

ALL ITEMS FOR CONSIDERATION BY THE CITY COUNCIL AND GOVERNING BODY OF THE SUCCESSOR AGENCY TO THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION ARE AVAILABLE FOR PUBLIC VIEWING IN THE OFFICE OF THE CITY CLERK/SECRETARY AND THE CENTRAL LIBRARY

Agendas and other writings that will be distributed to the Councilmembers/ Board Members in connection with a matter subject to discussion or consideration at this meeting and that are not exempt from disclosure under the Public Records Act, Government Code Sections 6253.5, 6254, 6254.3, 6254.7, 6254.15, 6254.16, or 6254.22, are available for inspection following the posting of this agenda in the City Clerk/Secretary's Office, at Commerce City Hall, 2535 Commerce Way, Commerce, California, and the Central Library, 5655 Jillson Street, Commerce, California, or at the time of the meeting at the location indicated below.

AGENDA FOR THE  
CONCURRENT ADJOURNED REGULAR MEETINGS OF  
THE CITY COUNCIL OF THE CITY OF COMMERCE AND  
THE GOVERNING BODY OF THE SUCCESSOR AGENCY TO  
THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION  
(HEREINAFTER "SUCCESSOR AGENCY")

COUNCIL CHAMBERS  
5655 JILLSON STREET, COMMERCE, CALIFORNIA

TUESDAY, JANUARY 22, 2013 – 6:30 P.M.

CALL TO ORDER

Mayor/Chairperson Leon

PLEDGE OF ALLEGIANCE

Vilko Domic  
Director of Finance

INVOCATION

Councilmember/Chairperson Altamirano

ROLL CALL

City Clerk/Secretary Olivieri

APPEARANCES AND PRESENTATIONS

1. Presentation – Certificates of Recognition for Los Angeles County Sheriff's Department Special Problems Team Deputies Assigned to City of Commerce

At the request of Mayor Pro-Tem Baca Del Rio, the **City Council** will present Certificates of Recognition to the Los Angeles County Sheriff's Department Deputies Daniel A. Cabrera, Ignacio Placencia and Daniel Estrella, members of the Special Problems Team assigned to the City of Commerce, in recognition of the outstanding job they perform for the community. The Team is an important component of the resources provided by the Sheriff's Department to address public safety issues within the City.

PUBLIC COMMENT

Citizens wishing to address the City Council and Successor Agency on any item on the agenda or on any matter not on the agenda may do so at this time. However, State law (Government Code Section 54950 et seq.) prohibits the City Council/Successor Agency from acting upon any item not contained on the agenda posted 72 hours before a regular meeting and 24 hours before a special meeting. Upon request, the City Council/Successor Agency may, in their discretion, allow citizen participation on a specific item on the agenda at the time the item is considered by the City

**Council/Successor Agency.** Request to address City Council/Successor Agency cards are provided by the City Clerk/Secretary. If you wish to address the City Council/Successor Agency at this time, please complete a speaker's card and give it to the City Clerk/Secretary prior to commencement of the City Council/ Successor Agency meetings. Please use the microphone provided, clearly stating your name and address for the official record and courteously limiting your remarks to five (5) minutes so others may have the opportunity to speak as well.

To increase the effectiveness of the Public Comment Period, the following rules shall be followed:

No person shall make any remarks which result in disrupting, disturbing or otherwise impeding the meeting.

## **CITY COUNCIL/SUCCESSOR AGENCY REPORTS**

### **CONSENT CALENDAR**

Items under the Consent Calendar are considered to be routine and may be enacted by one motion. Each item has backup information included with the agenda, and should any Councilmember or Board Member desire to consider any item separately he/she should so indicate to the Mayor/Chairperson. If the item is desired to be discussed separately, it should be the first item under Scheduled Matters.

#### **2. Approval of Minutes**

The **City Council and Successor Agency** will consider for approval, respectively, the minutes of the Concurrent Adjourned Regular Meetings of Tuesday, January 15, 2013, held at 5:00 p.m. and Concurrent Regular Meetings of Tuesday, January 15, 2013, held at 6:30 p.m.

#### **3. Approval of Warrant Register Nos. 14**

The **City Council and Successor Agency** will consider for approval, respectively, the bills and claims set forth in Warrant Registers Nos. 14A, dated January 22, 2012, and No. 14B, for the period January 16, 2013, to January 17, 2013.

#### **4. Financial Report through November 30, 2012**

The **City Council** will consider for receipt and filing the financial report through November 30, 2012.

#### **5. Change to Service Awards Program**

The **City Council** will consider, and provide direction as deemed necessary with respect to, approving the decentralization of the Annual Service Awards Program for City employees from a City-wide recognition event to a decentralized informal celebration held at the Department level.

#### **6. Proposed Amendment to the Personnel Classification and Compensation Plan to Amend the Education and Experience Minimum Qualifications for the Branch Library Supervisor, Library Technical Services Supervisor and Senior Librarian Classifications**

The **City Council** will consider, and provide direction as deemed necessary with respect to, approving an amendment to the Personnel Classification and Compensation Plan to amend the education and experience minimum qualifications for the Branch Library Supervisor, Library Technical Services Supervisor and Senior Librarian Classifications.

7. A Resolution of the City Council of the City of Commerce, California, Approving the City Administrator to Execute a California Public Employees' Retirement System (CalPERS) Pension Plan Certification of Memorandum of Understanding (MOU) Impairment

The **City Council** will consider for approval and adoption a proposed Resolution approving the City Administrator to execute a California Public Employees' Retirement System (CalPERS) Pension Plan Certification of Memorandum of Understanding (MOU) Impairment.

8. A Resolution of the City Council of the City of Commerce, California, Approving the Agreement Between the City of Commerce and CTG Construction, Inc., dba C.T. Georgiou Painting Company and Rescinding Resolution No. 12-99

The **City Council** will consider for approval and adoption a proposed Resolution approving the Agreement between the City of Commerce and CTG Construction, Inc., dba C.T. Georgiou Painting Company and rescinding Resolution No. 12-99.

9. A Resolution of the City Council of the City of Commerce Reviewing and Adopting the Policy for the Investments of the City of Commerce Funds

The City of Commerce Investment Policy is reviewed annually by the City Council. The policy is continually reviewed by the Finance Department for updating to meet State laws and local suitability. Necessary changes to the policy are presented to the City Council for approval.

The **City Council** will consider for approval and adoption a proposed Resolution reviewing and adopting the Policy for the Investments of the City of Commerce Funds.

10. A Resolution of the City Council of the City of Commerce, California, Approving and Ratifying an Agreement With Environmental Science Associates for the Housing Element Update Project

The **City Council** will consider for approval and adoption a proposed Resolution approving and ratifying an Agreement with Environmental Science Associates for the Housing Element Update Project.

**PUBLIC HEARINGS – None**

**SCHEDULED MATTERS**

11. Status Report – Consideration of Support for “Community Alternative 7” Developed by Coalition for Environmental Health and Justice in Conjunction with Community Stakeholders for I-710 Freeway Corridor Improvement Project

The **City Council** will consider, and provide appropriate direction as deemed necessary with respect to, a status report regarding consideration of support for “Community Alternative 7” developed by the Coalition for Environmental Health and Justice in conjunction with Community Stakeholders for the I-710 Freeway Corridor Improvement Project. Staff is requesting that the Council continue its formal consideration to February 5, 2013, to provide staff with an adequate opportunity to review and analyze “Community Alternative 7” and be prepared to address any issues that need to be discussed with the Council relating thereto.

**12. 2<sup>nd</sup> Annual Relay for Life Commerce Event and Request to Waive All Fees Associated Therewith**

The **City Council** will consider, and provide appropriate direction as deemed necessary with respect to, approving a request allowing the American Cancer Society (“ACS”) the use of Veterans Memorial Park Stadium for the 2<sup>nd</sup> Annual Relay for Life Commerce event and waiving all fees associated with the event.

**13. Request to Telecast City Council Candidates Forum**

The **City Council** will consider, and provide appropriate direction as deemed necessary with respect to, the request from the Commerce Industrial Council that the City record and televise a candidates’ forum in the Council Chambers on Wednesday, February 13, 2013, from 6:00 p.m. to 8:00 p.m. in connection with the March 5, 2013, General Municipal Election.

**ORDINANCES AND RESOLUTIONS – None.**

**CIP PROGRESS REPORT – None**

**I-710 LOCAL ADVISORY COMMITTEE UPDATE – None**

**RECESS TO CLOSED SESSION – No Items**

**ADJOURNMENT**

Adjourn the City Council meeting to Wednesday, January 23, 2013, at 4:00 p.m., in the City Hall North Conference Room **and** the Successor Agency to Tuesday, February 5, 2013, at 5:00 p.m. in the City Council Chambers in memory of Tony Passaretti, Uncle to City employee Victoria Maria Alexander.

<p><b>LARGE PRINTS OF THIS AGENDA ARE AVAILABLE UPON REQUEST FROM THE CITY CLERK’S OFFICE, MONDAY-FRIDAY, 8:00 A.M. - 6:00 P.M.</b></p>
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# AGENDA REPORT

Meeting Date: January 22, 2013

**TO: HONORABLE CITY COUNCIL**

**FROM: CITY ADMINISTRATOR**

**SUBJECT: PRESENTATION OF CERTIFICATES OF RECOGNITION TO LOS ANGELES COUNTY SHERIFF'S DEPARTMENT SPECIAL PROBLEMS TEAM DEPUTIES**

**RECOMMENDATION:**

Mayor Pro-Tem Tina Baca Del Rio is recommending that City Council present Certificates of Recognition to the Los Angeles County Sheriff's Department Special Problems Team Deputies.

**MOTION:**

Move to approve the recommendation.

**BACKGROUND:**

Under its Agreement with the Los Angeles County Sheriff's Department, the City of Commerce is assigned a Special Problems Team. The Team is comprised of three (3) Deputies: Daniel Cabrera, Ignacio Placencia, and Daniel Estrella. The Team is dedicated to focusing on long term problems that may take away resources from the regular patrol units that handle calls for service. The Team's objective is to focus on areas within the City that have higher crime rates due to gang or illegal narcotics activity. They monitor graffiti vandalism and seek to identify graffiti suspects. In addition, the Team regularly conducts Parole and Probation searches throughout the City. The Team is an important component of the Sheriff's Department resources to address crime activity within the City.

Deputy Daniel Cabrera graduated from the Sheriff's Academy in 1991 and began Commerce patrol in 2001. He was assigned to the Special Problems Team in 2003. Deputy Ignacio Placencia graduated from the Sheriff's Academy in 2001 and was assigned to the Special Problems Team in 2010. Deputy Daniel Estrella graduated from the Sheriff's Academy in 1996 and was assigned to the Special Problems Team in 2007.

**ANALYSIS:**

The City Council recognizes the important role of the Special Problems Team Deputies and is very appreciative of their diligence and dedication towards the safety and well being of the Community.

At the request of Mayor Pro Tem Tina Baca Del Rio, the City Council will present Certificates of Recognition to the Sheriff's Special Problems Team: Deputy Daniel A. Cabrera, Deputy Ignacio Placencia, and Deputy Daniel Estrella.

**FISCAL IMPACT:**

This activity can be carried out without additional impact on the current operating budget.

**RELATIONSHIP TO 2012 STRATEGIC GOALS:**

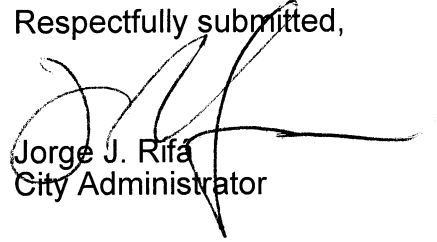
This report relates to the 2012 strategic planning goal: "Protect and Enhance the Quality of Life in the City of Commerce," as it addresses a community public safety issue of concern.

Recommended by:



Loretta Gutierrez  
Director of Safety & Community Services

Respectfully submitted,



Jorge J. Rifa  
City Administrator

Approved As To Form:



Eduardo Olivo  
City Attorney

Agenda 2013-01 Certificates of Appreciation LASD Spec Prob Team



# AGENDA REPORT

MEETING DATE: January 22, 2013

**TO:** HONORABLE CITY COUNCIL  
**FROM:** CITY ADMINISTRATOR  
**SUBJECT:** CITY FINANCIAL REPORT THROUGH THE MONTH OF  
NOVEMBER 30, 2012

**RECOMMENDATION:**

Receive and file the Financial Report through the month of November 30, 2012.

**MOTION:**

Receive and file.

**ANALYSIS:**

The monthly progress report on the financial plan as approved by the City Council during the budget process is recapped and attached for your review. Details are on file in the Finance Department for any further review as necessary.

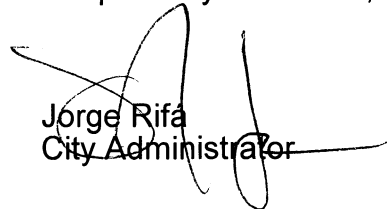
**FISCAL IMPACT:**

This activity can be carried out at this time without additional impact on the current operating budget.

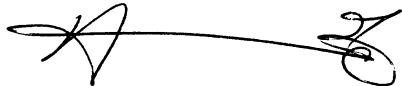
**RELATIONSHIP TO 2009 STRATEGIC GOALS:**

This item is associated with Council's goal of making financially and economically sound decisions consistent with economic conditions.

Respectfully submitted,

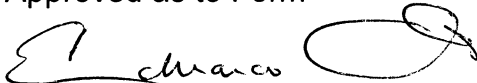
  
Jorge Rifa  
City Administrator

Recommended by,



Vilko Domic  
Director of Finance / City Treasurer

Approved as to Form



Eduardo Olivo  
City Attorney

Attachment: Progress Report

DS/staff reports, city/Financial Rpts-Monthly/City/2013/AGFRCITY thru 11-30-12 1-22-13 VD

# City of Commerce

## Budget by Organization Report

### General Fund Summary

Year-to-Date Thru November 30, 2012

<u>Classification</u>	<u>Adopted Budget</u>	(A) FY 12-13 <u>Actual</u>	<u>Balance</u>	% Used/ <u>Rec'd</u>	(B) FY 11-12 <u>Actual</u>	(A - B) <u>Variance</u>
<b>REVENUES</b>						
Taxes	22,204,373	<b>4,018,989</b>	18,185,384	18.1%	3,395,344	<b>623,646</b>
Licenses & Permits	2,214,400	<b>724,471</b>	1,489,929	32.7%	706,431	<b>18,040</b>
Fines & Penalties	405,567	<b>154,086</b>	251,481	38.0%	132,647	<b>21,440</b>
Use of Money	295,290	<b>46,534</b>	248,756	15.8%	516,839	<b>(470,305) 1</b>
Other Agencies	1,035,967	<b>378,518</b>	657,449	36.5%	146,125	<b>232,393 2</b>
Current Charges	607,333	<b>135,344</b>	471,989	22.3%	392,333	<b>(256,990) 3</b>
Activities Fees	424,242	<b>189,727</b>	234,515	44.7%	193,338	<b>(3,611)</b>
Other Revenues	1,475,938	<b>957,436</b>	518,502	64.9%	481,279	<b>476,158 4</b>
Transfer From Other Funds	<u>21,319,500</u>	<u><b>8,845,835</b></u>	<u>12,473,665</u>	<u>41.5%</u>	<u>8,406,707</u>	<u><b>439,128 5</b></u>
<b>REVENUE TOTALS</b>	<b>\$49,982,610</b>	<b>\$15,450,940</b>	<b>\$34,531,670</b>	<b>30.9%</b>	<b>\$14,371,043</b>	<b>\$1,079,897</b>

1 - Dissolution of Redevelopment -- Interest lost on the outstanding loan between the City and the Commission

2 - Traffic Safety Fines were being recorded net of expenditures (agreement with Redflex) in prior years

3 - Dissolution of Redevelopment -- Admin Overhead charge no longer is applicable

4 - Water Rights agreement with the City of Whittier has been recognized for FY 12-13

5 - City Council adopted a increase in this category to address the projected budget shortfall for FY 12-13



# City of Commerce

## Budget by Organization Report

### General Fund Summary

Year-to-Date Thru November 30, 2012

<u>Classification</u>	<u>Adopted Budget</u>	(A) FY 12-13 <u>Actual</u>	<u>Balance</u>	% Used/ <u>Rec'd</u>	(B) FY 11-12 <u>Actual</u>	(A - B) <u>Variance</u>
<b><u>EXPENSES</u></b>						
<b><u>Administration</u></b>						
City Council	157,911	<b>54,104</b>	103,807	34.3%	57,592	<b>(3,488)</b>
Administration	714,862	<b>275,606</b>	439,256	38.6%	180,090	<b>95,516 1</b>
Public Information	310,283	<b>119,395</b>	190,888	38.5%	143,011	<b>(23,616)</b>
Graphics & Printing	293,395	<b>106,601</b>	186,794	36.3%	107,376	<b>(775)</b>
<b>City Clerk</b>	353,228	<b>119,513</b>	233,715	33.8%	75,138	<b>44,375 1</b>
<b>Legal Services</b>	467,600	<b>126,515</b>	341,085	27.1%	59,244	<b>67,271</b>
<b>Human Resources</b>	861,165	<b>377,921</b>	483,244	43.9%	385,426	<b>(7,505) 2</b>
<b><u>Finance / Info Technology</u></b>						
City Treasurer	5,400	<b>780</b>	4,620	14.4%	4,942	<b>(4,162)</b>
Finance Administration	515,214	<b>196,896</b>	318,318	38.2%	146,934	<b>49,962 1</b>
Accounting	496,939	<b>155,361</b>	341,578	31.3%	120,194	<b>35,167 1</b>
Purchasing	329,303	<b>129,755</b>	199,548	39.4%	120,726	<b>9,029</b>
Information Technology	466,858	<b>132,235</b>	334,623	28.3%	121,650	<b>10,585</b>
Business License	176,565	<b>63,070</b>	113,495	35.7%	31,027	<b>32,043 1</b>
<b>TOTAL FINANCE</b>	<b>1,990,279</b>	<b>678,098</b>	<b>1,312,181</b>	<b>34.1%</b>	<b>545,475</b>	<b>132,624</b>
<b><u>Community Development</u></b>						
Planning Commission	5,650	<b>954</b>	4,696	16.9%	2,045	<b>(1,091)</b>
Community Dev - Admin	660,855	<b>269,775</b>	391,080	40.8%	168,103	<b>101,672 1</b>
Planning	317,506	<b>120,136</b>	197,370	37.8%	57,771	<b>62,365 1</b>
Building Department	604,324	<b>133,733</b>	470,591	22.1%	106,813	<b>26,920 1</b>
Code Enforcement	70,796	<b>26,141</b>	44,655	36.9%	41,542	<b>(15,401) 3</b>
Environmental Services	159,530	<b>53,117</b>	106,413	33.3%	31,535	<b>21,582</b>
<b>TOTAL COMMUNITY DEV</b>	<b>1,818,661</b>	<b>603,855</b>	<b>1,214,806</b>	<b>33.2%</b>	<b>407,809</b>	<b>196,046</b>

- 1 - Dissolution of Redevelopment -- Attributable to the General Fund absorbing salary/benefit costs
- 2 - More YES Program expenses recognized in the 1st quarter of FY 11-12 than this fiscal year
- 3 - F/T Code Enforcement Supervisor expenditures were incurred in FY 11-12 for this timeframe

# City of Commerce

## Budget by Organization Report

### General Fund Summary

Year-to-Date Thru November 30, 2012

<u>Classification</u>	<u>Adopted Budget</u>	(A)	<u>Balance</u>	% Used/	(B)	(A - B)
		FY 12-13		Rec'd	FY 11-12	<u>Variance</u>
		<u>Actual</u>			<u>Actual</u>	
<b><u>Public Services</u></b>						
Traffic Commission	2,400	720	1,680	30.0%	840	(120)
Public Works Engineering	107,000	48,449	58,551	45.3%	17,382	31,067 4
Public Works Contracts	2,055,717	428,949	1,626,768	20.9%	517,156	(88,207) 4
Municipal Facilities Operation	2,228,499	907,505	1,320,994	40.7%	797,702	109,803
Street Maintenance	207,395	41,342	166,053	19.9%	88,801	(47,459) 4
Tree Maintenance	311,657	56,155	255,502	18.0%	100,799	(44,644)
Major Street Repairs	-	-	-	#DIV/0!	-	-
Major Facility Repairs	50,000	10,434	39,566	20.9%	-	10,434
<b>TOTAL PUBLIC SVCS</b>	<b>4,962,668</b>	<b>1,493,555</b>	<b>3,469,113</b>	<b>30.1%</b>	<b>1,522,681</b>	<b>(29,126)</b>
<b><u>Community Services</u></b>						
Emergency Preparedness	132,567	39,002	93,565	29.4%	36,187	2,815
Law Enforcement	5,684,919	1,673,842	4,011,077	29.4%	1,394,897	278,944
Animal Control	186,934	66,071	120,863	35.3%	55,842	10,229
Comm Safety Specialists	746,061	171,685	574,376	23.0%	221,103	(49,418) 5
Crossing Guards	191,088	51,891	139,197	27.2%	43,735	8,156
Fire Protection	8,732,946	4,466,045	4,266,901	51.1%	4,447,538	18,507 6
Community Svcs Commission	2,850	845	2,005	29.6%	1,028	(183)
Community Svcs Admin	999,015	289,026	709,989	28.9%	388,110	(99,084) 7
Employment & Bus Dev Ctr	223,154	79,720	143,434	35.7%	73,787	5,933
<b>TOTAL COMMUNITY SVCS</b>	<b>16,899,534</b>	<b>6,838,127</b>	<b>10,061,407</b>	<b>40.5%</b>	<b>6,662,227</b>	<b>175,900</b>
<b><u>Library Services</u></b>						
Library Commission	3,550	688	2,862	19.4%	720	(32)
Education Commission	10,600	3,881	6,719	36.6%	2,926	955
Library Administration	319,003	90,264	228,739	28.3%	144,443	(54,180) 7
Central Library	429,448	131,949	297,499	30.7%	167,751	(35,802) 8
Childrens Services	318,858	123,692	195,166	38.8%	112,672	11,020
Atlantic Branch	306,796	114,351	192,445	37.3%	103,689	10,662
Bristow Park Branch	328,252	114,914	213,338	35.0%	108,434	6,480
Greenwood Branch	323,670	128,466	195,204	39.7%	116,587	11,879
Support Services	765,035	289,148	475,887	37.8%	280,571	8,577
Adult Literacy Program	162,451	69,334	93,117	42.7%	101,871	(32,537) 9
<b>TOTAL LIBRARY SVCS</b>	<b>2,967,663</b>	<b>1,066,687</b>	<b>1,900,976</b>	<b>35.9%</b>	<b>1,139,664</b>	<b>(72,977)</b>

4 - Timing of Invoices - Receipt of, submission for payment, and issuance of a check is not necessarily systemic

5 - FY 12-13 -- A FT position was eliminated and PT CSS understaffing

6 - FY 11-12 recognized 4 payments in that timeframe as opposed to 3 in this fiscal year

7 - Salary/Benefit expenses has decreased as a result of the Director position being vacant

8 - Salary/Benefit expenses has decreased as a result of the Library Services Supervisor position being vacant

9 - Salary/Benefit expenses has decreased as a result of the Literacy Services Manager position being vacant

# City of Commerce

## Budget by Organization Report

### General Fund Summary

Year-to-Date Thru November 30, 2012

<u>Classification</u>	<u>Adopted Budget</u>	(A)	<u>Balance</u>	<u>% Used/</u> <u>Rec'd</u>	(B)	(A - B)
		FY 12-13 <u>Actual</u>			FY 11-12 <u>Actual</u>	<u>Variance</u>
<b><u>Parks &amp; Recreation</u></b>						
Parks & Rec Commission	2,500	600	1,900	24.0%	800	(200)
Parks & Recreation Admin	1,002,216	345,610	656,606	34.5%	467,184	(121,574) 7
Pre-School	88,145	27,378	60,767	31.1%	22,362	5,016
Kids Club Program	95,188	34,408	60,780	36.1%	30,527	3,881
Day Camps	88,144	75,805	12,339	86.0%	77,178	(1,373)
Recreation Operations	312,701	93,450	219,251	29.9%	83,717	9,733
Bandini Park	330,695	117,553	213,142	35.5%	117,543	10
Bristow Park	357,852	144,175	213,677	40.3%	161,360	(17,185) 10
Rosewood Park	444,437	200,687	243,750	45.2%	149,121	51,566 11
Veterans Park	399,054	122,974	276,080	30.8%	162,362	(39,388) 10
Special Events	123,808	19,828	103,980	16.0%	27,947	(8,119)
Parks & Recreation Activity	327,561	87,516	240,045	26.7%	88,689	(1,173)
Sports Program	288,063	99,475	188,588	34.5%	91,037	8,438
Senior Citizens Center	351,551	147,673	203,878	42.0%	138,863	8,810
Sr Citizens Commission	2,850	954	1,896	33.5%	839	115
Aquatorium	1,466,983	667,983	799,000	45.5%	616,469	51,514
Community Teen Center	312,889	127,360	185,529	40.7%	118,170	9,190
Youth Advisory Commission	3,894	680	3,214	17.5%	920	(240)
Park Maintenance	1,558,868	502,332	1,056,536	32.2%	466,081	36,251 12
Snack Bar	282,246	99,801	182,445	35.4%	107,724	(7,923)
Camp Commerce	644,498	266,190	378,308	41.3%	292,005	(25,815) 13
<b>TOTAL PARKS &amp; REC</b>	<b>8,484,143</b>	<b>3,182,432</b>	<b>5,301,711</b>	<b>37.5%</b>	<b>3,220,896</b>	<b>(38,464)</b>
<b><u>Non - Departmental</u></b>						
Employee Benefits	3,341,226	1,995,504	1,345,722	59.7%	1,796,145	199,359 14
General Services	5,337,537	2,823,496	2,514,041	52.9%	2,590,120	233,376
Community Promotions	69,650	10,260	59,390	14.7%	7,155	3,105
Transfers to Other Funds	1,236,853	741,516	495,337	60.0%	750,143	(8,627)
Debt Service	-	-	-	0.0%	37,380	(37,380) 15
<b>EXPENDITURE TOTALS</b>	<b>\$ 50,266,658</b>	<b>\$ 20,613,184</b>	<b>\$ 29,653,474</b>	<b>41.0%</b>	<b>\$ 19,687,572</b>	<b>\$ 925,612</b>

7 - Salary/Benefit expenses has decreased as a result of the Director position being vacant; miscellaneous items

10 - As a result of budget retirements, some cost centers have been operating with 1 FT employee only

11 - Departmental reorganization resulted in an additional FT employee charged to this cost center for FY 12-13

12 - 2 FT employees are off on Workers Comp currently

13 - Attributable to 3 camp sessions being cancelled, lower repair work expenditures this fiscal year

14 - Workers Comp amount have increased approximately \$120,000 from the prior year

15 - General Liability Insurance increased by \$175,404 from the prior year'

16 - The city paid off its obligation in FY 11-12





# AGENDA REPORT

MEETING DATE: JANUARY 22, 2013

**TO:** HONORABLE CITY COUNCIL  
**FROM:** CITY ADMINISTRATOR  
**SUBJECT:** CHANGE TO SERVICE AWARDS PROGRAM

**RECOMMENDATION:**

City staff is recommending that the City Council approve a change to the Annual Service Awards program to include an individual informal department celebration or recognition instead of the sit down meal event.

**MOTION:**

Move to approve the recommendation.

**BACKGROUND:**

The City's Annual Employee Service Awards has consisted of a three part recognition:

- a. formal recognition at a City Council meeting for employees with 20 years of service or more;
- b. a City gift to employees; and
- c. a formal sit down luncheon or dinner

This budget year FY 2012/2013 in response to balancing the City's budget after the redevelopment crisis, the Council chose to reduce the Awards budget by \$9,000 to protect staffing in the Human Resources Department.

The number of service award recipients in 2013 is significantly higher (122 vs 80) due to the higher number of eligible employees who have completed their milestone year. It is recommended that the nature and value of the awards stay the same as last year and that employees with twenty years of service and above be personally recognized at a City Council Meeting. All of the available funds budgeted (\$6,562.27) in Human Resources will be used to fund continuation of the awards. Staff is also recommending transitioning to an individual Departmental celebration in order to create a more personalized recognition event where co-workers may also participate in honoring our career employees.

Staff evaluated several scenarios and options including providing lower value/cost awards, not holding any event and/or migrating to a decentralized Departmental celebration.

The option recommended by City staff is to maintain the same value of service awards, maintain the formal Council recognition and to migrate to an individual Departmental celebration for 2013 and thereafter as the third component of recognition.

**ANALYSIS:**

The 2012/2013 Budget for annual service awards is \$6,562.27. If the costs exceed the line item budget amount, Human Resources will reallocate funds from other line item accounts within the Human Resources Department to ensure that the value of the awards is maintained.

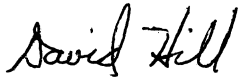
**FISCAL IMPACT:**

It is currently projected that sufficient funds are available within the Human Resources Department Budget to implement this recommendation.

**RELATIONSHIP TO 2012 STRATEGIC GOALS:**

This recommendation to change the Annual Service Awards program is related to the Council strategic goals to "Implement Staff Development".

Recommended and Prepared by:



David Hill  
Interim Director of Human Resources

Respectfully submitted,



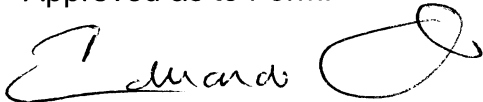
Jorge Rifá  
City Administrator

Fiscal Impact Reviewed by:

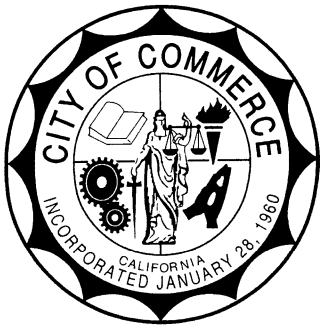


Vilko Domic  
Director of Finance/City Treasurer

Approved as to Form:



Eduardo Olivo  
City Attorney



# AGENDA REPORT

MEETING DATE: JANUARY 22, 2013

**TO:** HONORABLE CITY COUNCIL

**FROM:** CITY ADMINISTRATOR

**SUBJECT:** PROPOSED AMENDMENT TO THE PERSONNEL CLASSIFICATION AND COMPENSATION PLAN TO AMEND THE EDUCATION AND EXPERIENCE MINIMUM QUALIFICATIONS FOR THE BRANCH LIBRARY SUPERVISOR, LIBRARY TECHNICAL SERVICES SUPERVISOR, AND SENIOR LIBRARIAN CLASSIFICATIONS

**RECOMMENDATION:**

City staff is recommending that the City Council amend the Classification and Compensation Plan to amend the education and experience minimum qualifications for the Branch Library Supervisor, Library Technical Services Supervisor, and Senior Librarian classifications.

**MOTION:**

Move to approve the recommendation.

**BACKGROUND:**

In an effort to continue to develop the existing work force and to increase the opportunities for competition and promotion from within, staff is recommending amending the education and experience minimum qualifications. Establishing these amendments would allow staff the ability to create more opportunities for viable internal candidates within the City of Commerce workforce to apply and compete in the future. The Director of Library Services, concurs with these recommended amendments.

**ANALYSIS:**

Personnel Policy and Procedure's Employee Positions provides the procedure for implementing or revising the City of Commerce Classification Plan within the City's workforce. The recommended changes in education and experience are as follows:

Branch Library Supervisor

A Bachelor of Arts in a public service related field or higher degree AND a minimum of two years public library program experience.

Library Technical Services Supervisor

Masters degree in Library Science is strongly preferred. A Bachelor of Arts or higher degree in a public service related field and equivalent professional experience as a Librarian may be substituted for the Master of Library Science degree, AND three year's public library program experience including a minimum of one year as a supervisor in technical services.

Senior Librarian

Masters Degree in Library Science is strongly preferred. A Bachelor of Arts or higher degree in a public service related field and equivalent professional experience as a Librarian may be substituted for the Master of Library Science degree, AND a minimum of three years public library program experience including a minimum of one year as a supervisor.

**FISCAL IMPACT:**

This change can be implemented without additional impact on the current operating budget.

**RELATIONSHIP TO 2012 STRATEGIC GOALS:**

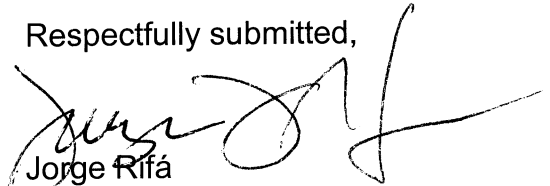
This recommended change in the education and experience minimum qualifications is related to the Council strategic goal to "Implement Staff Development".

Recommended and Prepared by:



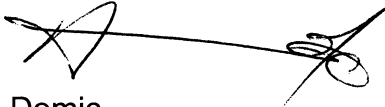
David Hill  
Interim Director of Human Resources

Respectfully submitted,



Jorge Rifa  
City Administrator

Fiscal Impact Reviewed by:



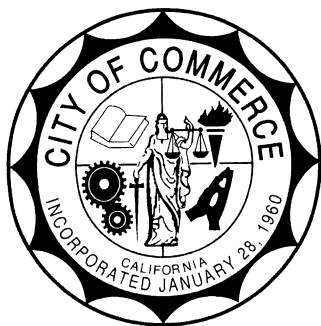
Vilko Domic  
Director of Finance/City Treasurer

Approved as to Form:



Eduardo Olivo  
City Attorney





# AGENDA REPORT

MEETING DATE: JANUARY 22, 2013

**TO:** HONORABLE CITY COUNCIL

**FROM:** CITY ADMINISTRATOR

**SUBJECT:** A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE, CALIFORNIA, AUTHORIZING THE CITY ADMINISTRATOR TO EXECUTE A CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (CALPERS) PENSION PLAN CERTIFICATION OF MEMORANDUM OF UNDERSTANDING (MOU) IMPAIRMENT

**RECOMMENDATION:**

Approve and adopt the Resolution, and assign the number next in order.

**MOTION:**

Move to approve the recommendation.

**BACKGROUND:**

The Public Employees' Pension Reform Act of 2013 provides that NEW MEMBERS of the CALPERS pension plan pay an employee contribution equal to 50% of the City of Commerce normal cost (9.665%). The current Memorandum of Understanding (MOU) with the City of Commerce Employees Association provides that the employee contribution is paid by the City until the Memorandum of Understanding ends on June 30, 2013. The Pension Reform Act permits employers to maintain current cost sharing provisions until the expiration date of the current Memorandums of Understanding by filing a Certification of MOU Impairment with CALPERS. The Commerce City Employees Association has been notified and concurs with this recommended action.

**ANALYSIS:**

The intent of this legislative provision was to ensure that current terms and conditions of employment bargained as part of current MOU's were maintained for the term of the agreement. When the current MOU expires on June 30, 2013 the cost sharing provision in the Pension Reform Act statute will apply to NEW MEMBERS of CALPERS hired on or after January 1, 2013. Current CLASSIC MEMBERS of CALPERS will continue to be covered by the cost sharing provisions in a successor Memorandum of Understanding.

**FISCAL IMPACT:**

This change can be implemented without additional impact on the current operating budget. Current cost sharing provisions have been funded in the current budget.

**RELATIONSHIP TO 2012 STRATEGIC GOALS:**

This administrative action is related to the City Council's goal to implement a strategic communication plan for all key stakeholders.

Recommended and Prepared by:

  
David Hill  
Interim Director of Human Resources

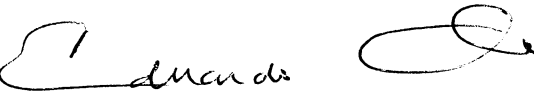
Respectfully submitted,

  
Jorge Rifa  
City Administrator

Fiscal Impact Reviewed by:

  
Vilko Domic  
Director of Finance/City Treasurer

Approved as to Form:

  
Eduardo Olivo  
City Attorney

Attachment:  
CalPERS MOU Impairment Form

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE,  
CALIFORNIA, AUTHORIZING THE CITY ADMINISTRATOR TO EXECUTE A  
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (CalPERS) PENSION  
PLAN CERTIFICATION OF MEMORANDUM OF UNDERSTANDING (MOU)  
IMPAIRMENT

WHEREAS, the City Council approved by Resolution No. 12-62 on July 2, 2012 the Memorandum of Understanding with Full-Time Employees represented by the City of Commerce Employees Association including employer/employee pension cost-sharing provisions through June 30, 2013; and

WHEREAS, the City Council finds that Government Code section 7522.30(f) impairs the City of Commerce compliance with the cost sharing provisions of the Memorandum of Understanding approved on July 2, 2012; and

WHEREAS, the City Council finds that execution of the Certification of Memorandum of Understanding (MOU) Impairment with the California Public Employees' Retirement System is in the City's interest.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMMERCE DOES HEREBY RESOLVE, DECLARE AND DETERMINE AS FOLLOWS:

Section 1. Execution of the Certification of Memorandum of Understanding (MOU) Impairment with the California Public Employees Retirement System is hereby approved.

Section 2. The City Administrator is authorized to execute this Certification of MOU Impairment (the "Certification") on behalf of the City of Commerce.

PASSED, APPROVED AND ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_ 2013 at Commerce, California.

\_\_\_\_\_  
Lilia R. Leon  
Mayor

ATTEST:

\_\_\_\_\_  
Linda Kay Olivieri, MMC  
City Clerk





California Public Employees' Retirement System  
 Customer Account Services Division  
 Retirement Account Services Section  
 P.O. Box 942709  
 Sacramento, CA 94229-2709  
 TTY: (877) 249-7442  
 888 CalPERS (or 888-225-7377) phone • (916) 795-3005 fax  
 www.calpers.ca.gov

**Certification of Memorandum of Understanding (MOU) Impairment**

Agency Name: City of Commerce

CalPERS ID: 1958786993

The undersigned is the duly elected or appointed City Administrator of City of Commerce (the "Public Agency") and is authorized to execute this Certification of MOU Impairment (the "Certification") on behalf of the Public Agency.

The undersigned, as the Public Agency's authorized signatory, hereby certifies that the terms of that certain Memorandum of Understanding, dated July 1, 2012 (the "MOU"), would be impaired by Public Agency's compliance with the requirements of one or more provisions of section 7522.30 of the Government Code. Therefore, pursuant to section 7522.30(f) of the Government Code, Public Agency is notifying CalPERS that it will not comply with those provisions of section 7522.30 that would impair the MOU until such time as the MOU expires under its terms, or is terminated, amended, renewed, or extended. Notwithstanding an MOU impairment, Public Agency acknowledges and agrees that the sum total of all member and employer contributions must be paid when due (whether paid by the employer or the member), and an MOU impairment shall not result in a reduction of such sum total. Public Agency further acknowledges and agrees that for purposes of crediting member contributions, CalPERS will treat the member contribution rate for new members as being the rate described in Government Code section 7522.30(c). The undersigned agrees that the Public Agency shall immediately notify CalPERS upon the expiration, renewal, termination, amendment or extension of the MOU, and at such time will fully comply with section 7522.30 of the Government Code.

The undersigned further certifies that, to the best of his or her knowledge, the information provided below is true, complete and correct in all material respects.

Membership Group Impacted	Type of Impairment (EPMC and/or Cost Sharing)	MOU Expiration Date
Miscellaneous	Cost Sharing	June 30, 2013

Name: Jorge Rifa

Signature: \_\_\_\_\_

Title: City Administrator

Date: January 2, 2013





# AGENDA REPORT

DATE: January 22, 2013

**TO:** HONORABLE CITY COUNCIL

**FROM:** CITY ADMINISTRATOR

**SUBJECT:** A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE, CALIFORNIA, APPROVING THE AGREEMENT BETWEEN THE CITY OF COMMERCE AND CTG CONSTRUCTION, INC. DBA C.T. GEORGIU PAINTING COMPANY AND RESCINDING RESOLUTION NO. 12-99

**RECOMMENDATION:**

Approve the Resolution and assign the number next in order.

**MOTION:**

Move to approve the recommendation.

**BACKGROUND:**

As part of the FY 2011/2012 Capital Improvement Project ("CIP") Budget, the City Council appropriated \$90,000 to paint the exterior and interior of the City of Commerce Transportation Service Center (the "Center").

On September 20, 2011, the City Council approved the Request for Proposal ("RFP") for Cash Contract No. 1110R – Interior and Exterior Painting of the Center. C.T. Georgiou Painting Company ("C.T. Georgiou Painting") provided the lowest bid at \$39,500. On May 1, 2012 the City Council approved Cash Contract No. 1110R with C.T. Georgiou Painting to paint the interior and exterior of the Center. This project was completed in July 2012.

Because of cost considerations, the RFP did not include the painting of the interior of the garage in the Center. Since the project came in significantly below budget, staff requested quotes from painting contractors to paint the interior of the garage. CT. Georgiou Painting submitted a bid for \$31,600, which was the lowest, responsible bid.

On September 4, 2012, the City approved a contract with C.T. Georgiou Painting for the painting of the interior of the garage. This contract was approved with "C.T. Georgiou Painting Company." Staff subsequently learned that "C.T. Georgiou Painting Company" is a fictitious name used by CTG Construction, Inc. Thus, the correct name on the contract should have been "CTG Construction, Inc. dba C.T. Georgiou Painting Company." Staff has revised the contract and has had it re-executed by the contractor.

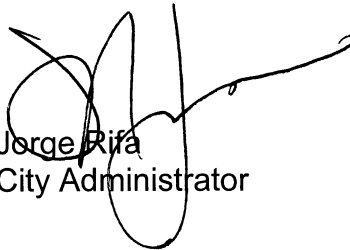
**FISCAL IMPACT:**

There will be no additional impact resulting from the approval of the corrected contract. As previously reported, the project can be carried out without additional impact on the current operating budget. The City Council appropriated \$90,000 for the completion of the project, as follows:

FTA 5307 Capital	\$45,000
PTMISEA	\$45,000
TOTAL FUNDING	\$90,000

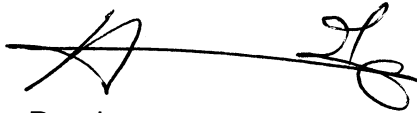
CTG Construction's quote is \$31,600. To date, \$39,500 has been spent on this project, leaving \$53,500 for the second phase of the project and any contingencies.

Respectfully submitted,



Jorge Rifa  
City Administrator

Reviewed by,



Vilko Domic  
Finance Director

Approved as to form,



Eduardo Olivo  
City Attorney



RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE, CALIFORNIA, APPROVING THE AGREEMENT BETWEEN THE CITY OF COMMERCE AND CTG CONSTRUCTION, INC. DBA C.T. GEORGIU PAINTING COMPANY AND RESCINDING RESOLUTION NO. 12-99

WHEREAS, as part of the FY 2011/2012 Capital Improvement Project (“CIP”) Budget, the City Council appropriated \$90,000 to paint both the exterior and interior of the City of Commerce (the “City”) Transportation Service Center (the “Center”); and

WHEREAS, on May 1, 2012 the City Council approved Cash Contract No. 1110R with C.T. Georgiou Painting to paint the interior and exterior of the Center. This project was completed in July 2012; and

WHEREAS, the City subsequently requested quotes from painting contractors to paint the interior of the garage; and

WHEREAS, C.T. Georgiou Painting submitted the lowest, responsible and responsive quote for providing the requested service; and

WHEREAS, the contract, which was approved on September 4, 2012, was entered into with C.T. Georgiou Painting Company; and

WHEREAS, staff subsequently learned that CTG Construction, Inc. was doing business as C.T. Georgiou Painting Company and that, therefore, the contract should have been in the name of “CTG Construction, Inc. dba C.T. Georgiou Painting Company”; and

WHEREAS, the revised agreement needs to be approved by the City Council.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMMERCE DOES HEREBY RESOLVES AND ORDERS AS FOLLOWS:

Section 1.The Agreement between the City of Commerce and CTG Construction, Inc. dba C.T. Georgiou Painting Company is hereby approved. The Mayor is hereby authorized to execute the Agreement for and on behalf of the City of Commerce.

Section 2.Resolution No. 12-99, which approved the contract with C.T. Georgiou Painting Company, is hereby rescinded.

PASSED, APPROVED and ADOPTED this 22<sup>nd</sup> day of January, 2013.

\_\_\_\_\_  
Lilia R. Leon, Mayor

ATTEST:

\_\_\_\_\_  
Linda Kay Olivieri, MMC  
City Clerk



**THIS AGREEMENT** (the "Agreement") dated as of \_\_\_\_\_, 2013 (the "Effective Date") is made by and between CTG Construction, Inc., DBA C.T. Georgiou Painting Company ("Contractor") and the City of Commerce, a municipal corporation (the "City").

### **RECITALS**

WHEREAS, Contractor represents that it is specially trained, experienced and competent to perform the special services that will be required by this Agreement; and

WHEREAS, Contractor is willing to render such Services, as hereinafter defined, on the terms and conditions below.

### **AGREEMENT**

1. **Scope of Services and Schedule of Performance.**

Contractor shall perform the services (the "Services") set forth in Exhibit A, which is attached hereto and incorporated herein by this reference, in accordance with the schedule set forth therein.

2. **Term.**

Contractor shall commence work on the date specified in the Notice to Proceed to be issued to Contractor by the City and shall complete work within sixty four (64) calendar days from the commencement thereof.

3. **Compensation.**

So long as Contractor is discharging its obligations in conformance with the terms of this Agreement, Contractor shall be paid a fee by the City in accordance with the fee schedule set forth in Exhibit A and with the other terms of this Agreement. The fees payable hereunder shall be subject to any withholding required by law.

Such fees shall be payable following receipt of an itemized invoice for services rendered. Contractor shall send and address its bill for fees, expenses, and costs to the City to the attention of the City Administrator. The City shall pay the full amount of such invoice; provided, however, that if the City or its City Administrator object to any portion of an invoice, the City shall notify Contractor of the City's objection and the grounds therefore within thirty (30) days of the date of receipt of the invoice; the parties shall immediately make every effort to settle the disputed portion of the invoice.

---

4. Financial Records.

Contractor shall maintain complete and accurate records with respect to fees and costs incurred under this Agreement. All such records shall be maintained on a generally accepted accounting basis and be clearly identified and readily accessible. Contractor shall keep, maintain and provide free access to such books and records to examine and audit the same, and to make transcripts thereof as necessary, and to allow inspection of all work data, documents, proceedings and activities related to this Agreement for a period of three years from the date of final payments under this Agreement. All accounting records shall readily provide a breakdown of fees and costs charged to this Agreement.

5. Independent Contractor.

Contractor is and shall perform its services under this Agreement as a wholly independent contractor. Contractor shall not act nor be deemed an agent, employee, officer or legal representative of the City. Contractor shall not at any time or in any manner represent that it or any of its agents, employees, officers or legal representatives are in any manner agents, employees, officers or legal representatives of the City. Contractor has no authority to assume or create any commitment or obligations on behalf of the City or bind the City in any respect. This Agreement is not intended to and does not create the relationship of partnership, joint venture or association between the City and Contractor. None of the foregoing shall affect any privilege or protection against disclosure which applies to the services Contractor undertakes under this Agreement.

6. Contractor to Provide Required Personnel; Subcontracting.

Contractor shall provide and direct the necessary qualified personnel to perform the Services required of, and from, it pursuant to the express and implied terms hereof, with the degree of skill and judgment normally exercised by recognized professional firms performing services of a similar nature at the time the Services are rendered, and to the reasonable satisfaction of the City.

Contractor may not have a subcontractor perform any Services except for the subcontractors identified in Exhibit A as such. Such identified subcontractors shall perform only those Services identified in Exhibit A as to be performed by such subcontractor. All labor, materials, fees and costs of such identified subcontractors shall be paid exclusively by Contractor. No subcontractors may be substituted for any of the identified subcontractors except with the prior written approval of the City Administrator.

7. Responsible Principal and Project Manager.

Contractor shall have a Responsible Principal and a Project Manager who shall be principally responsible for Contractor obligations under this Agreement and who shall serve as principal liaison between the City and Contractor. Designation of another Responsible Principal or Project Manager by Contractor shall not be made without the prior written consent of the City. The names of the Responsible Principal and the Project Manager are listed in Exhibit A.

---

8. City Liaison.

Contractor shall direct all communications to the City Administrator or his designee. All communications, instructions and directions on the part of the City shall be communicated exclusively through the City Administrator or his designee.

9. Licenses.

Contractor warrants that it and its employees have obtained all valid licenses and/or certifications generally required of professionals providing services such as the Services, by all applicable regulating governmental agencies, and are in good standing with such applicable regulating governmental agencies.

10. Compliance with Laws.

Contractor shall, and shall ensure that its employees and its subcontractors, if any, comply with all applicable city, county, state, and federal laws and regulations (including occupational safety and environmental laws and regulations) in performing the Services and shall comply with any directions of governmental agencies and the City relating to safety, security, and the like.

11. Insurance.

Contractor shall maintain insurance and provide evidence thereof as required by Exhibit B hereto (the "Required Insurance") which is attached hereto and incorporated herein by this reference, for the term provided herein.

12. Performance Bond.

Contractor, before commencing project, shall furnish and file with CITY, a performance bond, or bonds in the sum of one hundred percent (100%) of the Contract price thereof conditioned upon the faithful performance of this Contract and upon the payment of all labor and materials furnished in connection with this Contract. Such performance bond shall be in the form of the bond attached hereto as Exhibit C.

13. Warranty and Liability.

Contractor warrants that the Services provided under this Agreement will be performed with the degree of skill and judgment normally exercised by recognized professionals performing services of a similar nature at the time the services were rendered. Contractor shall be liable for injury or loss caused by the negligence of, or breach of this warranty by Contractor, its employees, its subcontractors, if any, and/or its agents hereunder. This warranty survives the completion and/or termination of this Agreement.

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14. Indemnification.

Contractor shall indemnify and hold the City and their respective officials, officers, agents and employees harmless from and against any and all liabilities, losses, damages, costs and expenses the City and their respective officials, officers, agents and employees hereafter may suffer in connection with any claim, action, or right or action (at law or in equity) because of any injury (including death) or damage to person or property proximately caused by any negligent acts, errors, or omissions by Contractor, its employees, its subcontractors or its agents in the performance of the Services hereunder. Contractor shall not be liable to the extent that any liability, loss, damage, cost, and expense is caused solely from an act of negligence or willful misconduct by the City or its respective officials, officers, employees or agents. Upon demand, Contractor shall promptly provide a defense to such claims, actions or right of action (at law or equity) and shall promptly pay for all associated and resulting costs, damages, settlements, penalties, judgments, fees and expenses, including attorneys' fees and costs.

15. Confidentiality.

Contractor shall maintain as confidential and not disclose to others, either before or after the termination of this Agreement, any data, documents, reports, or other information provided to Contractor by the City, or employees or agents of the City, or any data, documents, reports, or other information produced by Contractor during its performance hereunder, except as expressly authorized in writing by the City, or to the extent required for: (1) compliance with professional standards of conduct for the preservation of the public safety, health, and welfare, but only after Contractor notifies the City of such need for disclosure; and (2) compliance with any court order or other government directive or requirement, but only after Contractor notifies the City of such an order, directive, or requirement. Contractor shall keep all "Confidential" materials received or generated under this Agreement in separate files marked "Confidential." Any non-compliance by Contractor with this part of the Agreement shall be deemed a material breach of this Agreement. The obligations of this paragraph shall survive the termination of this Agreement.

16. Ownership of Documents.

All original documents, designs, drawings, methodological explanations, computer programs, reports, notes, data, materials, services and other products prepared in the course of providing the Services (collectively, "Products") shall become the sole property of the City and the City shall have authority to publish, disclose, distribute, use, reuse or disposed of the Products in whole or in part, without the permission of Contractor. In the event that this Agreement is terminated by the City, Contractor shall provide the City with any finished or unfinished Products. No documents, designs, drawings, methodological explanations, computer programs, reports, notes, data, materials, services and other products prepared in whole or in part under this Agreement shall be the subject of an application for copyright or submitted for publication by or on behalf of Contractor. Notwithstanding such ownership, Contractor shall be entitled to make and obtain copies or reproductions of such Products for its own files or internal reference.

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17. Data and Services to be Furnished by the City.

All information, data, records, reports and maps as are in possession of the City, and necessary for the carrying out of this work, shall be made available to Contractor without charge. The City shall make available to Contractor, members of the City's staff for consultation with Contractor in the performance of this Agreement. The City does not warrant that the information data, records, reports and maps heretofore to be provided to Contractor are complete or accurate; Contractor shall satisfy itself as to such accuracy and completeness. The City and Contractor agree that the City shall have no liability should any of the information, data, records, reports, and maps be inaccurate, incomplete or misleading.

18. Covenant against Contingent Fees.

Contractor warrants that it has not employed or retained any company or person to solicit or secure this Agreement and that it has not paid or agreed to pay any company or person any fee, City or percentage from the award or making of this Agreement, except for subcontractors listed in this Agreement. For breach or violation of this warranty, the City shall have the right, among other available legal remedies, to terminate this Agreement without liability, or in its discretion, to deduct from the consideration payable to Contractor, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift or contingent fee.

19. Conflict of Interest.

Contractor covenants that neither it nor any officer or principal of its firm have any interests, nor shall they acquire any interest, directly or indirectly which will conflict in any manner or degree with the performance under this Agreement. Contractor further warrants its compliance with the Political Reform Act (Government Code § 81000, *et seq.*) and all other laws, respecting this Agreement and that no Services shall be performed by either an employee, agent, or a subcontractor of Contractor, who has a conflict relating to the City or the performance of Services on behalf of the City.

20. Other Agreements.

Contractor warrants that it is not a party to any other existing agreement that would prevent Contractor from entering into this Agreement or that would adversely affect Contractor's ability to perform the Services under this Agreement. During the term of this Agreement, Contractor shall not, without City's prior written consent, perform services for any person, firm, or corporation other than City if such services could lead to a conflict with Contractor's obligations under this Agreement.

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21. Termination.

This Agreement may be terminated, prior to the expiration of its term, only in the following manner:

- a. by the written mutual agreement of the parties hereto; or
- b. by the City, with or without cause, upon 5 days written notice to Contractor pursuant to Section 25 of this Agreement.

Upon receipt of a notice of termination, Contractor shall immediately cease all work and promptly deliver to the City the work product or other results obtained by Contractor up to that time. In the event of termination without cause by the City, the City shall pay Contractor for work completed prior to the date of such termination (based on the percentage of the overall work satisfactorily completed by Contractor in relation to the work required by the entire Agreement or the hours worked by Contractor, as applicable), provided such work is in a form usable by the City.

22. Waiver of Breach.

No waiver of any term, condition or covenant of this Agreement by the City shall occur unless signed by the City Administrator and such writing identifies the provision which is waived and the circumstances or period of time for which it is waived. Such waiver shall be for the specified period of time only and shall not apply to any subsequent breach. In addition, such waiver shall not constitute a waiver of any other term, condition or covenant of this Agreement nor shall it eliminate any remedies available to the City for any breaches of this Agreement which are not excused by such waiver. A delay in communicating a failure of Contractor to satisfy a term, condition or covenant in no way waives that term or any remedies available for its breach.

23. Assignment.

Neither this Agreement nor any rights or obligations hereunder may be assigned or otherwise transferred by Contractor, nor shall this Agreement inure to the benefit of any trustee in bankruptcy, receiver, or creditor or Contractor, whether by operation of law or otherwise, without the prior written consent of the City which may be withheld in its sole discretion. Any attempt to so assign or transfer this Agreement or any rights or obligations hereunder without such consent shall be void and of no effect.

24. Arbitration.

If any dispute arises out of or relates to this Agreement, or the breach thereof, and if such a dispute cannot be settled through direct discussions, the parties agree to settle any disputes involving only monetary amounts less than \$100,000 by binding arbitration pursuant to the rules of the American Arbitration Association by an arbitrator sitting in Los Angeles County.

25. Attorneys' Fees.

In the event an arbitration or a judicial proceeding is brought to enforce the terms of this Agreement, the prevailing party shall be entitled to recover from the other party its reasonable costs and attorneys' fees incurred in connection therewith.

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26. Notices.

Notices provided hereunder shall be delivered by certified First Class U.S. Mail, postage prepaid, or by personal service as required in judicial proceedings, directed to the address provided below:

For the City:

City of Commerce  
2535 Commerce Way  
Commerce, California 90040  
Attn: City Administrator

For Contractor:

CTG Construction, Inc.  
433 Lecouvruer Ave.  
Willington, CA. 90744  
310-834-8015  
Attn: Costas T. Georgiou

Notice shall be deemed received three days after its mailing to the above address or upon actual receipt as indicated by return receipt, whichever is earlier. Personal service shall be deemed received the same day personal delivery is effected.

27. Governing Law.

The validity, performance and construction of this Agreement shall be governed by and interpreted in accordance with the laws of the State of California applicable to contracts made to be performed therein. Any litigation commenced by either party to this Agreement shall be venued in Los Angeles County, California.

28. Severability.

Should any part of this Agreement be declared by a final decision by a court or tribunal of competent jurisdiction to be unconstitutional, invalid, or beyond the authority of either party to enter into or carry out, such decision shall not affect the validity of the remainder of this Agreement, which shall continue in full force and effect, provided that the remainder of this Agreement, absent the unexercised portion, can be reasonably interpreted to give effect to the intentions of the parties.

29. No Construction of Agreement against any Party.

Each party has cooperated in the drafting and preparation of this Agreement. Hence, in any construction to be made of this Agreement, it shall not be construed against any party on the basis such party drafted this Agreement or any provision thereof.

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30. Entire Agreement and Amendments to Agreement.

This Agreement contains the entire understanding and agreement between the parties hereto with respect to the subject matter hereof and supersedes all previous communications, negotiations, and agreements, whether oral or written, between the parties with respect to such subject matter, and no addition to or modification of this Agreement or waiver of any provisions of this Agreement shall be binding on either party unless made in writing and executed by Contractor and the City.

31. No Representations Except as Expressly Stated in this Agreement.

Except as expressly stated in this Agreement, no party, nor its employees, agents or attorneys have made any statement or representation to any other party or its employees, agents or attorneys regarding any fact relied upon in entering into this Agreement, and each party does not rely upon any statement, representation and/or promise of any other party, its respective employees, agents or attorneys in executing this Agreement.

32. Counterpart Signatures.

This Agreement may be executed in one or more counterparts. When this Agreement has been properly signed by an authorized representative of each of the parties hereto, it shall constitute a valid Agreement, though each of the signatories may have executed separate counterparts hereof.

IN WITNESS WHEREOF the parties hereto have caused this Contract to be executed on the date first above written by their respective officers duly authorized in that behalf.

CITY OF COMMERCE

CTG CONSTRUCTION, INC.,  
CONTRACTOR

By: \_\_\_\_\_  
Lilia R. Leon, Mayor

By: \_\_\_\_\_  
Costas Georgiou, Owner

ATTEST:

By: \_\_\_\_\_  
Linda Olivieri, MMC  
City Clerk

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Eduardo Olivo,  
City Attorney

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EXHIBIT A

**C. T. GEORGIU PAINTING CO.**

433 LECOUVREUR AVE. WILMINGTON CA 90744  
License: 635916 | Tel: (310)834-8015 | Fax: (310)834-1660

Date: 05/30/2012

Attn: Mr. Gregg – Department of Transportation – City of Commerce

Subject: PAINTING PROPOSAL –

C.T. Georgiou Painting Co. proposes to paint the following scopes follow :

- |    |                                |                |          |
|----|--------------------------------|----------------|----------|
| 1. | Small Roll up doors :          | 2 x 900.00 =   | 1,800.00 |
| 2. | Big Roll up doors              | 7 x 1,400.00 = | 9,800.00 |
| 3. | Wash all interior of work shop | 1 x 8,000.00 = | 8,000.00 |
| 4. | Paint all lower walls          |                | 5,000.00 |
| 5. | Paint all upper walls          |                | 7,000.00 |

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31,600.00

Grand total for this proposal :31,600.00(Thirty one thousandsix hundredand zero cent )

**Price including: Labor for protection area of work, prepare and apply primer and two coats of finish, final clean up**

Respectfully,

*Hiep Vo*  
*Project Manager*  
*Telephone : (310) 834 8015*  
*Fax : (310) 834 1660*  
*[hiep@ctgeorgiou.com](mailto:hiep@ctgeorgiou.com)*  
*[geor123@pacbell.net](mailto:geor123@pacbell.net)*

## EXHIBIT B

### REQUIRED INSURANCE

On or before beginning any of the Services called for by any term of this Agreement, Contractor, at its own cost and expense, shall carry, maintain for the duration of this Agreement, and provide proof thereof that is acceptable to the City of its procurement of the insurance specified below from insurers and under forms of insurance satisfactory in all respects to the City. Contractor shall not allow any subcontractor to commence work on any subcontract under this Agreement until all insurance required of Contractor have also been obtained for the or by the subcontractor. Such insurance shall not be in derogation of Contractor's obligations to provide indemnity under Section 14 of this Agreement.

1. Comprehensive General Liability and Automobile Liability Insurance Coverage.

Contractor shall carry and maintain Comprehensive General Liability and Automobile Liability Insurance which provides the following:

Minimum coverage: Bodily injury limits of \$1,000,000 for each person and \$2,000,000 for each occurrence; property damage limits of \$500,000 for each occurrence, \$2,000,000 aggregate.

If a Commercial General Liability Insurance form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit. Such coverage shall include but shall not be limited to, protection against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from activities contemplated under this Agreement, including the use of owned and non-owned real property and automobiles.

2. Worker's Compensation.

Contractor shall carry and maintain worker's compensation as required by the California Labor Code for all persons employed directly or indirectly in connection with this Agreement by Contractor or any subcontractor.

3. Additional Insureds.

The City, its officers, agents and employees must be named as additional insureds or as additional loss payees in all insurance policies required by this Agreement. An endorsement to this effect shall be delivered to the City prior to the commencement of any work. Satisfaction of any deductible requirement shall be the responsibility of Contractor.

4. Cancellation Clause.

Each of the policies of insurance shall contain a clause substantially as follows:

It is hereby understood and agreed that this policy may not be canceled nor the amount of the coverage thereof be reduced until

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30 days after receipt by the City Administrator of the City of Commerce of the written notice of such cancellation or reduction of coverage, as evidenced by receipt of a certified letter.

5. Severability Clause.

Each of the policies of insurance shall contain a clause substantially as follows:

The insurance afforded by this policy applies separately to each insured against whom a claim or suit is made or suit is brought, except with respect to the limit of the insurer's liability.

6. Qualifications of Insurer.

All policies of insurance shall be issued by an insurance company acceptable to the City and authorized to issue said policy in the State of California.

7. Approval of Insurer.

The insurance carrier providing the insurance shall be chosen by Contractor subject to approval by the City, provided that such approval shall not be unreasonably withheld.

8. Payment of Premiums.

All premiums on insurance policies shall be paid by Contractor making payment, when due, directly to the insurance carrier, or in a manner agreed to by the City.

9. Evidence of Insurance and Claims.

The City shall have the right to hold the policies and policy renewals, and Contractor shall promptly furnish to the City all renewal notices and all receipts of paid premiums. In the event of loss, Contractor shall give prompt notice to the insurance carrier and the City. The City may make proof of loss if not made promptly by Contractor.

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**EXHIBIT C - FAITHFUL PERFORMANCE BOND**

for

**Painting Transportation Service Center Garage**  
**IN THE CITY OF COMMERCE, CALIFORNIA**

KNOW ALL MEN BY THESE PRESENTS that \_\_\_\_\_

\_\_\_\_\_, as CONTRACTOR

and \_\_\_\_\_, as SURETY,

are held and firmly bound unto the City of Commerce, in the penal sum of

\_\_\_\_\_ dollars (\$ \_\_\_\_\_),

which is one-hundred percent (100%) of the total contract amount for the above stated project, for the payment of which sum, CONTRACTOR and SURETY agree to be bound, jointly and severally, firmly by these presents.

THE CONDITIONS OF THIS OBLIGATION ARE SUCH that, whereas CONTRACTOR has been awarded and is about to enter into a Contract with the City of Commerce for the above stated project, if CONTRACTOR faithfully performs and fulfills all obligations under the contract documents in the manner and time specified therein, then this obligation shall be null and void, otherwise it shall remain in full force and effect in favor of the City of Commerce; provided that any alternations in the obligations or time for completion made pursuant to the terms of the contract documents shall not in any way release either CONTRACTOR or SURETY, and notice of such alternations are hereby waived by SURETY.

IN WITNESS WHEREOF the parties hereto have set their names, titles, hands, and seal this

\_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

CONTRACTOR\* \_\_\_\_\_

\_\_\_\_\_

SURETY\* \_\_\_\_\_

\_\_\_\_\_

\*Provide CONTRACTOR/SURETY name, address and telephone number and the name, title, address and telephone number for authorized representative.

Subscribed and sworn to this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

NOTARY PUBLIC \_\_\_\_\_

\_\_\_\_\_



# AGENDA REPORT

MEETING DATE: January 22, 2013

**TO:** HONORABLE CITY COUNCIL

**FROM:** CITY ADMINISTRATOR

**SUBJECT:** A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE REVIEWING AND ADOPTING THE POLICY FOR THE INVESTMENTS OF THE CITY OF COMMERCE FUNDS

**RECOMMENDATION:**

Approve and adopt the proposed Resolution reviewing and adopting the policy for the investments of the City of Commerce funds, and assign the number next in order.

**MOTION:**

Move to approve the recommendation.

**ANALYSIS:**

The City of Commerce's Investment Policy is reviewed annually by the City Council. The Finance Department continually reviews the policy for updating to meet state laws and local suitability. When changes in policy occur, the Finance Department brings all necessary changes in policy back to City Council for approval. The policy, as presented, contains no changes from the policy that was presented January 17, 2012.

As per City Council approval, the investment policy will continue to be reviewed on an annual basis.

**FISCAL IMPACT:**

This activity can be carried out without additional impact on the current operating budget.

**RELATIONSHIP TO 2009 STRATEGIC GOALS:**

The proposed Resolution is associated with Council's goal of making financially and economically sound decisions consistent with economic conditions.

Recommended by:

Vilko Domic  
Director of Finance/City Treasurer

Respectfully submitted,

Jorge Rifa  
City Administrator

Approved as to Form

Eduardo Olivo  
City Attorney

Attachments: Resolution  
Investment Policy





RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE  
CITY OF COMMERCE REVIEWING AND ADOPTING THE POLICY  
FOR THE INVESTMENTS OF THE CITY OF COMMERCE FUNDS

WHEREAS, Section 53646 of the State of California Government Code requires the annual review and adoption of an investment policy statement; and

WHEREAS, said investment policy has been written in compliance with all applicable laws and in accordance with guidelines provided by the Municipal Treasurer's Association of the United States and Canada; and

WHEREAS, the City of Commerce City Treasurer and Deputy City Treasurer have reviewed the current policy;

NOW THEREFORE, BE IT RESOLVED, by the City Council of the City of Commerce as follows:

1. That the policy statement attached hereto is adopted; and
2. That the policy be examined and considered for readoption annually.

PASSED, APPROVED AND ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_,  
2013.

\_\_\_\_\_  
Lilia R. Leon  
Mayor

ATTEST:

\_\_\_\_\_  
Linda Kay Olivieri, MMC  
City Clerk



CITY OF COMMERCE

STATEMENT OF INVESTMENT POLICY

I. INTRODUCTION

The purpose of this document is to identify various policies and procedures that enhance opportunities for a prudent and systematic investment policy and to organize and formalize investment-related activities. Related activities which comprise good cash management include the expeditious collection of revenue, cost-effective banking relations, and investment opportunity.

II. OBJECTIVES

- A. Safety: It is the primary duty and responsibility of the Treasurer to protect, preserve and maintain cash and investments placed in his/her trust on behalf of the citizens of the community.
- B. Liquidity: An adequate percentage of the portfolio should be maintained in liquid short-term securities which can be converted to cash if necessary to meet disbursement requirements. Since all cash requirements cannot be anticipated, investments in securities with active secondary or resale markets is highly recommended. Emphasis should be on marketable securities with low sensitivity to market risk.
- C. Yield: Yield should become a consideration only after the basic requirements of safety and liquidity have been met.
- D. Prudence: The agency adheres to the guidance provided by the "prudent man rule," "investment shall be made with the exercise of that degree of judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation but for investment considering the probable safety of their capital as well as the probable income to be derived."

III. DELEGATION OF AUTHORITY

The City Council has delegated the responsibility of managing the investment program of the City to the City Treasurer. The only officials authorized to undertake investment transactions on behalf of the City are the City Treasurer, Deputy City Treasurer or their designee. Those authorized persons shall establish and carry out written procedures and internal controls for the operation of the investment program consistent with this investment policy.

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IV. ETHICS AND CONFLICTS OF INTEREST

Officers and employees involved in the investment process shall refrain from personal business activity that conflicts with proper execution of the investment program, or impairs their ability to make impartial investment decisions. The City Treasurer and Deputy City Treasurer are required to annually file applicable financial disclosures as required by the Fair Political Practices Commission.

V. PUBLIC TRUST

Investment officials shall recognize that the investment portfolio is subject to public review and evaluation. The overall program shall be designed and managed with a degree of professionalism that is worthy of the public trust.

VI. INVESTMENT INSTRUMENTS

The authorized investment instruments to be utilized are:

- A. Securities of the U. S. Government, or its agencies.
- B. Certificate of Deposit placed with commercial Banks and Savings & Loans.
- C. Bankers Acceptance
- D. Commercial Paper
- E. Repurchase Agreements
- F. State of California Local Agency Investment Fund (LAIF)
- G. Money Market Mutual funds
- H. Other investments that are or may become legal investments through the California Government Code.

VII. INTERNAL CONTROLS

A system of internal control shall be established and documented in writing. Controls deemed most important include: Control of collusion, separation of duties, separating transaction authority from accounting, clear delegation of authority, minimizing the number of authorized Investment Officials and documentation of transactions.

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VIII. BANKERS AND SECURITIES DEALERS

The Treasurer shall consider the credit-worthiness of institutions. The Treasurer shall continue to monitor financial institutions credit characteristics and financial history throughout the period in which agency funds are deposited or invested.

IX. SAFEKEEPING OF SECURITIES

The City shall have a safekeeping financial institution as an independent third party custodian of securities. Collateral should always be at safekeeping. The City shall not purchase from or sell securities to the financial institution responsible for safekeeping of the City's securities. Securities at safekeeping shall be held in the City's name.

X. RISK TOLERANCE

The Government Agency recognizes that investment risks can result from issuer defaults or carious technical complications. Portfolio diversification is employed as a way to control risk. No individual investment transaction shall be undertaken which jeopardizes the total capital position of the overall portfolio.

XI. REPORTING

The Treasurer shall submit a monthly investment report to the Governing Body. This report shall be submitted within 30 days of the end of the month and shall include all required elements of the monthly report as prescribed by Government Code Section 53646. Additional information may be included in the monthly report but it is not required by the Government Code. Additionally, as required by the Government Code, the investment reports dated December 31 and June 30 of each year shall be submitted to the California Debt and Investment Advisory Commission within 60 days of the close of the quarter.

XII. INVESTMENT POLICY REVIEW

The City's independent auditor's shall annually review and make recommendations regarding the City's investment policies to the extent considered necessary as required by generally accepted auditing standards as they relate to the annual financial audit which included cash and investments. The Investment Policy shall also be submitted annually to the California Debt and Investment Advisory Commission with the investment report.

XIII. INVESTMENT POLICY ADOPTION

The City of Commerce Investment Policy shall be adopted annually by resolution of the City Council. The policy shall be reviewed annually by the City Treasurer and any modifications made thereto must be approved by the City Council.

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## APPENDIX A GLOSSARY

**BANKERS ACCEPTANCES** are short-term credit arrangements to enable businesses to obtain funds to finance commercial transactions. They are time drafts drawn on a bank by an exporter or importer to obtain funds to pay for specific merchandise. By its acceptance, the bank becomes primarily liable for the payment of the draft at maturity. An acceptance is a high grade negotiable instrument. Acceptances are purchased in various denominations for 30 to 180 days. The interest is calculated on a 360 day discount basis similar to Treasury Bills. Local agencies cannot invest more than forty per cent of their surplus money in Bankers Acceptances.

**CERTIFICATES OF DEPOSIT** are time deposits with financial institutions which earn interest at a specified rate for a specified term and not to exceed 30% of surplus funds. Liquidation of the CD prior to maturity incurs a penalty. There is no secondary market for those instruments; therefore, they are not liquid. They are classified as public deposits and financial institutions are required to collateralize them.

Non-negotiable CD's of \$100,000 are insured respectively by the Federal Deposit Insurance Corporation (FDIC), and the National Credit Union Share Insurance fund (NCUSIF). Local agencies can now invest in certificate of deposits with banks for more than \$100,000 with full FDIC insurance coverage.

**COLLATERAL** is securities, evidence of deposits or other property which a borrower pledges to secure repayment of a loan. It also refers to securities pledged by a bank to secure deposits of public monies. In California, repurchase agreements, reverse repurchase agreements, negotiable CDs purchased at a California institution, and public deposits must be collateralized. Collateral acceptable to the City must be U.S. Treasury or Federal Agency issues. This type of collateral must equal 110% of the deposit being secured.

**COMMERCIAL PAPER** is a short term, unsecured, promissory note issued by a corporation to raise working capital. These negotiable instruments may be purchased at a discount to par value or interest bearing. Eligible commercial paper is issued by corporations organized and operating within the United States and having total assets in excess of \$500 million. This would include firms such as General Motors Acceptance Corporation, American Express, Bank of America, Wells Fargo Bank, et cetera.

Local agencies are permitted to invest in commercial paper of "prime" quality of the highest ranking or of the highest letter and numerical rating as provided by nationally recognized statistical-rating organization. Purchases of eligible commercial paper may not exceed 270 days maturity nor exceed 25 % of the local agency's surplus funds.

## DEPOSITS

**Interest-bearing active deposits** are money market accounts at a financial institution (i.e., bank, savings and loan, credit union). These accounts are demand accounts (i.e., checking accounts) with restricted transaction activity.

**A Passbook savings account** is similar to an inactive deposit but without a fixed term. The interest rate is much lower than CD's, but the savings account allows flexibility. Funds can be deposited and withdrawn according to daily cash needs.

**FEDERAL AGENCY INSTRUMENTS** are issued by U.S. Government agencies or quasi-government agencies. These issues are guaranteed directly or indirectly by the United States Government. Examples of these securities are Federal Home Loan Bank (FHLB) notes, Federal National Mortgage Association (FNMA) notes, Federal Farm Credit Bank (FFCB) notes. Collateralized mortgage obligations issued by a federal agency may not be purchased by the City.

**LIQUIDITY** refers to the ease and speed with which an asset can be converted into cash without loss of value. In the money market, a security is said to be liquid if the spread between the bid and asked price is narrow and reasonably sized trades can be done at those quotes. U.S. Treasury bills are very liquid.

**LOCAL AGENCY INVESTMENT FUND (LAIF)** is a special fund in the State Treasury which local agencies may use to deposit funds for investment. There is no minimum investment period and the minimum transaction is \$5,000, in multiples of \$1,000 above that, with a maximum of \$30 million for any agency. It offers high liquidity because deposits can be converted to cash in twenty-four hours and no interest is lost. All interest is distributed to those agencies participating on a proportionate share determined by the amounts deposited and the length of time they are deposited. Interest is paid quarterly via direct deposit to the LAIF account. The State keeps an amount for reasonable costs of making the investments, not to exceed one-quarter of one per cent of the earnings.

**MATURITY** is the date upon which the principal or stated value of an investment becomes due and payable.

**MUTUAL FUNDS** are referred to in the Government Code, Section 53601(k), as "shares of beneficial interest issued by diversified management companies." The Mutual Fund must be restricted by its by-laws to the same investments as the local agency by the Government Code. These investments are Treasury issues, Federal Agency issues, Bankers Acceptances, Commercial Paper, Certificates of Deposit and Repurchase Agreements. The quality rating and percentage restrictions in each investment category applicable to the local agency also apply to the Mutual Fund. Other restrictions apply.

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**PORTFOLIO** is the term used to describe the collection or group of securities owned by an investor.

**PRINCIPAL** describes the original cost of a security. It represents the amount of capital or money which the investor pays for the investment.

**REPURCHASE AGREEMENTS** are short term investment transactions. Banks buy temporarily idle funds from a customer by selling him U.S. Government or other securities with a contractual agreement to repurchase the same securities on a future date at an agreed upon interest rate. Repurchase agreements are typically for one to ten days in maturity. The customer receives interest from the bank. The interest rate reflects both the prevailing demand for Federal Funds and the maturity of the Repo. Repurchase Agreements must be collateralized.

**U.S. TREASURY ISSUES** are direct obligations of the United States Government. They are highly liquid and are considered the safest investment security. U.S. Treasury issues include:

**Treasury Bills** are non-interest-bearing discount securities issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months or one year.

**Treasury Notes** have original maturities of over one year up to ten years.

**Treasury Bonds** have original maturities of up to 30 years.

Approved by the City Council of the City of Commerce: \_\_\_\_\_

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# AGENDA REPORT

DATE: January 22, 2013

TO: HONORABLE CITY COUNCIL

FROM: CITY ADMINISTRATOR

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE, CALIFORNIA, APPROVING AND RATIFYING AN AGREEMENT WITH ENVIRONMENTAL SCIENCE ASSOCIATES FOR THE HOUSING ELEMENT UPDATE PROJECT

RECOMMENDATION:

Approve and adopt the Resolution approving and ratifying an agreement with Environmental Science Associates for the Housing Element Update Project and assign the number next in order and appropriate \$49,968 from the General Fund Reserves (10-501) to 10-1520-54030.10141 (General Plan Housing Element) therefor.

MOTION:

Move to approve the recommendation.

DISCUSSION:

On December 18, 2012, the City Council approved the award of an agreement to Environmental Science Associates ("ESA") for the Housing Element update project. The agreement was mistakenly not presented to the City Council at that time. Staff subsequently prepared the agreement which has now been executed by ESA.

FISCAL IMPACT:

The fiscal impact has not changed. On December 18, 2012, staff advised that the total cost of the ESA proposal is \$49,968 and that, as a result of the dissolution of redevelopment, this cost burden has been shifted to the general fund.

RELATIONSHIP TO 2012 STRATEGIC GOALS:

This item is not specifically related to any of the 2012 Strategic Goals.

Reviewed by:

Alex Hamilton  
Assistant Director of  
Community Development

Respectfully submitted,

Jorge J. Rifá  
City Administrator

Fiscal impact reviewed by:

Vilko Domic  
Finance Director

Approved as to form:

Eduardo Olivo  
City Attorney

ATTACHMENTS: Resolution approving Agreement with ESA  
ESA Agreement

SUM (RESO - ESA AGMT - HOUSING ELEMENT) - 01-22-2013.DOC



RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE, CALIFORNIA,  
APPROVING AND RATIFYING AN AGREEMENT WITH ENVIRONMENTAL SCIENCE  
ASSOCIATES FOR THE HOUSING ELEMENT UPDATE PROJECT

WHEREAS, on October 2, 2012, the City Council approved the issuance of the Request for Proposal for the City of Commerce 2014-2021 Housing Element update; and

WHEREAS, based on criteria of selection, qualifications, experience and cost, staff recommended the hiring of Environmental Science Associates ("ESA"); and

WHEREAS, on December 18, 2012, the City Council approved the award of an agreement with ESA for the Housing Element update project.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMMERCE DOES HEREBY RESOLVES AND ORDERS AS FOLLOWS:

Section 1. The Agreement between the City of Commerce and Environmental Science Associates is hereby approved and ratified. The Mayor is hereby authorized to execute the Agreement for and on behalf of the City.

PASSED, APPROVED and ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

\_\_\_\_\_  
Lilia R. Leon, Mayor

ATTEST:

\_\_\_\_\_  
Linda Kay Olivieri, MMC  
City Clerk



**THIS AGREEMENT** (the "Agreement") dated as of \_\_\_\_\_, 2012 (the "Effective Date") is made by and between Environmental Science Associates, ("ESA"), ("Consultant") and the City of Commerce, a municipal corporation (the "City").

**RECITALS**

WHEREAS, the City has determined that it requires the services of a professional that can provide planning consulting services to prepare the 2014-2021 Housing Element;

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

WHEREAS, Consultant further represents that it is willing to accept responsibility for performing such services in accordance with the terms and conditions set forth in this Agreement.

**AGREEMENT**

1. **Scope of Services and Schedule of Performance.**

Consultant shall perform the services (the "Services") set forth in Exhibit A, which is attached hereto and incorporated herein by this reference, in accordance with the schedule set forth therein.

2. **Term.**

Except as otherwise provided by Section 20 hereof, the term of this Agreement shall be for a period commencing on the Effective Date until the completion by Consultant of all the Services, to the satisfaction of the City.

3. **Compensation.**

So long as Consultant is discharging its obligations in conformance with the terms of this Agreement, Consultant shall be paid a fee by the City in accordance with the fee schedule set forth in Exhibit A and with the other terms of this Agreement. The fees payable hereunder shall be subject to any withholding required by law.

Such fees shall be payable following receipt of an itemized invoice for services rendered. Consultant shall send and address its bill for fees, expenses, and costs to the City to the attention of the City Administrator. The City shall pay the full amount of such invoice; provided, however, that if the City or its City Administrator object to any portion of an invoice, the City shall notify Consultant of the City's objection and the grounds therefore within thirty (30) days of the date of receipt of the invoice; the parties shall immediately make every effort to settle the disputed portion of the invoice.

4. Financial Records.

Consultant shall maintain complete and accurate records with respect to fees and costs incurred under this Agreement. All such records shall be maintained on a generally accepted accounting basis and be clearly identified and readily accessible. Consultant shall keep, maintain and provide free access to such books and records to examine and audit the same, and to make transcripts thereof as necessary, and to allow inspection of all work data, documents, proceedings and activities related to this Agreement for a period of three years from the date of final payments under this Agreement. All accounting records shall readily provide a breakdown of fees and costs charged to this Agreement.

5. Independent Contractor.

Consultant is and shall perform its services under this Agreement as a wholly independent contractor. Consultant shall not act nor be deemed an agent, employee, officer or legal representative of the City. Consultant shall not at any time or in any manner represent that it or any of its agents, employees, officers or legal representatives are in any manner agents, employees, officers or legal representatives of the City. Consultant has no authority to assume or create any commitment or obligations on behalf of the City or bind the City in any respect. This Agreement is not intended to and does not create the relationship of partnership, joint venture or association between the City and Consultant. None of the foregoing shall affect any privilege or protection against disclosure which applies to the services Consultant undertakes under this Agreement.

6. Consultant to Provide Required Personnel; Subcontracting.

Consultant shall provide and direct the necessary qualified personnel to perform the Services required of, and from, it pursuant to the express and implied terms hereof, with the degree of skill and judgment normally exercised by recognized professional firms performing services of a similar nature at the time the Services are rendered, and to the reasonable satisfaction of the City.

Consultant may not have a subcontractor perform any Services except for the subcontractors identified in Exhibit A as such. Such identified subcontractors shall perform only those Services identified in Exhibit A as to be performed by such subcontractor. All labor, materials, fees and costs of such identified subcontractors shall be paid exclusively by Consultant. No subcontractors may be substituted for any of the identified subcontractors except with the prior written approval of the City Administrator.

7. Responsible Principal and Project Manager.

Consultant shall have a Responsible Principal and a Project Manager who shall be principally responsible for Consultant obligations under this Agreement and who shall serve as principal liaison between the City and Consultant. Designation of another Responsible Principal or Project Manager by Consultant shall not be made without the prior written consent of the City. The names of the Responsible Principal and the Project Manager are listed in Exhibit A.

8. City Liaison.

Consultant shall direct all communications to the City Administrator or his designee. All communications, instructions and directions on the part of the City shall be communicated exclusively through the City Administrator or his designee.

9. Licenses.

Consultant warrants that it and its employees have obtained all valid licenses and/or certifications generally required of professionals providing services such as the Services, by all applicable regulating governmental agencies, and are in good standing with such applicable regulating governmental agencies.

10. Compliance with Laws.

Consultant shall, and shall ensure that its employees and its subcontractors, if any, comply with all applicable city, county, state, and federal laws and regulations (including occupational safety and environmental laws and regulations) in performing the Services and shall comply with any directions of governmental agencies and the City relating to safety, security, and the like.

11. Insurance.

Consultant shall maintain insurance and provide evidence thereof as required by Exhibit B hereto (the "Required Insurance") which is attached hereto and incorporated herein by this reference, for the term provided herein.

12. Warranty and Liability.

Consultant warrants that the Services provided under this Agreement will be performed with the degree of skill and judgment normally exercised by recognized professionals performing services of a similar nature at the time the services were rendered. Consultant shall be liable for injury or loss caused by the negligence of, or breach of this warranty by Consultant, its employees, its subcontractors, if any, and/or its agents hereunder. This warranty survives the completion and/or termination of this Agreement.

13. Indemnification.

Consultant shall indemnify and hold the City and their respective officials, officers, agents and employees harmless from and against any and all liabilities, losses, damages, costs and expenses the City and their respective officials, officers, agents and employees hereafter may suffer in connection with any claim, action, or right or action (at law or in equity) because of any injury (including death) or damage to person or property proximately caused by any negligent acts, errors, or omissions by Consultant, its employees, its subcontractors or its agents in the performance of the Services hereunder. Consultant shall not be liable to the extent that any liability, loss, damage, cost, and expense is caused solely from an act of negligence or willful misconduct by the City or its respective officials, officers, employees or agents. Upon demand,

Consultant shall promptly provide a defense to such claims, actions or right of action (at law or equity) and shall promptly pay for all associated and resulting costs, damages, settlements, penalties, judgments, fees and expenses, including attorneys' fees and costs.

14. Confidentiality.

Consultant shall maintain as confidential and not disclose to others, either before or after the termination of this Agreement, any data, documents, reports, or other information provided to Consultant by the City, or employees or agents of the City, or any data, documents, reports, or other information produced by Consultant during its performance hereunder, except as expressly authorized in writing by the City, or to the extent required for: (1) compliance with professional standards of conduct for the preservation of the public safety, health, and welfare, but only after Consultant notifies the City of such need for disclosure; and (2) compliance with any court order or other government directive or requirement, but only after Consultant notifies the City of such an order, directive, or requirement. Consultant shall keep all "Confidential" materials received or generated under this Agreement in separate files marked "Confidential." Any non-compliance by Consultant with this part of the Agreement shall be deemed a material breach of this Agreement. The obligations of this paragraph shall survive the termination of this Agreement.

15. Ownership of Documents.

All original documents, designs, drawings, methodological explanations, computer programs, reports, notes, data, materials, services and other products prepared in the course of providing the Services (collectively, "Products") shall become the sole property of the City and the City shall have authority to publish, disclose, distribute, use, reuse or disposed of the Products in whole or in part, without the permission of Consultant. In the event that this Agreement is terminated by the City, Consultant shall provide the City with any finished or unfinished Products. No documents, designs, drawings, methodological explanations, computer programs, reports, notes, data, materials, services and other products prepared in whole or in part under this Agreement shall be the subject of an application for copyright or submitted for publication by or on behalf of Consultant. Notwithstanding such ownership, Consultant shall be entitled to make and obtain copies or reproductions of such Products for its own files or internal reference.

16. Data and Services to be Furnished by the City.

All information, data, records, reports and maps as are in possession of the City, and necessary for the carrying out of this work, shall be made available to Consultant without charge. The City shall make available to Consultant, members of the City's staff for consultation with Consultant in the performance of this Agreement. The City does not warrant that the information data, records, reports and maps heretofore to be provided to Consultant are complete or accurate; Consultant shall satisfy itself as to such accuracy and completeness. The City and Consultant agree that the City shall have no liability should any of the information, data, records, reports, and maps be inaccurate, incomplete or misleading.



17. Covenant against Contingent Fees.

Consultant warrants that it has not employed or retained any company or person to solicit or secure this Agreement and that it has not paid or agreed to pay any company or person any fee, City or percentage from the award or making of this Agreement, except for subcontractors listed in this Agreement. For breach or violation of this warranty, the City shall have the right, among other available legal remedies, to terminate this Agreement without liability, or in its discretion, to deduct from the consideration payable to Consultant, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift or contingent fee.

18. Conflict of Interest.

Consultant covenants that neither it nor any officer or principal of its firm have any interests, nor shall they acquire any interest, directly or indirectly which will conflict in any manner or degree with the performance under this Agreement. Consultant further warrants its compliance with the Political Reform Act (Government Code § 81000, *et seq.*) and all other laws, respecting this Agreement and that no Services shall be performed by either an employee, agent, or a subcontractor of Consultant, who has a conflict relating to the City or the performance of Services on behalf of the City.

19. Other Agreements.

Consultant warrants that it is not a party to any other existing agreement that would prevent Consultant from entering into this Agreement or that would adversely affect Consultant's ability to perform the Services under this Agreement. During the term of this Agreement, Consultant shall not, without City's prior written consent, perform services for any person, firm, or corporation other than City if such services could lead to a conflict with Consultant's obligations under this Agreement.

20. Termination.

This Agreement may be terminated, prior to the expiration of its term, only in the following manner:

- a. by the written mutual agreement of the parties hereto; or
- b. by the City, with or without cause, upon 5 days written notice to Consultant pursuant to Section 25 of this Agreement.

Upon receipt of a notice of termination, Consultant shall immediately cease all work and promptly deliver to the City the work product or other results obtained by Consultant up to that time. In the event of termination without cause by the City, the City shall pay Consultant for work completed prior to the date of such termination (based on the percentage of the overall work satisfactorily completed by Consultant in relation to the work required by the entire Agreement or the hours worked by Consultant, as applicable), provided such work is in a form usable by the City.

212. Waiver of Breach.

No waiver of any term, condition or covenant of this Agreement by the City shall occur unless signed by the City Administrator and such writing identifies the provision which is waived and the circumstances or period of time for which it is waived. Such waiver shall be for the specified period of time only and shall not apply to any subsequent breach. In addition, such waiver shall not constitute a waiver of any other term, condition or covenant of this Agreement nor shall it eliminate any remedies available to the City for any breaches of this Agreement which are not excused by such waiver. A delay in communicating a failure of Consultant to satisfy a term, condition or covenant in no way waives that term or any remedies available for its breach.

22. Assignment.

Neither this Agreement nor any rights or obligations hereunder may be assigned or otherwise transferred by Consultant, nor shall this Agreement inure to the benefit of any trustee in bankruptcy, receiver, or creditor or Consultant, whether by operation of law or otherwise, without the prior written consent of the City which may be withheld in its sole discretion. Any attempt to so assign or transfer this Agreement or any rights or obligations hereunder without such consent shall be void and of no effect.

23. Arbitration.

If any dispute arises out of or relates to this Agreement, or the breach thereof, and if such a dispute cannot be settled through direct discussions, the parties agree to settle any disputes involving only monetary amounts less than \$100,000 by binding arbitration pursuant to the rules of the American Arbitration Association by an arbitrator sitting in Los Angeles County.

24. Attorneys' Fees.

In the event an arbitration or a judicial proceeding is brought to enforce the terms of this Agreement, the prevailing party shall be entitled to recover from the other party its reasonable costs and attorneys' fees incurred in connection therewith.

25. Notices.

Notices provided hereunder shall be delivered by certified First Class U.S. Mail, postage prepaid, or by personal service as required in judicial proceedings, directed to the address provided below:

For the City:

City of Commerce  
2535 Commerce Way  
Commerce, California 90040  
Attn: Matt Marquez

For Consultant:

ESA Associates  
626 Wilshire Boulevard, Suite 1100  
Los Angeles, CA 90017  
Attn: Lloyd Zola, Senior Vice President

Notice shall be deemed received three days after its mailing to the above address or upon actual receipt as indicated by return receipt, whichever is earlier. Personal service shall be deemed received the same day personal delivery is effected.

26. Governing Law.

The validity, performance and construction of this Agreement shall be governed by and interpreted in accordance with the laws of the State of California applicable to contracts made to be performed therein. Any litigation commenced by either party to this Agreement shall be venued in Los Angeles County, California.

27. Severability.

Should any part of this Agreement be declared by a final decision by a court or tribunal of competent jurisdiction to be unconstitutional, invalid, or beyond the authority of either party to enter into or carry out, such decision shall not affect the validity of the remainder of this Agreement, which shall continue in full force and effect, provided that the remainder of this Agreement, absent the unexercised portion, can be reasonably interpreted to give effect to the intentions of the parties.

28. No Construction of Agreement against any Party.

Each party has cooperated in the drafting and preparation of this Agreement. Hence, in any construction to be made of this Agreement, it shall not be construed against any party on the basis such party drafted this Agreement or any provision thereof.

29. Entire Agreement and Amendments to Agreement.

This Agreement contains the entire understanding and agreement between the parties hereto with respect to the subject matter hereof and supersedes all previous communications, negotiations, and agreements, whether oral or written, between the parties with respect to such subject matter, and no addition to or modification of this Agreement or waiver of any provisions of this Agreement shall be binding on either party unless made in writing and executed by Consultant and the City.

30. No Representations Except as Expressly Stated in this Agreement.

Except as expressly stated in this Agreement, no party, nor its employees, agents or attorneys have made any statement or representation to any other party or its employees, agents

or attorneys regarding any fact relied upon in entering into this Agreement, and each party does not rely upon any statement, representation and/or promise of any other party, its respective employees, agents or attorneys in executing this Agreement.

31. Counterpart Signatures.

This Agreement may be executed in one or more counterparts. When this Agreement has been properly signed by an authorized representative of each of the parties hereto, it shall constitute a valid Agreement, though each of the signatories may have executed separate counterparts hereof.

**IN WITNESS WHEREOF**, the parties hereto have each executed or caused to be executed this Agreement as of the Effective Date.

**CITY OF COMMERCE**

DATED: \_\_\_\_, 2012

By: \_\_\_\_\_  
Lilia R. Leon, Mayor

ATTEST:

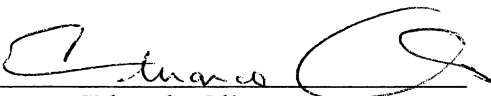
\_\_\_\_\_  
Linda K. Olivieri, City Clerk

**ESA Associates**

DATED: \_\_\_\_, 2012

By: \_\_\_\_\_  
Lloyd Zola, Senior Vice President

**APPROVED AS TO FORM**

  
By: Eduardo Olivo  
Title: City Attorney

**EXHIBIT A**

**SCOPE OF SERVICES**

**(see attached)**



## SECTION 1

# Project Approach and Scope of Work

*ESA's Team has over 50 years of experience preparing complex planning documents. As a result, we will effectively and efficiently complete the Housing Element update prior to the October 15, 2013 deadline.*

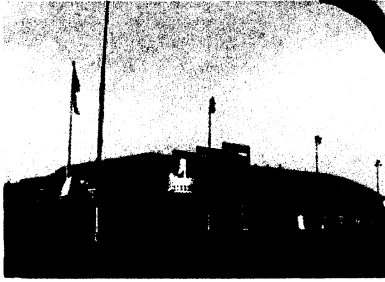
## Understanding of the Project

The City of Commerce is a small, but unique jurisdiction located in southeast Los Angeles County. The City has historically maintained a substantial inventory of industrial and commercial uses intermixed with distinct residential neighborhoods. Over the years Commerce has evolved, adapting to the changing needs of the community, maintaining its industrial manufacturing base while simultaneously converting former industrialized land to lucrative commercial uses. As Commerce continues to adapt there is a heightened need to focus planning efforts towards the improvement and expansion of housing opportunities throughout the City. This effort presents a new challenge hinged on developing incentives and land use regulations that will encourage the private sector to sponsor revitalization consistent with the community's values and vision.

The City's most recent General Plan establishes the framework for housing revitalization and development opportunities. Given the built-out character of the area, the General Plan focuses on identifying target areas where growth and revitalization will most benefit residents and the business community over the long term. To initiate this transformation the 2020 General Plan introduced the Mixed Use and Housing Opportunity Area. The Mixed Use land use designation applies to the Atlantic Avenue corridor allowing for a mix of residential and commercial development. The Housing Opportunity Area applies to a grouping of industrial properties located near the center of the City, and permits the existing manufacturing uses to recycle to residential development. The 2008-2014 Housing Element utilized these land use designations as a foundation to accommodate the City's remaining RHNA allocation. In total the 2008-2014 Housing Resources section identified 6 units to be accommodated on parcels designated as Atlantic Mixed Use and 40 units to be accommodated on parcels designated as Housing Opportunity Overlay. Based on information provided in the previous Housing Element approximately 13 lower income units (12 units were accommodated by land zoned Medium Density Residential) were not accommodated due to unimplemented rezoning and may carry forward in the 2014-2021 planning period.

Accommodating the City's current RHNA allocation, in addition to any carryover units will require an evaluation of the existing and potential housing opportunities for all income groups. Opportunities may exist through the City's density bonus, second dwelling units, infill housing, alternative housing models, and developer incentive programs. However, if it is determined that the City wants and needs to complete the required rezoning (as outlined in Programs 3.1 and 3.2 of the 2008-2014 Housing Plan) ESA is prepared to assist the City with the development of zoning regulations for the Atlantic Boulevard Mixed-Use and Housing Opportunity Overlay zones, complete any requested community outreach efforts and required environmental analysis (see optional Task 14). If the Zoning Code updates are warranted, we strongly recommend that the City initiate the work effort immediately, concurrent with the Housing Element update process, and aim to adopt the Code amendments prior to the first submittal of the draft for HCD review.

ESA understands that the City must continue to ensure that land use designations and zoning development standards enable the City to address the future housing needs for all socio-economic groups. Other challenges include both regional and local issues including: land use compatibility, vacant or redevelopment opportunity sites to accommodate higher density residential development, construction slow-downs, and the loss of redevelopment as a key housing implementation tool. In response to these challenges, there is a need and desire for the development of diverse housing types that can accommodate the needs of residents while maintaining the character of the City and preserving and enhancing the existing housing stock.



In working with our clients to certify their Housing Elements, we have discovered that HCD is particularly interested in zoning that allow for higher-density development. The default density, established by State law, is intended to ensure that affordable housing development is feasible without additional incentives. For jurisdictions with a population less than 25,000 within a Metropolitan Statistical Area (MSA) with a population of more than 2 million, the City is considered to be Suburban and the default density is 20 dwelling units per acre. Commerce has a population of 13,550 and is within the Los Angeles–Long Beach–Santa Ana MSA. Thus, HCD has determined that Commerce's default density is 20 dwelling units per acre.

The City of Commerce Housing Element update will establish programs, policies, and implementation actions that will result in an adequate supply of land to accommodate identified housing needs through the 2014-2021 housing planning period. The Housing Element will institute policies that will guide decision-making and will establish an action program to establish housing goals through 2021. With the 2014-2021 RHNA, the City will be asked to identify ways to facilitate 46 units – distributed among the four income categories – and provide for safe, decent housing opportunities as the City and region continues to grow. The Housing Element will define ways to accommodate its fair share of regional housing growth while satisfying broader community goals to balance land use and achieve quality

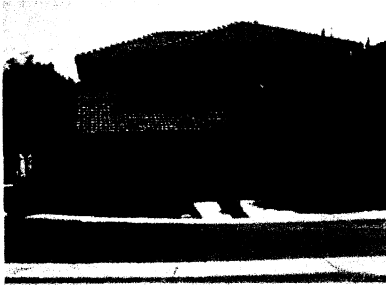
development for all projects. The City’s main challenge will be to identify successful housing programs and funding sources given the loss of redevelopment as a primary tool for implementation.

## Approach Summary

### A. Basic Requirements for the Housing Element

State law (Article 10.6 of the California Government Code) requires cities and counties to analyze local housing needs, and provide realistic programs to meet those needs. More specifically, the Commerce Housing Element is required to:

- Identify and analyze the current and projected housing needs of “all economic segments of the community,” based on the regional housing needs allocation prepared by the Southern California Association of Governments (SCAG);
- Identify and analyze the housing needs of “special needs” groups (e.g., elderly, homeless and those in need of transitional housing, large families, farm workers, single parent households, handicapped), and others;
- Evaluate current and potential constraints to meeting those needs, due both to marketplace and government operations;
- Assess the availability of land suitable for residential use that is needed to meet identified housing needs;
- Evaluate opportunities for energy conservation in residential development;
- Evaluate the progress made on achieving the goals and objectives and implementing the programs contained in the previous housing element; and
- Set forth objectives, policies, and a schedule of actions to meet identified housing needs,<sup>1</sup> and to remove governmental and non-governmental constraints on the production of housing.



Unlike other portions of the General Plan that are long-term in nature, the Housing Element is required to set forth short-term programs to meet identified housing needs. Current State law establishes a 2014-2021 time period for Housing Elements within the SCAG region, including the City of Commerce. Key to the Housing Element update will be an assessment of underutilized land suitable for residential use that is sufficient and

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<sup>1</sup> “Identified housing needs” includes production of new housing to meet the needs of households of all economic segments of the community, conservation of existing sound housing, improvement of existing substandard housing, protection of existing housing affordability, promotion of equal housing opportunities, and meeting the needs of “special needs” groups.



appropriate to meet the housing needs set forth in SCAG’s Regional Housing Needs Allocation, 2014 – 2021, and the potential 2008-2014 carry over, as described previously. The City’s 2014-2021 RHNA allocation is presented on the following page.

Income Group	Number of Units (2014 – 2021)
Very Low Income (<50% of County Median Income)	12*
Low Income (50% to 80% of County Median Income)	7
Moderate Income (80% to 120% of County Median Income)	7
Above Moderate Income (<120% of County Median Income)	20
<b>Total</b>	<b>46</b>

\*50% or 6 units are Extremely Low-Income (SOURCE: SCAG)

With adoption of SB 375, the housing element planning period has been extended from five years to eight years to allow for synchronization with SCAG’s Regional Transportation Plan and Sustainable Communities Strategy. This is an important change for the new housing element cycle. For jurisdictions which do not submit their housing element update within 120 days of the October 15, 2013 deadline, their housing element updates will revert to a four-year cycle. ESA is prepared to start the work program immediately and work efficiently to meet HCD’s deadline.

In preparing the Housing Element update, new State legislation must be addressed. New legislation that may affect your housing element update includes:

- **SB 812:** Jurisdictions must include an analysis of the housing needs for developmentally disabled persons. ESA has included this task in the Element (*see Task 3.1*).
- **AB 1867:** If certain criterion is met, jurisdictions can count multi-unit homeownership units that have been converted to committed affordable units toward their RHNA allocation (up to 25%). ESA will work with the City to identify opportunities where, if any, multi-unit homeownership units can be credited towards the City’s RHNA.
- **AB 162:** Requires jurisdictions to address flood-related matters in the Land Use, Conservation, and Safety elements of their general plans. Per law, these elements must be updated, upon revision of the Housing Element, to address flooding hazards utilizing recently updated FEMA

maps, and to establish a set of comprehensive goals, policies and objectives, based on specified information for the protection of the community from, for example, the unreasonable risks of flooding. This law became effective during the prior Housing Element cycle. If this was not done during the 2008-2014 cycle, the City will need to do so now. While deferring completion of this effort will not affect the adequacy of your housing element, it could affect the adequacy of the Land Use, Conservation, and Safety elements of your General Plan. We have included this work as an optional task in our scope of work (*see Task 13*).

- **SB 244:** A new (2011) law that mandates jurisdictions to update their General Plans to address disadvantaged unincorporated communities. Upon the adoption of a Housing Element, the Land Use Element may be required to be updated to include an infrastructure analysis of any community, with ten or more units, within the sphere of influence with an annual median household income that is less than 80 percent of the statewide annual median household income (the stated definition of a “disadvantaged community”). Financing mechanisms that can feasibly extend water, sewer, storm water and fire protection to those communities must be identified. ESA is available to provide assistance; we have included this as an optional item in our scope of work (*see Task 13*). While deferring completion of this effort will not affect the adequacy of your housing element, it could affect the adequacy of the Land Use element of your General Plan.

## B. ESA’s Role in the Housing Element Update

ESA will assist the City in all aspects of the Housing Element, including its initial preparation; soliciting and receiving input from community stakeholders (e.g., property owners that may be affected by land use changes, housing providers, affordable housing advocates, the development community, and the general public); revising the draft element based on input from these stakeholders and City Staff review of the document; presenting the draft Housing Element to the Planning Commission and City Council; formally submitting the document to HCD; responding to HCD comments on the draft document and revising the document accordingly; taking the Housing Element through public hearings; and securing HCD “certification” of the Housing Element following its adoption by the City Council. The roles of ESA and City Staff in preparing the Housing Element are presented on the following page.

Activity	ESA Role	City Role
<b>Preparation of the Draft Housing Element and Environmental Documentation</b>	<ul style="list-style-type: none"> <li>▪ Update housing, population, and employment projects to be consistent with the most recent Los Angeles County projections.</li> <li>▪ Incorporate the 2014-2021 RHNA figures as provided by SCAG and AB 1233 analysis to determine the City’s shortfall, if any, from the 2008-2014 RHNA.</li> <li>▪ Evaluate results from previous housing programs and policies implemented and their effectiveness. Prepare recommended revisions to policies or programs should Staff review determine that such revisions are needed; update time frames on programs, as needed.</li> <li>▪ Assess housing conditions and immediate needs within the City, including special housing needs.</li> <li>▪ Set quantifiable objectives and programs to address housing needs for all income levels.</li> <li>▪ Analyze housing opportunities, and define an inventory of suitable sites and the City’s capacity to meet regional housing goals including the City’s 2014-2021 RHNA and the shortfall, if any, from the City’s 2008-2014 RHNA.</li> <li>▪ Identify actual and potential constraints on the maintenance, improvement, and development of housing for all income levels.</li> <li>▪ Assess all City Housing programs for the elderly, disabled, female head-of-households, homeless, and low and moderate income groups to determine success and future recommendations.</li> <li>▪ Assist with compiling all data associated with the City’s AB 987 requirement for web publication.</li> <li>▪ Prepare an appropriate environmental document for compliance with CEQA.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Review drafts and provide City Staff comments.</li> <li>▪ Distribute required notices.</li> </ul>
<b>Community and Stakeholder Input</b>	<ul style="list-style-type: none"> <li>▪ Prepare monthly progress reports and facilitate monthly conference call meetings with City Staff.</li> <li>▪ Facilitate and prepare all materials, including a PowerPoint presentation, for one (1) study session with Planning Commission and/or City Council to which the public and stakeholders are invited. If needed, bilingual (English/Spanish) services for meeting facilitation and materials will be provided.</li> </ul>	<ul style="list-style-type: none"> <li>▪ In coordination with Consultant, set meeting times.</li> <li>▪ Distribute required meeting notices and agendas.</li> </ul>

Activity	ESA Role	City Role
<b>Coordination with HCD through Element Certification</b>	<ul style="list-style-type: none"> <li>▪ Identify issues needing discussion with HCD and assist in defining methods of resolving issues.</li> <li>▪ Respond to all comments from HCD, in collaboration with Staff, as needed.</li> <li>▪ Maintain on-going communication with HCD and Staff until the Housing Element is certified.</li> <li>▪ Provide HCD requested supplemental data or information regarding proposed programs and/or policies.</li> <li>▪ Obtain HCD certification of the Housing Element prior to the October 15, 2013 deadline.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Collaborate with ESA in order to respond to comments from HCD.</li> </ul>
<b>Public Hearings</b>	<ul style="list-style-type: none"> <li>▪ Attend two (2) — one (1) Planning Commission and one (1) City Council—public hearings.</li> <li>▪ Prepare Staff reports and PowerPoint presentations for the Planning Commission and City Council to ensure appropriate information is included to satisfy HCD.</li> <li>▪ Respond to questions and record all comments during public hearings.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Distribute required meeting notices and agendas.</li> </ul>
<b>Project Management</b>	<ul style="list-style-type: none"> <li>▪ Facilitate monthly conference calls/meetings with City Staff.</li> <li>▪ Provide and maintain a computerized project folder for the Housing Element project that is accessible via the Internet to all project participants.</li> <li>▪ Provide monthly written and verbal progress reports to the City. Any verbal updates will also include a summary memo or email regarding the items discussed or agreed upon.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Attend meetings with ESA and provide feedback regarding progress and/or action items.</li> </ul>

## Scope of Work

Based on our review of the Request for Proposal, we have put together a scope of work that we believe responds to the City’s objectives.

ESA proposes a work plan that is divided into three stages:

- **Stage 1** – Housing Element Background Technical Report
- **Stage 2** – Preparing the Housing Element Document
- **Stage 3** – City Adoption and State Certification

In **Stage 1**, ESA will review the 2008-2014 Housing Element and all applicable City, regional and State documents and prepare an updated Housing Element Background Technical Report. ESA will also prepare a progress report on the implementation of the 2008-2014 Element and collaborate with Staff to draft a new Housing Plan. Upon completion of a draft Housing Element, ESA will facilitate a “Housing Element 101” informational workshop and study session with the Planning Commission and/or City Council that will be open to the public, to inform them of the Housing Element update process, and collect their input on the draft housing element. Key stakeholders and the community will be invited to identify key housing issues that may not have otherwise been addressed in the Housing Element update. If it is determined that the City needs assistance with the implementation of the 2008-2014 Housing Element to address AB 1233, the required Zoning Code amendments will be initiated to ensure adoption prior to HCD review of the 2014-2021 Element.



In **Stage 2**, ESA will prepare and finalize the Housing Element document. A draft Housing Element will be submitted to HCD for their review and comments. The draft Housing Element will be revised per HCD’s comments, community input, Planning Commission and City Council input, and additional Staff input.

In **Stage 3**, ESA will prepare an Initial Study for the Housing Element that is consistent with California Environmental Quality Act (CEQA). The revised draft Housing Element will be submitted to the Planning Commission and City Council for their final review and adoption. ESA will attend the Planning Commission and City Council public hearings. Upon adoption by the City, ESA will follow through with assisting the City in achieving State certification of the Housing Element.

In response to the challenging economic climate facing jurisdictions today, the proposed scope of work can be reviewed by the City to determine which tasks it prefers to be expanded, contracted, or modified for the Housing Element Update. We recognize that is important for jurisdictions to have flexibility within the scope of work, budget, and schedule to ensure that a work program is developed that specifically meets the needs of the City of Commerce.

In the following section, we propose a series of tasks we will undertake to complete the work program. The Timeline and Task List provided in this section further illustrate the interrelationships of the various tasks.

## STAGE 1: Housing Element Technical Background Report

### Task 1: Initial Meeting with City Staff

ESA will meet with City Staff at the outset of the Housing Element update to:

- Unless otherwise resolved during contract negotiations, review the community participation program to address coordination of workshops and other PC/CC informational workshop meetings needed for the Housing Element;
- Establish procedures for product review, progress reporting, task completion, and obtain relevant plans, reports, ordinances, and studies;
- Discuss the status of existing housing programs, funding mechanisms, and any existing applications for affordable housing within the City;
- Review the sites in the current 2008-2014 Housing Element and discuss the development potential of identified sites;
- Identify issues that might require input from HCD early in the update program and develop strategies to approach HCD or work around early HCD input; and
- Prior to kick-off meeting, ESA will identify document and data needs to assist Staff in accumulating needed information.

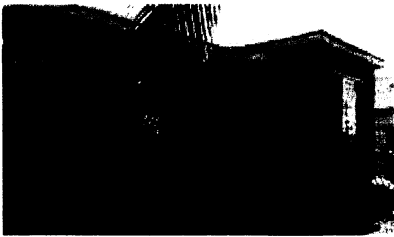
**Meeting:** One (1) meeting with City Staff.

**Deliverable:** Agreed upon project schedule.

### Task 2: Document Review and Progress Report on the 2008-2014 Housing Element

ESA will review City documents to obtain a clear understanding of local conditions and the community's housing needs. These documents include at a minimum:

- 2020 General Plan;
- 2008-2014 Housing Element;
- The Zoning Ordinance;
- All housing programs and ordinances currently in place; and
- Any major land use applications proposed or approved.



As required by State law, this task will produce a report on the progress the City has made in implementing the existing Housing Element. In general, the task will include a review of the following:

- The appropriateness of the housing goals, objectives, and policies in contributing to the attainment of the stated housing goal;
- The effectiveness of the Housing Element in attaining community housing goals and objectives; and
- The City's progress in implementing the Housing Element.

ESA will evaluate the Housing Element's effectiveness and success in its implementation; our report will include the following information:

- A comparison of the actual results of the Element with its goals, objectives, policies and programs. The results will be quantified where possible, but may be qualitative where necessary;
- An analysis of the significant differences between what was projected or planned in the earlier Element and what was achieved; and
- A description of how the goals, objectives, policies, and programs of the updated Element incorporate what was learned from the results of the prior Element.

**Deliverable:** Progress Report of 2008–2014 Housing Element.



### Task 3: Background Technical Report

This task will produce a Background Technical Report which will include the required housing inventory, and inventory of resources and constraints relevant to meeting these needs.

#### 3.1 Needs Analysis

ESA will complete the housing assessment and needs analysis to satisfy Government Code Section 65583(a). ESA will coordinate with Staff to develop a current housing inventory and to evaluate housing conditions using State approved criteria. To complete this task, ESA will obtain and analyze the most current data available on demographics and housing in the City of Commerce. The Housing Needs Assessment will include the following analyses:

- An analysis of population, income, and employment trends and documentation of projections and a quantification of the City's existing and projected housing needs for all income levels for the past 20 years. These existing and projected needs will include the City's share of the regional housing need in accordance with the Final RHNA;
- An analysis and documentation of household characteristics, including level of payment compared to ability to pay, housing characteristics, including but not limited to, overcrowding and housing stock condition

for the past 20 years. Data on the condition of housing will be based on already completed City surveys (if any), supplemented by age of housing data; and

- An analysis of any special housing needs, such as those of the elderly, persons with disabilities, large families, farm workers, families with female heads of households, and families and persons in need of emergency shelter. ESA will address any applicable new State laws, including AB1867, which requires an analysis of developmentally disabled persons housing needs, in this task.

State law requires analysis of existing assisted housing developments which are eligible to change from low-income housing uses during the next 10 years due to termination of subsidy contracts, mortgage prepayment, or expiration of restrictions on use. If such units exist in Commerce, we will analyze: 1) costs of preserving and/or replacing the units, 2) resources for preserving and/or replacing the units, 3) quantified objectives for units at risk to be preserved, and 4) programs for preserving and/or replacing units at risk. As requested by the City, **ESA will assist the City to update their AB987 table for publication on the City’s website.**

### 3.2 Housing Resources and Opportunities

ESA will identify housing resources, including programmatic, physical, and financial. In addition, ESA will analyze the opportunities for energy conservation with respect to residential development.



The Resources and Sites analysis will focus on site suitability for housing, drawing from earlier research completed for the 2008-2014 Housing Element, and will be augmented with our research to address the RHNA associated with the 2014-2021 Housing Element cycle (anticipated to be 46 units). We will prepare GIS maps that identify sites to meet the RHNA for inclusion in the Housing Element. The 2008-2014 Housing Element relied on rezoning to accommodate the City’s lower income RHNA allocation. Based on recent discussions with City Staff we understand that the City has not yet adopted the necessary Zoning Code amendments to allow the existing sites inventory to be utilized to accommodate the RHNA allocation for the upcoming planning period. ESA is prepared to assist with the required Zoning Code amendments (see Task 14) and will work with Staff to ensure a smooth work flow that accommodates both work efforts simultaneously ensuring that the 2014-2021 Element is submitted for an initial 60-day review to HCD no later than March 2013.

The land inventory is required for all Housing Element updates and HCD has become stricter in its review of site feasibility. We suggest that the inventory include all of the following:

- A listing of properties by parcel number or other unique reference;



- The size of each property listed and the general plan designation and zoning of each property;
- For non-vacant and underutilized sites, a detailed description of the existing use on each property including age and condition of buildings including pictures of the structures and a description of the likelihood of redeveloping existing uses;
- A general description of existing or planned water, sewer, and other dry utilities supply, including the availability and access to distribution facilities;
- Sites identified as a available for housing for above-moderate income households in areas not served by public sewer systems; and
- A map that shows the location of the sites included in the inventory (in GIS format).



### 3.3 Housing Constraints

ESA will identify potential and actual governmental and non-governmental (e.g. environmental) constraints to housing production, including any constraints on people with disabilities, as required by the enactment of SB520 (effective in 2002). Where constraints exist, ESA will develop housing programs to mitigate them or, where appropriate and legally possible, remove them.

An inventory of housing constraints will include an analysis of potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels, including land use controls, building codes and their enforcement, site improvements, fees and other exactions required of developers, and local processing and permit procedures.

In addition, the housing constraints section will include an analysis of potential and actual non-governmental constraints upon the maintenance, improvement, or development of housing for all income levels and for special needs populations required to be addressed by law. Constraints include the availability of financing, the price of land, and the cost of construction.

An assessment of environmental and infrastructure constraints to development is an important issue when identifying potential sites to accommodate affordable housing. Water availability, sewer availability, conditions of streets, and potential for hazards will be addressed. ESA will rely on current City documents and follow-up interviews with City Staff to determine potential environmental and infrastructure constraints to housing. This environmental review will assist in the preparation of the environmental clearance for the Housing Element.

**Deliverable:** Background Technical Report including appropriate maps, tables and exhibits.

### 3.4 Housing Goals, Policies and Quantified Objectives

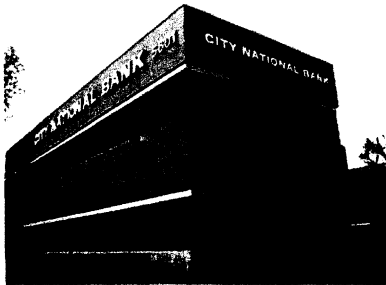
ESA will build on the existing Housing Element, public input, and the Background Technical Report to formulate an eight-year implementation plan with appropriate housing goals, polices, and quantified objectives relative to the maintenance, preservation, improvement, and development of housing.

In addition to consultations with City Staff, public input will play an important role in the formulation of the eight-year implementation plan. As outlined in Task 12, ESA will conduct one (1) community workshop for the general public, most likely in the form of a study session with the Planning Commission and/or City Council. These public workshops will include bilingual materials in English and Spanish to provide insight into what the community and key decision makers see as the housing needs and priorities for the City. This task will provide information to be used in deciding the goals, policies, and programs for the Housing Element update.

The housing goals, polices, and quantified objectives will need to satisfy the requirements of Government Code Section 65583(b) and (c), as noted below:

- Ensure that housing opportunities are available for all persons in the City;
- Preserve and improve the existing stock of affordable housing, including assisted housing developments;
- Facilitate development of adequate housing to meet the needs of extremely low, very low, low and moderate income households, meeting regional share of goals;
- Address and, where appropriate and legally defensible, remove any governmental constraints to housing production, improvement and/or maintenance, including barriers to persons with disabilities; and
- Ensure consistency with other General Plan Elements and community goals.

**Deliverable:** Memo outlining the Housing Plan including draft goals, policies and objectives.



## STAGE 2: Preparing the Housing Element Document

### Task 4: Screencheck Draft Housing Element

Prior to HCD submittal, ESA will prepare and submit a Screencheck Draft Housing Element for City Staff review and comment. ESA anticipates two (2) review cycles, with a maximum of two weeks for Staff to review the screencheck/draft Housing Element. All screencheck/draft documents shall be submitted electronically in Microsoft Word through the computerized project folder. Once City Staff has reviewed and commented on the Screencheck Draft, ESA will modify it as directed. An allowance has been made for minor revisions that may be identified during City Staff review of the revised Screencheck Draft Housing Element.

**Deliverable:** Screencheck Draft Housing Element for City Staff review and comment.

### Task 5: Draft Housing Element

ESA will incorporate Staff comments from the Screencheck Draft Housing Element review and input from stakeholders, the public, the Planning Commission, and City Council into the Draft Housing Element.



As outlined in Task 12, prior to the draft Housing Element submittal to HCD, ESA will hold one (1) study session with the Planning Commission and/or City Council and invite the community and key stakeholders to review and provide input on the draft Housing Element.

The draft Element will be submitted for an initial 60-day review with HCD. Throughout the review period, ESA will keep in contact with HCD Staff to facilitate review and anticipate/respond to any specific concerns HCD may have.

**Deliverables:** Five (5) hard copies, one (1) digital file (Adobe PDF) on CD and one (1) reproducible original of the Draft Housing Element and any technical appendices for the City.

### Task 6: CEQA Compliance

ESA will prepare an Initial Study for the Housing Element concurrently with the Housing Element update process. Our approach assumes that no substantial land use changes will be proposed in the updated Housing Element, that is, that the sites inventory will identify capacity consistent with the General Plan Update land use policies and build-out projections. To the extent possible, we will draw conclusions from prior environmental documentation conducted for the General Plan and Housing Element update completed within the last few years and any Specific Plans or other planning documents that address housing. ESA assumes the Initial Study will justify

the adoption of an Initial Study (I S)/(Mitigated)(M) Negative Declaration(ND). The IS/(M)ND will include a project description, location, environmental checklist, analysis of potential environmental effects, methods for mitigating significant effects, and an analysis of consistency with existing plans and land use controls. ESA anticipates two (2) review cycles, with a maximum of two weeks for Staff reviews of the screencheck/draft IS/MND. All screencheck/draft documents shall be submitted electronically in Microsoft Word through the computerized project folder. Once City Staff has reviewed and commented on the Screencheck Draft, ESA will modify it as directed.

At the conclusion of the 30-day public review, response to comments will be prepared, constituting the Final/(Mitigated) Negative Declaration. If necessary, a Mitigation Monitoring Program with appropriate mitigation measures will accompany the Final (M)ND. This documentation will be brought to the Planning Commission and City Council for review and adoption.

ESA will prepare the Notice of Determination (NOD) for the City to file with the County of Los Angeles following the adoption of the Housing Element by the City Council. The City will be responsible for paying all required fees.



As required by SB 18, ESA will contact the Native American Heritage Commission (NAHC) early in the work program to identify Native American tribes for consultation. After the minimum 90-day consultation request period which can be reduced upon tribe approval, we will meet and consult with tribes that request consultation.

**Meetings:** ESA will meet and consult with tribes that request consultation.

**Deliverables:** Initial Study/(Mitigated) Negative Declaration and Final/(Mitigated) Negative Declaration.

## STAGE 3: City Adoption and State Certification

### Task 7: Administrative Final Housing Element

ESA will prepare an Administrative Final Housing Element, including any changes to the Draft required by HCD and City Staff, for adoption by the Planning Commission and City Council. ESA will work closely with Staff to ensure that the City meets all HCD requirements.

**Deliverable:** Administrative Final Housing Element for Public Hearing.

### Task 8: Public Hearings and Adoption

ESA's project manager will attend and make presentations as requested at (2) public hearings before the Planning Commission (1), and City Council (1). Team members will be available to attend additional hearings on a time-and-materials basis.

**Meetings:** Two (2) public hearings before the Planning Commission (1), and City Council (1).

### **Task 9: Final Housing Element**

Following the final City Council hearing, ESA will prepare a final version of the Housing Element to incorporate directives of the City Council and transmit to the State in early July 2013 which will begin HCD's 90-day certification period. ESA will prepare and submit 5 full color printed hard-copies, one (1) reproducible original copy, and one (1) digital file (Adobe PDF) on CD to City Staff.

**Deliverables:** Five (5) hard copies in full-color, one (1) digital file (Adobe PDF) on CD and one (1) reproducible original of the Final Housing Element and any technical appendices for the City.

### **Task 10: State Certification**

After the City's adoption of the Housing Element, ESA will follow through with assisting the City in achieving State certification of the Housing Element. ESA will work closely with HCD and the City of Commerce to ensure that the City meets State requirements and will recommend modification to the adopted Housing Element to obtain certification. Due to the unknowns involved in this task, we have provided an estimated allowance in the budget.

Following adoption of the Final Housing Element by the City Council, we will transmit a marked-up copy of the Element to HCD indicating how the Element has been revised since it was initially submitted to HCD. This task will involve the following:

- A summary of each HCD comment;
- Development of draft analysis and narratives to address each comment;
- City Staff review of draft responses to HCD review comments; and
- Transmittal of the responses to HCD for review and comment.

The transmittal (for certification) of the adopted Housing Element to the State has been scheduled for early July 2013. We believe this schedule that can accommodate time for preparation of the Commerce Housing Element, outreach to attain useful public feedback, communication with HCD (a 60-day review period), and consultation with public agencies, including tribal consultation pursuant to SB 18 (a minimum 90-day consultation request period which can be reduced upon tribe approval). We believe that transmittal in July is an attainable timeframe.

ESA will maintain ongoing communication with HCD until the Housing Element is certified. ESA will provide HCD any requested supplemental data or explanations for proposed programs and/or policies.



**Deliverable:** Memorandum summarizing responses to HCD comments.

## Project Management, Meetings and Workshops

### Task 11: Meetings with City Staff/Project Management

ESA will meet with City Staff up to six (6) times over the course of the Housing Element update. These meetings may be conducted as a conference call.

ESA will provide monthly written and verbal progress reports to the City. Any verbal updates will also include a summary memo or email regarding the items discussed or agreed upon.

**Meetings:** Up to six (6) meetings/conference calls with City Staff.

**Deliverables:** Monthly progress reports.



### Task 12: Public Participation Program / PC & CC Study Session

ESA will prepare materials for and conduct one (1) study session with the Planning Commission and/or City Council that is also open to the public and key stakeholders. **Materials for the workshop will be provided in both English and Spanish** and invitations will be sent out to specific stakeholders that are identified in collaboration with City Staff. Stakeholders may include: affordable housing advocates, housing developers, and social service providers. This workshop is crucial to discuss housing needs, provide information on Housing Element requirements, discuss potential multi-family housing sites and proposed new housing programs, and to present the draft Housing Element. ESA will be responsible for preparing a PowerPoint presentation, comment forms, and recording all comments received. These comments will be summarized in the Housing Element to ensure compliance with State law. It is recommended that this workshop be held at the onset of the work program immediately after the draft Housing Element document is released.

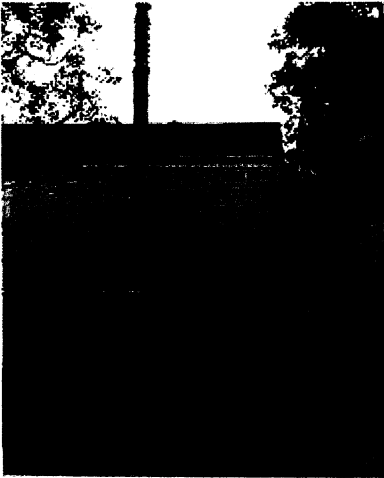
**Meetings:** One (1) study session with the Planning Commission and/or City Council.

## Optional Tasks

### Task 13: Concurrent General Plan Update– SB 244, AB 162 (OPTIONAL)

Two State laws passed in recent years require that the Land Use, Safety, and Conservation Elements be reviewed and if necessary revised for consistency when the Housing Element is updated. These laws are AB 162 and SB 244:

- AB 162 requires jurisdictions to address flood-related matters in the Land Use, Conservation, and Safety elements of their general plans. Per law, these elements must be updated to address flooding whenever a jurisdiction updates the Housing Element. If requested by the City, ESA would assess the Land Use, Conservation, and Safety Elements to identify needed updates. ESA would prepare text and graphics that reflect current data and conditions, as well as pertinent safety maps.
- SB 244 is a new (2011) law that mandates jurisdictions update their General Plans to address disadvantaged unincorporated communities. This new law requires an infrastructure analysis of any community within the sphere of influence with an annual median household income that is less than 80 percent of the statewide annual median household income (the stated definition of a “disadvantaged community”). Specifically, the analysis must locate and map the disadvantaged unincorporated communities, and include the present and probable need for public facilities and services related to water, wastewater, stormwater drainage, and structural fire protection needs or deficiencies, and if appropriate, sidewalks and street lighting. If requested by the City, ESA would complete an analysis to identify any disadvantaged communities within the City’s sphere, as well as needed infrastructure improvements, as part of this optional work scope task.



#### **Task 14: Developing and Implementing the 2008-2014 Housing Element (RECOMMENDED)**

The 2008-2014 Housing Element relied on rezoning to accommodate the City’s lower income RHNA allocation. Specifically, Programs 3.1 and 3.2 in the Housing Plan commits the City to establish development regulations for two new zones: Housing Opportunity Overlay and the Atlantic Boulevard Mixed-Use. **ESA can assist the City in implementing Programs 3.1 and 3.2 of the 2008-2014 Housing Plan, including:**

- Mixed Use Regulations for Atlantic Boulevard (including lot consolidation incentives);
- Regulations for Housing Opportunity Overlay Zone;
- Revisions to CUP and PUD Provisions;
- Revised Regulations for Emergency Housing, Transitional Housing, and Supportive Housing;
- Revisions to Standards for R-1, R-2, and R-3 Zones;
- Reasonable Accommodation Provisions;
- Revisions to Density Bonus Regulations; and
- Completing required CEQA documentation.

To fully implement the 2008-2014 Housing Element and Land Use Elements of the 2020 General Plan, new zoning development standards and design guidelines must be prepared for the new Housing Opportunity Overlay and the Atlantic Boulevard Mixed-Use zones. We understand that the City must create innovative zoning and other land use regulations that will implement the vision and framework for the Housing Element and in turn the General Plan 2020 and yet remain flexible enough to accommodate shifts in market trends and land use demand. The zoning provisions must illustrate what the City looks to achieve in transitioning a developed yet underutilized area to allow for new residential and mix uses to emerge. Consequently, the emphasis of this update will be not just on land uses and development and design standards: the zoning provisions must facilitate place making. Given the limited availability of vacant and even underutilized land appropriate for residential development, ESA strongly recommends that the City move forward with this task to implement the 2008-2014 Housing Element. Completing this task would allow for a streamlined update for the 2014-2021 planning period and give the City increased flexibility for new development by amending the Zoning Code to introduce the two new zones.



As part of this process, the City may want to work with residents and commercial property owners to confirm that the new regulations will appropriately implement the vision. Optional outreach to developers, decision makers and with Staff could be important as well to make sure the new mixed use zoning provisions will result in achievable projects in near-term market conditions and into the future.

In addition to conducting community outreach, ESA can also assist with the required CEQA documentation and has the capability to complete most technical studies in house. The Zoning Code and Map amendments will require environmental review prior to implementation which the ESA team is experienced and skilled at preparing.

This task can be further refined and tailored to meet the needs of the City if it is determined that the City wants to complete the Zoning Code amendments and/or if the rezoning is required to achieve certification of the 2014-2021 Housing Element.



**TABLE 4-1: PRICING PROPOSAL**  
**ESA Labor Detail and Expense Summary**  
 City of Commerce Housing Element

Task Number / Description	L. Zola Strategic Advisor	A. Washburn Project Director	S. Walker Project Manager	L. Lowe Environmental Planner	J. Nielsen GIS Specialist	D. Martinez Project Planner	Subtotal		Hours	Labor Price
							Adm/ Grph/Art	Clerical		
<b>Hourly Billing Rate</b>	\$200	\$185	\$110	\$110	\$85	\$85	\$80	\$65		
1. Initial Meeting with Staff	2	2	2						6	\$ 990
2. Document Review and Progress Report on 2008-2014 Housing Element		6	6		2	2			10	\$ 960
3. Background Technical Report		20	20		6	30	2	4	64	\$ 6,050
4. Screenshot Draft Housing Element	2	4	12			14			32	\$ 3,650
5. Draft Housing Element		2	8		2				12	\$ 1,420
6. CEQA Compliance	1	2		36			2	2	43	\$ 4,820
7. Administrative Final Housing Element		2	6		2	4			14	\$ 1,540
8. Public Hearings and Adoption		6							6	\$ 1,110
9. Final Housing Element		2	4					1	7	\$ 875
10. State Certification	1	4	4						9	\$ 1,380
11. Meetings with City Staff/Project Management	2	10	2						14	\$ 2,470
12. Community Workshop / Study Session		6	8			2	6		22	\$ 2,640
<b>Total Hours</b>	<b>8</b>	<b>42</b>	<b>72</b>	<b>36</b>	<b>10</b>	<b>52</b>	<b>10</b>	<b>9</b>	<b>239</b>	
<b>Subtotals - Labor Hours</b>	<b>\$ 1,600</b>	<b>\$ 7,770</b>	<b>\$ 7,920</b>	<b>\$ 3,960</b>	<b>\$ 850</b>	<b>\$ 4,420</b>	<b>\$ 800</b>	<b>\$ 585</b>		<b>\$ 1,385</b>
Percent of Effort - Labor Hours Only	3.3%	17.6%	30.1%	15.1%	4.2%	21.8%	4.2%	3.8%	100.0%	
Percent of Effort - Total Project Cost	5.4%	26.4%	26.9%	13.4%	2.9%	15.0%	2.7%	2.0%		94.7%

**ESA Labor Costs** **\$ 27,905**

**ESA Non-Labor Expenses**

Reimbursable Expenses (see Attachment A for detail) \$ 1,553

ESA Equipment usage (see Attachment A for detail) \$ -

**Subtotal ESA Non-Labor Expenses** **\$ 1,553**

**TOTAL PROJECT PRICE** **\$ 29,458**

**Optional Tasks**

13. Update General Plan - SB 244, AB 162 (OPTIONAL)	4	10	20	8					8	\$ 5,730	50	\$ 6,370
14. 2008-2014 Housing Element Implementation/Zoning Code Update (OPTIONAL)	8	20	40	16	4	20			8	\$ 13,500	116	\$ 14,140

**TOTAL PROJECT PRICE with OPTIONAL TASKS** **\$ 49,968**

# Attachment A Pricing Proposal Template

City of Glendora Housing Element

## Reimbursable Costs

Project Supplies	\$	-
Printing/Reproduction	\$	300
Document and Map Reproductions	\$	-
Postage and Deliveries	\$	50
Mileage	\$	500
Vehicle Rental	\$	-
Lodging	\$	-
Airfare	\$	500
Other Travel Related	\$	-
<hr/>		
Subtotal Reimbursable Costs	\$	1,350
15% Fee on Reimbursable Expenses	\$	203
<b>Total Reimbursable Costs</b>	<b>\$</b>	<b>1,553</b>



**Attachment B  
Cost Proposal Template  
Subconsultant Detail**

Task Number / Description		Subconsultant 1 (name)	Subconsultant 2 (name)	Subconsultant 3 (name)	Subconsultant 4 (name)	Subconsultant 5 (name)	Subtotal Subconsultant Cost	Fee @ 15%	Total Subconsultant Project Cost
<b>Budget By Task</b>									
1.							\$ -	\$ -	\$ -
2.							\$ -	\$ -	\$ -
3.							\$ -	\$ -	\$ -
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13.							\$ -	\$ -	\$ -
<b>Subconsultant Total</b>							\$ -	\$ -	\$ -

## EXHIBIT B

### REQUIRED INSURANCE

On or before beginning any of the services called for by any term of this Agreement, Consultant, at its own cost and expense, shall carry, maintain for the duration of this Agreement, and provide proof thereof that is acceptable to City of its procurement of the insurance specified below from insurers and under forms of insurance satisfactory in all respects to City. Such insurance shall not be in derogation of Consultant's obligations to provide indemnity under Section 18 of this Agreement.

1. Comprehensive General Liability And Automobile Liability Insurance Coverage

Consultant shall carry and maintain Comprehensive General Liability and Automobile Liability Insurance which provides the following:

Minimum coverage: Bodily injury limits of \$2,000,000 for each person and \$2,000,000 for each occurrence; property damage limits of \$2,000,000 for each occurrence, \$2,000,000 aggregate.

If a Commercial General Liability Insurance form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit. Such coverage shall include but shall not be limited to, protection against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from activities contemplated under this Agreement, including the use of owned and non-owned real property and automobiles. Insurance coverage shall not be subject to any type of pollution exclusion or owned property exclusions.

2. Errors And Omissions Insurance Coverage

Consultant shall carry and maintain Errors and Omissions Coverage Insurance which provides a minimum coverage of at least \$2,000,000 for each occurrence, \$2,000,000 aggregate, triggered by manifestation of injury.

3. Worker's Compensation

Before execution of the Agreement, Consultant shall file with the City the following signed certification:

"I am aware of the provisions of Section 3700 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 I will comply with such provisions before commencing the performance of the work of this Service Agreement".

CONSULTANT shall carry and maintain worker's compensation as required by the California Labor Code for all persons employed directly or indirectly in connection with this Agreement by CONSULTANT or any subConsultant.

4. Additional Insureds

The City of Commerce, their officers, agents and employees must be named as additional insureds or as additional loss payees in all insurance policies required by this Agreement. An endorsement to this effect shall be delivered to City prior to the commencement of any work. Satisfaction of any deductible requirement shall be the responsibility of Consultant. Such insurance shall be primary, and noncontributory with any other insurance by the City of Commerce.

5. Cancellation Clause

Each of the policies of insurance shall contain a clause substantially as follows:

It is hereby understood and agreed that this policy may not be canceled nor the amount of the coverage thereof be reduced until 30 days after receipt by the City Administrator of the City of Commerce of the written notice of such cancellation or reduction of coverage, as evidenced by receipt of a certified letter.

6. Severability Clause

Each of the policies of insurance shall contain a clause substantially as follows:

The insurance afforded by this policy applies separately to each insured against whom a claim or suit is made or suit is brought, except with respect to the limit of the insurer's liability.

7. Qualifications of Insurer

All policies of insurance shall be issued by an insurance company acceptable to City and authorized to issue said policy in the State of California.

8. Approval of Insurer

The insurance carrier providing the insurance shall be chosen by Consultant subject to approval by City, provided that such approval shall not be unreasonably withheld.

9. Payment of Premiums

All premiums on insurance policies shall be paid by Consultant making payment, when due, directly to the insurance carrier, or in a manner agreed to by City.

10. Evidence of Insurance and Claims

City shall have the right to hold the policies and policy renewals, and Consultant shall promptly furnish to City all renewal notices and all receipts of paid premiums. In the event of loss, Consultant shall give prompt notice to the insurance carrier and City. City may make proof of loss if not made promptly by Consultant.







# AGENDA REPORT

MEETING DATE: January 22, 2013

**TO:** Honorable City Council

**FROM:** City Administrator

**SUBJECT:** STATUS REPORT – CONSIDERATION OF SUPPORT FOR “COMMUNITY ALTERNATIVE 7” DEVELOPED BY THE COALITION FOR ENVIRONMENTAL HEALTH AND JUSTICE IN CONJUNCTION WITH COMMUNITY STAKEHOLDERS FOR THE I-710 CORRIDOR PROJECT

**RECOMMENDATION:**

Direct that this item be put on the February 5, 2013 agenda for consideration by the City Council.

**MOTION:**

Move to approve the recommendation.

**DISCUSSION:**

At its meeting of January 15, 2013, the City Council received a presentation on the “Community Alternative 7” developed by the Coalition for Environmental Health and Justice (“CEHAJ”) in conjunction with community stakeholders for the I-710 Corridor Project. The agenda item was identified as a presentation item, only. After hearing the presentation, the City Council expressed strong enthusiasm in support of the presentation and requested that staff bring the item back on January 22, 2013, in order for the City Council to consider taking action to express its support for Alternative 7.

City staff did not receive a copy of Alternative 7 until the time of the presentation. Thus, staff did not have any opportunity to review and analyze the details of Alternative 7 before the City Council’s action. The I-710 Corridor Project is an extremely complicated project that, as the City Council recognizes, will have serious impacts on the City, its residents and business community. Among other things, staff needs to analyze the details of Alternative 7 and be prepared to explain to the City Council how its support for Alternative 7 at this time impacts the Local Advisory Council process that was established by the Council to review and consider the details of the I-710 design issues. The Local Advisory Council’s scope of work and future purpose may be significantly impacted.

Staff has only had a few days after the January 15<sup>th</sup> meeting to prepare the agenda for the January 22<sup>nd</sup> meeting. This was not enough time for staff to conduct a proper review and analysis of Alternative 7 and to be prepared to address the issues that need to be discussed with the Council on this matter. Staff will be ready to address this item at the next regular City Council meeting on February 5, 2013.

Respectfully submitted,

  
Jorge J. Rifá  
City Administrator

Reviewed by,

  
Alex Hamilton  
Assistant Director of  
Community Development

Approved as to form,

  
Eduardo Olivo  
City Attorney

SUM (COMMUNITY ALTERNATIVE 7) – 01-22-2013.DOC





# AGENDA REPORT

Meeting Date: January 22, 2013

**TO:** HONORABLE CITY COUNCIL

**FROM:** CITY ADMINISTRATOR

**SUBJECT:** AMERICAN CANCER SOCIETY RELAY FOR LIFE - REQUEST FOR THE USE OF VETERANS MEMORIAL PARK STADIUM

**RECOMMENDATION:**

The City Council will consider for approval allowing the American Cancer Society ("ACS") the use of the Veterans Memorial Park Stadium for the Relay for Life Commerce and waiving all fees associated with this event. ACS will be required to provide all applicable evidence of insurance, along with an Additional Insured Endorsement naming the City of Commerce as additional insured and indicating that coverage is primary and non-contributory.

**MOTION:**

Move to approve the recommendation.

**BACKGROUND:**

At its meeting of September 4, 2012, the City Council unanimously directed staff to submit a Staff Report in the near future to allow the American Cancer Society to use the Veterans Park Stadium, April 6-7, 2013 for its 2<sup>nd</sup> Annual Relay for Life Commerce event and have all fees associated with the rental waived.

**ANALYSIS:**

The event "Relay for Life" is an overnight team event that raises awareness of cancer in the community and raises funds to fight cancer. At Relay for Life, teams of friends, neighbors, families and co-workers commit to keeping at least one member walking the track for a period of 24 hours. If approved, this event will take place on the Veterans Park Stadium field. Last year's event raised over \$10,000 toward Cancer research.


**FISCAL IMPACT:**

Council has the discretion to waive the \$1,140.00 facility fee for the 24 hour use of the Veterans Stadium. The City of Commerce would also absorb the cost of two-four staff beyond normal operational hours, for 10 hours, in the amount of \$400-\$600.

**RELATIONSHIP TO 2009 STRATEGIC GOALS:**

This agenda item relates to Strategic Goal #2: protecting and enhancing the quality of life for city residents.

Recommended by:

  
Scott Wasserman  
Director of Parks and Recreation


Respectfully submitted,

  
Jorge Rifa  
City Administrator

Reviewed by:

  
Vilko Domic  
Director of Finance

Approved as to Form:

  
Eduardo Olivo  
City Attorney





# AGENDA REPORT

MEETING DATE: JANUARY 17, 2013

**TO: HONORABLE CITY COUNCIL**  
**FROM: CITY ADMINISTRATOR**  
**SUBJECT: Request to Telecast City Council Candidates Forum**

**RECOMMENDATION:**

The City Council will receive and consider appropriate action with request to the Industrial Council's request to have the City record and televise a candidates' forum in the City Council Chambers on Wednesday, February 13, 2013, from 6:00pm to 8:00pm, regarding the March 2013 General Municipal Election.

**MOTION:**

City Council discretion.

**ANALYSIS:**

For Council reference, we have attached the Industrial Council's letter requesting the taping and broadcast of the Candidate's Forum. The forum is sponsored by the Industrial Council in conjunction with the League of Women Voters, a non-partisan organization.

The telecast will be recorded by the Cable TV Division staff and volunteers for rebroadcast on cable channel 3, the City's municipal access channel. It will not be televised live in an effort to encourage the public to attend and participate in the event. The Industrial Council is requesting that the forum be held in the Council Chambers if available since it is a suitable venue for the conduct of this event.

The City Attorney has concluded that the airing of the candidates' forum is consistent with the public education content requirement regarding access channel programming. He has also determined that the City's participation in the forum does not violate the City's policy as to political activity and that the cost to produce the program is not considered "contributions" under the Political Reform Act as long as at least two candidates running for the office are invited to participate in the forum.

**FISCAL IMPACT:**

The proposed activity can be programmed for approximately \$750.

Funds for the proposed activity can be paid out of the approved budget for the cable operating budget. Combined with all other reasonable known, planned and approved expenditures for this line item and cost center, the unencumbered balance of funds for the fiscal year is sufficient. In the event a further allocation of funds is required, staff will recommend alternatives to the City Council.

**Respectfully submitted,**



**Jorge J. Rifa**  
City Administrator

**Fiscal Impact Reviewed by:**



**Vilko Domic**  
Director of Finance/City Treasurer

**Approved As To Form:**



**Eduardo Olivo**  
City Attorney



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Chamber of Commerce

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*Immediate Medical Center*

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*Commerce Industrial Council*

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January 16, 2013

Hon. Lilia R. Leon  
Mayor  
City of Commerce  
2535 Commerce Way  
Commerce, CA 90040

**RE: Televising of Candidates' Forum for March 2013 Municipal Election**

Dear Mayor Leon:

On behalf of our Board of Directors, I am writing to submit a request to have the City of Commerce consider televising a Candidates' Forum that the Chamber's Government Affairs Committee is organizing with the assistance of the League of Women Voters (LWV) in anticipation of the March 5, 2013, general municipal election.

We're aiming to host the Candidates' Forum on **Wednesday, February 13, 2013**, from **6:00 to 8:00 PM**, with a meet and greet reception commencing at 5:00 PM. We're hoping the City Council Chambers are available since it is most suitable and set up to broadcast from there. Research has found that voters do watch these types of televised forums via local access cable several times before elections.

The Chamber will once again collaborate with LWV as in previous election cycles. As you know, the LWV, a non-partisan political organization, encourages the informed and active participation of citizens in government and influences public policy through education and advocacy.

We will extend an invitation to participate to every candidate who has filed and qualified to run for office. The LWV sends identical letters to each candidate setting out the forum information and rules that will be used during the forum. There are many local chapters throughout California that conduct many voters' service activities, including candidate forums; however, each local chapter conducts forums using their own format based on state and national guidelines. Rules for the forum require that each candidate be treated equally even if they are gadflies or not considered to be serious. A moderator is responsible to cut off speakers if they stray from the topic, run over the time allotted, or attack another candidate. In short, the forum will be run with respect and class.

I thank you in advance for your full and fair consideration of our request, and look forward to a favorable outcome of our request. Should you have any questions, please do not hesitate to contact me at (323) 728-7222.

Sincerely,

  
EDDIE D. TAFOYA  
Executive Director

CC: Commerce City Council  
Jorge Rifa, City Administrator, City of Commerce