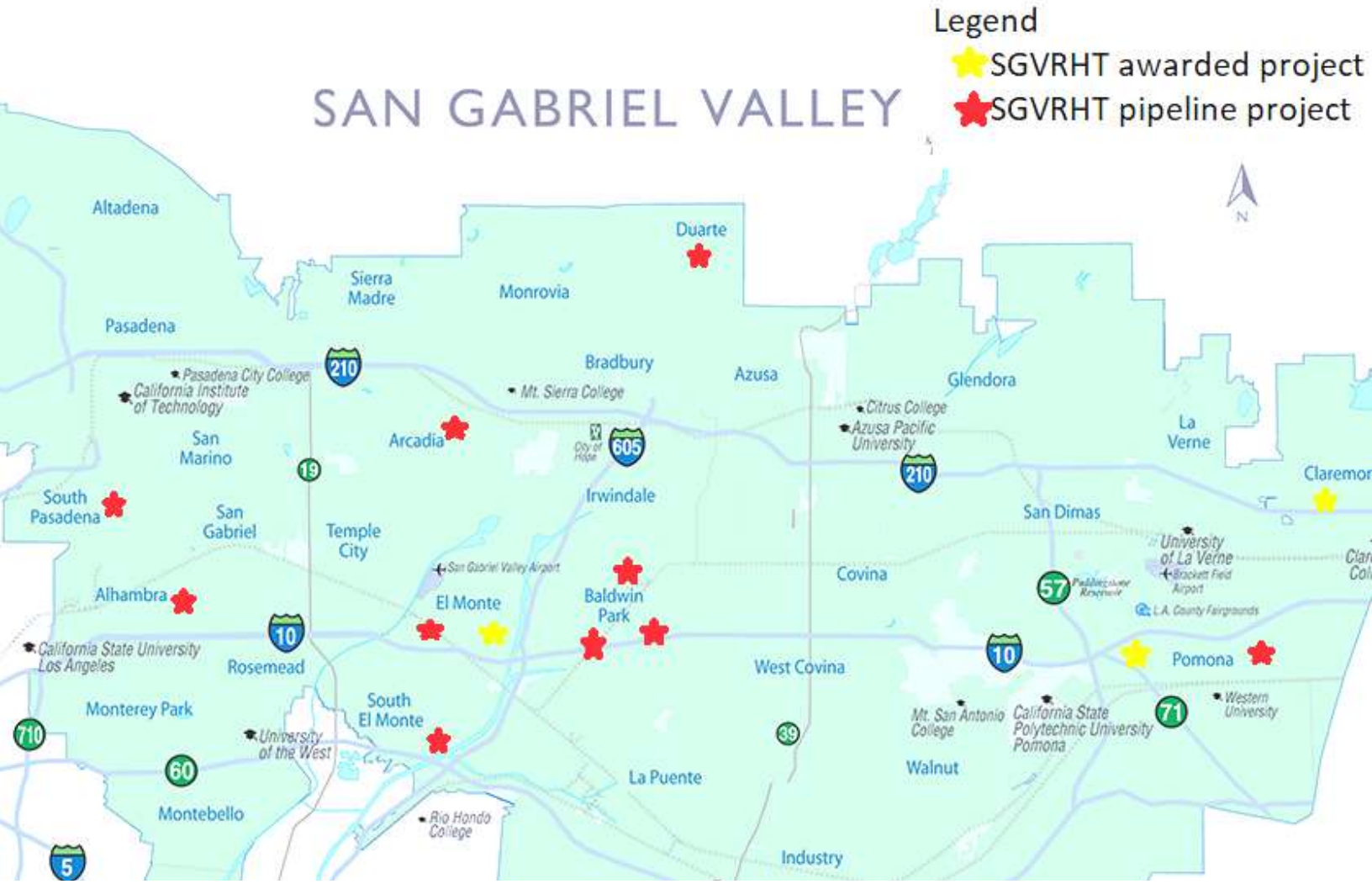
$350K IN COUNTY FUNDING FOR CAPITAL COSTS

$200K IN COUNTY FUNDING FOR OPERATIONS

The San Gabriel Valley Regional Housing Trust (SGVRHT) was **formed in February 2020 as a Joint Powers Authority (JPA)** to finance the planning and construction of affordable and homeless housing. The SGVRHT is governed by a nine-member Board of Directors composed of elected officials from seven cities that are members of the SGVRHT and two housing and homelessnesss experts. The SGVRHT currently boasts **21 member cities**. Membership is required to serve on the Board of Directors and to be eligible for SGVRHT project financing.

Attachment A

SGVRHT San Gabriel Valley Regional Housing Trust



MEMBER CITIES

Alhambra	Duarte	Montebello
Arcadia	El Monte	Pasadena
Azusa	Glendora	Pomona
Baldwin Park	Irwindale	San Gabriel
Claremont	La Cañada Flintridge	South El Monte
Covina	La Verne	South Pasadena
Diamond Bar	Monrovia	West Covina

Attachment A

PROJECT PIPELINE

In July 2020, the SGVRHT adopted bylaws, underwriting criteria, and loan guidelines and established the San Gabriel Valley **Project Pipeline**, a list of 13 projects totaling 672 units of affordable and permanent supportive housing in need of gap financing in the region.

PLHA FUNDS

Several cities have allocated a portion or the entirety of their 2020 Permanent Local Housing Allocation (PLHA) funds to the SGVRHT. Member cities can allocate their PLHA funds to the SGVRHT for program eligible expenses, including use as capital funds to finance affordable and homeless housing and activity costs incurred to operate the SGVRHT's programs. PLHA funds dedicated to the SGVRHT are eligible for use as matching funds for the LHTF program.

PROJECT PIPELINE

CITY | FUNDING GAP/REQUEST

ALHAMBRA | $3,000,000
50 units of low and extremely low-income housing

ARCADIA | $1,800,000
9 units of affordable housing

BALDWIN PARK | $7,500,000
120 units for low-income families and homeless veterans

BALDWIN PARK | $1,500,000
55 units of affordable housing

BALDWIN PARK | $6,000,000
13 units of affordable housing plus workforce housing

CLAREMONT | $500,000
15 units of affordable housing for low-income and homeless seniors

DUARTE | $7,000,000
60-70 units of affordable housing

EL MONTE | $37,000,000
Up to 100 units of transitional housing for homeless housing

POMONA | $2,000,000
125 units of affordable housing for low and very low-income families

POMONA | $1,350,000
56 units of affordable housing

SOUTH EL MONTE | $1,300,000
140 units of affordable housing for low-income seniors

SOUTH EL MONTE | $4,000,000
Transitional housing for homeless families

SOUTH PASADENA | $14,000,000
Rehab Caltrans property for affordable housing

CAPACITY BUILDING

The SGVRHT received planning funds from sources including the State, member cities, and Southern California Association of Governments through Regional Early Action Planning (REAP). These funds will be used to increase the SGVRHT's capacity to obtain and leverage funds to increase affordable housing in the San Gabriel Valley.

PROJECTS UNDERWAY AND ANTICIPATED THIS YEAR INCLUDE:

- **Strategic plan and funding strategy development** to best address the specific housing needs of the region and most effectively leverage funds to augment affordable and homeless housing production

- **Donor recognition program and capital campaign development to secure private funds**. As a JPA, the SGVRHT is eligible to receive both public and private funds. The funding strategy will enable the SGVRHT to solicit private investment and increase capital funds to be invested in affordable and homeless housing projects across the region.

- **Housing construction and financing innovation study.** The SGVRHT is investing in a study to identify innovations in both construction and financing methods to reduce the cost and time required to produce affordable and homeless housing to help meet the urgent need.

Planning efforts to increase affordable and homeless housing including:

- **affordable housing incubator**
- **housing leadership academy**
- **surplus land inventory**
- **land trust**

CAPACITY BUILDING

- **Homeless housing pilot program.** The SGVRHT is providing capital and technical assistance to:
    - **create small-scale emergency shelters** in interested member cities through the **use of prefabricated tiny home shelters** (non-congregate shelter)
    - **collaborate with the County and member cities** to ensure onsite service provision
    - **address the emergency shelter needs of the San Gabriel Valley** quickly and at a relatively low cost





Tiny home shelter examples



CITY HOMELESSNESS PROGRAMS







CITY HOMELESSNESS PROGRAMS

22 CITIES

$4.08M IN FUNDING

79% OF FUNDING TO DIRECT SERVICES

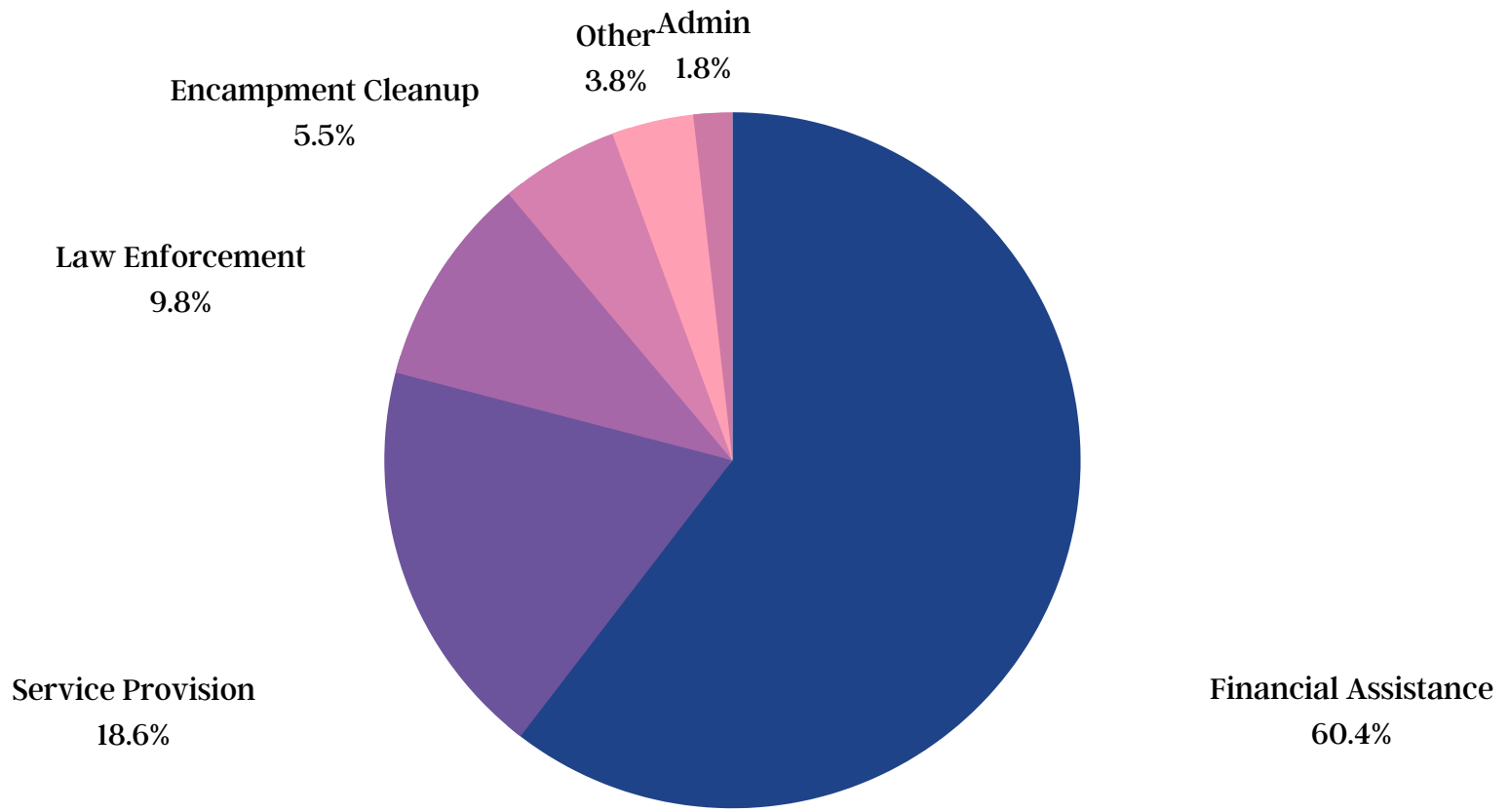
The SGVCOG is providing $4,075,495 in funding to its member cities to implement three programs:

- **Homeless Plan Implementation**
- **Prevention and Diversion**
- **Pilot Programs**

Cities submitted applications for these programs during the Spring 2020, with the Pilot Programs being the only competitive program.

CITY HOMELESSNESS PROGRAMS

Cities are receiving **an average of $185,454** to implement these three programs. **78.8%** of the funding has been allocated towards direct services, with the majority (**60.3%**) going towards financial assistance and **18.6%** towards the provision of those services. **10.1%** is assigned to law enforcement, **5.5%** to encampment cleanup, **3.8%** to other categories, like data collection and marketing, and **1.8%** to administration.





HOMELESS PLAN IMPLEMENTATION

19 CITIES

$3.3M IN STATE FUNDING

$50-250K ALLOCATION PER CITY

Resources to implement city homelessness response plans have been a major need for the SGVCOG's member cities. Cities with completed homeless plans were allocated funding based on population. Nineteen member cities are using this funding to undertake a variety of activities to implement their plans, from providing case management, housing navigation, and legal services to supporting local shelters and food banks and supplementing the city prevention and diversion program.

CITY IMPLEMENTATION ACTIVITES:

Attachment A



Housing Navigation



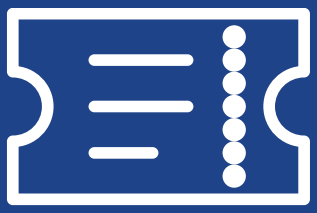
Case Management



Legal Services



Shelter and Food Bank Support



Rental Assistance and Vouchers



Data Collection



Public Outreach and Education



First Response Training



Prevention and Diversion

SHARED HOUSING NAVIGATION

Several cities expressed the need for housing navigation services, including a part-time housing navigator. An efficient and cost-effective way to provide these services was to procure a single provider, with **Union Station Homeless Services** ultimately selected as the provider. Cities were able to opt into the program with their homeless plan implementation funds and were able to choose city-specific services (e.g. a city-dedicated housing navigator just for their city) or to add supplemental housing placements. The program was also structured to include funding for rapid rehousing rental subsidies.

Housing navigation uses a case manager to work with homeless clients and direct them towards housing as quickly as possible.



SHARED NAVIGATOR

Alhambra, Baldwin Park, Irwindale, La Puente, South Pasadena, West Covina

CITY-DEDICATED NAVIGATOR

Arcadia, La Verne

PREVENTION AND DIVERSION



Recognizing the need to stop the inflow into homelessness, **22 member cities** are implementing Prevention and Diversion programs. Program activities include:

- **conducting** problem solving conversations with each client
- **determining** each client's needs and resources
- **empowering** clients to identify existing resources to overcome their barriers
- **providing** financial assistance if determined to prevent clients from becoming homeless

22 CITIES

$450K IN TOTAL FUNDING

$400K IN COUNTY FUNDING

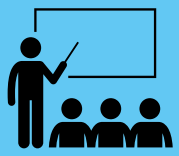
$50K IN STATE FUNDING

$15K ALLOCATION PER CITY

ACCOMPLISHMENTS



5 individuals and 4 families provided assistance to prevent homelessness



52 City staff completed SGVCOG or LAHSA problem solving training

PILOT PROGRAMS



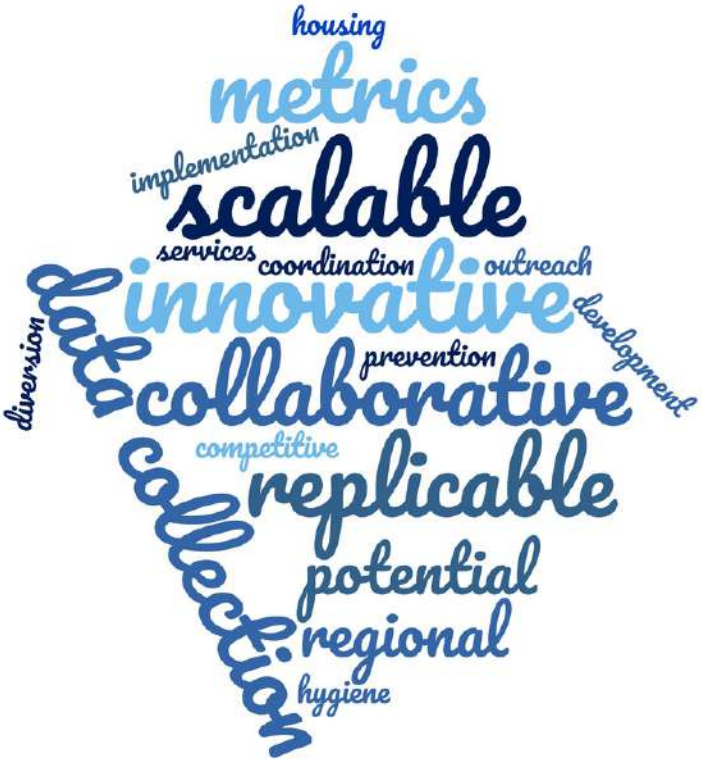
The Pilot Programs aim to test innovative direct homeless solutions and is providing initial funding for the set-up or implementation of innovative pilot projects on a small scale. The program will focus on collecting data and performance metrics on the pilot projects in order to assess whether they could be successfully implemented on a wider scale.

$610K IN TOTAL FUNDING

$515K IN COUNTY FUNDING

$95K IN STATE FUNDING

$103K AVERAGE ALLOCATION PER CITY



Four cities are implementing the following Pilot Programs. More details can be found on each City's program overview page.

- **Arcadia:** Pop-up homeless services center with restrooms, showers, laundry facilities, food, etc.
- **Claremont:** Roommate matching program to identify residents with vacant rooms available for roommates
- **Covina:** Mobile hygiene program with case management services
- **Monrovia:** Emergency COVID Housing Impact Program ("eCHIP")

GREEN PATH CAREERS PILOT PROGRAM



GREEN PATH CAREERS

Five cities (Baldwin Park, Duarte, Irwindale, La Verne, West Covina) are enrolled in the Green Path Careers Program, a Transition Age Youth (TAY) workforce development pilot program. The program is a collaborative effort between the SGVCOG, the Southern California Regional Energy Network, Hathaway-Sycamores, and the LA County Department of Workforce Development, Aging and Community Services (WDACS)

.

Launched in December 2020, the program enrolled 10 youth from the San Gabriel Valley who will be provided:

- no-cost home energy audit training
- workforce and financial literacy skills
- a paid work experience
- job application and interview assistance to enter the high-growth energy efficiency field

Hathaway-Sycamores CHILD AND FAMILY SERVICES

SGVCOG

Southern California REGIONAL ENERGY NETWORK

Emerald Cities COLLABORATIVE *America empowered.*

wdacs workforce development aging & community services

ACCOMPLISHMENTS

10 youth enrolled in program

5 partner agencies engaged



HOMELESS PLAN DEVELOPMENT

HOMELESS PLAN DEVELOPMENT



Five cities are currently developing homelessness response plans. **Diamond Bar, Monterey Park, Rosemead, San Gabriel, and Temple City** have worked with Focus Strategies and have conducted internal and external stakeholder engagement, identified current resources and needs, and developed key goals, supporting actions, and metrics for evaluating success. The plans will be adopted by City Councils in January and February 2021.

Key goals from the five homeless plans are as follows:

- **Promote** affordable housing development and preservation
- **Enhance** City homelessness response services, including prevention and diversion efforts
- **Advance** strategies to maximize opportunities in existing rental market to house people experiencing or at-risk of homelessness
- **Participate** in ongoing regional and countywide strategies to develop a more robust regional service delivery system
- **Increase** community education on homelessness and resources



LANDLORD OUTREACH & INCENTIVE

LANDLORD OUTREACH & INCENTIVE



The Landlord Outreach and Incentive Program will support landlords willing to accept clients who have experienced homelessness and provide financial support to encourage landlord participation for **20 participating cities**.

SGA Marking and Union Station Homeless Services are coordinating to implement the program.

- SGA has conducted outreach to landlords, distributing a survey that received over 100 responses.
    - Based on survey data, program will target individual owners rather than property management companies and will highlight the program as a business opportunity offering stability
- SGA will identify potential participating landlords and enroll in program
- Union Station will work with those landlords to provide financial incentives to accept tenants experiencing homelessness.

The program will soon be available at **LandlordIncentives.org** with the taglines **"The Most Rewarding Way to Rent"** and **"Lease With Peace of Mind"**.

ACCOMPLISHMENTS

100 responses to landlord survey

Marketing and outreach plan developed from survey data



SERVICES COORDINATION PROGRAM

Attachment A

SERVICES COORDINATION PROGRAM



The services coordination program aims to enhance coordination between municipalities and service providers in the San Gabriel Valley. The program will enable the region to continually plan, execute, evaluate, and enhance its programs and projects, as well as strengthen inter-agency communication, program marketing, and community outreach and engagement. The project will do so in two ways:

Virtual Resource Hub & Map

- Development and maintenance of a virtual "one-stop shop" resource hub that municipal staff, members of the public, and other stakeholders can use to find resources and information about homelessness and homeless services in the San Gabriel Valley
- Include GIS mapping of all service providers and Coordinated Entry System (CES) access points in the region

Targeted City Meetings

- Targeted meetings with cities to determine gaps in services and create action plans
- Connect City staff with additional resources and increase coordination with service providers
- Leverage existing technology including the "one-stop shop" website, resources, and existing partnerships to promote information-sharing and facilitate shared decision-making



HOMELESS, MENTAL HEALTH, & CRISIS RESPONSE STUDY

CRISIS RESPONSE STUDY



As communities across the country aim to re-imagine public safety and crisis response, the long-standing Eugene, Oregon CAHOOTS (Crisis Assistance Helping Out On The Streets) program has gained national attention. Cities around the country, from Oakland and New York to Denver and Austin, have begun to replicate the CAHOOTS model.

Based on regional interest in a mobile crisis response program like CAHOOTS, the SGVCOG will be conducting a study on how such a regional homeless, mental health, and crisis response program could be developed and implemented in the San Gabriel Valley. The project will deeply involve regional stakeholder and community engagement and will produce an actionable implementation plan for the region.



CAHOOTS in Eugene, OR

CRISIS RESPONSE STUDY



Key issues to be analyzed by the study are as follows:

- What is the existing volume of emergency and non-emergency calls and what percent could be responded to by this type of approach?
- How would the program work alongside local police departments, LA County Sheriff's Department, local fire departments, other first responders, emergency communications centers, and mental health service providers (e.g. DMH, Tri-City Mental Health)?
- What services could the program provide? (e.g. crisis counseling, housing assistance, suicide prevention, substance abuse support, etc.)
- How would the program specifically serve people experiencing homelessness?
- Who else is implementing this type of work in the region? In the country? How are they implementing the program?
- Are there agencies in the region with the capacity and expertise to implement the program? What qualifications/certifications would be needed of personnel?
- How much would the program cost? What are potential funding sources?
- What would the potential cost savings be? (e.g. police department costs? emergency medical systems costs, including ambulance. transport and emergency room services?)

HYGIENE PROGRAM

HYGIENE PROGRAM

In May 2020, the SGVCOG received $113,320 of State COVID-19 Emergency Homelessness funds from the County Homeless Initiative to expand hygiene services for people experiencing homelessness. The program launched in June and concluded in August.

Participating cities used the funding to add portable toilets and handwashing stations, open public restrooms that had closed, extend public restroom hours, provide mobile showers, and distribute hygiene kits.

With remaining funding, SGVCOG staff assembled 2000 hygiene kits and provided them to cities and Union Station to distribute.

With the closure of so many public spaces due to the pandemic, this program provided increased access to hygiene services mitigating COVID-19 outbreaks in the region's unhoused community.

$113K IN FUNDING

11 CITIES





SGVCOG staff hygiene kit assembly

HYGIENE PROGRAM



ACCOMPLISHMENTS

11 new locations with services made available

71 new hand soap dispensers installed

400 showers provided

500 people provided access to hygiene services per day

4,030 hygiene kits distributed

21,228 hours of expanded service



CITY PROGRAM OVERVIEWS

City of Alhambra

ENROLLED IN:

- *Regional Housing Trust*
- *Homeless Plan Implementation*
- *Shared Housing Navigator*
- *Prevention and Diversion*
- *Landlord Outreach and Incentive*
- *Hygiene Program*

PREVENTION AND DIVERSION

- Los Angeles Centers for Alcohol and Drug Abuse (L.A. CADA) and the City will provide street outreach services and vouchers for overnight stays, transitional housing, or permanent housing,

HOMELESS PLAN IMPLEMENTATION

- Funding allocated to shared housing navigator and housing vouchers
- Officer/Corporal will participate on the Homeless Outreach Mental Evaluation (HOME) Team along with the Alhambra School District and Union Station to connect people experiencing homelessness to resources.



ACCOMPLISHMENTS

HYGIENE PROGRAM



1000 hygiene kits purchased and distributed

City of Arcadia

ENROLLED IN:

- *Regional Housing Trust*
- *Homeless Plan Implementation*
- *Prevention and Diversion*
- *Pilot Program*
- *Landlord Outreach and Incentive*
- *Hygiene Program*

PREVENTION AND DIVERSION

- Union Station housing navigator and City staff to implement program, conduct problem-solving conversations, and determine resources, both financial and non-financial, to prevent clients from becoming homeless.

HOMELESS PLAN IMPLEMENTATION

- City-dedicated housing navigator through SGVCOG contract with Union Station Homeless Services
- Housing vouchers for housing navigator to place clients into housing
- Emergency resources (housing, meals, etc.) for City staff to provide people experiencing homelessness
- Homeless Education and Liaison Program (HELP) team and Police and Fire Department outreach

ACCOMPLISHMENTS

PILOT PROGRAM - HOMELESS RESOURCE HUB

The City launched a pop-up Homeless Resource Hub to provide services to individuals experiencing homelessness, including **mobile showers, a laundry facility, restrooms, case managers/housing navigators from Union Station Homeless Services, and medical support** from the Arcadia Fire Department. The program **launched on November 5, 2020** and will operate once per week. The City plans on holding **a total of 27 events** throughout the course of the pilot program.







City of Azusa

ENROLLED IN:

- *Regional Housing Trust*
- *Homeless Plan Implementation*
- *Prevention and Diversion*
- *Landlord Outreach and Incentive*
- *Hygiene Program*

PREVENTION AND DIVERSION

- Expand existing City Library Neighborhood Connections program and create a housing displacement response plan, including creating an application process and eligibility requirements and tracking services provided and the outcomes.

HOMELESS PLAN IMPLEMENTATION

- Expand the Neighborhood Connections program to March 2022 to provide food, clothing, hygiene supplies, and other basic needs, conduct care coordination screening and provide problem solving-solving assistance.
    - **Goal to enroll 75 unduplicated and 200 duplicated individuals or family members**
- Homeless Assistance Liaison Officer (HALO) and Code Enforcement outreach to provide resource guides and referrals to case management services.

ACCOMPLISHMENTS

Integrated new programming into existing library-based Neighborhood Connections program

Developed guidelines for problem solving interventions, eligibility, consent and follow-up and referrals from Union Station

NEIGHBORHOOD CONNECTIONS



City of Baldwin Park

ENROLLED IN:

- *Regional Housing Trust*
- *Homeless Plan Implementation*
- *Shared Housing Navigation*
- *Prevention and Diversion*
- *Green Path Career Pilot Program*
- *Landlord Outreach and Incentive*
- *Hygiene Program*

HOMELESS PLAN IMPLEMENTATION

- Funding allocated to shared housing navigator and housing vouchers
- Funding allocated to prevention, diversion, and rapid rehousing program

PREVENTION AND DIVERSION

- Emergency housing response program under the Baldwin Park Housing Division and Recreation and Community Services to support individuals and families who are newly homeless or are at risk of becoming homeless by providing rental and mortgage assistance
- Focus on strategies to assist lower-income households in gaining self-sufficiency
- Focus on specific populations, such as highly vulnerable populations who experience homelessness at higher rates, and those affected by emergency situations such as the COVID-19 pandemic that have resulted in a loss of income

ACCOMPLISHMENTS

Served 380 individuals with hygiene kits

Placed 1 family in emergency shelter after house fire and assisted with securing new housing

Installed handwashing stations and portable toilets







City of Claremont

ENROLLED IN:

- *Regional Housing Trust*
- *Homeless Plan Implementation*
- *Prevention and Diversion*
- *Pilot Program*
- *Landlord Outreach and Incentive*
- *Hygiene Program*

PREVENTION AND DIVERSION

- Supplement City's existing Senior Case Management Program which provides senior residents and families at risk of homelessness with comprehensive resources for social services..

HOMELESS PLAN IMPLEMENTATION

- Secure family rooms at Inland Valley Hope Partners' (IVHP) Our House Family Shelter in Pomona
- Coordinate with IVHP to provide services such as weekly case management, life skills classes, psychosocial counseling, and weekly support groups

PILOT PROGRAM

- Engage landlords and homeowners to create a network of vacant rentals within city boundaries
- Engage tenants and develop a roommate matching process
- House individuals, execute tenant-roommate contracts, and execute tenant-NPO contracts

ACCOMPLISHMENTS

1 family referred to IVHP, moved into shelter, and 2 months later, moved into an affordable apartment

2 individuals and 1 family provided prevention and diversion assistance

Affordable housing project awarded PLHA funding

Expanded available hours of and opened previously-closed public restrooms to unsheltered community

City of Covina

ENROLLED IN:

- *Regional Housing Trust*
- *Homeless Plan Implementation*
- *Prevention and Diversion*
- *Pilot Program*
- *Landlord Outreach and Incentive*

PREVENTION AND DIVERSION

- Assist low-income eligible residents who need utility bill and financial assistance due to a temporary set-back/crisis (e.g. termination from employer, furlough/reduction in hours/pay, illness/disability, unexpected family emergency, eviction notice, etc.)

HOMELESS PLAN IMPLEMENTATION

- Support YWCA's Women in Need Growing Strong (WINGS) program to house women and children escaping domestic violence
- Support 29:11 to sustain and expand their food bank that provide meals to homeless and at-risk individuals
- Prevent 3-4 families from becoming homeless and rapidly rehouse 4 families and 7 individuals experiencing homelessness
- Develop bicycle outreach program to help make officers more approachable

PILOT PROGRAM

- Provide funding to Support Solutions to purchase a used truck to tow mobile showers to service areas within the City
- Fund an on-site case manager to assist those accessing mobile shower, connecting individuals to shelter and housing, mental health support, job training, and other services

ACCOMPLISHMENTS:



Secured additional Los Angeles Homeless Services Authority (LAHSA) grant funding to launch mobile shower pilot program by end of January 2021

City of Diamond Bar

ENROLLED IN:

- *Regional Housing Trust*
- *Homeless Plan Development*
- *Landlord Outreach and Incentive*

HOMELESS PLAN DEVELOPMENT

- .Conducted internal and external stakeholder engagement to assess current resources and needs. Interviews and input sessions were held with City staff members, County homelessness response system leaders, and non-profit and faith-based service providers.
- The following key findings emerged through the stakeholder engagement process:
  - lack of available, accessible homelessness response resources
  - insufficient supply of affordable housing
- City staff identified key goals to respond to these key findings and concerns related to homelessness and align with broader regional system strategies and efforts
- City staff will hold study session with City Council in February to review plan and will bring plan to Council for adoption in early March



ACCOMPLISHMENTS:

Developed a homelessness response plan (to be approved by City Council)

City of Duarte

ENROLLED IN:

- *Regional Housing Trust*
- *Homeless Plan Implementation*
- *Prevention and Diversion*
- *Green Path Career Pilot Program*
- *Landlord Outreach and Incentive*
- *Hygiene Program*

PREVENTION AND DIVERSION

- Union Station housing navigator and City staff to implement program, conduct problem-solving conversations, and determine resources, both financial and non-financial, to prevent clients from becoming homeless.

HOMELESS PLAN IMPLEMENTATION

- Duarte Public Safety Outreach Coordinator to connect those experiencing homelessness by building street-level relationships..
- Housing rights assistance by providing housing counseling for both tenants and landlords.
- Provide portable bathroom and handwashing facility for at-risk and vulnerable homeless persons.

ACCOMPLISHMENTS:

PLAN IMPLEMENTATION

15 individuals outreached to by Public Safety

HYGIENE PROGRRAM

1,319 services provided

174 individuals served





City of El Monte

ENROLLED IN:

- *Regional Housing Trust*
- *Homeless Plan Implementation*
- *Prevention and Diversion*
- *Landlord Outreach and Incentive*
- *Hygiene Program*

PREVENTION AND DIVERSION

- Implement a prevention, diversion, and rapid rehousing program that incorporates problem-solving conversations with clients in order to develop an approach towards preventing clients from falling into homelessness or minimizing the amount of time from which clients are facing homelessness.

HOMELESS PLAN IMPLEMENTATION

- Utilize Police Department's TOUCH (Transient Outreach Using Community Hands) Team to conduct outreach to connect homeless population to resources and temporary housing.
- Partner with TriCity Homelessness Cohort to implement the City's homeless plan, including developing a communications implementation plan, and developing and administering surveys to identify core principles.





ACCOMPLISHMENTS:

PREVENTION AND DIVERSION

15 individuals outreached to by Public Safety

HYGIENE PROGRRAM

10 portable shower events held

400 showers offered to unhoused community

City of Glendora

ENROLLED IN:

- *Regional Housing Trust*
- *Homeless Plan Implementation*
- *Prevention and Diversion*
- *Landlord Outreach and Incentive*

PREVENTION AND DIVERSION

- Implement a prevention, diversion, and rapid rehousing program that incorporates problem-solving conversations with clients in order to develop an approach towards preventing clients from falling into homelessness or minimizing the amount of time from which clients are facing homelessness.

HOMELESS PLAN IMPLEMENTATION

- Homeless Outreach Services. Teams and the Community Impact Team provide outreach to the City's homeless population by providing assistance, including motel vouchers, hygiene kits, clothing, shoes, food, and gift cards.
- Partner with Glendora Unified and Charter Oak School Districts to help identify families and youth experiencing homelessness or at-risk of homelessness.



ACCOMPLISHMENTS:

Programs continue to ramp-up in anticipation of launching. Accomplishments will be included in a future report

City of Irwindale

ENROLLED IN:

- *Regional Housing Trust*
- *Homeless Plan Implementation*
- *Prevention and Diversion*
- *Green Path Career Pilot Program*
- *Landlord Outreach and Incentive*

PREVENTION AND DIVERSION

- Union Station housing navigator and City staff to implement program, conduct problem-solving conversations, and determine resources, both financial and non-financial, to prevent clients from becoming homeless.

HOMELESS PLAN IMPLEMENTATION

- Outreach by Irwindale Police Department Homeless Outreach Coordinator to connect those experiencing homelessness to the cities' Union Station Housing Navigators and LAHSA, in addition to other direct services, such as motel vouchers.
- Housing rights assistance by providing housing counseling for both tenants and landlords.





ACCOMPLISHMENTS:

PREVENTION AND DIVERSION

2 individuals outreached to by Public Safety

City of La Puente

ENROLLED IN:

- *Homeless Plan Implementation*
- *Shared Housing Navigation*
- *Prevention and Diversion*

HOMELESS PLAN IMPLEMENTATION

- Participate in the Shared Housing Navigator program by providing input and support to the assigned housing navigator as needed. City will receive an allocation of housing vouchers that will be used be the housing navigator to house homeless clients within the City.
- Direct resources for Sheriff's Department to provide to people experiencing homelessness, including housing or motel vouchers, food, and other services.

PREVENTION AND DIVERSION

- Union Station housing navigator will implement a prevention and diversion program in the City





ACCOMPLISHMENTS:

Programs continue to ramp-up in anticipation of launching. Accomplishments will be included in a future report

City of La Verne

ENROLLED IN:

- *Regional Housing Trust*
- *Homeless Plan Implementation*
- *Shared Housing Navigation*
- *Prevention and Diversion*
- *Green Path Career Pilot Program*
- *Landlord Outreach and Incentive*

HOMELESS PLAN IMPLEMENTATION/ PREVENTION AND DIVERSION

- Union Station housing navigator will provide rapid re-housing, prevention, and diversion interventions, and case management for La Verne residents at risk of homelessness.
- Goal of serving 6 households under the rapid re-housing program, 16 households under the prevention and diversion rental/deposit interventions, and 40 households under the prevention and diversion low-cost interventions.





ACCOMPLISHMENTS:

Leveraged existing Housing Navigator from Union Station to provide rapid re-housing, prevention and diversion interventions

City of Monrovia

ENROLLED IN:

- *Regional Housing Trust*
- *Homeless Plan Implementation*
- *Prevention and Diversion*
- *Pilot Program*
- *Landlord Outreach and Incentive*
- *Hygiene Program*

HOMELESS PLAN IMPLEMENTATION

- Monrovia Homeless Outreach Team works with individuals experiencing homelessness to share information on local resources and services available
- Develop fundraising and public awareness campaign to benefit the Foothill Unity Center

PREVENTION AND DIVERSION

- Supplement City's existing Housing Displacement Response Program (HDRP)

PILOT PROGRAM - eCHIP

- Emergency COVID Housing Impact Program ("eCHIP") meets the immediate needs of residents who would face homelessness if intervention is not provided
- Utilizes existing HDRP advocates to administer necessary funds to residents, verify eligibility, and work through available financial relief options
- Tracks residents to ensure long term stability and housing retention. Success will be measured through metrics such as eviction avoidance, number of families receiving direct support, number of school-aged children who avoided housing displacement, among other metrics.

ACCOMPLISHMENTS

141 individuals and 42 families provided assistance through eCHIP Pilot Program

53 individuals outreached to by Public Safety

3 individuals and 2 families served by prevention and diversion program

2 additional portable toilets installed at Monrovia Community Center

City of Montebello

ENROLLED IN:

- *Regional Housing Trust*
- *Homeless Plan Implementation*
- *Prevention and Diversion*
- *Landlord Outreach and Incentive*

PREVENTION AND DIVERSION

- Montebello Community Assistance Program (MCAP) will implement the program, conduct problem solving conversations, determine eligibility requirements, execute tenant-landlord agreements, and provide rental and other financial assistance

HOMELESS PLAN IMPLEMENTATION

- Launch the Montebello Community Assistance Program (MCAP) within the fire department
- Conduct mental health training for all fire personnel
- Develop a Dashboard to End Homelessness to collect and analyze data to better identify outreach locations, improve outreach response times, increase communication among providers, evaluate the success of adopted strategies, and drive the City's strategic planning efforts
- Create partnerships with organizations that provide housing, homeless services, behavioral and other types of services that support those impacted by homelessness
- Create a "Hub" or "One-Stop" model for homeless services that will be client driven

ACCOMPLISHMENTS

Launched Montebello Community Assistance Program (MCAP), hiring a social worker supervisor and field response case coordinator who along with a paramedic will provide assistance to those experiencing homelessness



City of Monterey Park

ENROLLED IN:

- *Homeless Plan Development*
- *Prevention and Diversion*
- *Landlord Outreach and Incentive*
- *Hygiene Program*

PREVENTION AND DIVERSION

- Utilize existing Community Service Bureau and Problem Oriented Policing (POP) Officers to identify clients in need, conduct problem solving conversations, and provide assistance

HOMELESS PLAN DEVEOPMENT

- .Conducted stakeholder engagement with members of multiple city departments, elected officials, business leaders, and community and non-profit service providers to assess current resources and needs
- The following key findings emerged through the stakeholder engagement process:
  - increases in homelessness
  - public health and safety concerns
  - lack of affordable housing
- City staff identified key goals and strategies to respond to these key findings and concerns
- City will bring plan to Council for adoption in February or March 2021



ACCOMPLISHMENTS:

Developed a homelessness response plan (to be approved by City Council)

Opened 4 hygiene stations

City of Pomona

ENROLLED IN:

- *Regional Housing Trust*
- *Homeless Plan Implementation*
- *Prevention and Diversion*

PREVENTION AND DIVERSION

- Volunteers of America Los Angeles (VOALA) at the Hope for Home (H4H) Homeless Services Center will implement program using the problem solving model and approach.

HOMELESS PLAN IMPLEMENTATION

- Police Officers connect individuals to the Hope for Home Access Center to help individuals to gain initial access to the Coordinated Entry System.
- Provide support to Neighborhood Legal Services Los Angeles to improve the availability of legal services to residents experiencing homelessness or at risk of homelessness by providing legal help for tenants in eviction proceedings.

ACCOMPLISHMENTS:

The Neighborhood Services Department partnered with the GIS Department to design a Survey 123 tool specific to law enforcement outreach. The survey captures and collects data on the type of services the Pomona Police Department provides during outreach, the number of individuals housed, and the number of individuals directed to a Tri-City Community Navigator.

39 individuals completed Survey 123. 38 out of 39 individuals were given a housing referral

Affordable housing project awarded PLHA funding





City of Rosemead

ENROLLED IN:

- *Homeless Plan Development*
- *Prevention and Diversion*
- *Landlord Outreach and Incentive*

PREVENTION AND DIVERSION

- Eviction Prevention Program for renters in the City who do not qualify or receive any other form of financial or housing subsidies, and who are met with imminent eviction due to a crisis

HOMELESS PLAN DEVEOPMENT

- Conducted stakeholder engagement with elected officials, city staff members, homelessness response service provider agencies, community groups, and residents to assess current resources and needs
- The following key findings emerged through the stakeholder engagement process:
  - increases in homelessness
  - public health and safety concerns
  - lack of available, accessible homelessness response services and resources
  - lack of affordable housing
- City staff identified key goals and strategies to respond to these key findings and concerns
- Council will consider adoption in January 2021





ACCOMPLISHMENTS:

Engaged 26 stakeholders to provide input on the City's needs and services

Received 40 responses to homeless plan community survey

Developed a homelessness response plan (to be approved by City Council)

City of San Dimas

ENROLLED IN:

- *Prevention and Diversion*
- *Homeless Plan Implementation*
- *Landlord Outreach and Incentive*

PREVENTION AND DIVERSION

- Implement a prevention, diversion, and rapid rehousing program that incorporates problem-solving conversations with clients in order to develop an approach towards preventing clients from falling into homelessness or minimizing the amount of time from which clients are facing homelessness.

HOMELESS PLAN IMPLEMENTATION

- Offer an Emergency Rental Assistance Program designed to assist eligible residents, impacted by the COVID-19 Pandemic in hope of providing assistance to avoid homelessness.





ACCOMPLISHMENTS:

Programs leverage existing connections and staffing to maximize funding towards direct rental assistance.

City of San Gabriel

ENROLLED IN:

- *Regional Housing Trust*
- *Homeless Plan Development*
- *Landlord Outreach and Incentive*
- *Hygiene Program*

HOMELESS PLAN DEVELOPMENT

- Conducted internal and external stakeholder engagement with elected officials, City staff members, homelessness response service provider agencies, community groups, and residents to assess current resources and needs.
- The following key findings emerged through the stakeholder engagement process:
  - lack of available, accessible homelessness response services and resources
  - public health and safety concerns
  - lack of affordable housing
- City staff identified key goals and strategies to respond to these key findings and concerns
- City will bring plan to Council for adoption in January 2021

ACCOMPLISHMENTS:

Engaged over 50 stakeholders to provide input on the City's needs and services

Received 32 responses to homeless plan community survey

Developed a homelessness response plan (to be approved by City Council)



City of South El Monte

ENROLLED IN:

- *Regional Housing Trust*
- *Landlord Outreach and Incentive*
- *Homeless Plan Implementation*
- *Prevention and Diversion*

HOMELESS PLAN IMPLEMENTATION

- Conducting a land use analysis to facilitate affordable and supportive housing.
- Law enforcement will receive training on mental health issues and will coordinate with the Department of Mental Health

PREVENTION AND DIVERSION

- Expanding existing prevention and diversion program to offer rental assistance and other resources



ACCOMPLISHMENTS:

Programs continue to ramp-up in anticipation of launching. Accomplishments will be included in a future report

City of South Pasadena

ENROLLED IN:

- *Regional Housing Trust*
- *Shared Housing Navigator*
- *Homeless Plan Implementation*
- *Prevention and Diversion*
- *Hygiene Program*

HOMELESS PLAN IMPLEMENTATION

- Shared Housing Navigator will have six rapid re-housing vouchers dedicated to South Pasadena.
- Law enforcement will provide referrals to community resources.
- The City will conduct a public outreach campaign with educational videos and workshops about homelessness.
- Portable bathroom and hygiene facilities will be added.

PREVENTION AND DIVERSION

- Existing Union Station Housing Navigator will provide financial assistance to those at risk of homelessness.





ACCOMPLISHMENTS:

An ADA accessible portable toilet with a hand sanitizer and hand washing station is available 24/7 outside the City's Library. Approximately 25 people per day use these facilities.

City of Temple City

ENROLLED IN:

- *Homeless Plan Development*

HOMELESS PLAN DEVELOPMENT

- .Conducted internal and external stakeholder engagement with elected officials, City staff members, homelessness response service provider agencies, community groups, and residents to assess current resources and needs

- The following key findings emerged through the stakeholder engagement process:
  - lack of available, accessible homelessness response services
  - public health and safety concerns
  - insufficient supply of affordable housing

- City staff identified key goals and strategies to respond to these key findings and concerns

- City will bring plan to Council for adoption in February 2021





ACCOMPLISHMENTS:

Engaged 27 stakeholders to provide input on the City's needs and services

Developed a homelessness response plan (to be approved by City Council)

City of West Covina

ENROLLED IN:

- *Regional Housing Trust*
- *Shared Housing Navigator*
- *Workforce Development Pilot*
- *Landlord Outreach and Incentive*
- *Homeless Plan Implementation*
- *Prevention and Diversion*

HOMELESS PLAN IMPLEMENTATION

- Shared Housing Navigator will have four rapid re-housing vouchers dedicated to West Covina
- Law enforcement will provide referrals to housing navigation and other resources

PREVENTION AND DIVERSION

- Existing Union Station Housing Navigator will provide financial assistance to those at risk of homelessness
- Motel vouchers can act as "bridge housing" for those working with the navigator

ACCOMPLISHMENTS:

Program leverages existing Union Station staff resources to devote more funding to direct financial assistance

Close collaboration with LAHSA allows staff to effectively identify those in need of program services



ATTACHMENT A

RESOLUTION NO. 21-____

RESOLUTION OF CITY OF MONTEBELLO ADOPTING THE SAN GABRIEL VALLEY COUNCIL OF GOVERNMENTS' WHITE PAPER ON LAHSA REFORM

WHEREAS, CITY OF MONTEBELLO is a member of the San Gabriel Valley Council of Governments (SGVCOG); and

WHEREAS, the SGVCOG serves as a unified voice to maximize resources and advocate for regional and member interests to improve the quality of life in the San Gabriel Valley; and

WHEREAS, CITY OF MONTEBELLO and the other member cities of the SGVCOG cities provide homelessness services and work with the Los Angeles Homeless Services Authority (LAHSA), the Los Angeles County Homeless Initiative, the Los Angeles County Department of Mental Health, the Los Angeles County Sheriff's Department, and various other State and County departments, nonprofits, service providers, and other municipalities; and

WHEREAS, the 2020 Homeless Count identified 170 people experiencing homelessness in CITY OF MONTEBELLO. It identified 4,555 people experiencing homelessness in the San Gabriel Valley, representing an increase of 47% over the last five years. With the inclusion of the separate count within the separate Pasadena Continuum of Care, the homeless population of the San Gabriel Valley represents nearly 10% of the Countywide total; and

WHEREAS, the Los Angeles County Board of Supervisors approved a motion on September 1, 2020, seeking to explore changes to the structure and function of LAHSA and highlighting the need to examine the system as a whole; and

WHEREAS, the SGVCOG convened a working group to draft a white paper to ensure the San Gabriel Valley had a leading voice in these reform efforts. This working group consisted of representatives from 11 cities (Arcadia, Baldwin Park, Claremont, Duarte, Glendora, Montebello, Monterey Park, Pomona, San Dimas, South El Monte, and South Pasadena) and met five times from September to November 2020; and

WHEREAS, this working group drafted a white paper (Attachment A) that outlined the causes and impacts of systemic problems with the current homelessness response system, identified comprehensive solutions, confirmed the San Gabriel Valley's commitment to best practices and programs, and affirmed a willingness to lead the region to a more effective, County-wide coordinated strategy to combat homelessness; and

WHEREAS, this white paper was subsequently reviewed and adopted by the SGVCOG Governing Board.

NOW, THEREFORE, BE IT RESOLVED that the City Council does hereby approve the SGVCOG White Paper on LAHSA Reform (Attachment A).

APPROVED AND ADOPTED this 24th day of March 2021.

_____
Kimberly A. Cobos-Cawthorne, Mayor

ATTEST: **APPROVED AS TO FORM:**

_____ _____
Christopher Jimenez, City Clerk Arnold M. Alvarez-Glasman, City Attorney

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS:
CITY OF MONTEBELLO)

I, Christopher Jimenez, City Clerk of the City of Montebello, County of Los Angeles, State of California, hereby certify that the foregoing Resolution No. 21-__ was passed and adopted by the City Council of the City of Montebello, signed by the Mayor and attested by the City Clerk at a regular meeting of said Council held on the 24th day of March 2021 and that said Resolution was adopted by the following vote, to-wit:

AYES:
NOES:
ABSTAIN:
ABSENT:

The undersigned, City Clerk of the City of Montebello, does hereby attest and certify that the foregoing Resolution is a true, full and correct copy of a resolution duly adopted at a meeting of said City which was duly convened and held on the date stated thereon, and that said document has not been amended, modified, repealed or rescinded since its date of adoption and is in full force and effect as of the date hereof.

DATE: _____ _____
Christopher Jimenez, City Clerk

ITEM # 20

CITY OF MONTEBELLO

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and Members of the City Council

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

BY: Michael Solorza, Director of Finance

SUBJECT: **Amendment No. 2 to Professional Services Agreement with Vasquez & Company to Perform Audit and Related Work**

DATE: March 24, 2021

RECOMMENDATIONS:

It is recommended that the City Council:

1) Authorize the City Manager to approve Amendment No. 2 (Attachment A) to the professional services agreement with Vasquez & Company to provide audit and related work for Fiscal Year 2020-21, as allowed per Agreement No. 3289 (Attachment B) between the City of Montebello and Vasquez & Company; and

2) Authorize issuing a Request for Proposals (RFP) in Fiscal Year 2021-22 for audit services for subsequent years.

BACKGROUND

The City utilizes a third-party professional auditing firm to complete its Comprehensive Annual Financial Report (CAFR), Single Audit, and other fiscal year-end related tasks. On September 13, 2017, the City Council approved a contract with Vasquez & Company to perform these duties (Attachment B). The initial term of the contract was for three years, covering audit and financial report for Fiscal Years 2016-17, 2017-18 and 2018-19.

Staff is satisfied with their services and wishes to engage their services for one more additional year (FY 2020-21) as permitted by Section 2 of Agreement No. 3289. Extension of the contract for an additional year will allow Finance staff and Vasquez associates to complete the CAFR, Single Audit, Transit Audit, GANN Limit Procedures and related tasks in a timely manner for FY 2020-21.

This will be the second of the two (2) allowed extensions to this contract. It will be necessary to issue a Request for Proposals (RFP) after the expiration of this second contract extension. Staff will issue the RFP in the latter half of FY 2021-22.

FISCAL IMPACT

The agreement quotes an all-inclusive price for services for FY 2020-21 of $91,340 (See Exhibit C of Attachment B). This amount will be included in the FY 2021--22 budget.

SUMMARY

Staff is recommending the approval of Amendment No. 2 to the agreement with Vasquez & Company to perform audit work for FY 2020-21 and seeking permission to issue a RFP for audit services in FY 2021-22. This second amendment would extend the term of the contract, with a fixed, all-inclusive cost to the City of $91,340.

ATTACHMENTS:

A. Attachment A – Amendment No. 2 to Professional Services Agreement No. 3289
B. Attachment B – Professional Services Agreement No. 3289, September, 2017

ATTACHMENT A

CITY OF MONTEBELLO

AMENDMENT NO. 2
TO PROFESSIONAL SERVICES AGREEMENT NO. 3289
WITH VASQUEZ AND COMPANY

This Amendment No. 2 to the Professional Services Agreement by and between the City of Montebello and Vasquez and Company ("Consultant") **("Amendment No. 2")** is entered into this 24th day of March 2021, by and between Vasquez and Company **("Consultant")** and City of Montebello **("City"),** with reference to the following facts:

RECITALS:

WHEREAS, the City of Montebello, a California municipal corporation, (the "City"), and Vasquez and Company ("Consultant"), previously entered into a certain Professional Services Agreement No. 3289 (the "Agreement"), effective as of September 13, 2017 (the "Agreement"); and,

WHEREAS, the City and Consultant desire to amend the Agreement to extend the initial term of the Agreement.

NOW THEREFORE, the City and Consultant, in consideration of the mutual covenants and agreements contained in the Agreement and those set forth herein, do hereby agree to amend the Agreement as follows:

AMENDMENT

2. TERM OF CONTRACT

Section 2 of Agreement No. 3289 allows two (2) one-year optional extension periods (each a "Renewal Term"). As per Section 2, the City Council shall have the right and power to exercise the Renewal Terms.

This amendment will exercise Renewal Term number two, allowing for services – as set forth in Agreement No. 3289 – to be performed for Fiscal Year 2020-21 at an all-inclusive rate of $91,340.

MODIFICATIONS

The Agreement, except as amended by this Second Amendment to Professional Services Agreement, remains in effect in all other respects.

IN WITNESS WHEREOF, the parties have made and executed this Amendment in multiple copies, each of which shall be an original, effective as of March 24, 2021.

[SIGNATURES FOLLOW ON THE NEXT PAGE]

("CITY")
CITY OF MONTEBELLO

_____
René Bobadilla, City Manager

("CONTRACTOR")
VASQUEZ & COMPANY

_____
(Signature)

_____
Printed Name

Title: _____

ATTEST:

_____
Christopher Jimenez, City Clerk

APPROVED AS TO FORM:

_____
Arnold M. Alvarez-Glasman, City Attorney

AGREEMENT NO. 3289
PROFESSIONAL SERVICES CONTRACT

CONTRACT FOR SERVICES

THIS CONTRACT is made on September 13, 2017 by and between the City of Montebello, a municipal corporation (the "City") and Vasquez & Company (the "Consultant"), collectively referred to as the "Parties."

WITNESSETH

WHEREAS, the Consultant has presented a proposal to provide services, which services are identified in the Scope of Work attached hereto and incorporated herein by this reference as **Exhibit A**, and by reason of its qualifications, experience, and facilities, Consultant represents that it is duly authorized to perform the type of services contemplated herein; and,

WHEREAS, the City desires to hire Consultant to perform the Scope of Work pursuant to the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the mutual promises set forth herein, City and Consultant agree to as follows:

1. SCOPE OF SERVICES

A. Consultant shall do all work, attend all meetings, produce all reports and carry out all activities necessary to complete the services described in the Scope of Work. This Contract and its exhibits shall be known as the "Contract Documents." Terms set forth in any exhibits shall be deemed to be incorporated in all Contract Documents as if set forth in full therein. In the event of conflict between terms contained in these Contract Documents, the more specific term shall control.

B. The Consultant agrees it has satisfied itself by its own investigation and research regarding the conditions affecting the work to be done and labor and materials needed, and that its decision to execute this Contract is based on such independent investigation and research.

2. TERM OF CONTRACT

A. The term of this Contract shall commence on the date first set forth above and continue for an initial term of three (3) years, with the City having two (2) one-year optional extension periods thereafter (each a "Renewal Term"), unless and until terminated at an earlier date pursuant to Section 11 of this Contract. The City Council shall have the right and power to exercise the Renewal Term(s).

3. SCHEDULE FOR PERFORMANCE

City and Consultant agree that time is of the essence and Consultant agrees that services shall be undertaken and completed in accordance with the schedule of performance (the "Schedule of Performance"), attached hereto and incorporated herein by reference as **Exhibit B.** Deviations from the time schedule stated in the Schedule of Performance may be made with the written approval of the City Manager, or his/her authorized representative. Consultant's failure to

complete work in accordance with the Schedule of Performance may result in delayed compensation as described in Section 4.

4. COMPENSATION

A. The Consultant shall be paid monthly as set forth in **Exhibit C**, "Compensation and Method of Payment," attached hereto and incorporated herein by reference, for the actual fees, costs and expenses for the time and materials required and expended, and approved by the City, but in no event shall total compensation under this Contract exceed **Eighty-One, Three Hundred and Thirty Two Dollars ($81,332.00)** for Services performed by Consultant related to **Fiscal Year ("FY") 2016-17,** or the amounts set forth in Exhibit C for each subsequent year during the term without City's prior written approval. Said amount shall be paid upon submittal of a monthly invoice showing completion of the tasks that month, including the services rendered, the costs incurred for materials, the person(s) rendering performed services, the amount of time spent by such person(s), and the applicable hourly rate.

B. If Consultant's performance is not in conformity with the Scope of Work or Schedule of Performance; payments may be delayed or denied, unless otherwise agreed to by the City in writing.

C. If the work is halted at the request of the City, compensation shall be based upon the proportion that the work performed bears to the total work required by this Contract, subject to Section 11.

5. NOTICES

A. Consultant shall transmit invoices and any notices, with copy to City Attorney, required by this Contract, to City as follows:

City of Montebello
Attn: Controller/Finance Dept.
1600 W Beverly Blvd.
Montebello, CA 90640

COPY:

Alvarez-Glasman & Colvin
ATTN: City Attorney
13181 Crossroads Pkwy, North – Suite 400
City of Industry, CA 91746

B. City shall transmit payments on invoiced amounts, and any notices required by this Contract to Consultant as follows:

Vasquez & Company LLP
Attn: Gilbert R. Vasquez, Managing Partner
801 South Grand Avenue, Suite 400
Los Angeles, CA 90017-4646

6. PROFESSIONAL SERVICES

Consultant agrees that services shall be performed and completed in the manner and according to the professional standards observed by a competent practitioner of the profession in which Consultant and its subcontractors or agents are engaged. Consultant shall not, either during or after the term of this Contract, make public any reports or articles, or disclose to any third party any information, confidential or otherwise, relative to the work of City or the operations or procedures of City without the prior written consent of City.

Consultant further agrees that it shall not, during the term of this Contract, take any action that would affect its impartiality or professionalism due to the City whether perceived or actual.

7. INDEPENDENT CONTRACTOR

A. It is understood and agreed that Consultant (including Consultant's employees) is an independent contractor and that no relationship of employer-employee exists between the Parties hereto.

B. Consultant's assigned personnel shall not be entitled to any benefits payable to employees of City.

C. City is not required to make any deductions or withholdings from the compensation payable to Consultant under the provisions of the Contract, and is not required to issue W-2 Forms for income and employment tax purposes for any of Consultant's assigned personnel.

D. Consultant, in the performance of its obligation hereunder, is only subject to the control or direction of City as to the designation of tasks to be performed and the results to be accomplished.

E. Any third party person(s) employed by Consultant shall be entirely and exclusively under the direction, supervision, and control of Consultant.

F. Consultant hereby indemnifies and holds City harmless from any and all claims that may be made against City based upon any contention by any third party that an employer-employee relationship exists by reason of this Contract.

8. AUTHORITY OF CONSULTANT

Consultant shall possess no authority with respect to any City decision and no right to act on behalf of City in any capacity whatsoever as agent, or to bind City to any obligations whatsoever.

9. CONFLICT OF INTEREST

Consultant certifies that it has disclosed to City any actual, apparent, or potential conflicts of interest that may exist relative to the services to be provided pursuant to this Contract. Consultant agrees to advise City of any actual, apparent or potential conflicts of interest that may develop subsequent to the date of execution of this Contract. Consultant further agrees to complete any statements of economic interest if required by either City ordinance or State law.

10. AMENDMENTS, CHANGES OR MODIFICATIONS

Amendments, changes or modifications in the terms of this Contract may be made at any time by mutual written agreement between the Parties hereto and shall be signed by the persons authorized to bind the Parties.

11. TERMINATION

A. This Contract may be terminated by City, provided that City gives not less than thirty (30) calendar days' written notice (delivered by certified mail, return receipt requested) of intent to terminate. Upon termination, City shall be entitled to all work, including but not limited to, reports, investigations, appraisals, inventories, studies, analyses, drawings and data estimates performed to that date, whether completed or not, and in accordance with Section 15, Property of City.

B. The City may temporarily suspend this Contract, at no additional cost to City, provided that Consultant is given written notice (delivered by certified mail, return receipt requested) of temporary suspension. If City gives such notice of temporary suspension, Consultant shall immediately suspend its activities under this Contract. A temporary suspension may be issued concurrent with the notice of termination provided for in subsection A of this section.

C. Notwithstanding any provisions of this Contract, Consultant shall not be relieved of liability to City for damages sustained by City by virtue of any breach of this Contract by Consultant, and City may withhold any payments due to Consultant until such time as the exact amount of damages, if any, due City from Consultant is determined.

D. In the event of termination, Consultant shall be compensated as provided for in this Contract, except as provided in Section 11C. Upon termination, City shall be entitled to all work, including but not limited to, reports, investigations, appraisals, inventories, studies, analyses, drawings and data estimates performed to that date, and in accordance with Section 15, Property of City.

12. FUNDING

Consultant agrees and understands that renewal of this Contract in subsequent years is contingent upon action by the City Council consistent with the appropriations limits of Article XIII B of the California Constitution and that the City Council may determine not to fund this Contract in subsequent years.

13. NOTICE TO PROCEED

Prior to commencing work under this Contract, Consultant shall receive a written "Notice to Proceed" from City. A Notice to Proceed shall not be issued until all necessary bonds and insurances have been received. City shall not be obligated to pay Consultant for any services prior to issuance of the Notice to Proceed.

14. PROPERTY OF CITY

A. It is mutually agreed that all materials prepared by Consultant under this Contract are the property of Consultant, and the City shall have no property right there in whatsoever. Immediately upon termination or request, City shall be entitled to receive copies, and Consultant shall deliver to City, reports, investigations, appraisals, inventories, studies, analyses, drawings and data estimates performed to that date, and other such materials as may have been prepared or accumulated to date by Consultant in performing this Contract which is not Consultant's privileged information, as defined by law, or Consultant's personnel information, along with all other property belonging exclusively to City which is in Consultant's possession. Publication of the information derived from work performed or data obtained in connection with services rendered under this Contract must be approved in writing by City.

B. Additionally, it is agreed that the Parties intend this to be a contract for services and each considers the products and results of the services to be rendered by Consultant hereunder to be work made for hire. Consultant acknowledges and agrees that the work (and all rights therein, including, without limitation, copyright) belongs to and shall be the sole and exclusive property of City without restriction or limitation upon its use or dissemination by the City.

C. Nothing herein shall constitute or be construed to be any representation by Consultant that the work product is suitable in any way for any other project except the one detailed in this Contract. Any reuse by City for another project or project location shall be at City's sole risk.

15. COMPLIANCE WITH LAW

Consultant shall comply with all applicable laws, ordinances, and codes of federal, State and local governments, and shall commit no trespass on any public or private property in performing any of the work authorized by this Contract.

16. REPRESENTATIONS

A. Consultant agrees and represents that it is qualified to properly provide the services set forth herein, in a manner which is consistent with the generally accepted standards of Consultant's profession.

B. Consultant agrees and represents that the work performed under this Contract shall be in accordance with applicable federal, State and local law.

C. Consultant shall designate a project manager who at all times shall represent the Consultant before the City on all matters relating to this Contract. The project manager shall continue in such capacity unless and until he or she is removed at the request of City, is no longer employed by Consultant, or is replaced with the written approval of City, which approval shall not be unreasonably withheld.

D. Consultant shall provide corrective services without charge to City for services which fail to meet the above professional and legal standards and which are reported to Consultant in writing within sixty (60) calendar days of discovery. Should Consultant fail or refuse to perform promptly its obligations, the City may render or undertake performance thereof and Consultant shall be liable for any expenses thereby incurred.

17. APPROVAL OF STAFF MEMBERS

A. Consultant shall make every reasonable effort to maintain the stability and continuity of Consultant's staff assigned to perform the services required under this Contract. Consultant shall notify City of any changes in Consultant's staff to be assigned to perform the services required under this Contract and shall obtain the approval of the City Manager of a list of all proposed staff members who are to be assigned to perform services under this Contract prior to any such performance.

18. ASSIGNMENT AND SUBCONTRACTING:

A. Except as expressly authorized herein, Consultant's obligations under this Contract are not assignable or transferable, and Consultant shall not subcontract any work, without the prior written approval of the City. However, claims for money due or which become due to Consultant from City under this Contract may be assigned to a financial institution or to a trustee in bankruptcy, without such approval. Notice of any assignment or transfer whether voluntary or involuntary shall be furnished promptly to City.

B. Consultant shall be as fully responsible to City for the negligent acts and omissions of its contractors and subcontractors, and of persons either directly or indirectly employed by them, in the same manner as persons directly employed by Consultant.

19. MATERIALS CONFIDENTIAL

All of the materials prepared or assembled by Consultant pursuant to performance of this Contract are confidential and Consultant agrees that they shall not be made available to any individual or organization without the prior written approval of City or except by court order. If Consultant or any of its officers, employees, or subcontractors does voluntarily provide information in violation of this Contract, City has the right to reimbursement and indemnity from Consultant for any damages caused by Consultant releasing the information, including, but not limited to, City's attorney's fees and disbursements, including without limitation experts' fees and disbursements.

20. LIABILITY OF CONSULTANT—NEGLIGENCE

Consultant shall be responsible for performing the work under this Contract in a manner which is consistent with the generally-accepted standards of Consultant's profession and shall be liable for its own negligence and the negligent acts of its employees, agents, contractors and subcontractors. City shall have no right of control over the manner in which the work is to be done but only as to its outcome, and shall not be charged with the responsibility of preventing risk to Consultant or its employees, agents, contractors or subcontractors.

21. INDEMNITY AND LITIGATION COSTS

To the fullest extent permitted by law, Consultant shall indemnify, protect, defend, and hold harmless City, its officers, officials, agents, employees and volunteers from and against any and all claims, damages, demands, liability, costs, losses and expenses, including without limitation, court costs and reasonable attorneys' and expert witness fees, arising out of any failure to comply with applicable law, any injury to or death of any person(s), damage to property, loss of use of property, economic loss or otherwise arising out of the performance of the work described herein,

to the extent caused by a negligent act or negligent failure to act, errors, omissions, recklessness or willful misconduct incident to the performance of this Contract on the part of Consultant, except such loss or damage which was caused by the sole negligence, or willful misconduct of the City, as determined by a Court of competent jurisdiction. Unless and until such judicial determination is made, or as otherwise agreed by the parties, Contractor shall remain obligated to defend, indemnify, and hold harmless the City, its officers, officials, employees, volunteers, and agents pursuant to this Agreement. The provisions of this section shall survive termination or suspension of this Contract.

In any contract that Consultant enters into with any subcontractor in any capacity related to any and all duties under this Contract, there must be an indemnification provision identical to the one provided in this Section applicable to the subcontractor requiring the subcontractor to assume the defense, indemnify and save harmless the City to the same extent as Consultant. Consultant's failure to include such an indemnification provision in any contract with a subcontractor shall constitute a material breach of this Contract. In the event Consultant fails to obtain such indemnity obligations from others as required herein, Consultant agrees to be fully responsible and indemnify, and save harmless the City as prescribed under this Section.

22. EVIDENCE OF INSURANCE COVERAGE

Prior to commencement of any work under this Contract, Consultant shall provide and maintain in effect during the term of this Contract evidence of insurance coverage as set forth in **Exhibit D,** attached hereto and incorporated herein by reference. These insurance requirements are summarized as follows:

Furthermore, Consultant shall certify its compliance with Labor Code Section 3700 in the form attached hereto and incorporated by reference, as **Exhibit E**.

23. EVIDENCE OF INSURANCE COMPLIANCE

Consultant or its insurance broker shall deliver the required proof of insurance compliance, consisting of Insurance Services Office (ISO) endorsement forms or their equivalent and the ACORD form 25-S certificate of insurance (or its equivalent), evidencing all required coverage to City. City may designate an insurance certificate processor ("Processor") to accept and process Consultant's proof of insurance. Consultant shall deliver copies of the actual insurance policies, renewals, or replacements directly to City or Processor upon their request.

24. EMPLOYMENT PRACTICES

Consultant, by execution of this Contract, certifies that it does not discriminate against any person upon the basis of race, color, creed, national origin, age, sex, disability or marital status in its employment practices.

25. UNAUTHORIZED ALIENS

Consultant hereby promises and agrees to comply with all of the provisions of the federal immigration and nationality act (8 U.S.C.A. § 1101 et seq.), as amended; and in connection therewith, shall not employ unauthorized aliens as defined therein. Should Consultant so employ such unauthorized aliens for the performance of work and/or services covered by this Contract, and should the federal government impose sanctions against the City for such use of

unauthorized aliens, Consultant hereby agrees to, and shall, reimburse City for the cost of all such sanctions imposed, together with any and all costs, including attorneys' fees, incurred by the City in connection therewith.

26. LICENSES, PERMITS, AND OTHER APPROVALS

Consultant represents and warrants to City that it has all licenses, permits, qualifications and approvals of whatsoever nature legally required for Consultant to practice its profession and perform the work described herein. Consultant represents and warrants to City that Consultant shall, at its sole cost and expense, obtain and/or keep in effect at all times during the term of this Contract any licenses, permits, and approvals which are legally required for Consultant to practice its profession at the time the services are performed.

27. RECORDS AND INSPECTION

Consultant shall maintain records, books, documents and other evidence directly pertinent to the performance of work under this Contract in accordance with generally accepted accounting principles and practices. City shall have the right to access and examine such records, without charge, during normal business hours. City shall further have the right to audit such records, to make transcripts therefrom and to inspect all program data, documents, proceedings, and activities.

28. MISCELLANEOUS PROVISIONS

A. Attorneys' Fees: In the event an action or proceeding is instituted by either party for the breach or enforcement of any provision of this Contract, the prevailing party shall be entitled to reasonable attorneys' fees and all litigation expenses, including, but not limited to expert's fees and disbursements.

B. Venue: This Contract shall be deemed to be made in, and the rights and liabilities of the Parties, and the interpretation and construction of the Contract governed by and construed in accordance with the laws of the State of California. Any legal action arising out of this Contract shall be filed in and adjudicated by a court of competent jurisdiction in the County of Sacramento, State of California.

C. Enforceability: If any term or provision of this Contract is found to be void, voidable, invalid or unenforceable by a court of competent jurisdiction under the laws of the State of California, any and all of the remaining terms and provisions of this Contract shall remain binding.

D. Time: All times stated herein or in any other Contract Documents are of the essence.

E. Binding: This Contract shall bind and inure to the heirs, devisees, assignees and successors in interest of Consultant and to the successors in interest of City in the same manner as if such parties had been expressly named herein.

F. Survivorship: Any responsibility of Consultant for warranties, insurance, indemnity, record-keeping or compliance with laws with respect to this Contract shall not be invalidated due to the expiration, termination or cancellation of this Contract.

G. Construction and Interpretation: Consultant and City agree and acknowledge that the provisions of this Contract have been arrived at through negotiation and that each party has had a full and fair opportunity to revise the provisions of this Contract and to have such provisions reviewed by legal counsel. Therefore, any ambiguities in construing or interpreting this Contract shall not be resolved against the drafting party. The titles of the various sections are merely informational and shall not be construed as a substantive portion of this Contract.

H. Waiver: The waiver at any time by any party of any of its rights with respect to a default or other matter arising in connection with this Contract shall not be deemed a wavier with respect to any subsequent default or other matter.

I. Severability: The invalidity, illegality or unenforceability, of any provision of this Contract shall not render the other provisions invalid, illegal or unenforceable.

J. No Third Party Beneficiary: It is expressly understood and agreed that the enforcement of these terms and conditions shall be reserved to the City and Consultant. Nothing contained in the agreement shall give or allow any claim or right of action whatsoever by any third party. It is the express intent of the City and the Consultant that any such person or entity, other than the City or Consultant, receiving benefits or services under this agreement shall be deemed as incidental beneficiary.

K. Non-Discrimination/Non-Preferential Treatment Statement: In performing this Contract, the parties shall not discriminate or grant preferential treatment on the basis of race, sex, color, age, religion, sexual orientation, disability, ethnicity, or national origin, and shall comply to the fullest extent allowed by law, with all applicable local, state, and federal laws relating to nondiscrimination.

L. Authority to Execute: The person or persons executing this Contract on behalf of the Consultant warrant and represent that they have the authority to execute this Contract on behalf of their agency and further warrant and represent that they have the authority to bind Consultant to the performance of its obligations hereunder.

M. Dispute Resolution: Prior to either party commencing any legal action under this Contract, the parties agree to try in good faith, to settle any dispute amicably between them. If a dispute has not been settled after forty-five (45) days of good-faith negotiations and as may be otherwise provided herein, then either party may commence legal action against the other.

N. Force Majeure: Neither party shall be in default by reason of any failure in the performance of this Contract if such failure arises out of causes beyond its reasonable control. Such causes may include, but are not limited to, acts of God, acts of the public enemy, acts of government in either its sovereign or contractual capacity, acts of the party whose performance is not sought to be excused, fires, flood, weather, epidemics, quarantine restrictions, strikes, freight embargoes, failure of transmission or power supply, mechanical difficulties with equipment which could not have been reasonably forecasted or provided for, or other causes beyond its sole control. The party so affected will resume performance as soon as practicable after the force majeure event terminates.

29. ENTIRE AGREEMENT

This instrument and any attachments hereto constitute the entire Contract between City and Consultant concerning the subject matter hereof and supersedes any and all prior oral and written communications between the Parties regarding the subject matter hereof.

AGREED to this 13 day of Septem, 2017, by the Parties as follows:

CITY OF MONTEBELLO

By: _____
Francesca Tucker-Schuyler, City Manager

CONSULTANT

By: _____
Authorized for Consultant

Approved as to form:

By: _____
Arnold Alvarez-Glasman, City Attorney

Approved as to form:

By: _____
Attorney for Consultant

Attest to:

By: _____
Irma-Bernal Barajas, City Clerk

Dated: 9-27-17

CITY OF MONTEBELLO
INCORPORATED OCT. 16, 1920
CALIFORNIA

EXHIBIT A

Scope of Work

1. The City desires the auditor to express an opinion on the fair presentation, in the Comprehensive Annual Financial Report (CAFR), of its governmental activities, its business-type activities, each of its major fund, and its aggregate remaining fund information in conformity with generally accepted accounting principles. The City's CAFR will be prepared and word processed by the audit firm.

2. The City also desires the auditor to express an opinion on the fair presentation of its combining and individual fund financial statements and schedules in conformity with generally accepted accounting principles. The auditor is not required to audit the supporting schedules contained in the CAFR. However, the auditor is to provide an "in-relation" to opinion on the supporting schedules based on the auditing procedures applied during the audit of the basic financial statements and schedules.

3. The audit firm will perform a single audit on the expenditures of federal grants in accordance with the Uniform Guidance.

4. The City also desires a separate audit for the **Transit System Fund** and the **Housing Successor Fund** to be performed and report to be issued by the independent auditor. The auditor must conduct the audit on the same schedule as the City.

5. The audit firm will be required to prepare and transmit the Annual State Controller's Report for the City, Public Financing Authority and Transit System under the requirements of the California State Controller program and guidelines to be submitted within the established deadline.

6. The audit firm shall perform agreed-upon auditing procedures pertaining to the City's GANN limit (Appropriation Limit) and render a letter annually to the City regarding compliance.

7. The audit firm may be asked to perform agreed-upon auditing procedures pertaining to the City's compliance with NTD requirements and render a separate report.

8. The audit firm will assist the City in implementing new GASB pronouncements that will have significant impact on the city's financial statements (e.g. GASB 75).

9. The audit firm will provide training on GASB updates, new regulations and other matters relevant to the operations of the city.

10. The audit firm shall issue a separate "management letter" that includes recommendations for improvements in internal control, accounting procedures and other significant observations that are considered to be non-reportable conditions. Management letters shall be addressed to the City Manager and should include a follow-up on the prior year's recommendations, if any.

11. The audit firm will issue a governance letter addressed to the City Manager and the City Council at the beginning and conclusion of the audit.

12. The audit firm will meet with the Audit Committee or those charged with governance once or twice each year to repot the status and the results of the audit.

13. The audit firm will be asked to present the results of the audit to the City Council.

14. Auditors shall be required to make an immediate written report of all irregularities and illegal acts or indications of illegal acts of which they become aware to the City Council of the City of Montebello, City Manager, City Attorney and Director of Finance.

15. The contracting independent auditor shall review the financial records and all the various funds of the City and prepare all the financial statements in conformance with generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants, the standards for financial audits set forth in the U.S. General Accounting Office's Government Auditing Standards, the provisions of the Single Audit Act of 1996 and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).

16. Following the completion of the audit of the fiscal year's financial statements, the auditor shall issue:

    a) A report on the fair presentation of the financial statements in conformity with generally accepted accounting principles for all entities listed above.

    b) A report on compliance and on the internal control over financial reporting based on an audit of financial statements performed in accordance with Government Auditing Standards (Single Audit).

    c) A schedule of findings and questioned costs (Single Audit).

    d) A report on compliance (including the provisions contained in the guidelines for compliance audits of redevelopment agencies) and on the internal control over financial reporting based on an audit of financial statements performed in accordance with Government Auditing Standards.

    e) In the required reports on internal controls the auditor shall communicate any reportable conditions found during the audit. A reportable condition shall be defined as a significant deficiency in the design or operation of the internal control structure which could adversely affect the organization's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

    Reportable conditions that are also material weaknesses shall be identified as such in the report. Non-reportable conditions discovered by the auditors shall be reported in a separate letter to management, which shall be referred to in the reports on internal controls.

f) A report on compliance with requirements applicable to each major program and internal control over compliance in accordance with Uniform Guidance (Single Audit).

17. **Budget**

In accordance with provisions of the Montebello Municipal Code (MMC), it is the duty of the City Manager to prepare and submit to the Council the annual budget and such reports as may be required by that body. The outside auditor shall examine the final budget document as approved by the City Council and compare the estimated revenues and appropriations as shown in the budget document with the entries recorded on the revenue ledger and the appropriation ledger maintained by the Finance Department.

18. **Funds**

The auditor shall examine the MMC, ordinances or resolutions, and minutes of the City Council pertaining to all funds of the City to determine the purpose of each fund and the proper disposition of all funds revenues, expenditures, and year-end balances. The auditor shall examine the various fund transactions and balances in each fund and prepare the appropriate financial statements for the audit report.

19. **Verification of Cash and Securities**

a) Cash and Checks: The auditor shall audit cash and investment balances as of June 30. Investment securities owned by the City and held in safekeeping by the City's various banks and financial institutions shall be verified as to their existence as of June 30.

Written confirmation shall be obtained from all City depositories of balance on hand at June 30.

b) Collateral Pledged for Funds on Deposit: The auditor shall examine the records of pledged collateral and make such tests of depository bank pooled collateral operations as may be necessary to express an opinion as to the legal sufficiency of the collateral to safeguard the City of Montebello's bank deposits.

c) Accounting Records: The auditor shall examine the City's internal accounting and administrative controls to determine that accounting procedures are adequate to safeguard assets and provide reasonable assurance of proper recording of financial transactions.

20. **Assets**

a) Cash and Investments: Treasury and investment operations are the responsibility of the Finance Department. The auditors shall verify the cash balances and the existence of the investments. The investments market value shall be reviewed and compared to book value. The auditor shall review balances as of June 30 and investments earnings recorded during the fiscal year. The footnote disclosure shall be in compliance with GASB 31 and 40.

b) Fixed Assets: The auditor shall examine the procedures for recording the acquisition of and the disposal of property owned by the City. The auditor shall compare the annual inventories of property with the controls maintained by the Finance Department. The auditor shall review the transactions involving fixed assets to the extent necessary to assure that accountability for fixed assets is maintained.

21. **Liabilities**

a. Accounts Payable: The auditor shall make a sufficient examination of accounts payable to enable them to determine that, in general, they bear evidence of verification and approval with supporting documents such as purchase orders, vendor's invoices, receiving reports, transportation bills, contracts and other documents where necessary. The auditor shall also be satisfied that the claims were charged against the proper departmental appropriations and that funds were available at the date the purchase was made.

b. Bonded Debt: The auditor shall examine the amount of bonded debt of the City and the outstanding debt determined by the auditor should be reconciled to the accounting records of the City by fund and amount outstanding on June 30.

c. Reserves for Uncompleted Purchase Orders and Encumbrances: The auditor shall examine documents supporting reserves for uncompleted purchase orders and encumbrances to determine that such reserves are adequate and properly recorded.

d. Other Liabilities and Deferred Credits: The auditor shall be satisfied as to the fairness of the accounts representing other liabilities and deferred credits.

22. **Fund Balances**

The auditor shall examine revenues and expenditures by funds and analyze the changes in fund balances for the financial statement of each fund in the audit report.

23. **Single Audit Act**

The independent auditor shall perform a financial and compliance audit under the Single Audit Act of 1996. The audit shall be made in accordance with the *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

The City has determined that the United States Department of Housing and Urban Development will function as the cognizant agency in accordance with the provisions of the Single Audit Act Amendments of 1996 and the audit requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*

(Uniform Guidance). The schedule of expenditures of federal award and related auditor's report, as well as the reports on the internal controls and compliance are not to be included in the CAFR, but are to be issued separately.

EXHIBIT B

Schedule of Performance (To be updated for subsequent years during term)

Description	Responsibility	Scheduled Date
Interim fieldwork	V&Co	9/18/2017
Entrance meeting (Finance Team)	V&Co & City	Sep 2017
Entrance meeting (Audit Committee)	V&Co & City	Sep 2017
Final TB (Transit Fund) - for filing of State Controller's Report	City	9/25/2017
Final TB, SEFA and all audit schedules provided to Vasquez & Company (request list for final fieldwork to be provided)	City	10/9/2017
Start of final fieldwork	V & Co	10/16/2017
Filing of State Controller's Report (Transit)	V&Co	10/18/2017
End of fieldwork - FS and Compliance	V&Co	11/16/2017
Preliminary draft financial statements and footnotes (Transit and Housing Successor) provided to the City	V&Co	11/30/2017
Preliminary draft financial statements and footnotes (CAFR) provided to the City	V&Co	12/7/2017
Final Transit System and Housing Successor Fund Report	V&Co	12/14/2017
MD&A and Statistical Section provided to V&Co (CAFR)	City	12/14/2017
Exit conference	V&Co & City	TBD
Review notes and changes to the CAFR provided to V&Co.	City	12/28/2017
Final draft financial statements and footnotes (CAFR)	V&Co & City	1/11/2018
Original signed management representation letter	City	1/18/2018
Final CAFR	V&Co	1/18/2018
Filing of State Controller's Report (City and Financing Authority)	V&Co	1/31/2018
Single Audit Report	V&Co	1/31/2018

EXHIBIT C
Compensation and Method of Payment

Under no circumstances shall the aggregate amount paid under this Contract exceed the amounts specified in in this Exhibit and if the Contract is approved by the City Manager, all compensation paid to Consultant each year shall meet the cost limitation set forth in City of Montebello Municipal Code.

(A) Total, All-Inclusive Costs for Services Related to FY 2016-17:

City of Montebello Audit	$43,882
Single Audit	$13,985
Transit Fund	$ 2,895
Montebello Hilton Report	$6,130
Successor Agency	$4,801
Housing Successor Report	$2,199
GASB 68	$3,284
GANN limit procedures	$456
State Controller Report (City)	$1,832
State Controller Report (Special District)	$476
State Controller Report (Transit)	$1,392
Total	**$81,332**

(B) Total, All-Inclusive Costs for Services Related to FY 2017-18:

City of Montebello Audit	$43,882
Single Audit	$13,985
Transit Fund	$2,895
Montebello Hilton Report	$6,130
Successor Agency	$4,801
Housing Successor Report	$2,199
GASB 68	$3,284
New GASB Pronouncements	$4,513
GANN limit procedures	$456
State Controller Report (City)	$1,832
State Controller Report (Special District)	$476
State Controller Report (Transit)	$1,392
Total	**$85,845**

(C) **Total, All-Inclusive Costs for Services Related to FY 2018-19:**

City of Montebello Audit	$45,198
Single Audit	$14,405
Transit Fund	$2,982
Montebello Hilton Report	$6,314
Successor Agency	$4,945
Housing Successor Report	$2,265
GASB 68	$3,383
New GASB Pronouncements	$2,324
GANN limit procedures	$470
State Controller Report (City)	$1,887
State Controller Report (Special District)	$490
State Controller Report (Transit)	$1,434
Total	**$86,097**

(D) **Total, All-Inclusive Costs for Services Related to FY 2019-20 (OPTION YEAR 1): $88,680**

(E) **Total, All-Inclusive Costs for Services Related to FY 2020-21 (OPTION YEAR 2): $91,340**

Rates for Extra Services

Personnel Expense	Hourly Rate
Partner	$290
Manager	$180
Supervisory Staff	$160
Other (Senior Auditor)	$100

EXHIBIT D

Insurance Requirements

Prior to commencement of any work under this Contract, Consultant shall provide to the City proof of, and maintain in full force and effect at all times during the term of the Contract, at its sole cost and expense, policies of insurance as set forth herein:

1. General Liability:
   a. Comprehensive general liability insurance including, but not limited to, protection for claims of bodily injury and property damage liability, personal and advertising injury liability and product and completed operations liability.
   b. Coverage shall be at least as broad as Insurance Services Office Commercial General Liability coverage form CG 0001 (occurrence).
   c. Claims-made coverage is not acceptable.
   d. The limits of liability shall not be less than:

Each occurrence:	One Million Dollars ($1,000,000)
Products & Completed Operations:	One Million Dollars ($1,000,000)
Personal & Advertising Injury:	One Million Dollars ($1,000,000)

   e. If a products and completed operations aggregate limit of liability is used, the minimum products and completed operation aggregate shall be twice the each occurrence limit or the policy shall contain an endorsement stating that the products and completed operations aggregate limit shall apply separately to this contract.
   f. Coverage shall contain a provision or endorsement that waives any rights of subrogation against the City, its officers, officials, employees, agents, and volunteers.
2. Automobile Liability:
   a. Automobile liability insurance providing protection against claims of bodily injury and property damage arising out of ownership, operation, maintenance, or use of hired, and non-owned automobiles.
   b. Coverage shall be at least as broad as Insurance Services Office Automobile Liability coverage form CA 0001, symbols 8, and 9 (hired, and non-owned).
   c. The limits of liability per accident shall not be less than:

Combined Single Limit	One Million Dollars ($1,000,000)

   d. If general liability coverage, as required above, is provided by the Commercial General Liability form, the automobile liability policy shall include an endorsement providing automobile contractual liability.
3. Worker's Compensation
   a. Worker's Compensation Insurance, with coverage as required by the State of California (unless the Consultant is a qualified self-insurer with the State of California), and Employers Liability coverage. The Consultant shall execute a certificate in compliance with Labor Code Section 1861, on the form provided in **Exhibit E**.
   b. Employer's Liability Coverage shall not be less than the statutory requirements.

c. If an injury occurs to any employee of the Consultant for which the employee or his dependents, in the event of his death, may be entitled to compensation from the City under the provisions of the Acts, for which compensation is claimed from the City, there will be retained out of the sums due the Consultant under this Contract, an amount sufficient to cover such compensation as fixed by the Acts, until such compensation is paid or it is determined that no compensation is due. If the City is required to pay such compensation, the amount so paid will be deducted and retained from such sums due, or to become due to the Consultant.

d. The insurer shall agree to waive all rights of subrogation against the City, its officers, officials, and employees for losses arising from work performed by the Consultant.

4. Errors and Omissions; Malpractice; Professional Liability. Errors and omissions, malpractice, or professional liability insurance with coverage of not less than $1,000,000 per occurrence. Upon termination of this agreement, the same insurance requirements in Section 4 of this Exhibit will apply for a one (1) year period following such termination. A "tail" policy may be purchased as an alternative to satisfy this requirement.

5. Other Insurance Provisions: The general liability coverage shall contain the following provisions and endorsements:

   a. The City, its officials, employees, agents and volunteers shall be covered and specifically named as additional insured as respects liability arising out of activities performed by or on behalf of the Consultant, products and completed operations of the Consultant, premises owned, occupied, or used by the Consultant, or automobiles owned, leased, hired, or borrowed by the Consultant on a separate endorsement acceptable to the Risk Manager.

   b. The policy shall contain no special limitations on the scope of coverage afforded to the City, its officials, employees, agents or volunteers.

   c. Provision or endorsement stating that for any claims related to this contract, the Consultant's insurance coverage shall be primary insurance as respects the City, its officers, officials, employees and volunteers to the extent the City is an additional insured. Any insurance or self-insurance maintained by the City, its officers, officials, employees or volunteers shall be in excess of the Consultant's insurance and shall not contribute with it, to the payment or satisfaction of any defense expenses, loss or judgment.

   d. Any failure to comply with reporting or other provisions of the policies on the part of the Consultant, including breaches of warranties, shall not affect Consultant's requirement to provide coverage to the City, its officers, officials, employees, agents or volunteers.

6. Acceptability of Insurers: Insurance is to be placed with insurers with **a Bests' rating of no less than A:VII**.

7. Any deductibles, aggregate limits, pending claims or lawsuits that may diminish the aggregate limits, or self-insured retention(s), must be declared to, and approved by, the City.

8. The Consultant shall furnish the City with certificates of insurance and original

endorsements or insurance binders, signed by a person authorized by the insurer to bind coverage on its behalf, evidencing the coverage required by this Contract. At anytime at the written request of the City, Consultant agrees to furnish a duplicate original or certified copy of each required policy including the declaration pages, conditions, provisions, endorsements, and exclusions.

9. The City, at its discretion, may increase the amounts and types of insurance coverage required hereunder at any time during the term of the contract by giving 30 days written notice.
10. The Consultant shall serve the City notice, in writing by certified mail, within 2 days of any notices received from any insurance carriers providing insurance coverage under this Agreement that concern the suspension, voidance, cancellation, termination, reduction in coverage or limits, non-renewal, or material changes of coverage proposed or otherwise.
11. If the Consultant fails to procure or maintain insurance as required by this section, and any Supplementary Conditions, or fails to furnish the City with proof of such insurance, the City, at its discretion, may procure any or all such insurance. Premiums for such insurance procured by the City shall be deducted and retained from any sums due the Consultant under the contract.
12. Failure of the City to obtain such insurance shall in no way relieve the Consultant from any of its responsibilities under the contract.
13. The making of progress payments to the Consultant shall not be construed as relieving the Consultant or its Sub-Consultants or agents of responsibility for loss or direct physical loss, damage, or destruction occurring prior to final acceptance by the City.
14. The failure of the City to enforce in a timely manner any of the provisions of this section shall not act as a waiver to enforcement of any of these provisions at any time during the term of the contract.
15. The requirement as to types, limits, and the City's approval of insurance coverage to be maintained by Consultant are not intended to, and shall not in any manner, limit or qualify the liabilities and obligations assumed by Consultant under the Contract.

EXHIBIT E

Certificate of Compliance with Labor Code § 3700, Release and Indemnification

The undersigned, on behalf of and as the duly certified representative of Consultant, certifies as follows:

1. Consultant is aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and Consultant has complied or will comply with such provisions before commencing the performance of the work of this contract. (Cal. Labor Code §§1860, 1861.)
2. Should Consultant fail to secure Workers' Compensation coverage as required by the State of California, Consultant shall release, hold harmless, defend and indemnify the City of Montebello from and against any damage, liability, claim, cause of action and any other loss, including without limitation, court costs, reasonable attorney's fees and costs resulting from any failure to take and/or maintain Workers' Compensation insurance as required by law. The provisions of this Exhibit shall survive termination, suspension and/or completion of this Contract. It is further understood and agreed that this release and assumption of risk is to be binding on Consultant's successors, heirs and assigns.

CONSULTANT

By: G T W [illegible]

Date: 9/13/17

Name: Gilbert R VASQUEZ

Title: managing partner

ITEM # 21

CITY OF MONTEBELLO

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and Members of the City Council

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

BY: Michael Solorza, Director of Finance

SUBJECT: **Approve Resolution Memorializing City Council Motion to Set Business License Fees to Fiscal Year 2009-10 Levels**

DATE: March 24, 2021

RECOMMENDATION

It is recommended that the City Council approve a Resolution memorializing a motion to set business license fees to Fiscal Year 2009-10 levels until the City finalizes a study of business license fees.

BACKGROUND

On February 24, 2021, the City Council conducted a regularly scheduled meeting to consider a proposed ordinance amendment establishing a temporary moratorium on increases to the City's business license tax and amending applicable sections of the Montebello Municipal Code ("Code"). Staff had presented the ordinance amendment and recommended action to gradually increase business license fees to the proper levels over a three year period, beginning July 1, 2021.

An alternative motion was offered, which the City Council passed unanimously. The alternative motion was to immediately return all business license fee amounts to their Fiscal Year 2009-10 levels until a study of the City's business license fees is conducted and analyzed. Only after the business license fee study was conducted and presented to City Council would there be a consideration of updating fees from their FY 2009-10 levels.

The City Attorney's office has recommended adoption of a Resolution that memorializes this alternative motion. The attached Resolution memorializes the City Council's alternative motion and provides the necessary direction and authority required by City staff to carry out the business license fee study.

FISCAL IMPACT

The updating of business license fees was anticipated to bring in an additional $489,000 in FY 2020-21. The suspension of the fee increases would negate this additional revenue in the current fiscal year, and in subsequent fiscal years.

Local business have benefited from the City's oversight in applying the annual required inflationary increase, benefiting from fees held constant at 2010 levels. Local businesses have saved an estimated, cumulative $2.564 million over the ten year period by the City holding fees at 2010 levels.

After conducting and presenting a business license fee study, Staff will have a more accurate projection of revenue based on the recommended fees from the study. Staff will return to the City Council once the study is completed.

SUMMARY

It is recommended that the City Council approve a Resolution memorializing a motion to set business license fees to Fiscal Year 2009-10 levels until the City finalizes a study of business license fees.

ATTACHMENT

A. Attachment A – Resolution

ATTACHMENT A

RESOLUTION NO. 21-____

A RESOLUTION OF THE CITY OF MONTEBELLO, CALIFORNIA MEMORIALIZING A MOTION TO SET BUSINESS LICENSE FEES TO FISCAL YEAR 2009-10 LEVELS UNTIL THE CITY FINALIZES A STUDY OF BUSINESS LICENSE FEES

WHEREAS, pursuant to California Government Code Section 37101 and California Business and Professions Code Section 16000, *et seq*., a general law city may levy business license taxes for revenue purposes and business license fees for regulatory purposes; and

WHEREAS, on February 24, 2021, the City Council ("City Council") of the City of Montebello ("City") conducted a regularly scheduled meeting to consider a proposed ordinance establishing a temporary moratorium on increases to the City's business license tax and amending applicable sections of the Montebello Municipal Code ("Code"); and

WHEREAS, on a 5-0 vote, the City Council passed an alternative motion to return all business license fee amounts to their Fiscal Year 2009-10 levels until a study of the City's business license fees is conducted and analyzed; and

WHEREAS, this Resolution memorializes the City Council's alternative motion and provides the necessary direction and authority required by City staff to carry out the business license fee study.

NOW, THEREFORE, the City Council of the City of Montebello does resolve as follows:

SECTION 1. RECITALS. The above recitals are true and correct and made a part of this Resolution.

SECTION 2. BUSINESS LICENSE LEVELS. All business license fees pursuant to Chapter 5.08 (Business License Taxes) of the Code are hereby returned to their FY 2009-10 levels until a business license fee study has been conducted and analyzed, or until such further action is taken by the City Council to repeal this Resolution.

SECTION 3. FEE STUDY. The City Manager or his designee, is hereby authorized to conduct a business license fee study and take such further, related actions necessary in furtherance of such fee study.

SECTION 4. CREDIT TO ACCOUNT FOR FEES ALREADY PAID. Businesses who paid the correct (i.e., non-FY 2009-10 level) business license fee levels between the period of October, 2020 and February, 2021 will have their accounts credited.

SECTION 5. CERTIFICATION. The City Clerk shall certify to the passage and adoption of this Resolution and the same shall thereupon take effect and be in force immediately upon its adoption.

APPROVED AND ADOPTED this 24th day of March 2021.

_____
Kimberly Cobos-Cawthorne, Mayor

ATTEST:

_____
Christopher Jimenez, City Clerk

APPROVE AS TO FORM:

_____
Arnold M. Alvarez-Glasman, City Attorney

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS:
CITY OF MONTEBELLO)

I, Christopher Jimenez, City Clerk of the City of Montebello, County of Los Angeles, State of California, hereby certify that the foregoing Resolution No. 21-__ was passed and adopted by the City Council of the City of Montebello, signed by the Mayor and attested by the City Clerk at a regular meeting of said Council held on the 24th day of March, 2021 and that said Resolution was adopted by the following vote, to-wit:

AYES:
NOES:
ABSTAIN:
ABSENT:

The undersigned, City Clerk of the City of Montebello, does hereby attest and certify that the foregoing Resolution is a true, full and correct copy of a resolution duly adopted at a meeting of said City which was duly convened and held on the date stated thereon, and that said document has not been amended, modified, repealed or rescinded since its date of adoption and is in full force and effect as of the date hereof.

DATE: _____

_____
Christopher Jimenez, City Clerk

CITY OF MONTEBELLO

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

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

BY: Fernando Pelaez, Fire Chief
Angélica Palmeros, Deputy Director

SUBJECT: **Approve the COVID-19 Emergency Housing Assistance Program Guidelines to Implement and Comply with the Community Development Block Grant (CDBG) Funding Requirements**

DATE: March 24, 2021

RECOMMENDATIONS:

It is recommended that the City Council:

1) Approve the COVID-19 Emergency Housing Assistance Program Guidelines to implement and comply with the United States Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) Federal Regulations; and

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

BACKGROUND

On March 27, 2020, Congress passed the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). The Act identified additional funding for the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) program to support preparation for and response to the community impacts of the COVID-19 pandemic. Montebello's Planning and Community Development Department is the CDBG Administrator of the funds, and allocated to the Fire Department $290,000 in CDBG funds (a portion of the total received by the City from HUD), which will be used for COVID-19 related emergency rental assistance.

The total available funding for COVID-related emergency housing assistance will be used to fund the Fire Department's Montebello Community Assistance Program (MCAP) COVID-19 Emergency Housing Assistance Program (Program). This Program serves as part of the City's efforts in addressing homelessness and affordable housing, as indicated

in the City's "Plan to Prevent and Combat Homelessness (2018 - 2021)". HUD requires that the City approve local program guidelines based on the HUD Regulations for eligibility.

The Program will provide emergency housing assistance grants to income-eligible Montebello households economically impacted during the COVID-19 pandemic through job loss, furlough, reduction in hours or pay, or COVID-19-related medical expenses. The COVID-19 Emergency Housing Assistance grants to Montebello residents are housing payments made directly to landlords on behalf of income-eligible households (tenants), up to $800 per month, for a maximum period of 3 months (up to $2,400 maximum). The goal of the payments is to maintain housing and/or to reduce rental or mortgage payment delinquency in arrears as a result of the economic downturn caused by the COVID-19 pandemic.

PROVIDING COVID-19 EMERGENCY HOUSING ASSISTANCE

Montebello COVID-19 Emergency Housing Assistance will provide monthly rent payments and/or payment of outstanding rent balance. MCAP administrators shall determine the amount, not-to-exceed the maximum dollar amount of rental assistance provided to eligible households based on application information, monthly rent or mortgage due, and amount in arrears. This duration and assistance amount will be designed to ensure households are provided with the maximum benefit possible under Program limits up to a maximum of 3 months or the dollar amount.

These households must have experienced an income loss due to COVID-19 impacts. Housing assistance payments can be used to cover all or a portion of monthly rent, mortgage and/or rental arrears payments. Staff has substantially modeled the Program after the Los Angeles County Emergency Housing Assistance Program. HUD requires that the rental and/or mortgage assistance payments be made directly to the property owner/landlord/lender. Therefore, COVID-19 Emergency housing assistance will not be paid directly to households. This one-time assistance is for applicants and households that have not benefited from other rental or mortgage relief including forbearance. Priority will be given to those applicants who have not received County or State housing assistance relief.

Based on the amount of available HUD approved CDBG funds, staff recommends assisting 120 households (based on $2,400 per household). The Program will have two cycles for the COVID-19 Emergency Housing Assistance Applications (60 applications each cycle), first cycle will be in April-June 2021 and July-September 2021. Should the City Council want to assist a larger number of households, the following options may be considered:

- $600 per month per household ($1,800) serves 161 households
- $500 per month per household ($1,500) serves 193 households

The proposed Program Guidelines, are provided in Attachment A. The Program will continue to promote the COVID-19 Emergency Housing Assistance Program for two years or until all approved funds have been granted, whichever comes first.

Due to the limited Program funds a limited number of applicants will be recipients of the grants. Staff anticipates that due to the demand for housing assistance the Program will not be able to fund all qualified applicants. Therefore it will be first-come, first-served approval for all completed and eligible applications. Depending on the need of the eligible applicant and based on the information provided in the application, the MCAP staff will determine the amount that will be approved up to a maximum of $2,400. As a result, more than 120 households may benefit however, the amount may be reduced or the number of applicants will increase based on available funds after the initial 120 households are evaluated.

PROGRAM IMPLEMENTATION PROCESS

Eligibility requirements:

- Must be a Montebello resident.
- Must meet HUD 2020 Income Limits.
- Application materials will be available on the City's website.
- Notice of the Program will indicate the date that application materials will be available and the date that applications will be due.
- Notice will be published through a Press Release, social media notification push, City website and a published ad in the April Montebello Reporter.
- A two-week application period will be allotted between the Notice of Housing Grants and the date application materials will be accepted to provide time for households to assemble application materials.
- Applications will be accepted via e-mail, drop-off during a specified time and via mail with a postmark no later than the due date.
- A completed application and all required documentation must be submitted by the due date (all supporting documentation MUST be submitted with the application or the application will be rejected).
- Applications will be reviewed and processed on a first-come, first-served basis in the order that applications are received.
- A wait list will be established as necessary after each cycle.

TIMELINE

Program Cycle One (April-June)

March 24, 2021	City Council Approval of COVID-19 Emergency Housing Assistance Guidelines
April 12-23, 2021	Press Release, social media, website posting, Montebello Reporter ad and any other promotional methods.
April 26-29, 2021	Distribution of Applications (hardcopy and online)
May 5, 2021	Applications Accepted (day 1)
May 13, 2021	Application Period Closes
May 19-27, 2021	Application review period
June 7, 2021	Approved applicants will be notified via e-mail and mail

Program Cycle Two (July-September)

July 8-15, 2021	Press Release, social media, website posting, Montebello Reporter ad and any other promotional methods.
July 19-22, 2021	Distribution of Applications (hardcopy and online)
July 28, 2021	Applications Accepted (day 1)
August 4, 2021	Application Period Closes
August 9-16, 2021	Application review period
August 30, 2021	Approved applicants will be notified

ENVIRONMENTAL

This item is not subject to the California Environmental Quality Act (CEQA) pursuant to the State CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, sections: 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment); 15060(c)(3) (the activity is not a project as defined in Section 15378); and 15061(b)(3), because 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. Because there is no possibility that this item may have a significant adverse effect on the environment, the item is exempt from CEQA.

FISCAL IMPACTS

The CBDG COVID-19 Emergency Housing Assistance grant funding term is July 1, 2020-June 30, 2022. There is no need to amend the Fiscal Year 2020-21 budget as adequate appropriations for this item were approved in the amount of $290,000 (Account No. 255-99-998-6044.11) for FY 2020-2. Adequate funds will be appropriated as part of the development of the FY 2021-22 budget.

Staff will track expenses, and per the HUD sub-grant contract agreement, request reimbursement as necessary. No HUD CDBG funds for this program can be expended without the approval of the Montebello COVID-19 Emergency Housing Assistance Program Guidelines.

SUMMARY

The City Council will consider approving the HUD Community Development Block Grant Montebello COVID-19 Emergency Housing Assistance Program Guidelines.

ATTACHMENT(S):

A. Attachment A – COVID-19 Emergency Housing Assistance Program Guidelines
B. Attachment B – Program Application Forms - Draft

City of Montebello Fire Department

Montebello Community Assistance Program (MCAP)

COVID-19 Emergency Housing Assistance Program

Program Guidelines

The Montebello COVID-19 Emergency Housing Assistance Program provides emergency resident assistance grants to income-eligible Montebello households economically impacted during the COVID-19 pandemic through job loss, furlough or reduction in hours or pay.

Montebello COVID-19 Emergency Housing Assistance grants are rental/mortgage payments made on behalf of income-eligible households, up to $800 per month, for a maximum of three months, to maintain housing and/or reduce payment delinquency in arrears due to the economic downturn during the COVID-19 pandemic. **Total assistance cannot exceed $2,400 per household.**

Montebello COVID-19 Emergency Housing Assistance Program Eligibility for Funding

The Program eligibility is based on HUD criteria. Eligible Montebello households must meet **all** of the following criteria to receive assistance:

1. Reside in single-family, multi-unit, or mobile home properties located in the City of Montebello.

2. Annual household income cannot exceed the United States Department of Housing and Urban Development (HUD) established "Low-Income" limits (Refer to Emergency Housing Assistance Program Income Limits table on Page 3 for more detail). Household income eligibility is based on the following two (2) factors:

    a. The total number of persons residing in the household; and

    b. The total amount of the annual household income.

3. Economically impacted during the COVID-19 pandemic period beginning March 27, 2020-to March 27, 2021 (loss of income due to job loss/lay-off, reduction in hours, furlough, loss of business income, or COVID-19-related medical expenses).

4. Have a current residential lease agreement or mortgage statement. (i.e. Grant Deed, Residential Lease Agreement, recent Mortgage Statements, etc.).

5. Household does not receive any other duplicative rental/mortgage (i.e. Housing Choice Voucher – Section 8, Senior Housing Section 202 or Disabled Housing Section 208 with rental assistance subsidies, or any other forms of housing assistance).

6. Signed Grant Agreement (Form 5) by the Montebello resident.

DRAFT

7. Signed Program Participation-Payment Acceptance form by the landlord/property management agent or company, mortgage lending institution.

8. Completed W-9 form from the landlord/property management agent or company, mortgage lending institution.

9. A completed program application and all required supporting documentation must be submitted by the Montebello resident to be considered for assistance.

Missing documentation will result in a denied application (No exceptions)

DEFINITION OF A HOUSEHOLD AND INCOME OF HOUSEHOLD MEMBERS

A **Household** is defined as all the persons who occupy a housing unit. The occupants may be a single family, one person living alone, two or more families living together, or any other group of persons who share living arrangements. Therefore, household member information must include, at a minimum, the following:

1) Full names and ages of all family members as well as any unrelated persons living in the residence. All names listed must be included on the rental, lease agreement and mortgage invoice, income tax returns, and application forms.

2) Signature of the primary applicant(s), certifying that the information provided related to the annual household income and members is correct.

ANNUAL INCOME

Annual Income is defined as the total gross amount of income received from all sources by adult individuals of the **household** who have earned or received income during a 12-month period. Additional information on household income is provided in TYPES OF HOUSEHOLD INCOME section below. Based on applicant information provided, MCAP staff will calculate household income to determine applicant eligibility.

To determine program eligibility, all sources of annual income for each household member over the age of 18 and the exact amounts earned from each income source must be accurately documented. The primary applicant(s) is/are also required to certify by signature that the information provided regarding household members is correct under penalty of perjury.

DRAFT

Eligible households must be at or below the HUD "Low Income" limit, depending on household size (see table below).

2020 HUD INCOME LIMITS

Household Size	Extremely Low-Income	Very Low-Income	Low -Income
1	$23,700	$39,450	$63,100
2	$27,050	$45,050	$72,100
3	$30,450	$50,700	$81,100
4	$33,800	$56,300	$90,100
5	$36,550	$60,850	$97,350
6	$39,250	$65,350	$104,550
7	$41,950	$69,850	$111,750
8	$44,650	$74,350	$118,950

TYPES OF HOUSEHOLD INCOME

The following is a list of the types of household income most commonly encountered, as well as the kinds of documentation required for verification. This is not intended to provide an exhaustive list of possible income sources, but only those sources most commonly encountered. However, all applicant income sources must be clearly identified and documented in the application submittal.

A. Salary Income: The documentation of salary income must be obtained from at least **one (1) source**. The documentation may be from 2018 or 2019 including Federal income tax returns. The documentation must be properly labeled and compiled in the applicant's program file in a readable format. Acceptable sources of income documentation include the following:

- Copies of all paycheck stubs from the last three (3) months; AND
- 2019 Federal income tax returns; **OR**
- 2018 Federal income tax return AND 2019 W-2 forms (if 2019 tax return not filed yet).

B. Self-Employment: Any income from an adult household member who is self-employed must be documented and verified from at least **one (1)** of the following sources:

- A copy of 2018 or 2019 IRS Form 1040/1040A (tax return), **OR**
- An affidavit signed by the applicant that includes the name of the household member who is self-employed, the name of the business, and the prior year's estimated annual income (Completed Self-Employment Income Self-Certification Form attachment in the program application).

DRAFT

C. **Social Security/Supplementary Security Income/ Social Security Disability**: Income from Federal or State retirement programs and disability must be verified from at least **one (1) source** that may not be older than one year, unless noted below. Acceptable documentation sources include:

- A copy of the applicant's monthly award check; **OR**
- A copy of a benefit verification letter (also referred to as an "award letter" or "income letter" and can be requested from local Social Security office by applicant); **OR**
- Copy of a bank statement showing direct deposits of applicant's award check; **OR**
- Copy of Social Security Form SSA-2458 which verifies benefits (can be requested from local Social Security office by applicant); **OR**
- Copy of Social Security form SSA-1099 (tax form mailed each year stating total amount of benefits received from the previous year.); **OR**
- Written certification from the awarding agency verifying the applicant's eligibility and the amount of the monthly benefits.

D. **Welfare/General Relief:** Income from social aid programs [e.g., California Work Opportunity and Responsibility for Kids (CalWORKs), Temporary Assistance for Needy Families (TANF)] must be verified from at least **one (1)** of the following sources:

- Copies of the applicant's most recent bi-monthly award checks, **OR**
- Copy of most recent Notice of Action or award letter stating the amount of applicant's benefit; **OR**
- Written statement from caseworker stating the applicant's benefit amount; **OR**
- Written certification from the awarding agency verifying the applicant's eligibility and the amount of the monthly benefits.

E. **Pension Income:** Pension Income must be verified from at least **one (1)** of the following sources:

- A copy of the pension award letter; **OR**
- Copies of the applicant's **three (3)** most recent payment stubs verifying benefit amount; **OR**
- A copy of the applicant's bank statement demonstrating that the award check was directly deposited into the applicant's account.

F. **Personal Interest:** Personal interest from savings accounts or dividends from financial investments must be identified and documented as earned income. Adequate verification may include:

- Federal income tax return; **OR**
- Copies of bank statements; **OR**
- All pages of investment statements indicating the amount of dividends earned.

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G. **Alimony/Child Support:** Income received from alimony and/or child support payments must be documented and verified from at least **one (1)** of the following sources:

- A copy of applicant's weekly or monthly check; **OR**
- A copy of a separation or settlement agreement or a divorce decree from a court establishing payments; **OR**
- A notarized affidavit, signed by the applicant, certifying to the amount of child support received.

H. **In-Home Supportive Services:** Income earned by a caregiver/caretaker providing in-home supportive services for a different household must be documented through copies of the **three (3)** most recent paycheck stubs, to establish the monthly income.

I. **Rental Income:** Income received from rental property must be documented as earned income and must be verified from at least **two (2)** of the following sources:

- A copy of the property rental agreement signed by current tenant stating monthly rent;
- A copy of recent rent check;
- A copy of the applicant's income tax return declaring earned rental income. **May not be older than one (1) year.**
- Proof of Rent Receipt

J. **No Income:** Should an adult member of the household (18 years and older) have no income to report, documentation to be submitted may include:

- A self-certification signed by the household member declaring he/she does not earn income that can be contributed to the household.

The calculation of gross annual income **shall not include** the following:

A. **Income from Children**, which is income from the employment of children (including foster children) under the age of 18 years.

B. **Payments Received for the Care of Foster Children**, including foster adults (usually persons with disabilities, unrelated to the family, who are unable to live alone).

C. **Lump-Sum Payments**, including additions to family assets, such as inheritances, insurance payments (e.g., health and accident insurance, and worker's compensation), capital gains and settlement for personal or property losses [except as provided].

D. **Reimbursement for Medical Costs**, including all payments received by the family that are specifically for, or in reimbursement of, medical expenses for any family member.

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E. **Live-in Aide**, including the income of a live-in aide employed because of a medical condition or disability of a family member. A live-in aide is determined to be essential to the care and well- being of the person, not obligated for the support of the person, and would not be living in the unit except to provide the necessary supportive services.

F. **Education Assistance**, including the full amount of educational scholarships paid directly to the student or to the educational institution, and Government funds paid to a veteran for tuition fees, books, equipment, materials, supplies, transportation and miscellaneous personal expenses of the student. Any amount of such scholarship or payment to a veteran not used for the above purposes that is available for subsistence is to be included in income.

G. **Armed Forces (Special Pay)**, specifically special pay to a family member serving in the Armed Forces who is exposed to hostile fire.

H. **Government Programs**, including the following:

- Amounts received under training programs funded by HUD and earnings and benefits from participation in qualifying State or local employment training programs (including training programs not affiliated with a local government.)
- Amounts received by a disabled person that are disregarded for a limited time for purposes of Supplemental Security Income (SSI) eligibility and benefits, because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS).
- Amounts received by a participant in other publicly-assisted programs, which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and made solely to allow participation in a specific program.
- Amounts specifically excluded by any other Federal statue from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under the U.S. Housing Act of 1937.
- Amounts paid by a State agency to a family with a member who has developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member living at home.

I. **Temporary Income**, considered temporary, nonrecurring or sporadic in nature (including gifts).

J. **Income of Full-Time Students**, earnings in excess of $480 for each full-time student 18 years old or older attending school or vocational training (excluding the head of household and spouse).

K. **Property Tax Refunds**, including amounts received by the family in the form of refunds or rebates under State or local law for property taxes paid on the dwelling of the unit.

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L. **Adoption Assistance Payments**, in excess of $480 per adopted child.

RESIDENCY IN ELIGIBLE AREA

An applicant household must reside in a single-family, multi-unit, or mobile home rental property located in the City of Montebello.

DOCUMENTING ECONOMIC IMPACT DURING COVID-19 PANDEMIC PERIOD

Applicant households must submit documentation confirming negative economic impact during the COVID-19 pandemic period. This requirement may be waived at the discretion of the MCAP Administrator depending on the applicant's need for program assistance. Acceptable documentation sources include:

- A copy of household member(s) notification of job loss/termination from employer during the eligible pandemic period (March 27, 2020 to present); **OR**
- A copy of household member(s) notification of furlough from employer during the eligible pandemic period (March 27, 2020 to present); **OR**
- A copy of household member(s) notification confirming reduction in hours and/or pay during the eligible pandemic period (March 27, 2020 to present); **OR**
- A copy of household member(s) application during the eligible pandemic period (March 27, 2020 to present) and/or approval for Unemployment Insurance benefits; **OR**
- A signed self-certification that includes the name of the household member who is self- employed, the name and nature of the business, and narrative confirming economic impact on self-employment during eligible pandemic period (March 27, 2020 to present).

REQUIRED APPLICANT SUBMITTAL DOCUMENTATION

- Completed Program Application;
- Copy of Rental/Lease Agreement or copies of two (2) months of recent mortgage statements;
- Copies of Utility Statements – Two (2) months (only required if applying for utility assistance);
- Copies of Household Income Documentation (Refer to Page 3 – types of household income);
- Copies of two (2) months bank statements for all household member bank accounts;
- Proof of applicant's loss of or reduction in income/employment due to the COVID-19 pandemic (Refer to – Documenting Economic Impact During COVID-19 Pandemic Period);
- Copy of Government issued Photo Identification (I.D.)

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HOUSING ASSISTANCE

Rental and mortagage assistance includes:

a. Monthly Rental or Mortagage Payment made on behalf of eligible household to landlord/property management agent or company of up to $800 per month for a maximum of 3 months; or
b. Monthly Rental Arrears Payment made on behalf of eligible household to landlord/property management agent or company of up to $800 per month for a maximum of 3 months; or
c. Monthly payment combination of items a. and b. made on behalf of eligible household to landlord/property management agent or company, provided that the total payment for any one month period does not exceed $800;
d. Not all households will qualify for the maximum payment. For example, if a tenant's monthly rent is $800, the landlord/management company may receive up to $800 per month on behalf of the tenant. Also, if a tenant has paid a portion of the rent, Montebello COVID-19 Emergency Rental Assistance may pay a portion of the rent up to $800 per month (for up to 3 months).

PROVIDING COVID-19 EMERGENCY HOUSING ASSISTANCE

Montebello COVID-19 Emergency Housing Assistance will provide monthly rent payments and/or outstanding rent balance. Program administrators shall determine the duration and amount of rental assistance provided to eligible households based on application information, monthly rent due, and amount in arrears. This duration and assistance amount will be designed to ensure households are provided with the maximum benefit possible under program limits up to a maximum of 3 months.

COVID-19 Emergency Housing Assistance will not be paid directly to households. Rent and/or mortgage payments on the tenants' behalf may be paid to the bona fide landlord/property management agent or company.

CONFIRMING CURRENT LEASE AGREEMENT

An applicant household must submit a copy of its current residential lease agreement for the address they reside in as a part of the emergency rental assistance application.

LANDLORD PROPERTY MANAGEMENT AGENT OR COMPANY

A bona fide landlord/property management agent or company is defined as the legal owner and/or representative of a single-family, multi-unit, or mobile home residential property leased for the purposes of permanent housing, entitled to collect rent as prescribed in a valid lease agreement.

In order to process and disburse COVID-19 Emergency Housing Assistance payments to a bona fide landlord/property management agent or company, signed and completed W-9 and Program Participation-Payment Acceptance Agreement forms are required. The landlord/property management agent or company will abide by Montebello COVID-19 Emergency Housing Assistance Program requirements and will be provided with a clear summary and schedule of payments to be made on behalf of eligible households.

In addition, the landlord/property management agent or company will be provided with an IRS 1099 form at the end of the calendar year for tax reporting purposes.

DUPLICATION OF BENEFITS

Program applications will be screened for duplication of benefits and program recipients will be required to certify that they have not received any duplicative benefit. The program recipient will be required (through the grant agreement) to pay back the program funds if a duplicative benefit is received.

Duplication of benefits occurs when Federal financial assistance is provided to a person or entity through a program to address losses resulting from a Federally-declared emergency or disaster, and the person or entity has received (or would receive, by acting reasonably to obtain available assistance), and the total amount received exceeds the total need for those costs.

W-9 FORM (Property Owner To Complete)

A completed W-9 form from the landlord/property management agent or company, lending institution, and/or utility company must be submitted prior to the issuance of any assistance payments.

GRANT AGREEMENT & PROGRAM PARTICIPATION-PAYMENT ACCEPTANCE FORM

The Montebello resident must sign the Grant Agreement and the landlord/mortgage lending institution must sign the Program Participation-Payment Acceptance Agreement.

The City will send the Grant Agreement to the Montebello resident and the Program Participation-Payment Acceptance form to the landlord/mortgage lending institution after the resident has been selected and approved. Within this form, the bona fide landlord/mortgage lending institution/utility company must confirm the applicant's current outstanding balance.

PAYMENT PROCESSING

City staff will coordinate program grant payments with the landlord/property management company or agent, mortgage lending institution. Payments must be made directly to the landlord/property management company or agent, mortgage lending institution.

INTEGRATED DISBURSEMENT AND INFORMATION SYSTEM (IDIS)

For HUD sub-recipient compliance, all program activities will be recorded in HUD's online IDIS. Staff will enter data into the IDIS once a fully executed participant agreement has been processed.

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APPLICATION ASSISTANCE AND SUBMISSION INSTRUCTIONS

Cycle 1		
Process	**Date/Time**	**Location**
Application Materials Available (in-person, on-line)	Monday, April 26, 2021 until Thursday, April 29, 2021 Monday through Thursday from 9:00 AM. – 12:00 AM and 1:00 PM – 3:00 PM	www.cityofmontebello.com www.montebellofiredept.org/web In-Person Applications Available: Montebello City Hall (northside canopy) 1600 W. Beverly Blvd., Montebello 323-480-8219 (Message Only)
Application Period	Monday May 5, 2021 until the deadline on Thursday, May 13, 2021	Emailed applications can be submitted, mailed and in-person drop-off
Application Deadline	No Later than 3:00 pm on Thursday, May 13, 2021 via email or in person. Completed applications MUST be Postmarked by the due date, Thursday May 13, 2021.	City of Montebello COVID-19 Emergency Housing Assistance Program 1600 West Beverly Boulevard, Fire Administration Office Montebello, CA 90640 OR electronically: mcap@cityofmontebello.com
Hardcopy Applicant In-person Delivery	• Wednesday, May 5, 2021 • Thursday, May 6, 2021 • Monday 10, 2021 through Thursday, May 13, 2021 Monday through Thursday from 9:00 AM. – 12:00 AM and 1:00 PM – 3:00 PM	City of Montebello City Hall, 1600 West Beverly Boulevard, Montebello, CA 90640 located at the north side of City Hall (Canopy Location)



Applicants are strongly advice to review the Frequently Asked Questions (FAQ) available online at www.cityofmontebello.com and www.montebellofiredept.org/mcap

All completed applications must be submitted by Thursday, May 13, 2021 by 3:00PM via email or in person.

Late submissions will not be accepted.

APPLICANT INTAKE AND ASSESSMENT PROCESS

Applicant household's eligibility for emergency housing assistance will be determined upon submission of a completed application with all required information and documents. An application checklist and Intake form will be provided and must be completed and submitted with the application materials.

Staff will review applications for completeness. An approved applicant file shall contain all submitted information and documentation necessary to meet all required eligibility criteria and contain complete forms, documentation, and necessary information for all members of an applicant household as indicated on the application.

APPLICANT FORMS

- COVID-19 Emergency Housing Assistance Intake (Form 1)
- COVID-19 Emergency Housing Assistance Application Checklist (Form 2)
- COVID-19 Emergency Housing Assistance Program Guidelines
- COVID-19 Emergency Housing Assistance Application (Form 4)
- COVID-19 Emergency Housing Assistance Frequently Asked Questions (FAQ) (Form 5)
- COVID-19 Emergency Housing Assistance Program Participant Payment Agreement (Form 6)
- COVID-19 Emergency Housing Assistance Participant Agreement (Form 7)

City of Montebello Fire Department

Montebello Community Assistance Program (MCAP)

COVID-19 Emergency Housing Assistance Program

Intake Eligibility Form

Applicant:					
Applicant Address:					
Phone Number:			Email Address:		
Monthly Rent:		Monthly Due:		Amount Past Due:	

Management Company

Name of Landlord/Legal Property Owner Management Company (if applicable)				
Address:			City:	
State:		ZIP:	Phone:	

PLEASE READ BEFORE FILLING OUT APPLICATION

Eligibility Criteria:

- ☐ I am a renter residing in rental housing unit or home in the City of Montebello.
- ☐ I have a copy of the Rental or Lease Agreement
- ☐ I am within the U.S. Department of Housing and Urban Development (HUD) established "Low-Income" limits. Please check pages 3-4 of the Program Guidelines (based on household size and income).
- ☐ I have been economically impacted during the COVID-19 pandemic period beginning March 27, 2020 to present causing loss of income and inability to pay rent or mortgage.
- ☐ I currently do not receive any other forms of rental assistance payments (examples: Housing Choice Voucher,-Section 8, senior housing section 202 or disabled housing section 208 with rental assistance subsidies, other rental assistance programs).

If you check all the above Eligibility Criteria, please continue

Please check box/boxes that apply to document COVID-19 pandemic economic impacts during the period of March 27, 2020 to present:

- ☐ Workplace closure or reduced hours due to COVID-19 , including lay-off, termination, loss of working hours, income reduction resulting from business closure or other employer economic impacts of COVID-19:
  - Household member(s) was/were laid off by employer.
  - Household member(s) was/were put on a furlough by employer.

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- Household member(s) was/were given reduction in hours and/or pay.
- Household member(s) was/were denied Unemployment Insurance benefits; or
- Household member(s) is self-employed and had loss of income due to COVID-19 (A signed self-certification that includes the name of the household member who is self-employed, the name and nature of the business, and narrative confirming economic impact on self-employment during eligible pandemic period must be submitted if this box is checked)

☐ Household member(s) became ill with COVID-19 or caring for a household or family member who became ill with COVID-19 caused financial impacts

☐ Household member(s) was/were impacted by extraordinary out-of-pocket childcare expenses due to school closures, medical expensed, or health care expenditures stemming from COVID-19 infection of the tenant or a member of the tenant's household who is ill with COVID-19

☐ Household member(s) was/were required to comply with a recommendation from government health authority to stay home, self-quarantine, or avoid congregating with others during the state of emergency, thus resulting in a loss of income.

☐ Household member(s) experienced significant expenditures steaming from government ordered emergency measures

Household member(s) experienced the following additional factors relevant to the tenant's reduction in income as a result of the COVID-19 emergency (please explain):

Certification

The information given above, to the best of my knowledge is true. I understand that acceptance of this initial application by the City of Montebello does not constitute approval of my application. I agree to provide, upon request, documentation of all income sources to HUD Grantee/MCAP Program Administrator.

Applicant Signature:		Date:	

Warning: The information provided on this form is subject to verification at any time. Title 18, United States Code, Section 1001 makes it a crime to; 1) Knowingly and willfully; 2) make any materially false, fictitious or fraudulent statement or representation; 3) in any matter within the jurisdiction of the executive, legislative or judicial branch of the United States.

Please continue to application form

Please attach this form (Form 1) to the application

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City of Montebello Fire Department

Montebello Community Assistance Program (MCAP)

Submission Instructions (page 9 of the guidelines)

The first 60 completed eligible applications will be qualified for funding.

All application materials will be available online to download at www.cityofmontebello.com and www.montebellofiredept.org/mcap starting on April 26, 2021.

For applicants who do not have access to a computer, internet, and/or printer, a paper application packet is also available by mail or in-person pick up.

Applications can also be picked up on Monday through Thursday from 9:00 AM. – 12:00 AM and 1:00 PM – 3:00 PM, beginning April 26, 2021 until Thursday, April 29, 2021, the Montebello City Hall, 1600 W. Beverly Blvd., Montebello, CA 90640, located at the north side of City Hall (Canopy Location)

Online submission can be done via e-mail at mcap@cityofmontebello.com

Applicants are strongly advice to review the Frequently Asked Questions (FAQ) available online at www.cityofmontebello.com and www.montebellofiredept.org/mcap

Completed applications can be submitted by email or applications can also be dropped off Monday through Thursday from 9:00AM-4:30PM, beginning March 15, 2021 until March 26, 2021 at the City of Montebello City Hall, Fire Administration 1600 West Beverly Boulevard, Montebello, CA 90640

All applications must be submitted in person or emailed by Thursday, May 13, 2021 by 3:00 PM

Late submissions will not be accepted

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City of Montebello Fire Department

Montebello Community Assistance Program (MCAP)

COVID-19 Emergency Housing Assistance Program

APPLICATION CHECKLIST

Please ensure that all of the items below are included in your application. **Incomplete applications will not be processed.**

STEP ONE: Determine your eligibility for the program (Must answer "YES" to all items below to be eligible).

☐ I am a renter residing in rental housing unit and/or home located in the City of Montebello.

☐ I have attached a copy of Rental or Lease Agreement and/or Mortgage Statement.

☐ I am within the U.S. Department of Housing and Urban Development (HUD) established "Low-Income" limits. Please check pages 3-4 of the Program Guidelines (based on household size and income).

☐I have been economically impacted during the COVID-19 pandemic period beginning March 27, 2020 to present. This has caused me loss of income and inability to pay rent.

☐ I currently do not receive any other forms of rental assistance payments (examples: Housing Choice Voucher – Section 8, senior housing section 202 or disabled housing section 208 with rental subsidies, other rental assistance programs).

STEP TWO: Submit the following documents

☐ Completed City of Montebello COVID-19 Emergency Housing Assistance Application Form 4

☐ Proof of applicant's loss of or reduction in income/employment due to COVID-19 pandemic. This can be provided by:

- A copy of household member(s) notification of job loss/termination from employer during the eligible pandemic period (March 27, 2020 to present); OR
- A copy of household member(s) notification of furlough from employer during the eligible pandemic period (March 27, 2020 to present); OR
- A copy of household member(s) notification confirming reduction in hours and/or pay during the eligible pandemic period (March 27, 2020 to present); OR
- A copy of household member(s) application during the eligible pandemic period (March 27, 2020 to present) and/or approval for Unemployment Insurance benefits; OR
- A signed self-certification that includes the name of the household member who is self-employed, the name and nature of the business, and narrative confirming economic impact on self-employment during eligible pandemic period (March 27, 2020 to present)

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☐ A copy of the current residential lease agreement for the address the applicant resides in as a part of the emergency housing assistance application.

☐ Copies of income verification (for example paystubs, 2018 or 2019 IRS Form 1040/1040A, Supplemental Security Income, etc)

Please attach Intake Eligibility Form (Form 1) and Application Checklist (Form 2) to the application (Form 4).

NOTE: Once the application is submitted, and if your application is selected, the City of Montebello will request the following from the bona fide landlord/property management agent or company:

☐ **W-9 Request for Taxpayer Identification Number or Certification**

☐ **A signed Program Participation-Payment Acceptance Agreement including a certified copy of the applicants current rental balance**

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City of Montebello Fire Department

Montebello Community Assistance Program (MCAP)

COVID-19 Emergency Housing Assistance Program

APPLICATION

Applicant:_____

Address:_____

Telephone No.:_____ Email Address: _____

Landlord/Property Mgt. Company: _____

Landlord Telephone No.:_____ Contact Person: _____

Determine your eligibility for the program (Must check all items below to be eligible).

☐ I am a renter residing in rental housing unit and/or own a home located in the City of Montebello.

☐ I have attached a copy of your Rental/Lease Agreement and/or Mortgage Statement.

☐ I am within the U.S. Department of housing and Urban Development (HUD) established "Low-Income" limits. Please check pages 3-4 of the Program Guidelines (based on household size and income).

☐ I have been economically impacted during the COVID-19 pandemic period beginning March 27, 2020 to present causing loss of income and inability to pay rent.

☐ I currently do not receive any other forms of rental assistance payments (examples: Housing Choice Voucher - Section 8, senior housing section 202 or disabled housing section 208 with rental assistance subsidies, other rental assistance programs).

A. What is your current monthly rent: $_____

(Must Attach the Lease/Rental Agreement Document or Mortgage Statement)

B. Are you current on your rent/mortgage payments? ☐ YES ☐ NO

If no, how much rent did you pay and how much are you behind for the following months:

MONTH	AMOUNT OF RENT/HOUSE PAYMENT	AMOUNT OF RENT/MORTGAGE OWED
_____	$_____	$_____
_____	$_____	$_____
_____	$_____	$_____
_____	$_____	$_____
	Total Amount Outstanding Payments	$_____

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C. Have You Provided Evidence of Economic Impact due to COVID-19? (Must be attached)
☐ YES ☐ NO (Will not qualify for Housing Assistance)

Proof of applicant's loss of or reduction in income/employment due to COVID-19 pandemic can be provided by:

☐ A copy of household member(s) notification of job loss/termination from employer during the eligible pandemic period (March 27, 2020 to present); **OR**

☐ A copy of household member(s) notification of furlough from employer during the eligible pandemic period (March 27, 2020 to present); **OR**

☐ A copy of household member(s) notification confirming reduction in hours and/or pay during the eligible pandemic period (March 27, 2020 to present); **OR**

☐ A copy of household member(s) application during the eligible pandemic period (March 27, 2020 to present) and/or approval for Unemployment Insurance benefits; **OR**

☐ A signed self-certification that includes the name of the household member who is self-employed, the name and nature of the business, and narrative confirming economic impact on self- employment during eligible pandemic period (March 27, 2020 to present); **OR**

☐ A signed self-certification that you were unable to work and/or have extensive medical expenses due to contracting Coronavirus (Covid-19).

D. What is your total annual gross household income? $_____
(This is for all members of the household)

E. How many people live in the household? _____

F. Race/Ethnicity

☐ Latina/o
☐ White
☐ African American
☐ Asian
☐ American Indian/Alaskan Native
☐ NativeHawaiian/OtherPacificIslander
☐ American Indian/Alaskan Native & White
☐ Asian & White
☐ Black/ African American & White
☐ AmericanIndian/AlaskanNative& Black/AfricanAmerican
☐ Other multi-racial

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City of Montebello Fire Department
Montebello Community Assistance Program (MCAP)

HOUSEHOLD INCOME AND COMPLETED APPLICATION CERTIFICATION (REQUIRED)

INSTRUCTIONS: This is a written statement documenting the Annual Income, the number of members in the family or household, and relevant characteristics of each member for the purposes of income determination.

To complete this statement, fill in the blank fields below. The applicant Head of Household(s) must then sign this statement to certify that the information is complete and accurate, and that source documentation will be provided upon request. The applicant Head of Household(s) must then sign this statement to certify that the information is complete and accurate, and that source documentation will be provided upon request.

Must list all household members and income for all members of the household, including roommates, etc.

Name:	**Total Annual Income:**	**HH** **Head of Household**	**CH** **Co-Head**	**DIS** **Disabled**	**AGE of the Household Member**

HH = Head of Household; **CH** = Co-Head of Household; **DIS** = Person with disabilities

Annual Gross Income (total of all members) = $_____

I certify that this information is complete and accurate. I agree to provide, upon request, documentation on all income sources to the City of Montebello COVID-19 Emergency Rental Assistant Program Administrator.

HEAD OF HOUSEHOLD		
Signature	Printed Name	Date
CO-HEAD OF HOUSEHOLD		
Signature	Printed Name	Date

Warning: The information provided on this form is subject to verification by HUD at any time, and Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony and assistance can be terminated for knowingly and willingly making a false or fraudulent state to a Department of the United States.

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City of Montebello Fire Department
Montebello Community Assistance Program (MCAP)

INCOME DOCUMENTATION WORKSHEET (REQUIRED)

Applicant must indicate income from all applicable sources and attach supporting documentation.

Source of Income	Gross Monthly Income in Dollars	Supporting Documentation
Salary	$	• Copies of two paycheck stubs for January, February and/or March 2020; OR • 2019 Federal income tax returns; OR • 2018 Federal income tax return AND 2019 W-2 forms (if 2019 tax return not filed yet).
Self-Employed Profits	$	• A copy of 2018 or 2019 IRS Form 1040/1040A (tax return), OR • An affidavit signed by the applicant that includes the name of the household member who is self-employed, the name of the business, and the prior year's estimated annual income (Self-Employment Income Self-Certification Form attached.)
Social Security Income (SS)	$	The following must not be older than one year unless noted: • Copy of applicant's monthly award check; OR • Copy of applicant's benefit verification letter (applicant can request from local Social Security office); OR • Form SSA-2458 (applicant can request from local Social Security office); OR • Form SSA-1099 (yearly benefit statement that may not be older than one (1) year); OR • Written certification from awarding agency verifying monthly benefits; OR • Copy of bank statement showing direct deposit of applicant's award check.
Supplemental Security Income (SSI)	$	
Social Security Disability (SSD)	$	
California Work Opportunity and Responsibility for Kids (CalWORKs)	$	• Award letter stating the amount of applicant's benefit; OR • Copy of applicant's most recent bi-monthly award check(s); OR • Written statement from Caseworker stating the applicant's benefit amount; OR • Written certification from awarding agency verifying monthly benefits.
Temporary Assistance for Needy Families (TANF)	$	
Pension	$	• Copy of applicant's most recent pension check/payment stubs; OR • Copy of pension award letter showing monthly benefits; OR • Bank statement showing direct deposit of applicant's award check.
Alimony	$	• Copy of applicant's weekly or monthly check; OR • Court decree establishing payments, (divorce papers); OR • Notarized affidavit of child support certifying amount received.
Child Support	$	
Unemployment Insurance	$	• Copy of award notice stating applicant's benefit; OR • Payment booklet.

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Interest from Bank Accounts and Cash Funds	**$**	• Letter from bank manager stating applicant's benefit; OR • Bank statements showing last twelve (12) months of interest; • Most recent Federal income tax return showing interest earned; OR • Investment statements indicating the amount of dividends earned.
Rental Property Income (income you receive from a rental property you own)	**$**	At least two (2) from the following: • Copy of property rental agreement signed by current tenant showing monthly rent; OR • Copy of recent rent check; OR • Copy of applicant's income tax return declaring earned rental income (not older than one year); OR • Proof of Rent/Mortgage receipts.
Other Income not shown above- List Sources	**$**	• Attach documentation to support declaration.
TOTAL INCOME	**$**	

AGENCY STAFF USE ONLY IN THIS SECTION:		
Total Gross Monthly Income:		**Comments:**
Total Gross Annual Income:		**Comments:**
Income Qualified?	☐ YES ☐ NO	**Comments:**
Funding Source		☐ **CBDG** ☐ **SGVCOG**

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City of Montebello Fire Department
Montebello Community Assistance Program (MCAP)

SELF EMPLOYED / INDIVIDUAL ANNUAL INCOME

SELF-CERTIFICATION (COMPLETE IF SELF-EMPLOYED ONLY)

Name:_____Name of Business: _____

INSTRUCTIONS: To complete this statement, fill in the blank fields below using information from the attached Individual Annual Income Self-Certification Form complete and signed by **EACH HOUSEHOLD MEMBER AGE 18 OR OLDER** except fulltime students. The Household Member must then sign this statement to certify that the information is complete and accurate, and that source documentation will be **provided** upon request.

Source of Income	Annual Income in Dollars
Salary	$
Self-Employed Profits	$
Social Security (SS)	$
Supplemental Security Income (SSI)	$
Social Security Disability (SSD)	$
California Work Opportunity and Responsibility for Kids (CalWORKs)	$
Temporary Assistance for Needy Families (TANF)	$
Pension	$
Alimony	$
Child Support	$
Unemployment Insurance	$
Interest from Bank Accounts and Cash Funds	$
Rental Property Income	$
Other Income Not Shown Above Sources:	$
Total Gross Annual Income:	$

☐ **Check here if Bank Statements for 3 consecutive months prior to March 2020 are attached.**

I certify that this information is complete and accurate. I agree to provide, upon request, documentation on all income sources to the City of MontebelloCOVID-19 Emergency Housing Assistance Program Administrator.

Signature	Printed Name	Date

WARNING: The information provided on this form is subject to verification by HUD at any time, and Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony and assistance can be terminated for knowingly and willingly making a false or fraudulent statement to a department of the United States Government.

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City of Montebello Fire Department

Montebello Community Assistance Program (MCAP)

COVID-19 Emergency Housing Assistance Program

Frequently As Questions (FAQ)

1. **COVID-19 Housing Assistance. Am I eligible?**
   To determine if you are eligible, please visit: www.cityofmontebello.com and www.montebellofiredept.org/mcap

2. **How much money can I receive, and will I be able to use it to pay past due rent/mortgage?**
   Eligible households will receive up to $800.00 in monthly housing support for a maximum of three (3) months **not to exceed $2,400.00**. Payments will be made directly to landlord/property management agent or company and can be applied to current monthly rent or mortgage payments, Rental Debt Payment (applies to rent debts/past due payments that occurred during the period of March 27, 2020, until the end of the City's Safer at Home Order), or a combination of both.

3. **I am on a lease with others (i.e. roommates, spouse, and family members). Can each of us apply for rental assistance?**
   No. Applicants in this situation should submit one **(1) application** that details the income information for **each household member**. The assistance is based on household.

4. **I am a homeowner who has been affected by COVID-19. Can I apply?**
   Yes. The COVID-19 Emergency Housing Assistance is only available to income-eligible household, but must have been impacted by income loss.

5. **I am renting a room from a homeowner. Can I apply?**
   Yes, so long as there is a formal lease agreement between the renter and homeowner, and the **applicant meets all other eligibility criteria** for the program.

6. **I live in Commerce or another city in close proximity to the City of Montebello, can I apply?**
   No. The Montebello COVID-19 Emergency Housing Assistance Program is only available to City of Montebello residents.

7. **Why is this program determined by income? Why can't anyone apply?**
   Funding for the City of Montebello COVID Emergency Housing Assistance Program is provided through federal Community Development Block Grants (CDBG). CDBG funds are administered by the U.S. Department of Housing and Urban Development (HUD). As such, these funds must be administered in accordance with CDBG rules and regulations, including income requirements (Earning Low- Income as indicated in page 3 of the Program Guidelines. More information about the HUD income limits can be found on our website.

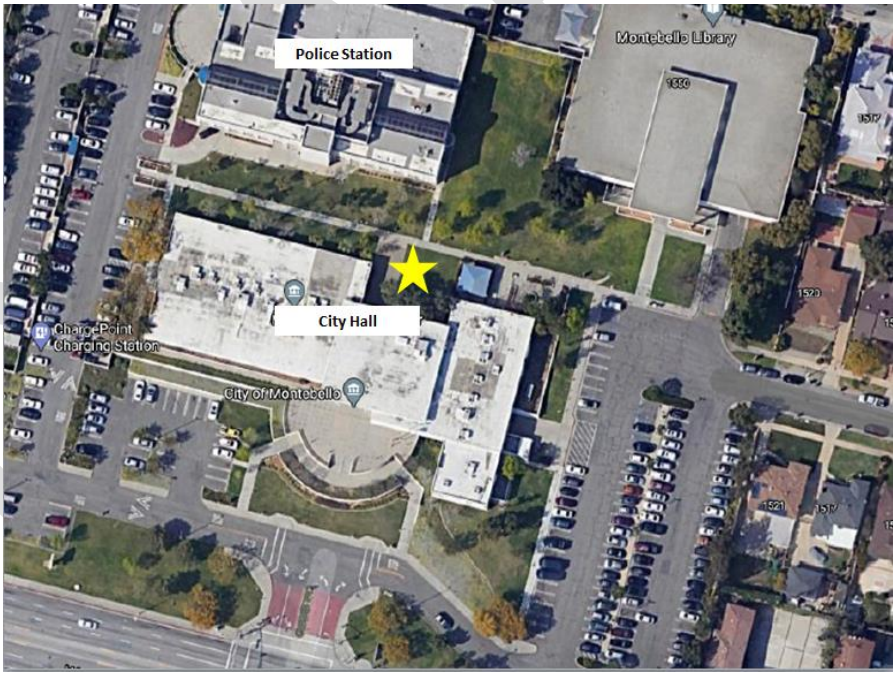
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8. **I make payments to my landlord in cash, or by using cash transfer mobile applications, such as Venmo or Cash App. Can I apply?**
   No. You must provide a copy of a valid lease agreement that lists your name on it and proof that monthly rental payments are being made (such as bank statements that certify rental payment withdrawals). All payments are made directly to the Landlord or Mortgage Company.

9. **I don't have access to the internet or a printer. How can I apply?**

   For applicants who do not have access to a computer, internet, and/or printer, a paper application packet is also available by mail or in-person pick up. **(Please refer to the COVID-19 Emergency Housing Assistance Program Guidelines)**

   Applications can also be picked up on Monday through Thursday from 9:00 AM. – 12:00 AM and 1:00 PM – 3:00 PM, beginning April 26, 2021 until Thursday, April 29, 2021, the Montebello City Hall, 1600 W. Beverly Blvd., Montebello, CA 90640, located at the north side of City Hall (Canopy Location)



10. **What is the deadline to apply?**
    All applications must be submitted in person or emailed by 3:00 PM on Thursday, May 13, 2021. No late applications will be accepted.

11. **How do I submit my application?**
(Please refer to the COVID-19 Emergency Housing Assistance Program Guidelines)

Application Deadline	No Later than 3:00 pm on Thursday, May 13, 2021	City of Montebello COVID-19 Emergency Housing Assistance Program 1600 West Beverly Boulevard, Fire Administration Office Montebello, CA 90640 OR electronically: mcap@cityofmontebello.com
Hardcopy Applicant In-person Delivery	• Wednesday, May 5, 2021 • Thursday, May 6, 2021 • Monday 10, 2021 through Thursday, May 13, 2021 Monday through Thursday from 9:00 AM. – 12:00 AM and 1:00 PM – 3:00 PM	City of Montebello City Hall, 1600 West Beverly Boulevard, Montebello, CA 90640 located at the north side of City Hall (Canopy Location)

12. **How will applications be selected for rental assistance? What factors are considered?**
Only 60 applications will be awarded during Cycle 1. The application will be time stamped, and the MCAP staff will review the applications for completeness and eligibility for the program. Staff will contact the landlord/property owner of each eligible application to request a signed and completed Program Participation-Payment Acceptance form and W-9 form. Once these documents have been received, payments will be processed**. Any applications that are incomplete or are ineligible will be disqualified.** In the event that this occurs, additional applications will be selected.

13. **If I am approved, how quickly can I receive assistance?**
Payments are in the form of a check or through a direct deposit to the landlord or mortgage company, the payment is directly paid to landlord/property management agent company or mortgage company within 30 days upon receiving and verifying the landlord/property management information.

14. **If my rent is less than the maximum relief, can I still receive the maximum?**
No. If an applicant is eligible for the maximum benefit ($800), but the total rental payment itself is less than that (for example, $600), the applicant would instead receive the amount of their monthly rental payment of $600.

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15. **If my rent is more than the maximum allowable, can I receive my full rental amount?**
    No. If an applicant is eligible for the maximum benefit ($800), the applicant would only receive $800.

16. **My lease term has ended, and now I am on a month-to-month lease, can I apply?**
    Yes, so long as the applicant can provide the original lease and verification that rental payments are still being made (returned checks, bank statements or other).

17. **I live in an affordable housing unit, can I apply?**
    No. To be eligible for the City of Montebello COVID-19 Emergency Housing Assistance Program, applicants **must not** be receiving any other form of Housing assistance payments (for example, Housing Choice Vouchers – formerly referred to as Section 8). Applicants residing in rent-restricted affordable housing units are eligible to apply.

18. **I've submitted my application, when will I know if I've been selected to move on in the process?**
    Applicants will be notified in early June 2021.

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City of Montebello Fire Department

Montebello Community Assistance Program (MCAP)

COVID-19 Emergency Housing Assistance Program

Program Participation-Payment Acceptance Agreement

Date: _____

Applicant:
Tenant Address:

SECTION I (a) (THIS SECTION TO BE COMPLETED BY THE LANDLORD/LEGAL OWNER/MANAGEMENT COMPANY)

LANDLORD/LEGAL PROPERTY OWNER	MANAGEMENT COMPANY (if applicable)	TELEPHONE NUMBER
LANDLORD/MANAGEMENT COMPANY EMAIL	CONTACT PERSON NAME	
ADDRESS	CITY	STATE ZIP CODE

I UNDERSTAND AND CERTIFY THAT: In no case am I entitled to a payment for a month that the applicant does not reside at my property. If I receive a direct rent payment for a month that the applicant did not reside at my property, I shall remit to City of Montebello an amount that represents the overpaid rent. To return such amounts or payments, I shall call the City at (323) 480-8219 and mail payment to City of Montebello Fire Department- MCAP COVID-19 Emergency Housing Assistance Program. I must not cash a direct rent payment if the applicant has moved. I may be prosecuted if I commit fraud or knowingly assist an applicant to commit fraud. If I am found guilty of committing fraud, I will no longer be entitled to receive direct rent payments. I may not acquire rights to sue [Agency] for payment of rent or for a breach of any obligations by the tenant.

Name:_____ Signature:_____ Date:_____

SECTION I (b) (THIS SECTION TO BE COMPLETED BY CITY STAFF)

RENTAL ASSISTANCE PROVIDED	ANTICIPATED TERMS OF ASSISTANCE		
Amount $ _____	For _____ consecutive month beginning _____		
CITY STAFF NAME (PLEASE PRINT)	CITY STAFF SIGNATURE	DATE	TELEPHONE NUMBER

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City of Montebello Fire Department

Montebello Community Assistance Program (MCAP)

SECTION II – THIS SECTION TO BE COMPLETED BY THE LANDLORD/LEGAL OWNER/MANAGEMENT COMPANY

The landlord (legal owner of the residence reference above) must complete this Section.

☐ I do not want to participate in the Montebello COVID-19 Emergency Housing Assistance Program;

or

☐ I would like to participate in the Montebello COVID-19 Emergency Housing Assistance Program. To receive payment, I will provide this signed agreement a W-9 Request for Taxpayer Identification Number and Certification.

TENANT'S MONTHLY RENT IS DUE ON THE_____OF EACH MONTH. Is the tenant(s) current on rent payments?

☐ YES (If Yes, tenant may be eligible for future payments.)

☐ NO If no, amount of rent owed: $_____

If no, date last rent payment was received: $_____

Number of bedrooms in unit: ☐ studio/single ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5+

LANDLORD/LEGAL OWNER'S NAME/MGT. COMPANY (PLEASE PRINT)	APPLICANT (TENANT) NAME (PLEASE PRINT)
MAILING ADDRESS	PROPERTY ADDRESS
CITY STATE ZIP CODE	CITY STATE ZIP CODE

Is the tenant(s) of the residence listed above a relative of the landlord? ☐ YES ☐ NO

LANDLORD/LEGAL OWNER/MANAGEMENT COMPANY CERTIFICATION

I UNDERSTAND AND CERTIFY THAT: In no case am I entitled to a payment for a month that he applicant does not reside at my property. If I receive a direct rent payment for a month that the applicant did not reside at my property, I shall remit to City of Montebello an amount that represents the overpaid rent. To return such amounts or payments, I shall call the City at (323) 480-8219 and mail payment to City of Montebello Fire Department- MCAP COVID-19 Emergency Housing Assistance Program. I must not cash a direct rent payment if the applicant has moved. I may be prosecuted if I commit fraud or knowingly assist an applicant to commit fraud. If I am found guilty of committing fraud, I will no longer be entitled to receive direct rent payments. I may not acquire rights to sue [Agency] for payment of rent or for a breach of any obligations by the tenant. I also understand and certify that I receive no other subsidy and/or assistance from or on behalf of this applicant for full or partial monthly rental payment. Housing assistance is limited and the duration of assistance in Section 1 of this agreement. The City will make every effort to make housing assistance payments as required by the lease agreement but will only be responsible for late fees sue to administrative errors by City staff. I understand that assistance may be terminated if a participant determined to be no longer eligible, was never eligible, and has not been fully engaged in the program. And/or has not been fully compliant with program requirements as determined by the City. Examples non-compliance included failure to return phone calls or emails and failure to disclose all income or expenses.

Initial Here:_____

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In addition, I understand and agree that during the term of this agreement, I must give City a copy of any notice to the program participant to vacate the housing unit, or any complaint used under state or local law to commence an eviction action against the program participant. **Initial Here:** _____
THE LANDLORD/LEGAL OWNER/MANAGEMENT COMPANY MUST SIGN AND DATE:

LANDLORD/LEGAL OWNER/MGT. CO. NAME (PLEASE PRINT)	LANDLORD/LEGAL OWNER/MGT.CO. SIGNATURE:	DATE:	TELEPHONE NUMBER:

DRAFT

City of Montebello Fire Department

Montebello Community Assistance Program (MCAP)

COVID-19 Emergency Housing Assistance

Participation Agreement

I, _____ understand that my participation in this program operated by City of Montebello Fire Department- MCAP is wholly voluntary for me and my household. Furthermore, I understand that my eligibility to receive direct financial assistance and/or services from City of Montebello-funded programs are strictly time-limited (non-permanent) and based on eligible criteria. I understand that I must maintain satisfactory participation in the program and must partake in a monthly evaluation in order to qualify for the one-time limited assistance. Also, I understand that I may be subject to complete a Housing Needs Assessment to assist me in obtaining additional services.

Signed: _____ Date: _____
Client Signature

_____ Date: _____
City Staff Signature

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ITEM NO. 23

RESOLUTION NO. 21-____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MONTEBELLO APPROVING AND ALLOWING CERTAIN CLAIMS AND DEMANDS

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MONTEBELLO HEREBY RESOLVES, FINDS, AND DECLARES AS FOLLOWS:

SECTION 1. That the reference is hereby made to that certain Register of Audited Demand Nos. 1507, consisting of 9 pages, and including

Warrant No.:
General: Checks No. 592154 through 592314;
ACH No. 400 through 444

On file in the office of the City Clerk, the same having been audited and approved by the Deputy Director of Finance as required by law.

SECTION 2. That the said City Council having examined each such demand does hereby approve and direct the payment of same, as set forth in said Register, except the following Warrant No.

_____

_____

_____

SECTION 3. That the City Clerk shall certify to the passage and adoption of this Resolution and that the same shall be in full force and effect.

APPROVED AND ADOPTED this 24th day of March 2021.

_____
Kimberly A. Cobos-Cawthorne, Mayor

ATTEST:

_____
Christopher Jimenez, City Clerk

APPROVED AS TO FORM:

_____
Arnold M. Alvarez-Glasman, City Attorney

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS:
CITY OF MONTEBELLO)

I, Christopher Jimenez, City Clerk of the City of Montebello, County of Los Angeles, State of California, hereby certify that the foregoing Resolution No. 21-__ was passed and adopted by the City Council of the City of Montebello, signed by the Mayor and attested by the City Clerk at a regular meeting of said Council held on the 24th day of March 2021 and that said Resolution was adopted by the following vote, to-wit:

AYES:
NOES:
ABSTAIN:
ABSENT:

The undersigned, City Clerk of the City of Montebello, does hereby attest and certify that the foregoing Resolution is a true, full and correct copy of a resolution duly adopted at a meeting of said City which was duly convened and held on the date stated thereon, and that said document has not been amended, modified, repealed or rescinded since its date of adoption and is in full force and effect as of the date hereof.

DATE: _____

__
Christopher Jimenez, City Clerk

City of Montebello

Register of Demands No. 1507

From Payment Date: 02/25/21 - To Payment Date: 03/11/21

WARRANT #	DATE	AMOUNT	ACCOUNT DESCRIPTION	VENDOR #	VENDOR NAME
4331- General Account					
400	03/04/2021	$40.00	CARPOOL INCENTIVE	738	ROBERT AMAYA
401	03/04/2021	$6,035.29	SUPPLIES	2586	AMAZON CAPITAL SERVICES, INC.
402	03/04/2021	$40.00	CARPOOL INCENTIVE	61470	ERIKA L. ANDRADE
403	03/04/2021	$50,369.99	CONTRACT SERVICES	3016	ANTARES GOLF, LLC
404	03/04/2021	$1,476.48	CONTRACT SERVICES	1237	AZTECA LANDSCAPE
405	03/04/2021	$25,200.00	CONTRACT SERVICES	3058	CALIFORNIA CHOICE ENERGY AUTHORITY
406	03/04/2021	$500.00	CONTRACT SERVICES	72	COGRAN SYSTEMS LLC
407	03/04/2021	$23,335.00	UTILITY SERVICES	3025	COMPLETE LANDSCAPE CARE, INC.
408	03/04/2021	$15,711.68	CONTRACT SERVICES	75950	FIESTA TAXI COOPERATIVE, INC.
409	03/04/2021	$60.00	CONTRACT SERVICES	23660	DAIOHS USA
410	03/04/2021	$70,808.08	BUILDING IMPROVEMENTS	2815	GREEN GIANT LANDSCAPE INC.
411	03/04/2021	$2,411.83	VEHICLE MAINTENANCE	270	HARBOR DIESEL AND EQUIPMENT, INC.
412	03/04/2021	$50.00	CARPOOL INCENTIVE	73180	MONICA HUERTA
413	03/04/2021	$1,350.44	CONTRACT SERVICES	2793	IBE DIGITAL
414	03/04/2021	$40.00	CARPOOL INCENTIVE	11280	MICHAEL LOPEZ
415	03/04/2021	$70.00	CARPOOL INCENTIVE	2203	SAMANTHA NEVAREZ
416	03/04/2021	$40.00	CARPOOL INCENTIVE	138	BRIANNON PADILLA
417	03/04/2021	$40.00	CARPOOL INCENTIVE	532	MARCO A. PENUELAS-SOLIS
418	03/04/2021	$40.00	CARPOOL INCENTIVE	3089	NATALIE RAMIREZ
419	03/04/2021	$2,886.50	CONTRACT SERVICES	2874	RPW SERVICES INC.
420	03/04/2021	$15,689.97	CONTRACT SERVICES	2787	S & S LABARGE GOLF INCORPORATED
421	03/04/2021	$40.00	CARPOOL INCENTIVE	69960	NICOLE I. SAUCEDO
422	03/04/2021	$40.00	CARPOOL INCENTIVE	595	MATTHEW A VALENZUELA
423	03/04/2021	$1,119.80	VEHICLE MAINTENANCE	288	ZEMARC CORPORATION
424	03/11/2021	$9,893.43	CONTRACT SERVICES	37720	ADVANCED APPLIED ENGINEERING, INC.

City of Montebello

Register of Demands No. 1507

From Payment Date: 02/25/21 - To Payment Date: 03/11/21

WARRANT #	DATE	AMOUNT	ACCOUNT DESCRIPTION	VENDOR #	VENDOR NAME
425	03/11/2021	$1,018.60	VEHICLE MAINTENANCE	269	ADVANCED ELECTRONICS SOLUTIONS INC.
426	03/11/2021	$50,599.79	CONTRACT SERVICES	16120	ALVAREZ-GLASMAN & COLVIN
427	03/11/2021	$4,310.65	SUPPLIES	2586	AMAZON CAPITAL SERVICES, INC.
428	03/11/2021	$16,780.70	CONTRACT SERVICES	3016	ANTARES GOLF, LLC
429	03/11/2021	$8,287.37	SUPPLIES	31270	STARBOARD TACK SUPPLY INC.
430	03/11/2021	$322,912.80	CONTRACT SERVICES	40970	ARAKELIAN ENTERPRISES
431	03/11/2021	$250.00	CONTRACT SERVICES	1237	AZTECA LANDSCAPE
432	03/11/2021	$904.40	CONTRACT SERVICES	2102	JOHN P BEROKOFF
433	03/11/2021	$178.56	SUPPLIES	844	BEST LAWNMOWER, INC
434	03/11/2021	$139.09	SUPPLIES	10000	CLEAN SWEEP SUPPLY CO. INC
435	03/11/2021	$1,008.83	CONTRACT SERVICES	2889	COMLOCK SECURITY GROUP, INC.
436	03/11/2021	$395.00	BUILDING IMPROVEMENTS	2915	TED W. PAGE ENTERPRISES, INC.
437	03/11/2021	$2,001.66	VEHICLE MAINTENANCE	70920	DECALS BY DESIGN, INC.
438	03/11/2021	$25,750.00	CONTRACT SERVICES	2910	HAZELRIGG CLAIMS MANAGEMENT SERVICES
439	03/11/2021	$18,552.42	COPIER REPAIR/SERVICES	2793	IBE DIGITAL
440	03/11/2021	$277.50	CONTRACT SERVICES	26880	SEBASTIAN WATERWORKS, INC.
441	03/11/2021	$17,094.92	CONTRACT SERVICES	2787	S & S LABARGE GOLF INCORPORATED
442	03/11/2021	$28,240.05	FUEL INVENTORY	1059	AMBER RESOURCES LLC
443	03/11/2021	$2,356.50	SUPPLIES	33960	DAVID SOSNOWSKI
444	03/11/2021	$6,621.85	MACHINERY & EQUIPMENTS	1933	STRICTLY TECHNOLOGY LLC.
	Subtotal	**$734,969.18**			
4331- General Account					
592154	02/25/2021	$40.00	CARPOOL INCENTIVE	289	ANDREA ANDRADE
592155	02/25/2021	$80.00	CARPOOL INCENTIVE	65410	MAGGALI CORREA
592156	03/04/2021	$636.54	UTILITY SERVICES	1732	AT&T CORP.
592157	03/04/2021	$636.54	UTILITY SERVICES	1732	AT&T CORP.

City of Montebello

Register of Demands No. 1507

From Payment Date: 02/25/21 - To Payment Date: 03/11/21

WARRANT #	DATE	AMOUNT	ACCOUNT DESCRIPTION	VENDOR #	VENDOR NAME
592158	03/04/2021	$698.58	UTILITY SERVICES	1732	AT&T CORP.
592159	03/04/2021	$698.58	UTILITY SERVICES	1732	AT&T CORP.
592160	03/04/2021	$698.58	UTILITY SERVICES	1732	AT&T CORP.
592161	03/04/2021	$688.94	UTILITY SERVICES	2257	AIRESPRING INC.
592162	03/04/2021	$40.00	CARPOOL INCENTIVE	289	ANDREA ANDRADE
592163	03/04/2021	$553.36	UTILITY SERVICES	38380	AT&T
592164	03/04/2021	$159.39	UTILITY SERVICES	39550	AT&T
592165	03/04/2021	$32,347.28	CONTRACT SERVICES	16710	ATKINSON, ANDELSON, LOYA, RUUD & ROMO
592166	03/04/2021	$420.44	VEHICLE MAINTENANCE/EXPENSES	74990	AUTOZONE, INC
592167	03/04/2021	$17,595.48	SUPPLIES	13240	BANKCARD CENTER
592168	03/04/2021	$195.00	CONTRACT SERVICES	983	ABBA TERMITE AND PEST CONTROL, INC.
592169	03/04/2021	$68,973.52	VEHICLE PURCHASES	1101	BLACK AND WHITE EMERGENCY VEHICLES
592170	03/04/2021	$1,764.00	SUPPLIES	3121	C & O MFG.
592171	03/04/2021	$4,100.00	CONTRACT SERVICES	3104	EVELYN PINEDA
592172	03/04/2021	$3,281.63	RETIREE INSURANCE	562	CHRISTOPHER A CERVANTES
592173	03/04/2021	$6,125.71	RETIREE INSURANCE	562	CHRISTOPHER A CERVANTES
592174	03/04/2021	$89,473.83	VEHICLE PURCHASES	1700	72 HOUR LLC
592175	03/04/2021	$621.18	SUPPLIES	21690	COLUMBIA BUSINESS FORMS, INC.
592176	03/04/2021	$6,556.30	SUPPLIES	2455	COMMERCIAL AQUATIC SERVICES
592177	03/04/2021	$40.00	CARPOOL INCENTIVE	65410	MAGGALI CORREA
592178	03/04/2021	$170.00	ADVERTISING/PRINTING SERVICES	1354	DAILY JOURNAL CORPORATION
592179	03/04/2021	$37.00	PERMITS AND FEES	72580	LOS ANGELES COUNTY DEPARTMENT OF PUBLIC HEAL
592180	03/04/2021	$74.00	PERMITS AND FEES	72580	LOS ANGELES COUNTY DEPARTMENT OF PUBLIC HEAL
592181	03/04/2021	$37.00	PERMITS AND FEES	72580	LOS ANGELES COUNTY DEPARTMENT OF PUBLIC HEAL
592182	03/04/2021	$7,577.20	SUPPLIES	1939	DIGITAL EMS SOLUTIONS INC.
592183	03/04/2021	$800.00	CONTRACT SERVICES	3131	JESUS J. ESPINOSA

City of Montebello

Register of Demands No. 1507

From Payment Date: 02/25/21 - To Payment Date: 03/11/21

WARRANT #	DATE	AMOUNT	ACCOUNT DESCRIPTION	VENDOR #	VENDOR NAME
592184	03/04/2021	$5,263.39	MACHINERY & EQUIPMENTS	2616	EXTREME SAFETY INC.
592185	03/04/2021	$744.60	CONTRACT SERVICES	3015	FIRST AID 2000
592186	03/04/2021	$2,141.61	VEHICLE MAINTENANCE/EXPENSES	29160	FORD OF MONTEBELLO
592187	03/04/2021	$7,989.44	CONTRACT SERVICES	2981	G4S SECURE SOLUTIONS (USA) INC.
592188	03/04/2021	$132.28	UNIFORM EXPENSE	55650	GALLS, LLC
592189	03/04/2021	$611.64	SUPPLIES	9470	GRAINGER, INC.
592190	03/04/2021	$4,680.00	IMPROVEMENTS OTHER THAN BUILDINC	3029	HAMILTON BIOLOGICAL, INC.
592191	03/04/2021	$404.42	VEHICLE MAINTENANCE/EXPENSES	30190	I.B. AUTO PARTS, INC.
592192	03/04/2021	$117.00	CONTRACT SERVICES	44750	HEALTHFIRST MEDICAL GROUP
592193	03/04/2021	$576.26	CONTRACT SERVICES	3036	HERITAGE-CRYSTAL CLEAN, LLC
592194	03/04/2021	$2,103.97	SUPPLIES	48400	HOME DEPOT CREDIT SERVICES
592195	03/04/2021	$190.00	DUES & SUBSCRIPTIONS	8330	INTERNATIONAL ASSOCIATION OF
592196	03/04/2021	$300.00	CONTRACT SERVICES	1612	JCL TRAFFIC SERVICES
592197	03/04/2021	$1,137.40	CONTRACT SERVICES	2152	JOHNSON CONTROLS, INC.
592198	03/04/2021	$1,035.00	CONTRACT SERVICES	73310	KRONOS INCORPORATED
592199	03/04/2021	$1,137.64	CONTRACT SERVICES	8130	RICHARD D. JONES, A PROFESSIONAL LAW CORP.
592200	03/04/2021	$3,895.50	RETIREE INSURANCE	67100	MELISSA M. LEAL
592201	03/04/2021	$611.89	SUPPLIES	26670	LIFE-ASSIST, INC.
592202	03/04/2021	$200.00	CONTRACT SERVICES	3125	GAVIN K LOKE
592203	03/04/2021	$40.00	CARPOOL INCENTIVE	71590	LUZ MARIA
592204	03/04/2021	$10,685.52	CONTRACT SERVICES	110	MICHELIN NORTH AMERICA, INC
592205	03/04/2021	$369.80	CONTRACT SERVICES	74640	MISSION LINEN SUPPLY
592206	03/04/2021	$904.70	UNIFORM EXPENSE	790	CITY OF MONTEBELLO PETTY CASH
592207	03/04/2021	$8,035.08	UTILITY SERVICES	4760	MONTEBELLO LAND & WATER CO.
592208	03/04/2021	$641.60	SUPPLIES	3280	MONTEBELLO CITY TRANSIT
592209	03/04/2021	$1,290.85	MACHINERY & EQUIPMENTS	2480	SOCAL AUTO & TRUCK PARTS, INC.

City of Montebello

Register of Demands No. 1507

From Payment Date: 02/25/21 - To Payment Date: 03/11/21

WARRANT #	DATE	AMOUNT	ACCOUNT DESCRIPTION	VENDOR #	VENDOR NAME
592210	03/04/2021	$160.00	CONTRACT SERVICES	26370	NAVARRO'S TOWING SERVICE
592211	03/04/2021	$19,296.87	VEHICLE MAINTENANCE/EXPENSES	60710	THE AFTERMARKET PARTS COMPANY, LLC
592212	03/04/2021	$26,400.00	CONTRACT SERVICES	2481	NORTH STAR LAND CARE
592213	03/04/2021	$4,455.91	SUPPLIES	2934	PT EVENTS INC.
592214	03/04/2021	$31.45	UTILITY SERVICES	100	PICO WATER DISTRICT
592215	03/04/2021	$17,225.00	CONTRACT SERVICES	2764	RAINTEK ENTERPRISES INC.
592216	03/04/2021	$80.00	REFUND	3136	ROBERTO O. MORALES
592217	03/04/2021	$76,115.76	UTILITY SERVICES	14730	SAN GABRIEL VALLEY WATER CO.
592218	03/04/2021	$860.39	UTILITY SERVICES	14730	SAN GABRIEL VALLEY WATER CO.
592219	03/04/2021	$422.04	SUPPLIES	2686	THE SHERWIN-WILLIAMS CO.
592220	03/04/2021	$705.26	CONTRACT SERVICES	36350	SHRED-IT USA
592221	03/04/2021	$104.31	SUPPLIES	1980	SITEONE LANDSCAPE SUPPLY, LLC.
592222	03/04/2021	$40.00	CARPOOL INCENTIVE	24280	MARTIN SOLANO
592223	03/04/2021	$3,925.45	UTILITY SERVICES	45630	SOUTHERN CALIFORNIA EDISON
592224	03/04/2021	$218.22	UTILITY SERVICES	40520	SOUTHERN CALIFORNIA GAS CO.
592225	03/04/2021	$32,193.00	SUPPLIES	2073	STOVER SEED COMPANY
592226	03/04/2021	$3,182.70	CONTRACT SERVICES	6230	SYMPRO, INC.
592227	03/04/2021	$4,144.88	UTILITY SERVICES	526	T-MOBILE USA, INC.
592228	03/04/2021	$2,404.69	UTILITY SERVICES	72570	U.S. TELEPACIFIC CORP
592229	03/04/2021	$345.00	ADVERTISING/PRINTING SERVICES	6460	TRANSIT TALENT.COM
592230	03/04/2021	$479.00	TRAINING	1644	TRITECH SOFTWARE SYSTEMS
592231	03/04/2021	$2,640.60	CONTRACT SERVICES	37	U.S. SECURITY ASSOCIATES, INC.
592232	03/04/2021	$10,681.89	VEHICLE MAINTENANCE/EXPENSES	3450	VALLEY POWER SYSTEMS, INC.
592233	03/04/2021	$494.62	UTILITY SERVICES	23610	VERIZON WIRELESS
592234	03/04/2021	$1,488.43	SUPPLIES	3088	WAXIE'S ENTERPRISES, LLC
592235	03/04/2021	$1,510.43	VEHICLE MAINTENANCE/EXPENSES	25860	WAYNE HARMEIER INC.

City of Montebello

Register of Demands No. 1507

From Payment Date: 02/25/21 - To Payment Date: 03/11/21

WARRANT #	DATE	AMOUNT	ACCOUNT DESCRIPTION	VENDOR #	VENDOR NAME
592236	03/04/2021	$4,476.00	CONTRACT SERVICES	40860	WEST COAST ARBORISTS, INC.
592237	03/04/2021	$1,141.00	CONTRACT SERVICES	71170	YOUNG ELECTRIC SIGN COMPANY
592238	03/11/2021	$7,525.66	INSURANCE PREMIUMS	55860	AFLAC
592239	03/11/2021	$7,171.84	MACHINERY & EQUIPMENTS	113	ALACO LADDER COMPANY
592240	03/11/2021	$214.07	SUPPLIES	24200	AAT, INC.
592241	03/11/2021	$198.00	CONTRACT SERVICES	1287	ALTA LANGUAGE SERVICES, INC.
592242	03/11/2021	$5,041.94	VEHICLE MAINTENANCE/EXPENSES	47980	AMERICAN MOVING PARTS
592243	03/11/2021	$3,320.56	UTILITY SERVICES	39550	AT&T
592244	03/11/2021	$4.67	UTILITY SERVICES	39550	AT&T
592245	03/11/2021	$32.88	UTILITY SERVICES	73760	AT&T TELECONFERENCE SERVICES
592246	03/11/2021	$267.00	VEHICLE MAINTENANCE/EXPENSES	45540	BENNY'S OIL FILTER RECYCLING
592247	03/11/2021	$160.00	VEHICLE MAINTENANCE/EXPENSES	1101	BLACK AND WHITE EMERGENCY VEHICLES
592248	03/11/2021	$1,021.81	BUILDING IMPROVEMENTS	3033	OFFICE SOLUTIONS BUSINESS PRODUCTS & SERVICES
592249	03/11/2021	$4,100.00	CONTRACT SERVICES	3104	EVELYN PINEDA
592250	03/11/2021	$6,637.29	UTILITY SERVICES	47580	CALIFORNIA WATER SERVICE COMPANY
592251	03/11/2021	$938.22	UTILITY SERVICES	55830	CHARTER COMMUNICATIONS
592252	03/11/2021	$200.00	TRAINING	476	MARIA CHAVEZ
592253	03/11/2021	$297.05	CONTRACT SERVICES	36870	CINTAS CORPORATION
592254	03/11/2021	$1,552.02	RETIREE INSURANCE	3128	CITY OF BELL GARDENS
592255	03/11/2021	$314.33	CONTRACT SERVICES	49400	U.S. MOBILE WIRELESS
592256	03/11/2021	$46,099.96	INSURANCE PREMIUMS	4110	DELTA DENTAL OF CALIFORNIA
592257	03/11/2021	$372.53	FUEL	1894	ECONOMY RENTAL, INC.
592258	03/11/2021	$150.00	ADVERTISING/PRINTING SERVICES	2123	ENDEAVOR BUSINESS MEDIA LLC.
592259	03/11/2021	$7,432.04	CONTRACT SERVICES	1117	FILE KEEPERS, LLC
592260	03/11/2021	$343.57	VEHICLE MAINTENANCE/EXPENSES	29160	FORD OF MONTEBELLO
592261	03/11/2021	$482.87	UTILITY SERVICES	2467	FUSION CLOUD SERVICES, LLC

City of Montebello

Register of Demands No. 1507

From Payment Date: 02/25/21 - To Payment Date: 03/11/21

WARRANT #	DATE	AMOUNT	ACCOUNT DESCRIPTION	VENDOR #	VENDOR NAME
592262	03/11/2021	$15,599.22	CONTRACT SERVICES	2981	G4S SECURE SOLUTIONS (USA) INC.
592263	03/11/2021	$125.65	SUPPLIES	3350	GARVEY EQUIPMENT COMPANY
592264	03/11/2021	$325.00	TRAINING	3142	RAFAAT GEBRAEEL
592265	03/11/2021	$77,900.00	IMPROVEMENTS OTHER THAN BUILDINC	57890	GENTRY BROTHERS, INC
592266	03/11/2021	$1,468.66	VEHICLE MAINTENANCE/EXPENSES	33720	ARKAY ACQUISITION LLC
592267	03/11/2021	$588.71	PREVENTIVE MAINTENANCE	70140	GNA-BROOK FIRE PROTECTION, INC.
592268	03/11/2021	$1,051.26	SUPPLIES	9470	GRAINGER, INC.
592269	03/11/2021	$56.89	VEHICLE MAINTENANCE/EXPENSES	29680	INLAND KENWORTH, INC.
592270	03/11/2021	$2,880.13	CONTRACT SERVICES	6690	IRRI-CARE PLUMBING AND BACKFLOW TESTING
592271	03/11/2021	$1,150.00	CONTRACT SERVICES	2942	JAIRO ZABALETA
592272	03/11/2021	$296.00	SUPPLIES	3141	JAYLENNE VALLEJO
592273	03/11/2021	$2,995.27	CONTRACT SERVICES	2152	JOHNSON CONTROLS, INC.
592274	03/11/2021	$540.00	CONTRACT SERVICES	73310	KRONOS INCORPORATED
592275	03/11/2021	$686.01	SUPPLIES	26670	LIFE-ASSIST, INC.
592276	03/11/2021	$49.00	PERMITS AND FEES	56850	LOS ANGELES COUNTY FIRE DEPARTMENT
592277	03/11/2021	$49.00	PERMITS AND FEES	56850	LOS ANGELES COUNTY FIRE DEPARTMENT
592278	03/11/2021	$986.32	CONTRACT SERVICES	37280	LOS ANGELES COUNTY SHERIFF'S DEPARTMENT
592279	03/11/2021	$367.98	CONTRACT SERVICES	74640	MISSION LINEN SUPPLY
592280	03/11/2021	$18,700.33	VEHICLE MAINTENANCE/EXPENSES	2480	SOCAL AUTO & TRUCK PARTS, INC.
592281	03/11/2021	$479.00	TRAINING	3139	TRI- TECH FORENSICS, INC. DBA
592282	03/11/2021	$3,124.60	VEHICLE MAINTENANCE/EXPENSES	60710	THE AFTERMARKET PARTS COMPANY, LLC
592283	03/11/2021	$121.19	SUPPLIES	15620	OFFICE DEPOT
592284	03/11/2021	$10,380.00	CONTRACT SERVICES	61370	PADILLA & ASSOCIATES, INC.
592285	03/11/2021	$37,362.00	CONTRACT SERVICES	42180	PCAM, LLC
592286	03/11/2021	$505.96	RETIREMENT	42490	LINDA PAYAN
592287	03/11/2021	$294.31	SUPPLIES	56260	PRUDENTIAL OVERALL SUPPLY

City of Montebello

Register of Demands No. 1507

From Payment Date: 02/25/21 - To Payment Date: 03/11/21

WARRANT #	DATE	AMOUNT	ACCOUNT DESCRIPTION	VENDOR #	VENDOR NAME
592288	03/11/2021	$175.76	MAIL/ POSTAL EXPENSE	503	QUADIENT, INC.
592289	03/11/2021	$4,000.25	CONTRACT SERVICES	2925	R-DOORS, INC.
592290	03/11/2021	$795.56	SUPPLIES	1925	CENTRAL SANITARY SUPPLY
592291	03/11/2021	$15,813.00	CONTRACT SERVICES	3044	KAIZER RANGWATA
592292	03/11/2021	$6,489.00	CONTRACT SERVICES	1248	BIZODO INC.
592293	03/11/2021	$768.95	CONTRACT SERVICES	51850	SECURITY SIGNAL DEVICES INC.
592294	03/11/2021	$166,188.82	IMPROVEMENTS OTHER THAN BUILDINC	20770	SEQUEL CONTRACTORS. INC.
592295	03/11/2021	$39.50	SUPPLIES	2686	THE SHERWIN-WILLIAMS CO.
592296	03/11/2021	$535.43	SUPPLIES	2522	SIGTRONICS CORPORATION
592297	03/11/2021	$3,981.83	UTILITY SERVICES	51430	SOUTH MONTEBELLO IRRIGATION DISTRICT
592298	03/11/2021	$131,505.44	UTILITY SERVICES	45630	SOUTHERN CALIFORNIA EDISON
592299	03/11/2021	$21,627.23	FUEL INVENTORY	40520	SOUTHERN CALIFORNIA GAS CO.
592300	03/11/2021	$536.23	INSURANCE PREMIUMS	1990	STANDARD INSURANCE COMPANY
592301	03/11/2021	$16,634.72	INSURANCE PREMIUMS	25850	STANDARD INSURANCE COMPANY
592302	03/11/2021	$390.84	CONTRACT SERVICES	1963	SUEZ WTS SERVICES USA, INC.
592303	03/11/2021	$3,031.88	SUPPLIES	2573	TELEFLEX LLC
592304	03/11/2021	$38.00	TRAVEL & MEETINGS REIMBURSEMENT	3053	MICHAEL TELLES
592305	03/11/2021	$535.60	RETIREE INSURANCE	27300	ROBERT C. TUFANO
592306	03/11/2021	$3,221.47	CONTRACT SERVICES	20070	UC REGENTS
592307	03/11/2021	$245.67	SUPPLIES	45120	ULINE
592308	03/11/2021	$281.23	CONTRACT SERVICES	131	UNITED SITE SERVICES
592309	03/11/2021	$2,845.00	CONTRACT SERVICES	37	U.S. SECURITY ASSOCIATES, INC.
592310	03/11/2021	$450.00	VEHICLE MAINTENANCE/EXPENSES	3450	VALLEY POWER SYSTEMS, INC.
592311	03/11/2021	$7,151.94	UTILITY SERVICES	23610	VERIZON WIRELESS
592312	03/11/2021	$32,885.50	BUILDING IMPROVEMENTS	2710	VINCOR CONSTRUCTION
592313	03/11/2021	$1,330.10	INSURANCE PREMIUMS	58990	VISION SERVICE PLAN

City of Montebello

Register of Demands No. 1507

From Payment Date: 02/25/21 - To Payment Date: 03/11/21

WARRANT #	DATE	AMOUNT	ACCOUNT DESCRIPTION	VENDOR #	VENDOR NAME
592314	03/11/2021	$8,317.50	CONTRACT SERVICES	6390	ZOLL MEDICAL CORPORATION GPO
	Subtotal	**$1,217,359.82**			
	Total	**$1,952,329.00**			

CITY OF MONTEBELLO
1600 WEST BEVERLY BOULEVARD
MONTEBELLO, CALIFORNIA

FEBRUARY 10, 2021
WEDNESDAY
5:30 P.M.

MINUTES

THE CITY OF MONTEBELLO CITY COUNCIL MET AT THE ABOVE TIME AND PLACE IN A REGULAR SESSION.

OPENING CEREMONIES

1. CALL MEETING TO ORDER: Mayor Cobos-Cawthorne called the meeting to order at the hour of 5:35 p.m.

2. ROLL CALL: City Clerk C. Jimenez

MEMBERS PRESENT (Via Zoom): Torres, Peralta, Jimenez, Melendez, Cobos-Cawthorne

STAFF PRESENT: City Attorney Alvarez-Glasman, City Manager Bobadilla

3. STATEMENT OF PUBLIC ORAL COMMUNICATIONS FOR CLOSED SESSION ITEMS: City Attorney Alvarez-Glasman

ORAL COMMUNICATIONS ON CLOSED SESSION ITEMS

Written Comments read by the Assistant to the Deputy City Clerk, Kimberly Guillen:

William Cervera spoke on Closed Session Item No. 5.

William Cervera spoke on Closed Session Item No. 8.

Mayor Cobos-Cawthorne recessed the meeting into Closed Session at the hour of 5:51 p.m. At the hour of 7:02 p.m. Mayor Cobos-Cawthorne reconvened the meeting.

CLOSED SESSION – 5:30 P.M.

The City Attorney shall provide a briefing on the item listed for Closed Session as follows:

4. THREAT TO PUBLIC SERVICES OR FACILITIES
Government Code Section 54957
Consultation with City Manager, Police Chief, City Attorney and other related City officials.

City Council received a briefing from the City Manager, Police Chief, City Attorney and other related officials.

5. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
Government Code Section 54956.9(d)(1)
Name of case: Creswell v. City of Montebello
Name of case: California Grocers Association v. City of Montebello, (case number 2:21-cv-01011-FLA-AGR)

City Council received a briefing. No action taken. Nothing to report.

6. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Government Code Section 54956.8
Property: 310 West Whittier Boulevard
Agency Negotiator: René Bobadilla
Negotiating Parties: Chevrolet of Montebello
Under negotiation: Both price and terms

City Council received a briefing. No action taken. Nothing to report.

7. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Government Code Section 54956.8
Property: 1345 N. Montebello Blvd.
Agency's Negotiator: René Bobadilla, City Manager
Negotiating Party: M&M Realty

City Council received a briefing. No action taken. Nothing to report.

8. COFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Government Code Section 54956.9(d)(2)
One matter of threat of litigation regarding CVRA
One case to be discussed pursuant to (e)(1) of Government Code Section 54956.9(d)(2)

City Council received a briefing. No action taken. Nothing to report.

REGULAR SESSION – Resumed at 7:04 P.M.

9. INVOCATION Pastor Noé Mendoza, The Ark Montebello

10. PLEDGE OF ALLEGIANCE Joseph Palombi, Director of Planning and Community Development

11. PRESENTATION: PROCLAMATION RECOGNIZING AFRICAN AMERICAN HISTORY MONTH

Mayor Cobos-Cawthorne proclaimed the month of February as African American History Month.

12. PRESENTATION: PROCLAMATION OF HEART AWARENESS

Mayor Cobos-Cawthorne proclaimed the month of February as Heart Awareness Month.

13. PRESENTATION: CITIZEN OF THE MONTH – BETTY RODRIGUEZ

Mayor Cobos-Cawthorne presented the Citizen of the Month Certificate to Betty Rodriguez.

14. STAFF COMMUNICATIONS ON ITEMS OF COMMUNITY INTEREST None

15. CORRECTIONS TO THE AGENDA – CITY MANAGER None

16. STATEMENT OF PUBLIC ORAL COMMUNICATIONS:

Written Comments read by the Assistant to the Deputy City Clerk, Kimberly Guillen:

Jonathan Hawes spoke on the City of El Monte embezzlement.

Constanza Pachon spoke on The Whole Child non-profit organization.

Joe Cervera spoke on Mayor Cobos-Cawthorne and her mother.

Alex Hernandez spoke on Mayor Pro Tem Torres.

William Cervera spoke on transparency.

Byron J. spoke on the Aero Way Project.

The following individuals spoke in opposition of Charter Schools in the Montebello Unified School District: Tevina Quintana, Star Laca, Julie Sharron, Erica Estrada, Tracy Cook, Jazmin Garcia, Lucia Cruz, Victor Frias, and Abby Jaramillo.

17. PUBLIC ORAL COMMUNICATIONS ON OPEN SESSION ITEMS (30 MINUTES)

The following individuals spoke in support of Item No. 24 for the Hero Pay Ordinance: Ivan Rodriguez, Allen Leyva, Annaly Medrano, Julian Cepeda, Ryan Quevedo, Linda Nicklas, and Juana Flores.

Jose Marquez spoke in opposition of item No. 24 for the Hero Pay Ordinance.

18. APPROVAL OF AGENDA: Councilmember Melendez moved, seconded by Councilmember Jimenez that all items be approved in a single motion with the exception of Item Nos. 19, 20, 21, and 22. Such approval will also waive the reading of any ordinance. Motion carried unanimously.

PUBLIC HEARING

19. APPEAL OF A PLANNING COMMISSION DECISION OF DENIAL OF CONDITIONAL USE PERMIT ("CUP") MODIFICATION CUP 02-94-M1 TO ALLOW FOR THE OPERATION OF A SOLID WASTE TRANSFER STATION AT 1701 GAGE ROAD

Mayor Cobos-Cawthorne moved, seconded by Councilmember Melendez to continue the item at the upcoming Regular Council Meeting. Motion carried unanimously.

1. Conduct a public hearing to consider all matters presented at the public hearing, uphold the Planning Commission denial of CUP 02-94-M1, and direct staff to bring back a City Council Resolution containing findings supporting the Planning Commission's denial of CUP 02-94-M1; or

2. Conduct a public hearing to consider all matters presented at the public hearing, adopt a resolution adopting the Negative Declaration prepared in connection with the proposed modification to CUP 02-94 and overturning the Planning Commission decision to deny CUP 02-94-M1 and approving CUP 02-94-M1, which would become effective after City Council's findings are referred to the Planning Commission and the Planning Commission provides a further report on the matter per Montebello Municipal Code 17.78.130 – "Council decisions contrary to planning commission action"; and

3. Take such additional, related, action that may be desirable.

REGULAR BUSINESS

20. DISCUSSION OF GATEWAY COUNCIL OF GOVERNMENT (COG) DELEGATE

Mayor Pro Tem Torres proposed that the Delegates for the Gateway COG be changed to the Mayor and Mayor Pro Tem subsequently removing Councilmember Jimenez. This change is being requested due to comments that were made and the lack of votes submitted at the COG Meetings.

Councilmember Melendez spoke in opposition of changing the delegate.

Councilmember Jimenez spoke in opposition to of changing the delegate. She further stated that Mayor Pro Tem Torres has attended several meetings when she was already in attendance. If removed she is requesting that the Delegate be changed to Councilmember Melendez.

Mayor Pro Tem Torres moved, seconded by Councilmember Peralta that the City Council appoint the Mayor Cobos-Cawthorne as Delegate and Mayor Pro Tem Torres as Alternate, by the following vote:

AYES:	Torres, Peralta, Cobos-Cawthorne
NOES:	Melendez, Jimenez
ABSENT:	None
ABSTAIN:	None

1. Discuss the appointment of the City's representative to the Gateway COG; and

2. Take such additional, related, action that may be desirable.

21. RECEIVE AND FILE THE FISCAL YEAR 2020-21 SECOND QUARTER BUDGET UPDATE REPORT AND PRESENTATION

Michael Solorza, Director of Finance, provided a presentation for this item.

Mayor Pro Tem Torres informed the public that the Council was committed to implementing a plan for increases in business license fees.

Council thanked Mr. Solorza for the presentation. Mayor Cobos-Cawthorne asked City Staff to post the presentation on the City Site.

Councilmember Peralta motioned, seconded by Councilmember Melendez that the City Council:

It is recommended that the City Council receive and file the Fiscal Year 2020-21 Second Quarter Budget Update Report and Presentation.

Motion carried unanimously.

22. REQUEST TO AUTHORIZE FORGIVENESS OF RENT PAYMENTS AND APPROVE REPRIEVE OF FUTURE RENT PAYMENTS TO WRW, INC. (MONTEBELLO BARNYARD ZOO)

City Manager Bobadilla provided a briefing on this item.

Councilmember Melendez motioned, seconded by Commissioner Jimenez that the City Council:

1. Authorize forgiveness of past due and future rent payments from WRW, Inc. (WRW) for the operation of the Montebello Barnyard Zoo from the period of March, 2020 through June, 2021 in the total amount of $5,600; and

2. Authorize the Finance Department to invoice at the rate of $395 per month once the reprieve has ended (July, 2021).

Motion carried unanimously.

CONSENT MATTERS

23. APPROVE THE 2021 DATES FOR SPECIAL QUARTERLY CITY COUNCIL STUDY SESSIONS AND ESTABLISH A DATE FOR A SPECIAL CITY COUNCIL STUDY SESSION TO DISCUSS THE FY 2021/22 BUDGET PROCESS

Councilmember Melendez motioned to approve, seconded by Councilmember Jimenez that the City Council:

It is recommended that the City Council approve the proposed 2021 calendar year dates establishing special quarterly City Council Study Sessions and approve an additional City Council Study Session date to discuss the FY 2021/22 budget process.

Motion carried unanimously.

24. SECOND READING AND ADOPTION OF ORDINANCE REGARDING IMPLEMENTATION OF A "HERO PAY" PROGRAM

Councilmember Melendez motioned to approve, seconded by Councilmember Jimenez that the City Council:

1. Conduct Second Reading, waive reading of the Ordinance in its entirety and adopt the attached Ordinance adding chapter 5.10, relating to grocery or drug store workers in Montebello, and establishing labor standards requirements for premium pay for grocery or drug store workers working in Montebello declaring this as a regular ordinance; or

2. Take such additional or alternative action that may be desirable.

Motion carried unanimously.

25. RESOLUTION REQUEST TO APPROVE CALPERS RESOLUTION FOR PAYING THE VALUE OF THE EMPLOYER PAID MEMBER CONTRIBUTIONS (EPMC)

Councilmember Melendez motioned to approve, seconded by Councilmember Jimenez that the City Council:

1. It is recommended that the City Council Adopt a resolution indicating the City is paying zero percent (0%) of the employee share of retirement costs (i.e., employer paid member contributions (EPMC)), effective as of January 3, 2021.

Motion carried unanimously.

26. APPROVE ISSUING A MAJOR BUS COMPONENT - SIEMENS MONO INVERTERS REQUEST FOR QUOTE, NO. Q-21-52

Councilmember Melendez motioned to approve, seconded by Councilmember Jimenez that the City Council:

1. Approve Issuing a Major Bus Component - Siemens Mono Inverters Request for Quote, No. Q-21-52; and

2. Take such additional, related, action that may be desirable.

Motion carried unanimously.

27. PAYMENT OF BILLS: RESOLUTION APPROVING THE CITY WARRANT REGISTER OF DEMANDS DATED FEBRUARY 10, 2021

Councilmember Melendez motioned to approve, seconded by Councilmember Jimenez that the City Council:

Adopt the proposed Resolution approving the Warrant Register dated February 10, 2021.

Motion carried unanimously.

28. ORAL COMMUNICATIONS - CONTINUED IF NECESSARY

COUNCIL ORALS

29. COUNCIL MEMBER ANNOUNCEMENTS; REQUESTS FOR FUTURE AGENDA ITEMS; CONFERENCE/MEETINGS REPORTS

Councilmember Jimenez appointed James Santana to the Parks and Recreation Commission and Rosie Vasquez to the Fiscal Accountability and Investment Committee.

Councilmember Melendez reminded the public to continue to stay safe through the pandemic and thanked everyone who joined the meeting.

Councilmember Peralta wished Mayor Pro Tem Torres a Happy Birthday.

Mayor Pro Tem Torres wished Councilmember Peralta a Happy Birthday.

ADJOURNMENT

Councilmember Peralta motioned to adjourn the meeting, seconded by Councilmember Melendez. Meeting adjourned at the hour of 8:58 p.m.

APPROVAL OF MINUTES: Upon motion carried unanimously, the minutes of February 10, 2021 were approved as written on March 24, 2021.

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Christopher Jimenez, City Clerk

CITY OF MONTEBELLO
1600 WEST BEVERLY BOULEVARD
MONTEBELLO, CALIFORNIA

FEBRUARY 10, 2021
WEDNESDAY
5:30 P.M.

MINUTES

THE CITY OF MONTEBELLO CITY COUNCIL MET AT THE ABOVE TIME AND PLACE IN A SPECIAL MEETING SESSION.

OPENING CEREMONIES

1. CALL MEETING TO ORDER: Mayor Cobos-Cawthorne called the meeting to order at the hour of 5:35 p.m.

2. ROLL CALL: City Clerk C. Jimenez

MEMBERS PRESENT (Via Zoom): Torres, Peralta, Jimenez, Melendez, Cobos-Cawthorne

STAFF PRESENT: City Attorney Alvarez-Glasman, City Manager Bobadilla

3. STATEMENT OF PUBLIC ORAL COMMUNICATIONS FOR CLOSED SESSION ITEMS: City Attorney Alvarez-Glasman

ORAL COMMUNICATIONS ON CLOSED SESSION ITEMS

None.

PUBLIC ORAL COMMUNICATIONS

None.

Mayor Cobos-Cawthorne recessed the meeting into Closed Session at the hour of 5:51 p.m. congruent to the Regular Meeting Closed Session. At the hour of 7:02 p.m. Mayor Cobos-Cawthorne reconvened the meeting.

CLOSED SESSION

The City Attorney shall provide a briefing on the item listed for Closed Session as follows:

4. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Government Code Section 54956.9(d)(1)
A. Minassian, et al. v. City of Montebello, et al.
Case No. 2:19-cv-06769-FLA-MAA

REPORT FROM CLOSED SESSION

City Council received a briefing. No action taken. Nothing to report.

ADJOURNMENT

Mayor Pro Tem Torres motioned to adjourn the meeting, seconded by Councilmember Melendez. Meeting adjourned at 7:04 p.m.

APPROVAL OF MINUTES: Upon motion carried unanimously, the minutes of the Special City Council Meeting of February 10, 2021 were approved as written on March 24, 2021.

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Christopher Jimenez, City Clerk

CITY OF MONTEBELLO **FEBRUARY 24, 2021**

1600 WEST BEVERLY BOULEVARD **WEDNESDAY**
MONTEBELLO, CALIFORNIA **5:30 P.M.**

MINUTES

THE CITY OF MONTEBELLO CITY COUNCIL MET AT THE ABOVE TIME AND PLACE IN A REGULAR SESSION.

OPENING CEREMONIES

1. **CALL MEETING TO ORDER –** Mayor Cobos-Cawthorne called the meeting to order at the hour of 5:32 p.m.

2. **ROLL CALL –** City Clerk C. Jimenez

   MEMBERS PRESENT (Via Zoom) – Cobos-Cawthorne, Torres, Jimenez, Melendez, Peralta.

   STAFF PRESENT – City Attorney Arnold Alvarez-Glasman, City Manager René Bobadilla, Assistant City Manager Arlene Salazar, Director of Planning and Community Development Joseph Palombi, Director of Finance Michael Solorza, Deputy City Clerk Alicia Fernandez, Assistant to Deputy City Clerk Kimberly Guillen.

3. **STATEMENT OF PUBLIC ORAL COMMUNICATIONS FOR CLOSED SESSION ITEMS:** City Attorney Alvarez-Glasman.

ORAL COMMUNICATIONS ON CLOSED SESSION ITEMS

None.

CLOSED SESSION – 5:30 P.M.

Mayor Cobos-Cawthorne recessed the meeting into Closed Session at 5:32 p.m. to consider the following closed session items:

The City Attorney shall provide a briefing on the item listed for Closed Session as follows:

4. **THREAT TO PUBLIC SERVICES OR FACILITIES**
   Government Code Section 54957
   Consultation with City Manager, Police Chief, City Attorney and other related City officials.

5. **CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION**
   Government Code Section 54956.9(d)(1)
   Name of case: Romo v. City of Montebello (case number MNTA-3845)

6. **CONFERENCE WITH REAL PROPERTY NEGOTIATORS**
   Government Code Section 54956.8
   Property: 901 Via San Clemente, Montebello CA
   Agency's Negotiator: René Bobadilla, City Manager
   Negotiating Party: Topgolf

7. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**
   Government Code Section 54956.9(d)(2)
   One matter of threat of litigation regarding CVRA
   One case to be discussed pursuant to (e)(1) of Government Code Section 54956.9(d)(2)

8. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Government Code Section 54956.9(d)(1)
CGA v. City of Montebello (Case No. 2:21-cv-01011-FLA-AGR)

Mayor Cobos-Cawthorne reconvened the meeting at the hour of 5:33 p.m. The City Attorney, Arnold Alvarez-Glasman, announced that during Closed Session the City Council (Council) received a briefing on Items 4, 6, and 7; there was no action taken and nothing further to report. Item No. 5 was held over and will be presented to the Council at a future date. Lastly, Council received a briefing Item No. 8 and there was no action taken, but it was noted that in the CGA v. City of Long Beach case, which City of Montebello is not a party to, was argued before the court on Tuesday but there has been no decision on that case as of yet.

REGULAR SESSION

9. INVOCATION – Pastor John Velasco, Heart of Compassion

10. PLEDGE OF ALLEGIANCE – Sergeant Ray Camuy, Officer Michael Vasquez, and Officer Juan Martinez

11. CORRECTIONS TO THE AGENDA – CITY MANAGER - None

12. STATEMENT OF PUBLIC ORAL COMMUNICATIONS:

Please be aware that the maximum time allotted for individuals to speak shall not exceed three (3) minutes per speaker. Please be aware that in accordance with State Law, the City Council may not take action or entertain extended discussion on a topic not listed on the agenda. Please show courtesy to others and direct all of your comments to the Mayor.

At this City Council meeting and consistent with the Governor's Executive Order No. N-29-20, the City Council meeting will continue to be live streamed for the public's convenience and can be watched at www.cityofmontebello.com and click on Live Stream. For those interested in making public comments, you may call on Wednesday February 24, 2021 between 7:30 a.m. – 4:30 p.m. at (323) 887-1437. Staff will complete public comment cards in the order received. The public will be called during the City Council meeting that begins at 6:30 p.m. the exact call back time is not predictable due to the nature of the City Council agenda. As a result, you must be available until the end of the meeting to receive a live call from staff during the meeting. The City has created an email address ccpubliccomment@cityofmontebello.com where the public can submit public comments from 7:30 a.m. – 4:30 p.m. on Wednesday, February 24, 2021. These questions will be read out loud and submitted for the record.

13. PUBLIC ORAL COMMUNICATIONS ON OPEN SESSION ITEMS (30 MINUTES)

Ms. Kimberly Guillen, Assistant to the City Clerk, called two (2) members of the public wishing to address the City Council. Speakers were provided three minutes to address the City Council. Speaker names are on file at the City Clerk's office.

Ms. Kimberly Guillen, also read twelve (12) public comments submitted to the City's public comment email address. Said comments are on file at the City Clerk's office.

14. APPROVAL OF AGENDA: Any items a Councilmember wishes to discuss should be designated at this time. All other items may be approved in a single motion with the exception of Item Nos. 15 and 16 and any item upon which a member of the public or City Council has requested to speak upon. Such approval will also waive the reading of any ordinance.

Councilmember Peralta pulled Item No's. 20 and 21 for discussion. Mayor Cobos-Cawthorne pulled Item No. 21 for discussion.

Mayor Pro Tem Torres motioned that all items be approved in a single motion with the exception of Item Nos. 20 and 21, seconded by Councilmember Peralta. Such approval will also waive the reading of any ordinance. Motion carried unanimously.

PUBLIC HEARING

15. APPEAL OF A PLANNING COMMISSION DECISION OF DENIAL OF CONDITIONAL USE PERMIT ("CUP") MODIFICATION CUP 02-94-M1 TO ALLOW FOR THE OPERATION OF A SOLID WASTE TRANSFER STATION AT 1701 GAGE ROAD

On January 29, 2021 a Notice of Public hearing was published in the Whittier Daily news and notices were also mailed to all property owners within 300 feet of the proposed project site. Director of Planning and Community Development Joseph Palombi presented a staff report and presentation to the City Council. The presentation included information regarding the zoning, area aerial map of existing and proposed building, and a proposed site plan. The main function of the project would be to transfer waste from smaller hauling trucks into larger hauling trucks allowing for consolidated operations for a more efficient operating system. All transfer activities would be concealed and fully enclosed. Staff completed an Initial Study as part of the environmental review and it was found that the project will have less than significant effects on the environment; therefore, a negative declaration was prepared and processed pursuant to CEQA as part of the process a traffic analysis was also prepared in connection with the Initial Study. The Initial Study concluded that a traffic study would not be required because the threshold for requiring a traffic study is a project that generates 50 vehicles trips during peak periods. Staff also highlighted a letter received by the Applicant to Council, stating that the original project that was analyzed for potential impacts for a 1,500 tons per day Solid Waste Transfer Station would be reduced by 50%, to 750 tons per day. That reduction would also result in a reduction of vehicle trips from 426 to 274 vehicle trips, a reduction in operational air emissions by 88%, and potential reduction of greenhouse gas emissions by 36%. Mr. Alvarez-Glasman, City Attorney, introduced letters in support and objection of the project and entered them into the record and are on file at the City Clerk's office.

Larry Miner, Clemens Environmental Consultant for NASA Services, Inc. (NASA) stated that he was involved with land use issues and findings associated with the Conditional Use Permit and was available to answer any questions. Judy Gregory from NASA briefed the Council on the positive outcomes of the proposed project and was available to answer any questions. Kate Dowey, Clemens Environmental Consultant for NASA stated that she worked with the applicant to prepare the Initial Study and was available to answer any questions.

Ms. Kimberly Guillen, Assistant to the City Clerk, called thirteen (13) members of the public wishing to address the Council in opposition of the project. All speakers were provided three minutes to address the Council. Speaker names are on file at the City Clerk's office.

NASA and Clemens Environmental Consultant were allowed three minutes to provide a rebuttal to Council that addressed the community's concerns.

Councilmember Melendez stated that the project conforms with the City's General Plan and land use element of the project is compatible with the surrounding land uses and supports the existing goals and policies developed for that area, including the zoning. Mr. Melendez referred to City Attorney Alvarez-Glasman if the City risks potential litigations if the Council directed to uphold the Planning Commission's denial decision. Mr. Alvarez-Glasman stated that the applicant would have an opportunity to file a litigation at their discretion. Mr. Melendez concluded that he would not vote for a project if there would be a negative impact on the residents and urged his colleagues to overturn the Planning Commission's decision and approve the proposed project.

Mayor Pro Tem Torres mentioned that the City's General Plan will be updated and that by designating the site as a solid waste transfer facility the City is determining the future of the surrounding area for years to come. Mr. Torres expressed his concerns regarding the frequency of vehicles, odors, trash issues, and lack of environmental friendly land uses.

Councilmember Peralta expressed that Council should consider the public comments because they sustain the City. Ms. Peralta also reminded her colleagues that the City's General Plan has not been updated since 1973 and because that type of land use may have been acceptable at some point, does not mean that it is acceptable today. Furthermore, Ms. Peralta expressed her concerns in opposition of the project and stated that it would not benefit residents, businesses, or the City as a whole.

Councilmember Jimenez asked for clarification on what Staff's initial recommendation was for the proposed project. Mr. Palombi stated that the original recommendation was for approval of the proposed project. Ms. Jimenez asked for clarification on any anticipated litigation. Ms. Jimenez asked the basis of Staff's original recommendations and Mr. Palombi stated that Staff's recommendations were made based on the conformance with the General Plan, underlying zone, and exiting CUP. In conclusion, Ms. Peralta expressed that she is in support of the project.

Mayor Cobos-Cawthorne stated that she was in receipt of emails for members of the community expressing their concerns.

It was moved and seconded to uphold the decision that the Planning Commission made direct staff to prepare a Resolution of findings that will uphold the decision and refer back to Council at a future date.

Motion carried on 3-2-0-0 vote

MOVED: Peralta **SECOND: Torres** **APPROVED: 3-2-0-0**

AYES: Torres, Peralta, Cobos-Cawthorne
NOES: Melendez, Jimenez
ABSTAIN: None
ABSENT: None

REGULAR BUSINESS

16. INTRODUCE AND WAIVE FIRST READING OF AN ORDINANCE APPROVING A DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF MONTEBELLO AND BRANDYWINE ACQUISITION GROUP LLC AND ADOPT RESOLUTION APPROVING: 1) GENERAL PLAN AMENDMENT; 2) ZONE CHANGE FROM R-1 TO R-3 WITH A PLANNED DEVELOPMENT DISTRICT; 3) DENSITY OVERLAY ZONE; 4) HEIGHT OVERLAY ZONE; 5) SITE PLAN REVIEW; 6) PARKING MANAGEMENT PLAN; 7) VESTING TENTATIVE TRACT MAP ("VTTM NO. 83239") TO ALLOW 31 NEW RESIDENTIAL DWELLING UNITS AND RELATED AMENITIES FOR THE PROPERTY LOCATED AT 301 JACMAR DRIVE; AND 8) ADOPTION OF MITIGATED NEGATIVE DECLARATION AND MITIGATION MONITORING AND REPORTING PROGRAM

Mayor Cobos-Cawthorne requested the City Attorney Alvarez-Glasman address this matter. Mr. Alvarez-Glasman stated that Staff's recommendation is to move this matter to the next regularly scheduled meeting.

It was moved by Councilmember Melendez to table this matter to the March 10, 2021 City Council Meeting, seconded by Councilmember Peralta. Motion carried unanimously.

CONSENT MATTERS

17. AWARD A PROFESSIONAL SERVICES AGREEMENT FOR PROFESSIONAL SUPPORT SERVICES FOR ADMINISTRATION OF HOME/CDBG PROGRAMS (RFP NO. 21-24)

Mayor Pro Tem Torres motioned to approve, seconded by Councilmember Peralta that the City Council:

1. Award a Professional Services Agreement to Advanced AVANT-GARDE Corporation ("Avant Garde") in an amount not-to-exceed $130,220 (One Hundred Thirty Thousand Two Hundred Twenty) over the course of a two (2) year term for Professional Support Services for the Administration of HOME/CDBG Programs; and

2. Authorize the City Manager to execute the proposed Professional Services Agreement with Advanced AVANT-GARDE Corporation.

Motion carried unanimously.

18. APPROVAL OF FINAL TRACT MAP NO. 81329 FOR THE DEVELOPMENT OF 17 RESIDENTIAL DWELLING UNITS AT 1029 MONTEBELLO BOULEVARD

Mayor Pro Tem Torres motioned to approve, seconded by Councilmember Peralta that the City Council:

1. Approving the Final Tract Map No. 81329 for the development of 17 residential dwelling units located at 1029 Montebello Boulevard; and

2. Authorizing the City Clerk, City Treasurer, and City Engineer to execute the Certificate on the map showing the City's approval of Final Map for Tract Map No. 81329.

Motion carried unanimously.

19. ANNUAL CONCRETE REPAIR PROGRAM FISCAL YEAR 2020 – 21 (C.P. # 885) - AUTHORIZATION TO ADVERTISE FOR CONSTRUCTION

Mayor Pro Tem Torres motioned to approve, seconded by Councilmember Peralta that the City Council:

1. Approve the Plans, Specifications, and Estimate (PS&E) for the Annual Concrete Repair Program for Fiscal Year 2020-21 (C.P. # 885);

2. Authorize the City Clerk to publish the Notice Inviting Bids (Attachment A);

3. Approve the Notice of Exemption (Attachment B) for the subject project and authorize the City Clerk to file the Notice of Exemption with Los Angeles Registrar-Recorder; and

4. Approve the Total Project Budget (Attachment C).

Motion carried unanimously.

20. ADOPTION OF A RESOLUTION APPROVING A GROCERY DISTRIBUTION PROGRAM TO ASSIST ELIGIBLE RESIDENTS IN THE CITY OF MONTEBELLO

Councilmember Peralta stated that she would like to amend the language in the ordinance to be more inclusive of all residents that reside in the City by eliminating the immigration status requirement as long as the resident can provide proof of income, their tax return, and meet the additional requirements. If at a later date the program is

funded through federal grant money and an immigration status is required then that requirement can be reinstated at that time.

It was moved by Councilmember Peralta, seconded by Mayor Pro Tem Torres that the City Council:

1. Adopt the proposed Resolution approving a Grocery Distribution Program with the suggested amended language; and

2. Adopt the Grocery Distribution Program Guidelines and Application; and

3. Amend the Fiscal Year 2020-21 budget by increasing appropriations by $20,000 in Account No. 100-99-998-6000.20, COVID-19 Response, Supplies Non-Durable.

Motion carried unanimously.

21. ADOPT AN ORDINANCE ESTABLISHING A TEMPORARY MORATORIUM ON INCREASES TO THE CITY'S BUSINESS LICENSE TAX AND AMENDING APPLICABLE SECTIONS OF MONTEBELLO MUNICIPAL CODE CHAPTER 5.08

Councilmember Peralta expressed her concerns on the proposed increase to the City's Business License Tax in connection with the moratorium. Many of the residents and businesses have been impacted by the increase and suggested that the City conduct a Comprehensive Fee Study of surrounding cities and bring back to Council after the study is completed in order to justify any additional increases.

Councilmember Peralta made a motion to continue with the moratorium but hold off on any increases until after a Comprehensive Fee Study is completed, and refer back to Council for further discussion.

City Manager René Bobadilla commented that he discussed the matter with Ms. Peralta and found that a possible resolution for this was to allow a 7% increase in July, knowing that the City has not raised a rate in 10 years and in that time the cost of providing service has drastically increased. Therefore, Mr. Bobadilla highly recommends that the Council consider the July 1st increase and allow staff time to conduct a Comprehensive Fee Study for all fees assessed by the City, which at that point additional increases can be considered as suggested from the Study.

Mayor Cobos-Cawthorne asked for clarification that it has been 10 years since any increases have been assessed and if the fee study would resolve the issue of those businesses improperly categorized. Ms. Cobos-Cawthorne asked for clarification on a Request for Proposals. Mr. Bobadilla confirmed that it has indeed been 10 years and that the study would correct the issue of those not categorized correctly, and recommended that Council direct staff to release the RFP.

Mayor Pro Tem Torres agreed with Ms. Peralta's suggestion of holding off on any increases considering the current Pandemic. The motion to continue with the moratorium but hold off on any increases until after a Comprehensive Fee Study is completed, and refer back to City Council for further discussion was seconded by Mayor Pro Tem Torres. Motion carried unanimously.

22. ADOPT AN ORDINANCE AMENDING CHAPTER 10.32 - "STOPPING, STANDING AND PARKING" OF THE MONTEBELLO MUNICIPAL CODE RESERVING EMPLOYEE ONLY PARKING STALLS AT CITY OWNED OR OPERATED PARKING LOTS, AND ESTABLISHING RULES AND REGULATIONS FOR THE OPERATION THEREOF

Mayor Pro Tem Torres motioned to approve, seconded by Councilmember Peralta that the City Council:

1. Introduce and waive first reading of an Ordinance amending Chapter 10.32 – "Stopping, Standing and Parking" of the Montebello Municipal Code reserving employee only parking stalls at City-owned or operated parking lots and establishing rules and regulations for the operation thereof; and

2. Authorize the Director of Recreation and Community Services/Director of Public Works, and/or his designee(s), to install the required signage per California Vehicle Code Section 22519 giving notice of the prohibitions, restrictions and/or regulations ushered in by the proposed Ordinance.

Motion carried unanimously.

23. APPROVAL OF MINUTES – JANUARY 13, 2021

Mayor Pro Tem Torres motioned to approve, seconded by Councilmember Peralta that the minutes of January 13, 2021 be approved as written on February 24, 2021.

Motion carried unanimously.

24. PAYMENT OF BILLS: RESOLUTION APPROVING THE CITY WARRANT REGISTER OF DEMANDS DATED FEBRUARY 24, 2021

RECOMMENDATION: It is recommended that the City Council:

Mayor Pro Tem Torres motioned to approve, seconded by Councilmember Peralta that the City Council.

Adopt the proposed Resolution approving the Warrant Register dated February 24, 2020.

Motion carried unanimously.

25. ORAL COMMUNICATIONS – CONTINUED IF NECESSARY

COUNCIL ORALS

26. COUNCIL MEMBER ANNOUNCEMENTS; REQUESTS FOR FUTURE AGENDA ITEMS; CONFERENCE/MEETINGS REPORTS

1. Councilmember Peralta

a. Small business data collections to improve outreach and communication

Ms. Peralta direct staff to improve the City's database by obtaining additional contact information such as email addresses and phone numbers of all active restaurants within the City.

b. San Gabriel Valley Council of Governments Update

Ms. Peralta provided an update to Council on the Capital Projects and Construction Committee.

Ms. Peralta also recognized to the owner of Gina's Pizzeria, Richard G. Leos, for his contributions to the community and send his condolences to the family.

2. Councilmember Melendez

a. Commissioner Appointments

Mr. Melendez appointed Mariah Lopez for Youth & Education Commission; Natalia Lomeli for Planning Commission, Nellie Nieblas for Personnel Advisory Commission, Delia Lopez for Parks and Recreation Commission, and Brisa Sotela for Fiscal Accountability and Investment Commissioner.

3. Mayor Cobos-Cawthorne

a. Discussion on Council/Director Communication and Relationship
Ms. Cobos-Cawthorne prepared a copy to enter into record to be distributed to the Council for their consensus.

b. Website Transparency – PRA
Ms. Cobos-Cawthorne asked for transparency on the PRA requests agenda items, attachments, videos to be readily available online. Add Council meetings to website calendar.

c. Agenda – Case Numbers, correct companies listed
Ms. Cobos-Cawthorne thanked staff for adding the case numbers on the agenda. Lastly, Mayor Cobos-Cawthorne thanked the Montebello Fire and Police Departments, as well as mutual aide departments that assisted in the Greenwood Fire.

ADJOURNMENT

Mayor Pro Tem Torres motioned to adjourn the meeting, seconded by Councilmember Peralta. Motion carried unanimously and the meeting was adjourned at 9:30 p.m.

THE MINUTES OF FEBRUARY 24, 2021 ARE HEREBY APPROVED AND ADOPTED ON THIS 24TH DAY OF MARCH 2021.

_____
Alicia Fernandez, Deputy City Clerk

CITY OF MONTEBELLO CITY COUNCIL
CALL AND NOTICE OF A SPECIAL MEETING AND AGENDA

MINUTES

WEDNESDAY, MARCH 3, 2021 AT 5:30 P.M

CITY HALL COUNCIL CHAMBERS
1600 WEST BEVERLY BOULEVARD
MONTEBELLO, CALIFORNIA

OPENING CEREMONIES

1. **CALL MEETING TO ORDER –** Mayor Cobos-Cawthorne called the meeting to order at the hour of 5:31 p.m.

2. **ROLL CALL –** Members present were Mayor Cobos-Cawthorne, Mayor Pro Tem Torres, Councilmember Jimenez, Councilmember Melendez, and Councilmember Peralta.

   STAFF PRESENT – City Attorney Alvarez-Glasman, City Manager René Bobadilla, Assistant City Manager Arlene Salazar, Deputy City Clerk Alicia Fernandez, Assistant to Deputy City Clerk Kimberly Guillen.

3. **STATEMENT OF PUBLIC ORAL COMMUNICATIONS –** City Attorney Alvarez-Glasman.
   Ms. Alicia Fernandez, Deputy City Clerk City read two (2) public comments submitted to the City's public comment email address. Said comments are on file at the City Clerk's office.

OPEN SESSION – CONSENT AGENDA

4. **REVIEW OF CURRENT AD HOC COMMITTEES AND DISCUSS ALTERNATIVE FORMATS FOR ESTABLISHMENT OF CITY COUNCIL SUBCOMMITTEES RELATED TO DISCUSSING A SPECIFIC SUBJECT MATTER.**
   City Manager René Bobadilla presented a staff report to the City Council (Council) recommending the dissolution of the Cannabis Ad Hoc, Centennial, Ad Hoc Committee, and Transit Ad Hoc Committees, as well as the recommendation to change the Homeless Ad Hoc to a Task Force and considering establishing of a Joint City/School District Task Force Committee.

Councilmember Jimenez motioned to dissolve the Beautification Ad Hoc Committee, seconded by Councilmember Melendez. Motion carried unanimously.

Mayor Cobos-Cawthorne recommended dissolving the Ad Hoc Committee as long as updates are received at the Council level. Councilmember Jimenez motioned to dissolve the Cannabis Ad Hoc Committee, seconded by Councilmember Melendez. Motion carried unanimously.

Councilmember Jimenez motioned to dissolve the Centennial Ad Hoc Committee, seconded by Councilmember Melendez. Motion carried unanimously.

Councilmember Jimenez motioned to retain the Economic Development Ad Hoc Committee, seconded by Councilmember Melendez. Motion carried unanimously.

Councilmember Jimenez motioned to transition the Homelessness Ad Hoc Committee to a Task Force, seconded by Mayor Pro Tem Torres. Motion carried unanimously.

Councilmember Peralta motioned to dissolve the Solid Waste Ad Hoc Committee and bring back when needed, seconded by Councilmember Melendez. Motion carried unanimously.

There were no motions made on the Street Ad Hoc and Transit Ad Hoc Committees; both Committees remain as is and assignments will be made at the next regularly scheduled meeting.

There was no motion on the Washington Coalition Ad Hoc Committee; the Committee remains as is. Councilmembers Melendez showed interest in remaining the delegate and Councilmember Jimenez showed interest as the alternate for the Committee.

5. APPROVE THE 2021 NATIONALLY RECOGNIZED HEALTH AND HERITAGE MONTHS.

City Manager René Bobadilla presented a staff report recommending that City Council (Council) approve the proposed 2021 calendar establishing special observance of nationally recognized health and heritage months to be acknowledged during the presentation portion of a regular City Council meeting with the changes suggestions listed below.

Councilmember Peralta suggested the observance of Juneteenth – Freedom Day in June and COVID-19 Memorial Month in March.

Councilmember Pro Tem Torres suggested the observance of Armenian History Month in April.

Mayor Cobos-Cawthorne suggested the observance of Motorcycle Safety Awareness Month in May, Posttraumatic Stress Disorder Awareness and National Scleroderma

Awareness Month in June, Juvenile Arthritis Awareness Month in July, and Down Syndrome Awareness Month in October.

It was moved by Councilmember Peralta, seconded by Mayor Pro Tem Torres to approve the list as described by Council. Motion carried unanimously.

ADJOURNMENT

Councilmember Peralta motioned to adjourn the meeting, seconded by Councilmember Melendez. Motion carried unanimously and the meeting was adjourned at 6:36 p.m.

THE MINUTES OF MARCH 3, 2021 ARE HEREBY APPROVED AND ADOPTED ON THIS 24TH DAY OF MARCH 2021.

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Alicia Fernandez, Deputy City Clerk